

City of Coral Gables City Commission Meeting

Agenda Item D-2

October 14, 2008

City Commission Chambers

405 Biltmore Way, Coral Gables, FL

City Commission

Mayor 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)

Mari Molina, Executive Director, Coral Gables Business Improvement District

D-2 [Start: 9:30:39 a.m.]

Mari Molina, Executive Director of the Business Improvement District, to provide a quarterly report on the activities of the BID.

Mayor Slesnick: We have D-2. This is a report; the next two items are reports that we asked to be made on a quarterly basis to update the Commission on what is happening in our Business District with our business community. The first report is Mari Molina, the Executive Director of the Business Improvement District of Downtown Coral Gables; and I know that Commissioner Cabrera had also expressed interest about a month or so ago, in what’s happening on the main business street of our Downtown area. So Mari, welcome.

Ms. Molina: Thank you. Mayor Slesnick, Commissioners, City Manager, City Attorney, City Clerk. I have a very brief update this morning; and I’m going to update you on just four areas of what’s going on in downtown Coral Gables; and I wanted to address some of the items brought up, not at the last Commission meeting, but the one prior to that one. At the last Commission meeting, I was unable to attend because we were actually meeting, our last meeting of the design team that’s working on the streetscape, which I’ll briefly tell you about in a second; and I believe there is a presentation on the prompt here. Thank you. The first area that I’m going to go over is our recent store openings; I want to go over what’s been happening on the Mile; and I will address the vacancy issue at that point. The streetscape design is at a very exciting point today; and I’ll tell you what’s going on this week. Our main mission as an organization is to market and advertise the downtown, so I will tell you what’s going on in that realm; and finally we have a couple of new projects in the works for the balance of the year that I will go over. In terms of store openings, since I last spoke to you, actually we haven’t had an update specifically on this,

this year, but in the last twelve months we've opened twenty-four stores on Miracle Mile and within the District, and for the first time actually restaurants was not the largest category. We had five restaurants open, but just in men's and women's apparel alone, we had six stores open. So you'll see obviously the more visible ones like Morton's, the steakhouse, and Por Fin restaurant, which both opened to a lot of accolades and a lot of great business; and we are very excited to say that they are doing very well even within the current economy. I've been checking in with them almost every month. The national retail figures that were released last Thursday for September did show averages of twelve (12%) to twenty percent (20%) off for most retail industries. Our stores are definitely feeling the current environment; we are working with them very closely and they are hanging on for dear life. I've been actually working with Cathy Swanson at the City in Economic Development, to try to determine if there is some kind of shop at home type of promotions that we can do to please support their local establishments here in downtown Coral Gables. One of the things that was brought up, like I said recently was this concern that there is a vacancy problem on Miracle Mile. Right now we have fourteen (14) vacancies on Miracle Mile and seventeen (17) within the geographical district. That's fourteen out of a hundred and fifty-nine possible store fronts on Miracle Mile. We think that the perception also might be due to the fact that there are twelve additional store fronts under construction, which means we have total of twenty-six dark stores on Miracle Mile. Just to compare this over last year; like I said, we have a hundred and fifty-nine possible store fronts just on the Mile which is where we really track the polls. Last year we had a hundred and fifty-seven, we actually had two store fronts that are being divided into multiple businesses. So this year our vacancy rate is about nine percent, as compared to last year at five percent. We also have, as I said twelve stores that have been leased, but are under construction, as compared to ten (10) last year. So a total of twenty-six dark store fronts, which is about sixteen percent (16%) of the Mile. One of the things that we recently started working with your Building and Zoning Department, and I've been meeting with your Director, Ed Weller is, how can we help speed up some of this construction?- I think the perception is that it's slow, but in reality it really isn't; a lot of these things are circumstantial and individual. So we are literally looking at everything that is under construction, and we are actually going back and looking at last year's worth of case studies to see what can we do right; and what have we perhaps not have been doing right; and a lot of that is education before these folks open up, because its everything from uses that may not be permissible that people are trying to open, or things like our local wind and storm regulations that outside the national retailers. As we get more national retailers on the Mile it becomes a little bit more difficult to explain to them that it's a little different here to construct. But as you can see we have all these locations under construction right now on Miracle Mile. There is a few of those on that list that are trying to open before the holidays, like Priscilla of Boston, been in business for over sixty (60) years in the northeast and they are coming down to South Florida; Fat Burgers also a national chain. We have some great little local treasures like Dulce, which the City leased their space at 286 to them and they are a high end shoe store; and then finally at the end of the list we see Randazzo Little Italy, which will be moving from their small little current location on Giralda hopefully to 375. Within the general district we have a couple of others under construction over in the 6 Aragon Building, and a couple of other streets. Here are two vacancies; 45 Miracle Mile has already been leased supposedly, they have not released publicly who that might be. The Next Café was a location that even though they went out of business, within a month they were already leased to another operator who has since in a softening

economy pulled out; and as you can see there are a couple of locations there that are still under lease. Just anybody have any questions?

Commissioner Withers: Would it help if there was a, I guess, the issue of stores under construction, would it help with any temporary signage like “Coming Soon” and the name of the store?

Ms. Molina: Funny you should ask. We do actually put up “Coming Soon” signs; the B.I.D. came to the Commission and got approval to put them up. Unfortunately, they are only twelve by twelve, when you are driving by you don’t see them; if you are walking you might be able to see them, but we would certainly welcome the opportunity to take those signs to a larger scale and maybe bring back a new concept to you, because I really believe that that would be definitely be a great help to us.

Commissioner Withers: I would be in favor of that; I don’t know how the rest of the Commission feels.

Vice Mayor Kerdyk: Not only the B.I.D. though, I think that we have to look at this comprehensively throughout the City of Coral Gables. I was talking to Dona Lubin about this recently. There’s a point where maybe we need to go ahead and pre-approve a signage for temporary signs for retail establishments that are coming in, so that maybe they go ahead, go through the building process of fixing up their stores and they have a temporary sign that’s approved for the City; certain size maybe something that is generic in intent and that everybody can go ahead and put that up; they are coming soon, the temporary sign is so and so, that’s going to be a part, this company is coming here. I think that’s something that needs to be, not only in the B.I.D., but throughout the City of Coral Gables.

Commissioner Withers: We can even approve the permanent signage if maybe the tenant agrees to do the exterior improvements first. I don’t know; what’s usually done first?- interior or exterior, or are they done simultaneously?

Vice Mayor Kerdyk: It’s pretty much done simultaneously. The goal is to get it done as quickly as possible so that they can occupy the space.

Commissioner Withers: Maybe we can figure out a way to fast-track the exterior portion of it to at least allow permanent signage to be up on the building.

Vice Mayor Kerdyk: But in the meantime a temporary sign would be good, and if we could pre-approve what we would allow that would be something that would be beneficial for the tenants. I think maybe our staff maybe should work with Eric Riel and come back with something. I talked to Eric about it recently, and he was saying that where he was at before here, Pao Alto, they used to have a pre-approved sign to come in, and everybody would go ahead and have that as a prerequisite.

Commissioner Withers: That was that flashy neon sign.

Vice Mayor Kerdyk: Maybe.

Ms. Molina: That's great because our current "Coming Soon" sign is so small it's very hard to see even when you are walking.

Commissioner Cabrera: Mari, what else could we be doing to support?

Ms. Molina: Well, like I mentioned briefly, I've spoken to Cathy Swanson, I've also spoken to Kevin Kinney. We had already prepackaged some novel ideas for the holidays to try to stimulate commerce in the downtown, i.e. come downtown and if you shop you get two-three hours of parking in one of our garages because that helps also where we have under utilized parking; and one of the ideas that we spoke about last week was perhaps fast-tracking and instead of waiting until November 15th or December, perhaps we roll out some of those initiative right now. So I believe that with the administration perhaps we can come up with somethings that will support that shop local, shop downtown, shop Coral Gables. Moving on to our next area, streetscape – I'll tell you, it's been quite an honor to be part of this process. I've been here now almost, I guess four years now; and I remember one of the first tasks that was placed on my list of "to do's" was the Miracle Mile Streetscape; and early this year the Board of Directors decided to really take the lead and call for an expert advisory committee to be put together; and this is truly a volunteer committee, and I want to, if you may allow me just a second to tell you who these people are and to publicly thank them, because these are, I call them our "Dream Team", and these guys are really the group that's going to have the vision to take us to the next level on our main street. The objective for this committee is to produce a design program for both Miracle Mile and Restaurant Row based on global best practices. We are lucky to have one of the greatest visionaries in urban planning right here in our backyard at the University School of Architecture, which is Dr. Chuck Bohl, who is a Director of Knight Program in Community Building at UM; and he is leading a team composed of these gentlemen, and we have a cross section of design experts. One of our own Board of Architects members Burton Hersh is chairing the group, he is part of the B.I.D.; we have Jaime Correa, who is also from the School of Architecture and a Professor there; Mr. David Plummer who as we know is a transportation engineer; Matt Bukolt from Kimley-Horn, who is looking at our landscape plan within the City's Master Plan; we have Glenn Pratt; George Hernandez, as you know George is not only working on our Old Spanish Village, but he is also been working on our Museum and a lot of other important buildings in our City; we have Mr. John Fullerton; and then we have one retailer and one restaurateur, which have proved to be pretty valuable during the process, Mr. John O'Rourke from Montica Jewelry and we all love Mr. Martin Lynch who has been here now for twenty years and has really seen the Mile evolve; and finally Mr. Kerry Newman who is with Koniver Stern, he's in retail leasing and has provided a lot of ideas on what the trends are in other markets that make commercial retailers want to come to a district once we have it in place. We started in the late spring and we spent the summer having public meetings, they have been very well attended; we've had residents, we've advertised these meetings and we have had residents from the City come, we've had merchants, property owners, and a lot of interested folks; the last meeting we had, had over seventy participants. I encourage folks to visit streetscape.shopcoralgables.com, there are extensive presentations; we have over two hundred slides, and we also have a lot of design options, and there is also an active blog. So if folks want to make comments or comment on some of these designs initiatives they can do so. The timeline – I am actually coming to you the

day before the final design recommendation is presented to the B.I.D. Board. I wish this would have happened differently, and I could have rolled it out today, but unfortunately our Board has not approved it yet. As early as Thursday, we will publicly be presenting the design recommendation to a joint meeting of the City's Parking Advisory Board and the Economic Development Board; and then we are going to spend the balance of October and early November presenting it to groups such as the Chamber and other public meetings to get everyone's support; and hopefully in November we'll come back to the Commission with our formal design recommendation. Not only is the design important, but as we all know, how are we going to pay for this. One of the parallel efforts that the B.I.D. is doing kind of behind the scenes, but also very publicly because we have been reaching out to a lot of volunteers, is to find some creative funding sources for the project, not just an assessment district but ways for the City to access funding that we may not have readily known were available. We have already explored everything from revenue streams from dining pavilions such as the ones we see in Europe; we've spoken to Kevin Kinney who's brought some great ideas from his experiences from parking in other areas; we obviously are looking at kiosks and directories that will be built into the streetscape; and finally even some the privately sponsored programs and legacies such as bricks and landscaping and some of our enhanced street furniture. So hopefully we'll be back soon with much of that information. Does anyone have any questions on streetscape before I move on? And finally, marketing: where does our money go? The B.I.D.'s budget is about seven hundred thousand dollars each year, and about half a million of that is spent on our marketing and advertising initiatives. We are very excited to report that in July we hired a new PR agency after a very exhaustive public RFP and search. She is right here in our area, right outside the B.I.D. boundaries, Cheryl Andrews Marketing with a great team that supports them. Our marketing focus really is to market downtown Coral Gables as a retail, dining and cultural destination. The B.I.D. does that not only by paying for a lot of our efforts, but working in tandem with everyone from the Coral Gables Chamber of Commerce to the GMCVB and other groups locally that are trying to promote us as a destination. With the GMCVB, we've hosted media, just since we hired Cheryl Andrews we've hosted fifteen separate journalists here in the downtown; so we bring these folks in, maybe they'll stay at the Hyatt or the Westin, and we show them around town, and I can tell you I've been on everyone of those meetings; and they are very pleasantly surprised to see how much we have to offer. The B.I.D. is also using our resources to attend a New York Media Mission on October 28th, and what that means is there will be one room, and we are doing this with the GMCVB. We have one hundred and twenty-seven key journalists set to attend from New York. Basically, we are bringing the news to them because as we know most of the journalists are based in New York City; and finally coming up on November 8th. We have a group from Latin America and also U.S. media that we are going to be hosting. We as an organization has spent one point six million (\$1.6M) dollars in the last four years, and we are...our impressions that we generate are very conservative. We don't use a lot of fancy pass-along rates, and we've directly purchased about eighty-one million (81M) impressions for consumers to Downtown Coral Gables; and one of the things interestingly enough that we've had to do is change our tactics because media is changing very rapidly. Our entire world is changing around us and so is the media. As we know, print is not as successful as it used to be so we've moved a little bit away from print and we've been moving to new things such as online, social interactive, and even PR; I'll tell you that our PR efforts, move to PR instead of paid media were due to the fact that we find that to be a lot more successful in delivering impressions; and our unpaid media grew to over nineteen (19M) million impressions this year when we changed our

tactics. Driving that is nine (9M) impression actually on this issue, which hopefully you've already seen by now. We are very excited; we've been advertising with American Airlines since 2004 and promoting Coral Gables, and this issue is critical, it just came out last week, its going to be on every single airplane pretty much in the American Airline family; and actually I'm very proud to say fourteen of our merchants advertise in this issue, which was huge and we've been working with them all year to try to get them involved and negotiating great rates for them. So we thank American, we thank everyone on the Commission to the Chamber, everyone who was involved in this issue. I think as a group we are very excited to see this happen.

Commissioner Withers: Is there a way to see how successful it is; is there any kind of call-in, or tracking.

Ms. Molina: This one is a little difficult, obviously there is not a specific call to action. We advertise in here; we have two full pages; our merchants have advertised in a way sometimes that they can track; we are going to be trying to track this for the next year, and they did list, for example, I don't know if you can see, the Biltmore is on the front cover; we are very excited for our friends at the Biltmore, and literally this is an effort that we will see the result probably two to three years.

Mayor Slesnick: Mari, you have two minutes.

Ms. Molina: Quickly, I'll breeze right through the end of this. Folks can see this online at the City's website; these are a ton of media tactics that we use and promoting the B.I.D. I encourage everyone to go to shopcoralgables.com; this website is updated every single day; everything that is happening in the District is going on at shopcoralgables.com. Want to remind everyone about Coral Gables restaurant week, and thank Flemings for help letting us treat the City to our launch date. We got to treat our men and women in uniform that day. We just put this billboard up on U.S.-1, its on U.S.-1 approaching Douglas; we are very excited about our new campaign; this is just rolling out now, and I think its going to catch people's attention and really we are kind of really trying to catch folk's attention and tell them that only in Coral Gables can you find the Fashionista Hot Spot. This is another one that is coming out soon and its not just all dogs, we have our power lunch series and we have a lot of great, great ads coming soon. Finally we have an opt-in program. We are working with the Chamber on a lot of this. If you are not within Downtown Coral Gables you'll be able to buy into the B.I.D.; membership start as low as six hundred dollars annually; people can contact our office and we can explain to businesses what that will help them do in promoting themselves. And finally, I want to publicly once again thank the City; we are so excited that this year for the first time we are really going to have a large scale lighting effort on Miracle Mile and other areas in Downtown Coral Gables. Every tree from LeJeune to Douglas Road will be lit with many LED lights, and I'm so excited, not just the median, all the trees up against the store fronts. We are also putting out festive topiaries and some of that will be on restaurant row as well, and we are going to have six eight and a half foot soldiers guarding the median of Miracle Mile, and hopefully people will respect them and not take off their arm like they did the last time we put them. And that's it. Thank you very much.

Vice Mayor Kerdyk: Great report.

Mayor Slesnick: Great report.

Commissioner Anderson: I'd like to be very supportive of that parking initiative; we could bring back a proposal for that for the whole issue of free parking on the parking garages during the holidays, right? The Manager, David, could you bring something back?

City Manager Brown: Yes.

Commissioner Anderson: You'd have my support.

Ms. Molina: Thank you, thank you very much.

Mayor Slesnick: Thank you, and David, one of the things; do we still have our special team of clean up people in Downtown Coral Gables?

City Manager Brown: Yes sir.

Mayor Slesnick: Because I really haven't seen them as much as I had before, and Commissioner Cabrera was telling me he was out the other day and tearing stickers off of things, which is his usual citizenry duty that he performs, but its just disturbing that if we'd had an increase in trash and stickers in Downtown.

City Manager Brown: I'll bring it to Dan's attention.

[End: 9:52:22 a.m.]