

City of Coral Gables City Commission Meeting
Agenda Item F-7
April 26, 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 Manager, Peter Iglesias

City Attorney, Miriam Ramos

City Clerk, Billy Urquia

Asset Manager, Zeida Sardinias

Public Speaker(s)

Agenda Item F-7

An Ordinance of the City Commission approving the purchase and sale agreement for the sale of Municipal Parking Lot 24, located at 5151 University Drive, Coral Gables, FL 33146, (Folio No. 03-4119-006-0200), to Doctors Hospital Inc., a Florida not-for-profit corporation; and providing for a repealer provision, severability clause and providing for an effective date.

(The lot is currently leased to Doctors Hospital)

Lobbyist: N/A

Mayor Lago: Anything else?

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City Attorney Ramos: F-7.

Mayor Lago: F-7, okay, yes.

City Attorney Ramos: F-7 is an ordinance of the City Commission approving the purchase and sale agreement for the sale of Municipal Parking Lot 24, located at 5151 University Drive, Coral Gables, FL 33146, to Doctors Hospital Inc., a Florida not-for-profit corporation; and providing for a repealer provision, severability clause and providing for an effective date. This is a first reading public hearing item. It does require a four-fifths vote. Ms. Sardinas.

Mayor Lago: And this is where I'm tying in the refresh of the appraisal on F-7.

Asset Manager Sardinas: So...

City Manager Iglesias: Yes, Mayor.

Asset Manager Sardinas: Good afternoon, Mayor and Commissioners. Zeida Sardinas, Asset Manager for Economic Development. The City of Coral Gables has been leasing Municipal Parking Lot number 24 at 5151 University Drive to Doctors Hospital since 1987, where the hospital provides free valet service for its patients and visitors. The initial 30-year lease term expired December 30, 2017. Since Doctors Hospital is an affiliate of Baptist Health System, on May 9, 2017, Baptist executed the hospital's automatic 30-year renewal right, effectively renewing the hospital's lease for the valet lot for another 30 years, or until December 30, 2047. In February of 2019, pursuant to Ordinance 2019-11, as amended, the City Commission approved a purchase and sale agreement between the City and Doctors Hospital, Inc. at \$3 million, authorizing the City Manager and the City Attorney to make necessary changes to the legal description. Between September 10, 2019 and January 14, 2020, the City Manager provided the City Commission with

several updates and was granted additional time without a set deadline to continue the negotiations with Doctors Hospital regarding the sale of the valet lot and the leasing of the abutting right-of-way. The City then started the process to conduct a comprehensive plan amendment, zoning code plan amendment, conditional use, and tentative replat to formalize the existing conditions of the valet lot and provide regulations for its future uses. In October of 2021, two additional MIA certified real estate appraisals were conducted for the valet lot. The appraisers, Integra Realty Resources and Quinlivan, valued the site based on multifamily duplex, MF1 zoning, at .6 million and 3.15 respectively. Therefore, the PSA terms now include the following: a purchase price of \$3.5 million, a \$350,000 deposit, a 15-day inspection period, the existing lease will be terminated. The City and Doctors Hospital will enter into a new lease. Closing will occur 15 days following the later of the expiration of the inspection period or the satisfaction of the hospital receiving a zoning confirmation letter confirming the land use entitlements and allowing the development and operation of a valet lot with 102 parking spaces, a final approval and recorded plat of the valet lot, and approved site plan and landscape plan. The City has also negotiated with Doctors Hospital regarding an existing declaration of restrictive covenant, which the hospital executed in favor of certain neighboring properties in 1994, limiting its use of the valet lot to a parking lot with no structures to be conducted thereon for 30 years. Since that covenant will expire on June 28, 2024, the City negotiated a new restrictive covenant with the hospital that will keep the same restriction on the valet lot. No structures to be constructed thereon for an additional 30 years. That is until June 28th of 2054. On June 29, 2021, the City Manager held a community meeting with the surrounding neighbors to review both the site plan and the landscape plan as well as explain the new restrictive covenant provision. On September 28, 2021, pursuant to Resolution 2021-286, the fiscal year 2020-2021 annual budget was amended to reflect the City Commission's revenue proceeds allocation from the sale as follows: 50 percent of it will go to the Public Safety building, 25 percent to the park improvements, and 25 percent towards acquisition of land for parks. While the critical requirements of the procurement code have been followed because the City did not advertise the sale and only dealt with Doctors Hospital, Inc., given that they are the current

leaseholders of the property, the item includes a waiver pursuant to Section 2-089 of the Procurement Code. Staff recommends approval. Please let us know if you have any questions.

Mayor Lago: Zeida, as always, thank you. Very professional. Do we have any questions? Any comments? Any further comments from the public or anyone? Mr. Clerk, nothing, right? We're good?

City Clerk Urquia: May I have a motion?

Mayor Lago: Did you close it?

City Clerk Urquia: No, we're good.

City Attorney Ramos: No public speakers?

City Clerk Urquia: No, ma'am.

Mayor Lago: Madam City Attorney, you --? Can I get a motion?

Vice Mayor Mena: I'll move it.

Commissioner Menendez: Second.

Commissioner Fors: Yes.

Vice Mayor Mena: Yes.

Commissioner Menendez: Yes.

Commissioner Anderson: Yes.

Mayor Lago: Yes.

(Vote: 5-0)

Mayor Lago: Thank you, Zeida. Great work.

Asset Manager Sardinas: Thank you.