

**City of Coral Gables City Commission Meeting
Agenda Item H-2
February 27, 2018
City Commission Chambers
405 Biltmore Way, Coral Gables, FL**

City Commission

**Mayor Raul Valdes-Fauli
Vice Mayor Pat Keon
Commissioner Vince Lago
Commissioner Frank Quesada
Commissioner Michael Mena**

City Staff

**City Manager, Cathy Swanson-Rivenbark
Assistant City Manager, Peter Iglesias
City Attorney, Miriam Ramos
Special Counsel, Vivian de las Cuevas-Diaz
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Interim Economic Development Director, Leonard Roberts**

Public Speaker(s)

Anthony De Yurre

Agenda Item H-2 [10:50:40 a.m.]

An update from staff regarding the parking garages on Andalusia Avenue.
(Sponsored by Commissioner Lago)

Mayor Valdes-Fauli: We will go on. And H-2, update from staff regarding the parking garages on Andalusia Avenue. Commissioner Lago, this is your item.

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Agenda Item H-2 - An update from staff regarding the parking garages on Andalusia Avenue.

Commissioner Lago: This is just a simple update that I requested staff to put together because I know what we've been waiting for some time. And I know it's not anyone's fault, but I know that this is a very complex project and it's a very significant project not only for the downtown Central Business District, but for the future of the City of Coral Gables, so I just wanted to have staff give us a quick update because I've had several residents and business owners that have asked me where we are in regards to this.

Interim Economic Development Director Roberts: Sure.

Commissioner Lago: Thank you.

Interim Economic Development Director Roberts: Leonard Roberts, Economic Development Interim Director/Asset Manager. I have a memo that I presented that I believe Cathy had shared with you.

Commissioner Lago: Yeah.

Interim Economic Development Director Roberts: I'll go ahead and just read some synopsis of that memo. The City and CGCC team had three meetings on November 6, November 30 and December 7. The six months' time period to reach deal terms was triggered on that November 6 date. The City negotiating team involved, at the time, Javier Betancourt, Barry Abramson, and myself. CGC participants included Allen Morris, Steve Patterson, and several other development team members. Both parties agreed to exclude lawyers from the negotiation sessions until we reached general understanding of business terms. After each meeting, the City provided CGCC a detailed summary of our understanding of what we had discussed in those meetings. At the January 17 meeting -- Commission meeting, I'm sorry, CGCC was awarded the preliminary designation to negotiate. The City Commission had directed staff to negotiate with CGCC based on their version 1, rather than their version 2/3. Subsequently, in a meeting on March 17, staff told Allen Morris that the City would be willing to consider a project of a size

between version 1 and 2/3. I refer to as 1.5. In the initial negotiation session CGC presented a revised scheme which, while refining some architectural elements to soften the project's edges and reduce the Garage 1 height by one floor from its version 2 and 3, the proposed square footage from the original 2 and 3 was increased. The total amount of parking spaces were reduced to 715 from the 1,000 square feet -- sorry, from the 1,000 number of spaces. CGCC also maintained its position to have a right for a fee interest in the property. In negotiations, the City's team expressed a willingness to consider a version 1.5 project that would match the spirit of the characterization with FAR around three point -- or roughly 452,000 square feet, halfway between their version 1 and their version 2. The City team expressed a willingness to reduce the public parking requirements to 750 from the original 1,000. The City team also restated the City's position for a land lease versus an actual sale. As a result of that last meeting on 12/7, CGCC agreed to present the City team with a revised proposal. The City was anticipating to receive that roughly around the end of January. As of this date, I believe they're still working on that revision. And at this time, I'll take any questions.

Vice Mayor Keon: Well...

Commissioner Quesada: I know we have someone here from the developer's side. I want to hear from them as well so we get sort of the full background on everything. My main thought on this today -- and Commissioner Lago, thank you for putting it on the agenda -- is I want to make sure we keep it moving. It's been dragging. And it doesn't matter whose fault it is or if it's anyone's fault.

Unidentified Speaker: Sure.

Commissioner Quesada: I just want to make sure we keep it moving. I spoke to a merchant over the weekend, and they were complaining about the state of the parking garage. They're very happy with Miracle Mile. They're seeing a lot more foot traffic. They were on one of the last portions that were affected. And they said they had trouble during the build-out, but you know,

it was fine if Miracle Mile -- but now that's it's done, they're seeing the foot traffic, but now people are complaining about the parking garages. And I experienced that also because when you're running in for a lunch meeting or a breakfast meeting, whatever it is, many times I'll park in those garages and it is tough. So -- and we know this. I know I'm preaching to the choir. Everyone knows this, but I just want to make -- we got -- we just got to keep this moving. We've got to keep it moving. That's it.

Vice Mayor Keon: Does keeping it moving mean that you reach a negotiation. And if you can't reach a negotiated settlement, that you move on. That there's a period of time and if, through the negotiations...

Commissioner Quesada: I mean, yes, but I don't think -- you think we're there?

Vice Mayor Keon: Whatever.

Commissioner Quesada: I don't think we're there.

Vice Mayor Keon: I don't know, but I want you to move. And at some point, when you decide that you can't reach that settlement, you need to come back and say we can't reach a settlement and we need to move on.

Commissioner Mena: But I don't think that should be a foregone conclusion. I think we need to exhaust...

Vice Mayor Keon: No, but...

Commissioner Mena: Everything we can do within the time...

Mayor Valdes-Fauli: Yeah.

Commissioner Quesada: Yeah. I think that...

Commissioner Mena: To negotiate...

Commissioner Quesada: Conversation is...

Commissioner Mena: And I don't think we've done that yet.

Commissioner Quesada: Incredibly premature.

Commissioner Lago: But I...

Vice Mayor Keon: What?

Commissioner Lago: I'm not sure if Commissioner Mena was here, and I don't want to speak out of turn. But just to give you a little brief -- and correct me, if I'm wrong, Vice Mayor -- but what I think we put -- at the urging of the Vice Mayor -- I think we put a six-month like window to get something done. And I know that we extended that because we've had a multitude of other...

City Manager Swanson-Rivenbark: We haven't extended it, sir. It is No -- it started in November, right?

Interim Economic Development Director Roberts: Right.

City Manager Swanson-Rivenbark: We were...

Commissioner Lago: Okay.

City Manager Swanson-Rivenbark: Generous in when the clock started...

Commissioner Lago: Perfect.

City Manager Swanson-Rivenbark: Because it was a getting to know you.

Commissioner Lago: No, and I know that we only have limited resources...

City Manager Swanson-Rivenbark: But we're still in those six months.

Vice Mayor Keon: You have two months.

Commissioner Lago: And listen, we have limited resources. We have limited resources here in the City, and we have a lot of stuff going on and staff is stretched thin. But I think there's got to get -- there's got to be a point where staff makes a recommendation and says, hey, we've exhausted all avenues, you know. The -- this public-private partnership is -- this is the best we can do and this is what we're offering the Commission, and then bring it to the Commission and let's make a decision. Because I think that -- I think that that is -- this -- the effort has to be where we all have to work in concert and we have to just deliver a product that, again, may not be what we all want, but at the end of the day, it's something that we can make a decision on whether we're going to move forward or we're going to not move forward.

Vice Mayor Keon: Right. I mean, I have to agree with Vince on this because some of the underlying premise on the part of the developer is an expectation that they acquire one of those pieces of property. It has been made very clear -- or it was made very clear during the discussion that we weren't going to sell those properties. They could lease the properties, but the sale of the properties or the swap of the properties or a trade of properties was not on the table. So, at some point, somebody needs to say, that's not happening...

Commissioner Quesada: But hold on a second.

Vice Mayor Keon: Come back.

Commissioner Mena: Yeah, but that's...

Commissioner Quesada: Hold on a second, hold a second.

Commissioner Mena: That's part of a negotiation. I mean, things take different turns. I mean...

Vice Mayor Keon: No. There was -- but there was a policy decision made on this dais that we would not...

Commissioner Quesada: I don't...

Vice Mayor Keon: Sell property.

Commissioner Quesada: I don't recall it that way. And I'm not saying I'm for it or against it. What I recall -- what we discussed...

Vice Mayor Keon: Yes.

Commissioner Quesada: And we can go back in the record and look at it, is the option -- either one. We're open to hearing both, but we had a preference, so...

Vice Mayor Keon: And I don't think it was a preference.

Mayor Valdes-Fauli: And even if you had made that decision, this is a new Commission and we can overturn that. And I'm not for overturning or not overturning...

Vice Mayor Keon: Well, no, but that's right.

Mayor Valdes-Fauli: I'm not, but...

Vice Mayor Keon: But I think if that is the sticking point, that it needs to come back here so that that decision can be made. So, that's why I'm saying you either -- you know, you pull out those issues that are the points that are the roadblocks...

Commissioner Mena: Absolutely.

Vice Mayor Keon: And you come back and you look for other -- for direction on those roadblocks. But to continue to go back and forth and say, you know, continuing to give, you know a plan that calls for that when they have -- the policy and the direction to staff has been no, then you need to come back. The other issue is the size and the scale, you know, which is...

Commissioner Lago: Which is affected with the City's need for X amount of parking spaces, which right now is in flux from...

Vice Mayor Keon: Right.

Commissioner Lago: A thousand...

Vice Mayor Keon: Right.

Commissioner Lago: To 750.

Vice Mayor Keon: And so...

Commissioner Lago: And we've all talked about this a multitude of times...

Vice Mayor Keon: I mean, all of these things, we've brought it up.

Commissioner Lago: And we mentioned that -- again...

Vice Mayor Keon: Yeah.

Commissioner Lago: Not right now, but there -- we're seeing a trend where we're moving away from the need of so many parking spaces.

Mayor Valdes-Fauli: Well, that'll happen in 2050, but...

Commissioner Lago: Right, but we also need to build an efficient parking garage, which can be transformed and maybe used for something in the near future. Also, it depends on the programming of what you're going to be using there. Are you going to be using commercial or residential? I just want to see, you know, Mr. De Yurre's team and the City get down to the table, finalize something over the next two months, and maybe come back to us and we can do a workshop within the Commission and say, listen, this is what we're looking at. This is what -- this is the height that I feel comfortable at. I made major -- a few major statements at -- when we discussed this over -- I don't even know how many months ago it's been -- that there are certain things that I'm willing to accept and certain things that I'm not. Like Commissioner Keon mentioned, I'm not in favor of selling. I'm in favor of a long-term lease. There are certain things -- again, I wanted green space. I know that's not going to be very easy or feasible on the ground floor, and I'm willing to, again, give on that issue, give on that issue. But there's other things, other concessions that can be made and I just think that we need to bring it -- that's why I only put it as a discussion item, you know. Allow Mr. De Yurre to make a few points on the

issue, if you push the snowball a little faster down the hill, and then bring it back to the Commission so we can say, okay, this is what we're willing to do. give some direction and let's move forward.

Mayor Valdes-Fauli: In furtherance of what you're saying, I met with Mr. Morris and Mr. De Yurre and some other people three times, I think, since I've been here. This past -- in January, when I wasn't here, January of this past year, why has nothing come up so far. I mean, what's the holdup? And if you can't present a project to the City Commission, then we'll look for alternatives, but do something. And I don't want to meet with you anymore. I want you to bring something to us. And nothing personal, of course.

(LAUGHTER)

Vice Mayor Keon: He would like to meet with you whenever you want, but on something else.

Anthony De Yurre: Sure. Anthony De Yurre, at Bilzin Sumberg, 1450 Brickell Avenue. I think that the Commission sitting here as the incorporated city has hit the nail on the head, is that there, you know, are some inflection points that we're at regarding the project. And there was an old Commission -- some of the members are still here, thank you -- thankfully -- and we have some new members and everybody's weighed in, reached out. We're very accessible. We've had the conversations with staff and there seems to be, from this dialogue we've already had here today, things to flesh out in regards to what the RFP exactly said and what the Commission is willing or not open to do. And so, filtering these things down, you've hit the nail on the head on a couple of them, which is the RFP said there was a preference for lease versus sale. The RFP said if you provide a project of a density and scope beyond the regular bounds of FAR and you provide significant public benefit and it was spoken as the City Attorney at the time, Craig Leen, that this is a matter of public benefit and it's really up to us to decide what is the best package for the City. And when it went forward, it was presented as that, it was. We have these -- we have the proposer, Related and Allen Morris, who got ranked first, second and third. They have three

different scenarios. Go forward and negotiate the best deal for the City, and there wasn't necessarily a directive one versus the other. There was some debate. And ultimately, go get the best deal possible for the City. And so, we've presented -- and I've discussed with each of you the current version of the project, which we've lowered the parking podium. And by lowering the parking podium, we've been able to squeeze in the office tower and open up a significant amount of square footage on the terrace of the office tower to approximately half an acre, which we want to convert into park for the City. It's a terrace parking, like Kensington Garden, like Rockefeller Center. And then on the residential side -- so, it's the same square footage in the office tower. And the change has been on the residential side because we brought the parking podium down a floor. We were able to replace, instead of the full block of parking, with a smaller footprint of residential. What that extra footprint of residential did is that now -- the developer doesn't make the money on the first square foot. They make it on the last square foot. And by adding these units, it tremendously changes the dynamic of the economics we provide the City. Our project was evaluated by Barry Abramson as providing \$13 million over the first 30 years to the City. By replacing that floor, we go to \$43 million. Why? Because, in our original project, we kept \$2 million of parking revenue and then we split with the City. In our current proposal, we're going to give the City 100 percent of the parking revenue. We're not going to take a penny. So, instead of taking that first \$2 million, which is basically all of it, the City keeps all the parking revenue. And now, instead of putting the -- you know, Barry Abramson wanted money over time. So, now we're going to align our interests and we're going to give the City three and a half percent of our revenues from the project. No matter...

City Manager Swanson-Rivenbark: Excuse me, Mr. Mayor.

Mr. De Yurre: Yes.

City Manager Swanson-Rivenbark: I just have to say this is very complicated information that you're being given. We have a financial advisor. We have an attorney that's outside counsel that is navigating and negotiating with us. They have Leonard Roberts, who is the Interim

Director, but he's also been involved in this from the very beginning. I know you want an update. I know that you're interested in moving this along. If it's going to happen, let it happen. And if it's not going to happen, let's -- the Commission has the prerogative of making a decision. But the level of detail -- and you're so versed in it -- I don't know that that's going to be of help to the Commission at this point because when we came to you before, the Evaluation Committee said, we recommend version number 1, but there were 2 and 3 versions also presented. And so, you all, at the time -- and I know the people have changed, but the sentiment was, well, if they can't make it work on version number 1, maybe we can come together in the middle between 1 and what we were calling 2/3. And I think that's really the discussion that they're having within the negotiations. I think it's respectful. I think both parties are knowledgeable and capable, and I think we just need to keep going in those discussions to move it forward. No question, those parking garages are not the image that you all want our customers to see and feel with Coral Gables. Even though Kevin's done a good job at painting them, lighting them, adding technology and making them safer and cleaner, they're not what we want. So, we're there, and I'm sure they are as well, navigating in good faith. But when you have, with respect, a 99-year agreement, it takes time to make sure that all of the pieces fit, and I think we're working on that.

Vice Mayor Keon: But that's the policy decision that needs to be...

Interim Economic Development Director Roberts: Correct.

Vice Mayor Keon: Reiterated. Either it is a sale or it is a lease, and that has to be one of the premises on which they will go forward with negotiations because you can't go when you don't know.

Unidentified Speaker: (INAUDIBLE)

Vice Mayor Keon: So -- and I think from, yeah, your conversation, you...

Special Counsel de las Cuevas-Diaz: Just -- I'm hearing what you're saying and I reiterate that, you know, there was a presentation and there was a different decision made. The RFP, at the end of the day, was not the decision you guys went with, which is fine, which is why we're at the table. Something for you guys to consider is, obviously, the objective is how do we -- let's move it forward, but the question is timelines. One of the things that I just whispered into Leonard's ear and I thought it would be best if we all speak about it is that, you know, perhaps there should be the next meeting where we're going to set forth on timelines because some of what we're hearing, we haven't seen. And until the City starts seeing and detaching it and figuring out how this is going to work, we're going to end up having the same report six month from now, and that's not going to work. So, I just urge you -- I think everybody really wants to work together, but we got to figure out a true timeline on how we're working on a day to day. And if we, as a City, need to bring more of our staff people, if the Morris team needs to deliver quicker, I'm sure there's thoughts on both sides. But I'm always big on an outline on how you guys want us to proceed.

Commissioner Lago: Can I just ask you a quick question? Commissioner, you wanted to say something. Go ahead. No, no, no, go ahead.

Special Counsel de las Cuevas-Diaz: Sorry, guys. I interrupted.

Commissioner Mena: No, no, no.

Commissioner Lago: I saw you with...

Commissioner Mena: No, I think -- but I think, again -- and I think Commissioner Keon's sort of touched on this now, but there needs to be -- it's very difficult for our -- both sides here...

Mr. De Yurre: The economics are completely different, right.

Commissioner Mena: To negotiate if the main...

Commissioner Lago: Term sheet.

Commissioner Mena: Issue, which is sale or lease, is an issue. They need to know what they're negotiating. And if what we're hearing is that, you know, at least, Mr. De Yurre and his client believe that a scenario where it's sold -- and I understand the reluctance of that -- but if it's economically much more beneficial to the City -- and we'll have to see what the terms are and make that decision -- then we need to make -- have a discussion and make that decision and then go forward negotiating towards that goal. But they can't negotiate both, I don't think, a deal that encompasses a 99-year lease and one that involves a sale and then we decide. It's not a menu for us. They have to know what direction they're going in.

Special Counsel de las Cuevas-Diaz: Right.

Commissioner Mena: And so, that's, I think, where there are is the issue here.

Vice Mayor Keon: But I also think that, you know, when you say to a private developer, come back with the best, you know, economic whatever or the best plan for the City, I think you're -- what you're looking at primarily is the dollars and you're looking at the economics. You have to accept that we are a city. We are a public body. Our stakeholders are our residents. So, what, in our mind, is the best deal to the city is more than economics. It is more than economics. It is size. It is scale. It is aesthetic. It is how it works. It is, is that in our best interest to sell these properties. So, we have a much broader array of issues that help us to determine what is in the best interest of the City, different than what you, as a private developer, have as your primary objective, which his a profit.

Mayor Valdes-Fauli: Can I...

Vice Mayor Keon: And so, I think you need to know -- you know, you both have to realize that when there are -- our objectives are not exactly aligned, that there has to be respect for those and it needs to be laid out for both parties that these are the -- these are our objectives.

Commissioner Mena: But I also think.

Mayor Valdes-Fauli: But, let me...

Vice Mayor Keon: Yeah.

Mayor Valdes-Fauli: I agree with you, but we're never going to get there...

Vice Mayor Keon: That's right.

Mayor Valdes-Fauli: Until they come up with a specific proposal. You told me and I know that this passed a year ago, January of 2017.

Vice Mayor Keon: Right.

Mayor Valdes-Fauli: What's been happening since then? Now, we are in February 2018 and I've met with you several times in very pleasant meetings, of course. But we're still where we were. I don't want any more updates. I want for them to come up by March, April, May, June, whenever, with a specific proposal.

Vice Mayor Keon: Six months is up May 4.

Mayor Valdes-Fauli: Huh?

Vice Mayor Keon: The six months is up May 4.

Mayor Valdes-Fauli: Okay, with a specific proposal that allows us to discuss the items that the Vice Mayor is talking about, and I don't want any more updates. I don't want to meet with you anymore. I want a specific proposal. I don't want to talk about it anymore.

Commissioner Mena: I just -- to just your last point really quick -- and I know Commissioner Lago wanted to say something. But I just think we need to look, though, at our objectives through a lens that is broader than just this project. So, if we have goals of green space, right -- and that's fine, and we can discuss the details of that as it pertains to this project. But having a project that's more -- much more economically beneficial to the City...

Mayor Valdes-Fauli: Is wonderful.

Commissioner Mena: Gives us the ability to then effectuate those goals throughout the City, not just on this parcel. So, you know, if the project is much more economically beneficial to us in one way and that enables us to acquire a lot of green space in other places, you know, you have to balance those things and look at what's on the table so...

Vice Mayor Keon: Absolutely.

Commissioner Mena: I think we need to have that discussion.

Vice Mayor Keon: But economics is not the primary.

Commissioner Lago: Yeah, and that's what I...

Vice Mayor Keon: In the public sector, economics is not the primary.

Mayor Valdes-Fauli: But it is not constructive...

Vice Mayor Keon: It's important.

Mayor Valdes-Fauli: For us to discuss this in a vacuum, like we are doing...

Vice Mayor Keon: Right, yes. You're right.

Mayor Valdes-Fauli: They have to come up with something.

Vice Mayor Keon: Right.

Commissioner Lago: What -- the whole point is...

Mayor Valdes-Fauli: They know the parameters.

Commissioner Lago: I want to make this really simple, okay. This is why we wanted to -- this is why I put it on the agenda. This needs to be discussed. And I know you're trying to come up with a term sheet, a term sheet that benefits both sides that can be presented to the Commission and it may be difficult right now. But I think that if we come and we sit down, maybe we can find some common ground. Like Commissioner Mena was saying, and like the Vice Mayor was saying, this is not about economics, to me, at least, and I think to this Commission, as a whole. We're not looking for the best financial deal. It has to make sense. I will not accept a deal that towers over the City of Coral Gables, where we go setback to setback to squeeze every last square footage in it. And I'm not saying anybody else in this Commission will either. I'm not saying that. So, I think we need to -- you know, there's a few things in play. What's the cost of incredible world-class design? It's going to cost money. It's going to cost money. It comes into play here. It comes into economics. You can't just design a building a box, a simple box. No, this is Coral Gables standards. We want the best. To have the best, it costs money, and it's going to come out of that term sheet. It's going to come out of that proforma, so we have to

acknowledge that and we have to understand that. Each Commissioner here has different goals, different expectations. In the words of our then-Vice Mayor, Commissioner Quesada, he told me, look, Vince, you're pulling the rug underneath the developer when I made a comment of, listen, if we have an issue, we'll build it ourselves. This is easy. You know, building a parking garage is simple, and I'd love to have a beautiful green space on Andalusia, which could be kind of like our little Central Park there in our downtown area and achieve a goal and run our own parking garage. I said, if we can't come to an agreement, I don't have an issue with that. That's on the record. That's on the record. But let's just move forward. Let's try to find common ground so we can get to a deal, to a term sheet that can be brought before the Commission. The Commission can have a discussion in the open and see, again, is it economically feasible for both parties.

Mr. De Yurre: There's really...

Commissioner Lago: I just -- we -- I don't want to -- like the Mayor said, I don't want to have another discussion in one year from now because I just -- I don't think it's right for you guys. You guys are spending hundreds of thousands of dollars of money. I have respect for private sector money. It's -- no, no, for real. You being here costs money. Mrs. Cuevas being here costs money to the City, so I don't want to waste your time. I don't want to waste your money.

Mr. De Yurre: We really (INAUDIBLE) -- you know, we -- the proposal that's on the table, which is the actual floor residential -- correct me, if I'm wrong -- you have seen that proposal?

Interim Economic Development Director Roberts: It's the last one you proposed back in December? Yes.

Mr. De Yurre: Yeah, okay. So, the proposal's the same. And so, we've been told that the parking requirements are really what it's coming down to, and the parking requirements drive the massing. And so, we've found a way to really separate that ultimately with what we're doing in

the project, which is by providing these economic benefits, we build, in our proposal, the City the garage, but the City then bonds out however many number of spaces it wants. And so, it's really up to the City to decide how many spaces does it want, 5, 6, 700. To us, it's really the same. Just tell us how many spaces you want to build, but then that directly affects...

Commissioner Lago: Affects...

Mr. De Yurre: The massing, and that really is the issue that we've kind of circled around. And then we've -- I've gotten reach out from the Commission. They've given -- wanted to give me and volunteer their feedback directly to us, and we've negotiated -- you know, I've at least explained the negotiations we've had with staff, and I've gone back internally and dealt with my client to max out as much as we can in terms of return to the City. And, for example, giving you guys all the parking revenues. I think that you guys have not heard about the economic side of the package...

City Manager Swanson-Rivenbark: So...

Mr. De Yurre: You've just seen the project.

City Manager Swanson-Rivenbark: So, sir, we've got your message that you want us to continue to work together. I think there are four themes of policy that the Commission needs to help guide us, whether it is at this point or at a later point. One -- you've already touched on it -- sale or lease, and I understand it depends on what it is that may influence your decision. Another size of project. What's the right size; what's not the right size, because that will help determine the discussions that the two teams are having. The role of financing, if any, of the City should the City be putting money into this project or is the land the value that the City is providing. And then, last, parking. Are you looking at replacement parking? Are you looking at larger than replacement parking to meet future demand as it relates to the public parking aspect of it? I think those -- as I hear from the team -- and they're keeping me up to date. All of them have been

involved from the beginning. Those are the four kind of themes that may need better clarification and direction from the Commission.

Commissioner Lago: If you could just -- if I could just add one item to that, and it would be -- when you mentioned parking, I want my colleagues to get a little bit better understanding, along with myself, our current parking needs in reference to the renting of the parking spaces to the post office and to other private and public entities that we're currently renting to. Is that impacting our 750 proposed parking spaces? Are they going to be moved to another area? And that's important because maybe that's affecting the massing of the building because we're...

Commissioner Quesada: It's funny. I'm glad you brought that up. I smiled at Kevin...

Commissioner Lago: Because maybe that's affecting...

Commissioner Quesada: Because I told him, before we walked in here, that I was going to bring up that point.

Commissioner Lago: Because I think it could be affecting the massing of the building. When you're asking for 750 parking -- but if you're going to tell me you need 750...

Commissioner Quesada: No, hold on. Let me just...

Commissioner Lago: Parking spaces...

Commissioner Quesada: Hold on. Let me just stop you for one second because there's so many...

Commissioner Lago: That's why I don't want to get into that right now.

Commissioner Quesada: There's so many individual elements to this...

Vice Mayor Keon: Right.

Commissioner Quesada: Which I think is the biggest problem that we have here. We had proposals. We picked the RFP that we liked, the staff recommendation. We went through that, you know. Tony's client was selected, and now it's almost like we are negotiating each one of those elements. And Commissioner Lago, my apologies for cutting you off, but it's like we're diving into another one of those individual elements.

Commissioner Lago: (INAUDIBLE).

Commissioner Quesada: I've had extensive conversations with the developer...

Commissioner Lago: Yeah, me too.

Commissioner Quesada: I've had conversations...

Commissioner Lago: We all have.

Commissioner Quesada: With staff, so -- we all have. I am in favor of most, if not all, of the aspects of what the developer has talked about. However, I'll be honest with you. I'll do know how -- I feel like we're nego -- we're making the sausage here together from here and it doesn't really work.

Vice Mayor Keon: We shouldn't do that, not from the dais.

Commissioner Quesada: And I know we shouldn't do it.

Vice Mayor Keon: Right. We shouldn't do it from the dais.

Commissioner Quesada: And there are a lot of different aspects to it. I agree with Tony in the sense that parking is one of the big issues. I know massing was another big issue that we've all discussed. This issue that you just brought up now, Commissioner Lago, has been another issue that we've discussed. It's a concern whether we should be giving permitting parking at this location to the merchants who then complain that there's not enough parking, so they hurt themselves. So, I don't know what the answer is. I don't know if it's in a -- like a Sunshine meeting to discuss in more detail.

Special Counsel de las Cuevas-Diaz: Can I make a suggestion?

Commissioner Quesada: Your facial squirming is telling me...

Special Counsel de las Cuevas-Diaz: Yes.

Commissioner Quesada: That I am saying things that...

Special Counsel de las Cuevas-Diaz: So...

Commissioner Quesada: I should not be saying.

Special Counsel de las Cuevas-Diaz: No. You're saying -- you're all saying things that are important. And...

Commissioner Quesada: Yeah.

Special Counsel de las Cuevas-Diaz: And Anthony's client are saying things that are important. My suggestion...

Commissioner Quesada: Yeah.

Special Counsel de las Cuevas-Diaz: Is that Anthony's client resubmits her proposal however you deem fit. Because until we get a resubmittal, we can't start picking it apart. And at that point, my suggestion is that the lawyers, with staff and the businesspeople, are in the room for a long day of deliberation because if we don't do...

Mayor Valdes-Fauli: That's exactly my point.

Commissioner Quesada: Yeah. That's a good idea.

Special Counsel de las Cuevas-Diaz: That, we can't move it forward.

Mr. De Yurre: You want the lawyers in? Are you ready to let the lawyers in?

Special Counsel de las Cuevas-Diaz: So long as you're nice, we're good.

Mr. De Yurre: We don't bite.

Special Counsel de las Cuevas-Diaz: That's all.

Mr. De Yurre: We don't bite.

Commissioner Quesada: So...

Commissioner Lago: Play well with others.

Commissioner Quesada: I agree with that. What I do not want is for them to have to resubmit another 300-page document that...

Interim Economic Development Director Roberts: No, no, no.

Commissioner Quesada: Takes another eight months to put together...

Unidentified Speaker: No, no.

Commissioner Quesada: You gave me a bullet point sheet, okay.

Special Counsel de las Cuevas-Diaz: We just need to see that.

Commissioner Lago: The term sheet, that's it.

Special Counsel de las Cuevas-Diaz: But...

Commissioner Quesada: It's...

Special Counsel de las Cuevas-Diaz: It needs to come to this side so that we can -- and then sit down...

Commissioner Quesada: But what I'm saying is, just get to the point -- and I agree with you.

Special Counsel de las Cuevas-Diaz: Agree...

Commissioner Quesada: Get in a room, talk about it -- and here's the thing. You're not -- I will -- I can probably guarantee you're not going to agree on everything. Whatever the points you don't agree on...

Special Counsel de las Cuevas-Diaz: We got to come back to you.

Commissioner Quesada: Exactly.

Mr. De Yurre: And ultimately, this issue of -- it's a have your cake and eat it too. If you want the parking, you've got to deal with the mass. If you don't want the mass, we cut out the parking. And it's really up to your discretion on how you deal with that. That, to me, is the one thing that we have problems putting our hands around because we're essentially guessing at what, ultimately, the Commission really has an appetite for or not. So, I can guarantee you that we can meet with staff and we can hammer out, based off a term sheet that we have, which is really the economic side of what we've already proposed, but...

Commissioner Quesada: Pick a date.

Mr. De Yurre: That's done.

Commissioner Quesada: Work out a date. Get in a room...

Mr. De Yurre: I want to raise one question.

Commissioner Quesada: Yeah.

Mr. De Yurre: We were told that the Tim Haahs parking study is no longer valid, and that gave me great pause for concern in one of our conversations with staff. And so, I want to make sure...

Parking Director Kinney: That never...

Mr. De Yurre: That it is the case or not.

Parking Director Kinney: Came from Parking. Tim Haahs study was done in 2000...

Vice Mayor Keon: 13?

Parking Director Kinney: Well...

Unidentified Speaker: 13, 13.

Parking Director Kinney: The update was done in 2013. It's based on a 2006 study. And in fact, in our strategic planning, now that streetscape is done, there is a marker for a new full-blown parking demand and study for downtown. The only thing I would want to respond o the conversations about parking that have come up here is the 750 number is essentially replacing what we have. And as far as the two large groups -- we have only two significant...

Commissioner Quesada: You're saying we currently have 750 parking spots...

Parking Director Kinney: That's replacement...

Commissioner Quesada: In those two garages?

Parking Director Kinney: That's replacement of Garage 4...

Unidentified Speaker: Right.

Parking Director Kinney: Garage 1, and the 100 spaces on the Mile.

Unidentified Speaker: It's...

Parking Director Kinney: So, it's replacement...

Vice Mayor Keon: Of the...

Parking Director Kinney: Of existing...

Commissioner Quesada: That number's higher than I've ever heard. I've always...

Parking Director Kinney: No, it's 633...

Commissioner Quesada: Hold on.

Parking Director Kinney: In the two garages.

Commissioner Quesada: I hear what you're saying now. What I've always been told and I've repeated over and over is 562.

City Manager Swanson-Rivenbark: No. He's looking at Garage number 1, which is the smaller garage...

Commissioner Quesada: What's 1 and 4?

City Manager Swanson-Rivenbark: Garage number 4...

Parking Director Kinney: And on...

Mr. De Yurre: 631.

Commissioner Lago: And on-street.

Commissioner Quesada: Forget on-street.

Parking Director Kinney: And then on-street.

Commissioner Quesada: But then -- so then, you're saying it's really...

Parking Director Kinney: It's 633...

Commissioner Quesada: In the garage, it's 650.

Unidentified Speaker: 750?

Parking Director Kinney: Yeah, roughly 650.

Commissioner Quesada: 633, okay. I was told it's 560 something.

Commissioner Lago: How many of those parking spaces right now are dedicated for permitting parking?

Commissioner Mena: Right.

Parking Director Kinney: Well, there are no...

Commissioner Lago: That's my...

Parking Director Kinney: Spaces that are dedicated to permit park...

Commissioner Lago: The US Post Office pays how much?

Parking Director Kinney: For 70 spaces, but let me explain. Let's look at Garage 1, 288 spaces. I sell 210 permits. That sounds like a big number, but I can tell you there are four times as many hourly parkers in that garage. So, for -- I have the numbers over there, but for a typical month, there would be 3,500 permit parking episodes, and there would be 20,000 hourly parking. So, yes, we can kick out...

Commissioner Quesada: Yeah, but that's not -- that's a deceiving number. That's a deceiving statistic you just gave us because there's a lot of turnover for each spot...

City Manager Swanson-Rivenbark: Okay, so, sir...

Commissioner Quesada: Where the permit parker stays there all day.

City Manager Swanson-Rivenbark: With respect, we're not going to solve this all now.

Commissioner Quesada: Yeah.

City Manager Swanson-Rivenbark: We understand that you want us to meet. I will say, having had the unique experience of doing Village of Merrick Park, Gables Grand and the Palace and another product in another city, this kind of discussion between staff, between attorneys and -- amongst themselves and not with the Commission. Give it time to work out these types of...

Unidentified Speaker: Yeah.

City Manager Swanson-Rivenbark: Issues. Allow us to navigate and negotiate and bring it back to you.

Mr. De Yurre: I would just bring the question. Can we use the Tim Haahs study the RFP was based on or not?

City Manager Swanson-Rivenbark: It's not the place of the Commission...

Mr. De Yurre: Okay.

City Manager Swanson-Rivenbark: Right now to comment on that, given the changes that have happened in streetscape. And our subject matter expert in this city is our Parking Director.

Mr. De Yurre: Okay.

Commissioner Lago: But I think -- and I appreciate the Manager, you know, wanting to lay the ground rules, but I think that's an important question that needs to be answered because that was the last parking study that we did, including the CBD, and we need to make sure -- just give me one second. I promise I'll be done. And trust me, I want to get out of this discussion just as quickly as you do. We need to have that answer so that's not out there -- you know, it's not an ambiguous, you know, question or statement in reference to that study.

Parking Director Kinney: Staff -- we...

Commissioner Lago: Okay.

Parking Director Kinney: Has not said the study was invalid. What I am saying is the demand is much higher now than it was...

Commissioner Lago: Of course.

Parking Director Kinney: In 2013.

Commissioner Quesada: If you feel that we need an update, can we do something in a quick fashion...

Commissioner Lago: And budget...

Commissioner Quesada: Not something that takes a long time to get done.

Vice Mayor Keon: It may not need an update. They may already know based on the information that they have available to them how they add to that study.

Parking Director Kinney: Yeah. I...

Vice Mayor Keon: If the basis of the study was good, you can then project from that what the need is now.

Parking Director Kinney: Maybe Tim Haahs...

Commissioner Lago: Madam City Manager...

Parking Director Kinney: Could do an opinion just based on my statistics.

Commissioner Lago: When is our next Commission meeting?

City Manager Swanson-Rivenbark: Oh, I have that date. It's like...

Mayor Valdes-Fauli: We're going to talk about that because I'm...

City Manager Swanson-Rivenbark: March 13 or something. I have the date. It's in the second week of March.

Commissioner Lago: Do you think we can maybe have some sort of update at -- in the beginning of April or the last week of March...

City Manager Swanson-Rivenbark: Absolutely.

Commissioner Lago: Or some sort?

City Manager Swanson-Rivenbark: Absolutely.

Commissioner Lago: Just to give everybody enough time to really work at things. But I want to set some deadlines and some goals to kind of see that there's some movement here.

Mayor Valdes-Fauli: Alright.

Commissioner Lago: Are we okay with maybe...

Mr. De Yurre: Can we do it in a month?

Special Counsel de las Cuevas-Diaz: What did you...

Commissioner Lago: That's what I'm saying.

Mr. De Yurre: Can I come back here in a month with a term sheet that we propose...

Vice Mayor Keon: No.

City Manager Swanson-Rivenbark: Hold on.

Vice Mayor Keon: No, no, no.

Special Counsel de las Cuevas-Diaz: The goal would be...

City Manager Swanson-Rivenbark: We're going to work with the negotiations team. We will update...

Mr. De Yurre: I know, of course.

City Manager Swanson-Rivenbark: The Tim Haahs study, if the Tim Haahs study needs to be done within that period of time. I'm certain, based on all of that kind of study that he's done so far, updating with the increased demand can be done expeditiously. But I really would not recommend having negotiations at the dais separate from the team that is here.

Mr. De Yurre: I'm sorry. I want to correct my statement. I mean, we come back -- we have our discussions. In a month from now, we come back. You know, we might not -- I'm sure we're not going to agree on every point, but we can come back and present -- I can guarantee...

Special Counsel de las Cuevas-Diaz: So, you would submit...

Mr. De Yurre: We're not going to agree on everything.

Special Counsel de las Cuevas-Diaz: Right. So, you would submit the -- you know, the correspondence that Leonard was having with Mr. Morris. You would resubmit. We'll sit in a room. We'll do...

Mr. De Yurre: We can meet, yeah.

Special Counsel de las Cuevas-Diaz: What we talked about so that when we come here, really, the discussion should be, Commissioners, these are our open points. How do you want to handle them?

Mr. De Yurre: Minimize as much as we can whatever inflection points we have and get it back in front of the Commission because I see that they want to see it.

Vice Mayor Keon: Well, I also think it's very important that we all remember is that what the initial goal was, to build new parking garages that were efficient and were state-of-the-art parking garages. Whether or not you put anything else on top of them is really another matter for discussion. We put it on RFP to see what could come. But in the end, what we're building are parking garages.

Commissioner Mena: But again, I -- you know, and I think I differ a little bit from where you can Commissioner Lago are on this, a little bit, is that I think the economics are a major factor. And I understand, in principle, what you're saying, but when I'm talking to residents on another park and why we can't afford to put -- and redo that park until three years from now when it comes into our capital plan or we're \$200,000 short on this or -- you know...

Mayor Valdes-Fauli: Or buy seats at West Lab.

Commissioner Mena: This can be an economic driver for our...

Vice Mayor Keon: But...

Commissioner Mena: Economy. It's really important and we need...

Vice Mayor Keon: But we...

Commissioner Mena: To factor that in.

Vice Mayor Keon: We budget more on reoccurring revenues, not on that.

Commissioner Lago: But remember, this is...

Mr. De Yurre: This is -- we've -- you'll see the new structure. It's all recurring revenue.

Unidentified Speaker: Right.

Mayor Valdes-Fauli: Okay. We need a conclusion here, please.

Vice Mayor Keon: I think that's a business decision...

Mayor Valdes-Fauli: Somebody...

Vice Mayor Keon: We should make.

Commissioner Mena: They have their (INAUDIBLE).

City Manager Swanson-Rivenbark: We understand the sentiment of the Commission. We'll get it on the calendar, and we'll get the team -- lawyers included -- in the negotiations.

Commissioner Lago: That's the March meeting.

Mayor Valdes-Fauli: Good.

Commissioner Lago: Thank you.

Mayor Valdes-Fauli: Perfect. Thank you.

Interim Economic Development Director Roberts: One thing I need to ask...

Mayor Valdes-Fauli: And you can meet with me any time you want.

Mr. De Yurre: Don't worry.

Commissioner Mena: He had one question. Sorry, you had a question, Leonard.

Interim Economic Development Director Roberts: No, no. I just wanted to establish dates for that proposal, when that -- we would receive that next proposal.

Mr. De Yurre: I'll get it to you today.

Interim Economic Development Director Roberts: : Okay.

Commissioner Mena: There you go.

City Manager Swanson-Rivenbark: Excellent.

Special Counsel de las Cuevas-Diaz: Thank you.

Commissioner Mena: Thank you.

Vice Mayor Keon: And your six months is up, what, May 4?

Mr. De Yurre: Cinco de Mayo.

Special Counsel de las Cuevas-Diaz: Cinco de Mayo.

Vice Mayor Keon: Cinco de Mayo.

Mr. De Yurre: Can't forget that date.

Vice Mayor Keon: We could party.

Mr. De Yurre: We could have a big party that day.

Vice Mayor Keon: We could have a party, okay.

Mr. De Yurre: Thank you very much for your time.

Commissioner Mena: Thank you.

Vice Mayor Keon: It's Miriam's birthday.

[End: 11:28:20 a.m.]