

CITY OF CORAL GABLES
Property Advisory Board Meeting Minutes
Wednesday, October 21, 2015, 8:30 a.m.
1 Alhambra Plaza, Suite 617, Coral Gables, Florida 33134

EXCERPTS

MEMBERS	A	J	J	A	S	O	N	D	J	F	M	APPOINTING ENTITY
	'15	'15	'15	'15	'15	'15	'14	'14	'15	'15	'15	
Luis Espino Chair	A	P	P	P	P	P	P	X	P	X	P	Mayor Jim Cason
Ariel Fernandez			P	P	P	P						Commissioner Jeannett Slesnick
Luba DeWitt			P	P	P	E						Commissioner Patricia Keon
Valerie Quemada Vice Chair	E	P	P	P	P	P	P	X	P	X	P	Commissioner Vince Lago
Tony Gonzalez	P	P	P	P	P	P	P	X	P	X	A	Commissioner Frank Quesada
Andrew Nadal			E	P	P	P						City Manager
Vacancy												City Commission

A = Absent
E = Excused Absence
P = Present
X = No Meeting

STAFF AND GUESTS:

Javier Betancourt, Director, Economic Development Department
Leonard Roberts, Assistant Director, Economic Development Department (via telephone)
Jorge Casuso, Business Development Analyst, Economic Development Department

Meeting Motion Summary:

A motion to approve the minutes of the September 16, 2015 meeting passed unanimously.

A motion to recommend entering into a lease with Gables Projects, LLC, as a tenant, with regard to the private parking lot on the 300 block of Aragon Avenue for a period of three (3) years passed unanimously.

A motion to recommend entering into a Second Amendment to the Lease with Coral Gables Cinemateque, Inc. to replace the non-functioning HVAC air conditioning unit, at cost to the City of up to \$50,000 passed unanimously, with the condition that there be a quantifiable list of services and benefits provided for an amount equal to or greater than the City's investment.

A motion to select Ms. Quemada as the Board's representative on the Garage 1 and 4 RFP Evaluation Committee passed unanimously.

A motion to recommend that Mr. Anthony Blanco be appointed by the City Commission at large to fill a vacancy on the Property Advisory Board passed unanimously.

Mr. Espino brought the meeting to order at 8:33 a.m.

1. Introduction of Economic Development Director Javier Betancourt

Mr. Betancourt introduced himself to the Board and said that he had served most recently as Deputy Director of the Miami Downtown Development Authority for the past seven years. He previously worked as a principal planner for the City of Coral Gables. Although he lives near Schenley Park, Mr. Betancourt said he spends much of his leisure time in Coral Gables. He said the City has much to offer and should explore ways to capitalize on the flight of businesses and residents from the Downtown Miami area.

2. Approval of the September 16, 2015 Meeting Minutes (Action)

Mr. Fernandez made a motion to approve the minutes of the September 16, 2015 meeting. Ms. Quemada seconded the motion, which passed unanimously.

3. Review of Amendment to Coral Gables Cinemateque Lease Agreement to include replacement of HVAC (motion)

Mr. Roberts informed the Board that Coral Gables Cinemateque, which rents the City owned space at 260 Aragon Avenue, has requested that the City replace the non-functioning HVAC air conditioning unit. He said the Cinema was a non-profit institution that neither made nor lost money and had no designated reserves to replace the system. One of the Cinema's Board members had helped to pay for the rental of an HVAC system that was costing \$6,500 per month, Mr. Roberts said. He presented the Board with a proposed Second Amendment to the Lease that includes the following terms:

Second Amendment to Lease
PROPOSED DEAL TERMS

Background: The Tenant, Coral Gables Cinemateque, Inc., has been leasing the City owned property at 260 Aragon Avenue pursuant to a lease agreement dated November 10, 2008 and amended September 28, 2010. The Tenant has requested that the City replace the non-functioning HVAC air conditioning unit. The original buildout was done and paid by the City. According to the Tenant, throughout the years, they have had issues with the HVAC system. They currently have an HVAC maintenance agreement with a vendor (A-Team Energy Services, Inc.). The company has reviewed the system and has determined that it needs to be replaced. The City sent its contractor, Weatherrol, to get a second opinion and provide a quote for replacement. The quote by the existing service provider was \$55,000, less than the City's vendor.

Tenant: Coral Gables Cinemateque, Inc.

Premises: 260 Aragon Avenue

Use: Cinema

Term: The Tenant's lease expires on September 30, 2020, leaving approximately five (5) years remaining on the lease. The Tenant has agreed to apply \$10,000 in credit per year to be applied towards City functions at the Coral Gables Cinema with minimal impact on its day-to-day operations; assist the City in film-related services, such as digitizing its film archives, and provide cinema-related activities such as outdoor screenings over the remaining term of the lease.

Several Board members questioned whether the City should pay for the system and asked if other options had been explored. Mr. Fernandez suggested that the Cinema hold fundraising events and adjust their future budgets to pay for the system. Mr. Espino suggested that the City contribute half the cost. Several Board members expressed concerns that the benefits contained in the terms were difficult to quantify and questioned whether they amounted to the \$50,000 the City would pay. Mr. Roberts and Mr. Betancourt said the City's goal is to take full advantage of the services listed in the terms and that they were confident those would amount to \$10,000 a year.

Mr. Fernandez made a motion to recommend entering into a Second Amendment to the Lease with Coral Gables Cinemateque, Inc. to replace the non-functioning HVAC air conditioning unit, at a cost to the City of up to \$50,000, with the condition that there be a quantifiable list of services and benefits provided for an amount equal to or greater than the City's investment. Mr. Gonzalez seconded the motion, which passed unanimously.

4. Review of Lease for Private Parking Lot on the 300 Block of Aragon Avenue (Action)

Mr. Roberts informed the Board that the City would like to rent the private parking lot on the 300 block of Aragon Avenue, which is located one block north of Miracle Mile and one block south of Giralda Avenue, in order to consolidate it with City owned lots 3 and 18 on either side to produce approximately 15 additional parking spaces. This would address some of the parking concerns during construction of the Miracle Mile and Giralda Avenue Streetscape Project and enhance the parking experience for the public, he said.

NEW LEASE PROPOSED DEAL TERMS

Gables Projects, LLC, a Florida Corporation (the "Landlord"), owns a parking lot located on the 300 block of Aragon Avenue, Coral Gables (the "Lot"). The City (the "Tenant") would like to lease the lot for three (3) years at a base rent of \$17,500 per month. The lot, which is located one block north of Miracle Mile and one block south of Giralda Avenue, would be consolidated with City owned lots 3 and 18 on either side to produce approximately 15 additional parking spaces.

The City would spend approximately \$120,000 to consolidate and renovate the three lots, resulting in \$40,000 of improvements to the Landlord's lot. These improvements will address some of the parking concerns during construction of the Miracle Mile and Giralda Avenue Streetscape Project and enhance the parking experience for the public.

The proposed terms are as follows:

Premises: 12,500 SF lot located between City owned lots 3 and 18

Term: Three (3) years commencing earlier of 90 days from effective date or February 1, 2016. The City will have two (2) weeks free rent to renovate.

Early Termination Conditions: Either party may terminate the Agreement at any time upon at least ninety (90) days' prior written notice after nine (9) months. In the event that the Landlord elects to terminate the Agreement prior to the end of the term, the City shall be entitled to recovery of its unamortized portion of the \$40,000 of tenant improvements.

Renewal Term: Tenant shall have the option, exercisable at least six (6) months prior to the expiration of the initial Lease Term, to renew this Lease for a period of one additional year at 105% of the expiring lease rent.

Improvements: Tenant shall install pay-stations on the Lot, resurface the Lot with appropriate stripping, post appropriate informational signage, install lighting and landscaping as desired by the Tenant. Tenant shall also obtain an electrical meter for the Lot. All improvements made will remain at the end of the term.

Utilities and Maintenance: The Tenant shall be responsible for all electricity costs for the operation of the Lot during the term. The City shall maintain the Lot and all equipment thereon during the term.

Taxes: The Landlord shall be responsible for all real estate taxes, and sales taxes will be paid prior to remittance of revenue.

City will pay the unamortized portion of the current tenant's improvements for an amount less than \$20,000.

The Parking System Fund has sufficient capital improvement appropriation to cover the cost of the aforementioned improvements.

Mr. Roberts informed the Board that the City had tried to purchase the lot but that the owner's asking price was too high. He said that the current operator was charging higher parking rates than the City. Mr. Betancourt noted that was a problem because the public often confused the lot for a City lot.

Mr. Gonzalez made a motion to recommend entering into a lease with Gables Projects, LLC, as a tenant, with regard to the private parking lot on the 300 block of Aragon Avenue for a period of three (3) years. Mr. Fernandez seconded the motion, which passed unanimously.

5. Outstanding Rent Report (Discussion)

No past due rents were reported.

6. Selection of Board Member for Garage 1 and 4 Parking Committee

Mr. Betancourt informed the Board that a Committee had been formed to review proposals for the replacement of Garages 1 and 6 on Andalusia Avenue and the Board would be represented by a member. He said 5 proposals had been submitted and that it would take a “substantial time commitment” on the part of the chosen Board member. Ms. Quemada and Mr. Nadal expressed interest in serving in the committee.

Mr. Gonzalez made a motion to select Ms. Quemada as the Board’s representative on the Garage 1 and 4 Parking Committee. Mr. Espino seconded the motion, which passed unanimously.

7. Selection of Future Meeting Dates (Discussion)

After a brief discussion, the Board agreed to meet every second Wednesday of the month at 8:30 a.m.

8. Recommendation for new Commission appointed PAB member (Action)

Mr. Casuso informed the Board that the City Commission planned to fill a vacancy on the PAB and that the new member would be chosen by the Commission at large. The Board reviewed the resumes submitted by four applicants to the PAB and related Boards and, after a brief discussion, chose to recommend Mr. Anthony Blanco, a commercial realtor and CPA, who was the only one of the four candidates who specifically applied for the PAB seat.

Mr. Gonzalez made a motion to recommend that Mr. Anthony Blanco be appointed by the City Commission at large to fill a vacancy on the Property Advisory Board. Ms. Quemada seconded the motion, which passed unanimously.

The meeting was adjourned at 9:46 a.m.

Respectfully submitted,

Jorge Casuso, Business Development Analyst - Economic Development Department