

City of Coral Gables City Commission Meeting
Agenda Items H-3 and H-4 are related
March 28, 2017
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Jim Cason
Commissioner Pat Keon
Commissioner Vince Lago
Vice Mayor Frank Quesada
Commissioner Jeannett Slesnick

City Staff

City Manager, Cathy Swanson-Rivenbark
Assistant City Manager, Peter Iglesias
City Attorney, Craig E. Leen
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Parking Director, Kevin Kinney

Public Speaker(s)

Mario Garcia-Serra

Agenda Items H-3 and H-4 are related [0:00:00 a.m.]

A Resolution authorizing the administrative approval of certain modifications of the Mediterranean Village (N/K/A The Plaza Coral Gables) Planned Area Development for the property located at 2801, 2901, And 3001 Ponce De Leon Boulevard, Coral Gables, Florida 33134.

A Resolution approving modifications to an approved development agreement for Mediterranean Village (N/K/A The Plaza Coral Gables) Planned Area Development for the property located at 2801, 2901, and 3001 Ponce De Leon Boulevard, Coral Gables, Florida 33134.

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March 28, 2017

Agenda Items H-3 and H-4 are related – Resolution authorizing the administrative approval of certain modifications of the Mediterranean Village Planned Area Development and approving modifications to an approved development agreement for Mediterranean Village Planned Area Development for the property located at 2801, 2901 and 3001 Ponce De Leon Boulevard.

Mayor Cason: Okay, H-3 and H-4, and then we'll take a lunch break and come back and finish up.

City Attorney Leen: So, let me read them because even though they're resolutions, they have significance, obviously. Item H-3 and H-4 is a Resolution authorizing the administrative approval of certain modifications of the Mediterranean Village -- now known as The Plaza Coral Gables -- Planned Area Development for the property located at 2801, 2901, And 3001 Ponce De Leon Boulevard, Coral Gables, Florida 33134. And Item H-4, which is a Resolution approving modifications to an approved development agreement for Mediterranean Village -- now known as The Plaza Coral Gables -- Planned Area Development for the property located at 2801, 2901, and 3001 Ponce De Leon Boulevard, Coral Gables, Florida 33134. Before staff begins presenting, I would just like to make a couple legal points. As to H-3, this is a site plan approval. It's what's called a minor amendment, because what it's doing is its lowering -- in general, it's lowering the intensity of the project. My office has reviewed it and given an opinion that this could be approved as a minor amendment pursuant to the Zoning Code. Typically, a minor amendment is approved by staff. This is obviously a matter of great significance, so we decided -- the City Manager and I -- in consultation with the ACM Peter Iglesias and also Ramon Trias, the Planning and Zoning Director, that this matter should be brought to the Commission. So, what you're doing today is if you vote in favor of this, you're directing the Planning and Zoning director to approve this matter administratively. You can obviously amend or modify it as well, or you can decide not to approve it. You have that discretion. In addition, Item H-4 is a modification to an approved development agreement. This is different than the typical amendment process. The reason this applies is because the amendment -- the development agreement has not been fully complied with, and we're not casting any blame here. That's not the intent here today, but there is a schedule that has not been complied with. The City is faced with a field that's been there for many years. Obviously, it's an important issue to this Commission to address that. So, the modification provisions of the Zoning Code apply, because of that noncompliance. And that allows the City Manager to bring to the Commission a

recommendation for how to address that situation. It's basically remedial in nature. That is why we can act on it today through an administrative -- through a Commission approval again of a resolution. And, that's in strict compliance with the provisions of the Zoning Code, which allows that to be done by resolution, because it is a modification based on noncompliance. So, with that, I would turn it over to the Planning and Zoning director to discuss. This is not a public hearing item, but you are free to take any comments that you would like, Mr. Mayor. It's within your discretion.

Vice Mayor Quesada: Actually, before you turn it over to staff, I just want to applaud the City Manager. Last night, the City had a community meeting for anyone who wanted to come and speak on the item, which I actually think was a brilliant idea, because it gives the residents an opportunity to go and, you know, speak their mind and give their input, and two opportunities like right at the point of a vote. So, I know it was a pretty good turnout last night. I wasn't there, but I was told it was a pretty good turnout and they were able to voice their opinions. So, if they couldn't make it today, they had that opportunity last night as well, so I say thank you to the City Manager for arranging that.

Commissioner Slesnick: I agree. Thank you, City Manager, because, to me, having public input's very, very important and I'd like to hear the results later of what the citizens had to say. But, thank you for organizing that last night before the vote today.

City Manager Swanson-Rivenbark: So, Commissioner Lago was there and we appreciated his input. And as soon as Commissioner Keon arrived, he stepped out to not violate the sunshine.

Commissioner Lago: I was actually -- you actually kicked me out.

City Manager Swanson-Rivenbark: Thank you, sir.

Commissioner Lago: But -- no, it's the truth, but it's alright. No worries. I got home early to my kids. I want to echo the Vice Mayor's sentiments. I met with a lot of the residents last week. I actually have one of my appointees to the Historic Preservation lives -- she lives in that community. She's an architect. I didn't get one negative comment. They thought it was very well received at the -- not only is there a significant reduction -- I mean, significant -- five -- I don't know if it's the exact number, but five...

Mayor Cason: Five hundred thousand some...

Commissioner Lago: Five hundred and fifty thousand or five hundred and thirty thousand square feet reduction in the project. I think it's a great idea. They were very happy with the fact that the developer wants to get started on the project as soon as possible. And I think they told me they had two or three meetings with the developer over the last few months. They've been kept abreast on everything that's forthcoming. They also were very happy with the City Manager and Peter Iglesias and the City Attorney's staff for ensuring the fact that they'd have one last bite at the apple before this was potentially approved again at the Commission. They were excited about having that meeting last night. And, like after my conversations with the developer and my conversations with staff, we want to make sure that the improvements, where they possibly can be made in reference to the common areas, the streets, the landscaping, the sidewalks and the lighting, be done wherever there is no current impact, which may affect during the construction. I know that the developer and his counsel were very amicable about that. They've -- you know, they thought that that was important after so many years to make sure that the residents -- even though they're not responsible for the years and years of that being left like the way it was, they did come in a few years ago and they understand the importance of having a partnership with the residents and being in concert. So, I'm just happy with the way the City conducted themselves and made sure that the residents were, you know, at the forefront in regards to input.

Mayor Cason: Ramon, do you want to go over the main changes from this project now as it was approved before?

Planning and Zoning Director Trias: Yes, Mayor. If I could have the PowerPoint, please. Mayor and Commissioners, the project has changed the name. Now, it's called The Plaza Coral Gables. And I think that it's changed the name, because that reflects the changes in the site plan. If you look at the images here on the left is the existing 2015 approval. On the right is the proposed changes. Now, you may recall that this project was approved as a PAD, a PAD, which had very, very specific regulations, way beyond what the Zoning Code has in place. Because of that, we're able to review the changes and approve them administratively, should they comply with those PAD regulations, so that is the assumption. At this point, what we have received is a conceptual package, which is this 11 by 17 package that you received and we had a chance to share it with the community last night also. That is not a full application. That is not a full application and last night we had a chance to talk to neighbors and they asked about very important issues, such as the traffic, et cetera. We still have to receive the full application with the complete revised traffic study, and staff will review it. And if it complies with the Code and if it complies with the approved PAD regulations, then it will be approved administratively. And if it doesn't, then we'll be back here with you and talk again. But generally, the changes, I think, are very positive. The FAR, which is the bulk of the project, has come down slightly from 4.0 to 3.8. If you look at the images on the right, there's a plaza that is at the front of the project, right next to Ponce de Leon Boulevard, which is where the hotel used to be. The 2015 approval had buildings very close to Ponce de Leon Park along the sidewalk. Now, what they're proposing is to move the hotel towards the back and then create more open space at the ground level, which is one of the big ideas that the Commission has been pushing and trying to emphasize, the ground level pedestrian open space. So, from that point of view, the project is improved. Now what else changes? The project used to have underground parking. You may recall that it had a level and a half, sometimes two levels of underground parking. That has been removed. That is no longer the case. So, what happens is that now the parking is all above grade and the deliveries and access is also above grade. However, it's located within the alleys and in the back. So, through site planning, I think we can mitigate for some of the impacts that prior to this were dealt with underground. Now, that area that is shown in the yellow is the area that changes the most, and it

changes mostly towards open space. Now, there are a couple of things in terms of the program that are different and significant. One of them is that the retail is significantly less, almost half of what it used to be, which you may recall was one of the issues that we discussed back in 2015 when this project was being reviewed. There was some concern about the fact that there was excessive amounts of retail, and finally, the applicant has come to the conclusion that that was true, so they have reduced the retail significantly. Retail now is ground level. There's some second level retail facing the Ponce de Leon in a way that I believe is very effectively designed along that plaza. The other change is that there's more office space. The building in the south -- at the south -- southern corner of Ponce de Leon, which used to be residential, now has become office space, so there's significantly more office space and that will have to be reviewed in terms of the traffic impact. So, those are some of the basic changes. The overall massing is very similar. It affects a little bit more the neighborhood, and that was one of the issues that was discussed last night also that the hotel has been pushed back, so it's closer to the single-family neighborhood. However, it is tiered, so it's not like the tallest building. Now, in addition, you may remember that the hotel used to be very tall. It used to be 216 feet, which is way above the maximum height of buildings in the city, which is 190 and six inches. They have removed that. Now, the hotel is going to be 190 and six inches. So -- and that is consistent. That is consistent with the PAD regulations that we approved, so I think we will be able to review that as needed. Now, we have some of the numbers that I have briefly described or in your package. They describe the changes. We also have some of the preliminary studies in terms of traffic and parking. All of that, as I said, is preliminary. It has to be reviewed in more detail. But on the balance, I think that the project has become smaller. The public spaces at the ground level have been enhanced significantly, and I think that if we continue through the process of design and review, we'll be able to have a very nice project very soon. So, that is the summary of what we have so far. And like I said, we have not received all the information yet.

Mayor Cason: One of the things that I gather -- that I think we wanted before was a bigger ballroom. And we have -- other than the Biltmore and the country club; we don't have a space

for large events. So, this goes from -- increases several hundred at least to the capacity, right, of the ballroom or the...

Commissioner Keon: Size of the ballroom.

Mayor Cason: Size of the ballroom.

Planning and Zoning Director Trias: That is an improvement. Also, there are more hotel rooms. The actual size of the hotel is very similar, but there are more rooms in the hotel.

Commissioner Slesnick: And there's two ballrooms now, isn't there? A larger one and a smaller?

Unidentified Speaker: Junior ballroom.

Commissioner Slesnick: Junior ballroom.

Planning and Zoning Director Trias: Yes, and I say that without having received a final application, so we do have to review that.

Mayor Cason: Okay.

Commissioner Lago: Ramon -- Mayor, if I may, just a few quick questions. I just want to kind of give a little perspective to some of the individuals that are watching today. If you're constructing a similar project of this magnitude in the CBD, your FAR could be as much as...

Planning and Zoning Director Trias: 3.5. Sometimes we can apply the transfer of development rights, 4.3.

Commissioner Lago: And it can go all the way to what, four and a quarter?

Planning and Zoning Director Trias: 4.375.

Commissioner Lago: So, 4.375, and you're saying this is going to be at a 3.8, correct?

Planning and Zoning Director Trias: Yes.

Commissioner Lago: Okay. That's the first point. The second point is I want to make sure that we currently have the buffer, which was lining the rear of the project that was facing the residential neighborhood. Does that continue to stay? It was a townhouse development buffer that was sandwiched in between the actual new building, an alleyway and then the townhomes.

Planning and Zoning Director Trias: Yes. That has not changed.

Commissioner Lago: No change, okay.

Commissioner Slesnick: And from the townhouses, that's where the hotel is set back further, but is reduced in height? Because that's what the neighbors had the most objection to is the hotel being pushed so far back.

Planning and Zoning Director Trias: Yeah. The hotel is reduced in height to 190...

Commissioner Slesnick: Which is what Commissioner Lago and I really disapproved of in the first reading of having such a height in the initial passing of it.

Planning and Zoning Director Trias: Yes, and 190 is consistent with the regular heights in the City. So, the hotel has been pushed back. Before, it was right on Ponce de Leon, so it's been pushed back, so it's closer to the neighborhood...

Commissioner Slesnick: But, the townhouses come in between.

Planning and Zoning Director Trias: Yes and the alley is still there, so there's transition, yes.

Commissioner Slesnick: So, the neighbors last night were alright with the hotel being that far back?

Planning and Zoning Director Trias: They had questions, and upon looking at the drawings, they understood that the impact was reasonable.

Mayor Cason: I think one of the big developments is this extra open space.

Commissioner Slesnick: Yes.

Mayor Cason: Which everybody -- we've always been in favor of that, and they're continuing their contribution to the mobility in terms of the funding for trolleys or however we want to use it, new trolleys or expanded trolley service.

Commissioner Slesnick: And you can see the historic building there, which was...

Mayor Cason: Right.

Commissioner Slesnick: Very crowded before. And I really appreciate seeing...

Planning and Zoning Director Trias: Yes.

Commissioner Slesnick: The 1920s building be a showcase of the plaza.

Planning and Zoning Director Trias: It works much better from a design point of view. The context of the building is much nicer.

Mayor Cason: And -- go ahead.

Commissioner Slesnick: As far as the improvements that the developer is required to make now, we're reducing that, because the size of the building has come down. Is that proportionate?

City Manager Swanson-Rivenbark: That's a part of the development agreement. Peter Iglesias will be able to walk you through it at the conclusion of the site plan discussion.

Commissioner Slesnick: That's fine.

Planning and Zoning Director Trias: Yeah, that's H-4. That's the next item.

Mayor Cason: Yeah.

Commissioner Lago: Is there a -- Mayor...

Mayor Cason: No, go ahead. I was just going to -- I think it's important for people watching to know why we're having this discussion now. It was because, if I'm not mistaken, the developer thought they had enough money for it and it turned out they were \$100 million off, so they had to change the design. So, it's not like anything we've done. It's they've looked at it and said, oops. This turned out to be \$100 million more expensive than we thought, so they had to reduce it, and this is what they've come up with. Is that correct?

Planning and Zoning Director Trias: Yes. But, the main reason we're here is for transparency to be able to...

Mayor Cason: Right.

Planning and Zoning Director Trias: Show it to the people, so everybody can see it.

Mayor Cason: Okay.

City Attorney Leen: Although you should vote separately, I do think you should hear both together, because some of the items with the development agreement were proffers that were made related to the site plan, so you should hear both and then vote...

Mayor Cason: Yeah.

City Attorney Leen: Independently on each.

Mayor Cason: Yeah, let's hear on H-4 then. Go ahead.

Assistant City Manager Iglesias: The project, Mayor, was reduced from \$500 million to \$400 million. All the underground parking, which was a level and a half to two levels, has been removed.

Mayor Cason: That's important, because that way we don't have any octopus in our basements.

Assistant City Manager Iglesias: From sea level change and also it cuts construction down to eight -- by eight to twelve months from doing all that underground work, and that's always the most difficult and with the most issues.

Commissioner Lago: The dewatering...

Assistant City Manager Iglesias: Dewatering...

Commissioner Lago: Would have been a nightmare.

Assistant City Manager Iglesias: For two stories, yes, absolutely. And so, the project has been reduced from \$500 million to \$400 million or a 20 percent reduction. So, we had various items that were reduced based on that 20 percent reduction. What we did is look at the individual items and we had, for instance, on neighborhood improvements -- on off-street improvements, it was a total of \$6.325 million. That was reduced by 20 percent, but let me explain. The additional art contribution was reduced by 20 percent. The trolley upfront contribution was reduced by 20 percent, and trolley stock was reduced by 20 percent. And bicycle, sport facilities and electric vehicle charging stations were reduced by 20 percent. The loss of parking space was not reduced by 20 percent, because that's a direct loss to the City. That 20 percent reduction was used as a number, but was not applied to those items. We looked at the additional trolley contribution. That trolley contribution amounted to a present worth at a discounted rate of 7 percent of about \$6 million. If we take 20 percent from that contribution, it accounts for \$4.8 million.

Commissioner Slesnick: For the trolleys?

Assistant City Manager Iglesias: For the trolleys. We took all those -- the 20 percent from those other items and subtracted that from that amount and used -- and took that amount as the line item that we were going to make all those other reductions from. And so, that worked out to about \$628,000. That line item was increased from \$628,000 to \$1.25 million, which that would allow us to operate the trolleys for over ten years with that basic amount. In addition to that, the developer has proffered \$2 million for the improvement of Ponce Circle Park. These are upfront contributions. So, there's an upfront contribution of \$1.25 million for the operation of the trolleys, and there is also an upfront contribution \$2 million for Ponce Circle Park, for a contribution of \$3.25 million.

Mayor Cason: But, that's important too because we originally had planned up to \$5 million from the Neighborhood Renaissance Program for Ponce Circle Park, so that allows us to use that money for other projects in the City.

Commissioner Slesnick: Peter, what about the landscaping for the streets?

Assistant City Manager Iglesias: The streets stay the same.

Commissioner Slesnick: They stay the same, no 20 percent reduction?

Assistant City Manager Iglesias: No. The reduction -- those 20 percent that we reduced, we applied it all to the trolleys.

Commissioner Slesnick: Okay.

Assistant City Manager Iglesias: To that 25-year agreement. That 25-year agreement is now gone and we have proffered \$1.25 million, plus \$2 million for Ponce Circle Park.

Commissioner Slesnick: And we're talking about starting the street landscaping and renovations and so forth sooner rather than later, so that all the streets entering the project...

Commissioner Lago: That -- and if I may, Commissioner, that's something that I've really been harping about and I just want to say this, because I've had a meeting with the developer in reference to this and I actually had a meeting with the City Manager and with Peter on this issue. They have been very forthcoming and said they're going to deal with this.

Commissioner Slesnick: Sooner.

Commissioner Lago: The previous -- just so you're aware, the previous development agreement -- and I know you've probably read it, but perusing it one more time -- stated that they could do this work at the end, right before they received the TCO, so we're potentially talking about four years from now. I think it's critical to make the residents in these neighborhoods that are not going to be affected by whatever the ingress and egress is with construction, that we upgrade their current...

Commissioner Slesnick: Agree, a hundred percent.

Commissioner Lago: Infrastructure.

Assistant City Manager Iglesias: We have three key issues. One is the \$6.325 million improvements in the surrounding neighborhoods. That -- whatever is not affected by construction will be started in six months.

Commissioner Lago: And that -- just to refresh my memory...

Assistant City Manager Iglesias: And six months is to design and get the neighborhood involved and design the actual projects and also go through permitting. In addition to that, that will be bonded, so any issue that occurs with the project or with the developer, we do have a bonded -- we -- all that work is -- will be through a surety.

Commissioner Lago: And just for a point of clarity, when you say \$6.3 million, that was the same figure in the previous development agreement that we had, correct? That did not go down by 20 percent.

Assistant City Manager Iglesias: That is the exact same figure. It's a summation of all the numbers.

Commissioner Lago: So, you're still getting the same amount of upgrades and quality. Nothing has changed, even though the project has been reduced...

Mayor Cason: Yeah, and sooner.

Commissioner Lago: They get it sooner -- thank you, Mayor. They get it sooner. Everything else has been reduced by 20 percent, again, because it's the right thing to do. I mean, it's the right thing to do. They have reduced the park by 20 percent, but I appreciate the fact that that \$6.3 million stays, that it has not been changed because, I mean, again, that would be a significant...

Mayor Cason: And you know...

Commissioner Lago: That would be a \$1.3 million reduction in infrastructure upgrades for an area that really needs it.

Mayor Cason: And the bonding is really important, because I think the Sanchez project never had a bond and we got stuck.

Commissioner Lago: Yes.

Mayor Cason: This way, it's a good faith from the developer that regardless they're going to pay for this, so the neighbors are going to get their improvements regardless what happens with the economy or anything else, you know, that could happen.

Assistant City Manager Iglesias: We also addressed the site. The site will have a bond in case the project does not occur to restore the site. So, it will be filled or it will be sodded. Streets will be completed. There will be a restoration bond for the site sufficient to -- it goes up to the foundation phase and it's sufficient to remove all the foundations and completely restore the site.

Third item will be the current issues on the street and sidewalks. That will be completed within 60 days of signing of this agreement. In addition to that, upon signing of this agreement, there will be a bond for those repairs. Those repairs have been documented already by our Public Works director. He's met with them out there already, so they are defined. So, not only -- so, they are completing the work within 60 days and bonding the work upon signing of the contract - - of the development agreement, excuse me.

Mayor Cason: If these pass today, when is -- when are we going to see the first shovel go into the ground?

Assistant City Manager Iglesias: They are planning on December 31. They're redesigning the project per what you saw and the phase foundation permit is December 31 of this year.

Mayor Cason: Okay.

Assistant City Manager Iglesias: And they've got two to four months to physically start work on the project.

Commissioner Slesnick: And that's on the office building.

Assistant City Manager Iglesias: On the office building, based on the changes that...

Mayor Cason: Okay.

Assistant City Manager Iglesias: You've seen.

Mayor Cason: Madam Manager, anything else come out of the meeting yesterday that you want to mention?

City Manager Swanson-Rivenbark: They're very interested in staying informed. We will -- we've agreed to quarterly communication at the Youth Center with them. They are also interested in reviewing the traffic study. It was important for them to know that the developer will have a traffic consultant. We will have our own consultant, and we will also do internal review. That made them feel better about the traffic projections. We reminded them of the special clause that if for whatever reason traffic is greater than ten percent of what was originally perceived, we'd come back to the table and we'd readdress the traffic issues. But, I think the neighbors were -- the neighbors that were there present were excited about the project. They were looking forward to it. They just did not find the conditions of the right-of-way around them that they're looking at every day, because of project delays and change in owner, they didn't find that acceptable. They are very excited about these new development provisions. They like the fact that it's a bonded project. They like the fact that there are timelines. They like the fact that in the very likely event that the project doesn't move forward, we can fill the hole, put the grass, take down the fence, remove the construction debris and they can be looking at green space while a new alternative is developed. So, from that standpoint, they were very pleased. They look forward to having the neighborhood improvement meetings, so that they can discuss as a neighborhood what kinds of streetscape they want. They understand the budget and they're anxious for the results.

Commissioner Lago: Mayor, can I just ask for a request? Once you come back with the actual traffic study completed, can I just have one emphasis? I know that there's been a significant reduction -- I think it's by 50 percent -- the retail. And I'm not a traffic expert, but I think that that will probably carry the most weight in regards to traffic, but I know that there's been a little bit of an uptick in regards to the commercial component. Can you really emphasize to see how effective and how much reduction in traffic is going to be attributed to the reduction in retail scope?

City Manager Swanson-Rivenbark: Absolutely. It'll be an important part of the study.

Commissioner Lago: I just want -- just for my own...

Mayor Cason: And also...

Commissioner Lago: Edification.

Mayor Cason: The impact -- a couple of years ago, Uber wasn't as prevalent as today, so I think that's going to have a big impact on the hotel. I can't imagine any people coming from the airport in their own rental car. They're going to come on Uber or a taxi or whatever, so...

Commissioner Slesnick: Just one more question, Mr. Mayor. Peter, because we have a larger ballroom and an additional ballroom, which more events will be there, but on limited dates, usually on weekends, when the hotel moved back, is the entrance to the hotel in basically the same location now, so that it doesn't impact the neighbors? It comes in on the side there next to Christy's Restaurant.

Assistant City Manager Iglesias: The plaza has created a very good staging area...

Commissioner Slesnick: Because it's...

Assistant City Manager Iglesias: Because of that plaza and it's being used as a staging area as a drive-through, so I think the traffic study I think should come up well on that.

Commissioner Slesnick: So, we won't have stacking if you have...

Assistant City Manager Iglesias: On Ponce, I don't believe so.

Commissioner Slesnick: Everybody coming out of an event at the same time?

Assistant City Manager Iglesias: I don't believe so.

Commissioner Lago: So, you think it'll be a similar situation -- one of the big concerns with the Lennar Center at the University of Miami was it's going to be a lot of traffic. I drive by there every day. You don't see any cars queuing on Ponce whatsoever.

Assistant City Manager Iglesias: The same thing was said about Merrick Park and there's no...

Commissioner Lago: It didn't result in that way. I just want to make sure that there's enough queuing and opportunity to...

Assistant City Manager Iglesias: We're going to look at their parking study. We're going to review it internally and have a consultant review it also, so there will be double review on the parking study.

Commissioner Lago: Thank you.

Mayor Cason: Okay. Alright...

Vice Mayor Quesada: What...

Mayor Cason: Hold on...

Vice Mayor Quesada: Do you have something?

Commissioner Keon: No, go ahead.

Mayor Cason: Go ahead.

Vice Mayor Quesada: I want to come back -- I was going to ask you a question, but then everybody started asking questions. So, I'm going to take a step back. Okay, the previous agreement -- I just want to talk about a few numbers here. I'm actually looking at the development agreement. I'm on page 9 of it, which is the exhibit to the draft ordinance. I just want to jump through a few things. So, total estimated project price went from \$500 million to \$400 million, roughly. At least, that's what it says in the agreement.

Assistant City Manager Iglesias: Yes.

Vice Mayor Quesada: We're giving \$2.7 million for Art in Public Places. Basically, \$2.5 million for trolleys; now, two...

Assistant City Manager Iglesias: Well, let me explain the 2.5...

Vice Mayor Quesada: Two point five nine seven or something like that.

Assistant City Manager Iglesias: We changed that a little bit. Originally, instead of the \$1.34 million contribution for trolleys and then the contribution for main...

Commissioner Slesnick: For the maintenance.

Vice Mayor Quesada: And the 626,000 per year...

Assistant City Manager Iglesias: Right.

Vice Mayor Quesada: For 25 years, which is the 15 million...

Assistant City Manager Iglesias: What we did is we took the \$1.25 million, which is operational, combined it with the \$1.34 million for equipment, which is the \$2.5 million and allowed us to use it for either one, so it gives us more flexibility in that to...

Vice Mayor Quesada: So, will we still be able to purchase four trolleys and operate for ten years? Is that what the equipment was?

Assistant City Manager Iglesias: We'll have \$2.5 million upfront is the contribution for maintenance or trolley purchase as we see -- as the need arises. So, we -- it gives us more, I think, flexibility by combining that into a number that can be used either for acquisition of equipment or for operational needs.

Vice Mayor Quesada: Got it. With \$2.5 million -- how much does it cost us to operate per year, 626?

Assistant City Manager Iglesias: The \$1.25 million will operate one trolley for 10 to 15 years, in accordance with our Parking Director.

Parking Director Kinney: It's about \$125,000 a year per trolley operations cost. And so, the nice thing about the way it is being funded now is we get the \$2.5 million upfront. It's up to us to be disciplined and spend it over time rather than spend it all at once. And there is funds there available to do capital purchase, if we need capital purchase. But in effect, that \$2.5 million could fund an extra trolley on this route for 20 years.

Mayor Cason: Okay.

City Manager Swanson-Rivenbark: Commissioner -- Vice Mayor Quesada, you quoted \$2.7 million for the Art in Public Places, and just as a note, that's in addition to the requirement that is already in place.

Vice Mayor Quesada: Got it. Okay.

Assistant City Manager Iglesias: The Art in Public Places fee of \$5 million has not been used, because that will now be \$4 million because the project went from \$500 million to \$400 million, so we didn't use that number at all. That number is self-adjusting.

Vice Mayor Quesada: And then there was a \$6.3 million number that I was looking for that I didn't find related to...

Commissioner Keon: Transit neighborhood improvements.

Mayor Cason: Sidewalks.

City Manager Swanson-Rivenbark: You see that in Exhibit H, sir.

Vice Mayor Quesada: Exhibit H, okay.

Mayor Cason: It's still there.

Vice Mayor Quesada: So, that's \$6.3 million separate and apart from the numbers that I just mentioned.

Mayor Cason: Yeah.

Commissioner Lago: And those -- and that fee remains constant from the \$500 million price tag for the initial construction project, which is not being reduced.

Mayor Cason: They didn't reduce.

Vice Mayor Quesada: That was the number in the original agreement.

Commissioner Lago: Yes.

Assistant City Manager Iglesias: That overall number has not changed. That's the summation of all those numbers.

Commissioner Keon: In the prior agreement, it was allocated to...

Commissioner Lago: At TCO.

Commissioner Keon: It was broken up and allocated to specific streets.

Mayor Cason: Streets, yeah.

Commissioner Keon: Under this one now, if there is no allocation per street because they'll determine once the scope of work is to be done how the money will be allocated.

Assistant City Manager Iglesias: There also is a little refinement in how we allocate the funds.

Commissioner Keon: Right. Do you have...

Mayor Cason: Another question?

Vice Mayor Quesada: Oh, I'm sorry. You can ask.

Mayor Cason: Is that it?

Commissioner Keon: Yeah. Ponce Circle Park, the \$2 million allocation for Ponce Circle Park, is there -- you know, at one time -- I know when -- I think when it was the old Spanish Village, they were actually doing the design and whatever for Ponce Circle Park. I think it was part of their green space or something. And then there was some RFP that somehow floated out with regard to Ponce Circle Park. I don't know whatever happened with that.

Mayor Cason: That was in our...

City Manager Swanson-Rivenbark: We started from scratch.

Commissioner Keon: We're starting from scratch.

City Manager Swanson-Rivenbark: We're going to meet with the neighborhood, meet with the downtown...

Commissioner Keon: So, that's why I was asking how are we going to -- will -- you know, are they going to do the design for it that complements their project or is it -- it's totally separate and apart from that?

Assistant City Manager Iglesias: It's a contribution that we can use as we wish.

Commissioner Keon: So, we will do our own. We will go out for a design for this project?

Assistant City Manager Iglesias: We will also coordinate that with the space between the Mile and Ponce Circle Park. So, I think the idea is to have one cohesive area there. And so, instead of doing Ponce by itself, we are going to coordinate that work with Ponce Circle Park, the project, and make sure it flows back to the Mile.

Mayor Cason: And remember, we talked about the street people and all that would be similar...

Commissioner Keon: Yeah, that's what I'm asking. Is -- does the -- in the prior agreement, they were responsible for the sidewalk from their project -- I guess Malaga -- is that were the project ends is Malaga -- from there up to the Mile.

Assistant City Manager Iglesias: They still are. But, we want to -- what we want to do now is just coordinate that with the improvements at Ponce Circle Park and make that one whole...

Commissioner Keon: So, does this \$2 million just for Ponce Circle Park?

Assistant City Manager Iglesias: Just for Ponce Circle...

Commissioner Keon: Oh, that's just for -- so they'll do -- in addition, they'll continue to do something complementary to the sidewalk.

Assistant City Manager Iglesias: Yes, Commissioner.

Commissioner Keon: Okay, but I...

Mayor Cason: And I think the other thing, too, is I'd ask the developer, you're not going to skimp on your quality materials, because in the very beginning, they had beautiful materials, much like you would see in Italy. And I gather that that -- those materials, in spite of the project going down, you're still going to keep the quality materials. Mario.

Vice Mayor Quesada: Well, actually, before we get to Mario...

Mayor Cason: No, Mario first.

Vice Mayor Quesada: Okay.

Mayor Cason: Mario.

Mario Garcia-Serra: Indeed, Mr. Mayor. But first, let me introduce myself. Mario Garcia-Serra, 600 Brickell Avenue, representing Agave Ponce LLC, the owner and developer of the project. Indeed, the project is going smaller in scale, but we want to maintain the same quality not only for the project itself as far as materials and types of uses that are going to be in there, but also, as we can see, in the off-site improvements that we've obligated ourselves to. We're maintaining the amount that we're contributing towards those off-site improvements in the neighborhoods at the same amount of \$6.295 million, I think it is, as was committed when this project was at a \$500 million construction cost.

Mayor Cason: Okay, good, just for the record. Go ahead.

Vice Mayor Quesada: I wanted to ask staff about traffic impacts. This is something that I had told Mario I was going to ask him as well. So, I know there's a reduction in the overall size of the project. We know there's a reduction in the overall monetary investment of the project. Do we have any idea what the traffic impact is going to be with additional office space and less residential?

Commissioner Lago: Less retail.

Mayor Cason: Retail.

Commissioner Slesnick: Less retail.

Vice Mayor Quesada: And residential.

Mayor Cason: A little bit.

Commissioner Keon: Right, there's less residential.

Vice Mayor Quesada: Less units.

Commissioner Slesnick: More hotel rooms.

Planning and Zoning Director Trias: The applicant...

Commissioner Lago: The big reduction is in, you know, the retail.

Vice Mayor Quesada: Yeah, the retail.

Mayor Cason: Second floor retail.

Commissioner Lago: About 50 percent reduction.

Planning and Zoning Director Trias: The applicant has provided that they believe that there will be 9 percent more traffic in the morning and 0.04 less traffic in the evening. That is the basic idea that they're providing now. They have not provided a traffic study yet. That they have to provide and then we will review it with our consultant and then come up with an appropriate solution to any issues.

Mayor Cason: Okay.

Planning and Zoning Director Trias: In addition, as the City Manager has said, we have this ongoing monitoring that in case that the traffic does not perform in the way that the study predicts, then we have the opportunity to make some changes in the future.

Mayor Cason: For five years, right?

Planning and Zoning Director Trias: Yes.

Mayor Cason: Five years, okay.

Planning and Zoning Director Trias: Mayor, before I forget, the issue with the quality of the building materials and so on, that is in the PAD regulations...

Mayor Cason: Alright.

Planning and Zoning Director Trias: So, that is a requirement.

Mayor Cason: Great. Okay, any other questions? Anything else? Alright...

Commissioner Keon: What is the overall square footage now for -- you said it's -- I know what the FAR is, but the actual...

Commissioner Slesnick: It was 1.1 something million and now it's down in the nines.

Planning and Zoning Director Trias: Yeah. The applicant -- the numbers that they provided is that it used to be 1.17 million in FAR. Now, keep in mind, FAR is just the leasable space. That is the barebones number. Now, it's 1.11, so it's gone down slightly and that is where we go from 4.0 to 3.8.

Mayor Cason: Okay.

Commissioner Keon: Okay, so it's not an appreciable difference in the actual -- or it's a slight reduction in size, but a considerable reduction in cost.

Assistant City Manager Iglesias: Remember that the underground garage is gone.

Commissioner Keon: And that's the cost.

Assistant City Manager Iglesias: There's a lot of cost and they...

Commissioner Keon: Is that were the cost...

Assistant City Manager Iglesias: Were going two stories, very deep.

Commissioner Keon: That was the cost center for -- I mean that was the...

Assistant City Manager Iglesias: It's a lot of -- quite a bit of money.

Commissioner Keon: Item that was driving up the cost?

Assistant City Manager Iglesias: That and they did value engineering.

Unidentified Speaker: What would you say...

Planning and Zoning Director Trias: The way that I would describe it is that it's very similar in size. However, because of the plaza, it's going to look smaller. I mean, there's a...

Commissioner Keon: Okay.

Planning and Zoning Director Trias: Big difference in the impact...

Commissioner Keon: Okay.

Planning and Zoning Director Trias: That the project will have (INAUDIBLE)...

Commissioner Keon: Okay, just because of the massing.

Planning and Zoning Director Trias: Yes.

Commissioner Keon: Okay, is the entrance to the hotel still on Malaga? The entrance to the hotel -- where is the entrance to the hotel?

Planning and Zoning Director Trias: The entrance to the hotel would be through Coconut Grove...

Commissioner Keon: Oh, through Coconut Grove.

Mayor Cason: Through the middle.

Planning and Zoning Director Trias: So, it goes towards the back of the building. Before, it used to be towards the front of the building, right on Ponce de Leon.

Commissioner Keon: Right, yeah.

Mayor Cason: Okay, on -- alright, let's pick up H-3 first. This is the resolution authorizing administrative approval of the modifications. Do we have a motion?

Vice Mayor Quesada: Well, hold on.

Mayor Cason: You have more?

Vice Mayor Quesada: I (INAUDIBLE) hear from...

Mayor Cason: Does the developer want to say anything or...

Mr. Garcia-Serra: Mr. Mayor and Commissioners, I think that was a pretty thorough conversation. Almost everything was covered. I think a remarkable thing that we all have to recognize is any lingering concerns that there might have been about this project, whether it was floor area, height, amount of retail, has been addressed as we're responding to the market, responding to the demand, responding to construction costs. And now we're at a point that the project overall is smaller, the mix of uses more acceptable, and indeed, from the neighbors, what we have heard has never been any issues project specific. It's always been when are you going to start. When are you going to start? They want to see this happen already and these changes are going to permit this project to happen and to break ground this year, so we can start seeing those improvements that we need not only on the property, but also in the surrounding areas.

City Attorney Leen: Now, Mr. Mayor, since...

Vice Mayor Quesada: What are we going to -- so, look I want to be clear. I like the changes, I do. But, I had some concerns about traffic, and I just want to make sure that we fully address it. So, you guys still have to submit an updated traffic plan. We're going from 300,000 to 400,000 square feet in the office space. Assuming logic dictates that, obviously, we'd see more traffic Monday to Friday, 9 to 5 in that area and -- well, actually, maybe not, because of the retail.

Mayor Cason: Retail.

Commissioner Slesnick: It's gone from three hundred and something thousand down...

Mayor Cason: It could be a wash.

Commissioner Slesnick: To a hundred and sixty thousand.

Vice Mayor Quesada: Yeah, so...

Mayor Cason: It could be a wash and depends how many people who work there live in the City and walk or take the trolley.

Commissioner Lago: That's why -- Vice Mayor, I asked the City Manager at the beginning of the conversation, just for my own edification, I want to learn what's more impactful in regards to traffic. Is it retail or is it commercial? So, I mean, you are adding more commercial, but you're reducing significantly over 50 percent your retail.

Vice Mayor Quesada: Yeah, but I would think commercial -- I mean, the office space -- I'm just thinking...

Mayor Cason: You drive and you park all day...

Vice Mayor Quesada: You go in in the morning, you park and then you leave in the afternoon.

Mayor Cason: Yeah.

Vice Mayor Quesada: Every now and again, you have people coming in and out for meetings, but that's not the bulk of the movement.

Mayor Cason: Yeah.

Vice Mayor Quesada: When there's retail...

Mayor Cason: All day long.

Vice Mayor Quesada: People are coming in for fifteen minutes, for an hour, for two hours, whatever it is.

Mr. Garcia-Serra: That's the important thing of the traffic study. The traffic study is going to take into consideration those different peak times of usage and when cars are going in and out depending on what the use is. And when you're having, you know, an increase in office, you should expect something more in the morning. But, we're not factoring in the decrease of retail and that could cause a significant...

Vice Mayor Quesada: Parking requirements comparing from office to retail, retail requires more parking; is that a correct statement?

Mayor Cason: Remember, they had shared parking, so you had all this formula.

Vice Mayor Quesada: It's the same. So, does it impact the actual number of parking spaces that are going to be used?

Mr. Garcia-Serra: We were utilizing the same shared parking methodology and it was coming out at a reduced amount of parking required, which we still comply with.

Commissioner Keon: How much was it reduced?

City Manager Swanson-Rivenbark: While he's looking that up...

Mr. Garcia-Serra: It looks like...

City Manager Swanson-Rivenbark: Commissioner, shared parking actually works better when you have residential and office...

Commissioner Keon: Right.

City Manager Swanson-Rivenbark: Versus residential and retail.

Commissioner Keon: Right.

City Manager Swanson-Rivenbark: Because you're home at night; you work during the day.

Mr. Garcia-Serra: Well, what I'm looking at here, it appears that the reduction in the amount of required parking went down from 2,796 to 2,611, so a one hundred and some space...

Planning and Zoning Director Trias: It's a 15 percent reduction. However, as the City Manager said, the shared parking methodology in this case has changed significantly, so we need to review it very carefully.

Commissioner Keon: Okay, so you will review and does that come back to us again or...

Mayor Cason: Yeah.

Commissioner Keon: You do that administratively?

Planning and Zoning Director Trias: If everything is okay, it will be done administratively.

Commissioner Keon: Okay.

Planning and Zoning Director Trias: If we notice something that is not okay, certainly, we'll bring it back.

Commissioner Keon: Okay.

Vice Mayor Quesada: What happens if the traffic study comes back -- I mean, it shouldn't come out -- come back out of whack considering it's a wash, the changes, but I'm assuming that it comes back completely out of whack showing there's a lot of traffic -- again, highly unlikely. I just want to make sure we discuss it.

Planning and Zoning Director Trias: What I would say is that I don't believe the numbers of vehicles are going to be the issue. The operations may be an issue, the way that they impact some of the neighbors, because of the different locations of buildings and so on, so that will be reviewed very carefully. It is more of a site planning type of concern more than a traffic capacity issue.

City Manager Swanson-Rivenbark: And just to clarify, our traffic consultant and our Public Works staff will be reviewing the traffic study and they will not proceed to the next level until we've signed off on that traffic study. So, there is absolutely a check within the City to review and validate their assumptions, and then we refer back to the trigger long-term if, for some reason, the projections, which we have agreed to or negotiated come back higher than what was expected at, I believe it's 10 percent that I'm looking for that language. It's 10 percent than what was originally predicted. Then we're back at the table, project's opened. We're back at the table with more traffic planning improvements that would be their obligation.

Commissioner Keon: Thank you.

City Attorney Leen: So, Mr. Mayor, just two legal points, since Mario's up here. First, Mario, just to confirm again, as with the prior agreement, you're voluntarily proffering all the community benefits here for H-4 and H-5?

Mr. Garcia-Serra: Correct.

City Attorney Leen: Your client is. Also, under 3-210, the only notice requirement that applies here for the modification is a 15-day written notice to the parties, which is the City and your client. You've received more than 15 days' notice as you've already confirmed to me. But, to the extent that there had to be any formal written notice, do you waive that?

Mr. Garcia-Serra: Sure, to the extent that that had to be waived. We had actual notice easily 45 days we've been working on this...

City Attorney Leen: Thank you.

Mr. Garcia-Serra: If not more.

City Attorney Leen: That's everything. It's ready to be voted on.

Vice Mayor Quesada: Let me ask a question on the notice aspect because I received some calls.

City Attorney Leen: You had asked about that.

Vice Mayor Quesada: Yeah. I had received some calls from property owners of businesses. Is there any situation that we ever give notice to property owners of the businesses? Obviously, you've already said that this is not the type of situation that requires that.

City Attorney Leen: Yeah, in a situation where you would have some sort of conditional use review or other sort of approval where there'd be notice, it would go to the property owners within -- it depends, a thousand or fifteen hundred feet, depending on the circumstances. In this particular case, because this is a modification of an already-existing development agreement, in order to ensure compliance because there's a lack of compliance and to address a very specific remedial situation that needs to be addressed, what the Code says is for modification, it does not

require that public hearing and notice requirement. The only notice requirement it has is 15 days written notice to the parties named in the development agreement, which, in this case, is the City and which is Agave, your client, and both have been involved with the application, so all the notice requirements have been satisfied. Or to the extent it somehow applies, waived.

Mayor Cason: Okay, any more discussion on -- let's have a vote then. A motion on H-3?

Commissioner Keon: Move it.

Commissioner Slesnick: Do we have a motion?

Mayor Cason: Commissioner Keon makes the motion. Second?

Commissioner Slesnick: Second.

Mayor Cason: Commissioner Slesnick seconds. City Clerk.

Commissioner Lago: Yes.

Vice Mayor Quesada: Yes.

Commissioner Slesnick: Yes.

Commissioner Keon: Yes.

Mayor Cason: Yes.

(Vote: 5-0)

Mayor Cason: And H-4, motion?

Commissioner Slesnick: So moved.

Mayor Cason: Commissioner Slesnick makes the motion. Second?

Commissioner Keon: Second it.

Mayor Cason: Commissioner Keon. City Clerk.

Vice Mayor Quesada: Yes.

Commissioner Slesnick: Yes.

Commissioner Keon: Yes.

Commissioner Lago: Yes.

Mayor Cason: Yes.

(Vote: 5-0)

Mr. Garcia-Serra: Thank you very much, Mayor and Commissioners.

Mayor Cason: Thank you very much.

Mr. Garcia-Serra: Looking forward to getting this project started.

Mayor Cason: We'll come back at 1:30 and pick up with the other items.