

City of Coral Gables City Commission Meeting
Agenda Item I-7
July 9, 2019
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Raul Valdes-Fauli
Vice Mayor Vince Lago
Commissioner Jorge Fors, Jr.
Commissioner Pat Keon
Commissioner Michael Mena

City Staff

City Manager, Peter Iglesias
City Attorney, Miriam Ramos
City Clerk, Billy Urquia

Public Speaker(s)

Mario Garcia-Serra

Agenda Item I-7 [10:38:38 a.m.]

A Resolution of the City Commission of Coral Gables, Florida, authorizing the City Manager to enter into two lease amendments with the Palace Management Group, LLC, with regard to City-owned property at 1 and 2 Andalusia Avenue, Coral Gables, Florida, and providing for a severability clause, repealer provision, and providing for an effective date.

Mayor Valdes-Fauli: And we'll take I-7 now.

City Attorney Ramos: I-7 is a Resolution of the City Commission of Coral Gables, Florida, authorizing the City Manager to enter into two lease amendments with the Palace Management Group, LLC, with regard to City-owned property at 1 and 2 Andalusia Avenue, Coral Gables, Florida, and providing for a severability clause, repealer provision, and providing for an effective date.

Mr. Garcia-Serra: Mr. Mayor and Commissioners, I'm here on this matter also, Mario Garcia-Serra with offices at 600 Brickell Avenue, representing the Palace Management Group, your long-term lessee and operator of the Palace Senior Living Facility, located at 1 Andalusia, along with

the parking garage across the street at 2 Andalusia. When that parking garage was originally constructed, the public component of that parking garage was constructed pursuant to a community development district that was created and issued bonds to help finance the construction of the public component of the parking garage. As part of that arrangement, the Palace Group deposited \$1.9 million in escrow to cover the cost of CDD assessments going into the future, a sort of reserve fund in the event that the Palace for whatever reason defaulted on its obligation to pay the assessment, this reserve fund would be in place. The reserve fund has never been utilized, its been seven years that the Palace has been paying all of its obligations to the City and to the CDD bond holders on time and in full. There are two other reserve accounts with over a million dollars out there already to cover any potential shortfall, which is very unlikely. All the other sort of contingencies for the release of this escrow have been satisfied as far as years occupancy, time of how long the seal has been issued and so forth; and so at this point we feel it's appropriate to release that pledged account because all the sort of assurances are there that the CDD will continue to, all the assessments will be properly paid.

Vice Mayor Lago: So moved.

Commissioner Mena: Second.

Mayor Valdes-Fauli: Will you call the roll please.

Commissioner Keon: Yes

Vice Mayor Lago: Yes

Commissioner Mena: Yes

Commissioner Fors: Yes

Mayor Valdes-Fauli: Yes

(Vote: 5-0)

Mr. Garcia-Serra: Thank you very much.

Vice Mayor Lago: Thank you.

[End: 10:40:45 a.m.]