

City of Coral Gables City Commission Meeting **April 12, 2022** 

## **ITEM TITLE:**

**Resolution.** A RESOLUTION FINDING THAT THERE HAVE BEEN SIGNIFICANT CHANGES IN CIRCUMSTANCES AND AMENDING RESOLUTION NO. 2019-96 TO ELIMINATE THE CITY'S DEADLINE TO BREAK GROUND ON A MOBILITY HUB TO REPLACE MUNICIPAL PARKING GARAGE 1, TO REMOVE THE PREVIOUSLY-PROVIDED DIRECTION TO THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE WITH CORAL GABLES CITY CENTER, LLC, AND AMENDING THE START DATE FOR CGCC'S ONE-TIME RIGHT OF FIRST REFUSAL, FOR A PERIOD NOT TO EXCEED 25 YEARS, TO PURCHASE THE SITE WHERE MUNICIPAL PARKING GARAGE 4 IS LOCATED

## **BRIEF HISTORY:**

In May 2013, the City Commission authorized the issuance of an RFP for the redevelopment of Municipal Parking Garages 1 and 4 ("G1" and "G4" respectively). In May 2014, the City Commission, via Resolution No. 2014-102, authorized staff to issue Phase I of the RFP.

In January 2016, the City Commission approved Resolution No. 2016-30, inviting all five (5) proposers to submit more detailed proposals in response to Phase II of the RFP, as approved in Resolution No. 2016-32. The City Commission did not approve any of the proposals, however, in January 2017, via Resolution No. 2017-23, by super majority vote, the City Commission authorized negotiations with Coral Gables City Center, LLC ("CGCC") for up to six months and that negotiation period was subsequently extended various times.

In March 2019, the City Commission considered the Proposal put forth, as amended, by CGCC (attached to Resolution No. 2019-96) and ultimately decided to allow the City an opportunity to break ground on building a new garage to replace the existing structure at the G1 site and set a deadline for the City to do so, of October 1, 2022. At that time, the City Commission also granted CGCC a right of first refusal to purchase the site where G4 is currently located, for a period not to exceed 25 years from March 26, 2019, if the City broke ground on the G1 site by the October 1, 2022 deadline. The City Commission also determined that if the City did not meet the deadline, the City Manager and City Attorney were authorized to negotiate a development agreement with CGCC consistent with the terms of the Proposal.

Since March 26, 2019, when the City Commission adopted Resolution No. 2019-96, the world has had to contend with an unprecedented global pandemic which has resulted in a different vision for the G1 site and a significant increase in construction costs. As soon as possible, the City began to efficiently and purposefully move forward with the steps necessary to meet the October 1, 2022 deadline for the City to break ground on G1.

In evaluating different design options, the City determined that building a mobility hub, instead of a standard parking garage, would better address the current and future needs of City residents, businesses, and visitors. A mobility hub allows for a building with adaptive reuse capability that can evolve with the times and provide a product that will fulfill the needs of tomorrow, as well as those of today. The City's proposed Mobility Hub design provides a dedicated area for micromobility, enhanced electric vehicle charging infrastructure, and an activated rooftop park (the "Mobility Hub").

Consequently, on June 8, 2021, the City entered into an agreement for professional services for design of a mobility hub. On July 12, 2021, the City held a "kick off" meeting regarding design, and in August of 2021 a purchase order for demolition design was issued, the program verification was submitted and the demolition design process began.

In August 2021, the City Commission adopted Resolution No. 2021-226 to award the Request for Qualifications ("RFQ") for Mobility Hub Pre-Construction & Construction CMR Services. In October 2021, the schematic design documents were submitted, the project was taken to the Board of Architects ("BOA") for conceptual design approval, the schematic design was presented to the City Commission, firms submitted their schematic design estimate, the BOA held a workshop, and the Level 1 presentation was made to the Development Review Committee ("DRC"). In November 2021, a meeting was held to review the schematic estimate and budget, the further developed design and concluded that the construction cost estimate was \$47-49 million. In December 2021, the City Commission held a Sunshine Meeting to discuss the project, on December 7, 2021, the City Commission voted to approve the site plan for the Mobility Hub, and subsequently, the plans for the demolition permit were submitted to the City.

The Commission determined that the Mobility Hub should be constructed by the City, in the best interest of the City. The City Commission feels that a mobility hub is more beneficial to the City's residents, businesses, and visitors, than a parking garage and the nearly-complete design of the Mobility Hub is incompatible with the Proposal submitted by CGCC. The City Commission has concerns about the current increase in construction costs that are being experienced nationally, which are far beyond what can be attributed to inflation and is expected to be temporary.

Consequently, the City Commission has re-evaluated the Proposal, as specified in Resolution No. 2019-96, and decided, irrespective of the City breaking ground, that it does not wish for the City Manager and City Attorney to negotiate a development agreement with CGCC consistent with the Proposal. Instead, the City Commission wishes for the City to build the Mobility Hub on the G1 site, whenever it is in the best interest of the City, its residents, and visitors to do so.

The City Commission does wish to extend the right of first refusal period granted to CGCC on the G4 site, not to exceed 25 years, to begin on the date of this resolution.