

City of Coral Gables City Commission Meeting
Agenda Item F-3
March 15, 2016
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Jim Cason
Commissioner Pat Keon
Commissioner Vince Lago
Vice Mayor Frank Quesada
Commissioner Jeannett Slesnick

City Staff

City Manager, Cathy Swanson-Rivenbark
City Attorney, Craig E. Leen
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia

Public Speaker(s)

Mario Garcia-Serra, Representing Agave-Ponce LLC

Agenda Item F-3 [2:46:39 p.m.]

Discussion regarding status of Mediterranean Village Project
(Sponsored by Commissioner Keon)

Mayor Cason: On the status of the Mediterranean Village project, this was requested by Commissioner Keon and we have the people that are able to answer that.

City Attorney Leen: On Item E-11, which was just the quasi-judicial hearing where there was a settlement, I just want to make the point that when the Mayor indicated that we would be discussing the matter and we are taking a recess, he meant between me and Laura Russo, because we were discussing the final terms of the settlement. It was not the Commission speaking among themselves. I just want to make that clear for the record.

Mayor Cason: Alright. Mario are you going to speak to answer, I guess the question is what's the status?

Mr. Garcia-Serra: Good afternoon Mr. Mayor and Commissioners, Mario Garcia-Serra with offices at 600 Brickell Avenue, representing Agave-Ponce LLC, the owner and developer of the Mediterranean Village project. Commissioner Keon put a discussion item today for an update on the status of the project and that's what we are here to do. Indeed just as much as we were the day we walked out of here after the zoning approvals, we remain committed to starting construction of this project and starting construction in the next few months. While dirt has not been flying at the site, there have been things going on that need to happen in order for the project to be developed. Some of the more prominent ones of course, are the construction drawings are pretty far advanced. We have our project architect here who can get in more detail about that, but construction drawings are almost complete. We entered into our agreement for facilities improvements with the Water and Sewer Department. We've hired over ten professionals in various capacities, including from elevator consultant on up to complete drawings and get everything in place that we need to for building permit. Coastal Construction has been hired for pre-construction services to do everything that we need to prior to commencement of construction. We are engaged in discussions with several potential hotel operators. The design and planning firm of Dover Cole has been hired to organize the design of the neighborhood improvements, including an outreach process whereby they will be organizing community meetings to get input and achieve a consensus from the neighbors as to the neighborhood improvements. One thing that Dove Cole will also be doing is interacting with Cooper-Robertson, your selected designer for the Miracle Mile Streetscape improvements so that the streetscape improvements that we are taking care of going down Ponce in both the west and the east side and ultimately connect with Miracle Mile are compatible and consistent with that. Considering how important this project is to the City, we know that we need to do a better job of communicating our progress and status to you, so of course we will be now giving more frequent updates, particularly to the City Manager, but always available to meet with all of you, either one-on-one, or in this sort of context at a City Commission meeting, so you know exactly where we are in the process. But indeed, we are committed to the project and we are moving forward, we are doing what needs to get done, and in the next few months hopefully we'll start seeing dirt to fly on the site.

Mayor Cason: So no hitches?

Mr. Garcia-Serra: No.

Commissioner Slesnick: Mario, are you starting, are they starting on one building first, like the office building, or all the project?

Mr. Garcia-Serra: The intent has been to start from the north and move south. So sort of start construction on the north block, then progress, but the construction would be sort of ongoing, you know there wouldn't be a lull in any part of the building.

Mayor Cason: When are you going to knock down the Century Bank Building and that piece that's...?

Unidentified Speaker (Eddy): Good afternoon. We are not sure yet. Part of the program will be to keep it there as long as possible and maybe use it temporarily for initial construction personnel. Right now U.S. Century will be moving out if they haven't already in the next few days; and the building two or three small tenants that are basically there at will.

Mayor Cason: I would hope that you would begin the conversation with the neighbors as soon as possible so they are – I know the sequence is you can't start before you have your trucks and things, but just so they are aware that everything is moving forward, because sometimes when you don't hear people think, Oh well, there must be a problem.

City Attorney Leen: One issue that did come up, we have just to be fully open on the record is that there was supposed to be a submittal of basically an initial or foundation building permit plans within seven months of the approval. My understanding is that date has been missed. My understanding also is that you have some reasons for that, but you may want to put on the record. I spoke with Susan Trevarthen about this. Under the, basically the regulations that apply here, the City Manager does have the authority to extend a date like that for up to six months and then anything above that would have to come to the City Commission for an extension. Do you have any thoughts on that? I think it's important that the Commission fully understand that.

Mr. Garcia-Serra: Well, first I'll ask Eddy to sort of give a background on where we are on the foundation permit process and what's taking time and we can talk about the dates by which things need to be obtained.

Eddy: As I'm sure you are aware, when you go for a zoning approval you have sketches or schematic design. As we started doing the construction documents, we found things that needed to be coordinated and is taking longer than we had anticipated. We also, basically had to look at how to best build the garage, which is inside the water table, and we've been working on that. A few weeks ago, we had our construction company come to the City and we started discussing with Bill Miner and the Construction Department different options that we had, and one of the things that we were in the process of coming in and asking for, and preliminary did ask and said that we could do, would be to start a soil remediation program. This is something that has to be done before the foundation can go in, because we are going to be building the basement, we need

to figure out how to plot the water from rising and we will be ready to start that this summer if we get the approval. The reason we were stopped, my understanding is that the development agreement has not been executed, the City was not willing to let us do any work on the site until that was done, and I think we are almost there. As of yesterday, it can be done within the next ten days. We are right now waiting for final comments from certain departments of the City; once we get those we will review them immediately and get back with you.

City Attorney Leen: I've talked with Susan about this. There has been a bit of a back and forth regarding comments, very complex agreement that should be done shortly. I know that there was one issue you had raised regarding a LEED Certification regarding the individual buildings versus the neighborhood, and I don't know if you want to mention that here now the Commission is here.

Mr. Garcia-Serra: We can of course discuss it. Number one, going back to your first question as far as a date for pulling the foundation permit. I anticipate requesting that six month extension for the issuance of the foundation permit as permitted by the development agreement, but I think we should have more time pass so you see the good faith efforts on our part and how close we are to actually getting it done before that request is submitted.

City Attorney Leen: Do you think it will be within six months so the request can be made to the Manager, who would then have the administrative authority. Of course, you have to convince her, but is it going to be greater than six months...?

Mr. Garcia-Serra: My aim is to try to get it within that six month timeframe. And then on the issue of the development agreement, the most recent comments that were submitted by your Special Counsel, in the middle of last week reviewed them. We find them all to be acceptable. I discussed with her last night, actually, the issue of the LEED Certification, and we think because both classifications of LEED Certification, the neighborhood development per building requirement was in the development agreement that went to you for City Commission approval. We'll keep them both in there, even though they are somewhat repetitive, but for the sake of staying as close as we can to the original document that will stay in there.

City Attorney Leen: What happened was at the meeting yesterday, this was raised as a concern. If that's what you are willing to proceed with, that's fine, otherwise the Commission is here. I believe the Commission's concern was every individual building, but that originally through the history, is what Susan explained to me, it was originally the neighborhood. And now as you know the Commission is becoming very strict about LEED Certification for specific buildings, and in fact, now for any sort of discretionary approval, like the one you received, you would

need to have a LEED Certified building for every building. It's basically the Code provision that's being considered by the Commission.

Eddy: If I may, I believe Commissioner Lago is familiar with this. We are basically duplicating efforts. Now that we are doing every building as a LEED building, there is no need to do the neighborhood designation. So, if it's OK with you, we'd rather do the individual buildings, which are the goal anyway, otherwise we are just doing two sets of filings, getting two approvals.

Mayor Cason: There is no difference between them?- between the requirements for a neighborhood versus...?

City Manager Swanson-Rivenbark: There is a difference between them. One is by building and we recall that you all already proffered for all of your buildings...

Eddy: That's correct.

City Manager Swanson-Rivenbark:...as a part of that discussion. And the neighborhood is also relationship. I think that to think that it is because all of the individual buildings will be LEED, you therefore do not need to make neighborhood. As I'm looking at the U.S. Green Building Council requirements it is about smart location and linkages; transportation alternatives; preservation of sensitive lands; its neighborhood pattern and design; walkable mixed-use pieces. So the individual buildings are one piece, but how that communicates with their internal neighborhood, as well as their neighborhood to the east, I think is an opportunity for you to still consider that LEED neighborhood development.

Commissioner Lago: If I may Mayor, I just want to be sure that I put this on the record. I commend what this developer is doing and I want to be very, very careful, due to the magnitude, the size of this project that I don't just put even more due stress on the development, because to be LEED is a significant cost associated with it at this level. You see, correct me if I'm wrong, there is like a three, four, five percent cost to doing LEED projects, which I understand there are projects – I usually tell developers, pony up, let's do it, it's in the benefit of the City, it's in the benefit of the environment, of the residents, of the business owners who are going to use your facility. I just don't want to duplicate efforts and have you do building and also neighborhood. So, I'm going to leave that up to staff, but my recommendation is, we are moving in a direction, I think on the Agenda we have E-9 on First or Second Reading, excuse me, on First Reading, we are going to be discussing our LEED Certification standards or complimentary standards, the City is moving in that direction. So in reference to your projects, I would be happy with having the project either be single building LEED Certification or having it be neighborhood, whatever

staff recommends. I just don't think it's best to do both because I think that's an unnecessary expenditure, in my opinion.

City Manager Swanson-Rivenbark: So if I may sir. Clearly the costs are more related to the individual building, we'd like to see those individual buildings remain green. We'd also like to see from them what aspects of the neighborhood development certification they would not be able to meet, because based on the way that they've already carefully planned this building, these series of buildings and how they relate to, not only internally, but to the community, I would think that they would be an easy candidate for maintaining that LEED neighborhood certification. So, if we had a better understanding of what would preclude them from accomplishing that, I think the staff would be able to comment on that.

Commissioner Lago: Let me also ask you a question. I've never been involved in neighborhood LEED certification. Would that encompass the entire development as-a-whole?- and what would occur let's say if the developer sells one of the buildings in the future and only stays with, let's say five out of the six buildings, or four out of the five buildings, and the new purchaser of that building – how does that affect the certification that the neighborhood attains if they sell one piece out of the project?

Eddy: If I could just backup a minute. We had come to the table with an appreciation that we wanted a LEED project, that we believe the Commission wanted a LEED project as well, and so I think we proffered, I'm not sure how it came about, but we felt like the LEED...was an appropriate way to go, because it wasn't the intent originally of the developer to make every single building in the project LEED Certified. So a LEED...would allow us to take advantage of the planning that we have done to date, but only require us to LEED certify one building in the entire development. When it came to our attention that the Commission was now asking for all of the buildings to be LEED certified, I personally assumed that that meant that we would not be pursuing the LEED, because if you are certifying every single building it's a higher standard and we wouldn't be held to both standards. The City Manager is correct that there are many aspects of the characteristics of a LEED...project that we are meeting, and in fact it may be very possible for us to meet both, but in my eyes it seems unreasonable to ask us to meet both when in fact we may ultimately be able to meet the NND and achieve it, if we are certifying every single building on this as a LEED certified project. I haven't been part of the project that made that investment in every single use at this scale, and so it seems like a very high standard that we are already meeting. Do we meet most of them?- most likely.

City Manager Swanson-Rivenbark: I just want to be careful since it was included in the development agreement, since you proffered the LEED per building and you had already contemplated the LEED neighborhood that we don't begin in a retrade on a very important

project where you all have committed significant resources to making it happen. So, I'm just going to caution the Commission that this is – I would rather see them review why they could not meet it, so therefore we would have to remove it from the development agreement.

Commissioner Keon: I'm not a student of LEED, so I'm asking as much as – I'm asking about it. When we looked at it yesterday, I understand the LEED Certification for the building seems to be related to the mechanicals of the building, is that right?- it's like the mechanicals, it's like, I guess the type of toilets you use, and the type of air conditioning you use, and the type of lighting you use, and windows, so it's all of the construction, the materials or whatever and the products that are used in the building, that's my understanding.

Eddy: There are a broad range of requirements, some of them are requirements, some of them are ways to achieve points in the LEED building BC process, and there are overlaps between – BC – BC is for building.

Commissioner Keon: ND is neighborhood?

Eddy: ND is neighborhoods.

Commissioner Keon: OK. So it was my understanding in looking at the neighborhood one, it wasn't as much about the construction of the building as it was how the building that's oriented and that there is transit, that its walkable between the buildings so it's more a functional type of certification as to how it works, as opposed to how its constructed. That was my understanding. Now am I wrong in that?

Eddy: You're not wrong. I think in very general terms, I think that's very accurate from the standpoint of the ND. From the standpoint of the BC, it actually starts from a very broad picture like the ND, but then drills down to the details that you are talking about in the mechanical systems.

Commissioner Keon: Right.

Eddy: So there are architectural characteristics that we need to meet, there are engineering characteristics as well as initial planning characteristics, some of which if we don't provide it excludes us from even the requirements, not available points. I think your generalization on the ND is accurate. I think the BC is broader than just mechanical systems.

Commissioner Keon: OK. But if – would the neighborhood designation give us a, does that provide us with – because it is a PAD (Planned Area Development), right?- it's a PAD?

City Attorney Leen: Yes.

Commissioner Keon: Because it is a PAD and the reason for doing the PAD is the ability to set the individual building heights and the orientations and everything else. Do those elements make for – because it's a huge project, does that make for a better project from a sustainability?- because I would imagine, some of those the things that we looked at, looked at on there was the availability of transit and how you move between buildings and those sorts of things. It would seem to me that based on what we did with PAD, you would likely meet most of those, and with the trolleys and all of the stops and removing the curb-cuts on Ponce so that it makes it much more walkable and safer to walk a few, bringing the retail back out to the street. It does a lot of the things that it would strike me would meet the neighborhood, but again, I don't know it, so I wouldn't want to impose something on you that I don't know. I don't know. I don't know it well enough to be able to tell you we should do that.

Commissioner Lago: Mayor, if I may. This is what I would recommend just to kind of give a little bit of clarity on this issue. What we want is, it doesn't really matter to me in reference to sustainability issue of one versus the other, and I want what is in the best interest of the City and the project. So what I ask you is, sit down with our sustainability team, Ramon, sit down with Mr. Trias, sit down with our City Manager and find out what best fits this project in our downtown area, because at the end of the day, I want to see whether one is more encompassing than the other, whether one fits this project better than the other, we are going around in circles in regards to whether it's a neighborhood or it's a building, per building, per building.

Commissioner Keon: But it's different.

Commissioner Lago: I understand. But we have agreed to something –

City Attorney Leen: The concern I have...

Commissioner Lago: But the concern is that we may have agreed to something where if we go building per building its more encompassing, it takes a greater effort from the applicant, which I'm in favor of, if they are willing to do it, I'm willing to accept it. If you are willing to do something which is more rigorous and again, at the end of the day its more sustainable and provides for more vibrant LEED project then let's go in that direction and I want our sustainability team to look at that, analyze both options and then come back to us and say, the applicant is proffering neighborhood of building per building. We recommend that we go building per building, which is what I think our team is going to say.

City Attorney Leen: Can I say something. The concern I have is that this is really ministerial at this point. There is a development agreement, it's obviously taken a longer, there's been a lot of back and forth, every once in a while I'll look at it. I think it needs to end; we need to get this thing signed. I think we should do whatever we believe you proffered. Frankly, whatever you proffered that's what we should be requiring and nothing more and nothing less. So, I understand that there is confusion with this particular one, because the original development agreement had the neighborhood, you then proffered the other one, you didn't withdraw the proffer on the neighborhood, so there is a bit of confusion. I just think we all need to be reasonable. We need to get this thing finished because it should be signed within the next week or two.

Mr. Garcia-Serra: Agreed. And I think considering the details that we are down to now when indeed we are at ten days, two weeks away from finalizing it; and on the issue of the LEED, I think it's a good suggestion, we get together indeed. If its repetitive or if one encompasses everything of the other one then we could potentially go with one, but if one of them, if BND gives us something that the building by building doesn't, then we keep...it's not a big issue, we just want to minimize the amount of repetition that there might be as far as certification.

Mayor Cason: Alright. Thank you very much.

Commissioner Keon: I think one of the issues that we discussed yesterday is the neighborhood improvements and particularly tying the streetscape in the Ponce to the Mile and whatever, but I think the requirement is that it be done prior to the first TCO, is that right?

City Attorney Leen: Yes.

Commissioner Keon: To the first TCO, which will be long after we have the Mile done. So when we spoke yesterday they agreed they were going to work with through Glenn Kephart and CooperRobertson, they were going to meet with their own designers with CooperRobertson and do the portion of Ponce from the Mile to Andalusia. Following that they can do the rest as they do, when they do the neighborhood projects, but they will do that upfront so that we don't disrupt the Mile and will tie into it at the same time that it's being done.

Mayor Cason: Seems logical.

Commissioner Keon: So we agree to that, yes. OK.

City Attorney Leen: The other concern I heard expressed by individual Commissioners, by the City Manager, by staff, and even in our discussion and you acknowledge this, is that we have a lot; it's been there for a long time, a big piece of property with a fence, its dirt. We'd like to see

some action taken. When you come to the Manager and ask for the extension or when you come to the Commission and ask for the extension, they are allowed to impose conditions on that. One of the things that was raised was trying to do work with these – we obviously have to have community meetings, but the residents can start with the streetscape and I know you could wait all the way maybe till TCO, for example, but it doesn't mean you have to and it doesn't mean that they can't require you in exchange for the extension to do that, and I know that the Manager expressed that concern.

Mr. Garcia-Serra: In my opinion is that we are obligated to start right now with the schedule of outreach meetings with the community, so as to start getting their input and start trying to get a consensus on how exactly the streetscape improvements are going to be. So one of the next things you'll be seeing from us is a proposed calendar of those meetings, we'll also getting together with CooperRobertson to talk about the connection of the streetscape along Ponce to the connection of the Mile.

Commissioner Lago: Let me just ask you one last question Mayor, if I may? What would you expect that you'd be reaching out to the residents in the neighborhood, because I've spoken to a few of them? They are not concerned about, it's probably going to move forward, they've been just waiting so much time, so many years, I think it's almost ten years now they've been waiting for this project to come to fruition and get started. So I keep calling and I just want to make sure that...

Mr. Garcia-Serra: I'll say within the next 45 days we should have....

Eddy: We'll reach out to...and have...

Commissioner Lago: That's perfect. Thank you.

Mayor Cason: Perfect. Thank you. Thank you very much.

City Manager Swanson-Rivenbark: I may have misunderstood. As it relates to streetscape on Ponce south of Miracle Mile and the commitment that you had already shared that you would do both sides of the street from the park up. Through your discussion with Commissioner Keon, you've just agreed to accelerate a portion of that and we want to make sure that we capture that in the development agreement. So what exactly have you agreed to with Commissioner Keon?

Eddy: We agreed to have the designers meet with each other so that we can design it so that they come together. We have not met with them; we have idea on the timetable. We don't even know the timetable for the work on Miracle Mile, but if something out of those meetings we come up

with a plan where it can be done partially, I'm sure Agave will consider it. But right now we are committing to have those meetings started with the designers so that they can design something that matches so that we don't come with one type of a design from one way and the Miracle Mile design is different.

City Manager Swanson-Rivenbark: We just want to manage expectations with the Commission that what I'm hearing is that they agree to have, to meet with our designers.

Commissioner Keon: So they would have their own designers that would meet with our designers so they could design something that is compatible with the Mile. It isn't that they are going to do what is on the Mile and take it all the way down the street, but they will design something that is compatible with the Mile so at the time that we are doing the Mile because at the Mile and Ponce and that first block, we are going to connect in at the same time so as not to damage the work that's being done or have to remove stones or deal with any of that, we can do that simultaneously while they do the Mile. They can coordinate that with the streetscape on the Mile for the first block, from the Mile to Andalusia.

City Manager Swanson-Rivenbark: I just want to make sure that they are agreeing to what you are asking for in terms of an accelerated implementation schedule from Miracle Mile to Andalusia to coordinate with the streetscape project, which we are in the process of doing root pruning, we are doing the groundbreaking. We are moving forward with that project.

Commissioner Keon: Right. So we are going to start that very shortly, so the meetings between your designer and CooperRobertson have to be soon so that as we get to that point when the project comes to those two blocks on the Mile that come into Ponce, you all are already in play.

City Manager Swanson-Rivenbark: Which could be five months from now.

Commissioner Keon: Right.

City Manager Swanson-Rivenbark: I just want to make sure everybody understands, the Commission has released the contractor to move forward and to build this project.

Commissioner Keon: The sidewalk is fixed so it's not going to change the sidewalk. The sidewalk will be the sidewalk, it will be the width of the sidewalk that it is. It's really more the material or whatever elements, whether it's lighting that's going to be used on the Mile and carry down or whatever else, whatever those things are that you will coordinate those and they will be built along with the streetscape.

Mr. Garcia-Serra: On the issues of the details of design, I'm sure within a short timeframe they could come into agreement on how the design is going to look exactly, the connection between Ponce and Miracle Mile. The issue of timing of construction is what we need to talk more with them about to see what their timeline is and what amendments we can make from our point of view, but we are going to have that conversation.

Commissioner Keon: And they may decide that there is a way in which they can do that and they can accomplish that. They are experienced builders.

Eddy: Look you need to understand, we have a certain amount of money, we have a budget to do the whole street, so we need to figure out how we are going to do this in an efficient way so that the dollars...If we start doing the work, we are going to bring a contractor in and do 100 feet and then we are going to call him back and do the rest. So I just...

Commissioner Keon: We understand. You may find that the contractor that we already have, you may be able to utilize that contractor.

Eddy: It's the same amount of money. We are going to spend it whichever way you want us to spend it.

Commissioner Keon: It's the same thing. I have all the faith in the world that you have developed big projects, great projects that you can get it done.

Eddy: We've planted a few trees before.

Mayor Cason: Thank you.

Mr. Garcia-Serra: Thank you very much.

[End: 3:15:50 p.m.]