

## CITY OF CORAL GABLES, FLORIDA

### RESOLUTION NO. 2018-

A RESOLUTION APPROVING THE GENERAL TERMS AND AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE A DEVELOPMENT AGREEMENT WITH CORAL GABLES CITY CENTER, LLC (CGCC) FOR THE REDEVELOPMENT OF MUNICIPAL PARKING GARAGES 1 AND 4 IN WHICH CGCC PROPOSES A PUBLIC PRIVATE PARTNERSHIP TO PROVIDE AN IMPROVED PARKING STRUCTURE WHERE THE CITY WILL RETAIN OWNERSHIP AND/OR CONTROL OF THE PUBLIC PARKING COMPONENT AND BUILD A RESIDENTIAL AND OFFICE MIXED-USE PROJECT COMPATIBLE WITH THE SURROUNDING NEIGHBORHOOD.

**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); provide public parking spaces to meet the future needs of Downtown businesses; introduce appropriately scaled mixed uses that would include a variety of retail and 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**, the City Commission did not approve any of the proposals submitted under the RFP, however, in accordance with Resolution 2017-23, dated January 24, 2017, the City Commission authorized negotiation with Coral Gables City Center, LLC up to six (6) months, and provided the City Manager the authorization to extend for up to an additional six (6) months. If the negotiations fail, Staff is authorized to negotiate with the second ranked firm, TC Gables, LLC, for an additional period of up to six (6) months and the City also reaffirmed its right to pursue alternate courses of action, including a City-build option; and

**WHEREAS**, the six (6) months negotiation period for CGCC and Staff to reach agreed upon terms started on November 6, 2017; the first six (6) months expired on May 5, 2018 for the public private partnership of the Garages redevelopment (the "P3"). Staff provided an update to Commission on February 27, 2018 and 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, Staff presented a workshop to the City Commission discussing the demand and supply of public parking in the Central Business District on September 11, 2018, and Sunshine meetings on September 21st, November 9<sup>th</sup>, December 13<sup>th</sup> and January 14<sup>th</sup>, 2018 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 up to November 5, 2018 under the City Manager's authority and bring forth an agreement for City Commission approval; then on October 23, 2018, the City Commission authorized a 9 day extension and on November 13 the City Commission adopted Resolution 2018-291 to extend negotiations until January 23, 2019 to allow Staff time to finalize negotiations; 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**, in accordance with the proposal, CGCC will build 620 City-owned public parking spaces and 320 developer owned spaces for public use on nights and weekends as part of the public-provide partnership. The Garages will be managed in a manner and practice consistent with, and typical of, Class A office, residential and retail space; and

**WHEREAS**, in accordance with the proposal, the Garages shall consist of a 117,000 square feet mixed use office tower and a 246 residential mixed used building, 695 developer-owned parking spaces; building heights less than 178' and floor areas not to exceed 4.375, the maximum allowed by the City; and

**WHEREAS**, in accordance with CAO 2018-032, the two sites may be combined and developed as either a Planned Area Development (PAD) or Mixed-Use Project in which CGCC will pursue the latter option if approved by the City Commission; and

**WHEREAS**, the City allows development projects to build up to 3.5 FAR with certain Mediterranean bonuses and up to 4.375 with historic Transfer Development Rights (TDRs) and CGCC is requesting the City provide TDRs to be used towards the Project; and

**WHEREAS**, in accordance with the proposal, the Garages will be structured as a vertical subdivision and/or an ownership structure so that the City may maintain fee simple ownership of the Garage 1 public municipal garage spaces and the Garage 4 public municipal garage spaces of the Project (the "Public Component"); and

**WHEREAS**, CGCC will 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**, the City's the financial analysis has determined CGCC's estimated cost for development of the Public Component is greater than the value of the Garages; CGCC is requesting the impact fees be reimbursed and the City permit fees be waived (excluding Art in Public Places in the Public Component of the Garages); there be no further payment obligation

due from the City; the City generate real estate taxes from the Private Component; and CGCC be allowed to build the Private Component in exchange for the Public Component.

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 a development agreement with CGCC for the redevelopment of Municipal Parking Garages 1 and 4 in which CGCC proposes a public-private partnership to provide an improved parking structure where the City will retain ownership and/or control of the public parking component and build a residential and office mixed-use project not to exceed the maximum size allowed under the City’s zoning code.

**SECTION 3.** In accordance with Section 2-1097 of the City Code, this resolution requires a 4/5<sup>th</sup> 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 and will also require a super-majority vote for adoption.

**SECTION 4.** To the extent the City cannot agree to terms, the City reaffirms its right to pursue other alternatives, including a City-build alternative.

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

PASSED AND ADOPTED THIS TWENTY-SECOND OF JANUARY, A.D., 2019.

(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 SOLER RAMOS  
CITY ATTORNEY