

City of Coral Gables City Commission Meeting
Agenda Item C-4
August 28, 2018
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Raul Valdes-Fauli
Vice Mayor Frank Quesada
Commissioner Pat Keon
Commissioner Vince Lago
Commissioner Michael Mena

City Staff

City Manager, Cathy Swanson-Rivenbark
Assistant City Manager, Peter Iglesias
City Attorney, Miriam Ramos
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Interim Economic Development Director, Leonard Roberts
Finance Director, Diana Gomez

Public Speaker(s)

Agenda Item C-4 [2:20:14 p.m.]

A discussion regarding sale of Lot 24 to Doctors Hospital, originally proposed in Resolution 2017-212.

(Sponsored by Mayor Valdes-Fauli)

Mayor Valdes-Fauli: Sale of Lot 24 to Doctors Hospital originally proposed as Resolution 2017-212. And, I would like to speak for this as the highest and best use for the lot. Doctors Hospital is using it as a parking lot. It has no other use than that. And in response to comments that we

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haven't sold anything in the past, I bring to your attention the nursery -- we used to have a big nursery, which we sold. And we got out of the nursery business, terminal Merrick Park, the bus terminal -- we chose to have a bus terminal. We sold it, and it became Gables Grand. We're now selling 7350 Coral Way, which is our shooting range. And, the highest and best use for this is by Doctors Hospital.

Commissioner Keon: I don't think we sold the property under Gables Grand. I think that (INAUDIBLE)...

Vice Mayor Quesada: Can you speak up?

Mayor Valdes-Fauli: No, but we gave...

Vice Mayor Quesada: Commissioner...

Mayor Valdes-Fauli: Citibank the right to buy it.

Commissioner Keon: Oh, I'm sorry. I thought it was a 99-year lease.

Mayor Valdes-Fauli: But, Citibank has the right to buy it whenever they want.

Commissioner Keon: Okay.

Mayor Valdes-Fauli: I'm positive.

Commissioner Keon: Okay.

Mayor Valdes-Fauli: Alright.

Vice Mayor Quesada: So, you know, I guess I -- I'm the one that's flip-flopped on this item. You know, my biggest concern on this and the -- why I went back on this early on was I understand it's currently a parking lot now. I understand that Doctors Hospital is willing to basically design it exactly the way we want, with the foliage around it to...

Mayor Valdes-Fauli: Right.

Vice Mayor Quesada: Disguise it as much as possible. You know, I don't -- when we were getting close to that second vote -- or I forget exactly the timing of it, I got a lot of calls from, you know, neighbors in that area. I wouldn't say a lot, but I got a handful of calls of people that lived within a block or two of that location, that they were, you know, concerned because they get traffic through there and they were concerned they were going to get more traffic through that area. So, between that and also, the comments that Commissioner Lago had heard -- and obviously, he lives closer to it than, I think, the rest of us, you know, that's why I went in that direction. Now, I do believe it's the highest and best use to do a lot as proposed as Doctors, as you've mentioned...

Mayor Valdes-Fauli: Yeah.

Vice Mayor Quesada: Being the highest and best -- I agree with that. Now, I also -- I also don't believe -- because I think Commissioner Lago, at one point, you said this. Correct me if I'm wrong. Didn't you say that -- and I don't really see that that's ever going to become a park. That current -- valet parking lots.

Unidentified Speaker: No.

Vice Mayor Quesada: I don't know if you -- someone said that.

Unidentified Speaker: No.

Vice Mayor Quesada: But my biggest concern is, you know, we talk about traffic. We talk about those concerns, like what we had -- the presentation this morning -- is I want to make sure that we're not adding to the traffic problem that we have in the city. So, that's my biggest concern. That's where I got stuck. That's where I got stuck...

Mayor Valdes-Fauli: Yeah, but that's...

Vice Mayor Quesada: And that's where I went back on moving forward.

Mayor Valdes-Fauli: Let me address that. That's -- Doctors Hospital, they're going to use it as a parking lot. It's valet parking. And many times, we see cars park outside on the street, because there's no -- not enough capacity. Doctors Hospital will have the number of patients that they have regardless of what -- it doesn't matter where people park. We have disposed of property in the past, and we're disposing of the lot today. (INAUDIBLE) that that's highest and best use and we will use the money for the public safety building, to buy spaces in West Lab, for whatever, but that's money that we can realize present value of it and not keep receiving a rent for 50 years.

Commissioner Mena: I was also one of the people who sort of switched on that last time. And at the time, I wanted to discuss the possibility of a lease versus sale. After that, I had a good discussion with Leonard Roberts, I remember, where he presented me the financials. And you know, I did end up coming to the conclusion that I felt comfortable with the fact that this was the best use for this and that a sale was appropriate. Even if you just -- because -- and I know one of the concerns, which I understand and respect from Commissioner Lago has been, well, let's not sell property. Let's hold it. My issue is, this property is not very valuable to us in the long-term because there's limited things you can do with it. And so, to me, even if you sold it, Commissioner Lago, and purchased some other piece of land, then you still have a piece of land to hold long-term, but that...

Mayor Valdes-Fauli: Let's purchase a park or let's purchase spaces for students or something. But this has no other use than a parking lot for Doctors Hospital, and Doctors Hospital is not going to make a big shop. You know, they expand -- double the size of the shopping center and they need more parking. This is Doctors Hospital, and that's Doctors Hospital. They're there.

Commissioner Mena: Yeah. It's a very -- mind you, it's a very unique piece of property that's hard to envision putting -- anything else going in there. So, you know, that's where I'm at with it. After met -- having met -- this was my -- how long ago was this now, a year ago? I don't even know -- that you briefed me on that, but I remember the conversation very clearly, and I came away with that conclusion, so that's where I'm at with it.

Commissioner Lago: Alright, let's do this again. Alright, very simple. If you need money to address the issue that you want to buy seats for the School Board, even though the City of Coral Gables gives over \$100 million a year to the School Board, I find it interesting that we can't find other options, for example, like budgeting 500 to a million dollars a year and deal with this issue three years from now. That's number one. I am not in favor of selling any properties. I'm in favor of maintaining our strong portfolio of real estate, which is why we have an exceptional bond rating here in the City of Coral Gables, and one of the few cities in the state of Florida that have that. So, I don't want to be the first one to start that, okay. Number three, I'm more than willing to give Baptist an extended lease, a hundred years. If that's what they want -- if they want an extended lease and they want to control, because they're in fear that the University of Miami is going to box them in and they need that parking issue, not a problem. Extend their lease. Have them pay it upfront. We can even give them a reduced rate for paying it upfront and you can have the money. I've extended this to Baptist already. Let's talk about pressures. People who don't live in apartments may not understand this, but I sure do understand this. I live in an area which I chose to live in, which I grew up in, on San Amaro, which is under immense amount of pressure. Let me just give you a few of the items that are causing pressure on my neighborhood. St. Augustine Church, Doctors Hospital, University of Miami, Ponce, Riviera

Country Club, which is under construction, Merrick Park, 57th Avenue -- all the areas located within a stone's throw to where I live. Now, let's get to another issue, one, that if I had Code Enforcement here, they could tell you -- and I don't have a problem mentioning it -- I deal with - on a -- every single day, and that is University Drive, in front of the hospital, in Campo Sano. I will give Baptist credit because Baptist has gotten a lot better, but there's still major issues when you talk about the townhomes that are adjacent to Doctors Hospital. I get calls from residents as a result of all the trucks that park on Campo Sano because of the fact of the configuration of the drop-off lot for the hospital. I get a lot of phone calls in regards to the townhomes that were built on University, on the water, which are at the entrance, maybe two or three properties down from this lot, from all the students that congregate in that area, the amount of garbage in this area, that is outside of Baptist's control. So, there's a lot of stress in regards to this property. The Manager will tell you that we are working and we had some very good talks this past week with a neighboring party in reference to a large parcel of land that we, hopefully, will be bringing to the Commission for a park, and that's continuing. I just think that putting this hands -- taking this property out of the City's hands and control opens up an already incredibly stressed neighborhood to the opportunities that, once this Commission is gone and we're no longer here, who knows what could be done on that property? So, I think that that also allows us to put some checks and balances in regards to the hospital.

Mayor Valdes-Fauli: Could I answer that?

Commissioner Lago: Of course you can answer, yeah.

Mayor Valdes-Fauli: Okay. Respectfully, very, very respectfully, you are inaccurate in your initial comments about what creates wealth for our city. Our creativity and our forward-thinking creates wealth for our city. With you mindset, we would not have sold the nursery -- our nursery for millions of dollars and we still would be in the nursery business. With your mindset, we would not be selling our firing range, in spite of the fact that we have a firing range in the police station, and we would still have an unusable, contaminated firing range. We would not have sold

our bus-less bus terminal, and we would not have Gables Grand. We would not have sold property, and we would not have Merrick Park. Our bond rating and our fine financial status is not because of the property we own. It's our tax base. It's our city, and it's the use we give to the property we own. Yes, we have sacred properties in the City -- City Hall, the Biltmore, the Venetian Pool, the Youth Center, et cetera, et cetera. But, we have to progress and -- look at the Gables Entrance. Gables Entrance in Ponce -- I mean, in Douglas and 8th Street, that's a beautiful project and it was done with somewhat City land. We have to progress and we have to make intelligent use of our properties. You mentioned a lease versus selling it. A hundred-year lease is not going to get us any property and we're going to -- we're still going to have a one-use property -- one use. And the only one that can use that is Doctors Hospital. Nobody else can use that property and (INAUDIBLE) would be the most ridiculous park we have ever had in the City. Why not buy -- sell that and use that money to buy a park, to buy land to make a park that people can use? You mentioned your home is in San Amaro, and I congratulate you. It's a beautiful street. But St. Augustine, UM, Ponce, Riviera, Merrick Park, 57th Avenue has nothing at all to do with Doctors Hospital or its use. Yes, San Amaro is close, but so is North Greenway and so is Granada, and so is other parts, because we are in the middle of the city. As I told one person the other day, if you don't like the traffic and if you don't like the intensive, move to Amarillo, Texas. It's not -- it doesn't work. You talk about the University and University Drive parking. This parking lot is there -- is being used as a parking lot and it will be used by Doctor's Hospital and by nobody else, not townhomes, not trucks on Camp Sano. They will not use Doctors Hospital valet parking. The traffic -- in fact, this is being used today as a parking lot. Students -- I want to see the first student that parks there. Garbage -- the use of the parking lot has nothing at all to do with the garbage. We're not going to tie the City's hands. We're not -- I think this is the highest and best use for that property. And our AAA bond rating is not because we own property, not because we owned a firing range or because we own a nursery or because we owned whatever. The high -- our AAA bond rating is because of our fiscal responsibility, which has not been exhibited by past commissions. And fiscal responsibility, our very solid tax base, and our great management.

Commissioner Lago: Okay.

Mayor Valdes-Fauli: I am very much for selling this property.

Commissioner Lago: Okay. So, let me answer your comments. First off, I don't have an issue at all selling the firing range. It's a property outside of the City of Coral Gables, so it doesn't -- and by the way...

Mayor Valdes-Fauli: What about Merrick Park?

Commissioner Lago: We didn't sell Merrick Park.

Mayor Valdes-Fauli: Yes, we did.

Commissioner Lago: First off...

Mayor Valdes-Fauli: We sold ten -- we sold ten acres there.

Commissioner Lago: It's a land lease, just like we did with the -- like -- just like we did with the Palace. And if you'd like, the Manager can confirm that. But let me just finish one second, because I want to -- I want to speak in facts. I don't want to...

Mayor Valdes-Fauli: I do too.

Commissioner Lago: Speak in -- but you just said that we -- that we had sold property and we didn't. That's a land lease. You get it back -- a 99-year lease or you renegotiate. Leonard...

Mayor Valdes-Fauli: We sold it in order to get it back.

Commissioner Lago: No, no. We...

Mayor Valdes-Fauli: I was there.

Commissioner Lago: It's a land lease, Mayor.

Mayor Valdes-Fauli: Okay.

Commissioner Lago: Correct me, if I'm wrong.

City Manager Swanson-Rivenbark: I'm sorry, sir. It was one of those 99-year land leases. We received 12...

Mayor Valdes-Fauli: But, we did sell it initially in order to make that happen. We sold our property...

Commissioner Lago: But it's a...

Mayor Valdes-Fauli: To them, and then they leased -- and then they gave it back to us. But initially, we sold it.

Commissioner Lago: All I know is that that property is...

City Manager Swanson-Rivenbark: I don't -- just to -- in clarification.

Commissioner Lago: Yeah.

City Manager Swanson-Rivenbark: We had a discussion with Water and Sewer when Water and Sewer Department was there to a separate parcel. We were going to buy it. They bought it instead. But the City -- you can ask the City Attorney to research it. It was a land lease. We

didn't sell -- in that instance, we didn't sell the parcel. We did lease it. But the nursery, absolutely right. Two acres in the middle of a residential area outside of the City. The City sold it.

Mayor Valdes-Fauli: What about the bus terminal?

City Manager Swanson-Rivenbark: No, sir. It was...

Commissioner Lago: (INAUDIBLE)

Mayor Valdes-Fauli: No. We gave it to Citibank, and Commissioner Kerdyk voted against it because we had given Citibank the right to purchase the property.

City Manager Swanson-Rivenbark: So, I understand what you're saying. There is a provision in that land lease with Prudential, (INAUDIBLE)...

Mayor Valdes-Fauli: Prudential. It used to...

City Manager Swanson-Rivenbark: That...

Mayor Valdes-Fauli: Be Citibank.

City Manager Swanson-Rivenbark: That in the event, after 20 years, the owner of the lease could have the right to purchase the property for assessed value -- an appraised value (INAUDIBLE). There is a clause in the Gables Grand for that, but it is under this point still a ground lease.

Commissioner Lago: So...

Mayor Valdes-Fauli: Right.

Commissioner Lago: Can we -- and I appreciate that. Thank you, Madam. I want to get beyond that. I mean, Merrick Park, the Palace, Gables Grand, those are all land leases. I don't care how you want to say it. It's a land lease. It is what it is. You're the finance expert when it comes to the City, you know. You're the individual that we trust most, that we trust most, along with our Finance Director. You know, correct me if I'm wrong. When we have outside rating agencies, Standard & Poor's, Moody's, Fitch and they're going to rate a city based on their financial strength -- oh, look, here's our Finance Director. My quick question to you is this -- I don't have an answer for this, so I want to learn. Do they also take into consideration our real estate holdings and the value of our real estate holdings to make a decision based on the City's financial strength?

Interim Economic Development Director Roberts: I'm going to defer to Diana to answer that question.

Commissioner Lago: Perfect and I respect that. And, I like that because I don't know the answer to that question either.

Finance Director Gomez: Can you repeat the question because I was out back?

Commissioner Lago: Okay, so when you're going to have your city rated...

Finance Director Gomez: Yeah.

Commissioner Lago: Right, just like when you're -- a company's being rating, they look at all the assets, everything from the vehicles that they own, the properties that they own, I'm guessing that a city is the same way. When you're going to get a rating, they ask you to know -- your

entire real estate portfolio to see how solvent you are and, you know, what the values are. Does that come into play also?

Finance Director Gomez: So, they do look at our financials. And so, the assets are part of the financials. They have never specifically asked (INAUDIBLE) questions.

Commissioner Lago: Is your land -- is land considered an asset, yes or no?

Finance Director Gomez: Yes.

Commissioner Lago: Okay, so then they...

Finance Director Gomez: Oh, no, no, of course.

Commissioner Lago: So, then they do look at that, correct?

Finance Director Gomez: Correct.

Mayor Valdes-Fauli: That's an unfair question.

Commissioner Lago: But let me -- but Mayor, but I'm -- let me just...

Mayor Valdes-Fauli: That's not a fair question.

Commissioner Lago: Let me -- let me...

Mayor Valdes-Fauli: Okay, go ahead.

Commissioner Lago: Okay. It's an asset and it's looked at. And again, we have a AAA bond rating, which I'm very proud of. So, you know, moving on, so now we've shown that these three properties are land leases. We've shown that this is an asset that is looked at and it makes the city stronger so, at the end of the day, you know, I'm not in favor of selling it. My neighborhood -- I'm not shying away from calling it my neighborhood, because I've lived there for 20-plus years -- is under an immense amount of pressure. The University of Miami has done a great job in, you know, lowering the amount of students that are parking in the area. Baptist has done a better job in reference to pushing the trucks into their building on Camp Sano, but pressure still exists. And, I'm in favor of finding other measures -- finding other measures or other opportunities to buy these seats instead of selling a property that, again, all I'm willing to do is if Baptist wants this property so badly because they're in fear that, for some reason, someone's going to take it away from them -- I didn't start that rumor. I don't think anybody on this Commission did. They have 40-plus years left on their lease -- correct me, if I'm wrong.

Interim Economic Development Director Roberts: 30.

Commissioner Lago: 30? Thank you. I'm willing to set it to a hundred. They can pay it upfront for a reduced amount, negotiate that amount, Leonard, and we can use that money for the student -- to buy the classrooms at West Lab. I am more than flexible. But one issue is, I've spoken to the residents in the neighborhood, like I think one of my other Commissioners, mentioned, and they're not in favor of the sale.

Mayor Valdes-Fauli: It depends -- let me answer that. It depends on how we frame the question. And the way you're framing the question, of course, they're not going to be in favor of the sale. Yes, the bond agencies look at our properties, but looking at a single-use lot, no other use, a single-use lot with one user, the value is whatever. But they would place more value in our having the cash, having sold this and having a hundred-year lease there with no possible way to get value out of that. Neighbors -- yeah, the neighbors (INAUDIBLE), but the usage for this lot is not going to change. And, we can sell it with enough restrictions as to what they can do with it

in the future that they will be tied to the usage that they're giving today, which is parking for Doctors Hospital, valet parking. I am very, very much for it, and I would like to call for the question, if necessary.

Commissioner Mena: Yeah, I just want to make sure I'm, Commissioner Lago, understanding -- I agree with two aspects of this, right. One is the value of land and having it. And the other one is the pressure on the neighborhood. I think, to me, I guess, whatever value you ascribe to having that land, I mean, wouldn't that be alleviated if you took that money and purchased another piece of land? I mean...

Mayor Valdes-Fauli: (INAUDIBLE)

Commissioner Mena: Then you'd still have that...

Mayor Valdes-Fauli: (INAUDIBLE) park.

Commissioner Mena: Asset on your books?

Mayor Valdes-Fauli: Purchase a park that has (INAUDIBLE).

Commissioner Mena: Like you getting another -- you can address that part of it.

Commissioner Lago: The purpose of that money -- I mean, from my understanding, the purpose of the money was to buy the seats at West Lab.

Mayor Valdes-Fauli: There's more than one purpose.

Commissioner Lago: The purpose was the seats at West Lab.

Mayor Valdes-Fauli: There's more than one purpose.

Commissioner Mena: But I don't think that's tied to what we're voting on, is it?

Mayor Valdes-Fauli: No, that's not.

Commissioner Lago: But that was the way it's been pitched the first time, and then it's kind of -- again, is it just going to the general fund, and then we can just use it for whatever we want? Are we going to play that game now, or are we going to...

Mayor Valdes-Fauli: No. We...

Commissioner Lago: Are we going to do that song and dance, or are we going to be upfront with each other?

Commissioner Mena: No, but what I'm saying is, if that's a concern for you, why not put a condition on it that it goes towards buying another piece of land? And that way...

Commissioner Lago: Well, you know, I think...

Commissioner Mena: It saves you (INAUDIBLE)...

Commissioner Lago: I think that -- and another thing, I think the good thing about it is that it also -- it also provides us the necessary oversight on the hospital, and the hospital, to be honest with you, is a big player, just like the University of Miami is, and I think that we need to have as much oversight on those two entities in a res -- remember this, remember this, okay. Let's be clear. Residential neighborhood, okay. Just like when there's certain things that we discuss in every single one of your neighborhoods, we have to always take that into consideration. This is a residential neighborhood.

Mayor Valdes-Fauli: When we (INAUDIBLE)...

Commissioner Lago: I haven't met one resident that's told me that they're in favor of this. But it's clear. I mean, the votes -- you guys have the votes, so...

Commissioner Mena: No, no, no.

Commissioner Lago: So, I don't want to belabor the point anymore.

Commissioner Mena: But I want to talk to you about it, because I want to understand...

Commissioner Lago: And I...

Commissioner Mena: Your perspective on it.

Commissioner Lago: No, my perspective...

Commissioner Mena: That's why we're here...

Commissioner Lago: My perspective...

Mayor Valdes-Fauli: Can...

Commissioner Lago: Has not changed.

Commissioner Mena: No, no, no, but -- and...

Mayor Valdes-Fauli: We can provide -- we can, as you know, we can tie that lot...

Commissioner Lago: But I want to deal -- but I want to deal -- I don't want to deal in nebulous facts. I want to deal in facts. Like, if it's a land lease, it's a land lease. If it's a sale, it's a sale. If it's not going to help out our bonding, it's not going to help our bonding. If it's not reviewed in regards to the finances, those are facts. Those are facts.

Mayor Valdes-Fauli: Vince, the assets are our assets, whether they are cash, which we can use for a park...

Commissioner Lago: Of course.

Mayor Valdes-Fauli: Or a single-use lot in front of a hospital used for valet parking. And I submit, respectfully, that we get more mileage out of this property by selling it to its sole user, with restrictions as to its use, now and in the future, than having a hundred-year lease or a valet parking lot with a single user.

Commissioner Lago: So, you're willing to put the money of the sale, tie it to only allow it to be used to be -- to purchase parkland? Are you willing to do that?

Mayor Valdes-Fauli: I'm not willing to tie it to anything. I am willing -- no, no, wait, wait.

Commissioner Lago: No, just come on and say what you want. It's okay.

Mayor Valdes-Fauli: No, I don't want anything.

Commissioner Lago: It's okay. I'm laughing because we're beating around the bush here.

Mayor Valdes-Fauli: I'm not.

Commissioner Lago: Just come on and say what you want. You know what you want.

Mayor Valdes-Fauli: No, I don't want...

Commissioner Lago: It's not a big deal. Just...

Mayor Valdes-Fauli: I want to buy those seats, but we can use this money or we can use some other money.

Commissioner Lago: Okay, what about the \$150 million that we pay the School Board every year and only 18 percent of our kids go to public school?

Mayor Valdes-Fauli: No, no, no, no.

Commissioner Lago: West Lab.

Vice Mayor Quesada: (INAUDIBLE) respond to (INAUDIBLE) issue.

Commissioner Lago: No, but I mean, it's not.

Mayor Valdes-Fauli: That's another issue, Vince. Come on.

Commissioner Lago: But listen, if you want to deal with it...

Mayor Valdes-Fauli: You're bringing trash, you're bringing whatever.

Commissioner Lago: Oh, but I...

Mayor Valdes-Fauli: That's a different...

Commissioner Lago: But those are issues that happen in our...

Vice Mayor Quesada: Hold on. Let me ask you a question. Let me ask you a question. Because I've been very deferential to you in this because you do live in the neighborhood. I know you've lived in the neighborhood forever, and I heard some phone calls from other residents in the neighborhood. And the traffic concern affects all of us. We all care about it. We hear about it more than anything else. Are you saying that you'd be okay with -- you think it'd be okay if we sold the property, we allowed this project to go through, but then the money that we get from the sale we use for -- to buy green space throughout the city?

Commissioner Lago: Yeah. But he won't do that, because he wants the money...

Mayor Valdes-Fauli: No. No, no, no.

Commissioner Lago: For the school.

Mayor Valdes-Fauli: Don't put words in my...

Commissioner Lago: (INAUDIBLE)

Vice Mayor Quesada: But that doesn't meet -- hold on a second.

Mayor Valdes-Fauli: Don't put words in my mouth. I'm saying that we should not tie that to anything, whether it's school.

Commissioner Lago: Okay, then I want...

Mayor Valdes-Fauli: Whether it's parks or whether it's...

Commissioner Lago: Then I apologize for putting words in your mouth.

Mayor Valdes-Fauli: Yeah.

Commissioner Lago: But, I mean it sure looks like that.

Mayor Valdes-Fauli: No. No, it doesn't.

Vice Mayor Quesada: But it doesn't mean that we can't use other monies, but that's another conversation that we need to come to an agreement to.

Mayor Valdes-Fauli: Yeah.

Vice Mayor Quesada: Is that money...

Commissioner Lago: I just think...

Vice Mayor Quesada: That money -- listen to me. If the Commission agrees, that money can be taken from other locations, from reserves or wherever.

Commissioner Lago: I wouldn't be in favor of it. It just -- it goes back to...

Vice Mayor Quesada: You would not?

Commissioner Lago: Listen, it goes back...

(COMMENTS MADE OFF THE RECORD)

Commissioner Lago: It goes back to the same thing. You know, we can have another -- I know we don't want to change the conversation, but we can have another conversation about it. How many calls do you get in regards to people asking for a track around the Granada Golf Course?

Mayor Valdes-Fauli: Not lately.

Commissioner Lago: Not lately, of course.

Vice Mayor Quesada: No, yeah.

Commissioner Lago: Of course.

Vice Mayor Quesada: That died, yeah.

Commissioner Lago: Yeah.

Vice Mayor Quesada: But I used to get a lot of them.

Commissioner Lago: A lot of calls.

Vice Mayor Quesada: Yeah.

Commissioner Lago: But that's a big issue. For the people that live in that neighborhood...

Vice Mayor Quesada: Of course.

Commissioner Lago: That's a major issue. They don't want that.

Vice Mayor Quesada: Well, then why are you willing to go through with the deal if we're going to get green space money out of it?

Commissioner Lago: I'm not. I'm getting green space anyways. I'm proving a point. But I'm proving a point. This is not about green space. This is not about park space. This is about getting the money, putting it in the general fund, and then transferring it over to buy these seats.

Mayor Valdes-Fauli: Okay, but so what?

Commissioner Lago: I just want to be honest. I want to be honest. I don't want to...

Mayor Valdes-Fauli: I want to be honest too.

Commissioner Lago: I don't want to -- yeah, but...

Mayor Valdes-Fauli: It just doesn't make sense...

Unidentified Speaker: It could be earmarked.

Mayor Valdes-Fauli: To have that property with a single user -- huh?

Commissioner Lago: He's saying about earmarking it, but he doesn't want to earmark it.

Vice Mayor Quesada: Yeah, but if I...

Mayor Valdes-Fauli: Well, we can earmark it too. Fine, we'll get the money for the other one somewhere else. That's fine. Let's earmark it. Would you make a motion earmarking it, Frank?

Vice Mayor Quesada: I'm about to make that motion.

Mayor Valdes-Fauli: Okay, do it.

Commissioner Lago: And I'll vote no.

Commissioner Mena: Leonard, can you just...

Commissioner Lago: Go ahead.

Vice Mayor Quesada: I thought you said -- you said that you would.

Mayor Valdes-Fauli: You just said you would.

Commissioner Lago: But, what I said -- I made a -- I'm making a point. I'm making a point because this is not about parks or about green space. Trust me, it's not. I spend my days looking for properties in the city and working with private entities to transfer those private pieces of property into public. As the Manager will tell you very clearly, we just had a meeting about that last week and we're working on multiple pieces of property. So...

Commissioner Mena: Then it's about assets to you.

Commissioner Lago: Yeah. To me, it's about assets.

Commissioner Mena: If you get another piece of land, then you still have -- whatever the dollar values ascribed to it, you still have an asset worth that amount of money, right?

Commissioner Lago: But outside of that, it's also, like I mentioned before, it's about having control on that property.

Commissioner Mena: Can't we do that through like a restrictive covenant...

Mayor Valdes-Fauli: We could do that with a restricted covenant.

Commissioner Mena: Or something like that?

Commissioner Lago: Yeah. But, then we're no longer -- when we're no longer here, somebody can come back and then basically just change the...

Mayor Valdes-Fauli: They can also amend the lease.

Commissioner Mena: Madam City Attorney, how would that work if we put a restrictive covenant on it? And, I know we talked about this when we originally spoke about it.

City Attorney Ramos: You can put a restrictive covenant with whatever conditions the Commission wants that they're willing to agree to. It would be in perpetuity, and then they would have to come back here to have it changed. So, the concern is that it's a different set of people...

Commissioner Mena: And, that would just be three votes they need to...

City Attorney Ramos: (INAUDIBLE).

Commissioner Mena: Change that, or do you need a super majority?

City Attorney Ramos: The restrictive covenant would be three. For the sale of the property, it would be four.

Commissioner Lago: Can we vote on this issue today?

Mayor Valdes-Fauli: Yeah.

City Attorney Ramos: You can vote on whether you want us to look into it further. The ultimate sale is by ordinance, and it's a four-fifths vote.

Commissioner Mena: And Leonard, if -- just again, to refresh my memory on this because it's been a while.

Interim Economic Development Director Roberts: Sure.

Commissioner Mena: They were not interested in a longer term lease, because it wouldn't be worth then investing the money to make the structure (INAUDIBLE)...

Interim Economic Development Director Roberts: So, on their side, my understanding is Baptist has a certain criteria in how they manage assets. And, because this situation would involve them wanting to own the property, they -- we had a discussion about a 99-year lease. We have a 30-year lease now that pays about \$110,000, \$115,000 a year. Just to kind of jump off subject real quickly, if we take that 30 years and we just look at the 30 years of income and we bring it today's value, it's worth less than what they're willing to pay for it. So, they're willing to pay us \$3 million for the site. And, if we took all the value and accumulated it all in today's dollars, it's about a half a million dollars less...

Mayor Valdes-Fauli: Okay.

Interim Economic Development Director Roberts: In value.

Mayor Valdes-Fauli: Mr. Vice Mayor...

Vice Mayor Quesada: The end of your sentence -- I'm sorry.

Interim Economic Development Director Roberts: So...

Vice Mayor Quesada: Let him finish his sentence.

Interim Economic Development Director Roberts: So, related to their -- the value that we're getting is substantially more than it's worth. It's appraised at \$2.3 million. Taking those proceeds and buying potentially another land, it would go a lot further than, you know, for purpose -- because \$3 million -- you can buy two of those sites, practically, or one and a half of those sites for \$3 million in the open market, and what we're getting for it is greater than the market value.

Commissioner Mena: Alright. And, that's what you had told me at the time that I found persuasive, okay.

Vice Mayor Quesada: So, remind me of the authority we have here.

City Attorney Ramos: Right now, it would be a three -- regular three-fifths majority vote to ask us to move forward with negotiating with them. Ultimately, if you're going to sell it, it needs to come back by ordinance, so it's two readings and it's four-fifths.

Vice Mayor Quesada: Okay. So, here's my motion. My motion is to direct staff to go -- move forward with negotiations. However, to be clear, to sell the land, we earmark the monies, whatever proceeds are net to us are earmarked for purchase of parkland. However, what I want to see is traffic mitigation or traffic calming implementation before we vote on first reading, if -- before you bring it to us on first reading. Because, you know, my biggest concern there was traffic related to people coming in and out of there. And, I think the point is well taken what the

Mayor said that this really isn't going to affect the volume of it. It's just really going to affect where people end up parking when they go visit.

Mayor Valdes-Fauli: Right.

Vice Mayor Quesada: But still, but the point is -- it's also well taken the fact that there is too much traffic in that area. So, if we're going to undertake something like this, we need to make sure that we are proactive and out in front before it's completed that there's some sort of mitigation in place that's specific, that we have previously discussed.

Mayor Valdes-Fauli: Okay.

Vice Mayor Quesada: Whether it's bumps or circles or whatever it is.

Commissioner Keon: Yeah, but it depends -- I think it depends a lot on what their plan for who's going to park there. It was my understanding, when we started this conversation a while ago, is that they intended to use it for employee parking.

Interim Economic Development Director Roberts: They currently use it for valet operations...

Commissioner Keon: They use it as valet.

Interim Economic Development Director Roberts: For their...

Commissioner Keon: So, that's people -- a lot of people coming and going.

Interim Economic Development Director Roberts: Yes.

Commissioner Keon: If it's employee parking or whatever, then people come, you know, once their shift and then they leave. So, I don't know what their plan is.

Interim Economic Development Director Roberts: I -- my understanding (INAUDIBLE)...

(COMMENTS MADE OFF THE RECORD)

Interim Economic Development Director Roberts: Yeah, (INAUDIBLE).

Vice Mayor Quesada: It's not administrative parking. It's valet.

Commissioner Keon: I know, but I think they're...

City Manager Swanson-Rivenbark: In fairness to...

Commissioner Keon: Looking to build a garage on it.

City Manager Swanson-Rivenbark: I'm sorry. In fairness to Doctors Hospital...

Commissioner Keon: Yeah.

City Manager Swanson-Rivenbark: We weren't involving them at this point. Mayor asked the question.

Commissioner Keon: Right.

City Manager Swanson-Rivenbark: I said it would be good to talk to your colleagues before we...

Commissioner Keon: Yeah.

City Manager Swanson-Rivenbark: You all back into the...

Commissioner Keon: Yeah.

City Manager Swanson-Rivenbark: Discussion because if the Commission didn't want to do it, it didn't make sense to, you know, involve you.

Vice Mayor Quesada: What I want to see from Baptist Hospital, a detailed traffic mitigation plan all around.

Commissioner Keon: Well, it's going to depend on its use. So, why don't we ask them...?

Vice Mayor Quesada: Not only that location.

Commissioner Keon: How they're going to use it.

Vice Mayor Quesada: The entire surrounding area.

Ms. Baron: (INAUDIBLE) bring that back to the powers that be at Baptist. I'm Jessie Baron, representing Baptist Health. And we are -- we'd like to own the land, but it -- we're not altering how we're using the land, which we -- it would still be for valet.

Commissioner Keon: For valet. Oh, okay.

Ms. Baron: Employees will not be parking on that lot. And, we actually lease other pieces of property within the City for employee parking and we bus them to the hospital...

Commissioner Keon: Oh, okay.

Unidentified Speaker: To mitigate traffic.

Mayor Valdes-Fauli: And, I don't think it's fair to impose on Baptist a traffic mitigation study/plan on the whole area. South of Bird Road, east of -- that's not -- yeah, the surrounding area, yes, but not the whole south Coral Gables.

Ms. Baron: We are hearing and learning with you today, so if that -- I mean, again, we can discuss that we can, you know, work with Leonard on what that would look like.

Mayor Valdes-Fauli: Okay. A motion has been made. Is there a second?

Commissioner Mena: Second.

Mayor Valdes-Fauli: Alright, will you call the roll, please, Mr. City Clerk?

Commissioner Keon: Yes.

Commissioner Lago: No.

Vice Mayor Quesada: Yes.

Commissioner Mena: Yes.

Mayor Valdes-Fauli: Yes.

(Vote: 4-1)

Mayor Valdes-Fauli: Thank you. Thank you very much.

Ms. Baron: Thank you.

Mayor Valdes-Fauli: Okay, F-1.

Commissioner Keon: So, let me be clear on the motion. The motion was to direct staff to begin to negotiate...

Mayor Valdes-Fauli: Right.

Commissioner Keon: With Baptist. Okay, fine.

Mayor Valdes-Fauli: And getting the traffic study...

Commissioner Keon: Once that is...

Mayor Valdes-Fauli: To mitigate traffic.

Commissioner Keon: That's fine.