

CITY OF CORAL GABLES
Property Advisory Board Meeting
 Wednesday January 30, 2013, 8:30 a.m.
 Economic Sustainability Department
 1 Alhambra Plaza, Suite 617, Coral Gables, FL 33134

EXCERPT MINUTES

MEMBERS	F	M	A	M	J	J	A	S	O	O	D	J	APPOINTING ENTITY
	'12	'12	'12	'12	'12	'12	'12	'12	'12	'12	'12	'13	
Luis Espino	+	P	P	+	E	P	+	+	E	+	E	E	Mayor Jim Cason
Jack Elmore	+	P	P	+	P	P	+	+	P	+	P	E	Vice Mayor William H. Kerdyk, Jr.
Maurice Donsky	+	P	P	+	P	P	+	+	P	+	A	E	Commissioner Maria Anderson
James Hinrichsen Vice Chairman	+	P	P	+	E	E	+	+	P	+	P	P	Commissioner Rafael Cabrera, Jr.
Tony Gonzalez	+	P	E	+	P	P	+	+	P	+	E	P	Commissioner Frank Quesada
Edmund Mazzei Chairman	+	P	p	+	P	P	+	+	P	+	P	P	City Manager Patrick Salerno
Valentin Lopez	+	E	E	+	P	E	+	+	P	+	P	P	City Commission

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

STAFF AND GUESTS

Cynthia S. Birdsill, Director, Economic Sustainability Department
 Leonard Roberts, Assistant Director, Economic Sustainability Department
 Megan Cross Schmitt, Administrative Assistant, Economic Sustainability Department

2. Review of Actors' Playhouse Amendment

Actors' Playhouse Proposed Lease Amendment Terms:

Ms. Birdsill described for the Board the proposed lease amendment terms for the City's lease with Actors' Playhouse:

Tenant: Actors' Playhouse Productions, Inc., a Florida not-for-profit corporation

Premises: 280 Miracle Mile, Coral Gables, FL. 33134

Background:

The Amended and Restated lease agreement with the Actors' Playhouse was entered into on September 13, 2011 for the real property located at 280 Miracle Mile, Coral Gables, FL and also known as the Miracle Theater. The lease requires the Tenant to reimburse the Landlord for all-

risk insurance premiums, including flood, windstorm and earthquake coverage. The monthly premium for May 1, 2012-April 30, 2013 is \$3,116.41 which is a 60.7% increase from the May 1, 2011-April 30, 2012 monthly premium of \$1,939.13. The increase was largely due to a re-assessment of property values and an increase in premiums. All City insured properties were individually reassessed in the 2011-2012 year resulting in an overall increase of 9%. The Coral Gables Museum's reassessed value increased 38% and the Cinema increased 11%. The increase in the Museum was primarily due to the new construction and renovations.

As a not-for-profit, this significant increase makes it difficult for the Tenant to budget the cost of reimbursing the City for insuring the property, and can place a financial strain on the Tenant. The Miracle Theater has been a great cultural cornerstone for the City. It provides over 3,000 free tickets to youth and seniors to help promote the performing arts, summer camps, outreach programs and festivals that all help to attract business to Coral Gables.

To avoid the uncertainty for the Tenant, it is proposed that the Tenant's premium shall not increase more than 7.5% annually.

The 7.5% increase will result in the Tenant paying \$2,084.56 ($\$1,939.13 \times 1.075$) per month effective May 1, 2012. The Tenant will reimburse the City for May 2012 to January 2013 as a lump sum payment of \$1,308.87 calculated as follows:

New Monthly Payment:	\$2,084.56
Previous Monthly Payment:	<u>\$1,939.13</u>
Difference	\$ 145.43
# of months	<u>9</u>
Total Lump Sum Payment:	<u>\$1,308.87</u>

Commencing February 2013, the Tenant will pay \$2,084.56 per month for its allocated portion of insurance through April 30, 2013. The City's Risk Management department predicts the May 2013 to April 2014 premium to remain flat. Any increase in premium the Landlord will pass thru to the Tenant subject to the 7.5% cap.

Mr. Hinrichsen made a motion to recommend to the Commission the approval of the proposed lease amendment as presented. Mr. Lopez seconded the motion which passed unanimously.

Respectfully submitted,
Megan Cross Schmitt
Administrative Assistant, Economic Sustainability Department