

CITY OF CORAL GABLES, FLORIDA

ORDINANCE NO. 2021-

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF CORAL GABLES AUTHORIZING ENTERING INTO A PURCHASE AND SALE AGREEMENT (THE “PSA”) AND FIRST AMENDMENT TO THE PSA FOR THE SALE OF THE CITY-OWNED SURFACE PARKING LOT (#31) AT 350 GRECO AVENUE, CORAL GABLES, FL 33134 (FOLIO NO. 03-4120-017-2240) TO JRFQ HOLDINGS, LLC, A DELAWARE LIMITED LIABILITY COMPANY; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City owns a surface parking lot at 350 Greco Avenue, Coral Gables, FL 33134 (Folio No. 03-4120-017-2240) (the “Property”); and

WHEREAS, on May 14, 2019, the City Commission, pursuant to Resolution No. 2019-103, directed the City Manager to evaluate options for the sale and/or development of the Property and provide recommendations to the City Commission on how to achieve those options; and

WHEREAS, the City (the “Seller”) was approached by the owners of the two (2) lots adjacent to the south of the Property who expressed an interest in purchasing the Property from the City, at which time, the City, pursuant to Sec. 2-1092 of the City Code, contracted for an appraisal of the property; and

WHEREAS, the City’s Planning and Zoning Department had provided the owners of the two (2) adjacent lots with a zoning verification letter for the lots; and

WHEREAS, the City’s Planning and Zoning Department also issued a zoning verification letter for the City-owned Property and both zoning verification letters were provided to the appraiser; and

WHEREAS, the owner/principals from JRFQ Holdings, LLC (the “Purchaser”) submitted a Purchase and Sale Agreement (the “PSA”) to the City that became effective on February 8, 2021, at which time, the City, pursuant to Sec. 2-1092 of the City Code, contracted for second appraisal for the Property; and

WHEREAS, City staff concurs that given both appraisers’ opinion of value, the \$3,500,000 purchase price is within the appraised market value range for the property; and

WHEREAS, at the present time, the surface parking lot (#31) is mainly used by patrons of the restaurant across the street and its current revenue and usage outside of restaurant patrons is not very high; and

WHEREAS, the Purchaser is a private entity which is looking to further improve the Property with the building of an overall project (the “Purchaser’s Improvements”) using the Property and the two (2) adjacent lots to the south of the Property; and

WHEREAS, as additional consideration, the Purchaser’s Improvements’ project, which will be subject to the City’s project approval process, will include a parking garage where thirty-four (34) parking spaces (the “Public Parking Spaces”) will be located outside of any restricted parking areas within the garage and be positioned to always be accessible to the public; and

WHEREAS, the required parking spaces needed to meet the City of Coral Gables’ project approval for the Purchaser’s Improvements shall include the Public Parking Spaces; and

WHEREAS, the Purchaser’s Improvements project’s parking garage will be controlled solely by the Purchaser, who will charge parking fees, with parking revenues being the sole property of the Purchaser; and

WHEREAS, the Seller will not be required to pay any fees for the use and enjoyment of the Public Parking Spaces; and

WHEREAS, the Purchaser and Seller will enter into a Management Agreement for the surface parking lot Property on or after the closing date through the date on which construction begins on the Purchaser’s Improvements with the parking fees/revenues derived during that period being equally divided between the Purchaser and the Seller; and

WHEREAS, at the May 11th City Commission meeting, the City Commission approved the Ordinance on first reading with certain additional conditions; and

WHEREAS, on May 11, 2021, the First Amendment to the PSA (the “Amendment”) was issued by the City pursuant to the direction provided by the City Commission; and

WHEREAS, the purpose of the Amendment was to include a restrictive covenant, with specific conditions, that shall run with the land to bind the Purchaser and any successor-in-interest; and

WHEREAS, the restrictive covenant states that the Public Parking Spaces shall (i) be available to the public at all times, (ii) be maintained by Purchaser at a standard equivalent to other municipal parking garages in the City of Coral Gables at Developer’s sole cost and expense, (iii) include signage indicating the location of the Public Parking Spaces within the Property, (iv) include a certain number of handicapped parking spaces, as required by applicable law, and (v) include eight (8) individual electric vehicle charging stations within the Public Parking Spaces; and

WHEREAS, the restrictive covenant also states that the charging stations shall be fully accessible to the public at all times and shall be in addition to the City of Coral Gables Code of Ordinances' electric vehicle charging requirement which mandates that new construction include a minimum of two percent (2%) of the required off-street parking spaces be reserved for electric vehicle parking; and

WHEREAS, all electric vehicle charging stations installed at the Property shall have a minimum charging level of AC Level 2; and

WHEREAS, the restrictive covenant also states that Purchaser hereby agrees that the parking fees charged for the public's use of the Public Parking Spaces shall not exceed the lesser of (i) twenty-five percent (25%) over the maximum parking fee rates charged by the City of Coral Gables; and (ii) the maximum parking rate charged at City of Coral Gables privately-operated lots; and

WHEREAS, the sale and subsequent Purchaser's Improvements of the Property would provide the opportunity for the Property to become part of an overall high-quality project in a highly visible location, by and near major streets such as LeJeune Road, Bird Road, and Ponce de Leon Boulevard, which is well within an area that the City has an interest in activating, thus furthering the City's economic development goals and objectives; and

WHEREAS, the \$3,500,000 resulting from the City's sale of this property will be reflected in the FY20-21 City Budget and earmarked to fund existing capital projects, including the construction of Garage #7; and

WHEREAS, the sale of the Property will have a long-term positive effect on City services, and provide additional parking and tax revenue to the City, which City staff estimates will surpass the amount of parking revenue that is currently being generated by the surface parking lot; and

WHEREAS, the Property Advisory Board, the Parking Advisory Board, the Budget and Audit Advisory Board, and the Economic Development Board, all reviewed the proposed terms and recommended that the City enter into the PSA based on the terms set forth in the PSA, at their meetings on March 10, March 25, March 31, and April 5, 2021, respectively; and

WHEREAS, pursuant to Section 2-1097 of the City Code, this Ordinance requires a four-fifths vote because the sale exceeds \$1,000,000; and

WHEREAS, pursuant to Section 2-1089 of the City Code, the City Commission waives any provision of Chapter 2, Article VIII and finds such a waiver to be necessary in order to proceed with a purchase, sale, or lease which is in the best interest of the City, and that such waiver serves the public interest to the extent that any provision of this section was not complied with; and

WHEREAS, the City Commission finds that the Sale of the Property serves the public interest and that it is in the best interest of the City to authorize the City Manager to execute the PSA and the Amendment.

NOW THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES, FLORIDA:

SECTION 1. That the foregoing “Whereas” clauses are here hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance upon the adoption hereof.

SECTION 2. That the PSA and the Amendment for the sale of the Property are hereby approved in substantially the form attached as Exhibit A and B, with any such modifications as may be approved by the City Manager and the City Attorney to carry out the City Commission’s intention.

SECTION 3. If any section, part of section, paragraph, clause, phrase or word of this Ordinance is declared invalid, the remaining provisions of this Ordinance shall not be affected.

SECTION 4. That this Ordinance shall become effective upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS TWENTYFIFTH DAY OF MAY, A.D., 2021.

(Moved: / Seconded:)
(Yeas: / Nays:)
(Vote:)
(Agenda Item:)

APPROVED:

VINCE LAGO
MAYOR

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BILLY Y. URQUIA
CITY CLERK

MIRIAM SOLER RAMOS
CITY ATTORNEY