

CITY OF CORAL GABLES
Economic Development Board
Meeting Minutes
Wednesday, May 2, 2018, 8:00 a.m.
2121 Ponce de Leon Blvd., Suite 720, Coral Gables, Florida 33134

EDB MEMBERS	J	F	M	A	M	J	J	A	S	O	N	D	COMMISSIONERS
	'18	'18	'18	'18	'18	'18	'18	'18	'18	'17	'17	'17	
Carolina Rendeiro	X	P	P	P	P					X	P	E	Mayor Raúl Valdés-Fauli
Olga Ramudo, Chair	X	P	P	P	P					X	P	P	Commissioner Michael Mena
Stuart McGregor	X	P	P	P	P					X	P	P	Vice Mayor Pat Keon
June Morris	X	P	P	P	E					X	P	P	Commissioner Vince Lago
Elizabeth Patino	X	E	P	P	E					X	P	E	Commissioner Frank Quesada

A = Absent E = Excused Absence P = Present X = No Meeting Ph = Present by Phone - =Former Board Member

STAFF AND GUESTS:

Leonard Roberts, Interim Director, Economic Development Department
Mariana Price, Administrative Assistant, Economic Development Department

Meeting Motion Summary:

A motion to approve the minutes of the April 4, 2018 meeting passed unanimously.

A motion to recognize Delta Air Lines at National Economic Development Week at the May 8th City Commission meeting passed unanimously.

A motion to accept the proposed deal terms for purchase of 7000 Old Cutler Road as Fire Station IV, but to include the following changes: add a bike pump station and restroom for the greenspace, clarify that \$1.5 million is going toward acquisition of the greenspace for public use, emphasize anticipated annexation of Davis-Ponce/High Pines area, and more directly explain that the deal is \$4 million total, including allowing current owner two years of residence rent-free.

Ms. Ramudo brought the meeting to order at 8:07 a.m.

1. Review of the April meeting minutes (Action)

Ms. Rendeiro made a motion to approve the minutes of the April 4, 2018 board meeting. Mr. McGregor seconded the motion, which passed unanimously.

2. Chair’s request to include recognition of Delta Airlines at National Economic Development Week Ceremony (Discussion)

Ms. Ramudo shared her suggestion with the board that Delta Airlines be recognized at the National Economic Development Week Ceremony for recently opening an office in the City.

A motion to recognize Delta Air Lines at National Economic Development Week at the May 8th City Commission meeting passed unanimously.

3. Land Acquisition for purpose of Fire Station IV (Action)

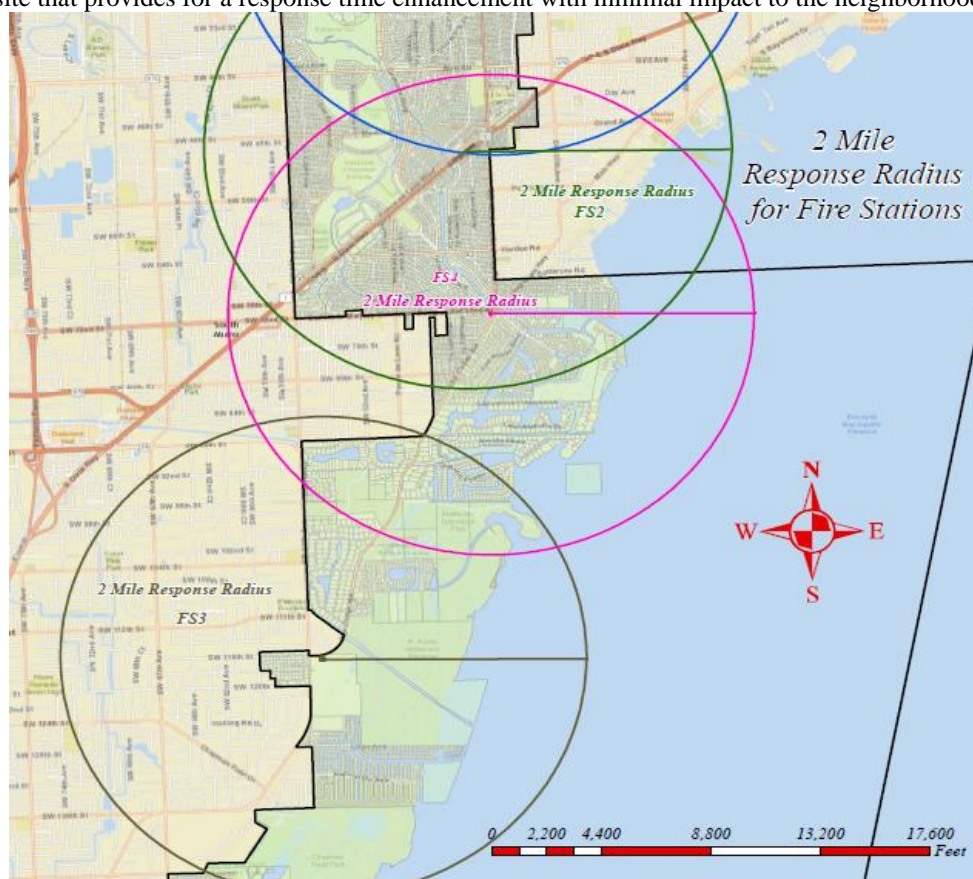
Mr. Roberts explained the reasoning behind choosing 7000 Old Cutler Road as the site for Fire Station IV, stating response times would be greatly reduced. He shared the following proposed deal terms with board members:

7000 Old Cutler Road as Fire Station IV
PROPOSED DEAL TERMS

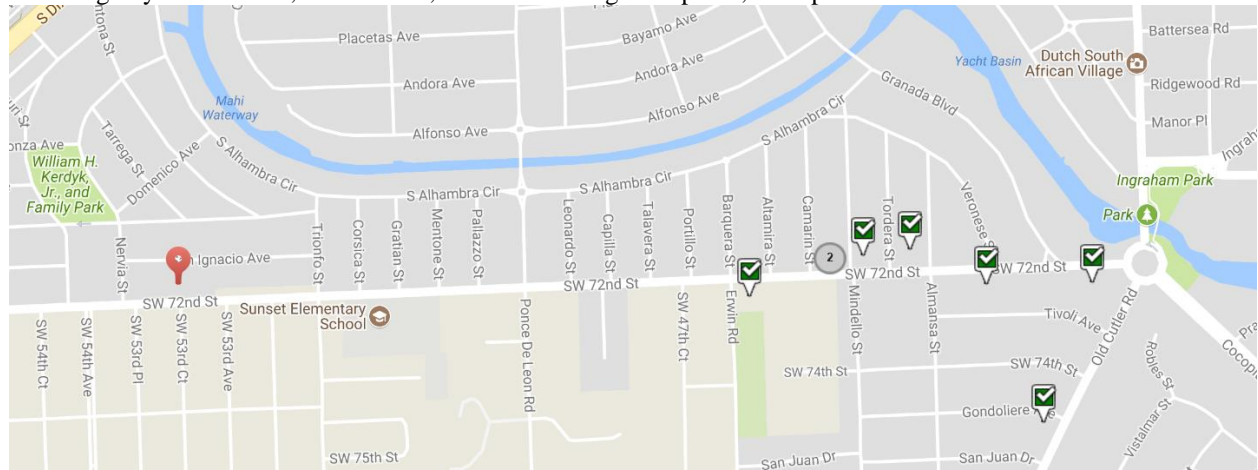
The City is exploring the possibility of locating a fire station between Fire Station 2 (currently located at U.S. 1 and Riviera Blvd.) and Fire Station 3 (located at 11911 Old Cutler Rd), with the objective of enhancing response times. Historically, response to this central area of the City has been challenging due to travel distances and access limitation caused by traffic congestion and lack of alternate travel routes. The fire station is projected to enhance response times to the south end business district, as well as the surrounding communities, such as Coco Plum, Gables Estates, Hammock Lakes, and the west end of the University of Miami.

The Fire Department has provided the following criteria in search for a new location:

- A location near Sunset Drive to enhance East/West travel routes south of US-1 where access to communities such as Coco Plum, Gables Estates, and Hammock Lakes has been challenging;
- The location should narrow the 5-mile gap between Fire Station 2 and Fire Station 3;
- The location should provide alignment of resources within a set boundary without creating duplication of efforts. In other words, each area of the City has response resources within a set response district with no duplication of efforts;
- A site that provides for a response time enhancement with minimal impact to the neighborhood.



The Economic Development & Fire Department has analyzed the criteria and has reviewed several possible sites including city-owned sites, commercial, residential and green spaces, example of sites are noted below.



Based on the City's search, the City has identified 7000 Old Cutler Road which meets the criteria established above. The lot is 32,716 SF and includes a house built in 1936 that is 3,381 SF. The property lies adjacent to approximately 16,000 SF of City right of way (ROW), and has three entrances: Old Cutler Road, Coco Plum Plaza and Sunset Drive. In addition, there are 136 trees that create a visual barrier from all three streets and the neighboring homes.



This location not only provides an opportunity for a Fire Station, but also creates synergy for the potential use of green space due to its proximity to Ingraham Park, Cartegena Park, and the Old Cutler Trail.

The City would operate a Fire Station hub in one of the three existing structures and have one fire truck on site to minimize the cost. The City's Historical Resources department has determined the site is not historically significant. In accordance with Section 2-2014 of the Procurement Code, two real estate appraisals were conducted with regard to the Lot. The appraisals were done by MAI certified appraisers' Blazejack & Company and Waronker & Rosen, Inc. The appraisers valued the site based on its current allowed used and a hypothetical institutional use.

	Residential			Institutional			Premium
	Value	Structure	Lot	Value	Structure	Lot	
	Value PSF of			Value PSF of			
Waronker and Rosen	\$1,300,000	\$384.50	\$39.74	\$1,800,000	\$532.39	\$55.02	38.46%
Blazejack	\$3,400,000	\$1,005.62	\$103.92	\$3,900,000	\$1,153.50	\$119.21	14.71%
Appraisal Difference	(\$2,100,000)			(\$2,100,000)			
Magenheimer	\$1,900,000	\$561.96	\$58.08	\$2,900,000	\$857.73	\$88.64	52.63%

Due to the significant difference in values, the City has ordered a third appraisal. The home was built in 1936 and was designated NOT historic by Historical Preservation. The appraisers valued the site as a vacant parcel due in order to develop an optimum size single family which is considered the highest and best for this small home on a large lot site.

The proposed terms would be as follows:

- The Owner conveys title to the City;
- The purchase price would be \$4,000,000;
- The current owner will continue to live in the property for up to two years providing liability protection to the City.
- The City would order a thorough inspection during a reasonable due diligence period;
- Contingent on neighborhood and commission review;
- No Broker involvement.

The procurement code requires a deal to be presented to the Economic Development Board and allow responses to certain questions in their consideration as an advisory board; hence, the following suggested responses have been provided.

Questions for the Economic Development Board, and suggested answers:

1. Is the proposed use in keeping with the city goals and objectives?
The City’s goals of Community Focused Excellence and objectives of attaining world class performance levels in residents’ satisfaction is achieved as a result of having a fire station in this area. This location will enhance the access and reduce the travel distance to communities such as a Cocoplum, Gables Estates, Hammocks and the surrounding neighborhoods; hence the closing the gap for fire response time.

2. What is the economic impact to the city including, i.e. is the proposed use in keeping with a public purpose and community needs, such as expanding the city’s revenue base, reducing city costs, creating jobs, creating a significant revenue stream, and improving the community’s overall quality of life?
The purchase at \$4 Million would be above market value. This site would fill the gap for a fire station (aka community need) in this area. A fire station would enhance the Fire department’s services to the surrounding communities (e.g., Coco Plum) allowing them to respond to residents in a timelier manner.
The park use would complement the neighboring green space; hence, activating more outdoor activity and further enhancing the quality of life.
Overall, the general criteria for a new fire station would occur in a residential area due to the gap area being residential use so the concern of having a fire station in a neighborhood would be identical to another potential site.

3. Are there alternatives available for the proposed disposition, including assembly of adjacent properties and can the project be accomplished under a private ownership assembly?

There are alternatives for a potential site as provided above. None of the alternatives provides 3 road access and park use. The City's capital budget and grant that will be used to purchase the site requires it to be an acquisition to qualify for the funding; hence, fee simple ownership is the best option.

Ms. Rendeiro suggested that a bike pump station and restroom for cyclists at the park be worked into the deal. She also suggested that those amenities could potentially be sponsored by a wellness or healthcare organization. If not, the City could allow residents the opportunity to have bricks with their names imprinted on them to help alleviate the cost. Mr. McGregor suggested that the language in the suggested answers to the questions reflect the anticipation of the proposed annexation areas of Davis Ponce and High Pines. Ms. Ramudo suggested that it be better explained that \$1.5 million of the deal is essentially going towards the purchase of the greenspace adjacent to the site, which is to be used as park space for public use. Since the park space is 16,000 SF, the amount per square foot for that space amounts to \$93.75 PSF.

Ms. Rendeiro made a motion to accept the proposed deal terms as described with the changes suggested by board members (listed above). Mr. McGregor seconded the motion, which passed unanimously.

4. Business Tax License Report

Board members reviewed the Business Tax License Report containing 57 new businesses to Coral Gables within the last month.

5. Other City Business

Mr. Roberts reminded the board to attend the National Economic Development Week Appreciation Ceremony, taking place at 8:00 am before the City Commission meeting next Tuesday, May 8th in the courtyard outside of City Hall. Ms. Price updated the board that the City is currently in negotiations with a company to produce the truss system for the Umbrella Sky Project. The City is also gearing up to start its campaign for the Fourth of July Celebration at the Biltmore. The downtown event series has concluded and the City will be gathering data and asking vendors for comments to prepare a recap of the season.

The meeting was adjourned at 9:14 a.m.

Respectfully submitted,

Mariana Price, Administrative Assistant - Economic Development Department