

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2021-196

A RESOLUTION OF THE CITY COMMISSION FLORIDA, DIRECTING THE CITY MANAGER TO FOLLOW SECTION 2-1091 OF THE PROCUREMENT CODE, WITH ADDITIONAL REQUIREMENTS, FOR THE SALE OF THE CITY-OWNED SURFACE PARKING LOT (#31) LOCATED AT 350 GRECO AVENUE (FOLIO NO. 03-4120-017-2240).

WHEREAS, the City owns a surface parking lot at 350 Greco Avenue, Coral Gables, FL 33134 (Folio No. 03-4120-017-2240) (the “Lot 31”); and

WHEREAS, in December of 2018, the City received a letter from BF Group, LLC, who was purchasing the two adjacent lots located South of Lot 31 and was interested in acquiring the lot as an aggregate site for a development project; and

WHEREAS, in May of 2019, the City was approached by ZOM Living who controlled several parcels to the East of Lot 31, was designing an Assisted Living Facility, and was also interested in acquiring Lot 31 as an aggregate site for their project; and

WHEREAS, on May 14, 2019, the City Commission, pursuant to Resolution No. 2019-103, directed the City Manager to evaluate options for the sale and/or development of Lot 31 and provide recommendations to the City Commission on how to achieve those options; and

WHEREAS, after holding a meeting with the City on May 22, 2019, ZOM decided to proceed with their project as designed using only the lots to the East of Lot 31; and

WHEREAS, in December of 2019, the City was again approached by BF Group LLC representatives, who expressed their continued an interest in purchasing the Property from the City; and

WHEREAS, in February of 2020, pursuant to Sec. 2-1092 of the Division 12- Purchase, Sale, and Lease of Public Property of the City Code, the City contracted Waronken & Rosen, Inc. for an appraisal of Lot 31; and

WHEREAS, the City’s Planning and Zoning Department had provided the owners of the two (2) adjacent lots with a zoning verification letter for the lots; and

WHEREAS, the City’s Planning and Zoning Department also issued a zoning verification letter for the Lot 31 and both zoning verification letters were provided to the appraiser; and

WHEREAS, on October 16, 2020, BF Group, LLC forwarded to the City a Purchase and Sale Agreement (the “PSA”) for Lot 31 from JRFQ Holdings, LLC (the “Potential Purchaser”) for \$3,500,000. BF Group, LLC had sold their interest in the two adjacent lots to another entity who also had members in common with the Potential Purchaser; and

WHEREAS, the PSA became effective on February 8, 2021, at which time, the City, pursuant to Sec. 2-1092 of the City Code, contracted Quinlivan Appraisal PA, for a second appraisal of Lot 31; and

WHEREAS, the Potential Purchaser is a private entity which is looking to further improve Lot 31 with the building of an overall project (the “Purchaser’s Improvements”) using Lot 31 and the two (2) adjacent lots to the south of Lot 31; and

WHEREAS, as additional consideration, the Potential Purchaser’s Improvements’ project, which will be subject to the City’s project approval process, will include a parking garage where thirty-four (34) parking spaces (the “Public Parking Spaces”) will be located outside of any restricted parking areas within the garage and be positioned to always be accessible to the public; and

WHEREAS, the required parking spaces needed to meet the City of Coral Gables’ project approval for the Potential Purchaser’s Improvements shall include the Public Parking Spaces; and

WHEREAS, the Potential Purchaser’s Improvements project’s parking garage will be controlled solely by the Potential Purchaser, who will charge parking fees, with parking revenues being the sole property of the Potential Purchaser; and

WHEREAS, the City will not be required to pay any fees for the use and enjoyment of the Public Parking Spaces; and

WHEREAS, the Potential Purchaser and Seller will enter into a Parking Management Agreement for the surface parking lot Property on or after the closing date through the date on which construction begins on the Potential Purchaser’s Improvements with the parking fees/revenues derived during that period being equally divided between the Purchaser and the Seller; and

WHEREAS, at the May 11, 2021 City Commission meeting, the City Commission adopted the ordinance on first reading approving the PSA, with a vote of 5-0 and provided direction for certain additional conditions; and

WHEREAS, on May 14, 2021, the First Amendment to the PSA was issued by the City pursuant to the direction provided by the City Commission on May 11th; and

WHEREAS, the purpose of the First Amendment was to include a restrictive covenant, with specific conditions, that shall run with the land to bind the Purchaser and any successor-in-interest; and

WHEREAS, the restrictive covenant provided that the Public Parking Spaces shall (i) be available to the public at all times, (ii) be maintained by Purchaser at a standard equivalent to other municipal parking garages in the City of Coral Gables at Developer's sole cost and expense, (iii) include signage indicating the location of the Public Parking Spaces within the Property, (iv) include a certain number of handicapped parking spaces, as required by applicable law, and (v) include eight (8) individual electric vehicle charging stations within the Public Parking Spaces; and

WHEREAS, the restrictive covenant also provided that the charging stations shall be fully accessible to the public at all times and shall be in addition to the City of Coral Gables Code of Ordinances' electric vehicle charging requirement which mandates that new construction include a minimum of two percent (2%) of the required off-street parking spaces be reserved for electric vehicle parking; and

WHEREAS, all electric vehicle charging stations installed at the Property shall have a minimum charging level of AC Level 2; and

WHEREAS, the restrictive covenant also provided that the parking fees charged for the public's use of the Public Parking Spaces shall not exceed the lesser of (i) twenty-five percent (25%) over the maximum parking fee rates charged by the City of Coral Gables; and (ii) the maximum parking rate charged at City of Coral Gables privately-operated lots; and

WHEREAS, at the May 25, 2021 City Commission meeting, the City Commission moved to reconsider the motion to adopt the ordinance on first reading, the motion passed, and after further staff presentation, public comment, and discussion, the City voted 4-0 to re-adopt the ordinance approving the PSA, as amended, on first reading and provided direction for certain additional conditions; and

WHEREAS, on May 28, 2021, the Second Amendment to the PSA was issued by the City pursuant to the direction provided by the City Commission on May 25; and

WHEREAS, the purpose of the Second Amendment was to modify terms of the PSA to state that (i) the purchase price for Lot 31 shall be \$3,525,000, (ii) if the Commission Approval is not obtained by June 30, 2021 (the "Commission Approval Period"), this PSA shall be deemed to be terminated and the Deposit shall be returned to Potential Purchaser, unless the parties agree to extend the Commission Approval Period; and

WHEREAS, the purpose of the Second Amendment was to modify terms of the restrictive covenant to state that (i) the Public Parking Spaces shall be located on the first level of the lowest elevated parking deck within the Purchaser's Improvements, (ii) the parking fees charged for the public's use of the Public Parking Spaces shall not exceed the maximum parking

rate charged by the City of Coral Gables at public parking lots, (iii) the Seller shall not be required to pay any fees for the use and enjoyment of the Public Parking Spaces; and

WHEREAS, the Potential Purchaser agreed to extend the expiration of the offer from June 30, 2021 to September 30, 2021; and

WHEREAS, the City Commission wishes to engage in a competitive and open process for the sale of the Property; and

WHEREAS, the City Commission considered various options to accomplish this goal and ultimately decided to direct the City Manager to follow Section 2-1091 of the City's Procurement Code, with additional requirements;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon adoption hereof.

SECTION 2. That the City Commission directs the City Manager to follow Section 2-1091 of the City's Procurement Code for the sale of the Property with the following specific requirements:

- That a "For Sale" sign be placed on the property;
- That the property be advertised for sixty (60) days on several real estate marking sites;
- That a log be kept of all inquiries regarding the property and of all letters of interest or offers received by the City;
- That at the conclusion of the 60-day advertising period, the Proposed Purchaser be provided five (5) days to submit a "best and final offer;"
- That at the conclusion of the five (5) days, staff provide the City Manager with the highest offer that complies with all requirements for the sale; and
- That at the City Manager's discretion, a PSA be prepared for the City Commission's consideration.

SECTION 3. That this Resolution shall become effective upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS THIRTEENTH DAY OF JULY, A.D., 2021.

(Moved: Menendez / Seconded: Anderson)

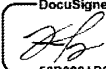
(Yeas: Anderson, Fors, Jr., Menendez, Lago)

(Unanimous: (4-0) Vote)

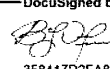
(Abstentions: Mena)

(Agenda Item: I-9)

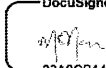
APPROVED:

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VINCE LAGO
MAYOR

ATTEST:

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BILLY Y. URQUIA
CITY CLERK

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY.

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MIRIAM SOLER RAMOS
CITY ATTORNEY