

City of Coral Gables City Commission Meeting

Agenda Item D-3

May 27, 2008

City Commission Chambers

405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Slesnick Donald D. Slesnick, II

Vice Mayor William H. Kerdyk, Jr.

Commissioner Maria Anderson

Commissioner Rafael “Ralph” Cabrera, Jr.

Commissioner Wayne “Chip” Withers

City Staff

City Manager, David Brown

City Attorney, Elizabeth Hernandez

City Clerk, Walter J. Foeman

City Clerk Staff, Billy Urquia

Public Speaker(s)

Willy Bermello, President of BAP Development

D-3 [Start: 10:32:04 a.m.]

Willy A. Bermello, President of BAP Development to request permission to exercise first right to negotiate with the City of Coral Gables for the development of the parking garage located at 245 Andalusia Avenue, in accordance with Resolution No. 2004-95.

Mayor Slesnick: Our next personal appearance is Willy Bermello, President of BAP Development to talk about and request permission to exercise his right of first refusal to negotiate with the City of Coral Gables for the development of the parking garage located at 245 Andalusia Avenue. People will remember that in the late 1990's, the City Commission at that time decided and determined to develop the two garage sites on Andalusia, one across from Publix and then one a block down behind the Miracle Theater. At a later date in the early 2000's this Commission determined to not proceed with those two developments plans. We then made a decision to develop the third garage site at the end of Andalusia and Douglas Road, and at that time is when we started to proceed with the Senior Housing Facility. At the time that we stopped the ongoing negotiation for the contracts to do the first two garages, we put a provision in there that for a period of time that the two developers who had thought that they were proceeding forward, but then we're not proceeding forward, would have the right of first refusal, if we went back to the drawing boards and decided to do anything with those two pieces of property. If you fast forward to a few meetings ago, Commissioner Cabrera raised the issue that the time has come for the City to consider at least, the idea of the parking garages and their condition, their inability to handle disabilities, their fading structures, and whether or not we should be looking at proceeding forward to another parking facility. With that, I think we got a letter from Willy Bermello saying that he was interested in proceeding forward.

Commissioner Cabrera: Before we let Mr. Bermello make his presentation, I'm going to need some assistance from both the City Attorney's and the Manager's office, in clearly understanding what was the right that we gave Mr. Bermello's group.

Assistant City Attorney Alfonsin: If I may? What the resolution actually states is that the waiver provisions of the Procurement Code would be waived on any future development on the subject property, 245 Andalusia.

Commissioner Cabrera: So in essence...

Assistant City Attorney Alfonsin: So in essence this is premature.

Commissioner Cabrera: No, no, is OK, I'm glad he's here, and I'm excited about him being here, and I'm looking forward to his presentation, but what I guess I'm trying to get to is the following: I'm trying to determine how open-ended this process is, and I'm getting the impression its relatively open-ended, in terms of what we decide and what we contemplate as part of the presentation is a relatively open-ended process. Am I mistaken?

Vice Mayor Kerdyk: What do you mean open-ended?- who is doing the programming, is that what you are asking?

Commissioner Cabrera: No, no, the use – use.

Vice Mayor Kerdyk: Who is coming up with the use?- is that what you are asking; is the City driving the boat or is Mr. Bermello's group driving the boat, is that what you are asking?

Commissioner Cabrera: Well, I don't need to ask it, I know who is driving the boat; Mr. Bermello has got an idea that he wants to bring to our attention today. I don't necessarily fault him for that, in fact I applaud his efforts, I think we should be at fault for not preparing ourselves to do something, but that's not what I was getting to; my discussion had more to do with the open-ended aspect of what will be the use of the facility, of the space, that's what I'm trying to get at, Commissioner, Mr. Vice Mayor, I'm sorry – and from what it sounds like its relatively wide open.

Mayor Slesnick: I would say yes, but – Ralph I think that this Commission stated a long time ago some very salient points; one is, is that we were not – doesn't mean we can't change, but I would think that we said were not interested in waiving the height limitation...

Commissioner Cabrera: Right.

Mayor Slesnick:...and that we wanted a large garage facility of public parking, I mean those were two major things that we said, is that we did not want to give up future parking possibilities for offices.

Commissioner Cabrera: And as we contemplate and consider his presentation today, I think that its important for us to continue to create that vision, and if that vision is upheld so be it, but if we want to take it in a different direction probably between now, and I don't know, an appropriate time frame, we should be the ones creating that vision. Do you all agree with it?

Mayor Slesnick: Absolutely, but – absolutely; I don't disagree at all, and I think in conversations that this was in fact very clearly laid out that we were interested in parking for the Mile, not giving up parking; we were concerned that the presentations we saw in the early 2000's gave up too much future parking for development purposes, and we were concerned about height.

Commissioner Cabrera: And you are absolutely correct, but that was a picture in time.

Mayor Slesnick: No, no, I'm not saying we can't change, but I'm...

Commissioner Cabrera: And we may want to change, I don't know, I'm going to now become silent and allow Mr. Bermello to make his presentation.

Mayor Slesnick: Mr. Bermello.

Mr. Bermello: Mr. Mayor, members of the Commission, Willy Bermello with address at 2601 South Bayshore Drive. The purpose of this chat this morning, this dialogue with you is simply to open for discussion the redevelopment of 245 Andalusia within the time parameters that have been established by way of the City Resolution back some years ago. And the Mayor is totally correct, we are coming back, BAP Development, with the concept of simply addressing the points that I think I heard a number of years back when the projects were put on hold; and at that time the two main issues were the public purpose of making sure that parking was a predominant component of the project, and number two that we maintain a certain height limitation that was consistent with the City's policies at that time and still today. I've distributed a – what I will describe as a preliminary conceptual idea that simply, and this is the beauty of it – what we did is we took the design that our affiliated company Bermello A Parker did for you, the Museum Parking Garage, and we said, what if we were to take that Museum Parking Garage flip it, adjust it to the essence of this particular site, which is interesting because this is the only parking garage site that has two pedestrian links to Miracle Mile, and such I think it would make probably the highest utilized parking garage if designed appropriately. But we took the model of Museum Park and simply transplanted it to this property, and the remaining parcel of land, or footprint still available because this is a longer property, in comparison to 245 Andalusia is three hundred and fifty feet (350 ft.), versus Museum Parking Garage in terms of footprint, is two hundred seventy-five feet (275 ft.). So that difference we basically have suggested a commercial office building, a small office building, of approximately some fifty-six thousand square feet (56,000 sq.ft.) that would be matching height. So basically the idea is to be no taller than the Museum Parking Garage, the same look as the Museum Parking Garage...[inaudible]...of everybody's lot, I've never heard any comments against it, I think the commercial space on the ground floor has been very successful; and the idea would be to do more of the same plus a component of parking just next to it between the space that's left, the alley and the theater as seen on the drawing here to your right and also in the booklet. In terms of the overall parking, this new proposed building would have a total of six hundred twenty (620) parking spaces versus six

hundred and eight at the Museum Parking Garage. In terms of total surplus parking, which I think that was one of the key points also, how much more parking will we have today if this parking garage is done, there would be a total of four hundred and thirty-two (432) additional parking spaces. The current parking structure has a number of difficulties and deficiencies which the City has to comply with anyway to make it ADA compliant. Our idea is simply to fit within the mold of the unified development proposal that we submitted, except in this case its changing the use that you would approve, and our proposal for today for discussion purposes, this is not cast in concrete, this is not something where we are saying, this is it or we are leaving, this is only for opening of discussion, but this is something that seems to me would be acceptable to you and given the success of Museum Park Garage architecturally and what it did are in that area, this should be more of the same on Andalusia. We also did the design of the building across the street where the offices of Ralph Sanchez and select magazines; and obviously you know the architecture of the Museum Parking Garage and that architecture would fit just right; I think it would be a big plus for Andalusia, which is starting to really turn around with some fine architecture along that roadway. In essence in terms of the overall development, there would be a total of again, six hundred and twenty (620) parking spaces, the ground floor retail would be seventeen thousand four hundred square feet (17,400 sq.ft.), and then there would be a small office component with fifty-six thousand square feet (56,000 sq. ft.) of commercial space. The total building height is one hundred and four feet and nine inches (104 ft. 9 in.), which is exactly the same height as the Museum Parking Garage. The only difference between the Museum Parking Garage and this garage is that we have located vertical elements basically elevators right landing on the breezeways so that the way-finding is very easy and you always connect how you get to Miracle Mile and back. Having said that, that is basically it, this is a short presentation discussion.

Commissioner Withers: I have a question Willy; In the existing buildings next to Metro PCS, and what is that?- I need your glasses, Don – Almecar [inaudible], where the pass-throughs are from the alley to Miracle Mile...

Mr. Bermello: Yes.

Commissioner Withers: Who owns – does the City own the air rights above those pass-throughs? City Attorney, do you know?

Vice Mayor Kerdyk: I can tell you, they are private property.

Commissioner Withers: They are.

Vice Mayor Kerdyk: They are private property; the property owners want to come in there and build out that space, they can build out that space; at least I know for one of them that it is for a fact, but I think both of them, Starwood used to own the one to the west...east, and it is now owned by Steve Bartel and his group at Terre Nova, and the other one is also private.

Commissioner Withers: If this project did move forward, I would encourage maybe the swap of parking spaces or something. If you can do a connector from the second floor of the garage; I remember you had a vision many years ago about dropping people on Miracle Mile; one of the

issues we have with our parking garages is they have to transverse through alley-ways, so if there is a way we can connect the parking garage onto Miracle Mile through that building without having people going to ground level, I don't know if that's feasible or not feasible, but it would certainly to me be an advantage, you what I'm talking about?

Mr. Bermello: I know exactly what you are talking about because we many years ago had discussed that, and at that point I know the issue of easement rights over those properties came up, and at that point they are introducing a second component, which can be a little more difficult, which is those particular property owners and their likes and dislikes, and what they would expect for remuneration [inaudible] from those air rights. Honestly another issue is that breezeway itself, its beautification and the alleyway itself, and its beautification and utilities along that alleyway. In my opinion architecturally, a good ground floor connection with excellent way-finding and with the appropriate markers on Miracle Mile so visually as you are walking down the street you don't have to guess as to where the breezeway is, sometimes its hard to find it, I am looking and it doesn't....maybe if you eye sight is starting to be like my eye sight, you want something that helps you find those spots quicker, and level of convenience. So I think there is lot that you can do with appropriate signage, beautification of those breezeways and the alleyways, and then make it easy so when you cross the alley the stairs and elevators are right there, you don't have to you know.

Vice Mayor Kerdyk: I've got a couple questions, if it's OK. First of all, one of the reasons that we were so enthusiastic about using your firm again, should we develop within five years, and I think its an extension possibility if we don't develop within the five years, is because you have done such a fine job with many of our now municipal garages, but other locations in the City of Coral Gables. I've got just a couple issues with regards to the size of the garage. The one that you point out, the Museum Garage has two hundred and seventy-five feet (275 ft.) frontage, you show the 245 Andalusia at three-fifty (350 ft.) frontage, have you done a....have you figured out if you did all parking on these 350 sq. ft., with the exception of possibly the retail component downstairs, how many parking spaces would you then...how many cars would you park in that garage?

Mr. Bermello: No, we did not do that exercise, but we can get you that answer very, very quickly.

Vice Mayor Kerdyk: I think that would be helpful. Also, I'd also like to draw for my fellow Commissioners just to remind them that we also have the Palace that is starting developing in '09 and that will take out that garage in the zero to one hundred block, and so whatever way we go we just need to understand that there would have to be some issues as far as making sure we didn't have two garages out at one time. Its my understanding that the Palace plans on building the garage first, and then going ahead and starting with the living facility itself, but that is already signed, inked, and they already have their deadlines going and they are looking for December, I think, 10th occupancy for the whole facility, so their facility would be build between '09 and 10 location, but that is a critical component no matter how we proceed on that, whether we have an office usage or just a garage itself, so I wanted to bring that to your attention; and I understand with Mr. Bermello you are doing is just getting the process started so that we can have a look at it, you are not saying this is the way we are going to go or you are going to build a

garage, it gives us an opportunity to have a discussion; and when we initially agreed to have your firm, the thought was that we were going to offer or proffer your firm the opportunity to build and/or architect any facility whether it's the parking garage or whether there's a mixed use component to it; I remember the discussion pretty candidly, but anyway I thank you very much for your presentation.

Mr. Bermello: Thank you.

Mayor Slesnick: Bill, one of the things you brought up, I think this is a distinction we need to make is that when we built the Museum Garage, we built it, we paid for it and financed it, and it's a City facility; and I believe that one of the reasons that there is a component on the west end here of the business property, money making property is because the approach that I think is being proposed is a joint approach where the developer is going to build this facility, which is another thing, and has to make some money and has to have the ability to pay back, and if that's the case we are talking about being able to go forward without having to finance, publicly finance, this building, so that's one thing to think about.

Mr. Bermello: That's correct Mr. Mayor.

Vice Mayor Kerdyk: To just answer that, this is such a preliminary, I have no idea what the proposal is from a more substantial issue...

Mayor Slesnick: I just wanted to say that we are considering, and I think it's important to know that we are considering the idea that you can publicly finance it and go into greater debt, or like the Palace we can do it as a [inaudible].

Commissioner Anderson: I have a couple of questions. Thank you for your presentation and you accurately remembered what site, the scale of the building and also the parking, and I'm glad you addressed those, because I was going to ask you, so I don't have to ask you. As far as I see it, and as far as I understand it, the parking garage would come back to us, is that correct?- it would be deeded back to us or have we established that?

Mr. Bermello: We haven't established that, that could be certainly one of the options that we consider, we could also do a long term land lease, which at the end of that land lease the entire property including the office and the parking garage reverts to the City. The parking garage would be operated utilizing the same rates as a City parking garage, so you have a consistency of use, and I'm sure in that area we will be dealing together with your Parking Director and coordinating with him. I think the idea was pretty much following on the initial concept where the City basically is a landlord. We are leasing the property, and there is a middle and base rent, and a percentage, but we can also look at other options, that is again, an initial discussion because things might have changed over last time, three-four years.

Commissioner Anderson: One of the concerns that's been expressed, I guess been called the Old Gables Granters, maybe still called the Gables Granters, was that the parking wasn't as visible and people weren't using it, so my thing would be to make sure that we make it clear that it is a municipal lot and it is properly signed, and I know that we can work out the business terms, but I

want to make sure that we make the effort of doing this, that its made very clear to the people that are using the facility that it is a Coral Gables facility.

Mr. Bermello: I think architecturally visually, it would look pretty much identically to the Museum...

Commissioner Anderson: To the Museum.

Mr. Bermello: With the same signage, everything would be identical, the same; for the normal user, the public, they would have no knowledge as to whether it's owned by the City or the developer, or land lease, that would be totally seamless.

Commissioner Anderson: OK. Thank you.

Commissioner Cabrera: One quick observation, Mr. Bermello; in the conceptual plans that you submitted to us, I for one is not a big proponent of removing on-street parking, and if you want to replicate the Museum Parking Garage, the Museum Parking Garage reduce thirteen spaces; the Museum Parking Garage as I stated lost approximately thirteen on-street parking spaces, and it also did something very interesting, something the City would probably never do to a private developer, we allowed the project to spill out onto the street. We gave encroachment rights to our own City project. So I would tell you that if we move forward with this thing, encroaching onto public right-of-way would be a huge problem for me, and the loss of on-street parking would be a problem for me as well. My next question for you is, actually not a question...this is a question, but the office component, the fifty-six thousand square feet (56,000 sq.ft) on this conceptual drawing, you have a use for it already?

Mr. Bermello: When we started working on this, the initial idea we had an idea of a company that would pre-lease a significant portion of it, but again its not a must, we are totally open; its not a lot of square footage; fifty-six thousand square feet, its not difficult to absorb, its not a deal breaker like if you said to me, you know we want to have all parking, no office component, we can work with that, its not an issue, its not going to make or break; would we like to have the office there, it would make sense and definitely all retail on the ground floor makes the most sense, and that's the vision in both areas, but its not a deal breaker. I will tell you this because Eddie Llamas, an architect, he prepared the plans for the Museum Parking and I do believe that, because I gave him the marching orders where this is to be another Museum Parking Garage, which I personally am a user there, when I go to use that's where I park, and I like parking there, its convenient, so in all sincerity I think these plans reflect almost to the letter to a "T" what we have at Museum Parking Garage, with the exceptions that we did accommodate those two breezeways and the vertical circulation to fall in line with them. So the issues like the encroachment that you are mentioning, we'd have to go back and see what it would do to the design and I can't tell you right now whether we loose parking spaces or not, because I would have to sit down and see what impact would that have done in Museum Parking Garage and what do we do here. In terms of the on-street parking, I agree with you, I don't believe we are at the detail of....

Commissioner Cabrera: Yes, this is not detail.

Mr. Bermello: I hear what you are saying.

Commissioner Cabrera: The other reason I made the comment about the use of the office space, is obviously I'm being very selfish when I bring this up, but there could be potentially uses for say our Parking Department, or our Development Department to be smack in the middle of Miracle Mile, for the Parking Department to be in a parking garage to me makes a lot of sense; right now our Parking Department is housed in our Police Station Number 1, or our only Police Station, but the Police Station and Fire Station Number 1, and our Development Department is at a commercial building, a nice commercial building, that's my commercial building, I'm in there, but still this could afford some opportunities for both Development and Parking and any other department that you might want to consider, so keep that...

Mr. Bermello: I made a note.

Commissioner Cabrera: Please do.

Vice Mayor Kerdyk: One last comment, first of all just a note, Eddie Llamas was also very instrumental in building the garage that we have built on Merrick Way too, and that's still is a beauty. So he's done a great job having his finger in two garages, the two most recent garages. I see the reason of developing this, really two reasons, if we move along, one is of course the ADA issues that we have to take care of in an expeditious manner, but more importantly to me at least is the long term future of the City of Coral Gables which is parking, and I'm not sure that one hundred and fifty (150) parking spaces, like you said is not a deal killer, but I certainly want to explore more of the option, I'm not sure if one hundred and fifty spaces next to be enough in that parking space to feel totally comfortable, and that's why I like what Mr. Bermello just said that he would explore all avenues including the expansion of the parking garage to see exactly how many parking spaces can be encapsulated in that building, that's very important to me because I know what our future holds in the City, at least I think I do.

Commissioner Cabrera: At the risk of being shot down by the four of you, I'm going to suggest that you also look at robotic parking, because we talked about it, but I don't get much support on it, we had a workshop on it, and we had people that were pretty much geared against it, and so it seemed to die a very fast death. We had very little participation from the Commission, and so the non verbal's were pretty much there, but I'm not going to give up on it, so just like he is not going to give up a horse patrol for the Police Department, I'm not going to give up on robotic parking. I think the horse patrol has a better shot though; I have to be honest with you.

Mr. Bermello: The one thing I would mention, Mr. Kerdyk, is that the office building, the one nice thing about it is that during weekends, holidays, special times that people go shopping that parking spaces is totally available, unlike our original plans which were for residential which would have meant those parking spaces were going to be blocked off for public use. So it's a little bit more joint use potential with an office and parking component than you would normally have with maybe a residential parking component where you have to pretty much guarantee those parking spaces.

Vice Mayor Kerdyk: You make a good point there; I remember I had this discussion with the Parking Director, and he said the same thing, but he did say that two o'clock is his peak time, two o'clock in the business day is his peak time of usage in garages throughout, because not only are you having people patronizing Miracle Mile; five years ago when we were talking about this Miracle Mile was not quite what it is now, but you also have that office component throughout the City of Coral Gables and more and more square footage. Do you know that now-a-days we have ten million square feet of office space in downtown and we are adding another million square feet? Any time we get long term parking that's a good thing for the City, not only from a retail perspective but also from an office perspective. Anyway, let's see what happens.

Commissioner Cabrera: Where do we go from here?- I almost thing that its important that staff now become more acquainted with this proposal and to....I would like not to just....I would like to keep it open-ended, that's my goal here, keep it open-ended in terms of what we do with that space.

City Manager Brown: If the Commission authorizes us to go forward, I'd be asking Kevin Kenney and Cathy Swanson sit down with Willy and his representatives and to look at all of these issues and explore all those proposals and come back to you with an interim bid process that the Commission can live with; I may not come back with a full proposal, but I will come back with a series of proposals that you all have asked us about so that we can entertain this; and of the issues that staff talked about right away was what was brought up here and that's Garage 5 is going to go under construction shortly, and this Commission has already stated two garages on the same street under construction, so we'd have to work out a timetable.

Vice Mayor Kerdyk: By the way we can extend this period time if that gets to the point; and let me suggest, I suggest that you have staff meet, come up with the questions maybe revisit with the Commission very quickly, and then go to Mr. Bermello with what you are thinking, and then come back with something, so that you can help.

Commissioner Withers: What killed the deal the last time for related and for you and Ralph was the height; and I remember that the Commission was hung up, some of us were hung up, or some Commissioners were hung up, with a ninety – the envelope...

Vice Mayor Kerdyk: This is inside the envelope what he has proposing.

Commissioner Withers: No, I think it was ninety....

Commissioner Cabrera: No, he's outside the envelope on this thing, but I'm OK with that, height wasn't the big issue for me.

City Manager Brown: If you'll recall ninety-seven foot was the...

Commissioner Withers: No, no Ralph....let me finish, we had a height limit of like ninety-seven feet...

City Manager Brown: That's right.

Commissioner Withers: We approved it to go to one hundred and four feet for at least these three garages, this Commission came back and said, no we want to go back to ninety-seven feet and plus we want the hundred parking spaces, if I remember correctly; and Willy couldn't deliver the ninety-seven foot envelope and neither could George Perez deliver the ninety-seven foot envelope. If I'm wrong, but I believe that was an issue before was the ninety-seven foot height envelope.

Commissioner Cabrera: Yes, but I wasn't hung up on it.

Commissioner Withers: But that was a discussion that three of you had.

Commissioner Withers: It was, you're right.

City Manager Brown: But I think it had to do with, they couldn't deliver the hundred with the ninety-seven.

Commissioner Withers: So before you waste a lot of design time and fees, I think that issue is one of the first issues that this Commission has to address and give the green light on.

Commissioner Anderson: I don't have a problem.

Vice Mayor Kerdyk: Especially if this is correct that the Museum Garage is already at the same height that Mr. Bermello is proposing. Is that correct?- it's the exact same thing.

Commissioner Withers: Bill, listen I was a proponent of allowing them to do the other two garages, you guys were on the other side of the issue, so I don't have a problem with that.

Vice Mayor Kerdyk: Height was an issue, but it was also the usage.

Commissioner Cabrera: Use was my problem.

Vice Mayor Kerdyk: Use was an issue and the usage of the space was a big issue.

Commissioner Withers: He knows you can go to one hundred and two feet, and that's not going to come back two-three-four months from now then that's fine, if everybody is in agreement with that.

Commissioner Anderson: Right, and for me the whole issue besides scale, it was the use and the loss of the parking.

City Manager Brown: I believe this proposal is based on the mirror image of the Museum Garage.

Mayor Slesnick: Well, Mr. Manager I think you know now that we'd like you to proceed forward in discussions and to bring back continuing reports to us. Mr. Holmes we are not going to take

testimony on personal appearances, but I have your card, I will submit on the record and I would suggest, Cathy Swanson, that Mr. Holmes and his input be included as you go forward with Mr. Bermello, and Mr. Holmes at some point we will have a public hearing on it, and that you....but Mr. Holmes has filed an interest card which I'll file with the Clerk that he says it needs to be a part of a department store project, if at all, and we'll file that, and we'll refer you to the working discussions, OK. Thank you.

Mr. Bermello: Thank you Mr. Mayor, thank you Commissioners.

City Manager Brown: Mayor, I probably need a motion to go forward.

Commissioner Anderson: I'll make that motion, whatever that motion is, to go ahead and proceed forward with this item and bring back options to the Commission.

City Manager Brown: Bring back options to the Commission on an interim basis.

Commissioner Withers: I'll second that.

Mayor Slesnick: OK. Ms. Anderson moves that we refer this to staff and ask staff to develop plans and proposals, in either the alternative or options for us to be presented with later for public review and hearing, and Mr. Withers seconds it. All in favor.

All: Aye.

Mayor Slesnick: Opposed, like sign. Mr. Clerk, show it adopted 4-0, and missing one Commissioner.

City Manager Brown: Vice Mayor Kerdyk.

[End: 11:04:32 a.m.]