

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2018-

A RESOLUTION APPROVING THE GENERAL TERMS AND AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE A DEVELOPMENT AGREEMENT WITH CORAL GABLES CITY CENTER, LLC (CGCC) FOR THE REDEVELOPMENT OF MUNICIPAL PARKING GARAGES 1 AND 4 IN WHICH CGCC PROPOSES A PUBLIC PRIVATE PARTNERSHIP TO PROVIDE AN IMPROVED PARKING STRUCTURE WHERE THE CITY WILL RETAIN OWNERSHIP AND/OR CONTROL OF THE PUBLIC PARKING COMPONENT AND BUILD A RESIDENTIAL AND OFFICE MIXED-USE PROJECT COMPATIBLE WITH THE SURROUNDING NEIGHBORHOOD

WHEREAS, for several years, the City of Coral Gables has been interested in pursuing the redevelopment of Municipal Parking Garages 1 and 4, with a focus on the following key objectives: Replace what are currently two obsolete parking garages that have operational deficiencies, with new state-of-the-art parking garages (above and beyond recent cosmetic improvements); provide public parking spaces to meet the future needs of Downtown businesses; introduce appropriately scaled mixed uses that would include a variety of retail and residential units onto Andalusia to support the City's goals for a vibrant, walkable Downtown, and; pursue a holistic approach to these objectives that balances parking, planning, design, economic development, community and financial considerations; and

WHEREAS, the City Commission approved Resolution No. 2013-91, dated May 28, 2013 authorizing a Request for Proposal (RFP) for the redevelopment of Municipal Parking Garages 1 and 4 (the "Garages"). On May 27, 2014, through Resolution No. 2014-102, the City Commission authorized staff to issue Phase I of a request for proposal (RFP). On January 26, 2016, the City Commission approved Resolution No. 2016-30 inviting all five proposers to submit more detailed proposals in response to Stage II of the RFP as approved by Resolution No. 2016-32; and

WHEREAS, the City Commission did not approve any of the proposals submitted under the RFP, however, in accordance with Resolution 2017-23, dated January 24, 2017, the City Commission authorized negotiation with Coral Gables City Center, LLC up to six (6) months, and provided the City Manager the authorization to extend for up to an additional six (6) months. If the negotiations fail, Staff is authorized to negotiate with the second ranked firm, TC Gables, LLC, for an additional period of up to six (6) months and the City also reaffirms its right to pursue alternative courses of action; and

WHEREAS, the six (6) months negotiation period for CGCC and Staff to reach agreed upon terms started on November 6, 2017; the first six (6) months expired on May 5, 2018 for the public private partnership of the Garages redevelopment (the "P3"). Staff provided an update to Commission on February 27, 2018 and three public workshops followed (June 4, August 27, and

September 18, 2018) to provide the City Commission with an update on the status of negotiations. In addition, Staff presented a workshop to the City Commission discussing the demand and supply of public parking in the Central Business District on September 11, 2018, and a Sunshine meeting on September 21 to further understand the details of the project. Staff also had several negotiation sessions with the CGCC; these various communications resulted in the City Manager granting incremental extensions up to November 5, 2018 under the City Manager's authority and bring forth an agreement for City Commission approval; then on October 23, 2018, the City Commission authorized a 9 day extension to allow Staff time to finalize the negotiations per Resolution 2018-284; and

WHEREAS, the approval will take into consideration the following main project attributes: number of public parking spaces, the size of the project, ownership structure (e.g. City to own public parking), and the project financing (e.g. City obligation to pay debt service); and

WHEREAS, in accordance with the proposal, CGCC will build 620 City-owned public parking spaces and 293 developer owned spaces for public use on nights and weekends as part of the public-provide partnership. The Garages will be managed in a manner and practice consistent with, and typical of, Class A office, residential and retail space; and

WHEREAS, in accordance with the proposal, the Garages shall consist of a 117,000 square feet mixed use office tower and a 236 residential mixed used building, 722 developer-owned parking spaces; building heights and floor areas not exceeding the maximum allowed by the City; and

WHEREAS, in accordance with CAO 2018-032, the two sites may be combined and developed as either a Planned Area Development (PAD) or Mixed-Use Project; and

WHEREAS, the City has historic Transfer Development Rights (TDRs) available that it may use for the Project at its discretion; and

WHEREAS, in accordance with the proposal, the Garages shall be structured as a vertical subdivision and/or an ownership structure so that the City may maintain fee simple ownership of the Garage 1 public municipal garage spaces and the Garage 4 public municipal garage spaces of the Project (the "Public Component"); and

WHEREAS, CGCC shall maintain fee simple ownership of all Project components except for the public parking component, and including the private garages, private retail, residences and offices (the "Private Component"); and

WHEREAS, CGCC proposes to develop the sites without City financing, but request the City pay \$575,000 annually from the revenue or real estate taxes generated from the Public Component over 30 years at a 2% escalation or pay \$275,000 annual and waive the City's permit and impact fees estimated at \$6.4 million, subject to appraised value of the garage sites and construction/development cost.

NOW THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES, FLORIDA:

SECTION 1. That the foregoing “Whereas” clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon the adoption hereof.

SECTION 2. That the City Commission does hereby approve the general terms, as specified in the whereas clause, and authorize the City Manager and City Attorney to negotiate a development agreement with CGCC for the redevelopment of Municipal Parking Garages 1 and 4 in which CGCC proposes a public-private partnership to provide an improved parking structure where the City will retain ownership and/or control of the public parking component and build a residential and office mixed-use project not to exceed the maximum size allowed under the City’s zoning code.

SECTION 3. In accordance with Section 2-1097 of the City Code, this resolution requires a 4/5th vote because of the estimated value is greater than \$1,000,000. If an agreement is reached with CGCC, an Ordinance will be presented to City Commission for two readings.

SECTION 4. To the extent the City cannot agree to terms, the City reaffirms its right to pursue other alternatives.

SECTION 5. That this Resolution shall become effective upon the date of its adoption herein.

PASSED AND ADOPTED THIS THIRTEENTH OF NOVEMBER, A.D., 2018.

(Moved: / Seconded:)
(Yeas: / Nays:)
(Vote:)
(Agenda Item:)

APPROVED:

RAUL VALDES-FAULI
MAYOR

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

WALTER J. FOEMAN
CITY CLERK

MIRIAM SOLER RAMOS
CITY ATTORNEY