

**City of Coral Gables City Commission Meeting**  
**Agenda Item J-1**  
**November 9, 2022**  
**City Commission Chambers**  
**405 Biltmore Way, Coral Gables, FL**

**City Commission**

**Mayor Vince Lago**

**Vice Mayor Michael Mena**

**Commissioner Rhonda Anderson**

**Commissioner Jorge Fors**

**Commissioner Kirk Menendez**

**City Staff**

**City Attorney, Miriam Ramos**

**City Manager, Peter Iglesias**

**City Clerk, Billy Urquia**

**Deputy City Attorney, Cristina Suarez**

**Economic Development Director, Belkys Perez**

**Public Speaker(s)**

**Jackson Rip Holmes**

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Agenda Item J-1 [12:27 p.m.]

Update regarding the BID and discussion seeking direction from the City Commission.

Mayor Lago: The last remaining item on the agenda, if I'm correct is City Attorney Item J-1.

City Attorney Ramos: Yes Mayor, that's correct. So, as you remember, two meetings ago, the City Commission adopted a resolution winding down the BID because of the fact that they did not get the amount of votes necessary to continue their existence for an additional five years. At that time, the Commission resolution allowed for an extended dissolution period of December 31<sup>st</sup>, if the BID was willing to put on the remaining events that Ms. Reinhart had come and presented to the City Commission. We took that back to them and asked whether they would be completing those events. They needed some more time, because they needed to have a meeting. They did that and they responded to me that they were not going to finish carrying out the events, but they intended

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to spend the remaining, they claim they have \$600,000 in carry-over funds, that they intended to spend them on advocacy and that they would expect that the city would complete the planning and execution of said events, but that they wanted to get credit for those events because they had significantly expended time and resources toward that end. So, at that time, I asked them to please provide us with the proof of what they had expended and what they had done so that the Commission could consider it. I followed up three to four times with the attorney for the BID. I only received a response this morning via e-mail after the Commission meeting had started with no additional documentation, simply a listing which Ms. Suarez will go through now. So, one is an update for the Commission; and two, is for the Commission to give us direction given the stance on the BID whether you still wish for them to have the extended period to dissolve, or whether you wish for them to dissolve immediately, one; and two, what the city intends to do visa vie these events and giving them credit for what they claim to have done, because again, I don't have proof of that. So, Ms. Suarez, if you could walk us through.

Vice Mayor Mena: As you walk us through it, can you just – I just want to make sure you explain something for me. I thought that, if I understood this correctly, they were not dissolving one way or another because they are a standalone entity. I thought that it was...

City Attorney Ramos: Two different things.

Vice Mayor Mena: Okay.

City Attorney Ramos: We would be dissolving the Chapter...

Deputy City Attorney Suarez: 170.

City Attorney Ramos: The Chapter 170 entity.

Vice Mayor Mena: Right.

City Attorney Ramos: They can continue to exist as a 501(c)3.

Vice Mayor Mena: Okay.

City Attorney Ramos: And then we would go back and presumably ask for those funds – we would go back and ask for those funds back. If they don't give us those funds back, then we would engage in some sort of litigation which I have approval for.

Mayor Lago: Can you put on the record, just so people understand because I've had people ask me, what is the city planning on doing with those funds, if those funds are given back to the city?

City Attorney Ramos: Carrying out the remaining events.

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Deputy City Attorney Suarez: Good afternoon, Mayor and Commissioners, Cristina Suarez, Deputy City Attorney. So, the e-mail from the BID's attorney that came in at 10 this morning, basically has a list of what they claim are the remaining 2022 events. First, they list that they have paid \$79,963 for lighting on the Mile, which represents 50 percent of a contract they have. Just to be clear, that's not holiday lighting, that is the lights that are always on the trees on Miracle Mile; and they said, they assume the city will pay the balance and will consider this a collaboration. So, I know that there had been discussions previously with staff and the BID about doing this, but the intention was always to come back to Commission, had the BID been approved and continue to exist, and so forth, to come back to Commission for approval of that additional 50 percent of that contract, which is, I guess, according to them \$79,000-plus, and there would be an agreement with responsibilities and whatnot.

Mayor Lago: So, can I ask just a quick question on that. I know you just got this document this morning. I know you are still trying to digest it. The Manager and I, along with Aura had multiple conversations about the lighting. We've all heard it; we want more lighting. I've even heard it this week – wow, the landscaping is being done, the sidewalks, the facades. We need more kind of holiday theme – Christmas, Hannukah, bring back the holidays. We had multiple conversations. Can you refresh my memory, did we approve the lighting finally. I'm in favor of the lighting. I'm confused right now.

City Manager Iglesias: This is replacing the wrap tree lighting.

Mayor Lago: Yes.

City Manager Iglesias: And we don't have time to replace it all now, so the Public Works Department is fixing it. What we would like to do is, has already been paid is to come up next year and replace all the lighting throughout the Mile. Right now, we don't have time to replace it all; we just correcting it for the Christmas Season and then come back and pay the rest of this contract.

Deputy City Attorney Suarez: I just want to clarify; I made a mistake.

City Manager Iglesias: Mayor, this is what we talked about.

Mayor Lago: Yes, that's my understanding. Go ahead.

Deputy City Attorney Suarez: Sorry, the city never contemplated paying 50 percent of this. It was going to be 100 percent the BID. They've paid 50 percent and his e-mail said, he assumes the city is going to pay the balance and will consider this a collaboration.

City Manager Iglesias: And what we talked about is, they were going to take care of that, but now they've paid the deposit down 50 percent, my understanding is to buy the actual lights, and so,

what happens now is since that contract has already been paid 50 percent, it would behoove us to go ahead and replace it all for half of that.

Mayor Lago: But let me ask you a question. Again, we just got this at 10 o'clock. Has our Public Works Department been able to look, or our Parks Department been able to look at the contract to make sure that this was actually ordered, that these items have been ordered, that this is exactly what we want, because again, there are already existing lights out there, we are now upgrading. Are we moving to LED? What are we doing that is – I want to know what we are spending \$150,000?

City Manager Iglesias: We don't have enough information. I think we are going to be looking at that, because that was their expenditure. But if they did what we talked about, I'm assuming that since we had that discussion, then we would like to finish the contract since we've already paid 75; do it next year, we can't do it now, because we don't want to get into replacing everything during the Christmas Season.

Mayor Lago: And I want to make sure, please, this is all I ask, the fact that it's a great product, has a good warranty, does the lifespan to the product where we are going to spend seventy-plus thousand dollars on this. Can we make sure this is what we want, because if this is not what you want, like if you want to add more branches, if you want to add decorative elements of things that maybe are hanging, whatever that may be, now is the time to do it now, than pay for something that you are not happy with later, you're like, well this doesn't work, or it's not up to our standards.

City Manager Iglesias: Mayor, what I'm assuming is that it is to our standards, it is what we want. If it's not, then we will certainly evaluate that.

Mayor Lago: Let's not assume, even though we don't have the information, we just got it at 10 o'clock.

City Manager Iglesias: Based on our discussions.

City Attorney Ramos: The city will ultimately finish the scope however we think is appropriate. The question is are we willing to give the BID credit for what they've put in thus far. That's what they are asking for.

Mayor Lago: Do you have proof? – do you have a receipt? – do you have a cashed check?

City Attorney Ramos: Assuming they provide all of that.

Vice Mayor Mena: You're talking about financial credit, like what do you mean?

City Attorney Ramos: They want it to be, the BID and the city put on, fix the lights on Miracle Mile, they want credit.

Mayor Lago: I don't care. I don't care.

City Attorney Ramos: Okay.

Deputy City Attorney Suarez: And I guess that's assuming that we decide to go forward with it, because it was, and I misspoke earlier and I apologize, it was their contract. They were going to do these lights on Miracle Mile. We were going to come to Commission for approval because it's going to be something they are doing on our right-of-way, on our trees, but it was always their contract. So, I know that staff is aware of what that contract has in it and what the plan was, but that hasn't been...

Economic Development Director Perez: We have talked to Public Works; they have seen the types of lights. We've made sure that we are all in agreement. The issue here is that, you know, it's the BID's contract.

Mayor Lago: I'm sorry to interrupt you. Please look at the warranty, please. Make sure it's like, maybe it's made in this country, maybe it's made in America.

Economic Development Director Perez: Yes, it is.

Mayor Lago: Maybe it's made in America. Let's be very, very careful, because I've seen and the Manager will tell you, in our business, you buy something, a year later its, oh, you can't get these parts, you can't do this, its broken and you spent \$150,000 on something. I'm all for it, we need it, its important, people are clamoring for it.

City Manager Iglesias: We will take a deep dive in it and make sure it's a good product before we jump in.

City Attorney Ramos: So, on the lights, assuming that the Commission approves the amount that will be spent for the remainder, they would get partial credit.

Mayor Lago: Yes, I don't have an issue.

City Attorney Ramos: Next item Ms. Suarez.

Deputy City Attorney Suarez: Okay. The next item they list is, they state the BID paid \$4,500 for the pumpkin arch. We are awaiting reimbursement.

City Attorney Ramos: My position on that is that we are not reimbursing them for the pumpkin arch, that was their – she stood up here and said she was going to do the pumpkin arch and they did from the money that they had collected.

Deputy City Attorney Suarez: And in fact, they did it.

City Attorney Ramos: And they did.

Deputy City Attorney Suarez: Right.

Mayor Lago: Next item.

Deputy City Attorney Suarez: Okay. Next one is, the BID paid \$8,132 for Christmas tree decorations and that represents 50 percent of their contract. There is obviously an equal amount outstanding, and they say that they assume the city will pay the balance and consider this a collaboration. Again, we have not seen a contract for this, we haven't had proof, received any proof of this payment.

Commissioner Menendez: As long as its documented and we see the documentation at some point.

City Attorney Ramos: So, assuming they paid 50 percent are we okay with giving them partial credit and we do the rest.

Vice Mayor Mena: Listen, I could care less about credit, to be perfectly honest with you, I don't care at all.

Mayor Lago: I'm done with that.

Vice Mayor Mena: Whatever credit they'd like, but I think the real question here is, are we willing to pay the other 50 percent on all of these items, is that what we would have normally done?

City Attorney Ramos: We would not have normally done it, but the Manager said that he wants...

Vice Mayor Mena: Why are we doing that? Why can't we say, no, you're supposed to pay for the entire thing. You already have the money.

City Attorney Ramos: We can.

Vice Mayor Mena: You already collected the tax revenue for this.

City Attorney Ramos: We can. The problem is, if they don't, then there's no lights for Christmas. So, we are up against the wall here. They put us in a terrible predicament, but the Manager does not want to let that ball drop. He wants us to pick it up and make sure that the holiday events go

forward as planned and then we're going to end up in court if they don't turn over the money. It is what it is.

Vice Mayor Mena: We'll deal with that.

Deputy City Attorney Suarez: And our position is that we would be able to then when we receive the \$600,000 or whatever is left over that...

Vice Mayor Mena: I would respond with the appropriate disclaimers that while we do not agree that the city is responsible for the other 50 percent of this, you are and always have been and already collected the monies for it, from these businesses, we will at this time, given the fact that they are not leaving us any choice, pay the other half so that the event can proceed and is not to the detriment of our residents.

City Attorney Ramos: Certainly. And we've preserved our rights in every correspondence. If you want to just list the rest of them Ms. Suarez.

Deputy City Attorney Suarez: Then they state that they have allocated in their budget \$70,000 for the Holiday Market, nothing has been paid on that yet.

City Attorney Ramos: Right – and I think we decided that we were not going to move forward with the Holiday Market, if they didn't do it, so that's fine. That's the last one.

Deputy City Attorney Suarez: And then they just state, Aura Reinhard spent many hours working with the vendors to assure that Halloween on the Mile was a success, despite no obligation to do so. Please make sure that, to the extent there is an inclination to continue to disparage the BID or suggest we've not been cooperative, that that characterization is dispelled.

Mayor Lago: I think the BID has done a wonderful job. Halloween on the Mile was incredible. Staff did a wonderful job, Public Works, Belkys, the Chamber, the BID "Dia de los Muertos," big success. I know some of you, my colleagues on the Commission stopped by, I mean there were hundreds of people out there. It was a great event. I think you said, Belkys, there were...

Economic Development Director Perez: There were 16 to 18,000 people on the Mile via pedestrian counters that went to "Day of the Dead" and to the Trick or Treat on the Mile.

Mayor Lago: All I heard was great things from the restaurants, from the businesses. It's a testament, you know what, to our collaboration and our brand. So, thank you to everybody. I really am grateful to the individuals who picked up the garbage in the garbage cans, to the people who were with the street sweepers, who came later, to the ladies who I see, there's a gentleman also, who is part of the grounds crew that cleans Miracle Mile. Thank you so much for your hard work. Everybody has done a wonderful, wonderful job. Everybody is a team, the Commission, the

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Manager, the City Clerk, our City Manager, everybody did a wonderful job, and we worked together, and we delivered on a wonderful holiday experience that was safe, thank you to the police, thank you to the firefighters, thank you to everybody.

City Attorney Ramos: The question becomes, what happens with their wind-down period, if they are going to do none of the events that we asked them to do, when instead are going to do what they call advocacy. Do we wish to allow them to operate till December 31<sup>st</sup> or do we wish to conclude their operations. Again, not of the 501(c)3, of the Chapter 170, immediately or on some date before December 31<sup>st</sup>.

Vice Mayor Mena: What is the...[inaudible]

City Attorney Ramos: They continue to expend funds. So, if we allow them to roll to December 31<sup>st</sup>, what they spend between now and then will be permissibly spent. If we don't, then would articulate that we get that money back immediately, and then presumably...

Commissioner Menendez: Are other expenses that they incur limited to certain types of expenses. How does that work?

City Attorney Ramos: There are expenses that they are allowed to incur as part of their Chapter 170, so there's certain scope of things that they could spend money on.

Commissioner Anderson: What do they mean by advocacy, you know? I have a problem with – I love what the BID was doing, and they agreed to do all these events and now, in order to be able to hold these funds and now they're not going to do it, so – very vague, very troubling. Again, it's a shame they didn't get the votes to continue on for the BID itself. The members of the BID, it would have been fabulous if they would have continued on, but just to say that you're spending it on advocacy and there is nothing listed here as far as what they're doing is troubling.

Commissioner Menendez: Have you asked what advocacy means? Does it mean advocacy for the businesses?

City Attorney Ramos: I think they said marketing and advocacy which is within their description of what they do in Chapter 170, like generally, you know advocate for the businesses. It's not outside of their scope. The issue is do we want them spending this money.

Vice Mayor Mena: I'll be fine with it. I'll be fine with it as long as it's consistent with the scope of their charter or whatever documents and consistent with expenses that incurred in prior years, and now you protect yourself if they go out and do something wild, which I don't think they are going to do, but if they were to go do something, you know.

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City Attorney Ramos: So, the question then becomes --

Vice Mayor Mena: What's your recommendation?

City Attorney Ramos: My concern is they are not paying the balance of these events, because they are choosing to do advocacy with that money, and so, we're now on the hook. The whole point of us asking them for that money is so we can reimburse ourselves for these events that they were supposed to put on. So, if we allow them to then spend \$600,000 on whatever they perceive as marketing and advocacy and we're out however much money, there may not be...

Vice Mayor Mena: So why don't we just condition it on that. Why don't we just say...

City Attorney Ramos: We did, and they said no, they are not doing the events. So that's why we're back here.

Vice Mayor Mena: I think it's either or then, based on what you just said. I think it should either be they pay full freight on the events that they were supposed to pay full freight on, if they do that, then we are okay with them continuing to operate.

City Attorney Ramos: With the balance.

Vice Mayor Mena: Right. But if they are going to basically change course on those events and now, we have to step in and pay 50 percent of it, with all the appropriate disclaimers, well then, let's shut it down, that's my...what my colleagues think.

Mayor Lago: I'm with you. I agree exactly what you said.

City Attorney Ramos: If you could phrase that as a motion, that would be helpful so we could draft a resolution.

Vice Mayor Mena: So, motion to do what I just said.

[Laughter]

Commissioner Menendez: My question is, I mean, the clock is ticking, and we don't have another Commission meeting till December, and my concern is there could be a hiccup along the way based on whatever it is we decide, and we find ourselves between a rock and a hard place and we don't get to carry out for the residents.

City Attorney Ramos: They have told us they are not doing the events. I'll basically give them till Monday morning to change their mind, if they don't, we're moving forward with the events.

City Manager Iglesias: And they did not do the Halloween event.

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City Attorney Ramos: Correct.

Commissioner Menendez: I just want guarantees that whatever we decide that the events will happen on a timely basis and the way it should be done. That's my biggest concern. Whatever we decide, I don't want later to realize, oh, we've got to meet again, we have to bring something back in December. Let's make it very clear on what we do, so that we avoid that pitfall.

City Manager Iglesias: And Commissioner, as I just mentioned, my concern is, they did not do the Halloween event, so they've already skipped out on one event. Economic Development did that event with Finance and did a fantastic job and that's an event that was there's.

Vice Mayor Mena: Listen, we are going to have to make decisions and we are going to have to be able to pivot as these things evolve. It's obviously that they are not cooperating.

City Attorney Ramos: They are not going to do that.

Vice Mayor Mena: I think we should assume they are not doing them, and we've got to do what we've got to do to make sure they get done.

City Manager Iglesias: We intend to do that.

Commissioner Menendez: Can we word the resolution or the amendment to the resolution in a way that allows the administration the flexibility they need to pivot without having to come back to us.

City Attorney Ramos: That's how I took his position.

Commissioner Menendez: Yes, because that's what I want – flexibility so that the administration can do what it needs to do on a moment's call.

Commissioner Anderson: I would suggest that...

Deputy City Attorney Suarez: Is the motion, sorry.

Commissioner Anderson: Its okay. You want to...I would suggest that the motion provide that if they decide by date certain, be it Monday, that they are not going to do the events that they have to expedite the wind-down.

Vice Mayor Mena: Yes. I agree.

Mayor Lago: You want to put it into a motion.

Vice Mayor Mena: Yes, that's what we're doing.

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City Attorney Ramos: And what do you mean by expedite? A wind-down could have been effective a month ago, effective Monday?

Commissioner Anderson: If they decide not to do the events.

Vice Mayor Mena: If they don't do that by Monday, make it effective Friday or whatever reasonable amount of time.

Deputy City Attorney Suarez: So, if they don't confirm to us that they will do the events, then the wind-down becomes effective.

City Attorney Ramos: He said Friday.

Deputy City Attorney Suarez: Friday.

Commissioner Anderson: I'll second your motion.

Vice Mayor Mena: Alright.

Mayor Lago: Mr. Clerk.

City Clerk Urquia: Mr. Mayor, I do have a member of the public requesting to speak on this.

Mayor Lago: Okay.

City Clerk Urquia: Mr. Rip Holmes.

Mayor Lago: Mr. Holmes, good afternoon.

Mr. Holmes: So, really, I think you all are doing a good job. So, there's probably really no reason for me to speak up, but I do want to thank all of you for stepping up and I really do, since I've got this time, I just want to mention to you, the statute is clear, Florida Statute 189. is it 067, section 2. It says that the BID has to turn over this money and \$600,000 even for the people, you all, who deal in much bigger money than I can imagine, is a lot of money. So, thank you very much.

Mayor Lago: We're moving forward. Anyone else? Any other comments?

City Clerk Urquia: No sir.

Mayor Lago: Alright. We have a motion, and we have a second.

Commissioner Menendez: Yes

Commissioner Anderson: Yes

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Commissioner Fors: Yes

Mayor Lago: Yes

(Vote: 4-0)

Mayor Lago: Thank you.