

CITY OF CORAL GABLES
Economic Development Board Meeting Minutes
Wednesday, March 4, 2009, 8:00 a.m.
Development Department, 95 Merrick Way, Suite 450, Coral Gables, Florida 33134

MEMBERS	A	M	J	J	A	S	O	N	D	J	F	#	M	COMMISSIONERS
Richard DeWitt	P*	P	P	P	X	P	E	A	P	E	P	P	P	Mayor Donald D. Slesnick II
Ray Zomerfeld	P	E	P	P	X	P	P	P	P	P	P	P	P	Vice Mayor William Kerdyk, Jr.
Gladys Diaz Jourdain	P	P	E	P	X	P	E	P	P	P	P	P	P	Commissioner Maria Anderson
Dr. Al Smith	P	P	P	E	X	P	P	P	P	P	P	P	P	Commissioner Rafael "Ralph" Cabrera, Jr.
James Casey	P	P	P	P	X	P	P	E	P	E	P	P	P	Commissioner Wayne "Chip" Withers

STAFF:

Cathy Swanson-Rivenbark, Development Director
Jessica Wotherspoon

A = Absent
E = Excused Absence
P = Present
X = No Meeting
= Special Meetings

GUEST: Carol Ellis-Cutler, Coral Gables Chamber of Commerce

RECORDING SECRETARY: Nancy C. Morgan, Coral Gables Services, Inc.

Meeting Motion Summary:

The minutes of the February 4, 2009 Board meeting were approved.

The Economic Development Board unanimously recommended that the City purchase the building at 2901 Ponce de Leon Boulevard at current market value, the transaction for which should not include any other negotiations or considerations with or between the City. Should the seller want to lease-back a certain amount of the square footage at fair market value, they should be allowed to do so.

The Board formally expressed appreciation to Carol Ellis-Cutler for conducting thorough research regarding the 2901 Ponce de Leon Boulevard building to facilitate the Board's discussion that led to their recommendation.

Chair Richard DeWitt called the meeting to order at 8:05 a.m.

1. Approval of February 4, 2009 Board Meeting Minutes:

Mr. Zomerfeld made a motion to approve the Board meeting minutes of February 4, 2009 as presented. Mr. Casey seconded the motion, which passed unanimously.

2. Continued discussion regarding possible purchase of 2901 Ponce de Leon Boulevard property:

As the Board was tasked with making a formal recommendation regarding the possible City purchase of the property as part of the City's procurement process, Ms. Rivenbark restated Board comments from the February 4 meeting and the issue's current status.

Discussion:

- Mr. DeWitt suggested examining the appraisals, offer the appraised price and allow the developer to lease space at fair market value for an appropriate period.
- Mr. Zomerfeld supported the recommendation.
- Ms. Ellis-Cutler reported receiving a letter and documentation from Assistant City Manager Dona Lubin, including two appraisal reports (City's and developer's), reviewed the comparables and researched historic

- building comparisons. She stated the comparable figures indicated a square footage range of between \$602.82 and \$832.50. Differentiating factors that could reflect on the transaction were reviewed.
- Various options for a recommendation were considered, including the importance of maintaining an arm's length transaction, and the greater value attributed to historic properties.

Dr. Smith made a motion as follows: The Economic Development Board recommends that the City purchase the building at 2901 Ponce de Leon Boulevard at current market value, the transaction for which should not include any other negotiations or considerations with or between the City. Should the seller want to lease-back a certain amount of the square footage at fair market value, they should be allowed to do so. Mr. Casey seconded the motion. The motion passed.

Procurement Code questions and Board responses:

- Is the proposed use in keeping with City goals and objectives? **Yes.**
- What is the economic impact to the City include, i.e., is the proposed use in keeping with a public purpose and community needs, such as expanding the City's revenue base, reducing City costs, creating jobs, creating a significant revenue stream, and improving the community's overall quality of life? **Yes.**
- Are there alternatives available for the proposed disposition, including assembly of adjacent properties, and can the project be accomplished under a private ownership assembly? **No.**

3. Discussion of Country Club lease (between first and second reading):

As a briefing between first and second readings, Ms. Rivenbark distributed a copy of the lease and term sheet, reviewed protective clauses, base rent/increases and percentage rent, terms and conditions, and explained the current status of the transaction. Being drafted at this time is Liberty Entertainment Group's request for right of first refusal if the City later decides to consider another operator for the golf course.

Major repairs to the building must be made, for which the City shall bear responsibility: leaking roof (\$90,000); termite eradication (\$18,000); HVAC (\$160,000); environmental issue – old diesel tank leak – (\$250,000); swimming pool repairs (\$250,000), all of which totals \$768,000. Expenses to be incurred by Liberty Entertainment Group were enumerated, all of which are detailed in the lease, as well as start-up, non-leasehold improvements. Specific areas of the business of the facility were discussed, as were issues of public accessibility, zoning, noise, parking and neighborhood impact. Further refinement is needed for the opening and commencement dates.

Liberty Entertainment's project will be overseen in a general sense by the City, which will have consistent and immediate access to current data and reports.

4. Updates:

- Miracle Mile/Giralda Avenue Streetscape Project:** Ms. Rivenbark reported that the City authorized \$200,000 to design the streetscape program. Public Works estimated project cost at \$9 million, and the BID estimated \$12 million to \$15 million. At this time the project will be designed with parallel parking. Funds are set aside from the G.O.B. for this project, which is the source of the \$200,000. The City also received funds from the Federal Stimulus Package through the Department of Transportation, though these funds will be used for the "shovel-ready" second phase of the Ponce de Leon Boulevard project. The City's consultants are beginning the design project, though financial responsibility is as yet unclear; however, it is important to move forward now to avoid losing the opportunity for federal stimulus funding.
- Stimulus Package:** The City was required to submit a stimulus package plan with projects to be completed within two years. The list submitted by the City was reviewed by the Board and included the Miracle Mile parallel parking project as part of the streetscape plans.

5. Additional Business:

City Commission Candidates for Election Forum: Ms. Ellis-Cutler announced that the Coral Gables Chamber of Commerce and Colliers were sponsoring the candidates' forum for the upcoming election. The forum will be held Tuesday, March 31, 2009 at 6:00 p.m. at the UM BankUnited building.

6. General City Update:

- a. Dr. Smith made a motion to formally express appreciation to Carol Ellis-Cutler for conducting thorough research regarding the 2901 Ponce de Leon Boulevard building and facilitating a more knowledgeable Board discussion. Mr. Zomerfeld seconded the motion, which was unanimously passed.**
- b. Board Dinner Meeting:** As the next meeting may mark a change in Board membership due to City elections and term limits, Mr. DeWitt offered to host a dinner to include a brief Board meeting. Ms. Rivenbark said the meeting would be publicly noticed. Dates will be explored and everyone will be notified.
- c. City Manager Search Update:** Ms. Rivenbark reported that the Commission identified three candidates to be interviewed Monday, March 9 in Commission Chambers beginning at 9:15 a.m. At 2:00 p.m. that day, the Commission will reconvene to determine subsequent action. The meetings will be televised.
- d. Blue Ribbon Panel:** Stating that history often repeated itself, Dr. Smith reported that the Charter Review Committee that met in February 1998 debated the issue of a four-year Mayoral term in the City as well as other matters. The City Attorney, he said, would provide him with the final report of that meeting, which Dr. Smith will bring to the next Board meeting.

There being no further discussion, the meeting adjourned at 9:25 a.m.

Next Economic Development Board Meeting: Monday, April 6, 2009 at 7:00 p.m. at Cacao Restaurant, 141 Giralda Avenue.

Respectfully submitted,

Catherine Swanson Rivenbark
Development Director
Secretary to the Economic Development Board