



**City of Coral Gables
CITY COMMISSION MEETING
March 28, 2017**

ITEM TITLE:

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.

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.

DEPARTMENT HEAD RECOMMENDATION:

Approval.

BRIEF HISTORY:

Agave Ponce, LLC (“Owner”) is the owner of the property at 2801, 2901, and 3001 Ponce de Leon Boulevard in the City of Coral Gables, Florida (hereinafter the “Property”). The City Commission on June 10, 2015, approved a Planned Area Development (“PAD”) on the Property known as Mediterranean Village (the “Project”) pursuant to Ordinance No. 2015-13 along with several other land use, zoning and development approvals for the Project (the “Approvals”). As part of the Approvals, the Owner and City entered into that certain Development Agreement dated August 14, 2015, recorded at Book 30093, Page 1483 in the Public Records of Miami-Dade County (the “Development Agreement”).

The Project, now known as “The Plaza Coral Gables” has been further elaborated and certain modifications have been proposed so as to better balance the Project’s multiple uses, preserve its historic structures and neighboring properties, to provide for additional and larger open space areas, and to better ensure the Project’s economic viability. Pursuant to Zoning Code Section 3-2010, the City Manager has reviewed the Development Agreement and has determined that the Development Agreement needs to be modified in order to correct the Project’s non-compliance with the Development Agreement construction schedule and to provide for a mix of uses and Developer’s contributions which will allow for an economically viable Project. In an effort to demonstrate good-faith compliance with the terms of the Development Agreement and after meeting with City Staff, Owner and City Staff acknowledge that certain modifications to the previously approved PAD and site plan have become necessary to ensure the Project’s viability and to meet the City’s high standards and to update the Project’s construction timeline, and that, therefore, the approved Development Agreement must also be modified to be consistent with the modifications to the PAD site plan.

The proposed modifications to the site plan which include, but are not limited to, reduction in maximum building height, reduction in Floor Area and a change to the mix of uses within the Project are all minor amendments and within the scope of changes contemplated and permitted to be approved administratively pursuant to Section C-1(C)(3) and Section 3-507(A) of the City’s Zoning Code. The proposed modifications to the Development Agreement are the result of thoughtful consideration by the Owner after consulting with both City Staff and outside experts to ensure the Project will be both economically viable and a valued community asset.

On March 14, 2017, the City Commission reviewed and expressed its support for the proposed modifications to the approved PAD site plan and pursuant to Zoning Code Section 3-2010, the City Commission is

authorized to approve modifications to the Development Agreement.

The following summarizes the proposed modifications to the Development Agreement:

Revisions to the Project Program. Since the overall FAR of the project has decreased from 4.0 to 3.8 and floor area has shifted between particular uses, Section 2.2 of the Development Agreement will be revised to conform with the proposed revisions to the approved PAD site plan.

Adjustment to Mobility Contribution. Since the project's scope and construction costs have been decreased by 20% and in order to provide the appropriate nexus to the project and appropriately accommodate the impact of the project's reduced scale, the project's total monetary contribution obligation has been reduced by approximately 16.8% with part of the reduction resulting from a decrease in the base Art in Public Places contribution, which is directly tied to construction costs, and the remainder of the decrease resulting from an adjustment in the project's mobility contribution. The previously provided for annual mobility contribution will be removed and the upfront mobility contribution, due prior to issuance of the initial building permit, will be increased from \$1.34 Million to \$2.592 Million. This amount is sufficient to provide for an expansion of the trolley service commensurate with the project's impact without hindering the viability of the project. The Additional Art in Public Places Contribution shall remain at \$2.7 Million as originally agreed.

\$2 Million Contribution to Ponce Circle Park. Due to the proximity of Ponce Circle Park to the project and the importance of Ponce Circle Park to both the project and the City, the Developer is proposing a contribution of \$2,000,000 to fund improvements at Ponce Park, which shall be due prior to the issuance of the first temporary certificate of occupancy for the project.

Revisions to Development Schedule. In order to better reflect the current status of the development as well as its expected construction schedule, "The Development Schedule," Exhibit B of the Development Agreement, has been revised and updated.

Scheduling of Commencement of Construction of Off Site Improvements and Issuance of Bond Securing Offsite Improvements and Restoration of Project Site in the Event Project is Abandoned. At present, the Development Agreement requires that the offsite neighborhood improvements memorialized in Exhibit H be completed prior to the issuance of the first temporary certificate of occupancy for the project. In order to address the neighboring residents' interest in seeing these improvements completed as soon as possible, the offsite neighborhood improvements, not adjacent to the project or within its construction zone, shall be commenced within six months of the issuance of the initial building permit for the project and a performance bond, or other form of security deemed acceptable to the City, securing the construction of the offsite improvements shall be provided to the City within 60 days of execution of the Amended Development Agreement along with a separate performance bond, or other form of security deemed acceptable to the City, to cover the costs of the restoration of the project site in the event that the project is abandoned.

Immediate Temporary Safety Improvements. City staff and the development project team conducted an extensive field inspection to determine repairs which need to be undertaken to address pedestrian safety around the project site and a report has been prepared identifying these necessary repairs. Agave is obligated to complete this repair work within 60 days of execution of the Amended Development Agreement and to provide a performance bond, or other form of security deemed acceptable to the City, securing these repairs at the same time as the execution of the Amended Development Agreement.

ATTACHMENTS

- 1. Draft Resolutions**
- 2. Development Agreement dated August 14, 2015**