

**City of Coral Gables City Commission Meeting  
Agenda Item H-1  
January 10, 2017  
City Commission Chambers  
405 Biltmore Way, Coral Gables, FL**

**City Commission**

**Mayor Jim Cason  
Commissioner Pat Keon  
Commissioner Vince Lago  
Vice Mayor Frank Quesada  
Commissioner Jeannett Slesnick**

**City Staff**

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

**Public Speaker(s)**

**Luis Espino  
Vivian de las Cuevas-Diaz  
Joe Gimenez**

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Agenda Item H-1 [0:00:00 a.m.]

Request for authorization to proceed with an Ordinance regarding land exchange with Codina Partners, LLC relating to the Public Safety Building.

Mayor Cason: Now, we move to H-1, City Manager item.

City Manager Swanson-Rivenbark: Certainly, sir, and I'm going to ask Leonard Roberts, Assistant Director for Economic Development, and the City's Asset Manager, to present. But before I do, as noted in your staff report, this is a process that has been deliberate and detailed. We did have an appraisal on the property, an assessment as to 2801, the condition of the building, how much it would cost to repair that building and it was in the 20 millions of repair. We came to you, we briefed you on that. We allowed you -- we asked for you to allow us to look at various options. You granted that in June of 2015, so a year and a half ago. We looked at various options. So, do you renovate with the amount of money that is required. Do you locate on property knowing that this is not a property where we can send our police officers away for two or so years and then come back to the site? We have a 911 emergency operations center that is 24 hours. We had to look also at where should it be physically located and what should those physical requirements be. And so, we did that review, examined a series of sites, came back to you, and then on 12/8/15, about a year and some ago, you authorized us to pursue the best option for either renovating, replacing or relocating the public safety building. You confirmed with us that the best location was Lot 6, property that we currently own and have owned for some time, 104-space well used parking lot, north of Miracle Mile, which is important as we look at how we best serve from a fire standpoint with Fire Station 1 moving with it. Fire Station 1, for the public's knowledge, is a part of the 2801 public safety building. And particularly, if you're going to annex Little Gables, our ability to quickly serve from a fire standpoint is important. Our zone officers, for police, are divided up into all of the neighborhoods, so that response is not impacted. But it is the response from Fire that actually would benefit from that location. And then you allowed us to go back and actually confirm that Lot 6 is the best location. You allowed us to have a conversation with the adjacent owner for the property next door, not because we needed to get a bigger public safety building, but we needed to get a better public safety building, because it would allow us to square off the property. Lot 6, as you know, is an L shape. It would also allow us to meet the public demand for parking. With 104 parking spaces on Lot 6 today, the majority of which are permit, all of which are utilized, we can't suddenly strip the parking away from that neighborhood. So, looking at the adjacent parcel, in part is a real estate decision, but it's also a community decision on how are we going to

introduce or reintroduce the replacement public parking, but also meet the future needs north of Alhambra. You have no structured public parking garage north of Aragon Avenue, but so much of the development is happening around the north Ponce corridor. This would allow that too. So, it was a very complicated transaction. It was a time-consuming one. We wanted to give you a presentation on where we are today. We would anticipate, if it's acceptable to the City Commission, a letter of intent executed between us and the adjacent property owner. And then we would want to come back by ordinance, two readings, that you would review in detail a very specific land swap contract for your consideration. So, today is where we are today, and then Leonard will also explain how we got here, as well as what we would anticipate the next steps doing if the City Commission would accept it.

City Attorney Leen: And Madam City Manager, if I may add, the ordinance, when it comes back to you, is a four-fifths vote ordinance. So, both times it comes before you for first reading and second reading will be a public hearing and then a four-fifths vote for it to pass. In addition, I just want you to know what we have special counsel, Vivian de las Cuevas-Diaz, who's been working with us on the matter. She's here if you have any questions. Thank you.

City Manager Swanson-Rivenbark: And we have a representative of the owner as well, Joe Gimenez, who is with the Codina group and a person that is working with the project.

Assistant Economic Development Director Roberts: Good morning. Leonard Roberts, Assistant Economic Development Director. H-1, please. So, several departments have been involved in this transaction in regards to the public safety building, including the Assistant City Manager's office, Economic Development, Finance, Parking, Public Works, and they'll all be available for questions just in case. The objective of this presentation is to authorize the City to proceed with an ordinance regarding a land exchange. This is not, as Cathy said, the actual ordinance. This is just the authorization to proceed, and then we will come back to you at a later date.

City Manager Swanson-Rivenbark: And when Leonard mentions the Assistant City Managers, it's both Assistant City Managers because there's the public safety side of it, but also the Building Official operations infrastructure side of it because we want to make sure that this is a Category 5 building, the public safety building, and the adjacent parking garage, if the City wishes to do it, also will hold the test of time.

Assistant Economic Development Director Roberts: Some of this information you may know already, but I'm just going to give you some more background just to kind of go back in time to see where we are -- where we started off and where we are today. The existing public safety building is about 275,000 square feet; 87,000 square feet of it houses the Police Department, the Police Administration, Fire Station 1, ECC, EOC, IT, HR, Parking Department, and CGTV. The remaining space that's there is for accommodation of common space -- common area space and parking. The City's constantly striving to improve the quality of life, as such, having a state-of-the-art safety building will help achieve this goal. Understanding this objective, the City will consider the worldwide terrorism activity and build a structurally sound building to help achieve high performance level. The building would include the Police Department, the Fire Department Admin, Fire Station 1, Emergency Operations Center, Emergency Communications Center, the public safety training, a gun range, a memorial site, the City's IT Department, secured parking garage, intended strictly for the public safety administration and for the police and fire, not for the public itself. It will be built for future growth, built to Code compliance, LEED sustainable growth, modern technology, efficient shared space and a secured building, of course. Taking into consideration the City's objective and after viewing public and private sites, the Evaluation Committee recommended three City-owned sites to the Commission in 2015, based upon the list of criteria above. And just to kind of go through them -- identify a parcel of land suitable to accommodate complexity of the facility, private or publicly owned properties. Current City-owned parcels of land will be preferred. Urban impact, economic impact, project duration, lot configuration, civic presence and strategic location. Of the three sites recommended, the following five scenarios were presented to Commission. The Commission then authorized the City to evaluate the options and present the recommendation. At a subsequent City Commission

meeting, you guys authorized the City Manager to pursue building on Lot 6, which is the last Commission in October. Under Scenario 1, the City would build an L shape. Under Scenario 2, the City would acquire the lot adjacent to Lot 6 to square off the new PSB and build a garage structure with office and retail. If unsuccessful in acquiring the adjacent site, the City recommends the City build on Lot 6 only. In pursuing the adjacent site, the City learned the developer had a site plan and secured an investor to build on their site. Hence, they did not have an immediate interest to sell the property. Since the City was planning on selling the existing PSB site, the City proposed a land swap. The swap allows the developer to fulfill their commitment to their investor and allows the City to build a squared off site and a parking garage structure. In evaluating the potential site, the City completed appraisals in 2016 valuing the existing PSB at \$20.5 million or \$325 a square foot, the Codina site at \$9.3 million or \$265 a square foot, as an independent site. In January 2017, actually, yesterday, the City obtained another appraisal taking into consideration the Codina site as an assemblage and an independent site also. The adjacent landowner typically pays a premium in acquiring adjoining sites that enhances the overall tract. In this case, as you can see, there's about a 12 percent premium. As an independent site, it's valued at 10.15. As an assemblage, it's valued at 11.375. The latest appraisal value for the existing public safety is at roughly the same amount as 2016. It was 20.5, and it's 20.475. The appraisal took into consideration the 17 million -- roughly 17 to 20 million to stabilize the building. And when combined with the land's appraised value, it determined it would not be feasible for a building sale. So, the site was valued as a land sale.

City Manager Swanson-Rivenbark: When Leonard moves on to his next topic, we don't talk about it very often, but its embarrassing when a fire truck cannot park in front of the bay because it is structurally unsound and it could collapse to the basement. We don't determine that. The structural engineers determine that. It's awkward for our police officers when they have to put Visqueen over their computers, even if they're on the second or third floor, because of flooding and the problems with the building. The issues are very documentable. We just don't talk about it very often. So, clearly, when we talk about putting millions of dollars into the building, we still have an obsolete building and we still have a parking garage where the public is parking

next to police officers. And from a security standpoint, you'll see the new public safety building, which we've been recommending, will be a high secured area not only for the department, but also for the individual officers.

Assistant Economic Development Director Roberts: So, the footprint for this new assembled site will be roughly 75,000 square feet. It currently has about a 5,400 square foot alley, which will have to be relocated. That 75,000 square foot allows for about 260,000 FAR.

Commissioner Keon: Do we have a copy of your presentation?

Assistant Economic Development Director Roberts: I'm sorry?

Commissioner Keon: Do we have a copy of your...?

City Manager Swanson-Rivenbark: We can pass out a copy of it.

Assistant Economic Development Director Roberts: Yeah, sure. Absolutely.

Commissioner Keon: Okay. Thank you. I'm looking for it through these documents and I don't see it.

Assistant Economic Development Director Roberts: If you want to go to page 10 on the packet, that's where we are right now. The combined sites will have roughly about 100 -- an opportunity for 100,000 square feet of public safety, a 450-car parking garage structure, with office and retail included. And that office and retail could potentially be used for City space -- City departments to relocate that need -- in need of expansion. And with that, there's opportunity cost of roughly \$700,000 annually of rent savings if the City were to relocate versus leasing through third parties.

Commissioner Lago: That's great.

Mayor Cason: That's \$700,000 a year?

Assistant Economic Development Director Roberts: Annually savings. So, our existing PSB site -- Codina partners would build an actual commercial high-rise, I would take it. They have a strong reputation in the City and throughout the actual county. And they would most likely maximize their FAR on the existing site, which for the City translates to roughly about \$300,000 of tax revenues. There is one thing that the actual site is not in the CBD, but the developer is requesting the City allow transferring some existing TDRs to the site. Now, let's go into the actual business terms related to the swap. So, the City will swap its existing public safety site of 63,000 square feet for the Codina site of 35,000 square feet. The swap will be equal per square foot, which works out to roughly \$185 a square foot, leaving a delta due to the City of \$5.2 million. The City will provide up to \$2 million in impact fee credit, allowing the City -- in lieu of allowing the City to occupy the building until the actual new structure is completed. There would be a 30-day due diligence by each party. And if you're aware, the Codina site was referred to as the Lancaster dry cleaners, which I recently found out, had an auto shop on that site. These uses from the past resulted in contamination and the developer has stated that the site has been remediated and the City plans are reviewing records to ensure the proper environmental testing and remediation were performed.

Mayor Cason: What's the elevation of the site?

Assistant Economic Development Director Roberts: It's -- in regards to flood?

Mayor Cason: Yeah.

Assistant Economic Development Director Roberts: I don't believe it's in the flood zone, but I can definitely verify that information.

Mayor Cason: Okay.

Assistant Economic Development Director Roberts: The as-is transfer for the Codina site will occur -- or is expected to occur by March 30, 2017, but the City won't take possession of that until July 30, 2017. The as-is transfer of the City site to Codina Partners will occur in July 2020. These dates are based upon an expectation of closing by March 30. Those dates may move, but the timeline is roughly the same. Here's a summary of the financial terms. If the City still occupies the existing PSB building after 36 months, which in this case would be October -- I'm sorry, August 1, 2017, the City would be considered in holdover. At which point...

City Manager Swanson-Rivenbark: Can you repeat what that date is?

Assistant Economic Development Director Roberts: I'm sorry, yes. August 1, 2017 would be when the clock starts to tick on the 36 months the City has to build the new project. If we pass that 36-month time period, that \$5.2 million that's due to the City is burned off over a two-year period. The first year, with roughly about \$166,000 monthly, and then in the second year, the lump sum payment of 1.25 for the beginning of a six-month period, and then the second six-month period, another 1.25. And by the end of that sixtieth month, if the City has not completed the site, the remaining \$700,000 will be due to the developer -- I'm sorry, would be burned off.

Mayor Cason: Are we confident that we can complete the building in..?

City Manager Swanson-Rivenbark: I'm going to have Peter Iglesias come up. The question of the amount of time required to construct and occupy the new public safety building in advance of that penalty provision, Mayor is asking about that.

Assistant City Manager Iglesias: We were discussing that with our consultants. We feel that we can work with the three-year period, Mr. Mayor. We think we have enough time for design and



construction? We are currently initiating a meeting with AECOM in a week, and we are looking at a construction manager at risk and we are already initiating that. So, by the time the plan is getting to design development, we would have the construction manager on board, and we think that we can make the three-year time period.

Mayor Cason: So, there's nothing unusual about this building that could come back and haunt us in terms of underground --? You said DERM you're going to check and make sure there's no contamination...

Assistant Economic Development Director Roberts: We have a due diligence period. We will verify the environmental.

Assistant City Manager Iglesias: Yes, I think we need the environmental studies.

Commissioner Lago: Would you also -- are you considering potentially using a private provider to review the plans as expeditiously as possible?

Assistant City Manager Iglesias: We're going to be using the peer review process for structural to expedite the project and also make sure that we will be peer reviewing all the aspects so that we can make sure that we don't have an issue as far as budget and that we get a first-class building.

Commissioner Lago: Yeah, I know -- I also -- just talking -- I know we're talking ahead of ourselves, but just another main issue that we really need to take into account is the fact that if we do this in-house, we'd also bog down residential and commercial, you know, reviews, because this is a pretty significant project.

Assistant City Manager Iglesias: The peer review process has been very beneficial.

Commissioner Lago: Yeah.

Assistant City Manager Iglesias: And we can initiate it at the beginning of the project so that by the time the building is done, that's also -- the review process is also complete.

Commissioner Lago: Okay, thank you.

Commissioner Slesnick: Peter, while you're up here -- or Leonard. Next door to the Board of Realtors, that's their parking lot. There's parking spaces. On the yellow line, is that -- do they have access to their parking spaces?

Assistant City Manager Iglesias: We will...

Commissioner Slesnick: I mean, it looks like the yellow lines -- like they could have. I just don't know...

Assistant City Manager Iglesias: We are going to provide an access to that alley. So, we're not going to...

Commissioner Slesnick: Oh, no, no, no. That's...

Assistant City Manager Iglesias: Be closing that off.

Commissioner Slesnick: Their parking spots. There's no alley here...

City Manager Swanson-Rivenbark: But that's where the alley would be relocated to...

Commissioner Slesnick: Oh, the alley's being...

City Manager Swanson-Rivenbark: So that they would be able -- we have -- the alley today, I believe, runs east west.

Commissioner Slesnick: And you're making it...

City Manager Swanson-Rivenbark: We're going to have to bring it down...

Commissioner Slesnick: North south.

City Manager Swanson-Rivenbark: To Alcazar. It'll run east west for a period, and then it'll have to go south.

Commissioner Slesnick: Okay.

City Manager Swanson-Rivenbark: We can draw the plans for what we would envision, but we would not be hurting an adjacent property owner with their access to parking.

Commissioner Slesnick: Okay, okay.

Assistant City Manager Iglesias: We have to provide access to that alley from both sides, so the alley will be like a Z.

Commissioner Slesnick: Okay.

City Manager Swanson-Rivenbark: The other provision in terms of time -- and it's not pleasant, but it's appropriate to talk about -- is that we would build in and then the property owner has agreed that the timeline goes away if there's an act of terrorism. So, that if there's a hurricane we need to budget and plan for hurricanes when we do our schedules. But if, for some reason -- and we have no indication that there's anything like that out there -- but if there is, then the

timeline is no longer a penalty provision, because obviously that's a higher priority for us and they've agreed to that.

Assistant Economic Development Director Roberts: Okay, so at the end of that 60-month period, the City would require to a specific performance, which we'd have to turn over the building. Our public safety building, you know, regardless if the building's not complete, but five years, we believe, as the City -- Assistant City Manager has alluded to, is more than sufficient time.

Commissioner Slesnick: And the developer already has some development rights that they can transfer to the new building?

Assistant Economic Development Director Roberts: They are requesting that the PSB site is not within the CBD, and typically, the transfer occurs within, but those are...

Commissioner Slesnick: In the -- okay.

Assistant Economic Development Director Roberts: Discussions that we are (INAUDIBLE)...

Commissioner Slesnick: So, do they have extra from like La Palma or one of those other build...

Assistant Economic Development Director Roberts: They have existing, yes.

Commissioner Slesnick: So, how many stories would that be or how many more square...

Assistant Economic Development Director Roberts: They have not presented a site plan for this site or a project. So, as of right now, it would go through the typical peer review before a decision was made.

City Manager Swanson-Rivenbark: Craig, can you...

City Attorney Leen: Yes.

City Manager Swanson-Rivenbark: Mr. City Attorney, can you speak to what -- under what circumstances the City could allow them to transfer existing transfer of...

City Attorney Leen: Yes.

City Manager Swanson-Rivenbark: Development rights to that -- to the receiving property?

City Attorney Leen: Yes. I'm giving a City Attorney opinion, which is being formalized, but I've already given it verbally, which is that because this is being done by ordinance and because it relates to a public purpose, the City, by ordinance, this ordinance, could allow this site to be a receiving site without it being in the CBD.

Unidentified Speaker: Thank you.

Assistant Economic Development Director Roberts: Presentation, please. So, just to reiterate, the end of that 60-month period, the remaining \$700,000 will be due and the City will be required to turn over the property at that point. Now, in regards to the funding for this project, the City's projecting roughly about \$37 million to construct a new public safety building. Of that, about \$10.5 million will be in cash, \$5.2 million related to the consideration for this project, and the remainder would be financed through bonds. Due to the City's excellent credit rating, the City anticipates favorable interest rates. These bonds will be paid with the additional revenue anticipated from the recent parking price increases that the City Commission approved. The final decision hasn't been made if the City will build a public parking garage structure simultaneously. As of right now, the decision is it won't, but the final decision has not been made. And if that is the case, the City will be able to convert the remaining land that's available

to an actual surface lot that can accommodate roughly 84 parking spaces. Currently, there's 106 parking spaces there. The projected cost for the 450-car parking garage with the retail and office is between 16 to 17 million. The anticipated financing of that would be through bonds. And the debt service related to the new parking garage structure and the increase in parking rates will pay for that.

Commissioner Slesnick: Leonard, are you saying you would have 84 spaces on a flat lot until the parking -- until that building is built?

Assistant Economic Development Director Roberts: Yeah. There will be a new L shape that will be formed, which will allow up to 84 parking spaces. We had our engineers design and kind of look at what that number would be.

Commissioner Slesnick: And when the new building is built, how many would -- approximately?

Assistant Economic Development Director Roberts: It'll be roughly 450 parking spaces.

Commissioner Slesnick: Four hundred fifty.

Commissioner Lago: Leonard, just a quick question, and the Manager, maybe you can interject, if maybe I speak out of turn. But by looking at this funding strategy or this funding plan, the difference is about \$450,000 in savings if we were to do -- go -- move in this direction with a land swap versus remodeling the existing building. Because you stated it was around \$20 million for the remodel, correct?

City Manager Swanson-Rivenbark: You -- it looks like Peter's going to answer that question. Go ahead. You're welcome to. The cost of renovation still results in the same building.

Commissioner Lago: No, no. I'm saying -- no, no. Not even taking into account the positives of the new location, the fact that we'll be -- have, you know -- we'll increase our response times in a positive way. We'll have new parking in an area of the city, which is in dire need of it as the city moves in that direction. Those are -- you know, that's gravy. What I'm talking about is just hard-earned money. If we were to stay in the current building and renovate, it would be 20 million, and you know that construction is only going up. The cost of construction has been going up steadily.

Assistant Economic Development Director Roberts: And that 20 million just for -- is just to stabilize the building.

Commissioner Lago: Okay.

Assistant Economic Development Director Roberts: That's strictly to stabilize. No modern technology, no improvements, no efficiencies. That's just to improve...

Commissioner Lago: This 1955, which we would be funding with debt, would be, obviously, to bring it up to, you know, a modern platform.

Assistant Economic Development Director Roberts: Yeah, a highly efficient, state of the art (INAUDIBLE)...

Commissioner Lago: I just want to -- I want to put that -- I want to be very clear on that.

Unidentified Speaker: With room for expansion in the future.

Commissioner Lago: Because...

Assistant Economic Development Director Roberts: With room for -- absolutely.

Commissioner Lago: And it's important to put that on the record so people understand...

Commissioner Keon: Yeah, what was the...

Assistant City Manager Iglesias: Commissioner, the existing building has design defects and construction defects. It is -- there are certain balconies that have to be propped up because they were actually falling down. The walls are not reinforced properly. The cladding is subject to leakage and extraction, because of the loads when a hurricane comes in.

Commissioner Lago: Cannot walk on the periphery of the building, because the exterior façade of the building is basically peeling off.

Assistant City Manager Iglesias: It's leaking everywhere. We have a large infiltration issue. The parking in the fire bay is not designed for the current loads. Plus, on top of that, it has design issues, which make it even at a lower rating. It's not a very good building. And I think bringing it up to a reasonable standard will be extremely expensive.

Commissioner Lago: Let me ask you just one quick question.

Assistant City Manager Iglesias: It needs to be stripped, basically.

Commissioner Lago: In reference to the existing building and the dilapidated state of the building, do you feel that a lot of -- do you think a lot of the result of this is deferred maintenance over the years of not taking care of the building?

Assistant City Manager Iglesias: I just think it's not -- it wasn't a well-designed building. It wasn't a well-built building. And so, I think that...



Commissioner Lago: Do you think that deferred maintenance played a role into this?

Assistant City Manager Iglesias: There are...

Mayor Cason: Did the problems appear pretty soon after it was built?

Assistant City Manager Iglesias: There are some issues -- for instance, the actual cladding is leaking behind the cladding.

Commissioner Lago: Yeah.

Assistant City Manager Iglesias: So, it's got -- it's just a poorly designed building and poorly constructed building. It's -- we also have our -- we could lose our EOC. We could lose your 911. We've got masonry walls that are not reinforced.

Commissioner Lago: No, I know, because I've been hearing about this for like the past -- not the last few years. I've been hearing about this for the last ten or so years.

Assistant City Manager Iglesias: We've got infiltration issues in the garage. We've got infiltration issues through the walls. It's not -- I'm not sure if we should be spending \$20 million in...

Commissioner Lago: Putting a Band-Aid on this.

Assistant City Manager Iglesias: And I think it's better put in getting a brand new, state-of-the-art building that we can properly design, properly build and get the life on that building, plus get sustainability, you know, sustainability from an energy point of view, but sustainability from a hurricane -- from hurricane issues.

Mayor Cason: Well, and the \$700,000 a year times 30 years, that's \$21 million saving on just offices that would be -- you could move into them, so that's a big chunk of money.

Assistant Economic Development Director Roberts: So, we're going to look at some of the benefits related to this transaction. We'd be able to assemble a 75,000 square foot parcel with three significant street frontages, enhancing the City's asset portfolio. A more efficient, squared off facility will help create a state-of-the-art public safety building and help achieve world-class public safety performance levels. Faster response times to the North Gables area. Garage 7 will replace and enhance Lot 6 with an efficient 450-car garage that includes office and retail.

Vice Mayor Quesada: Didn't we have a public safety report maybe two or three or four years ago -- I think it was maybe in the matrix report -- that suggested that we should have -- police and fire station should be north of Miracle Mile?

Mayor Cason: For the response times.

Vice Mayor Quesada: Because we have a little bit of a gap -- not a gap, but the depth of getting to homes on 8<sup>th</sup> Street and 57<sup>th</sup> Avenue...

City Manager Swanson-Rivenbark: And complicate...

Vice Mayor Quesada: Was difficult.

City Manager Swanson-Rivenbark: That with Little Gables. And so the ability to be north of not only Miracle Mile, but north of Alhambra was an attribute as a part of the selection.

Vice Mayor Quesada: Yeah, okay. I just -- I recall reading that and discussing that a few years ago. I'm sorry, I cut you off.

Assistant Economic Development Director Roberts: Yeah. This would meet that gap. By putting the Fire Station 1 there, that gap would be closed and would allow the Fire Department to respond within...

Vice Mayor Quesada: I don't know if we discussed it on the dais in a few years, but we discussed different gaps for police and fire, particularly fire. And one of our furthest locations are, you know, the homes on Campo Sano Drive, you know, near 8<sup>th</sup> Street and 57<sup>th</sup> Avenue. And once you get into that corner, just because of the traffic, because of the routes, because of the residential neighborhoods, it's the hardest to get there, if I recall correctly. Again, it's been three or four years since we got into an in-depth conversation on...

Commissioner Lago: Also, you...

Vice Mayor Quesada: So, this helps because it makes it that much closer and you don't have to cross Coral Way or Miracle Mile to address those needs.

Commissioner Lago: You're avoiding those lights, just like you mentioned right now.

Vice Mayor Quesada: Yeah.

Assistant Economic Development Director Roberts: The Parking Garage 7 will support the parking needs of existing and future businesses. Garage 7 will provide flexible meeting space for our City and community needs.

City Manager Swanson-Rivenbark: The community meeting room on the basement of the parking -- of the public safety building is well used, but we don't believe it's appropriate in the public safety building. So, if the City Commission decides to move forward with the garage, we would put that on the ground floor next to it instead. Still have the public benefit, but not the public visiting inside the police department.

Assistant Economic Development Director Roberts: Garage 7 will provide a new revenue stream for the City. Garage 7's offices would accommodate the City's departments in need of space that would otherwise require leasing third parties, and that would be a savings to the City. The City would not have to pay market rent for being displaced from the existing PSB, while the new PSB is being constructed, which is about \$5 million in potential rent payment savings. The future development of the 2801 Salzedo site...

Commissioner Lago: I think -- can we go back to that? Because I think that we're not giving that enough importance. I get a phone call probably once a month asking me or just people stop me on the street. Hey, why do we have our multimillion dollar fire truck -- I don't know how much it cost -- outside of the fire station? Why is it out there? And I have to sit there and explain to them that the building is so structurally unsound that it's a liability to put the fire truck in the building because it may fall through the slab. So, if we're in a position where we may have to go out and if we have such a situation like that, we may have to go out and find a building -- where I don't know if we would find one -- to house our existing police and fire while we build the new building. So, those \$5 million -- I know it's kind of in concept and it's floating out there, but it's really not. It's an opportunity cost, I guess you can put it...

Assistant Economic Development Director Roberts: Exactly.

Commissioner Lago: It's an opportunity cost that people forget about, but it's something that we would have to deal with if we weren't, you know, entering, potentially, into this negotiation.

Assistant Economic Development Director Roberts: And that would be the case if we were to build on the existing site, that we'd have to relocate. You know, that's an additional significant cost.

Commissioner Lago: Yeah.

Assistant Economic Development Director Roberts: The commercial development of the 2801 Salzedo site will add to the City's tax base, as we discussed. And then having a project on this site will help to enhance property values in the surrounding area. So, at this point, I'm here to answer any questions you may have in regards to the transaction.

Vice Mayor Quesada: Let's go back to slides 13 and 14. So, slide 13, cash due to City, \$5.2 million. Holdover fees to occur if the City's possession exceeds 36 months. How long do we anticipate the City's possession to be?

Commissioner Slesnick: Three years.

Mayor Cason: Less than 36 months.

City Manager Swanson-Rivenbark: I'm going to have Peter Iglesias -- because we've talked very specifically about this provision as to -- from the time we design and we're in the -- completing the contract with the architect, review the timeline for this project on when will design be complete, when will permits be complete, when do we anticipate construction to be complete, because this three-year period -- and three years doesn't start today. This three-year period, we do not want to have financial penalties associated with us being behind that schedule. So, provide to them the conversation that you and I had regarding the schedule of design, permitting, construction and occupancy.

Assistant City Manager Iglesias: We are meeting with AECOM on the 18<sup>th</sup> to start negotiations on the contract for design. We are currently looking -- currently preparing our construction manager at risk public -- the...

Commissioner Lago: RFQ?

Assistant City Manager Iglesias: RFQ, excuse me. And that will be ready, we believe, when -- the first part of the project is for design development. That will take about three months, which means that our RFQ for our CM at-risk will be ready at that time. We're looking at a 30-month schedule. We're trying to work with a 30-month schedule, not a 36-month schedule. And...

Vice Mayor Quesada: So, you're saying 30 months, soup to nuts, we're done, building's up?

Assistant City Manager Iglesias: Correct, correct. We're looking at taking 30...

Vice Mayor Quesada: All employees are in, all vehicles are over -- I mean the whole shebang.

Assistant City Manager Iglesias: That is correct.

Vice Mayor Quesada: And that would start on the 18<sup>th</sup> of this month?

Assistant City Manager Iglesias: That is correct. That's why we would like to get our...

Vice Mayor Quesada: But the start date is the 18<sup>th</sup> of this month, the closing of the transaction?

Assistant City Manager Iglesias: No. The...

Vice Mayor Quesada: Where do you put the starting point?

Assistant City Manager Iglesias: The negotiations with AECOM for the fees start at the 18<sup>th</sup> of this month.

Vice Mayor Quesada: In your mind, to calculate your 30 months, is that day 1?

Assistant City Manager Iglesias: We would...

Vice Mayor Quesada: What's day 1 for you?

Assistant City Manager Iglesias: We would like to get that done by the end of the month. We are currently looking at currently...

Vice Mayor Quesada: Just a simple question, though. Hold on, simple question. What's day 1 in your 30-month projected calendar? What's day 1 for you?

Assistant City Manager Iglesias: Day 1 would be when this contract is initiated.

Vice Mayor Quesada: And that -- so -- well, today is not the contract. Today is an LOI...

Assistant City Manager Iglesias: When...

City Attorney Leen: It would be -- there's going to be two hearings.

Vice Mayor Quesada: So, today?

Assistant City Manager Iglesias: When Codina, this contract, will -- we actually have -- when does this...

Unidentified Speaker: The actual clock starts ticking on August 1, 2016.

Vice Mayor Quesada: It doesn't matter when your clock starts.

Unidentified Speaker: Right.

Vice Mayor Quesada: It matters when his 30-month clock starts ticking. That's -- I --

Assistant City Manager Iglesias: Well...

Vice Mayor Quesada: Simple question. I just want to get an idea.

Assistant City Manager Iglesias: I understand, I understand. But that -- the 36 months starts August 1. Our 30 months starts August 1.

Vice Mayor Quesada: That just passed?

City Manager Swanson-Rivenbark: No.

City Attorney Leen: Next August 1.

City Manager Swanson-Rivenbark: We have built in...

Mayor Cason: Because you have to have two Commission meetings any rate to...

City Manager Swanson-Rivenbark: Vice Mayor, I understand your question.

Mayor Cason: Have an ordinance.

City Manager Swanson-Rivenbark: We have built in a six-month cushion that we're not relying on.

Vice Mayor Quesada: So, if there's a -- okay. So, that means we would get \$3.2 million. We're anticipating receiving \$3.2 million.

City Manager Swanson-Rivenbark: No. We're anticipating receiving \$5.2 million.



Mayor Cason: We'll finish it within 30...

Vice Mayor Quesada: So, if we exceed 36 -- okay, got it.

City Manager Swanson-Rivenbark: The penalty happens only if we don't meet the timeline beyond the three-year period after we get the property.

Vice Mayor Quesada: Got it.

City Manager Swanson-Rivenbark: We've gone through this timeline in our -- we have our special counsel too to answer questions.

Mayor Cason: What if we...

Vice Mayor Quesada: Is there anything else you want to add to it?

Mayor Cason: What if we finish it sooner? Do we get any benefit?

Vice Mayor Quesada: No.

City Manager Swanson-Rivenbark: The joy in knowing that you finished sooner.

Mayor Cason: The joy in knowing -- okay.

Vice Mayor Quesada: Lots of joy.

Assistant City Manager Iglesias: Let me clarify that. April 1 starts the 36 months.

Assistant Economic Development Director Roberts: We actually take possession by March 30. We then take possession -- I'm sorry, we take ownership by (INAUDIBLE)...

Vice Mayor Quesada: How about this...

City Attorney Leen: We'll have...

Vice Mayor Quesada: You guys are getting overly technical. Forget about being technical for a second. Forget about...

Assistant City Manager Iglesias: We have...

Vice Mayor Quesada: Let me finish. Listen to me one second. Forget about the over technicality, when it's actually signed, when it formally closes. We're the City. We're building a police -- public safety building for us. We don't want to hit, you know, 36 days (sic) and one day. We don't want to hit that. It's a pretty big penalty. We could be doing things now prior to the contract before August. So, all I'm telling you is try to do -- and this is common sense -- do as much as we can prior to August 1 so it feels like we have more than a six-month buffer that we've worked into it. That's all I'm saying.

Assistant City Manager Iglesias: We're absolutely doing that, Commissioner. We're starting negotiations on the -- with AECOM on the 18<sup>th</sup>. We are -- we would like to start -- we would like to finish that by the end of the month so they can start working on the design of the actual public safety building. We are looking at -- that takes about -- design development, which is the initiation of the design, should take about three to four months. By that time, we will already have our construction manager at-risk in place.

Vice Mayor Quesada: Perfect.

Assistant City Manager Iglesias: Which means that at that time we've got the entire team in place, so we are not wasting any time.

Vice Mayor Quesada: So, here's the bigger issue now for me is we've got streetscape. We've got the parking garages. We've got this ongoing. You don't have enough time in your day. That's a legitimate concern. How stressed is our manpower to be able to handle these projects, because these are...?

Commissioner Lago: These are the three most important...

Vice Mayor Quesada: Three...

Commissioner Lago: Projects in the City's history.

Vice Mayor Quesada: These are three generational projects that really, in our recent history -- when I say recent history, the last 25 years, we haven't undertaken such large tasks at the same time.

City Manager Swanson-Rivenbark: That's also why we believe Garage 7, which would be that lot if we enter this transaction, is going to be at our convenience. It's from a financing standpoint as well as a construction standpoint. We can deliver 84 surface lot parking spaces and move aggressively forward in the public safety building and then come back and do the garage, if it makes more sense from a staffing and a delivery standpoint.

Assistant City Manager Iglesias: We are also going to be looking at some of our consultants providing construction manager services because of all the projects that we have going on. So, we are -- I think we can handle it.

Vice Mayor Quesada: Are we -- how are you -- from a management perspective --, because I'm very concerned about this. Because what ends up happening is -- I've got a certain sense of how it works with you and with your, you know, predecessor in the departments. You become a firefighter. You're putting out fires every day with whatever comes up. And I know what happens to your time. I want you to really strongly considering either hiring more people or bringing in additional help, because I am legitimately concerned...

Commissioner Lago: Or instead of -- and maybe if you...

Vice Mayor Quesada: We're going to be overwhelmed from a staff perspective.

Commissioner Lago: If you don't want to hire somebody, because of the potential exposure, you know, and they may -- the work load may fall off in two years once we've done these three generational projects, we could bring in an outside consultant to, you know, maybe aid us in some form, to provide us...

Vice Mayor Quesada: Look, we'll...

Commissioner Lago: Additional management capacity.

Vice Mayor Quesada: I think we leave it to staff, but...

Assistant City Manager Iglesias: That's what we intend to do. That's what we intend to do.

Vice Mayor Quesada: But I just want to be clear that I want you guys to be very quick to hire.

City Manager Swanson-Rivenbark: Understand, sir. It's also why we were very careful in the Evaluation Committee selecting an architect that had to have done over 70 public safety buildings, because it is a complicated project. It is a big project for our city, and we want to get

it right. And so, the good news is, with streetscape, it is -- a lot of the significant issues have been addressed and we're confident that the project is now moving forward.

Vice Mayor Quesada: But you know how things are. Other things are going to pop up in streetscape that we can't anticipate at this time. I just want to make sure that you guys are working less than 20 hours a day, and you know exactly what I mean. I just want to make sure that you guys -- again, I can't emphasize this enough. Be very quick to hire. Be very quick to bring in additional support.

City Manager Swanson-Rivenbark: We appreciate what you're asking and we'll monitor it closely. And if there's -- we'll anticipate the need before there is one.

Vice Mayor Quesada: Because these three projects, in addition to, you know, normally what your departments do, it's tough.

Mayor Cason: And we got the trolley, the trolley station.

Vice Mayor Quesada: There's a lot. There's a lot going on.

City Manager Swanson-Rivenbark: And that's also why we did a very aggressive recruitment with our -- who's looking a little too relaxed right now -- our new Public Works director because -- and some of the technical infusion that is going to be added to Public Works from vacant positions to help on that capital plan. You have a \$200 million capital plan, and we have an agenda that needs to accomplish that. And so, that was part of Ed Santamaria's hire, as well as the two high-level positions in Public Works that are currently vacant that Peter will provide, working with Ed, the recommendations for hiring.

Vice Mayor Quesada: Okay.

City Manager Swanson-Rivenbark: So, we do have other positions that have deliberately not been filled in anticipation of how do we make sure that the work program gets done.

Mayor Cason: Let me just ask you one question that the Property Advisory Board seemed to have a question about, which is, is the \$5.2 million correct compensation for us in terms of the cash? I don't know if -- Luis Espino's the president of the board, do you have any problems...

(COMMENTS MADE OFF THE RECORD)

Mayor Cason: Craig, what's the -- he's the president of...

City Attorney Leen: Well, according -- did the board take a vote and you're representing the board, or are you just speaking with your own views?

Assistant Economic Development Director Roberts: A vote was not taken.

City Attorney Leen: There was no vote taken? Well, then you really -- you are the Chair, so -- and you've been recognized, so you can speak, but it's really your views as the Chair.

City Manager Swanson-Rivenbark: And it's important input because we have an ordinance that says that when the City's going to do a transaction like this, they need to get Budget Advisory Board input. They need to get Economic Development input. Because it's a parking garage, they got Parking Advisory Board input. And because it's property, they wanted the Property Advisory Board input. So, it is absolutely appropriate for Mr. Espino to comment.

City Attorney Leen: Of course. I'm just mentioning that because typically -- and in the future, if you're going to speak on behalf of the board -- you are the Chair, so you can come and do that, but it's useful to have a vote. But the -- you can describe what occurred and then state your views based on the hearing.

Luis Espino: The board recommended further consideration. My most basic question is the different between the appraised values of one piece of property to the other. And I mean, the Codina lot on whatever street it is, 35,000 square feet lot is valued at -- by the appraised value of \$10 million. And our building, the land, without taking into consideration the parking structure that exists in there, which nobody has said that it's obsolete. As a matter of fact, one of the recommendations was to add space, so the engineers that did the assessment of that structure must have found it solid enough to recommend adding a couple of floors to it. That is not taken into consideration in the appraisal. So, the -- my personal opinion is that -- if one is \$20 million and the other is \$10 million, why are we only getting \$5 million from Codina? And on top of that, giving Codina \$2 million in waiver of fees. Basically, what we're doing is giving him an option to purchase the building in three years in a location that is -- you know, because of the Agave project, is going to have added value. So, I think it's a bad deal for the City, purely on economics terms.

Vice Mayor Quesada: So -- I'm sorry, are you done?

Mr. Espino: No, no. I'm done.

Vice Mayor Quesada: Okay.

Mayor Cason: Thank you, Luis.

Vice Mayor Quesada: You know, so that's why I had pointed out to -- I was looking at 13. So, if you look at -- I want to get to those points. That was actually my next comment. I know we went off on the -- sort of the management of everything. Then you look -- if you can explain something to me. Slide 8 and slide 13, if you can give me -- Leonard or the City Manager, anyone else, if you guys want to walk me through that. So, the appraisal from two reputable --

two very reputable commercial appraisers in South Florida, put our property at \$20 million, and then it puts the...

Mr. Espino: The difference is negligible.

Vice Mayor Quesada: Yeah.

Mr. Espino: The difference between the two appraisals is negligible.

Vice Mayor Quesada: So, then we look at Slide 13, City of Coral Gables lot value analysis. Can you walk me through how you achieved -- how you arrived at that value number of the City of Coral Gables lot?

Assistant Economic Development Director Roberts: The 5.2?

Vice Mayor Quesada: No, the 11.7.

Commissioner Keon: Eleven seven.

Assistant Economic Development Director Roberts: Eleven. So, the...

Vice Mayor Quesada: Because that doesn't make reference to anything else. And it -- what am I...

Assistant Economic Development Director Roberts: The actual...

Vice Mayor Quesada: Missing here?



Assistant Economic Development Director Roberts: Right. So, the actual transaction -- the actual sale of our -- of the -- it's \$5.2 million is the actual purchase price for the existing Codina site. The...

Mr. Espino: (INAUDIBLE) the Codina site.

Unidentified Speaker: The 7.5

Assistant Economic Development Director Roberts: The actual legal transaction itself is -- but...

City Manager Swanson-Rivenbark: No, but it -- there's the land swap value. So, if I might, with respect -- Vivian, if you can help us with that conversation.

Vivian de las Cuevas-Diaz: Absolutely. So, there's a couple of things that -- let's just kind of go back to the time period so you see the big picture. The police force will stay in its current building for three years rent free, just to start off with that factor. What happens on closing day, once transitions happen, we are paid cash in the hand, \$5.2 million. So, how do you get to these values? Really, there's various discussion points. One, your lot is sitting right next to it. Can you build a parking lot. Can you maximize that in rent? Those are numbers you guys have to run, but that's part of it. You also have a larger, squared off site, because you own this one. And most importantly, is the fact that you're sitting somewhere for three years rent free, particularly a police department, which becomes a little convoluted. Can you move? Of course, everything can be done. The question is, where do you go, how much does it cost you, and in the interim, some of the other (INAUDIBLE) you guys talked about. But your transaction is that. There is the discussion of \$2 million impact fees, so we can bring that back, because that is part of the deal. The deal is, if the transactions happen, both transactions happen, we move and they also close on theirs three years later or whenever we turn-over the property, they're entitled to \$2 million impact fees credit, which runs with the land. In the event that Codina does not close on

that second piece but we move to our property, that \$2 million impact fee is foregone. So, just little factors that is the deal on the table.

Mayor Cason: Well, it seems to me there's a tremendous value to those three years of rent free because where would we go with our command center, with our crime center, with the fire trucks? We'd have no place to put them. We were facing this when we had the trolley, remember? We couldn't find a place to put the trolley and we have to build a new one. So, I guess a lot of the value, the difference between the two is the imputed value of being able to stay there and not have to move, pay rent and just the disruption, I would suppose.

Ms. De las Cuevas-Diaz: Right. And you know, I wish it was a -- I don't wish, because I actually find this exciting. But it's not a traditional real estate deal on where you just want to acquire a piece of property and you want to build a building. I mean, those are different factors. Even if you wanted to move City Hall, it's a lot easier than moving your police officers.

City Manager Swanson-Rivenbark: We're not moving City Hall.

Ms. De las Cuevas-Diaz: No, we're not. Absolutely not, but you know...

Vice Mayor Quesada: Bad example.

Ms. De las Cuevas-Diaz: But you know, there are easier -- this is a challenge. This is difficult. It's not apples to apples. But you've got to look at these other factors in your equation.

Commissioner Keon: Right. I also think that Codina's lot is of particularly more value to us, the City, because it is next to the property we already own. So, our ability to assemble that property makes that lot a much more valuable asset than, you know, it may be appraised at.

Vice Mayor Quesada: But something Mr. Espino said, I mean, you don't have to be in real estate to understand that once the Agave project is done, all that property value is going to go up. So, yes, that -- this property that Codina currently owns and controls, yeah, it's going to be more valuable for us for the, you know, the public policy reasons of, you know, being able to reach more residents quicker. But for Codina, the property near Agave is obviously considerably more desirable in the long term.

City Manager Swanson-Rivenbark: So...

Ms. De las Cuevas-Diaz: But it all depends on what happens in the market.

Vice Mayor Quesada: I know...

City Manager Swanson-Rivenbark: If I could...

Vice Mayor Quesada: Which is why, in a wacky -- well, not a wacky way, in a logical way, you know, this deal makes sense for us and for them.

City Manager Swanson-Rivenbark: But in -- with respect to the Commission, we can build the public safety building on Lot 6.

Vice Mayor Quesada: Yeah.

City Manager Swanson-Rivenbark: We can. The question is, do you want to square off that public safety building...

Vice Mayor Quesada: Well, the question is, will it stand...

City Manager Swanson-Rivenbark: And do you want to...

Vice Mayor Quesada: The test of time for the next 50, 75 years.

Commissioner Lago: Will it address our...

City Manager Swanson-Rivenbark: And do you want to introduce public parking in an area that doesn't have it. And so, while the economic numbers are important, the community benefits or the strategic benefits that we receive were also considered. But today, if you wanted to say let's not move forward with the deal, instruct staff to build on the Lot 6, the L shape, we can deliver a public safety building. We know that, because every architect that was interviewed for the selection process was asked that question and all confirmed you could.

Commissioner Keon: Right.

City Manager Swanson-Rivenbark: So...

Commissioner Keon: But I think that in government, other than in the private sector -- I mean, in the private sector, what you are looking at is efficiency. That's what you're looking at. You're looking at a bottom line. In the public sector, you also have to look at public benefit, which is the other half of the public sector equation to efficiency. There's effectiveness in public -- the benefit to the public, and I think -- so, we, as a government, may enter into an agreement that maybe the private sector may not enter into, because we have more than just dollars and cents to consider when we make decisions. There is a public benefit decision that has to be made. And I think that that's what you see here and why, you know, it may not look like -- strictly from a financial standpoint, it may not look -- you may like it to look better, but it is the benefit part that actually changes the equation.

Mayor Cason: Back to my earlier question, if, for any reason -- I mean, all those things we discussed, we finish it earlier, do you think there's any flexibility on the part of the Codina to

give us more money because we turned the building over to them? It may not happen, but I mean, could -- as an incentive for us to keep moving very fast.

Ms. De las Cuevas-Diaz: I'm going to let Joe speak on something.

City Manager Swanson-Rivenbark: We've -- in fairness, we have not had that conversation, so I want to be careful not trying to negotiate a point under duress.

Ms. De las Cuevas-Diaz: That's -- what I was going to say...

Mayor Cason: I don't want to negotiate it, but I'm just wondering...

Ms. De las Cuevas-Diaz: Is we were just hoping that we could do it in 36 months. I'm not saying we can't go back and have this conversation, but at the time, we were just trying to buy realistic time...

Vice Mayor Quesada: Of course.

Ms. De las Cuevas-Diaz: To make sure that...

Vice Mayor Quesada: Yeah, of course.

Ms. De las Cuevas-Diaz: We didn't have the penalty.

Mayor Cason: Right.

Ms. De las Cuevas-Diaz: But it's a valid point.

Mayor Cason: But I mean, if -- so, realistic time, you said 30. Let's assume that we do it in 30. That's six months -- they get it six months without having to pay anything for it. So, as a contingency, if we were -- everything goes well, they may want to have it sooner as well to get on with their project.

Joe Gimenez: Mr. Mayor -- and Joe Gimenez, with Codina Partners, 2020 Salzedo. It is something that we'll be happy to discuss. I'm obviously -- I'm glad Cathy was the one to say -- I don't like negotiating from the podium and the dais...

Mayor Cason: Sure.

Mr. Gimenez: On TV. But it's something that it wasn't thought of as a real possibility. We went on the long side, as construction tends to, but it's obviously a point that we'd be happy to discuss and we can come up with some numbers. The City can tell us what you have in mind and we can come up with our own. Just -- since I'm here, just the one other point that I would like to bring up, as Agave keeps getting mentioned, something that keeps getting ignored a little bit is that, as the Manager said earlier, the North Ponce corridor is where growth is happening in the city. And we're providing you with a lot that, yes, we're appraising now, but as people who are putting their money where their mouth is, we're putting up a luxury rental condo, a luxury rental building a block away from the site we're providing to you. We just put our corporate headquarters a block from the site. So, we believe in this neighborhood. We were going to build phase two of that luxury rental building there. So, as North Ponce continues, that's worth real value. Aside from obviously the benefits to the City north of Alhambra with Fire Station 1, your ability to better your response times, et cetera, et cetera, et cetera and everything else, there is value there as well. That Agave, which God knows I wish them the best, is still a little speculative and a little far off. Whereas we're improving that neighborhood with our own properties today. And hopefully, we'll have our CO by -- in a few months. So, and I just -- I really wanted to put that there as well that there is a concrete economic benefit to the City on acquiring property in a neighborhood that is showing growth definitely. And I just wanted to...

Vice Mayor Quesada: Got it.

Mayor Cason: Thank you.

Mr. Gimenez: Thank you very much.

Mayor Cason: Thank you.

Commissioner Slesnick: Thank you.

Mayor Cason: At any rate, as we move -- if we approve this resolution and we move forward, you're going to go back to the advisory boards again with the ordinance?

City Attorney Leen: I don't -- that's not required.

Mayor Cason: Not required?

City Attorney Leen: It depends on the Commission. It has already gone to three. And in fact, when it comes back before you, you'll be -- remember, I mentioned it's a four-fifths vote.

City Manager Swanson-Rivenbark: It's gone to...

City Attorney Leen: It's gone to four boards?

City Manager Swanson-Rivenbark: Four.

City Attorney Leen: Forgive me.

City Manager Swanson-Rivenbark: Because one group that -- we wanted to take time with to make sure that it made good parking sense, and so it did go to the Parking Advisory Board. They reviewed it. They reviewed the Pro-Formas. You know, and in terms of short term and if we get out early, I'll tell you, that guy's going to come to me and they'll say let us run the garage a hundred percent for the public in the -- in -- where Garage 3 is where the public safety building is. We understand what those questions are, but we have gone. We certainly can do whatever the Commission wants. We recognize this is a big project. We can go -- we have gone to Property Advisory Board. We have gone to Economic Development Board. We have gone to the Budget Advisory Board, and we have gone to Parking Advisory Board. As we develop the -- if the Commission wishes to proceed, I've said we can build on Lot 6. If the Commission wishes to proceed, we can continue to draft the ordinance, which has to come back to you for two readings. And if the terms revise during that time, if you'd like us to go back to the boards, we're happy to do that. If you'd like us to go back to the boards period, we're not trying -- we embrace the board process. They provided good insight. I will say with respect, Property Advisory Board is doing Property Advisory Board's job, because they're looking at it from the real estate transaction. But then I go -- and Parking Advisory Board, who is like, when can we do this, is doing their job, because you have appointed board members, valuable volunteers that look at it from the charge and the responsibility of the boards themselves. Budget Advisory Board, can we afford it. That's important too, because you want to make sure that when you've worked so hard on your financial health, that we don't impact it. And so, that's why we've said from a parking garage standpoint, yes, they can afford it, but can we shift it and delay it? Does that make more sense? You have the option to do that. Economic Development Board, I know just met, so -- I'm getting a thumbs up, which must be a good sign. From the economic development potential of having the public parking garage there and the investment that inures off of parking, you know, it's a chicken and the egg. Parking comes first. I will tell you, in many instances with redevelopment on something like North Ponce, the ability to house parking for businesses, for retailers, for employees becomes important. The comment on the parking lot that we have by the school, Coral Gables Prep, it is right now permit. It's a hundred percent permit, but we've carved out a little bit of meter, because of that high demand. I've had



discussions with the Parking director. If we move forward with Garage 7, can we take the permits and relocate them into Garage 7. And Kevin, correct me if I'm wrong, but because of the proximity of Garage 7, yes, we can move that over and we can free that parking lot up for other uses, you know, other parking-related uses.

Commissioner Keon: Other parking (INAUDIBLE)...

Mayor Cason: Let me just make the suggestion...

City Attorney Leen: Mr. Mayor...

Mayor Cason: Since the Property Advisory Board had a question and wanted to have some more information, which we delivered today, it would be worthwhile just to go back the next time they have a meeting and make the same explanation.

City Manager Swanson-Rivenbark: We're always available. I haven't attended the meeting. It's my honor to attend. I know that we can have our staff attending answering the questions that they have. We are looking at it as multiple perspectives, because it's, in part, a real estate transaction, in part, a future parking development project, in part, a -- other aspects to it, like ground floor retail, not Miracle Mile type of retail, but good retail, something that works adjacent to the Board of Realtors and all of the other neighbors. But 100 percent, this is a public safety building, and we are not compromising on the safety of our officers or the safety of technology and the strategies that you want us moving forward. We will -- this will result in a state-of-the-art public safety building that is physically safe and operationally sound, and that...

City Attorney Leen: Mr. Mayor...

City Manager Swanson-Rivenbark: Is the top priority.

City Attorney Leen: One thought I would have, though, is remember, it's a two-hearing process with a four-fifths vote. So, the only suggestion I would make, and obviously, I would defer to the City Manager. It is her item. But you may want to do them simultaneously, because what might happen is on first reading, you may want to get more input from the boards, so you may have to go back again. So, you may want to -- the question -- the item on the agenda is whether you will grant authority for us to come back at the next meeting...

Mayor Cason: Yeah.

City Attorney Leen: With an ordinance for first reading.

Commissioner Lago: I think we're getting way ahead ourselves, way ahead of us. This is just to enter into a negotiation...

Mayor Cason: Right.

Commissioner Lago: To move forward. I think we're looking too deep into this. If we want to go back -- I'm with you. Let's go back to the board, the Property Advisory Board. They do a stellar job. Let's make a decision to allow staff to either yes or no move forward with this proposal.

Mayor Cason: Alright. Are you going to make the...

Assistant City Manager Iglesias: May I also say that going from the L shaped building to the square -- to a more rectangular building, if we have a three to five percent efficiency in that design, which we could have...

Commissioner Lago: We lose parking.

Assistant City Manager Iglesias: It'll be a savings of one to two million dollars right there...

Mayor Cason: Okay.

Assistant City Manager Iglesias: In a more efficient (INAUDIBLE).

Vice Mayor Quesada: So, hold on, hold on. Am I hearing that -- does this have to be -- have a second reading? This is only one reading?

Mayor Cason: It's a resolution.

City Attorney Leen: So, what would happen is, let's say you approve this today. Let's assume that we enter into a letter of intent. It would come before you as an ordinance...

Vice Mayor Quesada: Got it.

City Attorney Leen: At the next Commission meeting, first reading requires a four-fifths vote, and then there'd be a second reading, requires a four-fifths vote.

Vice Mayor Quesada: I move to approve staff's recommendation.

Mayor Cason: Alright. Vice Mayor makes the motion.

Commissioner Keon: I'll second.

Mayor Cason: Seconded by Commissioner Keon. City Clerk.

Vice Mayor Quesada: Yes.

Commissioner Slesnick: Yes.

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City Commission Meeting

January 10, 2017

Agenda Item H-1 – Request for authorization to proceed with an Ordinance regarding land exchange with Codina Partners, LLC relating to the Public Safety Building.

Commissioner Keon: Yes.

Commissioner Lago: Yes.

Mayor Cason: Yes.

(Vote: 5-0)

Mayor Cason: Thank you. And they'll come back...

Vice Mayor Quesada: However...

Mayor Cason: And explain this to you.

Vice Mayor Quesada: However, I just want to make sure it goes before the Property Advisory Board, you know. When's your next meeting?

(COMMENTS MADE OFF THE RECORD)

Vice Mayor Quesada: Can you just work in a meeting and address some of these points...

Commissioner Keon: Yeah, (INAUDIBLE)...

Vice Mayor Quesada: So that before first reading -- and give us the minutes of the meeting of that too as part of the next time we vote on this.

Mr. Espino: If I may make a recommendation (INAUDIBLE).

Vice Mayor Quesada: Do it. Love it.

Mr. Espino: And if the City Manager could attend, I think that would be very (INAUDIBLE).

City Manager Swanson-Rivenbark: It would be my pleasure.

Vice Mayor Quesada: Can we do something like that and maybe have it like at the museum in a bigger space for that? Well, whatever works. You guys figure that out.

City Manager Swanson-Rivenbark: Absolutely.

Ms. De las Cuevas-Diaz: Just so you guys know, it's going to take a little time anyway to negotiate this contract and whatnot.

Vice Mayor Quesada: Of course.

Ms. De las Cuevas-Diaz: So, as we do that, we'll have enough time to tee up a meeting and get...

Mayor Cason: Perfect.

Ms. De las Cuevas-Diaz: All the facts before we come back to you guys.

Vice Mayor Quesada: I will ask...

Mayor Cason: Thank you.

Vice Mayor Quesada: Also, in the future, to have a map -- I know we have a map here on Slide 5, just a little -- it's a little tough to do it. Can we -- the way you explained the breakdown of the deal doesn't come through as clearly in the physical written version.

Ms. De las Cuevas-Diaz: Okay.

Vice Mayor Quesada: I would like a simple, concise and clear explanation of the deal in a physical version. This gives a lot of the rationale, because of the financial aspect of it as well, but if you can give me a slide or two, clear, concise, to the point. Because here's what happens, we'll go through long conversations about it, then we'll get approached by a resident. Make it easy for us to, you know -- in a concise...

Ms. De las Cuevas-Diaz: Give you the short form memo.

Vice Mayor Quesada: We need a good Cliffs Notes version of it as well.

Ms. De las Cuevas-Diaz: Got it. Okay.

Mayor Cason: Thank you very much.

Ms. De las Cuevas-Diaz: Thank you, guys.

Vice Mayor Quesada: Thanks.