## City of Coral Gables City Commission Meeting Agenda Item H-2 November 12, 2024 Police and Fire Headquarters 2151 Salzedo Street, Coral Gables, FL 33134

## **City Commission**

Mayor Vince Lago Vice Mayor Rhonda Anderson Commissioner Melissa Castro Commissioner Ariel Fernandez Commissioner Kirk Menendez

## **City Staff**

City Attorney, Cristina Suárez City Manager, Amos Rojas, Jr. City Clerk, Billy Urquia

## **Public Speaker(s)**

Agenda Item H-2 [4:32 p.m.]

A Resolution of the City Commission authorizing the approval of a Lease Agreement between the City of Coral Gables, a municipal corporation of the State of Florida, and Agave Plaza Retail, LLC, a Florida limited liability company, for a retail suite located within The Plaza Coral Gables Retail Element at 3005 Ponce de Leon Blvd., Suite 145, Coral Gables, FL, 33134 to relocate the City's Police Bike Patrol Unit Office for a term of ten (10) years with one five-year option to renew.

Mayor Lago: Moving onto item H-2.

City Attorney Suarez: H-2 is a Resolution of the City Commission authorizing the approval of a Lease Agreement between the City of Coral Gables, a municipal corporation of the State of Florida, and Agave Plaza Retail, LLC, a Florida limited liability company, for a retail suite located within The Plaza Coral Gables Retail Element at 3005 Ponce de Leon Blvd., Suite 145, Coral Gables, FL, 33134 to relocate the City's Police Bike Patrol Unit Office for a term of ten (10) years with one five-year option to renew.

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Asset Manager Sardinas: Good afternoon, Mayor and Commissioners, Zeida Sardinas, Asset Manager. So, we have been working on this contract for a bit. The staff is requesting approval of the lease agreement, as the City Attorney said, with Agave Plaza Retail. This is for a 913 square foot retail suite within The Plaza Element at 3005 Ponce de Leon Boulevard, Suite 145. The landlord is going to be conducting at its sole cost and expense, construct, furnish and equip all minimum base building shell and core, which will include the storefront, the locks, the hardware, wiring, partition walls, the slab-on grade, exposed polished finished concrete, plumbing fixtures, plumbing preparations, fire sprinkler system, HVAC unit, fire alarm, electrical and data outlets and the infrastructure conduits for the tele-data. The term is for ten years, with a five-year renewal. The base rent is \$10 per year, and it includes operating expense cost that we will pay the percent share of the operating expenses paid, so that means we will be paying CAM. We had estimated that that was going to be between \$18 and \$20 a square foot, and we will be paying that throughout the life of the lease. It has a five year – five percent cap on it. There is no security deposit required, and the lease and rent commencement will be upon the date when the landlord delivers the premises to the city following substantial completion of their work on the space. We recommend approval.

Mayor Lago: Mr. Clerk, do you have any public comment?

City Clerk Urquia: No, Mr. Mayor.

Mayor Lago: What is the will of the Commission?

Commissioner Menendez: I'll move it.

Vice Mayor Anderson: I just have a couple of questions. Its 913 square feet.

Asset Manager Sardinas: It's a small space – yes.

Vice Mayor Anderson: It's a small space and as I recall, and Mayor, you were here longer than I have been, that this was part of the negotiations for The Plaza itself, am I correct.

Asset Manager Sardinas: No.

City Attorney Suarez: No. That was not actually negotiated. It comes up often that that was part of it. It was not actually part of the development agreement. I don't know. Its not the first time I hear that.

Mayor Lago: We did something very similar in...

City Attorney Suarez: In Merrick Manor.

Mayor Lago: Merrick Manor with Henry Torre.

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City Attorney Suarez: The settlement agreement.

Mayor Lago: We negotiated that agreement. I thought we had talked with The Plaza about potentially having some sort of police sub-station due to the high traffic in that area.

City Attorney Suarez: And this has come up on occasions, but its not part of the development agreement. The development agreement did include a contribution that was to be used either for art or public safety and it was used for public safety, but not for construction of this unit or any kind of sub-station. Chief Hudak.

Chief Hudak: Commissioners, just for clarification. This was discussed early on when there was like several different owners of this. The idea was always to have part of a sub-station there. The reality of it is, since we moved to this building, currently our police presence, just ambiguous police presence in that area has kind of dropped off since there are cars not coming to and from the station. Subsequently, when it was discovered that it was not in the original deal, we spoke with the owners of The Plaza, and they agreed to kind of honor us with this storefront space over there. It does give us a little bit more strictly just an office for the Bike Patrol Unit where they can work on things, they will be working out of there, along with the Blue Light, they'll...a Blue Light, and the only other request that they added is, they are going to have designated police only parking spaces, as you've seen in some other retail areas and ask that we have when our police cars are parked there, they are there for a presence as well.

Vice Mayor Anderson: Alright. So, we don't have a dollar amount as to what this space is actually worth?

Chief Hudak: What its actually worth, I don't believe, because it's not built out yet.

Asset Manager Sardinas: Ma'am, their rates are quite high for retail space. They are charging us \$10 a year, and we are paying CAM, and the reason why we are paying CAM is because its part of their entire HOA and they couldn't waive that. So, we do have to pay it. There is a five percent cap on it per year that there can't be an increase of that much, but its basically our proportionate share for those 913 square feet.

Vice Mayor Anderson: I see this as a mutual benefit to both their property, as well as the police, they'll have more police presence, as well because they have someone there as well. It is a small space. In light of some of the discussions we've had today, knowing the actual value of some of these spaces, I thought was important. So, I think we have a motion.

Commissioner Menendez: Yes, I had a motion. I don't think we have a second.

Vice Mayor Anderson: Second.

Commissioner Fernandez: Yes Commissioner Menendez: Yes

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Vice Mayor Anderson: Yes Commissioner Castro: Yes

Mayor Lago: Yes

(Vote: 5-0)

Asset Manager Sardinas: Thank you.