

City of Coral Gables City Commission Meeting
Agenda Item F-1
June 8, 2021
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Vince Lago
Vice Mayor Michael Mena
Commissioner Rhonda Anderson
Commissioner Jorge Fors
Commissioner Kirk Menendez

City Staff

City Manager, Peter Iglesias
Assistant City Manager, Ed Santamaria
City Attorney, Miriam Ramos
Deputy City Attorney, Cristina Suárez
City Clerk, Billy Urquia
Asset Manager, Zeida Sardinias
Finance Director, Diana Gomez
Assistant Finance Director, Celeste Walker
Parking Director, Kevin Kinney

Public Speaker(s)

Mr. Duran (phonetic)
Maria Cruz

Agenda Item F-1 [10:02 a.m.]

An Ordinance of the City Commission authorizing entering into a Purchase and Sale Agreement for the sale of the City-owned surface parking lot (#31) at 350 Greco Avenue, Coral Gables, FL 33134 (Folio No. 03-4120-017-2240) to JRFQ Holdings, LLC, a Delaware limited liability company; providing for a severability clause, repealer provision, codification, and providing for an effective date.

Mayor Lago: Madam City Attorney, F-1.

City Attorney Ramos: F-1 is an ordinance of the City Commission authorizing entering into a Purchase and Sale Agreement for the sale of the City-owned surface parking lot (#31) at 350 Greco Avenue, Coral Gables, FL 33134 at -- to JRFQ Holdings, LLC, a Delaware limited liability corporation; providing for a severability clause, repealer provision, codification, and providing for an effective date. This is a second reading item. It is a public hearing, and it must be adopted by a four-fifths vote.

Mayor Lago: Okay, I want to put on the record very quickly, before we hear from staff, that Vice Mayor Mena has stepped out of the room. He has not engaged in this conversation and will not be voting on this, like he did not vote on first reading. I also want to put on the record for my colleagues on the Commission, like I have said before, you know, there have been certain comments that have been made in social media by certain media outlets, by certain blogs that, in my opinion, are out of place and are not factually correct. And I want to remind people that we have to be very careful. We have to be very careful when we make comments and when we say things because, at the end of the day, our comments could cause serious harm to someone's reputation or to someone's family. I have been -- I have faced that recently as a result of the election. We have faced that -- I know Commissioner Fors has dealt with that issue, Commissioner Menendez, in the past. And those are things that we have to rise above and we're a better community in that. If you don't agree with something, let's have a disagreement based on the merits and the facts of the issue. I have never had an issue taking this to an ITB or to an RFP. I don't have an issue with that. To me, the more transparent that we can be, the healthier. But one thing that I will not accept -- and I say it with the utmost respect -- is our staff being accused or fellow colleagues of mine being accused that there's corruption, or that they intentionally misled the City, or that they're not doing their professional best on behalf of the residents and the business community. I think we need to be careful because when we slide into that kind of rhetoric -- I don't want to compare us to other cities because it's not right, but we become like other cities where

there's this cloud over every decision that we make. And we have shown, over the last 95 years, that we're a Commission, that we're a City, that we have the best staff that is always trying to do their best. Can we get better? Yes. Am I going to hold everybody accountable? 110 percent. But I want to discuss things based on the merits. And I want to have a conversation with my colleagues before we vote today and say if you feel confident about moving forward in the fashion of an ITB or an RFP, I'm willing to make the motion today and pass the gavel on to Commissioner -- to Vice Mayor Fors, in this instance, to take this to an ITB over the next 60 days. Because what I don't want is to see a situation where this becomes a narrative that's played out over and over and over again and taints people who I believe in this community have been good citizens, along with our colleagues on the Commission, who after reviewing this deal understand how intricate it is and how it's in the best interest of the City because of what's being offered on the table. So, if you want to have a conversation before we make any decisions, I welcome it. I look for your guidance, for your input on this issue, so the floor is yours. Commissioner Anderson, Commissioner Fors - Vice Mayor Fors. You like that title, huh?

Commissioner Fors: Does it come with a pay raise or any...

Mayor Lago: I think it does. It's very nominal.

Commissioner Anderson: A penny maybe.

Commissioner Fors: No, listen, I spoke about this agenda item at length at the last meeting, and I think my views are pretty much cemented that for various reasons, which I will spare everybody from listening to again for I think the second or third time, I think it's a no-brainer deal for the City. It makes all the sense in the world. I've been convinced of that since day one. And that -- when I say day one, I don't mean when the former Commissioner's company made an offer to purchase it, but when prior owners of the adjacent property did. For me, between -- as I said last time, between those meetings and last meeting, and between last meeting and this meeting, you know, nothing has really changed. If there's something has changed, I'm happy to consider it, but

otherwise, I'm pretty cemented in my position that I'm ready and willing to go forward with it and finally sell this property, which we've been trying to sell for some time. I want to thank the Mayor for prefacing the discussion with the fact that if there was anything improper about the way this was done or about any connections or impropriety between members of the Commission or otherwise, everybody on this Commission would be taking issue with it, but there's a reason why we've all repeatedly voted unanimously in favor of proceeding with the sale, and that's where I stand. One last point I'll address because it comes up in emails is that we didn't follow the competitive bidding process, and questions as to why we did not in this particular case. And I want to emphasize again that in recent history, we have not followed that process for the sale of commercial properties, and this would be the first time we did since -- at least I can remember -- since I believe the current City Attorney has been at the City, so it's nothing really special about it in that sense. And by the way, I should also note that although we waived that procedure, we only waived minor elements of it. we otherwise followed every single other requirement of that procedure. So, that's all I have to say about it.

Mayor Lago: Commissioner Anderson.

Commissioner Anderson: I concur with your comments. And in my decision-making process, I try to do what's in the best interest of all the residents. And in striving to do that, I've asked staff to research any and all requests to purchase or inquiries if the property was for sale, from June of 2020 through yesterday. And I'm going to ask you what the results of that search was.

Asset Manager Sardinas: So, ma'am, the City Clerk is the one that we tasked with in order to be able to keep our records and our public records requests. So, he's run...

City Clerk Urquia: So, we did run the research through our IT Department, ma'am, and other than the companies that have already been disclosed by the City Manager, no one else has reached out to the City with interest in this property.

Commissioner Anderson: Okay, through yesterday.

City Clerk Urquia: Through yesterday.

Commissioner Anderson: Okay. The second thing I asked is to inquire whether the terms that were agreed to by this proposed buyer of the contract would be willing to be extended during an invitation to bid process, and if you have gotten a response on that.

Asset Manager Sardinas: Yes, ma'am. They are willing to do that, to wait until there is a process, yes.

Commissioner Anderson: Okay. That was a major factor in my vote the last time because I felt that there was the risk of losing this opportunity. But if they're willing to agree to these terms while we do an invitation to bid, then I think there's nothing to lose at this point going through the process.

Mayor Lago: You know, and if I may add something. I'm sorry, Zeida.

Asset Manager Sardinas: Oh, that's okay.

Mayor Lago: Go ahead, Zeida, please.

Asset Manager Sardinas: No, no, no, no.

Mayor Lago: No, I took the words out of your mouth. Go ahead.

Asset Manager Sardinas: No, I just wanted to stress with respect to history and what we were able to find out, the process of -- that I follow is in the Code.

Commissioner Anderson: I agree.

Asset Manager Sardinas: The Code doesn't specifically call to -- that would be a policy change or decision that could be made, and you can certainly -- we're happy to follow whatever you -- the Commission's will is -- is to advertise for 60 days. That is what is written in the Code, that a specific quarter-page ad with even the 18-point font, so that is what is stated in the Code. From as far back as we researched, we were not able to find any place where a formal ITB process had taken place done by the Procurement Department. The sale -- the only sale where there wasn't waiver language included was the one that was done at the Coral Way property before I arrived at the City, in 2018 or so, where it was advertised on CoStar and LoopNet, which is what I used to post, for example, when we have properties up for sale or for lease, I use that. I couldn't find evidence that a newspaper had been used. I haven't found it yet, but that's been the process that's been followed. As always, you know, the will of you guys is, you know, we will go out and do whatever it is that you want, but I wanted to make that clear because it's important. And it is the only thing that wasn't done at this point because we had a directive from the Commission to work with these two people.

Commissioner Anderson: Right, right. And I understand -- and -- but we do have the opportunity to do it now without losing the terms.

Mayor Lago: And if I may, Commissioner.

Commissioner Anderson: Yes.

Mayor Lago: Just on the same vein, this is what I was talking about before in the beginning. You have a possible partner which understands the situation that we're in. They've met every single one of our requests, and we've asked for additional electric charging stations -- or excuse me, we asked for charging stations, when we asked for the price to be increased by \$25,000 to meet the highest -- the high -- and I want to put this in the record -- the highest appraisal, when we've

discussed issues about signage. They have not said no one time. This is a big ask. And what does that go to show you? That goes to show you that we have a real partner that understands that they want the property and that we need this leeway to ensure that we send the proper transparent message to everyone who's involved. And you know, this is, again, what makes -- why I said in the beginning, this is what makes our city so special when you're dealing with somebody who could walk away from the table at any moment, but says, "You know what, I want to do this right not only for my business but also for the City, and I give you my word that, at the end of day, we're going to meet the obligation and we're going to meet what we told you in the beginning," which was the price along with the additional requirements set forth by the City. So I'm with you on that issue. I don't know if Commissioner Menendez has anything else you -- anything he wants to say, excuse me. The floor is yours.

Commissioner Menendez: Yes. I guess my first question is to the City Attorney. I know last meeting we -- I guess we reset this item. So, from the reset, have we as a body, the Commission, followed our City Charter, City Code in terms of how we've proceeded.

City Attorney Ramos: Yes. So, the City's Code regarding the purchase, sale, or lease of public land, which is specifically what's at issue here, allows for the City Commission when it finds that it's in the best interest of the City to waive any portion or the entire thing by four-fifths vote. It's now past twice by four-fifths. However, the initial vote was reconsidered at the last meeting; first reading again was adopted by four-fifths. So, the Code has been strictly complied with. And I'd just like to add to what Ms. Sardinias was saying, that this particular section, Division 12 of the Code requires certain things. One of those things is an advertisement in a newspaper for 60 days with very specific requirements as to the font and how big it has to be, two MIA property appraisers of real property, the presentation and vote and input of the Budget and Audit Advisory Board, the Property Advisory Board, the Economic Development Board, and any other board that the City deems is appropriate and that's it. And in this particular case, every single requirement, but for the publication in the newspaper, was followed. So really, with by four-fifths vote, the Commission

was just waiving the 60-day requirement because, in fact, the two appraisals were done, and it was presented to the three boards I mentioned, in addition to the Parking Advisory Board.

Commissioner Menendez: My following question is addressed to the Administration. The funds from the eventual sale of this property, what are those funds -- I know it was discussed in the presentation -- what are those funds going to be used for going forward?

City Manager Iglesias: Commissioner, they will be used for Garage 7, which is the garage right to the east of the Public Safety Building, and it will finish our Public Safety Complex.

Commissioner Menendez: And are those -- how important are those funds for the completion of that in terms of timeline?

City Manager Iglesias: It's -- well, that project is out to bid right now.

Commissioner Menendez: Out to bid.

City Manager Iglesias: It's out to bid right now, and we'll be getting bids in in the next probably four weeks or so. And so, we -- it's part of our Public Safety Complex. It's a parking garage that will be tied into our Public Safety Building and will be used when the EOC -- when the Emergency Operations Center is activated.

Commissioner Menendez: And I think my last question is, so what we have before us is, I think, Commissioner Anderson, please, you know, let me know if I misstate "send it out to bid" as an option, this whole matter, this sale.

Commissioner Anderson: Yes.

Commissioner Menendez: So what are the different timelines so that the community at large knows what we're talking about in terms of if we do send it out, what's the earliest the City can see those funds? And then, if we go forward, I guess, unanimous vote, how quickly will the City access those funds as well?

City Manager Iglesias: I'll have Assistant Director Celeste Walker advise you on that.

Assistant Finance Director Walker: Good morning. Celeste Walker-Harmon, Chief Procurement Officer. With regards specifically to the solicitation process, my timeline that I developed specifically, the fastest it could be done is 90 days, probably more closer to 120. As stated by the City Attorney and Ms. Sardinas, specifically the Code states that the advertising soliciting proposal/offers, however, does not prescribe how that actual process should take place. So, we're making reference to an IFB, but there are other methods that could be used to actually solicit the actual property. That particular process could either come through Procurement or Real Estate, so I guess some clarification as to which process you're directing us in will also lead to what type of timeline we'd be talking about.

Commissioner Menendez: So, potentially, if -- on one track, we could maybe close the end of this year, possibly early 2022, and if we move forward today, how quickly does that sale happen?

Asset Manager Sardinas: The contract states that it's 15 days after Commission approval is the closing.

Commissioner Menendez: So, I turn back to the City Manager and his staff. If the funds are available early 2022, I guess at the latest, does that impact the parking garage, our ability to move forward?

City Manager Iglesias: And we have our Finance Director. I'll let her answer that question.

Finance Director Gomez: Good morning. So, the project for Parking Garage 7 has a hole in funding. We are waiting on this money in order to complete that project, so if this sale doesn't happen, then obviously, we have to find the funding elsewhere. Right now, because we have a semi-contract, so we can rely on the fact that we're getting that money in, so we have -- so we can continue with the rest of the process of Garage 7. If we kind of are starting all over -- and I'm not so confident that we have that money coming in -- and so I don't know how -- we may have to find it from elsewhere and then -- I don't know if that makes sense.

Commissioner Menendez: It does.

Finance Director Gomez: Okay.

Commissioner Menendez: And then my...

City Manager Iglesias: And let me say that this -- Garage 7 is out to bid.

Finance Director Gomez: Right.

Commissioner Menendez: Is out to bid now.

City Manager Iglesias: It's out to bid now.

Finance Director Gomez: So, as soon as -- yeah. So, we need to do a -- so when the bids come in, we need to issue a contract with the selected bidder.

Commissioner Menendez: You need -- once the bid is completed and the firm selected and ready to move forward...

Finance Director Gomez: We need to have cash in hand.

Commissioner Menendez: You can't move forward with the anticipation of perhaps getting those funds.

Finance Director Gomez: So, if it's a guarantee, meaning it's just -- we're just -- it's a time -- like sometimes grants or something we know we're getting it, we just have to satisfy some other condition, then yes, we could go forward knowing that that money is guaranteed to come in. If it's up in the air, we would have to find the funding elsewhere.

Commissioner Menendez: What other funding -- where...

Finance Director Gomez: Exactly.

Commissioner Menendez: General fund?

Finance Director Gomez: No, I mean, some other project would have to give up the money in order for this project to be funded so that we could issue a contract. We can't issue a contract unless we have the funds in place or we know that they're coming in, like a bond issuance. We know the bond issuance is going to happen on this day. We can issue the contract in advance of it. Or we know a grant is coming in...

City Manager Iglesias: Let me just say, 120 days is four months. This project is out to bid now. What Diana's saying that this cannot be -- if we don't have the money in hand, we cannot award the contract...

Finance Director Gomez: Correct.

City Manager Iglesias: For this project.

Commissioner Menendez: Understood.

City Manager Iglesias: And so, let me just say this has gone to four boards. This has been -- we have two appraisals. The average appraisal is 3.44. This exceeds the average appraisal. It's the highest appraisal. And since I've been here in the Manager's Office, I have never had anyone offer anything for that particular property.

Mayor Lago: Commissioner, if I may.

Commissioner Menendez: Go ahead, please.

Mayor Lago: So, this is -- I do this for a living, the idea of designing, and construction, and building, and getting to a CO. Usually, these projects, let's say they're a \$50 million project, you're between 5 to 10 percent is the soft cost of the project to design the building. When they say they need the money, it's for the overall construction of the project, correct? It's not for the soft costs to design the project. Do we have the monies to design --? If we wanted to move forward tomorrow, if we wanted to give a contract for design, can we give that contract tomorrow, yes or no?

Finance Director Gomez: For design, I think that -- yeah.

City Manager Iglesias: It's out to bid. It's out to bid, Mayor.

Mayor Lago: But we have the money?

Finance Director Gomez: The design...

Mayor Lago: Because I'm getting to my point. Here's my point. So, the design is out to bid, an architect -- go ahead.

Finance Director Gomez: No, go ahead.

Assistant Finance Director Walker: The design.

Parking Director Kinney: The design is complete.

Finance Director Gomez: Right.

Parking Director Kinney: We're bidding construction.

Mayor Lago: Okay. When do you expect to have a contract -- excuse me, a submitted proposal from the company?

City Manager Iglesias: This is -- let me say, Mayor, this is a straight bid.

Mayor Lago: Okay.

City Manager Iglesias: It's a smaller project; it's less than 20 million. It's just a straight bid.

Mayor Lago: So when do you have it? When do you think you'll have it?

City Manager Iglesias: So...

Assistant Finance Director Walker: The solicitation -- I believe the bids close on June 30.

Mayor Lago: Okay. Are you expecting an extension?

Assistant Finance Director Walker: Not that I'm aware of.

Parking Director Kinney: We would like to break -- have you guys break...

Assistant Finance Director Walker: As soon as possible.

Parking Director Kinney: Ground in -- this summer.

Mayor Lago: So, there's no extension. So, I can put it on the record that we're not giving an extension.

Assistant Finance Director Walker: That's not the intent right now. Again, it closes on the 30th, which is what, three weeks away from now almost, so...

Mayor Lago: How long will it take you to negotiate the contract with this entity that wins?

Parking Director Kinney: Since it's a simple construction contract, it should be negotiated...

Assistant Finance Director Walker: Fairly quickly.

Parking Director Kinney: Within a couple of weeks.

City Manager Iglesias: I would say 30 days.

Assistant Finance Director Walker: Yes.

Mayor Lago: My point is simple. There's -- where there's a will, there's a way, okay. I've been involved in situations like this. I don't want you to feel that, you know, we can't move forward on a project as a result of that there isn't sufficient funds. There is a way to find funds. And you know, I'm not going to make a decision today because, if we don't move forward, one project is

going to suffer over another. There's projects that I've been waiting for to move forward here for years that haven't even left the dock, as a result of lack of funding, other priorities that are more important. I want to make sure that this Commission understands that if you have any inkling that you don't feel comfortable moving forward, that we can vote and we can wait the 60 days to do whatever is in the need of this Commission and this City to send a very clear message that even though I agree right now that this is the best deal we're going to get, why not just take that additional time to rest easy, that there's no sense out there that this Commission rushed to do anything. But the idea of the construction, we can always find the money. We can always find the money. There's an opportunity to shuffle things around and find whatever money is necessary. And they just told you, look, June 30, you're talking about three weeks away, then the contract is going to take at a minimum two to three weeks. I've never had a contract of this magnitude given to me that quickly. If they do it, I think it's great, but there's issues that contractors need to get. Contractors need to get insurance. They need to provide a litany of documentation prior to a contract being approved, and it is a process. And then that has to come to Commission to be ratified, that contract. We have a Commission meeting every two weeks. And in certain cases, they're trying to probably beat a deadline for the summer, I'm guessing. I haven't spoken to staff about this, but there's no way that they're going to have that here before, at a minimum, two to three months from now. That's my opinion. So, just wanted to give you a little background on that point.

Commissioner Menendez: I appreciate it greatly, I really do, and I appreciate staff and the City Attorneys too for, you know, the answers to my questions. Last question, is there a middle ground between going to RFP and moving forward today? Is there some form of middle ground to gauge the interest of potential buyers that perhaps can shorten it? I'm looking for a middle ground, a common ground that sort of satisfies the needs of the public to, you know, have us move in the direction of transparency, but at the same time, we have, you know, the parking garage -- I think it's 7 -- with the Public Safety Building that, you know, at the same time, I don't want to put the City in a bind, regardless of, you know, the timeline. So, is there a middle ground that we can get to?

City Attorney Ramos: The middle ground would be to follow the Division 12 purchase and sale section of the code, which says 60 days in a newspaper, so it cuts probably, I don't know, 30 days off of the process maybe.

Commissioner Fors: Let me -- can I say something? We've already waived the entire procedure, as we always do. So, correct me if I'm wrong, but can't we do whatever we want? I mean, we can -- just because we decide that we want to advertise it, it doesn't mean that then we've decided that we want to rigorously follow the Code that we've already -- the portion of the Code that we've already waived, like we always do. So, isn't this within the power of this Commission to say, listen, by now, a lot of people know about this property because it's been reported on for various reasons. Number two, it's a \$3.5 million commercial property, which calls for a, you know, relatively sophisticated buyer is the person who's going to be buying this, who presumably is out there and has not heard that it is for sale. Isn't a middle ground to say, listen, if we're deciding -- because we need a four-fifths vote -- that we want to do some kind of public advertising, let's go ahead and advertise it, choose where we're going to advertise it, and advertise it for 20 days or 30 days. Do we have to really swing back in the complete opposite direction, and can't we just resolve to say this is how long we're go do it, and this is how we're going to do it, and that's it?

City Attorney Ramos: You absolutely can. But then you're back to waiving the Procurement Code by a four-fifths vote. And the perception or sentiment that the Procurement Code should not be waived and should be followed would still be there, which I suspect is what some of the Commissioners are trying to get rid of.

Commissioner Menendez: I think there are different ways to satisfy the public's desire to understand the process and to give that enlightened view of transparency, which is needed. I guess I throw it back to my colleagues, what Commissioner Fors is recommending in terms of maybe shortening that timeline and seeing who's out there, who's truly interested in perhaps participating, if that's something that could be considered in terms of finding a common ground.

Commissioner Anderson: I'm going to ask the City Man -- City Attorney, is there terms where you could have a conditional approval, put it out for bid, and if we get a higher bid, then we can accept that, but otherwise, the contract is enforced?

City Attorney Ramos: So, yes. But the problem is, you -- this contract expires June 30?

Asset Manager Sardinias: Thirtieth.

City Attorney Ramos: Yeah. So, we would have to have them agree to an amendment that would stay open essentially for however long we're going to take, and then put out an ad that I guess gives a base price and ask for bids above that price is the only way I could think of doing it.

Commissioner Anderson: Could you -- couldn't we have another meeting before the end to get the terms in writing?

City Attorney Ramos: We could call a special Commission meeting because the next Commission meeting is like July 10th, 11th.

Asset Manager Sardinias: Thirteenth.

City Clerk Urquia: Thirteenth.

City Attorney Ramos: Fourteenth?

Asset Manager Sardinias: Thirteenth.

City Attorney Ramos: Thirteenth. And this would expire June 30. So, yes, we would need to have a special Commission meeting, which of course, we could have.

Commissioner Fors: A special meeting -- I missed it. A special Commission meeting to approve what writing?

City Attorney Ramos: To approve a conditional contract, so where they would sign the contract and basically keep it in place for however long we think it's going to take, 90 days, 120 days, while we put out bids. And if we get a higher bid, then the contract would fall through. And if we didn't, then we would move forward with that contract.

Mayor Lago: And by the way, that's the norm; it's a stalking horse. It happens a lot in different municipalities and entities in the federal level. They use a stalking horse all the time when people come in and provide an unsolicited offer. They provide a document that we're interested in providing this service or buying this piece of property. The document then is digested and provided for the community to review, and given over a certain time period, anyone can match it or give a better offer. This is nothing new.

City Attorney Ramos: And if -- it is for the City, but it doesn't matter.

Mayor Lago: But it exists.

City Attorney Ramos: We can still do it.

Mayor Lago: It exists. The process exists.

City Attorney Ramos: The other thing I would add, Commissioner Anderson, is, of course, there's a lot of conditions here that go above just price, so...

Commissioner Anderson: Yes.

City Attorney Ramos: It would be meeting all those minimum conditions, and in addition, beating the price.

Commissioner Fors: Right.

Commissioner Anderson: Yes.

Commissioner Fors: And I was just going to get into that, but would we have to have a special Commission meeting to execute the conditional contract? Couldn't they bind themselves -- if they were willing to, of course -- to that -- now when I say "they," I'm referring to the buyers -- to that conditional contract, subject to Commission approval, so that we can have a binding conditional contract without us needing to ratify it?

City Attorney Ramos: So, none of our contracts are binding without Commission approval. What we could potentially do is have the Commission direct that a third amendment be executed, but then again, you would still have to come back.

Mayor Lago: And let me ask you a question, just going off Commissioner Fors' comments, why do we have to approve an amendment to the Commission? I don't remember that we -- on the first time, the first go around, we approved entertaining the sale of the property, but we didn't approve the actual contract.

City Attorney Ramos: On first reading, you approved the actual contract. On second reading...

Mayor Lago: No, no, but...

City Attorney Ramos: We're talking about now.

Mayor Lago: Okay, now.

City Attorney Ramos: Yeah. You've approved a first and a second amendment.

Mayor Lago: By why can't...

City Attorney Ramos: Well, the second amendment's on today.

Mayor Lago: Why can't we give the power to the City Manager in this one instance to address the issue of amending the existing contract that we approved on first reading?

City Attorney Ramos: Right. So, you would be voting basically to adopt this ordinance on second reading with additional amendments to the contract, which is to make it contingent, and if they accept it, great. And if they don't, then we're done.

Asset Manager Sardinas: Because the second amendment includes a...

City Attorney Ramos: June 30th date.

Asset Manager Sardinas: June 30th date.

City Attorney Ramos: And it's not contingent. It doesn't include the contingent language that we're going to go out and see if we can get a better deal for a certain amount of days.

Asset Manager Sardinas: Right, exactly. It doesn't have that.

Commissioner Menendez: What if -- sorry.

Mayor Lago: Why don't we just -- we don't we defer this item for the next two hours, have our astute legal team call the proposed buyer and say, "Would you be willing to accept an amendment

to your contract and provide us an amendment via an email?" I'm not an attorney. I leave that up to my three colleagues. But if we could do something that's that simple, which would provide us the time and not have to wait until the 30th or to our next Commission meeting to move forward.

City Attorney Ramos: That would be fine. I just need to know the specific thing we're asking them.

Commissioner Fors: Because I think what they're going to want to hear is if we're willing to consider a custom offering, like the one I just mentioned, where we decide how we're going to offer it for X amount of time, and not necessarily do the 60 days, since we're already waived that by a unanimous vote.

City Attorney Ramos: So, I can certainly go back to them. I just need to know how long they are to keep their offer open.

Mayor Lago: You said it was -- the minimum for an ITB you need is 60 days, correct?

City Attorney Ramos: No, no, the ITB is different. But there's -- Commissioner Fors' point is we're waiving all of it, so it doesn't matter. You all could say 30 days, 45 days, 15 days, whatever you want.

Mayor Lago: Listen, what do you feel comfortable with? What does the Procurement staff feel comfortable in regards to an ITB, 30 days, 45 days, 60?

Assistant Finance Director Walker: For an ITB, probably 30 days.

Mayor Lago: Okay, perfect.

Assistant Finance Director Walker: I did ask the question for clarification purposes, since the Code does not specify what method, I just would like some clarification. Do you want it to be an IFB or another process utilized to just simply advertise?

Mayor Lago: I think the ITB. I think the ITB is the best -- I mean, from my past experience...

Assistant Finance Director Walker: Okay.

Mayor Lago: And I leave it up to you. You're the procurement professional, but I think the ITB is the best vehicle to get what we want. I think 30 days is appropriate. It's more than enough time...

Assistant Finance Director Walker: Okay.

Mayor Lago: For someone to put together a simple AIA contract with -- you know, meeting the requirements that we'll set forth. I think we've set forth...

City Attorney Ramos: Celeste, can you put in an ITB that says, "This is the price. You have to have all these conditions met, and if you don't meet it, you're out?"

Assistant Finance Director Walker: Yes. So, that was the other question too, with regard to what Commissioner Fors was saying.

City Manager Iglesias: We...

Assistant Finance Director Walker: The structure...

City Manager Iglesias: Excuse me. We have conditions of 34 cars...

Assistant Finance Director Walker: Yes.

City Manager Iglesias: Available cars, the eight charging...

City Attorney Ramos: Parking.

City Manager Iglesias: Stations, et cetera.

City Attorney Ramos: The charging stations, all that.

Assistant Finance Director Walker: Basically, the deal that you have on the table would be the structure of what we are actually soliciting, and they would have to meet that offer.

Mayor Lago: Yes.

Assistant Finance Director Walker: With regard to setting a minimum price, that's always done with regard to...

City Attorney Ramos: Perfect.

Assistant Finance Director Walker: Any type of solicitation like this. You would set the minimum price, so you'd have to decide what you want that to be. And then the bids would move forward for (INAUDIBLE)...

Mayor Lago: Well, the minimum price is simple. It's the highest appraisal.

Assistant Finance Director Walker: Okay.

Asset Manager Sardinias: 3525.

Commissioner Anderson: Right.

Assistant Finance Director Walker: That's not standard, but I'll just say...

Mayor Lago: The highest appraisal.

Commissioner Fors: And are we able to, as a condition, that there's no brokerage fees?

Assistant Finance Director Walker: Yes, we can, if that's...

City Attorney Ramos: Sure. If you agree to it, we can ask for anything.

Assistant Finance Director Walker: Yes, we can ask for whatever we want in the -- yes.

Commissioner Fors: Alright. And what -- and you'll have to excuse me. What does an ITB entail in addition to public advertising?

Assistant Finance Director Walker: It lays out the actual structure of the deal, so it says specifically all of the specifics that we want; the parking spaces, the charging stations, the time, the no brokerage fees. You lay out the whole condition of the actual deal, and actually, all that they're bidding on is the pricing of it. There's actually no negotiation as far as that's concerned.

Mayor Lago: The clarity of the signage to ensure that people understand that this is public parking.

City Attorney Ramos: That's included.

Mayor Lago: Yeah, the clarity of the simple -- or the fact that this is a covenant running with THE property to ensure in perpetuity that this parking is available for all to use in the public.

City Attorney Ramos: You're going to have all of that, Celeste.

Mayor Lago: Just little things like that.

Assistant Finance Director Walker: So, it's all that deal is basically...

Mayor Lago: All of it, every single thing that we've discussed.

Assistant Finance Director Walker: Yes. So, that whole structure would be the solicitation. And basically, they would just be bidding on pricing honestly.

Commissioner Fors: And how long would it take you to get it out?

Assistant Finance Director Walker: I would have to get with Zeida, and I guess in a week or so, we would be able to get it out and to have it advertised for 30 days.

Commissioner Fors: And does the ITB dictate where we advertise it?

Assistant Finance Director Walker: Actually, it does and it doesn't. It says that it has to be in a regional publication, so it's almost basically like what it's stating in the Division 12. So, specifically how I am in compliance with that with the rest of my solicitations is that it'll be advertised the same in a daily newspaper, the Business Review, and after then, the actual solicitation is actually published on the City's website. So, it's...

Mayor Lago: And I think that -- and Commissioner Menendez and myself, we're looking at the phone. I think that if we embark on this today and we get an email or whatever the City Attorney requires from the proposer, 30 days falls perfectly, you know, saying you could release this ITB with the next five days, falls within the timeframe of our next Commission meeting.

Assistant Finance Director Walker: Okay.

City Manager Iglesias: And just to clarify, 30 days, and the parking, all the issues that are on this contract will be part of that...

Mayor Lago: Yes.

City Manager Iglesias: Of that stipulation, including having no realtors involved.

Mayor Lago: Yes.

City Attorney Ramos: Okay, so if we don't get any offers, we're good to go.

Mayor Lago: We're good to go. But I want to have it on the July...

City Attorney Ramos: If we get an offer, we will have to bring it back to the City Commission...

Mayor Lago: Yes.

City Attorney Ramos: And we'll miss the July date, so it won't come until the end of August.

Mayor Lago: That's fine. But I want to make sure we make that July date.

Assistant Finance Director Walker: I want to ask the question too, with regard to the current buyer that's on the table, that you're asking them to extend their offer. Are you also saying that you do not want them to participate in the solicitation that we advertise?

Commissioner Fors: I think they're free to participate. Why wouldn't they be able to?

City Attorney Ramos: The agreement is contingent. They already have an agreement with the City, so they wouldn't be participating. They're just holding on to their agreement. If someone beats them, then their agreement is void.

Assistant Finance Director Walker: That's not what I'm asking, though. Because I'm saying are forbidding them to participate in this process.

Mayor Lago: No.

Assistant Finance Director Walker: Based on the fact that you have a contingent offer?

City Attorney Ramos: We have to, otherwise...

Assistant Finance Director Walker: Okay.

City Attorney Ramos: They can bid for a lower price.

Assistant Finance Director Walker: So, as long as you make that clear so that I don't receive a bid from them.

City Attorney Ramos: Yeah. If we don't prohibit them, then they can bid at a lower price.

Assistant Finance Director Walker: They can bid at a lower price.

Mayor Lago: Well, they've also -- that's one of the reasons why I asked for that email. You know, they've stated -- like I said in the beginning when we started discussing this issue -- that they understand their commitment to the City, and they understand moving forward, and they've treated us and we've treated them with the utmost respect, and they're moving in a direction that they

understand that this Commission needs to be as transparent as possible, and 30 days is a possibility to us -- for us to deliver on certain concerns that are out there in the public. And they've stated that their number is going to hold true. They've answered every single call that we've asked of them, everything. When we've asked something that's reasonable, they've said yes; even an increase in price when the concern from the public and from certain individuals in the community was that we had an appraisal that was higher by \$25,000. They've been good citizens.

City Attorney Ramos: Yeah. And actually, we might want to let them because what if they want to offer a higher...

Assistant Finance Director Walker: Higher price.

City Attorney Ramos: Price.

Mayor Lago: Never know.

City Attorney Ramos: So, they couldn't offer a lower price because they have a contingent contract. But if someone else came in and they really wanted it, and they wanted to offer a higher price.

Mayor Lago: I appreciate it. Thank you. So, do we have marching orders? Does anybody else want to add? Commissioner -- Vice Mayor Fors.

Commissioner Fors: I think that we should still defer it for a couple hours.

City Attorney Ramos: Yeah, we need to defer it so we can (INAUDIBLE).

Commissioner Fors: Yeah, yeah.

Commissioner Menendez: And I want to make sure that, for the July 13th, we properly notice this item.

City Attorney Ramos: There won't be anything on July 13.

Commissioner Menendez: Nothing on July 13th.

City Attorney Ramos: It won't be over. So, whenever it's over, either this will be a contract and it's already been adopted today, if we bring it back this afternoon. Or we'll be bringing you a new contract with a new person in August. So, nothing's happening on July 13th.

Commissioner Menendez: But we can have -- we can bring this back at least for discussion so that we can get the status?

City Manager Iglesias: There is -- I don't believe we have a meeting in August, so it will have to be a special meeting.

City Attorney Ramos: End of August. There's a meeting on the 20 something of August.

City Manager Iglesias: Okay.

Commissioner Menendez: Or we can do the special meeting there.

Commissioner Anderson: Okay.

Mayor Lago: Listen, we'll make ourselves available...

Commissioner Menendez: Yeah.

Mayor Lago: At the end of the day. So, we move on to Item F-2. Thank you to staff. I guess we'll talk in...

Commissioner Anderson: I'll be in town. So, if you want to call a meeting. Just for clarification, so you know, the public understands, the difference between 30 and 60 days, how is it going to impact the closing of the property? Is 60 days going to...

Asset Manager Sardinas: The contract always has stated that closing will take place 15 days after the Commission approval is obtained.

Commissioner Anderson: Right.

City Attorney Ramos: Right. The problem is that arguably they would be approving it today.

Asset Manager Sardinas: Exactly.

City Attorney Ramos: So, all those dates have to be moved.

Asset Manager Sardinas: All those dates would have to be moved.

Commissioner Anderson: All those dates would have to be moved.

Asset Manager Sardinas: So, if you would -- if this is taken up at the August meeting to take the final vote, then it would be 15 days after the August meeting.

Mayor Lago: But wouldn't the goal...

Commissioner Anderson: Okay.

Mayor Lago: Be for this to be taken up in the July meeting? That's my understanding. That's why we're...

City Attorney Ramos: There's no way we make it to July.

City Manager Iglesias: No.

Mayor Lago: Why not?

City Manager Iglesias: It's July 13th, Mayor.

City Attorney Ramos: Because...

Mayor Lago: Why not?

City Attorney Ramos: If she's going to take a week to get it out and it's going to be published for 30 days, that already takes us outside of July 13th, or whatever it is, and then we don't have another meeting until August 25th.

Mayor Lago: I mean, we have -- today's the 8th.

City Attorney Ramos: Right.

Mayor Lago: So, we're talking about if we could -- and I'm sorry to put you -- I apologize, I apologize.

Commissioner Menendez: Two days.

Mayor Lago: I'm putting you in the hot seat.

City Attorney Ramos: Today's the 8th, so less than a week.

Mayor Lago: I'm not asking you to -- okay.

City Attorney Ramos: That's the 15th.

Mayor Lago: Less than a week to put together an ITB -- and I apologize.

Assistant Finance Director Walker: Okay.

Mayor Lago: I know it's -- you take great pride in your work and you always do great work. We have a week to put together a very simple ITB, with the requirements for sale.

City Attorney Ramos: Right, so...

Mayor Lago: We already have a floor in regards to what price we'll accept, so no one's going to bid lower because they can't bid lower because we're asking them to be above the appraised value. That should be very clear in the ITB. Do you think that we can produce an ITB in the next five days, go out to market, so we can meet those 30 days? It's okay if it's not, I just want to make sure.

Assistant Finance Director Walker: I would like to say, honestly no.

Mayor Lago: Okay.

Assistant Finance Director Walker: To Miriam's point, it does take a minute, because we want to be thorough and professional about the product that we put out.

Mayor Lago: Yeah, and you want to have Legal look at it and everything. I understand.

Assistant Finance Director Walker: And then, even the 30 days, if it closed on that 30 day, I wouldn't be able to honestly bring you back a package that I would feel comfortable with, because we do our due diligence. We do some information checking, and so we validate everything. And so, it's not just that it closes as a process for us to get to something that we would even consider for an award and for consideration. So, I would like, respectfully, for that time to be able to do our diligence.

City Attorney Ramos: And then we have to draft a...

Mayor Lago: Madam Director...

City Attorney Ramos: Purchase and sale agreement to bring back to you.

Commissioner Fors: Is that on the front end or the back end?

Assistant Finance Director Walker: The back end, the diligence, because we base that on the award -- the apparent award of the bidder so...

Mayor Lago: Who submits.

Commissioner Fors: Exactly. That was what my last point was, to think about what we can do to ensure that whoever does put an offer on it is actually able to close it since, as we know...

Assistant Finance Director Walker: Yes.

Mayor Lago: In closing -- thank you for your honesty. I appreciate it. I want to make sure people understand that we're not pushing you to do anything that you don't feel comfortable with, so I appreciate your honesty because we want, at the end of the day, to have a result that's transparent

and that gets the job done, not that we trip all over ourselves because we made a mistake of some sort. And that happens all the time -- not here in most cases, but in certain other municipalities, I've seen it happen where documents are not signed, and then there's issues in regards to entities or individuals fighting these procurements because they felt that they won or somebody else lost, so thank you for that. Okay, so we'll take this up later. Is somebody going to contact the...

Asset Manager Sardinias: So, it will come back at the...

City Attorney Ramos: Yes.

Asset Manager Sardinias: End of August then?

City Attorney Ramos: We're going to come back at the end of today.

Mayor Lago: Yeah.

Asset Manager Sardinias: Okay.

City Attorney Ramos: Come and we'll work on it.

Mayor Lago: Yes. The City Attorney will give some guidance.

(Later...)

Mayor Lago: So, now we'll move on to F-1. Commissioner -- Vice Mayor Mena will excuse himself. So where do we stand?

City Attorney Ramos: So, based on the discussion, Deputy City Attorney and Zeida Sardinias went back to the attorneys for the purchaser, and they'll give us the report on what they were told.

Deputy City Attorney Suárez: So, we spoke with the attorney for the purchaser, and where they stand right now is that they stand by what they've signed, which is the purchase and sale agreement with a second amendment that Ms. Sardinas can give you the details of. But essentially, it says that it must be approved by Commission by June 30th, otherwise it terminates and they are not willing to extend that.

Mayor Lago: Okay. This is what I would like to do. And if my colleagues would indulge me and allow me to give a little guidance, I would like for our Manager to, along with our City Attorney, to move forward and have a conversation with the potential buyer. I don't want to close this out today with a no vote because that's the way I would vote. I want to give the buyer the opportunity -- I know that you spoke to the attorney. I'd like for the City Attorney to have a conversation with the buyer's representative, which is not the attorney. Sometimes we know that attorneys are a little bit more difficult to deal with. I have four of them up here right now...

Commissioner Anderson: Excuse me.

Mayor Lago: -- I was at a five. And see how we can find an answer to move forward to an ITB, and be very clear that if we do not move to an ITB, I will be voting no. And I think that I can say that maybe we have one other person on the Commission at a minimum that'll be voting no.

City Attorney Ramos: So, Mayor, you'd like to defer the item?

Mayor Lago: Yes.

City Attorney Ramos: Okay, the only note I will make...

Mayor Lago: And -- just one more last thing. And if I need a special meeting to come back tomorrow, Thursday, Friday, for 15 minutes, 20 minutes, just for this one item, I will make myself

available. But I would like for the Manager to have a conversation with the buyer because I was under the impression -- and I -- if you heard my comments in the beginning, was that they were doing everything in their power to be as flexible as possible, and they were allowing us -- they were going to honor their offer to the City, which was a very generous offer. They've been more than flexible, increasing their price and meeting all our demands, but that they were going to meet this final demand of ensuring that we had the most transparent process and allowed us to go to the 30-day ITB.

City Attorney Ramos: So, if they agreed to the ITB option that we discussed earlier today, we'd bring it back to you before the expiration of the contract on June 30.

Mayor Lago: Yes.

City Attorney Ramos: Otherwise, the contract would just expire.

Mayor Lago: Yes.

Commissioner Menendez: I ask that between now and June 30th, obviously, if the Administration and the City Attorneys had the opportunity to speak with the potential buyer, if we can be briefed individually, the sooner the better, as opposed to waiting until perhaps a special meeting...

Mayor Lago: Perfect.

Commissioner Menendez: So that we can sort of process the information.

Mayor Lago: Okay.

City Attorney Ramos: Sure. If someone can make a motion, if you want to pass the gavel, Mayor, since you've already articulated one.

Mayor Lago: Done.

City Clerk Urquia: Mr. Mayor, before you take the motion, there are two members of the public requesting to speak on this.

Mayor Lago: Didn't we already have the discussion on Greco?

City Clerk Urquia: No.

Mayor Lago: Okay, then go ahead.

City Clerk Urquia: Mr. Duran.

Mr. Duran: I'm not politically correct, but then, you know, speaking in opposition to the sale. What you have to ask ourselves, you know, the question is not, "Who would buy this piece of property now?" We're talking about a three-piece jigsaw puzzle here. The question to you should be, "Why would a savvy businessman, such as Johnny Ruiz, aided by Frank Quesada, why would they buy the two adjoining pieces of property beforehand during Frank Quesada's tenure" -- if my memory serves me -- "without having some designs, some assurances, some hopes that they would eventually nab the center piece for the three-piece parcel, and then be able to build bigger, and hopefully, better?" That to me is a big question. It's not right now whether we're in a box now because Johnny Ruiz owns the two adjoining parcels. Somehow -- I don't know how that happened. It's a free country. It's market forces at play. The fact that our savvy City Manager would enter into a contract for a \$3.5 million piece of City property and ask only for \$100,000 deposit is unheard of. That is a bargain. The fact that it's a cash deal and there is no confirmation of funds, no letter from a bank, from a mortgage company. I mean, this is Johnny Ruiz. He probably has \$3.5 million sitting under his bed anyway. But regardless, from the standpoint of being the custodian of the City's finances and of its residents, you just don't enter into a contract

with \$3.5 million with a \$100,000 down payment and no proof of funds. How are you going to close? And now they're pressuring you either you make a decision by June 30th or we're out. Don't believe what the City Manager told you, that you have to enter into contract with the realtor, that you have to pay a 6 percent commission. There is something called Zillow. It's an app. I'm sure we're all familiar with it. Nothing prevents you from listing there. You can LoopNet the property. You can put a big sign. I mean, you don't -- you, the City, don't abide by your own rules when it comes to signage, et cetera. So, put up a bigger than usual sign on the lot offering it for sale. Let's see what we can get. What do we have to lose? What is Johnny Ruiz and Frank Quesada, what are they going to do with that missing center piece? And evidently, they want it bad enough that they bought the other two pieces without any assurance that they would get the center piece a while back. They invested a significant amount of money. They must have had some assurances, some expectations, serious hopes that they would get the center piece. Do us all a favor. Don't close your minds. It may indeed be the best deal that we're going to get at this point but keep an open mind. Seek some offers out there. Thank you.

City Clerk Urquia: Ms. Maria Cruz is next.

Mayor Lago: Ms. Cruz.

Maria Cruz: I'm sorry to keep bothering you, but you know what, this is what happens all the time. Ms. Sardinias made it very clear that she had discussed it with the buyers and that they were willing to go along with the plan, and then the staff got in the middle telling you all the things that could go wrong, the emergency that we have to sell because otherwise we cannot build the parking garage. We were not expecting to sell this when we started talking about Garage 7, or were we? Because Garage 7 goes back a while, and we had not been told that this was going to be sold until the resolution was done. So, once again, the staff is leading the charge. Here we go, Commissioners, the elected officials had a good idea what to do, and then the staff decided you all did not know enough, you needed to listen to them, and you needed to contact the other side, even though Ms. Sardinias said she had already contact. We needed to contact them and make sure that

they were agreeable. But they didn't contact them, they contacted their attorneys, see? We -- this is the constant -- the constant denominator. Every time the Commissioners decide they want to do something, the staff has to tell you, "You're on the wrong path. Let's do it my way, et cetera, et cetera." Enough is enough. Guess what? If they don't want to buy it, let them do their project without that piece and see how far they will go. Alright, I think it's time. You do not need to be blackmailed. You do not need to be pushed into doing something that you already said you didn't want to do. Thank you.

Mayor Lago: Okay. Ms. Cruz, thank you. Alright, moving forward, does anyone else have any other questions or any other statements they want to make in regards to this, or are we all on the same page in regards to the instructions that I've given?

Commissioner Anderson: I'm on the same page.

Commissioner Fors: What are the instructions?

City Attorney Ramos: We have a motion to defer with direction to the City Manager to speak with the buyer regarding the ITB option earlier proposed. If it's accepted, then there'll be a special Commission meeting set before June 30th. If it's not, then the contract will expire on June 30th.

Mayor Lago: I made a motion. Will anybody second it?

Commissioner Anderson: Second.

Commissioner Fors: Can I have a friendly amendment?

Mayor Lago: Yes, sir.

Commissioner Anderson: You're too slow.

Mayor Lago: You're the Mayor.

Commissioner Fors: I'm hesitant to put the final, you know, nail in the coffin in terms of it's going to expire June 30.

City Attorney Ramos: It does now.

Commissioner Fors: All that...

City Attorney Ramos: The signed contract expires June 30th. That's the problem.

Commissioner Fors: Well, I know, I know, but -- alright, fine. Do we have to state it in the motion then?

City Attorney Ramos: No.

Commissioner Fors: I don't want to indicate how we would rule on...

City Attorney Ramos: There won't be a meeting (INAUDIBLE).

Mayor Lago: Listen, I agree with you.

Commissioner Fors: Yeah, there won't be a meeting.

Mayor Lago: I'm trying at this moment right now to -- because I'm going to vote no if my hand is forced today, so I'm trying to breathe new life into this opportunity by having the Manager negotiate the simple fact that the Commission would like to have an ITB, which would provide transparency for everyone in this room. And we can always say, we went out to the marketplace

formally, not by, you know, people listening to us on Commission meeting. We went out formally, and we did everything as per the Procurement Director. We advertised, we had the following, or we didn't have anyone that submitted a proposal, and we accept this offer.

Commissioner Fors: Yeah, and I'm fine with the motion, obviously, and I'll vote yes on it. The part that I wanted to friendly amend was to the extent that the last part of it says that the contract shall expire. I mean, I know the contract will expire. I just wanted a reason not to include that in the motion.

City Attorney Ramos: I'll remove that from the resolution.

Commissioner Fors: But also, because, you know, it arguably binds us to not be able to extend it if they do -- after speaking to the City Manager -- agree to an extension to accommodate the ITB process.

City Attorney Ramos: We'll bring it back.

Mayor Lago: And I accept that, it's fine.

Commissioner Anderson: Yes.

Commissioner Fors: Yes.

Commissioner Menendez: Yes.

Mayor Lago: Yes.

(Vote: 4-0)