



City of Coral Gables
CITY COMMISSION MEETING
May 28, 2019

ITEM TITLE:

A Resolution authorizing funding in the amount of \$350,000 to the Coral Gables Cinemateque, Inc. for the expansion of the Coral Gables Art Cinema into the City-owned property located at 240 Aragon Avenue, Coral Gables, Florida, with certain conditions.

DEPARTMENT HEAD RECOMMENDATION:

Approval

BRIEF HISTORY:

The Coral Gables Cinemateque, Inc., a Florida not for profit and tenant of the City of Coral Gables, currently operating a one-auditorium cinema with 144 seats, would like to add two auditoriums, by expanding into the City-owned property, 240 Aragon Avenue, Coral Gables, Florida. The two additional theaters, with approximately 70 seats each, will allow for frequent rotation of films in the main theater. The Cinema is requesting a \$350,000 commitment from the City for the expansion. Funding will be disbursed over two fiscal years (\$175,000 in FY20 and \$175,000 in FY21) and contingent upon the Cinemateque raising the remaining capital for the buildout. The City would manage the buildout and amend the Cinema's lease with terms to be negotiated.

Said property is currently under lease with Patio & Things until August 31, 2020. Staff will work with Patio & Things, a model tenant, on relocation efforts to meet their business needs.

Patio & Things pays market rent and the Cinema currently pays below market rent; therefore, financial terms for this transaction would result in less revenue for the City. To offset some of the revenue loss, the City would discontinue the parking subsidy currently offered to Cinema patrons. Staff believes the expansion of the Cinema will have a greater economic impact to the Downtown by increasing the number of visitors to the Cinema which will in turn support restaurants and retail businesses.

Per Ordinance No. 2017-282, the Commission authorized the City Manager to enter into a nonbinding letter of interest with the Coral Gables Cinemateque, Inc. in support of their efforts to seek outside funding in order to expand into the City-owned property at the expiration of the existing tenant's (Patio & Things) lease.

LEGISLATIVE ACTION:

Date.	Resolution/Ordinance No.	Comments
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9/26/17	Resolution 2017-282	Approval of nonbinding LOI

ADVISORY BOARD/COMMITTEE RECOMMENDATION(S):

Date.	Board/Committee	Comments
3/13/19	Budget Advisory Board	Recommended Approval
3/7/19	Economic Development Board	Recommended Approval
12/12/18	Property Advisory Board	Recommended Approval
10/2/18	Cultural Development Board	Recommended Approval

FINANCIAL INFORMATION: (If Applicable)

No.	Amount	Source of Funds
	\$350,000	

ATTACHMENT(S):

1. Proposed Resolution;
2. CG Cinema Proforma Analysis to Lease Patio & Things space;
3. Budget Advisory Board minutes of March 13, 2019;
4. Excerpt of minutes from Economic Development Board meeting of March 7, 2019;
5. Excerpt of minutes from Property Advisory Board meeting of December 12, 2018;
6. Excerpt of minutes from Cultural Development Board meeting of October 2, 2018;
7. Executed Resolution No. 2017-282 approved September 26, 2017.