

City of Coral Gables City Commission Meeting
Agenda Item I-4
May 10, 2022
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Vince Lago

Vice Mayor Michael Mena

Commissioner Rhonda Anderson

Commissioner Jorge Fors

Commissioner Kirk Menendez

City Staff

City Manager, Peter Iglesias

City Attorney, Miriam Ramos

City Clerk, Billy Urquia

Parks and Recreation Director, Fred Couceyro

Public Speaker(s)

Agenda Item I-4 [3:35 p.m.]

Update regarding Burger Bob's/Granada Snack Shop operations.

Vice Mayor Mena: I was going to say, if it makes sense, we could take I-4 next, which is also on Burger Bob's.

Mayor Lago: Of course.

Vice Mayor Mena: I know there's people here...

City Commission Meeting

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Agenda Item G-5 - Discussion regarding the current landscaping and sidewalks of the Village of Merrick Park.

Mayor Lago: We can take I-4.

Vice Mayor Mena: Waiting for it.

Mayor Lago: I-4.

City Manager Iglesias: I-4, Mayor.

Mayor Lago: Yes, sir.

City Manager Iglesias: We had our Asset Manager speak with Rita concerning her desire whether to continue with Burger Bob's or not. She indicated that she was interested in continuing with Burger Bob's, and she would be interested in an RFP. However, I think there's been excessive discussions concerning Rita at the Commission level, and I would recommend a waiver of procurement and just go that route.

Mayor Lago: So, I think it's a great idea, as you and I discussed, but there has to be accountability. And if we're going to do this, we're going to do this the right way. We're not going to do it the way it was done before. We're not going to run businesses out the backdoor. We're not going to do -- we're going to have all the proper licenses. We're going to accept credit cards. We're going to do things that we're going to protect ourselves as a city asset. We need to make sure. I welcome catering as an ancillary business. I think it's a great opportunity. I think she has a great skill, but I think that we also need to be very, very thoughtful and be very careful because if you are -- for example, catering from the backdoor of that establishment, like they were for well over a decade, correct?

City Manager Iglesias: Yes.

Mayor Lago: And the City was not aware of it. We need to be careful. What if somebody gets sick from the food at an event? We have to have all the proper insurance. We have to make sure it's done appropriately, just like we're doing it with the reconstruction and we're making everything appropriate, ADA accessible. We're handling everything so that we put her -- if she is the one that's finally chosen as per your negotiations, we want to put her in a position for success.

City Manager Iglesias: We are. And we would be waiving procurement but nothing else.

Mayor Lago: Yes. But I just say that because...

City Manager Iglesias: Procurement but nothing else.

Mayor Lago: I want to be very clear.

City Manager Iglesias: Insurance requirements, contractual requirements. This is a concessionaire agreement.

Mayor Lago: Yes.

City Manager Iglesias: So, all the normal concessionaire agreement requirements would be held. The only thing that we're looking at is a waiver of the procurement process.

Mayor Lago: Yes.

City Attorney Ramos: If the Commission's willing, I would ask for a vote at this time to waive procurement.

Mayor Lago: But I'm not done yet. Just one second. So, my point is that I also want to make sure -- I want to make sure that we put this on the record. I'd like for my colleagues to input -- some input on this. I view Burger Bob's like the Venetian Pool. This is not a profit center. Again, I don't want to lose money because we need every dollar we can get, especially coming out of COVID. We have a lot of projects to undertake. But I want to make sure that we're doing the right thing. And this is not an extravagant dining experience. We've talked about this a thousand times. We have the downtown for that. This is a community neighborhood establishment that's going to offer great amenities. It's going to have a hometown feel, and everyone's going to be welcome. If Rita's up to the task, and she's willing to negotiate with the City, and willing to negotiate with you, I welcome it. But we have to be very methodical on how we conduct ourselves. It cannot be the way it was done before. It has to be something that is by the book up to the City's standards. And I would like to know if the Commission agrees with me because I want to be lockstep when we walk out of this room making sure that I say the right things.

City Manager Iglesias: Mayor, I don't believe we can waive any of the other issues concerning insurance work and so forth.

Mayor Lago: I like to put things on the record.

City Manager Iglesias: So, we would not...

Mayor Lago: I like to put things on the record.

City Manager Iglesias: Waive anything except -- clearly, except our procurement requirements. Every other issue has to be met.

Commissioner Menendez: I just want to chime in. I agree that Burger Bob's, like Venetian Pool, shouldn't be, you know, looked at as a profit center. Back in the day, pretty much everything the

City had in terms of parks and recreation wasn't. and that's why the focus was on service to our community. And clearly, Venetian Pool, Burger Bob's serves our community, and it goes deeply. It's very personal, very emotional for a lot of folks, so I think we're headed in the right direction. And I think -- and I agree with the Mayor. We put it on the record we're not waiving anything but the procurement. All other responsibilities are the same as with any other vendor or any other company or group or individual we go into business or an agreement with, let's say. I would like for the -- so that the community understands what a concessionaire agreement does -- is, what it's about, and what it's not about. I don't want there to be confusion in terms of what type of agreement we would be entering. I don't know who would like to speak on the subject to provide clarity on this type of agreement. Do we have anybody?

Commissioner Fors: I think the agreement is, you know, often -- it may not be -- it may be an agreement that's a little bit of this, a little bit of that, as long as it achieves the City's goals. I don't know if we can just say a -- I'm sorry, what did you refer to it as? A...

Commissioner Anderson: Concessionary agreement.

Commissioner Fors: A concessionary agreement. You know, it might have elements of it that are, in my view, that are like -- that are...

Parks and Recreation Director Couceyro: So...

Commissioner Fors: Customary of a concessionary agreement and others that are...

Parks and Recreation Director Couceyro: Right, so...

Commissioner Fors: That are not.

Parks and Recreation Director Couceyro: So, a concessionary agreement, as opposed to a lease.

Commissioner Fors: Right.

Parks and Recreation Director Couceyro: A lease is they take the space over, and they do -- they operate independently. Now, in this case, which kind of was -- is something that we have to look at -- in most cases, when you have that type of operation, the build-out, the capital outlay, and all of the expenses are done by the lessee. In this case, it's being done by the lessor. So, what we're looking at is we're looking at a concessionaire agreement, where we look at a revenue split. We look at where we have a little bit of oversight in running the entire operation in terms of we work with the concessionaire to make sure that, you know, the menu, have the prices. We don't anticipate having issues with this current concessionaire, but as a whole, you know, we are operating the Pro Shop, and we will be, eventually -- that's one of our transitions that we presented when we presented the country club. So, that's what we're looking at, this type of agreement where we will work with the concessionaire, they will operate, and they will do -- but the capital outlay is us. We're handling utilities. We're handling the maintenance.

Vice Mayor Mena: Right.

Parks and Recreation Director Couceyro: The repair. We're buying the furniture. So, it's a little different than here's the space, do with it what you wish, and we'll just take a rental.

Commissioner Menendez: And that's why I...

City Manager Iglesias: You remember that the tenant improvements are provided by the City.

Commissioner Menendez: Right. And Fred...

Parks and Recreation Director Couceyro: Yes.

Commissioner Menendez: Was very clear on that. The reason I ask is because once this meeting's over, there's going to be a lot of misinformation there.

Parks and Recreation Director Couceyro: Yes.

Commissioner Menendez: Not by the people that are supportive of getting this up and running, the sooner the better, just folks out there that like to create confusion. So, they're going to say that we just handed over a city asset to an individual, and we haven't. In this type of agreement, we're working together.

Parks and Recreation Director Couceyro: Yes. There is a revenue split.

Commissioner Menendez: Yeah, they have the keys to open and close, but the keys belong to us technically.

Vice Mayor Mena: And that's the same thing you're doing with Liberty Café ultimately.

Parks and Recreation Director Couceyro: That's what we're going to -- yes, that's what we're looking to do. It's a mutual vested interest.

Commissioner Menendez: Right.

Parks and Recreation Director Couceyro: They need to be successful for us to be successful, so it's a win-win.

Commissioner Menendez: We're creating a team.

Parks and Recreation Director Couceyro: Correct.

Commissioner Menendez: And I just want that on the record because, if we don't put it on the record, folks are going to run with misinformation...

Parks and Recreation Director Couceyro: Yep.

Commissioner Menendez: And hurt our community.

Parks and Recreation Director Couceyro: Understood.

Mayor Lago: Thank you.

Commissioner Fors: And when we talk about doing things the right way and insurance requirements and only waving procurement, you know, I don't think that should be viewed as something negative. I think it's going to be -- for both sides of the transaction, it's going to be a fresh start to do things, you know, the way that they should be done. Sometimes when something's in place for a long time, it evolves and devolves. I think there's going to be a nice fresh start without any issues and stress that might have been associated with old things that have sort of been grandfathered in, but weren't in writing, and they sort of had a right to do it, but they sort of didn't have a right to do it. So, I think it should be viewed positively by both sides, this fresh start.

Mayor Lago: Okay.

Commissioner Anderson: And this is something I think the community has been asking for, so I think it should be well received. I like the aspect where we're controlling the building, and therefore, we're not going to have the issues that we've had across the street with the state of the

building declining to a point where we're risking an asset. I know that there's some people here in the audience that may want to speak on this matter, but from what I know, that there's strong support for having somebody there that actually will serve as a magnet for the business, and I think make a good partnership with the City.

Commissioner Fors: And by the way, the things for the person who hopefully we can reach a deal with, you know, often certain elements of -- that are required when you're in charge of taking care of the asset are kind of the part that is not fun, right? You really want to focus on operating the business. So, it's actually -- you know, almost like -- could be a situation where it's the best of both worlds for the operator where they can focus on what they truly enjoy and are good at doing.

Commissioner Anderson: Good point.

Mayor Lago: Thank you, Commissioner. Alright, well then, we'll get an update as a result of the negotiations from the Manager soon. We're ready to release the architect. Staff is working on that, and I think we'll see some progress soon. Okay.

City Manager Iglesias: We'll be waiving the procurement.

Commissioner Anderson: I'll make a motion for that.

Commissioner Menendez: Second.

City Manager Iglesias: For Ms. Rita Tennyson.

Mayor Lago: Perfect.

Commissioner Fors: Yes.

Vice Mayor Mena: Yes.

Commissioner Menendez: Yes.

Commissioner Anderson: Yes.

Mayor Lago: Yes.

(Vote: 5-0)