

CITY OF CORAL GABLES
Property Advisory Board Strategic Workshop
EXCERPT Meeting Minutes
Wednesday, October 11, 2017, 8:30 a.m.
2121 Ponce de Leon Blvd., Suite 720, Coral Gables, Florida 33134

PAB MEMBERS	J	F	M	A	M	J	J	A	S	O	N	D	APPOINTING ENTITY
	'18	'18	'18	'18	'18	'18	'18	'18	'18	'17	'17	'17	
Alberto Manrara										P			Mayor Raúl J. Valdés-Fauli
Jonathan Leyva										P			Commissioner Michael Mena
Luba DeWitt										P			Commissioner Patricia Keon
Valerie Quemada Vice Chair										P			Commissioner Vince Lago
Tony Gonzalez										E			Commissioner Frank Quesada
Edmund Mazzei										P			City Manager
Andrea Molina										P			City Commission

A = Absent E = Excused Absence P = Present X = No Meeting Ph = Present by Phone - =Former Board Member

STAFF AND GUESTS:

Javier Betancourt, Director, Economic Development Department
Leonard Roberts, Assistant Director, Economic Development Department
Francesca Valdes, Business Development Specialist, Economic Development Department
Mariana Price, Administrative Assistant, Economic Development Department

Meeting Motion Summary:

A motion to recommend the approval of the renewal of the lease of 3501 Granada Blvd. to the Commander of the U.S. Southern Command passed unanimously.

Mr. Betancourt brought the meeting to order at 8:32 a.m.

New Lease Terms for SOUTHCAM Commander at 3501 Granada Blvd. (Action)

Mr. Roberts reviewed the Proposed Deal Terms for the renewal of the lease sale of Lot 24 to Doctors' Hospital as follows:

Background: The City currently leases 3501 Granada Blvd to the Commander of the US Government Southern Command. The City has had the honor of making available a home for the Commanding General of the Southern Command since 1999. The current Commander is Admiral Kurt Tidd. Certain improvements to the Property were made and paid by the City and the US Government to update and secure the building in 2012 in accordance with federal and local regulations. At the time the parties executed a year to year contract for a term not to exceed 5-years which is expiring October 31, 2017. The tenant has been paying \$8,850 a

month in rent and wishes to extend the lease for another year to year term not to exceed 5 years.

Premises: a 5 bedroom 5 bath unfurnished single family residence of approximately 4,832 square feet located at 3501 Granada Blvd.

Broker Fee: None.

Use: Residential.

Term: 1 year that can be renewed year to year up to five years. As with the current lease, the Tenant will continue to have the right to terminate at any time after the first year upon 90 days' notice, and its obligations are subject to federal appropriations. The federal government is not permitted to enter into a lease with a different term structure.

Rent:

The new rental rate will be \$9,100 per month and will begin effective November 1, 2017 until October 31, 2022. The current rental rate is \$8,850, previous to that it was \$6,499.29. The current rental rate of \$8,850 covered the initial debt service for the purchase of the home, the capital improvements made by the City as well as maintenance costs except pool and landscaping. The new rent will cover the additional maintenance cost anticipated. Based on the comparative market analysis below, the amount is considered market rate.

Costs and Maintenance: There are no real estate taxes on the property. The City covers the insurance and maintenance costs in the Rent which was previously factored in the current rental rate. The City will maintain all structural portions of the house; the roof; drainage structures; exterior windows and doors; the garage floor; and electrical, HVAC and plumbing systems, and will continue to provide pest control services. The Tenant will reimburse the cost of any hurricane shutter installation and removal, if necessary; the premises has hurricane impact windows. When the new lease commences, the Tenant will resume landscaping services and pool maintenance. The Tenant will be responsible for all utilities and trash removal. The City shall not be required to paint the complete exterior of the home more than once every 10 years.

City of Coral Gables															
South Com Rental Comps															
as of Oct-17 based on listing in the last 12 months															
	Address	Bedroom	Bath	HB	SF		Garage	Subdivision	Pool	WF	Per month	PSF			
					Living (LA)	Lot					Rental	LA	Lot	Rooms	
Comparables															
A	1 4403 Monserrate St	5	4	5	6,007	18,600	2	CORAL GABLES RIV SEC PART	Y	N	15,000	2.50	0.81	1,666.67	1989
A	2 1808 Granada Blvd	4	3	0	2,046	15,000	1	CORAL GABLES SEC C	Y	N	5,450	2.66	0.36	778.57	1941
R	3 3700 Alhambra Ct	6	5	0	5,566	24,100	2	Coral Gables Country Club	Y	N	9,000	1.62	0.37	818.18	1980 1/9/2017
R	4 1232 Palermo Ave	5	4	1	3,440	12,610	2	CORAL GABLES COUNTRY CLUB	Y	N	7,000	2.03	0.56	777.78	1924 6/22/2017
R	5 924 CATALONIA AV	4	3	0	3,151	13,000	2	CORAL GABLES COUNTRY CLUB	Y	N	6,000	1.90	0.46	857.14	1938 11/1/2016
R	6 1036 Andalusia Ave #	4	4	0	3,632	9,750	2	CORAL GABLES SEC A	Y	N	6,100	1.68	0.63	762.50	1926 8/11/2017
R	7 4950 San Amaro Dr	4	3	0	2,800	5,000	1	Coral Gables Riveria Pt 0	Y	N	5,100	1.82	1.02	728.57	1979 12/17/2016
R	8 2900 Granada Blvd	4	3	1	2,705	15,750	2	Coral Gables Country Club	Y	N	5,000	1.85	0.32	714.29	1946 2/7/2017
		36	29	7	29,347	113,810					58,650	2.00	0.52	902.31	
Subject Property															
	3501 Granada Bl	5	5	0	4,823	17,100	2	Coral Gables Country Club	Yes	No	<i>Calculated Values</i>	LA	Lot	Rooms	
											9,200	9,639	8,812	9,023	

Questions for the Property Advisory Board:

1. Does the proposed use conform to the City’s comprehensive plan, and is it compatible with the surrounding area?

Yes, the home is in a residential area and will be used as a residential property, as it has been since 1999.

2. Are there positive or negative impacts on adjacent property?

The home has been rented to the Government since November 1, 1999. The continued rental should not negatively impact adjacent properties. We believe it is beneficial generally to the City to have the Southern Command Commanding General housed in Coral Gables.

3. Are the terms and conditions based on market terms and value?

We believe this is a market deal and covers the City’s costs.

After some discussion, the board members decided it was in the best interest of the City to recommend the approval of the renewal of the lease to the commander of the U.S. Southern Command. Mr. Mazzei made a motion to approve the renewal of the lease and Ms. Quemada seconded the motion, which passed unanimously.

The meeting was adjourned at 10:38 a.m.

Respectfully submitted,

Mariana Price, Administrative Assistant - Economic Development Department