

CITY OF CORAL GABLES
Economic Development Board Meeting Minutes
Wednesday, April 2, 2014, 8:00 a.m.
1 Alhambra Plaza, Suite 617, Coral Gables, Florida 33134

MEMBERS	S	O	N	D	J	F	M	A	M	J	J	A	COMMISSIONERS
	'13	'13	'13	'13	'14	'14	'14	'14	'14	'14	'14	'14	
Scott Sime Chair	E	P	A	P	P	P	P	P					Mayor Jim Cason
Alberto Manrara Vice-Chair	P	P	E	P	P	P	P	E					Vice Mayor William H. Kerdyk, Jr.
Jack PJ Mitchell	P	P	P	P	P	P	P	P					Commissioner Pat Keon
June Morris	E	P	P	P	P	P	P	P					Commissioner Vince Lago
Alexander Binelo	P	E	P	E	E	P	P	P					Commissioner Frank Quesada

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

STAFF AND GUESTS:

Cynthia S. Birdsill, Director, Economic Sustainability Department
Leonard Roberts, Deputy Director, Economic Sustainability Department
Michelle Cash, Marketing Coordinator, Economic Sustainability Department
Jorge Casuso, Business Development Analyst, Economic Sustainability Department

Meeting Motion Summary:

Mr. Mitchell made a motion to approve the minutes of the March 5, 2014 Board meeting. Mr. Binelo seconded the motion, which passed unanimously.

Mr. Sime brought the meeting to order at 8:02 a.m.

1. Mr. Mitchell made a motion to approve the minutes of the March 5, 2014 Board meeting. Mr. Binelo seconded the motion, which passed unanimously.

2. Review of the new lease proposal for Haagen Dazs at 286 Miracle Mile

Mr. Roberts summarized the terms which are detailed below.

Background: The proposed tenant has been operating Haagen Dazs for more than 15 years. They own and operate 3 other Haagen Dazs franchises located in Bayside, Lincoln Road and

Ocean Drive. Since the owners are long time Coral Gables residents they will like to open a fourth location in the City owned space next door to Actor's Playhouse. Haagen Dazs has over 1,400 location internationally, 220 in the US, 17 in Miami-Dade County and 0 in Coral Gables.

Tenant: Aboti, LLC. d/b/a Haagen Dazs

Premises: 873 square feet located at 286 Miracle Mile, Coral Gables, FL. 33134. Space is being leased in its "as is" condition, and the tenant plans on spending approximately \$300,000 in tenant improvement.

Use: Ice Cream Shop.

Term: 10 years commencing on the earlier of issuance of a certificate of occupancy or 12 month after the date the agreement is fully signed.

Renewal Terms: Tenant will have 2 – 10 year renewal term at 95% Market Rate, which in no event will be less than 105% of the rate of the last lease year in the initial term or first renewal term, as applicable. Tenant shall give the landlord six (6) months' notice to renew if not they lose their right to renew.

Landlord's Termination Right: Landlord has the right to terminate with 9 months' written notice. If landlord terminates, landlord will have to reimburse tenant for its unamortized portion of tenant improvements.

Rent:

For the Premises:

LEASE YEAR	BASE RENT PER MONTH	BASE RENT PER SQUARE FOOT
Year 1	\$3,637.50	\$50.00
Year 2	\$3,710.25	\$51.00
Year 3	\$3,784.46	\$52.02
Year 4	\$3,860.14	\$53.06
Year 5	\$3,937.35	\$54.12
Year 6	\$4,016.09	\$55.20
Year 7	\$4,096.42	\$56.31
Year 8	\$4,178.34	\$57.43
Year 9	\$4,261.91	\$58.58
Year 10	\$4,347.15	\$59.75

Abatement: Base Rent for the first three months after the Rent Commencement Date will be abated, but the tenant will pay its share of insurance, real estate taxes and other operating costs during that time. The abatement will be repaid if tenant defaults.

Costs: This will be on our standard lease form, so Tenant will be responsible for its share of common area costs including insurance, real estate taxes, and the BID assessment.

Security: The Tenant will post a security deposit of two month's base rent, common area operating costs and sales tax for a total of \$8,963.28. The owner will also provide a personal guaranty. The City reviewed the personal guarantor's financial statements noting there were sufficient real and personal assets to protect the City's stream of rental income. The Tenant will also invest \$300,000 of leasehold improvements into the space.

Broker Fee: 3% fee of the total base rent (\$14,339), to be paid by the City to Equity Resource Group, LLC.

Ms. Birdsill asked the Board to consider the list of questions below:

Questions for the Economic Development Board:

1. Is the proposed use in keeping with city goals and objectives?
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?
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?

The board agreed that the lease is in keeping with the goal of a retail space, will provide revenue stream for the City and that the ownership structure is appropriate.

Mr. Binelo made a motion to approve the Haagen Dazs lease at 286 Miracle Mile, Ms. Morris seconded the motion, which passed unanimously.

3. Presentation about sponsorships by Michelle Cash, Marketing Coordinator for the Department of Economic Sustainability

Ms. Cash told the board that the Department of Economic Sustainability (ESD) has been working with the Beacon Council and The Greater Miami Convention and Visitors Bureau (GMCVB) to build awareness. Ms. Cash showed the board the landing page the GMCVB had created for the City. It is part of an ongoing effort to distinguish Coral Gables from surrounding cities. Ms. Cash said she is exploring other ways to leverage the relationship with the GMCVB, which receives \$13 million a year from Miami-Dade County to market the area. The City also has opened a new visitors' center at the Coral Gables Museum that features a kiosk and a touch-screen with videos that provide information about the City. Ms. Cash also shared information about a number of events that help promote the City. They include the recent "Water is Life" exhibition and lecture at the Coral Gables Museum, the

Jazz in the Gables concert series at the Museum plaza that ended in March and the July 4th Fireworks Celebration at the Biltmore Hotel.

Ms. Cash said that the “Water is Life” exhibit, which ran from March 6 to March 30, was featured on the front page of the Miami Herald’s “Neighbors” section in all of its editions, a first for the City, and that the lecture drew a standing-room crowd. Ms. Cash also shared the final attendance numbers for Jazz in the Gables, which ran from January 15 to March 26. The popularity of the series has been growing, Cash said. This year’s attendance was 2,848, compared to 1,595 last year. The average attendance this year was 190, compared to 114 last year. Lovables, which caters the event, sold 298 box lunches, and Peterbrooke sold 28 items on the four days it participated this year. Ms. Cash said EDS could expand the series next year and is looking for one major sponsor that can fund the series and help promote the concerts. Ms. Cash said that the ESD also is looking for a sponsor for the July 4th Fireworks Celebration. Ms. Birdsill said the department is trying to sell larger sponsorships this year of between \$5,000 and \$10,000 to help pay for the event, which costs the City approximately \$130,000.

Mr. Sime felt the Fireworks Celebration was well publicized but that the Jazz series could have more exposure. Ms. Cash said that was partly due to the budget, which could be enhanced through greater sponsorships. We have outreach through E-News, the City’s Website, press releases and a grassroots effort that includes distributing postcards and displaying posters. The department also took out an ad in the Herald’s community news section and radio spots on NPR.

Ms. Birdsill said the Board will be given a copy of the sponsorship opportunities so they can assist with any ideas for sponsors to approach.

4. Continued discussion of Board’s goals

The board received a copy of the Beacon Council’s recommendations for its One Community One Goal Initiative (OCOG) that provides Miami-Dade County with a roadmap to grow jobs and investment.

Mr. Sime said he spoke with Mr. Cason about exploring ways to have the perimeter fence at Coral Gables High School replaced, one of the items on the Board’s list of goals. He said the Mayor suggested he talk to the principal of the school and to Miami-Dade County School Board Member Raquel Regalado, who represents the district that includes the high school. Mr. Sime said Miami High School had a beautiful fence and offered to take pictures. He also suggested the board should get cost estimates.

The Board assigned goals for each member to research and report back. Mr. Binelo agreed to research the possibility of bringing a job incubator to the City and how it can be linked up with local banks. Mr. Mitchell agreed to research economic incentives to bring desired businesses to the City. Ms. Morris agreed to research the City’s marketing efforts, including its landing page, website and newsletter. Mr. Sime agreed to research the fence and said he

would try to meet with the high school principal and get cost estimates. Ms. Birdsill reminded the board that the fence was not on City property.

5. Other City Business

Ms. Birdsill and Ms. Cash discussed the effort to get sponsors for the July 4th Fireworks Celebration.

There being no further business, the meeting was adjourned at 9:01 a.m.

The next Economic Development Board meeting will be held on May 7, 2014.

Respectfully submitted,

Jorge Casuso, Business Development Analyst
Economic Sustainability Department