

**City of Coral Gables City Commission Meeting**  
**Agenda Item G-3**  
**February 23, 2021**  
**City Commission Chambers**  
**405 Biltmore Way, Coral Gables, FL**

**City Commission**

**Mayor Raul Valdes-Fauli**  
**Vice Mayor Vince Lago**  
**Commissioner Pat Keon**  
**Commissioner Michael Mena**  
**Commissioner Jorge Fors**

**City Staff**

**City Manager, Peter Iglesias**  
**City Attorney, Miriam Ramos**  
**City Clerk, Billy Urquia**

**Public Speaker(s)**

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Agenda Item G-3[Start: 11:56 a.m.]

A discussion regarding the term of the Miracle Theater lease agreement between the City of Coral Gables and Actor's Playhouse Productions, Inc. (Sponsored by Commissioner Fors, Jr.)

Mayor Valdes-Fauli: G-3, Commissioner Fors.

Commissioner Fors: Thank you Mayor. I put this agenda item up for discussion, a discussion regarding the term of the Miracle Theater lease agreement between the City and Actor's Playhouse Production. The folks from Actor's Playhouse, probably the Executive Director, Barbara Stein has likely met with most of my colleagues at one point or another. I believe there was a discussion that they were having regarding requesting the City to give them an additional renewal term at the end of their lease. They explained that being able to show benefactors and grant organizations and the endowment, like the Florida State Endowment Program, that they have the right to be occupying that theater for a longer period of time into the future, allows them to continue to fund some of the excellent work that they do there. At the beginning of the conversation, probably when they met with all of you, they were talking about a 20 to 25-year extension. I think after discussions with

*City Commission Meeting*  
*February 23, 2021*

the theater and with the City Manager, we are not talking about an extension like that anymore. What we would be considering, and I'll be bringing for your consideration at the next meeting, will be a ten-year extension, in addition to the one they currently have. I'm going to, between now and then, present additional information. I also want to take a look at the rest of the lease, together with the City Manager to ensure that there is nothing else that should be updated in the lease now that we are going to consider this, if we were to pass it. I wanted to put it on your radar, so you can start taking a look at it, thinking about it when I bring it back next time, we can make potentially a decision to...

Mayor Valdes-Fauli: That's a wonderful thing for you to put on the agenda for next time. I was, I feel that I was partly responsible, if not wholly responsible for bringing Actor's Playhouse to Coral Gables. Hurricane Andrew destroyed their prior facilities in the Kendall area, and they were looking to for new space. At that time the Miracle Theater, which is owned by Wometco; Wometco wanted to close it and they wanted to put there a second-hand or cheap ladies clothing store and I basically convinced them to try to turn this over to the Miracle Theater and they gracefully and graciously did. Hertz was very, very influential in this and the Miracle Theater restored, with our help, but restored the theater, invested hundreds of thousands, if not millions of dollars in there, and they have been in Miracle Mile, which is wonderful, in Miracle Mile a wonderful, cultural resource for Coral Gables. I think that with our small size, we have more live theater than any other community in Miami-Dade County, and I think its wonderful. I think it's a wonderful thing to have and I thank you for putting it on the agenda for next time.

Commissioner Fors: Thank you Mayor. And let me add one more thing. People don't realize this, and I really wish the word would get out about it. This is not a neighborhood theater, this is what's considered to be a regional professional theater, which technically speaking is only one notch down below Broadway. Its one of only 13, quote/unquote "cultural" institutions in Miami-Dade and we are incredibly lucky to have one in a historic building on Miracle Mile, and we are very lucky to have it. And I always try to remind people, this is not a neighborhood theater, like you might go see when you are on Christmas vacation and you end up in Charleston and you stop in to see a rendition of Romeo and Juliet. These are professional actors, union actors, professional production, its really amazing that we have it here in the city. And one point, Mayor, I was aware that you were instrumental in getting the theater here.

Mayor Valdes-Fauli: Very much so.

Commissioner Fors: In fact, when I started looking at this issue, I spoke to the sole Commissioner who voted against the lease and the arrangement, that was former Commissioner Chip Withers, and he told me that he would actually be in favor now, if he still sat on this Commission of continuing to extend it.

*City Commission Meeting  
February 23, 2021*

Commissioner Mena: The only thing I would add, Commissioner Fors, and I already sort of indicated this to staff, if we are going to really consider a ten-year extension, by the way, its not a ten-year extension from now, it's from...

Mayor Valdes-Fauli: The end of the lease.

City Attorney Ramos: 2030.

Commissioner Mena: From 2030 forward, is that right.

Commissioner Keon: Yes. They have 19 already.

Commissioner Mena: So that's a long extension and so, the only thing I would say is, let me be clear, I 100 percent agree with what both of you just said, and we are lucky to have them and we want this to continue to be a tremendous theater and an asset and a cultural asset for our city. I do need to see, if I'm going to give a ten-year extension from 2030 to 2040, I would like to see a lot of the numbers, and as you talk about a ten-year lease, what's the current rent? I understand it's a low market, which is not abnormal for a cultural institution like this, because you do have to have some leeway, but what should it be in 2030? Typically, when you renew a lease there is some sort of escalation. We'd have to know what their numbers look like. Obviously, a lot of that's based on fundraising and grants and things like that, so its complicated, and so I just want to make sure that we have a wholesome presentation on all the numbers so that we can really evaluate. We are all in agreement that we would love to have an extension, I think, but what does that actually look like and what are the terms of that extension. I have no idea sitting here today, and so, I think we need that information.

Commissioner Fors: And by the way, that's exactly what I meant when I said that I was going to go through it, the entire lease and how it could change in the future, if anything should be updated, and I think the answer is probably going to be yes. Initially, I was not going to put this up on discussion so soon. I was going to do that first and bring it, discussion from staff.

Mayor Valdes-Fauli: Commissioner Fors, the ball is in your court. Break a leg.

Commissioner Fors: We are bringing this back for next meeting and we will have precisely that comprehensively analysis, so all of us up here can actually make an informed decision and ensure the things that we would be concerned about at that renewal point in the future, are addressed with contingencies in the lease.

*City Commission Meeting  
February 23, 2021*

Mayor Valdes-Fauli: Thank you.

Vice Mayor Lago: Commissioner Fors, first of all, I commend you for putting this on the agenda and I support you. I do have concerns, obviously with the length, the extension of the lease, which I don't have an issue with it, as long as we bring to light certain issues that I have regarding the current lease amount; deferred maintenance, which I think is incredibly important in that building; whose going to pay for that deferred maintenance? We have continued issues, we've had leaks in that issue, excuse me, leaks in that building that have resulted in significant amount of renovations, resulting in having to replace floors. They've been trying to address a litany of issues in the building that, again, require the city to invest a lot of time and I want to see how we are going to address those issues. Also, is the tenant leasing the facility to other institutions? Are those institutions religious institutions? How does the city feel about that? It's a public building. Is the city entitled to any compensation for that? So, do I think that they are doing an exceptional job? – yes. Do I think that they deserve an extension? – I do. But I want to look over the books; I want staff to look over the books very cleanly. I want to talk about what will be the terms and how we are going to address the issue of deferred maintenance? This is not only a historic building, but it's a very old building, in a position which has issues with water, that have been coming up for years. So, I'd like for the Manager for the ACM to really look into that and give us their honest opinion on what does the deferred maintenance look like? What are we looking at in regard to the financial implications? Do we need to build a fund with maybe the proceeds of the lease that are coming in. Does that need to be directed outside of the general fund and maybe put into a fund directly into fixing, kind of like what we do with the Biltmore, because this is a city asset. So, I support you, Commissioner, I'm glad that you put this on the agenda. I think it's great and I think its about time that we address the building as-a-whole, because it would keep coming up and up and up.

Mayor Valdes-Fauli: Thank you. Thank you, Commissioner.

Commissioner Keon: I think we have a professional asset manager in the city in Zeida and in Economic Development with Julian that are very, very capable of looking at whatever those leases are and through Covid you have seen problems with a variety of leases that you have the opportunity to work on. So, we have very good and competent staff that can do that. Thank you.

Mayor Valdes-Fauli: Thank you.