

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2018-

A RESOLUTION APPROVING THE GENERAL TERMS AND AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AN AGREEMENT WITH CORAL GABLES CITY CENTER, LLC (CGCC) FOR THE REDEVELOPMENT OF MUNICIPAL PARKING GARAGES 1 AND 4 IN WHICH CGCC PROPOSES A SHARED PROJECT COMPATIBLE WITH THE SURROUNDING NEIGHBORHOOD CONSISTING OF DEVELOPER OWNED RESIDENTIAL AND OFFICE MIXED-USE BUILDINGS, CITY-OWNED PUBLIC PARKING GARAGES, AND NO DEBT OBLIGATION REQUIRED FROM THE CITY.

WHEREAS, for several years, the City of Coral Gables has been interested in pursuing the redevelopment of Municipal Parking Garages 1 and 4, with a focus on the following key objectives: Replace what are currently two obsolete parking garages that have operational deficiencies, with new state-of-the-art parking garages (above and beyond recent cosmetic improvements); add additional public parking spaces to meet the future needs of Downtown businesses; introduce appropriately scaled mixed uses that would include mixed retail and potential residential units onto Andalusia to support the City's goals for a vibrant, walkable Downtown; and, pursue a holistic approach to these objectives that balances parking, planning, design, economic development, community and financial considerations; and

WHEREAS, the City Commission approved Resolution No. 2013-91, dated May 28, 2013 authorizing a Request for Proposal (RFP) for the redevelopment of Municipal Parking Garages 1 and 4 (the "Garages"). On May 27, 2014, through Resolution No. 2014-102, the City Commission authorized staff to issue Phase I of a request for proposal (RFP). On January 26, 2016, the City Commission approved Resolution No. 2016-30 inviting all five proposers to submit more detailed proposals in response to Stage II of the RFP as approved by Resolution No. 2016-32; and

WHEREAS, in accordance with Resolution 2017-23, dated January 24, 2017, the City Commission did not approve CGCC's proposals, but rather authorized negotiation with Coral Gables City Center, LLC based for a period of up to six (6) months, and providing the City Manager the authorization to extend for up to an additional six (6) months. The recommendation is if the negotiations fail, the City is authorized to negotiate with the second ranked firm, TC Gables, LLC, for an additional period of up to six (6) months. The City also reaffirms its right to pursue alternative courses of action; and

WHEREAS, the six (6) months negotiation period for CGCC and the City to reach agreed upon terms started on November 6, 2017; the first six (6) months expired on May 5, 2018 for the private and public development of the Garages (the "Project"). The City provided an update to Commission on February 27, 2018, three public workshops followed, June 4, August 27, and September 18, 2018 to provide the City Commission with an update on the status of

negotiations. In addition, the City presented a workshop to the City Commission discussing the demand and supply of public parking in the Central Business District on September 11, and a sunshine meeting on September 21 to further understand the details of the project. Staff also had several negotiation sessions with the CGCC; these various communications resulted in the City Manager granting incremental extensions with the latest one expiring on September 30, 2018 (City Manager is authorized to further extend until November 5, 2018 at his discretion) and bring forth an agreement for City Commission to consider for approval; and

WHEREAS, the approval will take into consideration the following main project attributes: Number of public parking spaces, the size of the project, ownership structure (e.g. City to own public parking), and the project financing (e.g. City obligation to pay debt service); and

WHEREAS, CGCC will build 620 City-owned public parking spaces as part of the Project. The Garages will be managed in a manner and practice consistent with, and typical of, Class A office, residential and retail space; and

WHEREAS, the Garages shall consist of a 117,000 square feet mixed use office tower and a 236 residential mixed used building, both with massing and floor areas consistent with the surrounding neighborhood nor shall they exceed the maximum height allowed by the City; and

WHEREAS, the Garages shall be structured as a vertical subdivision and/or an ownership structure so that the City may maintain fee simple ownership of the G1 public municipal garage spaces and the G4 public municipal garage spaces of the Project (the "Public Component"); and

WHEREAS, CGCC shall maintain fee simple ownership of all Project components except for the public parking component, and including the private garages, private retail, residences and offices (the "Private Component"); and

WHEREAS, CGCC proposes to develop the sites without City financing, but request the City pay \$300,000 annually from the revenue generated from the garages over 30 years at a 2% escalation subject to value of the garage sites and construction/development cost.

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

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

SECTION 2. That the City Commission does hereby approve the general terms, as specified in the whereas clause, and authorize the City Manager and City Attorney to negotiate an agreement with Coral Gables City Center, LLC (CGCC) for the redevelopment of Municipal Parking Garages 1 and 4 in which CGCC proposes a shared project compatible with the surrounding neighborhood consisting of developer owned residential and office mixed-use buildings, City-owned public parking garages, and no debt obligation required from the City.

SECTION 3. In accordance with Section 2-1097 of the City Code, this resolution requires a 4/5 vote because of the estimated value is greater than \$1,000,000; if an agreement is reached with CGCC an ordinance will be presented to City Commission for two readings.

SECTION 4. To the extent the City cannot agree to terms the City reaffirms its right to pursue other alternatives.

SECTION 5. That this Resolution shall become effective upon the date of its adoption herein.

PASSED AND ADOPTED THIS TWENTY-FIFTH OF SEPTEMBER, A.D., 2018.

(Moved: / Seconded:)

(Yeas: / Nays:)

(Vote:)

(Agenda Item:)

APPROVED:

RAUL VALDES-FAULI
MAYOR

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

WALTER J. FOEMAN
CITY CLERK

MIRIAM S. RAMOS
CITY ATTORNEY