

# DEALMAKERS

BILZIN SUMBERG BAENA  
PRICE & AXELROD LLP

ATTORNEYS AT LAW

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Bilzin Sumberg Baena Price & Axelrod LLP*

## ATTORNEYS SETTLE CASE TO MAKE WAY FOR SOUTHCOM'S PERMANENCY IN MIAMI

### DEALMAKERS:

Bilzin Sumberg partners Albert E. Dotson, Jr. of the Land Use Group and Alvin D. Lodish of the Litigation Group.

### TRANSACTION:

Settlement negotiation in the amount of \$12.7 million regarding a leasehold condemnation.

### OWNERS:

GPA Buffer, L.P. of Memphis, TN

### CLOSING DATE:

October 14, 2005

### DETAILS:

Albert E. Dotson, Jr. and Alvin D. Lodish, partners at the law firm of Bilzin Sumberg, represented GPA-Buffer, L.P., owners and developers of the property on which the United States Southern Command (SouthCom) is located, in a unique federal leasehold condemnation case involving several rare Constitutional issues in the case for \$12.7 million which paves the way for SouthCom's permanence in Miami.

The case of U.S. Government vs. GPA-Buffer, L.P. was a novel law suit in which one branch of the federal government, the Army, was seeking to condemn a leasehold interest in property in which another agency of the federal government, the DEA, already held a leasehold interest. This "USA vs. USA" case was precedent setting in three aspects. First, Bilzin Sumberg addressed whether a federal judge could hear this case since according to Article 3 a federal judge cannot decide a dispute between two executive branch agencies.

Second, the case established in the Southern District of Florida that a motion to dismiss a condemnation case can be heard under Rule 71A. Finally, the court's decision that a leasehold interest exists when the contract is signed between the landlord and tenant compared to the interest being perfected by the transfer of a deed in a sale, could impact mortgage lending on future leasehold agreements.

### HISTORY OF THE CASE:

Bilzin Sumberg represented GPA Buffer, L.P. in 1998 when they first won the highly-competitive bid to develop and lease their property to the government for the relocation of



Albert Dotson is a Partner in the Land Use Group. Alvin Lodish is a Partner in the Litigation Group.

the Southern Command, which was the first private-public facility for a 4-star Command Center, and it serves as one of five unified command centers in the world. The Command is responsible for all of Central and South America, as well as the Caribbean, and generates an excess of \$100 million in economic benefit annually. The Army wanted the land surrounding SouthCom as a security buffer zone. However, the DEA was awarded the right to build a laboratory on the surrounding land with a 20-year lease. Although the government already controlled the property, the Army sued to condemn the DEA's leasehold interest. Several members of Congress were troubled by the case and the dispute involving two federal agencies. The suit was filed by the government on June 9, 2000 and was finally settled for \$12.7 million in August, 2005.

### About Bilzin Sumberg

Bilzin Sumberg Baena Price & Axelrod LLP is a full-service commercial law firm with more than 100 attorneys and offices in Miami and Tallahassee. The firm has extensive experience in the areas of commercial real estate; litigation; restructuring and bankruptcy; land use and government relations; environmental law; corporate and securities law; commercial finance; technology & telecommunications; tax; and trusts and estates. For more information, visit the firm's website at [www.bilzin.com](http://www.bilzin.com).