

City of Coral Gables City Commission Meeting
Agenda Item I-1
September 26, 2017
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Raul Valdes-Fauli
Vice Mayor Pat Keon
Commissioner Vince Lago
Commissioner Frank Quesada
Commissioner Michael Mena

City Staff

City Manager, Cathy Swanson-Rivenbark
City Attorney, Craig E. Leen
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Assistant Economic Development Director, Leonard Roberts

Public Speaker(s)

Brenda Moe, Administrative Director, Coral Gables Art Cinema

Agenda Item I-1 [10:50:36 a.m.]

A Resolution authorizing the City Manager to enter into a non-binding 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 located at 240 Aragon Avenue, Coral Gables, Florida at the expiration of the existing tenant's (Patio & Things) lease by September 1, 2020. (Proposed lease agreement to be presented to applicable boards and City Commission once recommended terms are agreed upon).

Mayor Valdes-Fauli: Let's take Item I-1, the last one before we adjourn until 2 o'clock. I-1.

City Manager Swanson-Rivenbark: And so before Leonard comes up, I want you to know we did reach out to Patio and Things, which has been a phenomenal tenant and their lease, will expire having exhausting all options in 2020. Love to find a new home for them, they always have

spectacular windows, always paid their rent on time, always been a contributing and positive member of Aragon, as well as the community, and so we will work with, if the Commission decides to move forward on this, we have briefed them and we will work with them on finding new Coral Gables home there, preferably even a new parking garage that we might be building, but it's also an opportunity for you to look at the potential expansion of the Art Cinema, the space adjacent that we are talking about the Patio and Things space, has very high ceilings. Unlike the new boundary space, which has more floor to ceiling traditional levels, Patio and Things has benefit, which is critical for an Art Cinema; and so, we wanted to bring forward the conversation, its early, but a conversation about what the Commission's expectations and hopes are for the future space and how the Art Cinema might fit into that, so Leonard if you'll bring up the discussion.

Mr. Roberts: Good morning, Leonard Roberts, Economic Development Assistant Director. The item you are going to be looking at is currently the cinema lease is about 4,000 square feet, the lease was in place since 2010, it expires in 2025, with an option to renew for five additional years. The Cinema would like to expand to the neighboring site, which is Patio and Things site, that's about 3,000 square feet; they would like to add two additional theaters. The goal of this meeting is to approve a letter of intent, not for financial terms or business terms, but more of the City's commitment to work with them, so they can seek funding to build or to expand; and then, once that occurs it will come back before the Commission and the Boards, including the Cultural Development Board, Property Advisory Board, Economic Development Board, Budget Advisory Board and then to the Commission for approval of final terms. The Cinema does have a presentation and they have a couple Board members and staff members that are here today that are in support of it, and I'll allow them to go ahead and to their presentation.

Ms. Moe: Hi, thank you. My name is Brenda Moe; I'm the Administrative Director of the Coral Gables Art Cinema. I would like to thank our Board members and staff for being here today; and the presentation that I have we've also made to the Economic Advisory Board and to the Property Advisory Board. How do I move forward the...

City Manager Swanson-Rivenbark: As we are working on that, Steve Krams is out of the country and so we decided it was important to have the conversation even though he's not here, otherwise he would be also partnering in the presentation.

Ms. Moe: Our Executive Director sends his best, he's on vacation, we want to give him a break. So as most people know, the Coral Gables Art Cinema has been operating for seven years, we opened October of 2010. Over that time, we have become the highest grossing single screen art house cinema in South Florida. We've also a rooted cultural center in Coral Gables. The partnerships that we build have extended from the City, Business Improvement District, local

restaurants, local companies, our cafes, our cinema cafes sells local goods, so the work that we are doing we are putting back into the community in which we serve. Our sponsors and partners and our patrons – our patrons are those businesses, corporations that rent the cinema as a multi-use facility. It's become even more popular every year, to be used for conferences, meeting and beyond use as a cinema. The stats that we have, earlier this year we were looking at membership of 1,150, over the last six months that's increased to 1,650. We have special programs that we bring into the building and then we have an incredible Board of Directors that are deeply involved in our work and in the community. Our ticket buyers, as you can see from the map, I'm sorry the resolution isn't –, so what you'll see is that as far north as Davie, as far south as Homestead and then incredibly far west, this is one month of ticket sales, a representation of where those ticket sales are happening. So, bring all of these people into Coral Gables. Recently, earlier this year, we surveyed a section of our patrons; 72 percent of the respondents acknowledged using Parking Garage 2, City Parking Garage 2, when attending the cinema; 55 percent of the respondents reported spending money in neighboring businesses at the time of visiting the cinema; and 91 percent of those respondents reported spending money in Coral Gables outside of visiting the cinema. So, we are bringing revenue into the City and not only into the City, but into our neighboring business partners. We have a wide variety of programming that we offer and the details, I'm sorry that you can't see this on your screen that well, but everything from after hours, which is late night cult classics, Miami International Children Film Festival for families and children, National Theater Live for older more affluent section of the community, all of that exist within our space and performs incredibly well. So, we have current challenges being in our current space, which is one screen. It's not sustainable for us as a cinema. In order for us to continue being successful we do need to expand to three screens, which is industry standard. When we opened we weren't in the same situation that we are today, which is that we are looking at 17 additional movie screens in near proximity that affect our ticket sales. So being limited to one screen, not being able to offer diverse or regularly changing programming, we are at risk of not being able to survive. The additional screen moving into 240 Aragon gives us proximity, direct proximity to our current screen. What that allows for us is that we don't have to appear as if we are a different, that section would be a different cinema. Distributors have certain rules about showing movies in cinemas, so we can easily justify that those two screens are part of our current building. And, then because we are such a popular multi-use facility for corporations, the expansion allows us to offer the cinema more readily available for rentals for local businesses, corporations, our non-profit partners who need to use it, the City, so we just have more space to offer to the Coral Gables community. Moving forward the letter of intent allows us to release our expansion business plan, finalize our market and feasibility study, we can finalize our expansion development and fundraising plan and begin our capital campaign. Without that letter of intent there are organizations that are interested in funding us that can't approach until we have that; and so, this is the benefit of moving into a non-binding letter of intent with the City.

Mayor Valdes-Fauli: Thank you.

Ms. Moe: Any questions are welcome.

Mayor Valdes-Fauli: Thank you very much. I'm very much for it, I'm a big fan of the Coral Gables Cinemateque and I think it's a wonderful resource to have in our community and I think it makes all the sense in the world. Anybody else wants to speak, anybody else wants to appear? OK. Do I hear a motion?

Commissioner Lago: I think it's a great idea.

Vice Mayor Keon: You have the ability to raise the funds to be able to build out that space to create it?

Ms. Moe: Yes. We feel confident through our conversations with funding organizations with founding members, with our membership base that we have the opportunity and capacity to launch a successful capital campaign.

Mayor Valdes-Fauli: Thank you very much. A motion?

Commissioner Lago: So moved.

Commissioner Quesada: Second.

Mayor Valdes-Fauli: Will you call the role please.

Vice Mayor Keon: Yes

Commissioner Lago: Yes

Commissioner Mena: Yes

Commissioner Quesada: Yes

Mayor Valdes-Fauli: Yes

(Vote: 5-0)

[End: 11:02:00 a.m.]