City of Coral Gables City Commission Meeting Pocket Item July 13, 2021 City Commission Chambers 405 Biltmore Way, Coral Gables, FL

<u>City Commission</u> Mayor Vince Lago Vice Mayor Michael Mena Commissioner Rhonda Anderson Commissioner Jorge Fors, Jr. Commissioner Kirk Menendez

<u>City Staff</u> City Manager, Peter Iglesias (Absent) Assistant City Manager, Ed Santamaria City Attorney, Miriam Ramos City Clerk, Billy Urquia

<u>Public Speaker(s)</u> Maria Cruz Jackson "Rip" Holmes

Pocket Item - Discussion on Burger Bob's

Mayor Lago: What were some of your items, Commissioner Menendez, do you want to pick one that you want to go over.

Commissioner Menendez: I think the only one I have is a pocket item.

Mayor Lago: Let's do it.

Commissioner Menendez: As we discussed earlier in the meeting today, and I've reached out to the City Clerk, City Attorney, and City Commission, there's been a lot of discussion in the community concerns about Burger Bob's, a long-time institution someone whose touched the hearts and lives of a lot of people in the community. This is one of those issues that I referred to earlier deal with the spirit of our community. It's a complex issue, there are a lot of moving parts,

but the one thing that I think the community in general when they reached out to me and I'm sure they reached out to my colleagues concerns the current lease, which is about to expire, and folks are requesting to see if we can extend that lease. I've reached out to City Manager Iglesias, we had discussion/conversation and it's doable. We can extend that lease. Now, I believe there is an RFP involved and there are other factors that we need to take into consideration to see how far we can extend that lease, but I'm here because I think clearly the community have spoken, and it's across the board young, old, doesn't matter. This is something that's important to the community. So as the first step in the right direction and it gives us time to see what other solutions are, because I did mention, we have so many talented people in our community, so many talented people here today, this morning, that I'm sure we can help find solutions to make this work for everyone, starting with the gentleman. So, I'm going to ask the administration to give me clarification and if they say it can be done, I'd like to extend the lease six months if it's doable. The City Manager mentioned month-to-month, but that's a lot of uncertainty and I want to see if we can go at least to the end of the year or six months into January. I think it's the right thing to do. I think as a city government we have the power, the authority to pretty much do things and do things the right way, and I think this goes a long way in that direction. So, I turn it over, I guess to the City Administration to see if that's doable.

Assistant City Manager Santamaria: So, Commissioner Menendez, we are looking at ways of keeping Bob in Burger Bob's for as long as possible, provided that the RFP goes forward and there is going to be a new tenant in the facility then that will trigger some sort of a deadline, probably maybe 90-day notice when we get there, to allow Bob to wind down his business. That's where it stands right now.

Vice Mayor Mena: What's the schedule for the RFP though?

Commissioner Fors: The RFP plus 90 days estimated time, does that get you to the six months or not really?

Asset Manager Sardinas: We are using the same process that's in the code – good evening Commissioners, Zeida Sardinas, Asset Manager for Economic Development. We are using the same provision that's in the code. We place the advertisement on June 23^{rd} , it expires on August 23^{rd} . We are awaiting proposals and we are going to use the same process that we have in place, and we'll wait for those. But the Assistant City Manager said, we have to evaluate all that, so there is certainly a way to do it for six months and have some sort of clause that allows us to give notice for 90 days, we can do that.

Vice Mayor Mena: So, it would be August 23rd.

Asset Manager Sardinas: Is when the advertisement period ends. We have to receive whatever proposals we get between now or June 23rd and August 23rd. At that point, we'll evaluate the proposals and make a choice.

Vice Mayor Mena: Some sort of committee to evaluate them or...

City Commission Meeting July 13, 2021

Asset Manager Sardinas: Well, the proposals are gathered, and the City Manager and the department speak about it and then we make a recommendation to you.

City Attorney Ramos: There is no set schedule.

Vice Mayor Mena: There's no, like committee being formed to score.

City Attorney Ramos: No, no, no, its not an RFP, its just the Procurement Code.

Vice Mayor Mena: Okay.

City Attorney Ramos: So, either it will come to you first to then authorize us to negotiate a PSA, purchase and sale, or not a purchase and sale, a lease agreement, or we'll negotiate and bring you the lease agreement, one way or the other, but it will take, at least to the month of September at a minimum.

Commissioner Fors: For one summer I washed dishes at Burger Bob's, he doesn't remember, but he's nice enough to pretend that he does, and I tend to go frequently as possible or catering from Rita Tenison. I agree with the remarks that the Mayor made earlier in the meeting, which were fiduciary duties. We have to be very careful how we manage the public funds, including passing on public funds that could possibly come as income. I think this is one of the rare times that I will not make a decision based on very strict commercial reasonable analysis. I do believe that Burger Bob's is an institution, so I would also be in favor of providing some form of extension. I think we can continue to discuss the best way to do it. I think my preference would be to, not necessarily back-loading it, in terms of saying 90 days from the day a bid is awarded, but more so sliding back the bid process to assure them a certain amount of time before the bid process, and/or starts.

City Attorney Ramos: So, there is no bid process. The advertisement has gone out and it will be done at the end of August. When is the last day of...?

Asset Manager Sardinas: August 23rd.

City Attorney Ramos: Bob's lease though.

Asset Manager Sardinas: August 31st.

City Attorney Ramos: Okay - so August.

Mayor Lago: I think we should take this one piece at a time. So, in reference to Burger Bob's lease, I have no issues and I agree with Commissioner Menendez. We should try to extend this month-to-month, or a certain time period, because no matter who goes in there, no matter who it is, if its Bob, if its Rita, if its somebody else that's submitting as part of the RFQ, we don't know who is going to submit. We know one entity because he submitted unsolicited, which is completely fine. It's going to take time to renovate, design, permits, actually do the construction, move in, so its going to be six months at a minimum, at least we can be making some money, even though we are *City Commission Meeting*. *July 13, 2021*

not making a lot, but we could be making some. But to Commissioner Fors point, I have concerns because we are fiduciaries on behalf of this community, we have to be very careful, because we have been in a very similar situation before, and we just can't give somebody a piece of property because we deem it. We can, but I think that that shines a bad light on the city. We have a process, which is the Procurement process, where you just can't go and give somebody a contract because they are nice people and they've been serving us for a long time. There has to be a process where, and I do this every three years at the School Board. I had a contract for 15 years with the School Board doing construction management, I always use this as an example, but every three years I have to be revetted and I have to go up against 30-40 different companies and hopefully I'm selected again, because of my expertise and my delivery of what I promise, and I had been selected five terms running. So, I don't have an issue extending this, as long as the Manager feels comfortable on a month-to-month basis, and we keep moving forward. And I also want to put on the record, since we are in the Sunshine, and you can give a little bit of clarity on this. Rita reached out to me via a nice lady, Joanne, who was here before in regard to how to become involved. I referred her over to staff, your team, and through e-mails, which is public record, we walked her through the process of engaging in the RFQ. Outside of filling the RFQ for her, I don't think we can do anything else.

Vice Mayor Mena: She has time to submit by that date?

Mayor Lago: Maybe we need an extension.

Commissioner Fors: That's my concern.

City Attorney Ramos: The advertisement is 60 days, there is 45 left.

Mayor Lago: 45 days left, that's a lot. She wrote in her e-mail, and I would have to check for it right now, I don't want to take anyone's time, I think she said there was only like two or three weeks to get this done. Now I hear its 45.

City Attorney Ramos: You're telling me its August 24th.

Asset Manager Sardinas: August 23rd.

Commissioner Menendez: Sorry to interrupt, but this is what I was addressing the residents about. I know we lost a lot of people because of the time. There are so many gifted talented people in the community that could help her complete the RFP, the documentation, guide her, advise her in a way that at the very least levels the playing field, and gives her a shot. At the end of the day, we decide what direction we go, but I think its important that the community reach out to her and provide technical support and I know you all can do it, and just give the person a shot. At the end of the day, the right group steps in and the Commission does the right thing by the city, but I think we need folks to step up and help out and then, month-to-month I think is fantastic, but I think just to give a little bit of assurances, a little bit of comfort, a little bit of peace, I'd like to go month-to-month, but at the very least I'd like to say minimum "X" number of months, because somebody

says hey, you have to leave your house, we are going month-to-month, you go, what does that mean? Does that mean in 30 days I'm out?

City Attorney Ramos: I think it would be helpful to have a motion with specific direction to the Manager on how long you want that month-to-month to go at a minimum.

Commissioner Fors: At that point its not really month-to-month and to articulate my position, I agree with the Mayor that we cannot as stewards of the public purse give a property to somebody just because we like them, just because they are institution, but I am personally willing to give them a small extension just because I like them and they are nice and they are an institution, that for sure, kind of even the playing field with the folks who'd made an unsolicited bid, who had all the time in the world to prepare for it, because they were dictating their own deadline because it was unsolicited, it wasn't an official process and see how it shakes out.

Commissioner Anderson: I just think too, the business, they have to buy food, they have to buy inventory, need some certainty. So, if we are going to set a deadline it has to be – if August 31^{st} , and I heard it, they got a letter, that they have to move out by July 31^{st} , if its September 30^{th} or October 31^{st} , or something like that so they can plan.

Vice Mayor Mena: I would give them until the end of the year at least.

Commissioner Fors: Give them until the end of the year, to get through the holidays. And the bid process will move forward in the meantime, right? – not the bid process, the solicitation process. It will be generally ineffective; she'll know she can stay...

City Attorney Ramos: For at least until December 31st and then month-to-month if necessary.

Commissioner Menendez: Fantastic.

Mayor Lago: Mr. Clerk, we have someone who would like to give some public comment.

City Clerk Urquia: Yes Mr. Mayor, we have two speakers on this item. First one is Ms. Maria Cruz.

Mayor Lago: Ms. Cruz can you please identify yourself, we've never met.

[Laughter]

Ms. Cruz: Listen, I know it is very early in the morning, but here we go, they've been there 27 years, somebody out of the blue decided they wanted to do something there. His lease was supposed to be till August 31st, but instead he was asked to leave July 31st. They advertise June something, nobody talked to him.

Vice Mayor Mena: They asked him to leave July 31st?

Ms. Cruz: That's what everybody has said.

Commissioner Fors: They got a notice, a 30-day notice, a notice of expiration or something like that.

Ms. Cruz: The whole thing is a little strange.

Vice Mayor Mena: They have a lease through August 31st, stick to the actual facts.

Ms. Cruz: Why was he asked if he could leave by July 31st, because that's how it happened.

Commissioner Anderson: I've never seen the letter.

Ms. Cruz: What?

Commissioner Anderson: I've never seen the letter, so it might be just a misinterpretation.

Vice Mayor Mena: According to who?

Ms. Cruz: Let me tell you what the bottom line in my book is, the bottom line in my book is, if he has been there 27 years and somebody out of the blue comes and says I want this space, why didn't they talk to him, instead of going through the whole process, putting out the advertisement, before he knew what was going on.

Vice Mayor Mena: He knew his lease was up, right.

Ms. Cruz: That's okay, but when you have a lease, somebody will come and say, you know we are not going to renew, that's the normal procedure.

Vice Mayor Mena: Depends on what the letter was.

Ms. Cruz: The letter was in June, they put out the advertisement. What's the date of the letter?

City Attorney Ramos: Ms. Sardinas do you have it with you? You remember the date?

Commissioner Fors: Those folks are professionals, they publicly requested the lease, the lease was coming up. It wasn't coincidence.

Ms. Cruz: You know what, I'm very tired, but you know what, I have to say this, when the Biltmore comes here, because they cannot pay, because they've had issues, because they fell behind on their payments, we come up with solutions to help them and that's big money. We are not talking little money; we are talking big money. Let' see, what other businesses do we do, that we lease to, that we cut deals with...

Vice Mayor Mena: We did that with Burger Bob's. *City Commission Meeting July 13, 2021*

Ms. Cruz: What?

Vice Mayor Mena: We did that with Burger Bob's.

Ms. Cruz: But that's okay, but what I'm saying is...

Assistant City Manager Santamaria: We deferred their land, and we reduced their rent.

Vice Mayor Mena: They got the best deal of any tenant.

Ms. Cruz: We are talking about major amount of money. We are not talking about a major amount of money with him. When we talk Biltmore, you know what, the reason why we do this for the Biltmore is because its such an important part of this community and we want to make sure that, well you know what, as far as I'm concerned, and let me tell you I've been there twice, but I've read what other people are saying.

Mayor Lago: Maria, Maria, if we are going to do this, you have to let me run the meeting, because then I have to start putting a time clock. Please. We are here saying we are going to give an extension.

Ms. Cruz: Yes, but I want to look at the process. What I'm upset about is, the constant...

Mayor Lago: We look at the process, not at one in the morning.

Ms. Cruz: Okay. Next time, next time any of the big players come for help, I want to make sure that we have an RFP ready in case somebody else wants their job.

Mayor Lago: Thank you for reminding me, by the way, Mr. ACM, I never got an answer. I had requested a memo making sure that the Biltmore was spending their money that we were helping them with in regard to refreshing their historic building. I never got that letter. I know we are working on it, but please, Maria Cruz is reminding me about that letter.

Ms. Cruz: Tomorrow morning I'll be asking for all the paperwork on how this developed.

Mayor Lago: I know we are working on it. I know staff is working on it.

Vice Mayor Mena: But Maria, let's be fair about the whole thing. They have a lease; they know when the lease ends. Let's not pretend like this was something out of left field surprise.

Ms. Cruz: [Inaudible – off mic]

Vice Mayor Mena: That's what the letter was. So, the point is, we are willing to work with them, because we appreciate the circumstance.

Ms. Cruz: [Inaudible – off mic]...My issue is once again...let me put a request in. I want all the correspondence, all the information about this out of the blue...

Mayor Lago: And by the way, it wasn't about renewing the lease; the lease had expired. They didn't have a five year, a ten-year.

Vice Mayor Mena: They don't have an option.

Mayor Lago: So, this was their lease expiring. Its over. We have to work...

Ms. Cruz: They've been there for 27 years and has never been renewed before.

Mayor Lago: As a matter of fact, there has been points where he hasn't had a lease.

Ms. Cruz: Once again, I'll...[Inaudible].

Mayor Lago: Perfect. Let's move onto H-4.

City Attorney Ramos: We need a motion on the resolution you are adopting.

City Clerk Urquia: Mr. Mayor, you had one more speaker.

Mayor Lago: Yes sir. Go ahead.

Mr. Holmes: Mayor Lago, I want to compliment you on really opening up the process. This is a market change from the prior administration. You deserve credit as does everyone up here, but this is a much more friendly user openness and I congratulate you.

Mayor Lago: I'm past my bedtime, but thank you, I appreciate that.

Mr. Holmes: With respect to Burger Bob's, I'm not sure that the Commission should feel guilty or ethically compromised, Commissioner Fors, because if you think about, and of course I'm in retail, right, so I have to focus on these issues that's part of my job. Who has been hurt the most in retail and you don't have to think very long before you realize, it's the restaurants? So, the way I look at this and everyone looks at it in their own way, and then I'll leave you alone Mayor Lago, is what is part of the measure of a city? – its compassion for the people who are hurting the most – restaurants are hurting the most. So, this is not like you're hurting your ethics, you are actually showing your ethics, you are saying, we do not want to step on the downtrodden. Thank you.

Mayor Lago: Thank you sir. Can we get a motion for an extension on a month-to-month basis?

City Attorney Ramos: Its an extension to December 31st with a month-to-month thereafter.

Commissioner Menendez: I'll make the motion.

City Commission Meeting July 13, 2021

Commissioner Anderson: Second.

Vice Mayor Mena: Yes Commissioner Menendez: Yes Commissioner Anderson: Yes Commissioner Fors: Yes Mayor Lago: Yes (Vote: 5-0)

Mayor Lago: And by the way, I want to put something on the record. We keep moving forward, because if we don't it's a very dangerous precedent that we send where we end up in a situation like Ortanique where hundreds of thousands of dollars of city taxpayer money was lost because we did not take action sooner, okay. We lost like \$200,000 there, correct, with Ortanique, back rent, a lot of things. So, it's a lot of money.

City Commission Meeting July 13, 2021