

CITY OF CORAL GABLES
Property Advisory Board Meeting Minutes
Wednesday, August 10, 2016, 8:30 a.m.
Economic Development Department
2121 Ponce de Leon Blvd., Suite 720, Coral Gables, Florida 33134

MEMBERS	A	M	J	J	A	S	O	N	D	J	F	M	APPOINTING ENTITY
	'16	'16	'16	'16	'16	'16	'15	'15	'15	'16	'16	'16	
Luis Espino Chair	P	X	P	P	P		P	X	X	P	X	P	Mayor Jim Cason
Ariel Fernandez	P	X	E	P	P		P	X	X	A	X	E*	Commissioner Jeannett Slesnick
Luba DeWitt	E	X	P	E	P		E	X	X	P	X	P	Commissioner Patricia Keon
Valerie Quemada Vice Chair	P	X	P	P	E		P	X	X	P	X	E	Commissioner Vince Lago
Tony Gonzalez	P	X	P	P	E		P	X	X	P	X	E	Commissioner Frank Quesada
Andrew Nadal	P	X	E	P	P		P	X	X	P	X	P	City Manager
Andrea Molina	A	X	P	P	P		V	V	V	P	X	P	City Commission

A = Absent E = Excused Absence P = Present X = No Meeting V = Vacant
*Mr. Fernandez was scheduled to attend the meeting; however, due to miscommunication that led to a wrongful impression that the meeting had been canceled, he was not in attendance.

STAFF AND GUESTS:

Leonard Roberts, Assistant Director, Economic Development
Mariana Price, Administrative Assistant, Economic Development Department

Meeting Motion Summary:

A motion to reduce the rent for the City tenants on Miracle Mile (Haagen Dazs, Bloom Boutique, and Ortanique) by 20% for the lesser of 3 (three) months or the length of construction on the Tenant’s block. The motion passed unanimously.

Mr. Roberts brought the meeting to order at 8:37 a.m.

1. Approval of the June meeting minutes (Action)

Due to the minutes being distributed to the board members at the meeting, Ariel Fernandez made a motion to table the approval of the minutes until the next meeting. Andrew Nadal seconded the motion which passed unanimously.

2. Recommended Rent Concessions for Haagen Dazs, Bloom Boutique, & Ortanique (Miracle Mile Properties) during Streetscape (Action)

Mr. Roberts summarized the proposal for rent concessions which are detailed below.

On January 26, 2016 the City passed a resolution approving the construction contract for the Miracle Mile and Giralda Avenue Streetscape project. The ground breaking was April 28, 2016 and construction started shortly thereafter. As part of the construction, the on-street parking has been temporarily halted in order to start the renovations (see images back). Sidewalk access has been reduced, also creating some limitation, but in all cases there continues to be access to every storefront. The construction has affected businesses and the City would like to propose a rent credit to City tenants on Miracle Mile to provide some relief during the construction.

The City reviewed articles related to other retail businesses that showed revenues decreased up to 25% due to surrounding construction projects. The City then reviewed each tenant’s sales activity noting each month reduction in sales from May to July, 2016. For instance, May to June, 2016 sales reductions were 18.6%, 38.5% and 7.52% for Haagen Dazs, Bloom Boutique and Ortanique, respectively. Bloom Boutique and Haagen Dazs are fairly new tenants and Ortanique is about to start renovation to their site.

The Property Advisory Board recommended leases for all three tenants. Haagen Dazs has been a tenant since June 2015; Bloom Boutique since February 2016 and Ortanique since September 1997. These entities provide a great product mix that sparks the economic vitality of the City’s downtown as do many of the existing businesses on Miracle Mile.

The City is recommending a 20% reduction in lease payment during the anticipated construction expected on the south side of Miracle Mile. The total project timeline is 18 months so the City is proposing 9 months reduction.

Summary of Proposal:

	Haagen Dazs	Bloom Boutique	Ortanique
Lease Terms			
Commencement Date	Jun-15	Feb-16	Aug-16
Total SF	873	850	3,100
Revenue Loss			
from May to June	(18.6%)	(38.5%)	(7.5%)
Proposal			
Total Proposed Reduction (20%)	\$4,038	\$4,781	\$17,438
Reduction timing (mos.)	9	9	9
Per month deduction	\$448.63	\$531.25	\$1,937.50

Mr. Fernandez made a motion to recommend a 20% rent reduction for City tenants (Haagen Dazs, Bloom Boutique, and Ortanique) on Miracle Mile during streetscape construction for the lesser of 3 (three) months or the length of construction on the Tenant's block (instead of the originally suggested nine months) which was seconded by Mr. Nadal, and which passed unanimously.

3. Agreement between the City of Coral Gables & the First Church of Christian Science (Discussion)

Mr. Roberts presented an agreement in the works between the City and the First Church of Christian Science (located on LeJeune Road and Andalusia Avenue), which has a 700+ seat auditorium. The Church is agreeing to allow the City to use the space for community events, town hall meetings, etc., for the public benefit as long as they are notified ahead of time, they do not conflict with their biweekly services, the City's events are non-religious, and the City insures the property during those events. For example, the auditorium might be a good location to hold the Fire Department's graduation.

4. Economic Development Assistant Director's Report

Mr. Roberts also mentioned a similar agreement being worked out to use the plaza located between Burger-Fi and Barnes & Noble on Miracle Mile, in order for the City of Coral Gables to activate that space with special events.

The Public Safety Dept. reached out to Economic Development Dept. to assist with finding ways to stimulate business activity on 8 ST between 57th Avenue and Lejeune Road. The questions are from an economic perspective, *What can the City do to help spark businesses?* and from a safety perspective, *How can the City help fill these vacancies since they might attract crime?* Mr. Roberts stated that the pricing in the Central Business District (CBD) is very similar to pricing on 8th ST. Mr. Espino suggested that Economic Development reach out to the Planning & Zoning Board in order to collaborate and come up with a plan. Another concern is the limited parking in the area.

Mr. Roberts announced the City's desire to relocate the Public Safety Building (currently at 2801 Salzedo Street). One potential site is Lot 6 on Alcazar Avenue (currently owned by the City). Mr. Espino suggested that the City is much better off finding land outside of Coral Gables. Mr. Roberts explained that the Fire Dept. needs to be in the City, and that relocating the Public Safety building more north to the Lot 6 site would help the Fire Dept. to have full coverage ratio of the entire City. Fire Departments should be within a two-mile radius of their coverage area. Currently there is a gap in the North Gables area, and they can't respond within the two-minute requirement time.

The City is working on the RFP for Garages 1 & 4, which is still under a Cone of Silence. After a meeting was held with the proposers, the decision to choose a developer was deferred. The proposers are reissuing information that will then be evaluated for a decision.

5. Outstanding Rent Report

Some tenant rents are due before the 15th of every month; therefore some current outstanding rents are usually paid in the days before they are due.

The Board requested that the Bijan's lease be removed from the Outstanding Rent Report since it is currently in litigation for collections. The space has been re-leased to Open Stage.

The meeting was adjourned at 9:37 a.m.

Respectfully submitted,
Mariana Price, Administrative Assistant - Economic Development Department