

CITY OF CORAL GABLES
Property Advisory Board Meeting

Wednesday, August 19, 2010, 8:30 a.m.
 1 Alhambra Plaza, Suite 617, Coral Gables, Florida 33134

MEMBERS	S	O	N	D	J	F	M	A	M	J	J	A	APPOINTING ENTITY
	09	09	09	09	10	10	10	10	10	10	10	10	
Gustave Perez - Chair	E	P	+	P	+	P	E	P	P	+	P	P	Vice Mayor William H. Kerdyk, Jr.
Maurice Donsky	P	P	+	P	+	E	P	P	P	+	E	P	Commissioner Maria Anderson
James Hinrichsen	P	E	+	P	+	P	P	P	P	+	A	P	Commissioner Rafael Cabrera, Jr.
Valentin Lopez	P	P	+	P	+	P	P	E	P	+	P	P	City Commission
Edmund Mazzei	P	P	+	P	+	P	P	P	P	+	P	P	City Manager Patrick Salerno
Luis Padron	P	P	+	E	+	E	P	A	E	+	A	P	Commissioner Wayne Withers
Mary Young	P	P	+	P	+	P	E	P	E	+	P	P	Mayor Donald D. Slesnick, II

A = Absent
P = Present
E = Excused
+ = **No Meeting**

STAFF

Cynthia S. Birdsill, Economic Sustainability Department Director
 Jessica Wotherspoon, Business Development Specialist

Motion Summary:

The Board recommends to the City Commission that they authorize the City to enter into a Lease renewal with Graziano's Gourmet in the Gables, LLC d/b/a Graziano's Gourmet in the Gables and/or Graziano's Market for a (5) five-year Term with one (5) five-year Option on the presented terms.

The Board recommends to the City Commission that they authorize the City to enter into a Lease renewal with Robert Maguire, personally, d/b/a Burger Bob's or the Granada Snack Shop for a (3) three-year Term with a (1) one-year Option on the presented terms.

1. Chair Gus Perez called the meeting to order at 8:35 a.m.

2. Approval of the July 21, 2010 Board Meeting Minutes

Mr. Mazzei moved to approve the minutes, Mr. Donsky seconded and the motion passed unanimously.

3. Review Renewal of Graziano's Lease

Mr. Perez excused himself from the room and vote for this item due to a business/family conflict of interest.

The following deal terms were presented to the Board:

Tenant: Graziano's Gourmet in the Gables, LLC d/b/a Graziano's Gourmet in the Gables and/or Graziano's Market

Premises: 6,613 square feet (including 148 square feet of storage) at 2301 Galiano. The Premises also includes a Terrace Area for outdoor seating.

Security Deposit: Landlord continues to hold a \$14,906.66 security deposit.

Term: Five Years with one – 5 year option, commencing August 11, 2010

Rent: Was \$21 psf in the last year of the prior lease. Will be \$22.63 psf for the first year of the Renewal Lease, and will escalate three percent (3%) a year through the Renewal Term. Tenant does not pay Percentage Rent.

Operating Expenses: Tenant was not paying any operating expenses in the prior lease. They will now pay fifty percent (50%) of their proportionate share of common area expenses, cooling tower expenses, and building insurance at the

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actual rate for the first Lease Year, and then their payment will be capped five percent (5%) each year, so that it cannot increase more than five percent (5%) a year. The cap will re-set at the beginning of the renewal term.

Real Estate Taxes/BID Assessment: Are paid separately from operating expenses. Tenant pays its proportionate share.

Assignment: Tenant may transfer the lease provided the original tenant remains liable, and the transferee is qualified to operate the business as a similar net worth as the tenant, and continues to operate the same use and under the same trade name.

Parking: Tenant continues to have the right to park for truck deliveries from 5 am to 7 am Monday through Saturday at meters GA2301 and 2303.

Guaranty: Mario Graziano continues to personally guaranty the Lease.

Mr. Donsky remarked that it should be the City's standard practice for tenants to pay their full share of operating expenses. Mr. Mazzei agreed, unless there is a mitigating circumstance that is communicated to the Board.

The Board voted on the following motion:

The Board recommends to the City Commission that they authorize the City to enter into a Lease renewal with Graziano's Gourmet in the Gables, LLC d/b/a Graziano's Gourmet in the Gables and/or Graziano's Market for a (5) five-year Term with one (5) five-year Option on the presented terms.

The motion, moved by Mr. Padron and seconded by Mr. Lopez, passed unanimously.

4. Review Renewal of Burger Bob's Lease

The following deal terms were presented to the Board:

Tenant: Robert Maguire, personally, d/b/a Burger Bob's or the Granada Snack Shop

Premises: 1,184 square feet at 2001 Granada Boulevard

Security Deposit: Landlord continues to hold a \$6,000 security deposit.

Equipment and Furniture: Tenant Leases equipment and furniture along with the Premises.

Term: Three Years with one – 1 year option, commencing September 1, 2010

Rent: Since August 2003, Rent has been \$2,100 (\$21.28 psf). Rent will now increase to \$2,269 per month (\$23 psf) and will escalate four percent (4%) a year (including the Renewal Term).

Termination Right: Landlord has a right to terminate upon ninety (90) days' notice.

Landlord's Maintenance Obligations: Landlord will continue to provide HVAC, electrical service, water and propane to the premises, and will maintain the physical plant, City owned appliances, HVAC, and provide a limited amount of janitorial services for cleaning around the snack bar.

Tenant's Maintenance/Operational Obligations: Tenant to have qualified personnel operating the business, and serve best quality food for the type of menu. Tenant to keep the premises clean and operate in compliance with laws.

Insurance: Tenant provides standard insurance for general liability, workers compensation, automobile liability and property insurance for Tenant's personal property. Tenant will now also reimburse Landlord for its proportionate share of Property and Windstorm coverage, and for the cost to insure the furniture and equipment leased from Landlord. Tenant does not carry glass coverage or boiler and machinery, as the Landlord is responsible for these items.

Mr. Mazzei asked if there was any conflict between the Burger Bob's operation and the new operator of the Country Club property. Ms. Birdsill responded that there was no known conflict.

The Board voted on the following motion:

The Board recommends to the City Commission that they authorize the City to enter into a Lease renewal with Robert Maguire, personally, d/b/a Burger Bob's or the Granada Snack Shop for a (3) three-year Term with a (1) one-year Option on the presented terms.

The motion, moved by Mr. Mazzei and seconded by Mr. Padron, passed unanimously.

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5. Review Schedule of Outstanding Rents and Property Tax Report

The Board reviewed the Schedule of Outstanding Rents and Property Tax Report that was provided by the Finance Department as of August 16, 2010.

6 Additional Business

The Board members were reminded about the upcoming Ethics seminar on September 10th.

There being no further discussion, the meeting was moved to adjourn at 9:13 a.m. by Mr. Padron and seconded by Mr. Mazzei.

Next Property Advisory Board Meeting: Wednesday, September 8, 2010 at 8:30 a.m.

Respectfully submitted,

Jessica Wotherspoon

Business Development Specialist

Economic Sustainability Department