

**City of Coral Gables City Commission Meeting
Agenda Item H-1
December 11, 2018
City Commission Chambers
405 Biltmore Way, Coral Gables, FL**

City Commission

**Mayor Raul Valdes-Fauli
Vice Mayor Vince Lago
Commissioner Pat Keon
Commissioner Michael Mena
Commissioner Frank Quesada**

City Staff

**City Manager, Peter Iglesias
City Attorney, Miriam Ramos
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Assistant Economic Development Director, Leonard Roberts**

Public Speaker(s)

Mario Garcia-Serra

Agenda Item H-1 [0:00:00 p.m.]

An update from staff regarding 2341 S. Le Jeune Rd. (LaSalle Building).
(Sponsored by Vice Mayor Lago)

Vice Mayor Lago: Alright. Let's move forward. Let's move to item -- did we already hear H-1?

Commissioner Mena: No.

City Attorney Ramos: We have not.

Commissioner Keon: No.

Vice Mayor Lago: Okay. Madam City Attorney, Madam Manager.

Commissioner Mena: He's not a madam.

Vice Mayor Lago: Huh?

Commissioner Quesada: I'm going to be honest...

Vice Mayor Lago: Mr., excuse me.

Commissioner Quesada: I'm going to be a little honest.

Vice Mayor Lago: Thank you.

Commissioner Quesada: It's sort of a little weird right now.

Vice Mayor Lago: I just wanted to -- the reason why I put this on the item -- on the agenda was just to very briefly have a discussion about LaSalle. And I know that you've gotten phone calls in regards to what's the current status...

Commissioner Quesada: Yeah.

Vice Mayor Lago: Of the building. I would like to have staff just give us a quick update in regards to where we are.

Commissioner Quesada: What's happening now is something happened in the last month that a lot more people are discussing it.

Vice Mayor Lago: Yes.

Commissioner Quesada: What's happened?

Vice Mayor Lago: I don't know. That's why I put it on the agenda.

Commissioner Keon: About...

Vice Mayor Lago: I've gotten many phone calls.

Commissioner Keon: Retaining...

Commissioner Quesada: I've got a lot of phone calls.

Commissioner Keon: About retaining it.

Vice Mayor Lago: Yes.

Commissioner Keon: For whatever.

Vice Mayor Lago: Yes.

Commissioner Quesada: Do you have the period maybe three or four months ago. That, obviously, was wiped. It came before us and we discussed it with the property owner. In the last month, I've gotten eight phone calls.

Vice Mayor Lago: One of the items that we discussed in reference to LaSalle was that this Commission requested staff to sit down with the owners and try to find some sort of common ground. Either it was the City purchased it, City went into a joint venture.

Commissioner Quesada: Yeah, of course.

Vice Mayor Lago: Trying to avoid the demolition.

Commissioner Quesada: Agreed.

Vice Mayor Lago: That was the end goal. I had a meeting -- yeah, we had a meeting. All of us had our pre-agenda meetings, and I wasn't very favorable to know that the information that was given to me, at least, in reference to where we are with LaSalle. A demolition permit hasn't been pulled either though they are currently able to pull a demolition permit if they need it so, if they are about to commence. So, where are we today? I heard that multiple sales have fallen through, so I don't know. I think it's back to the owner. I don't know if the property's still on the market. I don't know if the property is under contract right now. Is there anything -- any information...

City Manager Iglesias: We have...

City Attorney Ramos: The property owner told us that they would sit at the table with us once they got their demo permit. The demo permit hasn't been issued. The Manager can explain further because there's a document that we have not yet received.

City Manager Iglesias: The demo permit, everything's ready expect the demolition sequencing because it's next to LeJeune Road and we want to make sure nothing falls on LeJeune Road, and that is the only thing that they have pending. So, once that is done, they can pay that demolition permit and we can start discussion on it, but they have not paid the demolition permit yet.

Commissioner Keon: But they can -- but it's not ready to be pulled. It's not pulled because all of the documents haven't been filed yet.

City Manager Iglesias: That's correct, Commissioner.

Vice Mayor Lago: But...

City Manager Iglesias: Not because of us.

Vice Mayor Lago: When we talk about that -- because, again, they have approval from Historic for demolition. That's the most -- that's the biggest hurdle. So, putting together -- you and I know this very well because we do this every day. Putting together a simple demo plan, you know, you can do it on a piece of paper, submit it, you know, sign and sealed and you're done. It's not very intricate. It doesn't take months. It doesn't even take weeks. So, there's some things going on. They haven't submitted that document because they're not ready to pull a demolition permit. Leonard, do you have any information?

Assistant Economic Development Director Roberts: Sure. Leonard Roberts, Economic Development Assistant Director. Actually, Mario Garcia is here also, who represents LaSalle.

Vice Mayor Lago: I didn't know that Mario represented them. Okay, perfect.

Commissioner Keon: He represents -- oh.

Mario Garcia-Serra: Good morning, Mr. Vice Mayor and Commissioners. Mario Garcia-Serra, 600 Brickell Avenue, and I'm representing the owner of the site MML Investments, which is the owner of the LaSalle property site. Let me try to put the -- establish a setting so you see exactly where we are and indeed in good faith are trying to get to that point in time we're in the table with the City. When you guys originally discussed this -- it's already been several months ago, probably

about six months ago -- there was the discussion of sitting down with the City before doing any action on demolition. And part of that discussion was we'll do that as soon as we get the demolition permit. Because, of course, on our side, considering the controversy and everything else, there's been some hesitation as far as having confidence in us being able to ultimately, if we had to, and that was the decision to be made to be able to proceed with demolition. We got all the sign-offs. We submitted already the demolition plan. We've gotten the sign-offs from all of the different disciplines. At the end of that process, it was decided that we should prepare a demolition sequencing plan and have a special inspector. When I first heard about this -- it's really my partner's that's taking the lead, but I've assisted with Coral Gables issues. I reached out to the City Manager, then-Building Official at the time and asked him, you know, what is the demolition sequencing plan. He explained to me that it's a sequencing plan that basically lays out how you're going to go about the demolition and, more than anything, is there to ensure that when the demolition -- if any demolition takes place, it doesn't interfere with traffic or potentially -- you know, to sort of minimize the risk of what's involved. When he gave me that explanation, I could not argue with that. That sounds completely justified. We went about trying to find a civil engineer to prepare that sequencing plan and that has been a bit of a challenge. It's been a bit of a challenge because there is some liability involved in doing a sequencing plan and being the special inspector. It's not like we can promise much to that civil engineer as far as, you know, this will lead to a greater scope of work and so it's worth you potentially taking on this liability. So, that was a stumbling block at least for a couple months. We got together with the now City Manager at the time, as well as the Director of Development Services, Suramy Cabrera. We discussed different things that could potentially be done. It's sort of a modified sequencing plan that we're looking at right now but still with all the basics that the City staff thinks need to be there and that should be submitted -- and it might be too optimistic if I say today, but it should be submitted by tomorrow, at the latest. We're hoping that then when that sequencing plan and bracing plans and calculations are submitted, it'll be sufficient to satisfy that box and check it off and then ultimately get the demolition permit issued. And as we promised as we discussed before, we sit down -- as soon as that's issued, we sit down with City staff to talk about what are the potential options or what the City's thinking about with regards to the property. There's been no -- it's not listed for sale. There

isn't any contract, you know. Inevitably, there might be. You know, at some point in time, that might be the decision that's made and we want to, of course, reserve their right to potentially sell the property, but that's where we are right now. It's been -- undoubtedly, it's taken more time than anybody would have expected to get a demolition permit, but we're still in good faith proceeding and trying to get it.

Vice Mayor Lago: If I may ask you, why can't we start a discussion now with the City Manager and with staff? What is -- what's the hinderance? You have all the approvals. You know, basically, the ball's in your court in reference to being able to get a civil engineer who'll sign off and provide that logistic plan for demolition.

Mr. Garcia-Serra: There is some discretion in deciding, you know, what sort of sequencing plan or what should go into the sequencing plan. And, as you can see, it's taken longer than anybody would have expected. It's not as easy as anybody would have thought at first. And for us, it's important for us to have that assurance that that discussion is separate from whatever discussion we're having with the City regarding what the City may propose to do with the property.

Vice Mayor Lago: But you know very well -- you've been doing business a long time.

Mr. Garcia-Serra: Sure, sure.

Vice Mayor Lago: The City is incredibly professional.

Mr. Garcia-Serra: There's no doubt.

Vice Mayor Lago: We'll never, you know, dangle a carrot before you and then pull it away from you as a result of -- that doesn't happen here in the City.

Mr. Garcia-Serra: Right.

Vice Mayor Lago: You know, again, you have your approvals. They're already in place, and you'll get your demolition permit. To me, I just -- what I would hate to see is that the approval happens and then we never sit down, or we sit down and there isn't good faith...

Mr. Garcia-Serra: Right.

Vice Mayor Lago: In regards to the discussion.

Mayor Valdes-Fauli: Or that we don't sit down.

Vice Mayor Lago: You know, or we don't sit down. So, to me, I think that -- you know, I have the utmost respect for you.

Mr. Garcia-Serra: Sure.

Vice Mayor Lago: I think that your client is not, again, acting in good faith. They're not -- they don't want to sit down with the City and they want to basically say to the City, listen, I have a demolition permit. I'm going to start next week and this is what I want. That, to me, is not what we're here to do. We're here to have a conversation. If it exists to try to salvage -- one way or another. I'm not saying we have to buy it. I don't know how the outcome would be. I don't have that defined yet. But to me, it seems like they're holding back so that when they have the demolition permit in hand, they pay for it and they say, okay, we're starting in a week. This is what we want. And I don't think that's in good faith. I think what we should have is we should have a discussion that if we can't come to the table or we can't find an answer, okay, then, again, your client moves forward. They have the approval and we can't stop them.

Mr. Garcia-Serra: Right.

Vice Mayor Lago: They have property rights and we respect those property rights in the City of Coral Gables.

Mr. Garcia-Serra: You know, we're flexible and potentially that's what could be done. Perhaps, once we submit this plan today or tomorrow and we get comfort that while it might not be perfect, X, Y and Z needs to be done in order to make it sufficient, then we can say, okay, we have sufficient comfort that we can move forward. It's certainly not -- I wouldn't, you know, cast too much blame on the client because the client, I think, is anxious to figure out what is the future of this property for me finally and part of that is meeting with the City. It's probably more the lawyers being lawyers, you know, and wanting to be sure to try to, you know, get things done and in the right order. But of course, considering the long, you know, working relationship that there's been between our firm and the City and the high level of confidence that there is, you know, we just need to get comfortable that this demolition sequencing plan that has been such a challenge for us to get done which we're hopefully at the verge of getting done is not still a sort of challenge or an open question.

Vice Mayor Lago: While I appreciate you falling on the sword because you're that much of a gentleman, okay, let's try to get a meeting with the City Manager and the City Attorney. Just a sit-down discussion and have Leonard sit down...

Mr. Garcia-Serra: Right.

Vice Mayor Lago: And have all parties come -- we have a one simple hour or two-hour discussion. If we can find some sort of common ground or if we can even embark on this, we can. If not, the building has to be demolished. It is what it is.

Mr. Garcia-Serra: And...

Vice Mayor Lago: And it pains me to see it demolished, but again, it is what it is.

Mayor Valdes-Fauli: No. It pains us to see it demolished, but it is an eyesore today. It's been there for months...

Vice Mayor Lago: Yeah.

Mayor Valdes-Fauli: Since it came before us. Let's do something. Let's save it, let's demolish it, let's use it for whatever it is. The second story -- I mean, the second floor can't be used. I mean, it's...

Vice Mayor Lago: It's unsafe.

Mayor Valdes-Fauli: Condemned.

Mr. Garcia-Serra: And they've...

Mayor Valdes-Fauli: It's unsafe. And if you look at the building, it's a complete eyesore. Let's fix it, sell it, refurbish it, make it into a flower shop or demolish it, but let's do something.

Mr. Garcia-Serra: Understood.

Vice Mayor Lago: Thank you, Mario.

Mayor Valdes-Fauli: And I implore you to move forward.

Mr. Garcia-Serra: Let's try to get it done before the holidays. Let's try to get the meeting done before...

Vice Mayor Lago: No, no. I mean, the holidays are tough, but let's -- I mean, it's after the holidays.

Mr. Garcia-Serra: After.

Vice Mayor Lago: Let's do something maybe the first few weeks in January.

Mayor Valdes-Fauli: Before Eppiphany, okay.

Mr. Garcia-Serra: Will do.

Mayor Valdes-Fauli: Thank you.

Mr. Garcia-Serra: Thank you.

Mayor Valdes-Fauli: Thank you very much.

Vice Mayor Lago: Thank you, Mario.

Mr. Garcia-Serra: Thank you.

Vice Mayor Lago: Appreciate it. Thank you, Leonard.

Assistant Economic Development Director Roberts: Welcome.