

**City of Coral Gables City Commission Meeting
Agenda Item J-5
November 13, 2018
City Commission Chambers
405 Biltmore Way, Coral Gables, FL**

City Commission

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

City Staff

**City Manager, Peter Iglesias
City Attorney, Miriam Ramos
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Assistant Economic Development Director, Leonard Roberts
Planning and Zoning Director, Ramon Trias
Parking Director, Kevin Kinney
Finance Director, Diana Gomez**

Public Speaker(s)

**Anthony De Yurre
Allen Morris
Mark Trowbridge
John “Jack” Thomson
Maria Magdalena Estupinan
Ron Shuffield
Jackson “Rip” Holmes
Vivian de las Cuevas-Diaz**

Agenda Item J-5 [0:00:00 p.m.]

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Agenda Item J-5 -Resolution approving the general terms and authorizing the City Manager and City Attorney to negotiate a development agreement with Coral Gables City Center LLC for the redevelopment of Municipal Parking Garages 1 and 4 in which CGCC proposes a public private partnership to provide an improved parking structure and build a residential and office mixed-use project.

A Resolution approving the general terms and authorizing the City Manager and City Attorney to negotiate a development agreement with Coral Gables City Center, LLC (CGCC) for the redevelopment of Municipal Parking Garages 1 and 4 in which CGCC proposes a public private partnership to provide an improved parking structure where the City will retain ownership and/or control of the public parking component and build a residential and office mixed-use project compatible with the surrounding neighborhood.

Mayor Valdes-Fauli: Let's go, let's go. We have a time certain, J-5.

City Attorney Ramos: J-5, sir, is a resolution approving the general terms...

Mayor Valdes-Fauli: (INAUDIBLE).

City Attorney Ramos: And authorizing the City Manager and City Attorney to negotiate a development agreement with the City -- with the Coral Gables City Center, LLC for the redevelopment of Municipal Parking Garages 1 and 4 in which CGCC proposes a public private partnership to provide an improved parking structure where the City will retain ownership and/or control of the public parking component and build a residential and office mixed-use project compatible with the surrounding neighborhood. I have made the determination that a four-fifths vote is required for this item due to the value of the land that is being used being well over one million dollars.

Assistant Economic Development Director Roberts: Good afternoon. Leonard Roberts, Economic Development Assistant Director. With us today, we have Barry Abramson from Abramson and Associates, who has provided consulting services for the City and has been part of this project since the inception. He has provided advice and consulting related to the finance component. He's also worked with the City on other P3s, like the Village of Merrick Park, Gables Grand, the Palace. We also have Kevin Kinney today, the City's Parking Director, who has hired Tim Haahs and advised on the current and future parking demands and the

development of the garages. Ramon Trias, who has assisted with the size of this project. Diana Gomez, who's provided input related to the financing options. And Vivian de las Cuevas, who is our outside consultant, who has assisted with the negotiations. And, I'm going to just fly through this presentation. The two sites being discussed are public garages on Andalusia, one across from Publix and the one behind Actor's Playhouse. These two sites are zoned commercial high-rise. They allow up to 190 feet with Med bonus. Garage 1 site was built in 1962 and has a land base of roughly 35,000 square feet and 282 public parking spaces. Garage 4 was built in 1955 and has a land base of 55,000 square feet with currently 348 parking spaces. Both sites are used to accommodate short-term parking and permit parking needs of the CBD. The objective behind the RFP was to replace -- the public private partnership was to replace the functional obsolescent garages with new smart garages that will meet today and the future's parking needs and allow for a mixed-use development that provides a balance of parking, design, economic development and financial benefits to the City. The City has a detailed timeline of events. The history captures some of the main dates. I won't go through all of these dates, but the list of events from the City Commission approval, of drafting the RFP...

Mayor Valdes-Fauli: Why don't you go through the dates?

Assistant Economic Development Director Roberts: Yeah, sure.

Mayor Valdes-Fauli: Go through the dates, please.

Assistant Economic Development Director Roberts: Sure. So, the initial date was May 2013, when we approved to draft an RFP. Then we have May 2014 when the City Commission approved Resolution 2014 for issuing the Stage I of the RFP -- issuing the RFP. And on -- then on August 14, 2015, we had received five different proposals. In January 2016, the City Commission approved Resolutions 2016-30 and 32, inviting all five proposers to respond to the Stage II of the RFP. In May of 2016, we had received two proposals in response to that Stage II from Coral Gables City Center and Terranova. The -- in December of 2016, the Evaluation

Committee that was comprised of several different City boards -- recommended to proceed with CGCC (Coral Gables City Center). In January 2017, the Commission authorized Resolution 2017-23 for the City to negotiate with Coral Gables City Center for a period of six months, and if agreement could not be reached, it authorized the City Manager to negotiate with TC Gables -- or Terranova -- for six months. And if an agreement could not be reached then, for the City to pursue alternate courses. And then, in November of 2017, the City had already triggered that negotiation timeframe for that six-month period. And you know, we had several workshops and City sunshine meetings. And through that timeframe, through the good faith negotiation, the City Manager, through his authorization, provided six months of extensions, up to November of 2000 and -- actually, November 2018. The official expiration, as mentioned, was November 5, 2018. The last Commission meeting, the City Commission authorized an extension until tomorrow, November 14, for the City and the CGC to come to an agreed upon business terms. So...

Vice Mayor Lago: Leonard, before you move forward -- through the Mayor, I think we're missing one important date. Do you have when the zoning...

Commissioner Keon: 2010.

Vice Mayor Lago: Changed on the property?

Commissioner Keon: 2010.

Vice Mayor Lago: Do you have the exact date or no? I want to make sure that's put on the record.

Assistant Economic Development Director Roberts: The date, I...

Vice Mayor Lago: Yeah, because I don't think any of us on this Commission were here when it -- when the zoning was changed.

Commissioner Keon: On the 24th day of August 2014, I think. Is that right?

Planning and Zoning Director Trias: Vice Mayor, the land use change...

Vice Mayor Lago: Yeah.

Planning and Zoning Director Trias: That took place in 2010.

Commissioner Keon: Right.

Vice Mayor Lago: And that was...

Planning and Zoning Director Trias: That was initiated by the City.

Commissioner Keon: I'm sorry, 2010, right.

Vice Mayor Lago: And, I think it's important to talk about the significance of that and what the...

Commissioner Keon: 24th of August 2010.

Vice Mayor Lago: What the ramifications are...

Planning and Zoning Director Trias: Yes.

Vice Mayor Lago: In reference to that zoning change.

Planning and Zoning Director Trias: Anyway, that's the date.

Vice Mayor Lago: That was a 3-2 vote, just so you're aware.

Assistant Economic Development Director Roberts: So, both sites, the 55,000 and 35 (sic) square feet is roughly 90,000 square feet. The City allows up to a 3.5 FAR with Mediterranean bonuses. That would provide a roughly 315,000 square feet of developable space. In addition, the City does allow the transfer of historic TDRs to get you to 4.375. And, these two sites combined would roughly provide 393,500 square feet with the use of TDRs. Under the RFP, the City requested the developer provide access to Miracle Mile. And, the City will allow the developer to transfer those Miracle Mile FARs as a result of acquiring those properties for use as a paseo. Since that November -- actually, from the January date of 2017 to our trigger date of negotiations on November 2017, the City received several proposals from CGC ranging from their latest proposal of 4.375 FAR to a previous proposal of 5.39. So, this chart reflects the different proposals we received throughout the year. The blue bar and the red line represent each proposal submitted total square feet and the FAR. The yellow line is where the 3.5 FAR would lie. And the green line shows where 4.375. So, the proposal...

Vice Mayor Lago: So, this proposal -- I see, obviously, you're above the 4.375. What is the exact FAR?

Unidentified Speaker: It's on the red line.

Vice Mayor Lago: I'm sorry.

Commissioner Keon: 3.5.

Assistant Economic Development Director Roberts: What -- I'm sorry, the question?

Vice Mayor Lago: No, no, no. I got it.

Assistant Economic Development Director Roberts: Okay.

Vice Mayor Lago: Thank you.

Assistant Economic Development Director Roberts: So, the first building that's being presented is the -- on -- this is the elevation on Andalusia of the office tower, G1. This is the east elevation of the tower that includes a ten-foot encroachment into the alley, no encroachments on Andalusia. The building would be 190 feet high to the roof deck. It consists of one floor of ground floor retail, eight floors of parking and seven floors of office. The seven floors of office consist of 117,000 square feet and there are 430 public parking spaces, 320 private spaces. And the ground floor retail is 8,000. This is a ground floor bird's eye view that shows the entrance and exit of the parking on the west of the building. It shows two separate retail bays in red and the City proposed -- City-owned paseo on the eastern end that leads to the 200 Block of Miracle Mile. This is the Andalusia elevation for the residential tower proposed for Garage 4, the one across from Publix. The eastern elevation of the residential tower includes a ten-foot encroachment onto the alley for the parking pedestal, no encroachment on Andalusia, and the building would be 163 feet in height, consisting of one floor of ground floor retail, four floors of a parking pedestal, ten floors of the actual residential tower. Those residential towers will consist of 236 residential units, 190 public parking spaces and 375 private parking spaces. And the ground floor will be roughly 12,800 square feet of retail. The ground floor will consist of three retail bays, noted in red, two entrance and exit points on the western end of the garage. The City-owned paseo will be near the middle of the project that leads to the 300 Block of Miracle Mile. So, parking -- public parking. The City would own 620 public parking spaces at all times. And the developer has proposed using the private spaces of 293 spaces available on nights and weekends. After a meeting with staff and CGC, the second proposal came up which shifted one of the actual garages from the office tower onto the residential and that created an opportunity to

increase the number of public parking spaces by 80, which the number of public parking spaces will now go from 620 to 700.

City Manager Iglesias: Let me clarify that. That will be...

Vice Mayor Lago: Yeah.

City Manager Iglesias: One floor from G1 parking garage to -- so that would be -- G1 would be lower and that floor would be transferred so that the G4 site is much larger, so the increase is 70 cars.

Commissioner Keon: So...

City Manager Iglesias: It will be lowering one site and raising the other.

Commissioner Keon: And what's the height of the one -- the descending one now?

City Manager Iglesias: (INAUDIBLE) would be...

Assistant Economic Development Director Roberts: It would go up by nine feet. So, one down by nine feet, the other one up by nine feet.

Commissioner Keon: So, it's...

City Manager Iglesias: About 180...

Commissioner Keon: Not 190 anymore?

Assistant Economic Development Director Roberts: Correct.

Commissioner Keon: its 182?

Assistant Economic Development Director Roberts: 190.6 minus 9.

Commissioner Keon: So, it's 182.6.

Assistant Economic Development Director Roberts: And then the other one will go up by that.

Commissioner Keon: Okay.

City Manager Iglesias: Roughly, 180 versus 170 now because they've shifted.

Commissioner Keon: Right. And the other (INAUDIBLE)...

Assistant Economic Development Director Roberts: And this is an important distinction because our Parking Director has noted that that 700 number is what he needs to meet his current and future parking demand. To build a project that includes public parking and CGC's required private parking spaces and adding their use would create a large project. So, as a result, the City proposed the ground floor retail parking requirements be absorbed into the public parking spaces. There are roughly 70 retail spaces that are being absorbed under this allowance. CGC's parking requirements for the office tower requires 390 parking spaces, and their proposal for the private is 320. The City's Development Service Department reviewed the requirements, has opined the number of spaces provided should be sufficient since the office tower's a Class A building and usually the parking ratio is smaller for that building. So, if you look at this, it just pretty much shows you that the number of parking spaces that are being provided of 722 parking spaces. So, this is a FAR analysis. The total project is 460,000 square feet, 12,000 additional square feet will be on Miracle Mile. The FAR square footage allowed at 4.375 would be 393,500. So, that remaining square footage to achieve that 472,000 square feet comes from the Miracle Mile sites

they'll be acquiring for purpose of paseos. The combined FAR at 3.5 is 378,000 square feet. So, that will require an additional 94,000 square feet of TDRs. And staff's initial analysis would consider the TDRs for a couple of our historic sites.

Commissioner Keon: Excuse me. You're including the paseos that are on Miracle Mile into the square footage...

Assistant Economic Development Director Roberts: No. The developer is proposing acquiring paseos that would be the City's ownership.

Commissioner Keon: Right.

Assistant Economic Development Director Roberts: And the ground floor -- the land base of those would be absorbed into the project. 12,000 square feet would remain on Miracle Mile and the difference would shift into the project. That was part of what we are allowing as part of the project in order to incentivize them to build paseos. The proposal ownership is being considered as a vertical subdivision and this would allow the City to own the public parking component of the garages and the developer to own the private uses. A vertical subdivision is somewhat similar to a condominium but offers more flexibility. The City has engaged in outside counsel to further understand the tax implications of this structure. But based on initial discussions of outside counsel, it is a very workable solution. The latest appraisal was received in August of 2018. The value was based upon \$85 a square foot for the first 3.5 FAR and \$40 a square foot for the remaining -- any remaining FAR above 3.5. There are roughly 410,000 square feet of development rights that are being proffered -- that the City's proffering, which are valued at about \$30.5 million. The value is broken out as the first 3.5 FAR as roughly \$27 million, the additional TDRs that are required to get to that is \$3.2 million, and then the additional TDRs attached to the Miracle Mile sites is \$660,000, and that's how you get to the \$30.5 million. The developer's cost to build this project is estimated at \$36.6 million. And, the way that that's broken out is roughly \$25 million is a direct cost, and an additional \$8 million towards the

acquisition of the paseos, alleyway improvements, and their proposing an apartment unit for Actor's Playhouse. That gets you to \$32 million and change. The developer, in the proposal, is including 293 private parking spaces and they've allocated a cost of about \$3.9 million, and that's how they get to \$36.6 million in cost. So, the value that the City is proffering is \$30.5 million, and according to the developer, their value that they're providing to the City is \$36.6 million.

Commissioner Keon: Okay, so this chart is telling us that at 620 spaces -- this is the City Center -- it's 36.5; 700 spaces, it's 39.2. If the City builds a parking garage of 750 spaces themselves, it's 35,000?

Assistant Economic Development Director Roberts: 35 million. So, that 20...

Commissioner Keon: 35 million, I'm sorry.

Assistant Economic Development Director Roberts: Yeah, that...

Commissioner Keon: 35.5.

Assistant Economic Development Director Roberts: Yeah. So, this is trying to compare apples to apples, where...

Commissioner Keon: Okay.

Assistant Economic Development Director Roberts: The City would build on the Garage 1 site. But because we were asking the developer to acquire a paseo, this also includes the acquisition of the City purchasing the paseo. And it also includes alley improvements, and we would also build retail in that structure, so that's how you get to that 35. So, it's not straight -- the straight

cost for building is somewhat (INAUDIBLE) direct cost to build (INAUDIBLE) for those 750 parking spaces is roughly \$28 million.

Vice Mayor Lago: And that's only one ac -- one paseo, correct?

Assistant Economic Development Director Roberts: That is one paseo, yes. And this is...

Vice Mayor Lago: (INAUDIBLE)

Assistant Economic Development Director Roberts: For one garage structure -- yeah. And the...

Commissioner Keon: Why is the City only going to build -- why is it only \$4.6 million for the City and \$7 million for...

Assistant Economic Development Director Roberts: Right. So, the reason being is because the -- we are -- through the proposal, we're building a garage on Garage 1 and Garage 4. Under the City build scenario, the 750-car garage, it will be on one site and the City would sell the Garage 4 site. And so, what we would be proffering if we were to sell that Garage 4 site is \$16.4 million that would be the value of that one site by itself. And the cost on the Garage 1 site would be \$36 million -- \$35.6 million. So, just to kind of give you...

Commissioner Keon: This is contemplated on our building on one site and selling the other site?

Assistant Economic Development Director Roberts: Correct.

Commissioner Keon: I don't -- I -- where did we ever come up with the idea that we were going to sell that other site?

Assistant Economic Development Director Roberts: That we would sell it?

Commissioner Keon: Yeah. Where did that ever come from?

Assistant Economic Development Director Roberts: That -- in previous proposals and discussions, my understanding is that was something that we were looking at.

Commissioner Keon: I don't -- I don't remember that. I thought it was...

Vice Mayor Lago: I don't...

Commissioner Keon: Pretty clear that we weren't going to sell anything.

Assistant Economic Development Director Roberts: Well, we have -- we do have Barry Abramson here and we do have some other financial models that we put together related to -- but they all include some sale or -- I apologize, not a sale, a lease -- a lease of the other site, I apologize.

Commissioner Keon: There's a huge difference in a sale and a lease.

Assistant Economic Development Director Roberts: It would be a lease component for -- but the value of that site in order to calculate that lease payment would be \$16.4 million. And we can get into the...

Commissioner Keon: So, this -- because this is not the sale. It's a lease then.

Assistant Economic Development Director Roberts: Under the City build...

Commissioner Keon: The 16...

Assistant Economic Development Director Roberts: Scenario.

Commissioner Keon: Yeah, okay.

Assistant Economic Development Director Roberts: So, what does that look like? This is a cash flow analysis looking at -- and we'll just look at the 700. The original proposal that we were provided on October 12 was the 620 cars. I'm just going to jump over to the 700 cars. And the two proposals that were presented were that the City -- they'll provide 700 parking spaces, allow the developer to build their use, and with that, there would be an annual payment to the developer. And they're requesting an annual payment of 759. That annual payment is based upon what they refer to as their development yield on the difference between what the value of the City's site is and what they're receiving -- what they have to come out of pocket. So...

Vice Mayor Lago: So, that 759 represents the acquisition of the paseo sites...

Assistant Economic Development Director Roberts: Yes.

Vice Mayor Lago: The moving of the tenant, the renovation of the alley.

Assistant Economic Development Director Roberts: That's the way I'm looking at it. The way they look at it is they take what they need to achieve in their financial pro forma and -- well, which is -- let's look at it that way. So, what they need to achieve to meet their financial pro forma is a 6.5 percent yield in the last proposal they presented. In order to achieve that development yield -- development cost yield, it was \$759,000.

Vice Mayor Lago: A year?

Assistant Economic Development Director Roberts: A year.

Vice Mayor Lago: For 30 years.

Assistant Economic Development Director Roberts: Escalating at 2 percent each year. Under the 700 and -- now, there is an alternate option where they've presented where it would go from 759 to 439,000, and the City would waive the impact and permit fees that the City would receive and that would bring it down for that difference. So, what are the financial implications on a cash flow basis? We have 1.4 million -- sorry, \$1.4 million for building the 700 parking spaces without permit fees. And if we waive the permit fees, it works out to -- and it's \$1.7 million because that difference -- that consists of -- we have...

Vice Mayor Lago: So, the impact fees are about -- all fees...

Commissioner Keon: Six million.

Vice Mayor Lago: Were about \$4.3 million, correct?

Commissioner Keon: No, they're six point something.

Assistant Economic Development Director Roberts: We have -- they had provided 6.7 and we looked at it 4.3, so we're using 5 million as an estimate because I -- we weren't able to achieve their \$6.7 million in permit fees. It may be...

Vice Mayor Lago: That includes -- when you talk about permit fees, that's all fees. It's...

Assistant Economic Development Director Roberts: It could be...

Vice Mayor Lago: Art in Public Places...

Assistant Economic Development Director Roberts: It could be County fees, yes.

Vice Mayor Lago: It's, you know, parks fee.

Assistant Economic Development Director Roberts: Yeah.

Commissioner Keon: (INAUDIBLE)

Assistant Economic Development Director Roberts: And this would be the fees that the City is not...

Vice Mayor Lago: All the City-controlled fees.

Assistant Economic Development Director Roberts: Right, City-controlled fees, correct.

Vice Mayor Lago: Because the County ain't throwing us a bone.

Assistant Economic Development Director Roberts: Right. The interesting piece -- and not to get into detail here is that, you know, the City has -- we've used a million dollars as our marker because that what we make today. That million dollars does have some citywide allocated expenses. Our garages and our public garages -- our public parking spaces, we have an allocation of citywide expenses, so there's roughly about \$250,000 sitting in there. So, the net number to the City under the 700 car spaces would be roughly 143,000 without those expenses. And with those expenses, it would be roughly 393, so that's the additional money the City would make on day one. Granted, Parking does have plans for increasing parking rates over time, and so that number will grow. Under the waiver, that number -- as I mentioned, it was 7 million -- \$1.7 million. After the one million dollars of net income, it works out to 713,000. And then, if you back out the allocated expenses, it's 463,000. So, that -- again, there's the -- just the net number after our current position today. And that includes rental revenue -- I'm sorry, garage

revenue for the public parking spaces. It includes garage revenue for the private spaces. It includes real estate taxes due to the City as a result of development project. And that's net of the guaranteed payment to them.

Vice Mayor Lago: Does that include also rental of the two paseo locations?

Assistant Economic Development Director Roberts: We would own the paseo locations.

Mayor Valdes-Fauli: We would have them. They would be ours.

Assistant Economic Development Director Roberts: So, here's the scenario for the City build. And Commissioner Keon, to your point, this would include \$1.4 million of revenue for 750 cars, 510,000 of retail space and (INAUDIBLE) ground floor retail and we're estimating roughly 17,000 square feet. Now, in order to acquire debt attached to that to build those, it would be roughly \$2.3 million. The income before real estate taxes and before any lease payments to the City would be 300 -- negative \$364,000. We have -- Barry has calculated what our annual guaranteed lease payment would be, which works out to roughly a million dollars. And so, the City would net -- before real estate taxes -- \$618,000. Then after the City's portion of real estate taxes, it would be roughly \$860,000. Now, how does that compare today's one million dollars, it's shortly -- it falls short, so, roughly, \$142,000 less than we currently make today. Now, if the City were to do a similar situation and waive permit fees, the annual payment -- lease payment due to the City would be greater than a million dollars. It would be \$1.1 million. And so, it would pretty much be a breakeven in the scenario that includes a waiver for the developer to build on the Garage 4 site.

Commissioner Keon: This is the parking garage cash flow if the City were to build this...

Assistant Economic Development Director Roberts: Right.

Commissioner Keon: As simply a parking garage.

Assistant Economic Development Director Roberts: As a parking garage and lease the Garage 4 site to a developer. So, that revenue that -- if you look on the -- where it says annual guaranteed lease payment, that's revenue the City would receive as a result of leasing the Garage 4 site to a developer to build.

Commissioner Keon: Okay.

Vice Mayor Lago: What if we just built a garage on G1 without leasing G4?

Commissioner Keon: Well, it would be a million less.

Assistant Economic Development Director Roberts: So -- well, we're pretty much -- what would you do with Garage 4? Will you just leave it as is?

Vice Mayor Lago: (INAUDIBLE) plans. Demolish it.

Mayor Valdes-Fauli: Yeah, but why don't we concentrate...

Vice Mayor Lago: I'm just asking.

Mayor Valdes-Fauli: On what we have in front of us?

Vice Mayor Lago: I am concentrating. I'm concentrating significantly. I'm paying...

Assistant Economic Development Director Roberts: Well, I -- Commissioner -- Vice Mayor, let me ask -- we have our consultant who's here for a very short period of time and I wanted to get into the finance side of stuff...

Vice Mayor Lago: Perfect.

Assistant Economic Development Director Roberts: And take advantage of the time that he's here.

Mayor Valdes-Fauli: I don't want to get into it, building a garage.

Assistant Economic Development Director Roberts: So, where does this bring us to? The City Commission has determined four main items of concern. Number one, the number of public parking spaces. Number two, size/massing of the project, ownership structure and the financing piece. Under the 10/12 proposal of 620 parking spaces, this did not meet the City Parking Director's parking requirement, but with revisions on the November 7, 2018, with the 700 public parking spaces, this meets the Parking Director's current and future parking needs. Number two, size and massing. The FAR square footage of this project is within the prescribed FAR, and staff has reviewed the size of the project and has determined the size and massing presented would be approved if it was a third-party project. Joining of sites to calculate the FAR is allowed under the current Zoning Code. The City would have -- under this, in order to achieve that 4.375, the City would have to transfer 94,500 square feet of TDRs in order to achieve that. The ownership structure. The ownership structure, the City will retain ownership of the public private -- I'm sorry, the public parking, but does not retain development rights or full control of the site.

Commissioner Keon: Or lease -- yeah, or the retail space.

Assistant Economic Development Director Roberts: Or the retail (INAUDIBLE), correct.

Commissioner Keon: Or the retail space. So, we own, but we don't control.

Assistant Economic Development Director Roberts: We would have ownership, but we would not own (INAUDIBLE)...

Commissioner Keon: Have no control.

Assistant Economic Development Director Roberts: Control the entire site, correct.

Commissioner Keon: But no control.

Assistant Economic Development Director Roberts: The City would also have -- under a 99-year lease, you know, similar situation, the City would have no control during those 99-year lease timeframe, but after that 99-year lease timeframe, assuming there's no default, the City would gain back control. The fourth item of reflection or concern is the financing. The City's intent was to allow the developer to build a project on its site in exchange for building garages for the city. Then intention was to limit the out of pocket to be incurred by the City. The developer's proposing payment of \$449,000 and a waiver of impact/permit fees of approximately \$5 million, if the City had chose to go that route. I have spoken to the City's Finance Director and she's here right now, and their preference would be the waiver versus the guaranteed payment to reduce the actual annual payments from the large amount to the lower amount in exchange for the waiver. By increasing the public parking from 620 to 700 -- just to show the difference between those -- that proposal -- the original proposal and now, there is an additional cost to the City of \$164,000 annually. So, that 790 -- that \$700,000 number was increased from \$600,000 as a result of increasing 80 additional spaces. Now, the City would make an additional \$150,000, so there is a wash really between the revenue we receive in year one and what it would cost the City as a result of building those additional 80 spaces. So...

Mayor Valdes-Fauli: Anything else?

Assistant Economic Development Director Roberts: Yeah, questions, and I'd like to take -- ask the Commission if you have finance questions, I'd ask if you can refer to those first. We have our consultant who's here and he's only here for a short period of time. He has a flight to catch shortly so...

Mayor Valdes-Fauli: Are there questions for the consultant?

Commissioner Keon: Which consultant?

Vice Mayor Lago: The finance consultant.

Mayor Valdes-Fauli: Finance.

Commissioner Keon: The finance consultant?

Assistant Economic Development Director Roberts: Finance.

Commissioner Keon: I don't understand the -- I just -- I need somebody to explain to me the vertical...

Vice Mayor Lago: Subdivision?

Commissioner Keon: Subdivision issue.

Commissioner Mena: Agreed.

Commissioner Keon: And how that ownership is structured and what control we still have and what rights we still have under that type of an arrangement.

Assistant Economic Development Director Roberts: So, I've had a conversation with an outside counsel related to how the structure works. And it's a similar concept -- yeah, please.

Unidentified Speaker: Go ahead.

Assistant Economic Development Director Roberts: It's a similar concept to a condominium but provides more flexibility. In a condominium, it's pretty much, you know, a box you can cut. With a vertical subdivision, it could be three dimensional. You can do it by plat. You can do it by easement. You can do it by encroachment. So, you can structure it differently and it's more flexible. Secondly, it doesn't require you to establish a separate entity for an association. So, there -- it provides more flexibility that we have a Florida Condominium Association Act that there are certain regulations involved. This is not subject to that.

Commissioner Keon: Yeah, see I don't understand how that's similar to...

Assistant Economic Development Director Roberts: And that's why we've hired an outside consultant to give more...

Commissioner Keon: Yeah, I don't -- I don't -- yeah. I still can't follow how it's similar to that.

Vivian de las Cuevas-Diaz: It's the newest version of a condominium, for lack of a better word. This is a new -- it's new.

Commissioner Keon: But it's a condominium...

Ms. de las Cuevas-Diaz: It's not. It's a vertical...

Commissioner Keon: It's not a condominium or -- without a condominium...

Ms. de las Cuevas-Diaz: It's not a condominium. It's a vertical subdivision, which is a new...

Commissioner Keon: Right.

Ms. de las Cuevas-Diaz: It's a new entity...

Commissioner Keon: So, you don't have the same -- I mean, it's -- you could have...

Mayor Valdes-Fauli: It's the same legal concept of a condominium.

Ms. de las Cuevas-Diaz: What are you looking for?

Commissioner Keon: Yeah, I don't think it's the same legal concept as a condominium. A condominium is...

Ms. de las Cuevas-Diaz: It's not.

Commissioner Keon: It's not.

Ms. de las Cuevas-Diaz: It is a new -- a new vehicle that was enacted, so it is not. It comes from the deviation of not everything works in a condominium. This allows us to have our parking space and for them to have their residential. And yes, we are going to live together. Let's be very clear. And in the future, they will own a portion and we will own a portion, and if anybody needs to do anything, there is going to be a conversation.

Mayor Valdes-Fauli: And that's not a condominium, vertical?

Ms. de las Cuevas-Diaz: It's a ver -- it is. I mean, but we -- to be clear, we are not entering into a condominium. So, we are entering into a vertical subdivision, which is the newest legal vehicle that allows us to have this flexibility amongst each other of ownership.

Mayor Valdes-Fauli: And would you call a vertical subdivision -- a horizontal vertical subdivision, what would you call that?

Ms. de las Cuevas-Diaz: What would I call...?

Mayor Valdes-Fauli: A condominium.

Ms. de las Cuevas-Diaz: Well, I agree, except we're not going to follow those statutes. That's the...

Commissioner Keon: They don't follow the statutes of condominiums.

Ms. de las Cuevas-Diaz: We don't?

Commissioner Keon: I mean, there are -- there are statutes -- state statutes regarding condominiums...

Ms. de las Cuevas-Diaz: Yes, there are.

Commissioner Keon: That require associations and require a variety of things and reserves and all kinds of other things. We don't follow those, so...

Assistant Economic Development Director Roberts: Well, we have...

City Attorney Ramos: You mean this would not follow them.

Ms. de las Cuevas-Diaz: Well, this would not follow that.

Assistant Economic Development Director Roberts: Yes, correct.

Ms. de las Cuevas-Diaz: I'm sorry. I was like, well, we don't follow...

Commissioner Keon: No. We would...

Ms. de las Cuevas-Diaz: We do not.

Commissioner Keon: Well, this wouldn't follow it, so I'm not...

Ms. de las Cuevas-Diaz: We wouldn't need to, though. We wouldn't be doing anything incorrect. We would purposely create a vertical subdivision.

Commissioner Keon: Right, I know, because it doesn't come under that legislation.

Ms. de las Cuevas-Diaz: It does not.

Commissioner Keon: Has it been legislated anyway?

Ms. de las Cuevas-Diaz: It has.

Commissioner Keon: Is there any statutes...

Ms. de las Cuevas-Diaz: There -- it is. It is created. It is a created vehicle.

Commissioner Keon: Right, and what are the statutes that apply to this?

Ms. de las Cuevas-Diaz: I don't have it in front of me. I mean, I could definitely send it to you.

Commissioner Keon: Thank you.

Ms. de las Cuevas-Diaz: It -- but for all intents and purposes, your mind is not incorrect to think that it's a con -- it is -- it extends from condominium. It's just the same way if we go back to 2000 when LLCs were created. They stem from corporations. But with life, people realized in real estate LLCs were needed.

Commissioner Keon: Right.

Ms. de las Cuevas-Diaz: This is the same thing. It's something that over time has been created because it gives developers the flexibility to do what they're doing today.

(COMMENTS MADE OFF THE RECORD)

Ms. de las Cuevas-Diaz: It doesn't hurt -- I mean, is there a concern that you want us to address?

Commissioner Keon: No. I just think it's realizing what all of the ramifications of that are. So, everyone knows that it is a partnership, that, you know, if we -- we may own the underlying ground, but we won't -- there's portions that we won't own that are part of ours. And, this deal is structured so that we don't own the retail and we don't control the retail and we don't get rent for the retail.

Ms. de las Cuevas-Diaz: That is correct.

Assistant Economic Development Director Roberts: The...

Commissioner Keon: We only own those sections that are...

Assistant Economic Development Director Roberts: Public parking piece.

Commissioner Keon: The public parking decks.

Assistant Economic Development Director Roberts: Yeah.

Commissioner Keon: And we don't have -- and we no longer have any of the development rights. The development rights also then transfer to the other party, so although we may own ownership of the ground floor, we seem to have very little control. And, I don't understand what value is -- of ownership is with no control.

Ms. de las Cuevas-Diaz: The one thing that you do have control...

Commissioner Keon: So, explain that to me.

Ms. de las Cuevas-Diaz: The one thing you do have control of, which is the one thing that I think I've heard the most -- I'll go back to my four comments, guys. It was size, money, ownership, parking. What are you controlling? You're controlling your parking. You...

Commissioner Keon: The only thing we do...

Ms. de las Cuevas-Diaz: Own 700 spots.

Commissioner Keon: Is parking.

Ms. de las Cuevas-Diaz: Right, so you've got to look at this as a two-part -- for this to work, yes, you're giving up retail. You're giving up residential. You're giving up office. What you

are getting is a parking structure like you currently have today, and obviously, in a newer and better format to be able to service. The plus to the parking is you only own 700, but you're going to be -- we are going to be able to use -- at night -- more parking spaces. So, that's what you're getting control of. Are you losing control of the other items? Sure. It's the developer's way of saying you asked me to give you a parking garage; I need to make my money somehow. That's what the deal is.

Mayor Valdes-Fauli: Okay. We have certain people that wish to speak, and I would like to call them up, and then we'll continue the -- after their comments.

City Attorney Ramos: Mr. Mayor, we may want to hear from the developer first, and then take public comment.

Mayor Valdes-Fauli: Okay, the developer.

Anthony De Yurre: I want to thank the City, Mr. Mayor, Commissioners, Vice Mayor Lago. Thank you very much for giving us the time to be in front of you today. In particular, we want to thank staff, recognize the City Manager's efforts since he was boots on the ground, frontline on this thing as of only weeks ago. He has caught up to speed and really helped shepherd the process forward from where we were when he got involved. And so, we want to allow for -- I want to take a moment to allow Mr. Morris an opportunity to address the Commission. But before that, I just -- we'll allow Mr. Lago to come back, afford him a second.

Mayor Valdes-Fauli: We can wait two seconds while he comes back.

Mr. De Yurre: Sure.

Mayor Valdes-Fauli: You're not wearing red shirts or blue shirts or whatever it is here to promote the subject like the last...

Mr. De Yurre: No, but we need a sweater because it's kind of cold in here.

Commissioner Keon: It's freezing in here.

Mayor Valdes-Fauli: It is cold.

Commissioner Quesada: Next time, can you wear a cowboy hat?

Mr. De Yurre: Cowboy hat.

Commissioner Keon: White or black?

Mr. De Yurre: I was in Davie a couple of weeks ago and they do have a cowboy themed city hall and it's pretty interesting.

Commissioner Mena: I've been there.

Mr. De Yurre: You have been there. It's fantastic, beautiful. Not as nice as the coral rock that we have here, of course. But you know, I want to give a second for Mr. Lago -- Commissioner Lago to come back, but you know, there was a lot of information that was run through very efficiently by Mr. Roberts. And you know, really, this is -- as outside counsel, Ms. Vivian de las Cuevas stated, it really comes down to...

Mayor Valdes-Fauli: Here he is.

Mr. De Yurre: The same issues. Oh, Commissioner Lago.

Vice Mayor Lago: I had to use the bathroom.

Mr. De Yurre: Sure. No, we were being patient and allowing you the time to come back.

Vice Mayor Lago: I used Quesada's bathroom too, by the way.

Mr. De Yurre: Not going to get into that.

Vice Mayor Lago: Everything was spectacular, thank god.

Mr. De Yurre: Not going to get into that. But I will allow -- I want to allow -- before I kind of get into the meat and bones of it -- Mr. Morris an opportunity to speak, obviously, on the project. The project has been very near and dear to his heart. I can easily say and I can speak without pause in saying that this is very much a legacy project for him, and he feels very committed to the City. And, I want to allow him a couple minutes to speak to the Commission.

Allen Morris: Thank you. I'll be brief. But I just want to say thank you for the opportunity to make this presentation and to be working on this together with the City staff and Commission for the last four years and ten months. We have responded to all the City requests and changing priorities and actually have revised the project and the financial structure 19 times up until last week, over the last two years, to respond to changing priorities and questions and needs of the City. And this is the project that you asked for -- the City asked for in 2013. And if you look in your books, it even refers to the comments made in Section 2 of that Commission meeting in 2013 about the importance of building these new city garages in 2013, and the importance of bringing economic vitality to Miracle Mile with the commercial development on this site. Through the process, I've been through two mayors and three city managers, and two city attorneys, and two economic development directors, and I'm still standing, so I'm glad to be here. The exciting thing to me is that this project solves, I believe, all of the requirements not just of the RFP, but the needs of the City and the needs of the community. It replaces the obsolete garages not someday, but now. The economic revitalization of Miracle Mile

immediately. It also can reduce -- result in reduced traffic when we create a live/work/play community where people can either own a car or not own a car. If they own a car, they can park it and walk to work, walk to the grocery store, walk to their entertainment, walk to the restaurants and shops and never get in their car. So, it takes traffic off of the streets, reduces the carbon footprint because of the shared parking, reduces the carbon emissions, because of less cars on the street. And, because of the smart parking and shared parking system, it also reduces the nuisance traffic on the street of people circling the city looking for that parking space that I do myself and I think all of us do. When we're looking for a parking space, we can find it immediately with great parking signage, directional signage, smart parking system. This -- benefits to the City also include what we're proposing as really dramatic, iconic, beautiful, world-class architecture. You all are familiar with Alhambra Towers. You have it on the cover of your different City publications and on the website. And these will be the sister buildings to Alhambra Towers. We've won nine awards for Alhambra Towers. And, the actual office building of Coral Gables City Center Building 1 is the same size parking garage, the same ground floor plus eight levels of parking, so it's not out of proportion, and yet, it's much less office space than we have in Alhambra Towers to meet the FAR requirements of this development and the City's requirements. It'll double the parking income to the City that the City's currently receiving right now. And, it'll nearly double the nighttime and weekend parking that the City will get for free that we will build and the City will have available to the public for free. So, it's a win for the City and it's a win for the public. Our -- the corporate headquarters that we will bring to Miracle Mile will itself immediately bring revitalization and economic impact on Miracle Mile that we're excited about. And, this will require no City debt and no City bonding capacity. This is all self-funding. It's a windfall to the City and to the public and only projects a minimum return in order to make the project financeable. Because if it's not financeable, it's not feasible and it'll never get built. So, we have to build in a minimal return, which is 6.7 percent return. And it's all transparent and it's all disclosed, so there's no hocus-pocus here. There's no secrets. And, I would just like to ask you to please vote in favor of us proceeding now so we can deliver this great thing to you and to the City of Coral Gables and to the people of Coral Gables. Thanks very much.

Mayor Valdes-Fauli: Thank you very much...

Vice Mayor Lago: Thank you.

Mayor Valdes-Fauli: Mr. Morris.

Mr. De Yurre: I wanted to just be as brief as possible, and I gave you a small binder with five tabs, and I just want to take the opportunity to walk you all through it as quickly as possible. Because I think -- I don't want to overload you with information on the project. Look, it's been going on for decades. It's a complex project. There have been 18 revisions throughout this project. We've been selected first, second and third, even our third-place proposal was 20 -- I believe, close to 25 percent more than the second-placed proposer, okay. And so, we want to try to just break it down to its most basic parts. You have here an opportunity today where you do 700 spaces in the day and 993 spaces at night. Why 993 at night? Because it's shared through our garages. And the City keeps the income from those spaces at night. That's not today, tomorrow or 30 years. That's in perpetuity. The FAR -- and I'm going to put it up here (INAUDIBLE). We've reduced it and we have no encroachment on Andalusia.

Commissioner Quesada: Will you please grab the microphone?

Mr. De Yurre: I want to -- I can't say this enough is that through the work with your Planning & Zoning Director and staff, we have refined this project and now we have no Andalusia encroachment. Originally, we went to an encroachment on Andalusia to lower the garage podium. We understand there are certain dimensions that have to be adhered to and so we've cut back on that. Has that created inefficiencies in the project? Yes, but we've committed to them and we'll talk about them in a second. Also, you've heard about it four or five times. We've got the project down to the 4.375. I know it's important, and so it was important to us to accomplish those two particular factors. The City gets today a benefit in total of \$39.2 million, okay. That

breaks out into \$27.3 million, as you heard Mr. Roberts, in regards to the garages, as well as an additional \$500,000 that we're going to provide in terms of an Actors' Playhouse townhouse that we'll turn over ownership to the City for the benefit of the Actors' Playhouse; a \$500,000 alleyway revitalization, as well as a \$7 million paseo and acquisition renovation budget. If you saw in your budget, you allocate 4.6 just for one, so \$7 million for two is a pretty strong number that we feel comfortable with. What is -- and then also, you heard about \$3.9 million. That's our 300 spaces that we're going to provide you -- you're going to use it for 40 percent of the time. We're going to use it for 60 percent of the time. What will be the cost allocation of that on that basis will be \$3.9 million. Obviously, you keep all the revenue from that. So, we're talking about close to \$40 million of benefit the City's getting out of this deal. That's today. That's what the City's going to get. You're going to own the paseos and you're going to own the Playhouse townhouse. There's also \$50 million in estimated taxes that the City's going to see out of this project over the next 30 years. I think the number that you saw from the City of approximately 600 -- a little over \$600,000 -- \$620,000 in taxes a year is a little conservative. It was based on a project called Gables Ponce. I've spoken to the property appraiser and it was yet to be readjusted. Generally, they take a lower appraisal value. Once the project stabilizes, the County comes back and reassesses at a much higher number. So, that's just going with the City's numbers. We're not increasing our numbers -- our internal numbers. And in total, you're going to get an extra \$1.1 million is what I read based on our project. And, even if you take out an increment that we need to get there to bridge the gap between the paseos and the alleyway improvements and the extra parking space that the City wants, you're still coming out ahead about three quarters of a million dollars versus what you have in your pockets today. Not to mention...

Mayor Valdes-Fauli: I'm sorry.

Mr. De Yurre: Yeah.

Mayor Valdes-Fauli: Go ahead.

Mr. De Yurre: Not to mention the economic vitality of it. I think we gloss over it, but you're going to have 500 employees. You're going to have an anchor tenant here with a global headquarters on one tower, and you're going to have luxury, large apartments -- these are only 59 one-bedrooms, okay. They're going to have actually 59 three-bedrooms, and the remainder will be very large two-bedrooms. Luxury apartments. People go -- disposable income, go spend money in the CBD. Offices go spend their corporate card in the CBD. This is not a scenario where people are locked in-house with a food program. I know that there have been some concerns about that in the past with other projects. And so, I just want to turn real quick to Tab 2. This is from May 28, 2013. And I just want to -- this has been a long path, but I want to remember where we started. And in 2013, I want to briefly quote Commissioner Lago at that particular meeting. From my understanding, I don't know when exactly this has been discussed in the City. But I know the revitalization of these two garages on Miracle Mile have been an issue for almost ten years now. So, I think we need to move forward on this issue. We need to give the residents and the business community what they need to continue to lead this community, so I'm a hundred percent behind this project. I went to the last meeting of the BID and I got a tongue lashing from several business leaders in the community in regards to the current status of the downtown, but more importantly, our garages, which is something we need to, invest in our infrastructure. Commissioner Keon, briefly. In regards to the discussion of approving the RFP, I agree. I don't know if it was with that same emphasis, but I'm imagining what it was. I agree. I know that we don't have the ability -- we don't financially have the ability it appears to build a garage, but I do certainly understand the financial need to move forward with this RFP. And I mention that just for perspective, because we get lost in the minutia of it in working this deal and trying to make the deal work, and it's been very complex to get it down to the 4.375. It's been very complex to get rid of the Andalusia encroachments. On Tab 3, this is your own City Attorney's legal opinion in regards to the project dated October 29, 2018. And I will quote -- the importance here is it requires no up-zoning. And, I know Commissioner Lago raised the issue of when this project was zoned currently as of 2010. We can go into the history of the prior iterations of trying to accomplish this redevelopment, but as it

stands right now, this project requires no up-zoning. And to quote the legal opinion, the latest version of the proposed project submitted to the City on October 12 has an FAR of 4.375 and either a PAD or mixed-use development -- mixed-use project will work. Of the two options, the City prefers the mixed-use and the Planning Director has indicated that it's possible for the project to meet all the requirements set forth in the MXD, which is the mixed-use table. On Tab 4, I just submit for you the renderings and elevations of the project. We want to point out a couple of things because I understand, looking at this, there's not really an appreciation for a lot of the articulation in this project, okay, because of the time in trying to get this put together and the complexity and all the moving pieces. This tower has been moved down to 163 feet. This tower has been made -- the residential tower -- into only 236 units. There were numbers that were far in excess of that. We don't want to go into why, but let's just -- needless to say, the RFP led us down that path. It's a path that we have corrected and we've turned away from and we're back in understanding that number 4.375 and understanding the no Andalusia encroachments. And so, we get down to a number of 236 units on the project. By the way, that podium, that four floors of parking and one floor of retail, given the pedestrian experience on Miracle Mile, can't be seen. What you're going to see is the architectural features of the towers of the arch from the Miracle Mile side in particular as it's reduced to 163 feet. The second sheet, Garage 1. If you look at it, that base podium, that is what the City would have if it went and decided to build its own garage. If the City said, as it's been proposing there, we want to do 750 spaces, that's exactly what you would have. That is 750 spaces in there. It's split between public and private use. But at night, that's why you have the use of 750 spaces in total. That is exactly what you'll get. It's a single helix. What is above it is a small -- that is the smallest office tower that you can put out to the market. It's just over 100,000 feet. Again, to point out, this parking deck is the same height of 121 Alhambra. The difference of the office tower on top is it's significantly smaller and it's reduced back from the podium.

Vice Mayor Lago: Mayor, if I may, since we're talking about single helix and double helix, I have a few questions.

Mr. De Yurre: Sure.

Vice Mayor Lago: Obviously, having a double helix would be a lot more efficient. I think it would be more beneficial for the project. Do you feel that the project suffers by going the route that you just mentioned?

Mr. De Yurre: I agree there's a lack of efficiency, but we were required to -- well, no, there's yes and no. It's easier for us to break up the parking if we have a public component on one helix and a private component on the -- we absolutely agree, which is what we had when we had the 120-foot garage plate, which was with the Andalusia encroachment. So, what happens? You chop off that ten foot and you reduce it down to one helix so we can accommodate the spaces that we need. So, in its current iteration with 110-foot garage, that is the most efficient design. Is there a more efficient design? Yes, but it includes a 120-foot garage plate. Also, before we had two helixes, it was easier for us to break up the income. So, we're basically relegated to say, City at night, you just get all the income from this garage.

Vice Mayor Lago: In reference to G1 and the commercial component...

Mr. De Yurre: Yes.

Vice Mayor Lago: Where would the end users be parking?

Mr. De Yurre: The commercial component of the retail?

Vice Mayor Lago: Yeah.

Mr. De Yurre: So...

Vice Mayor Lago: No, no. And of the -- obviously, on top of the parking podium.

Mr. De Yurre: Sure. So, you'd have a total of 750 spaces in that garage. And the way it breaks out is you have -- in the daytime, you have, in Garage 1, 430 stalls available to the City -- and I want to highlight that as soon as I answer your question. And there are 320 private stalls available for the office development. And the reason why you see 430 in there is because that was prior to us shifting a floor from G1 to G4.

Vice Mayor Lago: But there's 80 additional spots.

Mr. De Yurre: So -- that's how we pick up the 80 additional spots because it's 100 -- it's approximately 100 per floor, G1 and it's approximately 170 -- there's some efficiencies we pick up to get o 180 in G4. And so, ultimately, what you have in there are a large number of -- you have 330 City stalls in there, which is an increase from what you have today. what you have today are probably 400 operational spaces, according to staff, because the top floor is not occupiable and nonoperational. So, we actually envision that when you go from 400 operational spaces to 700, you're going to see a significant increase in parking revenue, but we're going to go with the City's numbers.

Vice Mayor Lago: So, my question to you -- which you didn't answer -- was where would the office users park?

Mr. De Yurre: There are 320 private stalls.

Vice Mayor Lago: On what floor?

Mr. De Yurre: They're going to park on the upper floors. The City's going to get the first floors of parking.

Vice Mayor Lago: The prime...

Mr. De Yurre: Correct.

Vice Mayor Lago: The best parking.

Mr. De Yurre: Correct.

Vice Mayor Lago: And you have -- you're committed to doing that?

Mr. De Yurre: Correct.

Vice Mayor Lago: You're not going to have...

Mr. De Yurre: I mean...

Vice Mayor Lago: You're not going to have people having to fly up 15 minutes to find parking...

Mr. De Yurre: No, no, no.

Vice Mayor Lago: All the way at the top?

Mr. De Yurre: There...

Vice Mayor Lago: I want to make sure we're clear on that.

Mr. De Yurre: There might be a caveat. There is a small amount of reserve parking -- I'm just bringing...

(COMMENTS MADE OFF THE RECORD)

Mr. De Yurre: How many reserve? How many reserve spaces?

(COMMENTS MADE OFF THE RECORD)

Mr. De Yurre: Approximately -- there'll be approximately 50 reserve spaces for our office tenants that would be on the first floor...

Vice Mayor Lago: Why is that?

Mr. De Yurre: But the remainder -- the reserve tenant would -- the market is that they would negotiate a particular reserve space.

Mayor Valdes-Fauli: Yeah. That's the way it is in every building.

Mr. De Yurre: We have to allow that flexibility. But independent of those 50 spaces, the first spots are all the City's 320 parking stalls. The remainder of our spaces are going to come after the City's stalls on the higher floors.

Vice Mayor Lago: So, it's safe to say your first floor plate will just be those executive level parking spaces, correct?

Mr. De Yurre: No, because the typical floor is 100 spaces. So, 50...

Vice Mayor Lago: But you have, obviously, storefronts. You have, you know...

Mr. De Yurre: The first...

Vice Mayor Lago: The parking structure.

Mr. De Yurre: The ground floor is no parking on it at all. It's all retail and back of house. So, your first floor of parking, let's call it 70 to 100 spaces, it might be an atypical floor, but you're looking at 50 of them are for the reserve spaces, and then the remainder are going to be public spaces. Once we exhaust the 320 public spaces, then the last floors are for our office tenants and then we open up those gates at night for the public. And again, the issue with the parking -- the biggest crunch you've had with occupancy, your absolute peak is in the nighttime, the times that you shut down your garages in the nighttime. And so, with 993 spaces, we don't foresee -- and obviously, your Parking Director can speak on this issue -- but that's going to be more than sufficient to deal with the nighttime and restaurant uses, what's the heaviest right now in Downtown Gables.

Mayor Valdes-Fauli: Okay, anything else?

Mr. De Yurre: Well, the last tab...

Mayor Valdes-Fauli: Yes.

Mr. De Yurre: The last tab -- because I've had conversations with -- about scale. And we want to understand what the scale of this project is versus other projects within the CBD because, look, the City wants to do it right. We're not fooling anybody. These are the City's sites. The City's in control and the City has the opportunity to say today this is what we want and is this in or is this out of proportion with what there is within the CBD. And so, if you go to Tab 5, I'll just quickly turn the chart so we can have them for reference. And I'll use my microphone as instructed last time. Is this working?

Commissioner Keon: Yeah.

Commissioner Quesada: Yes.

Commissioner Keon: Why do we always have so many problems with that microphone? Go buy a good microphone.

Mr. De Yurre: Thank you. So, what you have in Tab 5 are these massing comparisons. You can see there are conversations we've had about the size of Andalusia, the width of Andalusia, which is the exact width of Aragon. And so, what you have is approximately 50 percent of Aragon and Andalusia combined is commercial high density and 50 percent is commercial medium density.

Commissioner Keon: Where -- I'm sorry. Could you say that again?

Mr. De Yurre: Sure, of course. The conversation -- there have been some conversations had. They stemmed from the Sunshine meeting, they stemmed from other conversations directly with staff about the concept of a width of a street versus the height of a building.

Commissioner Keon: (INAUDIBLE)

Mr. De Yurre: And so, we have -- and there have also been discussions about what the zoning is on streets on the backside of Miracle Mile. Fifty percent -- approximately 50 percent, probably a little more, to be honest, if you eyeball it -- of the zoning on Aragon and Andalusia is commercial high. Approximately 45, 50 percent is medium commercial...

Commissioner Keon: But...

Mr. De Yurre: What...

Commissioner Keon: But Mr. De Yurre, before...

Mr. De Yurre: Yes, ma'am.

Commissioner Keon: 2010, what was the -- before 2010...

Unidentified Speaker: Yeah.

Mr. De Yurre: I would defer to your Planning and Zoning Director, who probably has the history of it from...

Commissioner Keon: Before...

Mr. De Yurre: The year 2000.

Commissioner Keon: 2010, before the two parking garage sites were up-zoned, what was it?

Planning and Zoning Director Trias: Yeah, the land use, not the zoning. The land use...

Commissioner Keon: The land use was?

Planning and Zoning Director Trias: Was mid-rise and now it's high-rise.

Commissioner Keon: Was mid-rise, 72 feet for the whole Andalusia.

Planning and Zoning Director Trias: 97...

Commissioner Keon: 92.

Planning and Zoning Director Trias: Feet versus...

Commissioner Keon: 97 feet, I'm sorry.

Planning and Zoning Director Trias: 190.

Commissioner Keon: Right.

Planning and Zoning Director Trias: And that's the significance -- it's the same FAR. The difference is the height.

Commissioner Keon: Is the height. And before -- so, it was and always has been mid-rise until it was rezoned and up-zoned...

Vice Mayor Lago: Ramon.

Commissioner Keon: The two parking garages only on that site at the request of the City Man -- then City Manager in order to do just this, not for any other reason.

Mr. De Yurre: Justice or just this?

Vice Mayor Lago: Just this.

Commissioner Keon: Just this type of development. Not this development, but a development, so...

Mr. De Yurre: Let's -- and -- but I want to allow -- and then what was the zoning component?

Vice Mayor Lago: So...

Planning and Zoning Director Trias: The zoning has always been the same, which is commercial. Now, the land use is what changes.

Commissioner Keon: The land use.

Mr. De Yurre: It's a discussion of height. This is what your...

(OVERLAPPING COMMENTS)

Vice Mayor Lago: Height, massing.

Commissioner Keon: And that's when, under the original one, the scale as appropriate. It was a 1.5 to 1 scale. Now, it is not any longer a 1.5 to 1 scale.

Vice Mayor Lago: Like I told you yesterday evening when we met around 9 last night, my biggest concern, just the overall look and massing of the project.

Mr. De Yurre: Right.

Vice Mayor Lago: The magnitude of the project.

Mr. De Yurre: Right.

Vice Mayor Lago: And a lot of that, the City's to blame for that because of what we're requesting from you, the amount of parking spaces, the fact that you got to jam all those parking spaces and you've got to build some sort of revenue model to pay for all of these parking spaces that the City's requesting, which I'm still perplexed by -- and I'll talk to Mr. Kinney later -- that we need so many parking spaces when I know that we have, you know, the post office, Infiniti and Mercedes-Benz. There's got to be a better way to do it, but that's -- that's a question I will -

- that's a comment and a discussion we'll have later. I think Andalusia is a beautiful street, and what I would hate to see is the cavern effect running from Le Jeune to Ponce.

Commissioner Quesada: What effect?

Vice Mayor Lago: A cavern effect.

Commissioner Quesada: Got it.

Vice Mayor Lago: Everyone knows that Publix is going to eventually come to the City with some sort of design and that whole block is going to be redeveloped and it's going to be a massive project. What is their land use? What is their height maximum?

Mr. De Yurre: It's high.

Planning and Zoning Director Trias: It's 190.

Mr. De Yurre: It's high commercial.

Planning and Zoning Director Trias: Yeah, 190, yeah.

Mayor Valdes-Fauli: Yeah, but can I comment on that?

Vice Mayor Lago: Oh, no. Of course, of course.

Mayor Valdes-Fauli: No, no, can I?

Vice Mayor Lago: No, no, yeah, of course.

Mayor Valdes-Fauli: I agree with you that we should not have a cavern effect, but -- and I am very glad that the overhang over Andalusia is gone. And yet, this is smack in the middle of our downtown area, and if they don't have density there, then where are we going to have it? Either we want office buildings downtown and we want to have 150 multinationals or we don't. And if we do want to have it, we have to provide space for that. And I agree with you that massive cavernous effects are terrible, and yet, we can do it without the overhang and without overhangs and having setbacks maybe we could have a very, very nice street.

Vice Mayor Lago: Oh, I don't doubt it. I don't doubt it, but I think there has to be -- there has to be certain tweaks to this project to bring it in line to where I feel comfortable.

Mayor Valdes-Fauli: But we've tweaked this project so many times. Since 2013...

Vice Mayor Lago: And it's okay. But it's okay.

Mayor Valdes-Fauli: We're tweaking this project.

Vice Mayor Lago: I think it's okay to tweak. We're constantly a work in progress.

Mayor Valdes-Fauli: But not...

Mr. De Yurre: I want to...

Mayor Valdes-Fauli: (INAUDIBLE)

Mr. De Yurre: Be respectful of Commissioner Lago and I want to recognize him for the amount of time that he's put into this project. I will tell you that all the Commission and the Mayor and the Manager have put in a lot of time. But I have to recognize Commissioner -- excuse me, Vice Mayor Lago...

Vice Mayor Lago: Be careful, be careful.

Mr. De Yurre: I'm a couple hours behind. I'm a couple hours behind, okay.

Vice Mayor Lago: Be careful.

Mr. De Yurre: I want to recognize Vice Mayor Lago and the amount of time that he's put into this. Okay, I understand he has reservations about the project, okay, but I welcome those as part of the discussion. And, that's why this Tab 5 was really created for Vice Mayor Lago to have that conversation. Because as you heard earlier, the FAR has always been the FAR. The question is the height. The height allows -- and generally speaking, height allows for a taller building. It's a more slender building and can be argued it's a less massive building. But if you have the FAR irrespective -- we can fit it -- we can fit that FAR, you know, if we squash it down and we did no setbacks of the podium. But I think architecturally -- by the way, we sat -- the direction was, sit down with your Planning and Zoning Director, with Mr. Trias, come up with a plan and make it a better project. And, we put in front of him three different renderings for the project. We literally said, which one do you believe has a better aesthetic massing for the City. And, the outcome of that meeting was to reduce the height of G4 to the 163-foot mark. Now, at the podium after that, you have your step backs on both of these garages. Could we reduce the height further? Yeah, but then you'd have no step back over the podium. Could we make it a little taller and less massive and more slender? Yes, but then we have the height issue. So, it's been a balancing with the -- I guess the word I want to use is stewardship of Mr. Trias since our last meeting. And Tab 5 really is a response to those conversations, because there are buildings within the CBD of Coral Gables -- and we have projects in the CBD that do this, and that's the only place we can put them. Now, we can't control what other developers do as of right in your current Zoning Code. But, I can tell you today that this project would yield more benefit to the City than any other one. And whether this project exists or doesn't exist, the only difference will be the City will have these other garages without a solution, or we go to this scenario where the

City builds 750 spaces, which is going to be the same exact podium you see today for G1. And in theory, we go and deal with selling or financing something on G4 -- even if the City sold G4 and got dollar for dollar what the appraised value is, they're still short \$20 million to build its own garage -- 750-space garage and negative approximately -- from the presentation you saw -- a million dollars a year.

Vice Mayor Lago: I'm going to get to that with Diana. I'm going to have a discussion in regards to whether we can build our own parking garage, and I've done that before myself and I know that our City Manager has extensive experience in regards to that. So, we'll talk about the financing and whether it's feasible for the City to do it in a few moments when I call Diana up here. My big question -- and by the way, I used cavern effect. It should have been canyon effect, I apologize -- is the issue of -- Ramon, you're an individual that I respect who has an aesthetic unlike most people because of your background. You understand design. You understand quality. My question to you is this, do you think these two buildings on Andalusia, along with what is proposed to be built -- and I know the Mayor doesn't want to discuss proposed project that are going to be built, but they're going to be built because I've seen plans for them -- do you think that that street would suffer from having a canyon effect instead of having a low-rise -- or mid-rise, excuse me, feel to it?

Planning and Zoning Director Trias: I think...

Vice Mayor Lago: Along with the shading component that will occur...

Planning and Zoning Director Trias: Yeah.

Vice Mayor Lago: With a 190-foot building that would shade Miracle Mile.

Planning and Zoning Director Trias: I mean, certainly, if both sides of Andalusia are developed to the maximum, yes, you're correct.

Vice Mayor Lago: Well, not -- both sides won't because again -- currently, because you have a lot of properties -- smaller properties that are broken up on the south side...

Planning and Zoning Director Trias: Yeah.

Vice Mayor Lago: Of G1. But on the side of Publix, that's an entire swath of land that is going to be redeveloped.

Planning and Zoning Director Trias: That's a likely scenario, and that is what they have proposed informally because they have not submitted officially, but through the years. The issue with the land use is about height. Height is about being able to fit the parking below the same FAR. That's really what it's about. And the 97 feet don't allow the parking all of a sudden. Once you have the land use at high-rise, then you're able to fit it. I think that that was the thinking back then for whatever reason and that was in 2010. And then, that is the maximum development throughout downtown.

Vice Mayor Lago: But that wasn't George Merrick's vision.

Planning and Zoning Director Trias: I never...

Vice Mayor Lago: George Merrick's vision wasn't to have two massive...

Planning and Zoning Director Trias: Never had a chance...

Vice Mayor Lago: Buildings...

Planning and Zoning Director Trias: To talk to him.

Vice Mayor Lago: No, no. I mean, I don't know George Merrick, but...

Mayor Valdes-Fauli: No, George Merrick built the Biltmore.

Vice Mayor Lago: Yeah.

Mayor Valdes-Fauli: And George Merrick did the library.

Vice Mayor Lago: But he didn't build a building, you know, in front of the Biltmore parallel with -- you know, to the Biltmore.

Mayor Valdes-Fauli: No, but he (INAUDIBLE)...

Vice Mayor Lago: There was -- again, it's an open space. That's not really my point. My point is...

Unidentified Speaker: I don't...

Vice Mayor Lago: My point is that I would hate to see that street ruined...

Planning and Zoning Director Trias: Yeah.

Vice Mayor Lago: And a whole area of the city be shaded over, because we built a massive building.

Planning and Zoning Director Trias: I mean, I think -- the Biltmore's a little bit taller, actually, than...

Vice Mayor Lago: Forget the Biltmore.

Commissioner Keon: (INAUDIBLE) the Biltmore.

Vice Mayor Lago: Forget the Biltmore, forget the Biltmore.

Commissioner Keon: (INAUDIBLE) the Biltmore.

Vice Mayor Lago: I'm not talking about the Biltmore. The Biltmore has a lot of articulation over the property.

Planning and Zoning Director Trias: But if I could make the point.

Commissioner Keon: It's on a golf course.

Planning and Zoning Director Trias: That is exactly the point. The reason the Biltmore is nice is because it doesn't have the parking...

Vice Mayor Lago: Yes.

Planning and Zoning Director Trias: Attached to it. That is a big distinction and I think that's what would make the biggest distinction in terms of the section of the street, the...

Mayor Valdes-Fauli: Commissioner, I agree with you.

Planning and Zoning Director Trias: The parking.

Mayor Valdes-Fauli: I really agree with you, but you're using loaded words or coded words. You're using canyon effects and you're using massive whatever it is. This is a street smack in the middle of our downtown and it can be developed without having the canyon, darkened

whatever it is effect that you have on certain streets in New York. We can do a very, very nice job with setbacks and, you know, we're talking about how many stories there?

Commissioner Keon: 190 feet, 16...

Mayor Valdes-Fauli: What?

Commissioner Keon: 18 stories?

Vice Mayor Lago: There is no setbacks.

Unidentified Speaker: There are setbacks.

Vice Mayor Lago: Lot line to lot line.

Mr. De Yurre: Now, look, there...

Planning and Zoning Director Trias: They do have setbacks...

Commissioner Keon: There are step backs.

Planning and Zoning Director Trias: At the (INAUDIBLE).

Commissioner Keon: There's no setback. There's just some step backs.

Mr. De Yurre: I don't want to -- I want to address Vice Mayor Lago's comments, because they're valid comments to make. And I myself am a Coral Gables resident, and I always say that. I wear that hat and I keep it in my back pocket at all times. But the City of Coral Gables in downtown, in those streets that abut Miracle Mile, over 50 percent of that is commercial high

rise. So, it's going to get build one day. The question is will there be a difference with these two independent of the fact that the City will benefit from these two projects? The City right now can dictate what it wants. The City right now can say we want 700 spaces or we want less spaces to reduce the parking podium, or we want to find another solution. But we're running out of solutions because we met with the Planning and Zoning Director and we followed his lead on this particular project. There would be no separation from the benefit the City gets as opposed to our development. That is the biggest difference here. Yes, you have a say in what you're going to see in this project, okay. We welcome that say. That's why you see us reduce the FAR significantly. That's why you see us go to a more -- a less efficient solution. But you do have instances within your CBD, okay, where you have less setback, where you have the same height based on the high commercial in the back end of Miracle Mile. But the difference was the City got no benefit out of those and those will continue to be built as of right, and the City will continue to get no benefit from them. And what we'll end up with is, in theory, a 750-space garage in G1, which is the same structure you're seeing here in G1. It seems like the bigger concern is what happens with G4, which has been the majority of the conversations I've had with the Vice Mayor about the project, and which is why we focused on G4 with the Planning and Zoning Director, and which is why that height came down, okay. Could we flatten it and -- but the problem is that that articulation creates some height. You're not seeing it because it's a black and white drawing from CAD, but there is significant articulation. Every single wing in every single tower is at a different depth on that particular project. We have been going through different iterations, very, very, very quickly to try to get these in by October 12. That was the deadline that we were provided, so that we could have this meeting today.

Planning and Zoning Director Trias: And there's a step back also at the parking podium in that building.

Mr. De Yurre: Absolutely. And let's be honest. We need to fit parking in there. Would it be lower if, in G4, they want 190 spaces of City parking? It really only ends up being about a floor, okay. It could be a floor that we can take away as plus or minus what we're talking about. The -

- and no matter who goes and builds there, they're going to build something -- let's just say in theory they go to 100 feet, okay? Let's just say in theory you go to 100 feet on G4. It's going to have the same exact effect on the pedestrian, okay, same exact effect on the pedestrian, if you want to 100 feet and you went to zero lot line. We go and build the podium; we get to the top of the podium. We're done with the garage. We step back with our apartment building above, which is the 163 for max and reduce to 236 units. We welcome -- look, I welcome any more comments, but, at the end of the day, we're trying to balance a number of demands and we've done it hand in hand with staff on the parking. We've done it hand in hand with staff on the land use and zoning. We have even gone to the extent of getting the opinion letter. I have personally spent a significant amount of time with the Vice Mayor. I continue and I welcome your input and commentary. Is there a particular -- I think the last time we were here, I can't specifically say Vice Mayor Lago -- what if we did this, what if we did that. There are a number of components we've changed in this project already giving the direction to meet with the Planning and Zoning director.

Vice Mayor Lago: I'm going to give you some more items now. I just want to finish up with...

Mr. De Yurre: And I don't want to interrupt. If you want to...

Vice Mayor Lago: No, not at all.

Mr. De Yurre: Speak, please.

Vice Mayor Lago: I just wanted to make sure if my colleagues have anything else with Mr. Trias. Anything else, Commissioners?

Commissioner Keon: No. I mean, I think that there's an issue with the scale of the building with regard to the street in the traditional -- the planning of the city and the vision for the city as to how it will develop and how it was planned. And, I do think that it is the scale and the size of

buildings that do make a great deal of difference in the City and I think that it makes a difference with regard to the street. That's why we generally are seeing bigger buildings along Ponce, along Le Jeune, along Douglas, you know, and along Alhambra and the major roadways that go through our city. And that's generally where the high rise and the tallest buildings are located, along Alhambra and not along, you know, 60-foot streets in the City. They tend to -- the big buildings tend to fall to the larger -- the streets with the larger width for that reason because it does give them room and space around them so they don't...

Mayor Valdes-Fauli: Have we made these people...

Commissioner Keon: They don't feel intrusive in their size.

Mayor Valdes-Fauli: Have we made these people waste what, four or five years, three years and hundreds of thousands of dollars in doing this, meeting with all of us and meeting with Ramon and meeting with City staff for us to come up with new criteria today?

Commissioner Keon: No.

Vice Mayor Lago: Not at all.

Commissioner Keon: Until we knew that...

Vice Mayor Lago: Not at all.

Commissioner Keon: I don't know that for some of us our perspective has changed significantly over time, and I think some of us -- I mean, I think, in general, we probably have maintained the same perspective over time on these issues. You've been here less than two years, so I think that some of us have been here longer and so have...

Mayor Valdes-Fauli: Precisely.

Commissioner Keon: A longer period of time that we have thought about this and looked at it and realized all that has happened and have dealt with that RFP and -- the RFP itself and the prior up-zoning of the garages and why they were up-zoned and all of it. So, you know, maybe we come to it from some different...

Vice Mayor Lago: Yeah. By the way, Mayor -- and I'm sorry to cut you off, Commissioner Keon...

Commissioner Keon: Differently than you.

Vice Mayor Lago: But if anybody goes back and watches the tapes, I mean, my record speaks for itself. When you look at the plaza, when you look at the MPI project on US-1, I can keep going. And I've always been a proponent of smaller buildings, of reducing the height, of green space. The formula hasn't changed; it's been the same. Ramon, I appreciate your time. I'd like to see if I can speak -- if anybody else has any more comments, I'd like to, through the Mayor, speak with Diana in reference to the finances of the project. Do you have any...?

Mayor Valdes-Fauli: No, no. We have to listen to the public, too.

Vice Mayor Lago: Well, whatever you'd like.

Mayor Valdes-Fauli: But go ahead.

Vice Mayor Lago: Whatever you want. No, do you want to speak to the public first and then we...

Mayor Valdes-Fauli: Yeah, why don't we do that?

Vice Mayor Lago: Okay, thank -- sorry, Diana, my bad.

Mayor Valdes-Fauli: Mark Trowbridge.

Mark Trowbridge: Good afternoon, Mr. Mayor.

Mayor Valdes-Fauli: Good afternoon.

Mr. Trowbridge: Congratulations, Mr. Vice Mayor.

Vice Mayor Lago: Thank you.

Mr. Trowbridge: Commissioners, I'm here today representing our Coral Gables Chamber of Commerce and our leadership. And we are standing in support -- continued support for this project. We have been a part of this process I think not quite from the beginning, but when we were at five bidders and then it dropped, I think, to two, and both of those came and presented before our executive committee and leadership and we endorsed Allen's project -- the joint project. I shouldn't call it by -- his personal project. But we have stood with them since then. We, obviously, are very concerned that the process sort of continues to kind of devolve. And so, I'm really appreciative that the conversation is happening today and you all are working diligently together. I know that many of you have worked very closely with the team to keep us moving forward to today. And so, just a couple of points. I think, you know, obviously, having been a former parking person; the garages that we have today that are serving our public obviously are not up to snuff. And so, while there's a lot of discussion about the number of spaces and where folks will park, clearly, we have a need for better parking. And even as things change and people use their cars less and less, people will always be looking for parking, I'd assume, to some degree in Coral Gables. And secondly, you know, if our retail is going to thrive, it needs to be joined by other retail and other consumers, whether they're living or

working in these two beautiful new buildings. And so, we certainly give a thumbs-up to that type of development. And I think lastly, you know, there are a lot of very passionate people who work and serve here in the City of Coral Gables, including all of you. And I would tell you, I don't know many more than Allen Morris who cares more about this community. He's brought his resources here before. He's built projects that we hold in high esteem, brought companies here that we laud and that we recognize as being very important to Coral Gables. And, I'm just really pleased to stand today and support his vision and the vision of their team, many of whom are members of our chamber, so I will certainly disclose that, and many of whom are here today who are members of our chamber as well, whether or as leaders or members or long-time supporters. But, I would urge you today to find resolution and support this project and allow us to move forward to bring something really spectacular to our downtown. Thank you.

Mayor Valdes-Fauli: Thank you, Mark.

Vice Mayor Lago: Thank you, Mark.

Mayor Valdes-Fauli: Mr. John (Jack) Thomson. What do you mean John Thomson? Jack Thomson.

Jack Thomson: Jack Thomson. And good afternoon, Mr. Mayor, Mr. Vice Mayor, and Commissioners. Jack Thomson. I live at 2600 Cardena Street, in Coral Gables. I'm the last surviving member of the original community development board formed in 1963, after we came back from Cuba, which was the North-South headquarters. And, nobody in Dade County or South Florida was doing anything to capture that business. It was all going to New Orleans and Houston. Our committee was charged with the responsibility of making Coral Gables the Latin American corporate headquarters of America. And in the eight years that I spent on that committee, we achieved that goal. We had -- at that time, approaching a hundred national corporations that had moved into Coral Gables, and we've kept those all these years. You know, I'd say that I'm responsible for your having to (INAUDIBLE) out the problems with all the

buildings that (INAUDIBLE) built in Coral Gables. I watched all of them being built over the years, and they're all because we became the corporate headquarters. And so, in all of those years, we talked about parking. And in parking, we seem to have always had more parking than we needed, which was the delight of the local car dealer who rented the top floors of several of our buildings. I think that what you failed to see in the past year is the entrance and exit and how the garage is used. And in this particular garage that Allen has developed, it's got an entrance with a space for cars to come in and get off the street. And you know, every morning, I come to work down Biltmore Way in the 550 building. It's got cars waiting in the street to get in the building. You're not going to have that with this building. You've got state-of-the-art parking. I mean, you really have a person who grew up in Coral Gables, who built a building you can see in Alhambra towers as being one of the outstanding buildings in America. He will not build a building that's not really aesthetically pleasing. And in addition to Coral Gables, he's got to live here the rest of his life and look at it, so he's going to build the best he can and I believe he is offering you the best he can. I'd like to say nothing's ever perfect. Nothing ever meets everything you want to have, but you should accept this building and move forward. As they say in the Army, let's roll.

Mayor Valdes-Fauli: Thank you, sir.

Vice Mayor Lago: Thank you.

Mayor Valdes-Fauli: Maria Magdalena.

Commissioner Keon: Magdalena's her last name?

Mayor Valdes-Fauli: Ms. Magdalena, what's your last name? What?

Maria Magdalena Estupinan: Estupinan.

Mayor Valdes-Fauli: Estupinan. Could you spell it here?

Ms. Estupinan: Okay.

Mayor Valdes-Fauli: Okay.

Ms. Estupinan: So sorry. Maria Magdalena Estupinan, 21 Madeira Avenue. My concern is the excess of development that we have in the city. This is just absolutely outrageous and it's out of control. We have a huge problem with traffic. And you know, adding another building that is a monstrosity to already the problem that we have, I don't see the solution of this. And now only we're only -- and they just keeping the two floors of parking. They did not even have the decency to say, okay, City of Coral Gables, let us have -- give you one or two more floors for parking. And then, on top of that, we have to hear that their building is not going to create any problems with traffic. Well, I mean, it's -- only an imbecile would believe that, and it's an insult to our intelligence. Look at this. Who else is here to talk about the problem and how -- why is it that the City is not letting the people know about this development. We had 20-some people here this morning with the Fire Department issue. None of the neighbors knew about it. So, my question to you is what is going on that we don't get to find out what is going on in the City? That is extremely concerning. And I would please, please ask you to vote no. And I'm sorry about the four years that they worked. They should have known better. The zoning should have said no. The gentleman -- Trias should have said no. I mean, you know, it's too bad. Thank you.

Mayor Valdes-Fauli: Thank you, ma'am. Ron Shuffield. Ron? Oh, there he is.

Ron Shuffield: Good afternoon, Mayor, Vice Mayor, Commissioners. You know, as I sit here listening to all of this, I'm reminded of going all the way back to Dorothy, when you brought in the Biltmore Hotel to restore the Biltmore Hotel. The old bus terminal that used to be here now is the Ruth's Chris building, many apartments there, you know, the Shops at Merrick Park, on

and on and on. You know, I want to commend you. I know you weren't maybe the Commissioners that were here at that moment, but you certainly were -- many of you were there. You were here; yeah, that's true. But you know I travel the rest of the world, just like everybody else in this room. I'm very proud of our city. And I mean, just the way this meeting's being conducted here today, you know, the patience of the developers for four or five years, you know, to bring us a plan that really is beautiful and it really will fill a need. You know, I'm -- again, my name is Ron Shuffield. I'm with EWM Realty International. I have no part in any of this. I'm not a partner of Allen's or Jorge Perez's or anybody's. But, we do sell a lot of real estate in Coral Gables. And as I watched the improvements that these Commissions have made over the last few years -- you know, the latest one being the revival of Miracle Mile -- we're seeing many more millennials now wanting to live in our community. And the small houses that are right out our door here around, you know, the Commission chambers, we're seeing many more people buying these homes and remodeling them. And many of the reasons why they tell us they're doing it is, because they love being able to walk into the city. And I think that bringing more people into buildings like what will be built here -- whether it's office buildings or apartment buildings, we're going to see a lot more of that, which, obviously, helps our businesses to, you know, sell more food and sell more everything. Plus, it just builds a stronger community. You know, what you've done on Giralda with the restaurants and closing the street, it's been remarkable. I mean, far more exciting, I guess, than most people even dreamed it would be. So, again, I want to commend you, you know, for what you've been doing for the last several years. You know, we talk about parking. My office is at 201 Alhambra. I look down on a lot of parking lots from the 10th floor of my building. Most of those parking lots are empty on the top floors. I don't know what's happening below them, but I mean, we have a lot of excess parking already. So, I think that creating, you know, housing, especially in the downtown core, will take a lot of traffic off the roads because people are already here. And, what we're seeing from the empty nesters are now coming back into the condominiums that are being built downtown. They want to be able to walk to things. So, I -- again, I'm not here to analyze the financial picture of what this means to the City. I just know that what the City has done now for the 35 years that I've been here is the City has served as a catalyst for so many good things to happen, you know,

and I've named a few of them and of course, there are many, many more. So, I'm proud to live here and work here, and I thank you for what you're doing today. And I certainly -- I know these developers. I've, you know, worked with them on other community events and programs through the years. And so -- and Jack said it earlier. You know, the nice thing about these particular buildings is that we already see what it's going to look like because we have one standing here in the Allen Morris building today. So, I certainly support it and hope you will too. Thank you.

Mayor Valdes-Fauli: Thank you, sir.

Vice Mayor Lago: Thank you.

Mayor Valdes-Fauli: The last one I have is Rip Holmes. Mr. Holmes. On point.

Jackson "Rip" Holmes: Mayor and Commissioners, thank you for allowing me to speak. I live at 35 Sidonia, in Coral Gables. I am looking at this from the point of view of survival for low-rise Miracle Mile retail. And I regretfully predict for you that if this is approved, that's the beginning of the end of low-rise Miracle Mile retail. With the low-rise retail on Miracle Mile, you have a slim profit margin. Believe me, a lot of these property owners are close to losing money as it is. And so, when you have your overhead go up -- we need to strengthen Miracle Mile with a department store. The only place left is the parking garage across from Publix. That strengthens the City tax base. We can get H&M. They're opening all over the place. H&M department stores, largest in the world, we can get them. That's what we need. I don't like to say something good about my opponent today, but we can go with Allen Morris and his great architecture. We need to take this plan, which I think was negotiated at a time when the City's economics were much more of a stress and the great recession. Scrap this plan and go forward with Allen Morris, H&M; otherwise, this is the epitaph for low-rise Miracle Mile retail because the overhead costs are going up. If the profit margin goes down, at some point, they go belly up

to developers 15 floors on Miracle Mile. Does anybody really want that? Because that's what will happen.

Mayor Valdes-Fauli: Thank you, Mr. Holmes. Thank you. Okay, we have no other input from the public. You want to conclude and then we -- we'll take comments and then we'll conclude.

Mr. De Yurre: There were a number of questions that Vice Mayor Lago had, and I don't know if you wanted to put them to his finance team.

Vice Mayor Lago: No. I have comments for Diana and I also have comments for Kevin. So, if you have anything else further you want to say in reference to your presentation, and then we'll move on...

Mayor Valdes-Fauli: Why don't we move on with them and...?

(COMMENTS MADE OFF THE RECORD)

Mayor Valdes-Fauli: Then give you the final word?

Mr. De Yurre: Yeah, sure.

Vice Mayor Lago: Kevin.

Parking Director Kinney: Yes, sir.

Vice Mayor Lago: Thank you for being here, by the way. I know it's your job, but you've been doing a stellar job of making sure we all understand the requirements and what the City needs for its future parking needs. So, talk to me a little bit about what the City needs and what you envision in regards to parking, because we're getting these conflicting numbers in regards to how

many permit parkers we have currently in Garage 1 and Garage 4. What if we moved those? Would we still require to have 700 parking spaces in our new parking garage, as being proposed now? I'm trying to do everything in my power to try to bring down the scale of this project. I'm not against the project, but I have two major issues: number one, the scale of the project and the amount of money the developer wants us to kick in for the two paseos.

Parking Director Kinney: I...

Vice Mayor Lago: And I'm starting with you in regards to parking. And I'm pretty sure that some of my colleagues here also have an issue in regards to your request in reference to how many parking spaces we need.

Parking Director Kinney: We've had...

Vice Mayor Lago: Because right now -- I just want to -- let me preface -- let me make a few more comments. Right now, we have 630 parking spaces...

Parking Director Kinney: Yes.

Vice Mayor Lago: In both parking garages. How many of those are being occupied by permit parkers?

Parking Director Kinney: On a typical day in Garage 1, there are 95 permit parkers in the garage. I sell 200 -- I think, in October, I sold 202...

Vice Mayor Lago: And in Garage 4?

Parking Director Kinney: Permits. On a typical day at the peak, there's 95.

Vice Mayor Lago: Okay.

Parking Director Kinney: And Garage 4, I believe the number is 130. On a typical day, at the peak, there's 130 vehicles. I sell -- or I have approximately 345 permit parkers, I think, in Garage 4. That includes City employees. But at peak, there's typically 135 cars in the garage.

Vice Mayor Lago: And if you were -- in your opinion, if you were to move all those permit parkers -- US Post Office, any other major entities that are buying permits from you -- if we moved them, let's say, again, to the Palace, to any other possible City parking lot, and we opened up these two parking garages, you think that we could fill the up with people on a daily basis that would be interested...

Parking Director Kinney: We have been...

Vice Mayor Lago: In parking there?

Parking Director Kinney: We have been growing short-term transient parking for -- since before I got here or when I got here at 14 percent annually. That -- I don't know if you remember, but I showed you a couple months ago a chart that started -- I'm going to say started with 420,000 hours and now we're like a million two thousand hours of short-term parking in our public garages. That will -- our consultant and I believe that is going to continue in the foreseeable future for us, continue to grow at 14 percent. And we have adjusted permits in our facilities over time, because the number-one priority is short-term parkers. What I would say with permit parking, the two garages where I've reduced permit parking are Garage 1 and Garage 4. I believe we can do more of that, but there has to be a place to move them, because we don't want to just push them out onto the street because I'm trying to...

Vice Mayor Lago: Obviously.

Parking Director Kinney: Get cars off the street. Can we get to zero? I don't believe so. There are businesses right there that that's the location they should park. We did it one time at a Commission meeting, discussed the possibility whether the large groups -- and there are very few large groups, but there are some -- Publix and the post office are two of them. But there's others -- there's banks in some of our historic buildings that have no...

Vice Mayor Lago: So, let's look at -- let's talk about Publix. We've mentioned it before. Publix is -- has been discussed for a few years now. It has presented documents that I've seen of a potential redevelopment of...

Parking Director Kinney: Yes.

Vice Mayor Lago: The site across the street. I would hope and expect that when that project does come to the City and it gets built, that they will be parking on their own site.

Parking Director Kinney: Absolutely.

Vice Mayor Lago: Just like Mercedes-Benz, which currently is taking up significant parking spaces at the Palace, correct?

Parking Director Kinney: At every Development Review Committee where those come up, the position from Parking is when you build that office tower, it has to contain all of your parking requirements.

Vice Mayor Lago: Because my understanding is that there's over 150 parking spaces that's allocated to Mercedes-Benz at the Palace, correct?

Parking Director Kinney: At the Palace.

Vice Mayor Lago: And about 63 plus for Infiniti.

Parking Director Kinney: They get the roof of Garage 6. That was a Commission action item. We are trying to help them find alternative parking, because I would prefer not to have that situation. But...

City Attorney Ramos: I think an important distinction, though -- as to Garage 6, Infiniti is completing or abiding by their parking requirement -- zoning parking requirement by parking there, and it was approved that way. Mercedes is a different story.

Parking Director Kinney: That is correct. Mercedes -- that garage is managed by the Palace. And the Palace approached the City essentially and said, you know, we need to make some money on our garage. And we have some ability to adjust allocation of spaces. And the fact of the matter is, when we allowed it, they were put on notice that there would be a time where there would be adjustments made when there's more demand for short-term parking or when there's additional demand for permit parking.

Vice Mayor Lago: Kevin, the reason why I'm bringing all this up is because I understand -- just like every one of my colleagues on this Commission -- that we need to do something about these two parking garages. But no one's going to come and build the parking garages for free. There's a cost associated with that. But I do not want to build 700 parking spaces if I don't have to because there is a cost associated with that. There is an aesthetic...

Parking Director Kinney: Absolutely.

Vice Mayor Lago: There's an aesthetic cost. There's a massing cost that I'm very, very concerned about.

Parking Director Kinney: I'll try and make this kind of as brief as I...

Vice Mayor Lago: What I would hate to see -- what I would hate to see is we build this -- and if I'm blessed enough to continue serving another term in public office here in the City of Coral Gables or if I'm just, you know, coming one day to Publix for whatever reason and I park in one of these parking garages if we approve it today, I would hate to see three and four floors of empty parking spaces.

Parking Director Kinney: That...

Vice Mayor Lago: That would really bother me because I see that now and it's been a point of discussion in other private buildings that have been built where you've gone and you see our antiquated, our previous parking code resulted in just over parking, which resulted in massive buildings. We've reduced our parking, you know, requirements...

Parking Director Kinney: Right.

Vice Mayor Lago: But that's happened before. And I would hate, if we do approve this today, to have a building where there's so much excess parking, because we wanted to fill it with more permit parking or we just wanted to be careful, you understand? Which was...

Parking Director Kinney: Well...

Vice Mayor Lago: A national trend -- and correct me, if I'm wrong -- is hopefully in the next, what, 15, 20 years, you're going to see a drop-off in parking requirements?

Parking Director Kinney: Thirty.

Vice Mayor Lago: Thirty.

Mayor Valdes-Fauli: Thirty.

Parking Director Kinney: Thirty.

Vice Mayor Lago: Okay.

Parking Director Kinney: What I would say is you are absolutely correct about there being garages with empty floors. Usually, that's a Class A building that is well managed. And I've walked through several of those in town. But I also know of very large and attractive office buildings that have changed their tenant mix where there's a lot more people per square foot, and they can only get tenants in if they can find additional parking someplace else. And the someplace else is often us.

Vice Mayor Lago: So, discounting the evening parking -- which if we do approve this project, we would get an additional 200 and something spaces -- out of the 700 parking spaces that will be allocated to us on a daily basis, how many permit parkers would -- are you planning on putting there?

Parking Director Kinney: There is no planned growth in permit parking. We are at the cap for...

Vice Mayor Lago: You're going to continue...

Parking Director Kinney: Permit parking.

Vice Mayor Lago: To use the same permit parkers -- same amount as we have now?

Parking Director Kinney: Well, actually, there may be an adjustment. I've already said there will come a time -- and Jacob knows this -- there will come a time when we will start to push Mercedes out of the Palace. When we did the parking study -- and this goes -- this is consistent -

- 2013, 2018. The recommendation was that with the loss of Garage 1 and 4, we'd need 1,050 to 1,100 spaces by the year 2023. That's what the projection was. Now, we all know that, about a year ago, I dropped from the requirement that we have 1,000 spaces down to 750. I can do that because I know I have 63 spaces in Garage 6 to work with. I know I have 153 spaces in the Palace garage to work with. So, there's pieces we can move around. So, that was the first drop to 750 We've been talking...

Vice Mayor Lago: Are you taking -- I'm sorry to interrupt you. Are you taking into account potentially losing spaces on Andalusia?

Parking Director Kinney: Well, that's...

Vice Mayor Lago: Because that's been a discussion...

Parking Director Kinney: That's in the 1,050 to 1,100. The belief at the time they did the parking study was we would lose all the spaces on the 300 Block and the spaces in front of the garage on the 200 Block.

Vice Mayor Lago: Sidewalks would be widened. There'd be larger...

Parking Director Kinney: Yes.

Vice Mayor Lago: Trees. There'd be -- you know...

Parking Director Kinney: So, that loss of space was in the calculation. And so, for the last I'm going to say eight or nine months, we've been debating this issue about 620, and my position is held at 750. When we came to the little minor adjustment agreement where we moved one of the floors of the garage to the other site, we were able to gain 80 spaces. We're at 700. We're in the ballpark of the number that I was asking for, and I do believe we can work with that number. I

do not believe 620 is adequate, so I'm not sure if I've fully answered your question, but I -- I just attended a smart cities future cities symposium where Cisco and Price Waterhouse and the auto big four were sharing. And you know everybody has started talking about this concept of autonomous vehicles, level five, where, you know, you sit down and you say take me home. Forty years away.

Vice Mayor Lago: Yeah.

Parking Director Kinney: So, the issue is we need to deal with another one of yours and my favorite topics, EVs. That absolutely is happening now. That absolutely is going to start to ramp up. So, when we talked about building on the garage at the public safety building, we want to have 20 percent capacity for EV charging.

Vice Mayor Lago: Now, that legislation is coming up hopefully the next month.

Parking Director Kinney: So, that's for us as we develop our facilities. But the reduction in the demand for storing vehicles is not in the near future.

Vice Mayor Lago: Autonomous vehicle's coming now over here with Mr. De Yurre's esteemed colleague.

Parking Director Kinney: Well, the other thing we're talking about is, you know, when we build these new garages, we're not -- we probably won't even -- they may be garages, places for cars to store, but they're also places for, you know, charging your vehicles. They're places for jumping on the Freebee for -- you know, that may be where the Spin scooters are stored. It's going to be more of a mobility hub in our downtown.

Mayor Valdes-Fauli: Can we -- go on.

Vice Mayor Lago: (INAUDIBLE) best two to answer my question. You stick to your guns. That's what I like about you, Kevin. You haven't changed one bit. And...

Parking Director Kinney: I came down from the thousand, though.

Vice Mayor Lago: Of course. That's great, okay. I think we have too many permit parkers. And if I had my way, I'd move them all off of Andalusia.

Mayor Valdes-Fauli: Move them all to Doral.

Commissioner Quesada: I second that motion.

Vice Mayor Lago: Right?

Commissioner Keon: Could I ask one question?

Vice Mayor Lago: Yeah, where?

Mayor Valdes-Fauli: (INAUDIBLE) Doral.

Vice Mayor Lago: No.

Commissioner Keon: Before he goes.

Vice Mayor Lago: Permit -- the Palace, the Palace parking. I'd move them somewhere else.

Mayor Valdes-Fauli: Okay. Let's go on.

Commissioner Keon: I have one question for Kevin...

Vice Mayor Lago: I'm in...

Commissioner Keon: Before he leaves.

Commissioner Quesada: Agreed.

Vice Mayor Lago: What?

Commissioner Quesada: Agreed.

Vice Mayor Lago: So, you second it?

Commissioner Keon: Kevin, what is the...

Vice Mayor Lago: Call the roll.

Commissioner Keon: You -- in the Museum garage, how many parking spaces do you have there?

Parking Director Kinney: 589.

Commissioner Keon: And the revenue from that garage is?

Parking Director Kinney: I believe gross revenue this year in that garage is going to be about 1.8.

Commissioner Keon: And you think net revenue is -- I thought I heard 1.5. Is that right?

Parking Director Kinney: Oh, net revenue is going to be 1.4 -- it's right in there.

Commissioner Keon: One point four or one point five.

Vice Mayor Lago: And the commercial on the bottom, they're talking about (INAUDIBLE).

Commissioner Keon: Okay, and that's 500. Because, you know, throughout this comparison here, they -- the revenue from the garage is -- seems lower than what it should be throughout this cash flow thing here because the revenue is -- well, one, you're talking about the million dollars that we get now and we know that it's going to be considerably more than a million dollars. And even as it goes up, it's like 1.3 or 1.4 or something like that. So, it should be -- I think it should be higher.

Assistant Economic Development Director Roberts: So, that million dollars is based upon one thousand...

Commissioner Keon: The correct (INAUDIBLE).

Assistant Economic Development Director Roberts: \$1,880 per space. That \$188 (sic) per space is based on your total income less all your expenses, less certain repairs and maintenance costs and then less the City's allocation of citywide expenses. So, that's a net number.

Commissioner Keon: Okay, but if he's telling me that he's at 500...

Unidentified Speaker: Yeah.

Commissioner Keon: Parking garage -- 500-space parking garage that nets \$1.5 million, 700...

Parking Director Kinney: Well, we're projecting for the -- if it were a 750...

Commissioner Keon: Yeah.

Parking Director Kinney: Space garage, year one of operations, the gross revenue is actually 2.3. The net revenue without debt service is \$1.7. Then, with debt service, we don't make much, but we get to...

Commissioner Keon: What do we get with debt service?

Parking Director Kinney: With debt service, \$150,000.

Commissioner Keon: Okay.

Parking Director Kinney: But...

Commissioner Keon: That's okay.

Parking Director Kinney: Then within four years, that goes over a million dollars.

Commissioner Keon: Right, because with -- because the revenue is going toward debt service, so it's paying for the garage.

Assistant Economic Development Director Roberts: And the second thing is too...

Commissioner Keon: That's fine.

Assistant Economic Development Director Roberts: The Museum garage has ground floor retail.

Vice Mayor Lago: Which is -- they're (INAUDIBLE) about \$500,000 a year?

Commissioner Keon: Yeah, right.

Assistant Economic Development Director Roberts: It's -- yeah, about...

Commissioner Keon: Right.

Assistant Economic Development Director Roberts: About 15,000 -- 12,000 square feet, actually.

Parking Director Kinney: (INAUDIBLE).

Commissioner Keon: Which if we built our own; we would also get \$500,000 a year...

Assistant Economic Development Director Roberts: Right.

Commissioner Keon: If we were to build our own. Okay.

Vice Mayor Lago: So, that leads into my question. Diana, why not build this ourselves? And I'd like to understand -- because it's not that we don't have the ability to do it. I think we have more than the talent here and the ability to do it. The question is, I'd like to know why we shouldn't build our own parking garage and keep these two assets under our control and not have to have some sort of joint partnership and not have to deal with anyone over the next 30 years. Explain to me why you think that this is in the best interest to move in this direction versus controlling our own destiny.

Finance Director Gomez: Alright, so I will just discuss the cost of building it on our own. So, the numbers that I received from Leonard Roberts was about \$35.6 million is what it would cost. And that debt service over a 30-year period would be about \$2.3 million a year.

Vice Mayor Lago: You said how much, \$36 million?

Finance Director Gomez: \$35.6 million was the number...

Assistant Economic Development Director Roberts: Yeah, it's...

Parking Director Kinney: (INAUDIBLE) total cost.

Assistant Economic Development Director Roberts: Total.

Parking Director Kinney: With the...

Assistant Economic Development Director Roberts: Paseo -- yes.

Parking Director Kinney: And other improvements.

Assistant Economic Development Director Roberts: And a public financing cost, you know, all the pieces, the demolition.

Vice Mayor Lago: 700 spaces?

Assistant Economic Development Director Roberts: 750 spaces.

Vice Mayor Lago: Okay, so you crept another 50 spaces.

Finance Director Gomez: So, for 30...

Assistant Economic Development Director Roberts: And the ground floor...

Vice Mayor Lago: So, you're at...

Assistant Economic Development Director Roberts: And the ground floor retail.

Vice Mayor Lago: So, you're at \$48,000 of space, which, obviously, includes the paseos and...

Assistant Economic Development Director Roberts: Ground floor retail.

Vice Mayor Lago: Ground floor retail, and a little bit of money to...

Parking Director Kinney: The paseos...

Vice Mayor Lago: To cover our bases.

Parking Director Kinney: Is our big number.

Vice Mayor Lago: No, I understand. It's understood. So, that's seven and a half million -- oh, it wouldn't be really \$7 million because...

Parking Director Kinney: It would be about four.

Vice Mayor Lago: My understand --

Parking Director Kinney: About four.

Vice Mayor Lago: Yeah, because we'd only need one, so \$4.5 million or \$4.6 million, okay.

Mayor Valdes-Fauli: (INAUDIBLE)

Vice Mayor Lago: Yeah, \$48,000, so go ahead.

Finance Director Gomez: So, that would be about \$2.3 million a year in debt service payments for 30 years.

Commissioner Keon: How much a year, I'm sorry?

Finance Director Gomez: \$2.3 million roughly in debt service payments per year for 30 years.

Vice Mayor Lago: Okay.

Finance Director Gomez: That, obviously, is going to be paid for with parking revenues. So, we're relying on parking revenues to come in in order to make those payments. Should parking revenues not come in, then we have to find another revenue source. This is 30 years from now that we're talking about. So -- or 15 years. What's parking going to be like? Is the revenues going to be where they currently are now? I don't know, right, so...

Vice Mayor Lago: Well, right now, as of the 2015 audit numbers, we have \$13,025,045. That's what we have in parking...

Finance Director Gomez: Right.

Vice Mayor Lago: Revenue.

Finance Director Gomez: Sure, and that's...

Vice Mayor Lago: And expenses of \$5,170,000. So, it seems to me that we almost have \$8 million.

Finance Director Gomez: Which comes over to the general fund to fund other things in the budget.

Vice Mayor Lago: I agree.

Finance Director Gomez: So, it's not that that \$8 million is sitting...

Vice Mayor Lago: I'm just telling my colleagues how healthy we are.

Finance Director Gomez: Very good, but it is accounted for in the budget fully.

Vice Mayor Lago: At one of the cheapest parking rates...

Finance Director Gomez: Sure.

Vice Mayor Lago: In Miami-Dade County. Just remember that.

Parking Director Kinney: I would just mention -- and Diana and I have talked about this several times is we do have, in the projections, a rate increase structure moving forward. Now, that could be accelerated because you're correct. We are below market almost across the board.

Finance Director Gomez: So, we're counting on those revenues -- those rates to be increased. If not, we wouldn't -- you know, we wouldn't have the revenues in order to pay for it. So, we need those increases as scheduled. The projections that we have are scheduling those increases in, and we're assuming that the revenues are coming as they -- we are expecting them to come in. So, that is a risk, right, that they don't come in and then I don't have the money to make -- or I don't have the parking revenue funding to pay for the debt, but then you would just have to allocate some other funding. In terms of what that would put us in terms of our debt capacity, we have an

internal policy of trying to keep debt at 8 -- at or less than 8 percent of expenditures. And so, that would take us to about 7.2 percent of that 8 percent max. We would have room for additional debt of about another 30, \$35 million before we got to that 8 percent number.

Vice Mayor Lago: Do we have any debt that's sun-setting in the next five years?

Finance Director Gomez: I don't think in the next five years. It's a little bit further out. I don't have the debt schedule in front of me. I apologize.

Vice Mayor Lago: No, that's okay.

Finance Director Gomez: But it's -- I think it's a little bit further out. Because the only debt that's sun-setting -- and there's some Biltmore debt, but the -- they pay for it, so it's not -- it's a wash. It's not -- that's not going to do anything for us in terms of our having additional revenues.

Vice Mayor Lago: No, I asked you because of the public safety building also, which is a pretty significant...

Finance Director Gomez: Sure.

Vice Mayor Lago: Price.

Mayor Valdes-Fauli: May I make...

Finance Director Gomez: So, we're paying for that with...

Mayor Valdes-Fauli: A comment?

Finance Director Gomez: Parking...

Vice Mayor Lago: Of course. Go ahead, Mayor.

Mayor Valdes-Fauli: I think that we should get into building ourselves in public safety, in things that cannot be privatized, like fire-rescue, public safety building. But we should not go into competition with private enterprise in enterprise funds or in enterprise things. And I'm very, very much against and will lead a fight against our governmental competition with private enterprise to build something like a parking lot. Private enterprise can do it better. They would carry the risk. They will pay us a fee, like the Biltmore is privatized; the building in front of Abbracci is privatized. Let's keep public functions in the areas that belong in public functions, like public safety. But let's not get into competition with private enterprise. That is not conservative. That is socialism.

Vice Mayor Lago: Listen, I don't disagree with you at all. I think the private sector does it better than the public sector any day.

Mayor Valdes-Fauli: Okay.

Vice Mayor Lago: But, a good example of that would be didn't we build the Museum garage?

Finance Director Gomez: Um-hum.

Vice Mayor Lago: That turned out -- I mean, that turned out pretty well. It's the nicest garage, in my opinion, that we have in the City outside of maybe the Palace.

Parking Director Kinney: And, we're actually constructing a new garage at the public safety building that will actually be an additional revenue stream when we get it up.

Vice Mayor Lago: Okay.

Commissioner Keon: Mayor...

Vice Mayor Lago: So -- I'm sorry, go ahead.

Finance Director Gomez: No.

Vice Mayor Lago: I apologize.

Finance Director Gomez: So, that's really...

Vice Mayor Lago: So, the debt ceiling is not the issue.

Finance Director Gomez: No. I mean, it -- the issue...

Vice Mayor Lago: So, you're saying that this -- so, you're saying that it will be about \$2.3 million a year to cover the expenses. What will be the proceeds if you have 750 parking spaces, along with the commercial? What do you think it will produce a year?

Assistant Economic Development Director Roberts: If we -- if 750...

Vice Mayor Lago: Along with Kevin's permit parkers. Include those too.

Assistant Economic Development Director Roberts: So, assuming -- so, just for one site or for...

Vice Mayor Lago: One site. One site. I want to know what one site -- I don't want to know about anything else. I want to know one site.

Assistant Economic Development Director Roberts: We would...

Vice Mayor Lago: If you build a parking garage...

Assistant Economic Development Director Roberts: Yeah. So...

Vice Mayor Lago: And it's 750 parking spaces, along with a commercial component on the first floor -- I'm not even talking about commercial on the top...

Parking Director Kinney: \$3.2 million in year two.

Vice Mayor Lago: 3.2 million?

Parking Director Kinney: In year two.

Assistant Economic Development Director Roberts: Let me see that.

Vice Mayor Lago: So, we're back to where we were before and we got a brand-new parking garage and you have an empty lot.

Commissioner Mena: Yeah. How big is that?

Vice Mayor Lago: 750 parking spaces.

Commissioner Mena: (INAUDIBLE)

Vice Mayor Lago: Eight stories.

Mayor Valdes-Fauli: Eight stories?

Commissioner Keon: Yeah.

Vice Mayor Lago: That's what it is.

Commissioner Keon: Well, it's whatever the podium is for the other building.

Vice Mayor Lago: It's right here.

Commissioner Keon: Eight stories, 90 feet.

Vice Mayor Lago: It's right here.

Commissioner Keon: It says 90 feet. That's midrise.

Mayor Valdes-Fauli: Okay. Any other questions?

Vice Mayor Lago: So, you're back to where you were in reference to the revenue that we make right now. You control your destiny. You've got a brand-new project. You haven't hit your debt ceiling. You've got an empty lot next door which you can make it an event space, make it a park, you know, something -- or just hold on to it...

Mayor Valdes-Fauli: (INAUDIBLE)

Vice Mayor Lago: As an asset.

Mayor Valdes-Fauli: Do you want to make a motion?

Vice Mayor Lago: No, no. I'm just -- I'm not in a hurry. I want to have a discussion with my colleagues.

Mayor Valdes-Fauli: No, I'm not either, but I think that...

Vice Mayor Lago: And I -- again, if that's -- do my colleagues disagree with that? Do you think that's not a good idea? Do you they prefer that...

Mayor Valdes-Fauli: I disagree with that.

Vice Mayor Lago: That we move in a different direction?

City Manager Iglesias: Commissioner...

Vice Mayor Lago: I'd like to know your input.

City Manager Iglesias: If I may say something.

Vice Mayor Lago: Of course.

City Manager Iglesias: We looked at this garage redevelopment proposal for years now. What we have now is probably the best proposal we've had so far.

Vice Mayor Lago: Okay.

City Manager Iglesias: From the massing perspective, it's much less massing than before. It does not overhang into Andalusia. Two, is from a -- from -- the City Attorney has now determined that that can be a PAD or a mixed-use, so it's a viable site. From the...

Vice Mayor Lago: But they're also -- I'm sorry to interrupt you, but they're also asking us for \$8 million that we got to come up with. Either we are giving up permit -- Art in Public Places park fees...

City Attorney Ramos: We can't do Art in Public Places, sir.

Vice Mayor Lago: Excuse me.

City Attorney Ramos: It would be permit and impact.

Commissioner Keon: Those are permit and impact fees.

Vice Mayor Lago: I thought it was art. I thought it was art. I think we...

Commissioner Keon: It's park and...

City Manager Iglesias: We may be able to do part of it because part of this is private and part of it is City. However...

Vice Mayor Lago: Once there's...

City Manager Iglesias: Looking at the proposal itself, the way it was structured, it is a high -- it was made high-rise site. And right now, this proposal is at 4.375, which is within our comprehensive plan. It's within zoning. It's within the 190 feet. The City Attorney has -- we have a City Attorney opinion that's determined that can be done as a PAD or as a mixed use. We have looked at it as mixed use, because that way we don't have to be the proposer of the project. This is a project that, based on the zoning, could be done by private enterprise. In other words, the -- it's less than 190. It's 4.375. What it needs is historical TDRs. We can provide those historical TDRs from the theater and from the museum. Parking right now, because of the

switching of the floors, has gone to 700, which is acceptable to our Parking Director. It's a vertical subdivision. That was done in Miami a number of times. Vertical subdivisions create space -- vertical space. As a matter of fact, there were some vertical subdivisions that we condominiumized. So, that's -- we need to -- I looked at that from a City perspective because those were prior projects, but we can certainly work on that from the counsel -- from outside counsel that the City Attorney has provided. So, we've looked at this for years. This is the proposal that, believe me, meets the criteria for what the RFP was designed to do. So...

Commissioner Mena: (INAUDIBLE).

City Manager Iglesias: We can either go -- I'm sorry.

Commissioner Mena: Quick question for him because -- and I don't want to put words in your mouth, but when we spoke and previously, you've sort of been reluctant to take on another city build project because of the -- can you address that?

City Manager Iglesias: Well...

Commissioner Mena: Because that's what you had communicated to me.

City Manager Iglesias: We've -- right now, we've got the public safety building. We've got Fire Station 2. We've got the trolley building. We've got Garage number 7. We've got the renovation of the 427 building and the restoration of City Hall. So, those projects should come in in the next three years. I don't think that we can -- we probably can take on another two parking garages within that time, because of the...

Vice Mayor Lago: But it doesn't have to be two; it can be one.

Commissioner Keon: It can be one.

City Manager Iglesias: Or...

Vice Mayor Lago: Also, when we -- but...

City Manager Iglesias: I'm just giving you...

Vice Mayor Lago: Yeah, and I appreciate...

City Manager Iglesias: I'm just giving you where...

Vice Mayor Lago: I value your input, Peter, a lot.

City Manager Iglesias: Where we're at right now.

Vice Mayor Lago: But...

City Manager Iglesias: So...

Vice Mayor Lago: When we talk about what the developer has broken down -- excuse me -- as...

Mr. De Yurre: Commissioner -- Vice Mayor Lago, can a correction be made about the revenue? It's actually...

Vice Mayor Lago: That's why I asked him to come back up.

Mr. De Yurre: Yeah.

Vice Mayor Lago: Go ahead.

Assistant Economic Development Director Roberts: Yeah, okay, so the revenue -- we're showing \$2.3 million in debt service for the \$35 million.

Vice Mayor Lago: Yes.

Assistant Economic Development Director Roberts: The income that's projected based on the Tim Haahs report for the first year is roughly \$1.7 million and...

Vice Mayor Lago: Okay.

Assistant Economic Development Director Roberts: \$2 million, and then \$2.3 million. So, it's like in year three is when it gets to the point where we actually cover our debt service.

Commissioner Keon: But we're talking about including the retail rental space...

Assistant Economic Development Director Roberts: That includes retail.

Commissioner Keon: In addition -- that includes the retail?

Assistant Economic Development Director Roberts: Yes. Yeah, that...

Commissioner Keon: How could they do that?

Assistant Economic Development Director Roberts: Year three, I think we get to two point -- I don't have the report in front of me.

Parking Director Kinney: Net revenue after operating is -- yeah, year one is 1.75, and then we get to a million dollars after debt service in year four.

Commissioner Keon: We get a million dollars over debt service.

Parking Director Kinney: Yes.

Vice Mayor Lago: So, \$3.3 million.

Commissioner Keon: \$3.3 million.

Vice Mayor Lago: That's right, right?

Commissioner Keon: I'm asking you -- yeah.

Parking Director Kinney: Our net income -- total net income plus to the City is a million dollars in year four.

Commissioner Keon: Right. And that -- I'm not asking about -- I'm not -- my concern is, can we cover the debt service within the first year.

Finance Director Gomez: So, depending on what year one is being considered, in our analysis from Budget and Finance, we're not showing that we will be able to cover the debt service until 2023.

Commissioner Keon: From what date?

Finance Director Gomez: So -- 2023, meaning, so...

Commissioner Keon: No, starting what year?

Finance Director Gomez: Starting -- oh, starting this year -- next year. So, we're not doing...

Commissioner Keon: (INAUDIBLE) not going to be (INAUDIBLE).

Vice Mayor Lago: What if I...

Finance Director Gomez: Because we're collecting revenues -- we're not generating enough parking revenues today to cover it right now, so we couldn't take out the debt right now.

Vice Mayor Lago: Let me ask you a question. What if I kept...?

Commissioner Keon: We could...

Vice Mayor Lago: What if we knocked down G1 and built a parking garage. We left G4 in place. When we met our revenue goal, we knocked that down. So, you had now two parking garages; one with 700-something parking spaces and G4 that has X amount of spaces right now. You could move all of your permit parkers -- I know that's very important to you -- move all of your permit parkers onto G4 and make -- you would be double dipping, to a certain extent.

Finance Director Gomez: So, right now, all of the parking revenues, the excess parking revenues right now, I'm going to be using it for the public safety building debt.

Vice Mayor Lago: Okay.

Finance Director Gomez: We're not generating enough right now to cover the parking -- the public safety building debt as well as a \$35 million loan. With parking revenues, we cannot afford that right now.

Parking Director Kinney: Two conversations Diana and I have had and we have two options if we're directed to look at this. One is to wait two to three years to begin construction.

Finance Director Gomez: Right.

Parking Director Kinney: The other is to accelerate rates.

Finance Director Gomez: Exactly.

Parking Director Kinney: Those are the only two options so that we can use parking revenue to cover the public safety building and the garage.

Finance Director Gomez: When I would take up this debt, I would take two years of no payments, right, so it's the timing of construction so I don't have -- that's what pushes it out into future years where the revenues would -- you know, would be generating and I'm showing that I would be generating revenues based on the projections that we have.

Vice Mayor Lago: What would be the rate increase? What would be the acceleration of rates?

Parking Director Kinney: Well, we have a rate increase planned for 2020 and 2025, so if this was the direction, we would probably do one next year and move the next one up to 2024.

Vice Mayor Lago: What would be the rate increase percentage?

Parking Director Kinney: Essentially, 20 percent.

Vice Mayor Lago: Can I apply it to the \$13 million?

Finance Director Gomez: I'm sorry?

Vice Mayor Lago: The total revenues. Let's say the 2015 total revenues, can I apply that if you did a 20 percent revenue increase?

Parking Director Kinney: Almost.

(COMMENTS MADE OFF THE RECORD)

Vice Mayor Lago: I know, I know. No, no. I'm just asking. What -- I mean -- that's why I'm asking. What would be the windfall from that 20 percent increase?

Parking Director Kinney: I will tell you, I think revenue projections this year are 15, so it would be a 20 percent increase on that.

Mayor Valdes-Fauli: Can I make a suggestion here? I mean, we have an agenda item which is a resolution on first -- we have a specific agenda item and here we have gone all over the field looking for alternatives.

Vice Mayor Lago: That's fine.

Mayor Valdes-Fauli: And maybe we should postpone this and vote down the agenda item and come back next time or two times, I mean, as long as you're satisfied with your questions and come back and discuss this and (INAUDIBLE).

Vice Mayor Lago: How about we do this? Mayor, if I may. I'll make the motion to approve, and like I have done before on multiple occasions, if I'm not happy, I'm not going to vote no on the second reading.

Mayor Valdes-Fauli: Fine.

Vice Mayor Lago: I've done it...

Mayor Valdes-Fauli: Yeah, but I'm...

City Attorney Ramos: Commissioner...

Vice Mayor Lago: Just if...

City Attorney Ramos: Vice Mayor...

Commissioner Keon: But it's not going to get to...

City Attorney Ramos: There is no second reading.

Commissioner Keon: There's no second reading.

Vice Mayor Lago: There won't be a second reading.

Commissioner Keon: No.

City Attorney Ramos: This is not an ordinance. It's a resolution...

Commissioner Keon: It's a resolution.

City Attorney Ramos: That will direct...

Commissioner Keon: So, you decide today.

City Commission Meeting

November 13, 2018

Agenda Item J-5 -Resolution approving the general terms and authorizing the City Manager and City Attorney to negotiate a development agreement with Coral Gables City Center LLC for the redevelopment of Municipal Parking Garages 1 and 4 in which CGCC proposes a public private partnership to provide an improved parking structure and build a residential and office mixed-use project.

City Attorney Ramos: The City Manager and I to...

Vice Mayor Lago: I can't decide today.

Commissioner Keon: Then you vote no.

Vice Mayor Lago: It comes back because I need -- I have...

Ms. de las Cuevas-Diaz: Can we clarify, City Attorney, the -- what we would be voting on today?

Vice Mayor Lago: I'm willing to move forward.

Ms. de las Cuevas-Diaz: Because I think it would help everybody understand what's...

City Attorney Ramos: I agree. Vice Mayor...

Ms. de las Cuevas-Diaz: Happening.

Mayor Valdes-Fauli: (INAUDIBLE) the proposal and we'll discuss the proposal at that time versus coming up with a totally new plan, total alternative -- different from what we've been talking about for some time and let's vote on this and we turn it up or down, or you mentioned that you want to defer it.

Ms. de las Cuevas-Diaz: Commission.

City Attorney Ramos: Vice Mayor, if I may.

Mayor Valdes-Fauli: (INAUDIBLE).

Commissioner Keon: I would be glad to make the motion.

Mayor Valdes-Fauli: (INAUDIBLE) very good idea.

Ms. de las Cuevas-Diaz: Mayor and Vice Mayor, one thing I do want to tell you is that although there will be no second reading, this is just the beginning...

Vice Mayor Lago: I know.

Ms. de las Cuevas-Diaz: Of the negotiation of a massive development.

Vice Mayor Lago: And it's got to come back to us again.

Mayor Valdes-Fauli: Yeah.

City Attorney Ramos: Correct.

Ms. de las Cuevas-Diaz: Yes.

Vice Mayor Lago: For two readings.

Ms. de las Cuevas-Diaz: At that point, it is.

Vice Mayor Lago: I know.

Ms. de las Cuevas-Diaz: So, this is not -- as much as I truly wish that this was tied up in a bow and I could deliver it to you tomorrow, this is going to be the beginning of a...

Mayor Valdes-Fauli: Can we...

Vice Mayor Lago: Right.

Mayor Valdes-Fauli: Can we have a motion to approve or disapprove?

Ms. de las Cuevas-Diaz: Either way, it's not...

Commissioner Mena: But, I just -- look, I just...

Mayor Valdes-Fauli: (INAUDIBLE)

Commissioner Mena: I understand what you're saying, but I also want to be respectful to the individuals in the room that are working really hard...

Ms. de las Cuevas-Diaz: Absolutely.

Commissioner Mena: And spending a lot of time on this project. And if the answer -- they need four votes here. And if the answer is going to be no, I don't want to string them along for six more months to tell them no at the end of the, you know, path. I don't think...

Ms. de las Cuevas-Diaz: I have always agreed...

Commissioner Mena: That's fair.

Ms. de las Cuevas-Diaz: With you. That's why I gave...

Commissioner Mena: So...

Ms. de las Cuevas-Diaz: You the four points.

Commissioner Mena: Well, you know, so I'm understanding your thoughts and I get that. But, I don't want to say yes and then wait 'til this thing gets negotiated to then say no. I don't think...

Vice Mayor Lago: No, no, and I agree with you. I'm not -- I was just under the impression we had to go -- I mean, I apologize to them -- to our City Attorney. I thought it was -- it had to be a second reading. Obviously, it's not an ordinance so...

Ms. de las Cuevas-Diaz: There is a caveat.

Vice Mayor Lago: I don't have a problem continuing this to the next meeting and making a decision...

Commissioner Keon: But...

Vice Mayor Lago: There -- making a decision there and sitting down with staff and really going through this and figuring out how to -- either how to bring the project into a scale where I feel comfortable -- because obviously -- I mean, again, I don't want to speak for my colleagues, but it seems to me that everything is on me, you know. Everything's on my shoulders, which I don't have a problem with.

Commissioner Keon: That's because you're the...

Mayor Valdes-Fauli: Because I'm satisfied. Because I'm satisfied with it.

Commissioner Keon: One that's been talking.

Mayor Valdes-Fauli: You're the only one that's not satisfied.

Vice Mayor Lago: Because I'm perfectly fine with that. I don't have an issue with -- I don't have an -- I mean, I'll dig through this and figure out a way to bring it into...

Commissioner Keon: Well...

Vice Mayor Lago: Some sort of...

Mayor Valdes-Fauli: Okay. I will call for a motion. I'll call the question.

Vice Mayor Lago: Defer it to the next Commission meeting.

Commissioner Keon: No. I think that what they have told us -- the developers have told us that this is the least -- or the -- what they can build to be able to achieve their return on dollar. They cannot make it smaller. They cannot make it lower. They cannot make it less dense. They cannot change. What they're showing you today is their best and last offer of what can come in order for them to meet their revenue projections on this development. If you make it lower...

Mayor Valdes-Fauli: And staff's recommendations.

Commissioner Keon: You can't do it. And staff has said that also. So, I think, you know -- I mean, I -- I think -- I've told you...

Vice Mayor Lago: Is every...

Commissioner Keon: You know, all along that at the time that the -- this property was up-zoned, it was in 2010, it was during a very distressed financial period for the City and there was a desire by the Manager at that time to try and seek out a private partner to develop these garages with --

in order to replace the garages. I think it's, you know, eight years later. Our financial position is different. I think that we can afford to rebuild these garages. The garages, as they sit right now, are not attractive, but they are structurally sound. We can replace one of the -- we can put a new elevator in that building and wait a year to begin to look at this project. If we start to -- the redevelopment of this project as this mixed use with both the -- either with -- on either one, each one of those, between the garage and the building, is a three-year project. So, you're going to have six years, if we make them -- you don't want them to do them simultaneously, because we can't take out all the parking. So, if they do them consecutively, you're going to have six more years of construction along -- behind Miracle Mile. If we ended up doing -- rebuilding a parking garage, we probably have a year and a half construction on one site while we use the other site, then we demo it and whatever. I really believe that public parking is public infrastructure and, certainly, is part of our responsibility or is very much part -- I mean, we may choose to privatize it, but there's no reason that we can't build it...

Mayor Valdes-Fauli: (INAUDIBLE).

Commissioner Keon: Ourselves either. So, you know, my feeling is, I think it's in -- I think with the return to the City on this, with the loss of control of the land and the cost to the City between the payments for this garage and the loss of revenue for impact fees or whatever are probably, over a 30-year period -- are -- you know, there's -- it isn't worth it. I mean, we can build a garage for that. So, I will vote no on this project. And, I tell you that is not a referendum on Allen Morris not for one minute, because if there is anybody that -- it does make me very sad to not support in this manner at this time, it would be Allen Morris because he is a very, very good resident...

Mayor Valdes-Fauli: Okay, well...

Commissioner Keon: Of our city and a very, very good man. And Mr. De Yurre, I would hate to tell you no too because you have been -- you're a wonderful advocate for them and, you know,

it isn't anything that you could say or do that would probably change my mind. So, I'm very happy to move this...

Mayor Valdes-Fauli: (INAUDIBLE).

Commissioner Keon: But I'm going to vote no.

Mr. De Yurre: I just want to make -- I want to make a couple of quick points. And respectfully, Commissioner Keon, I'll be very brief. This is not we can't do better. This was we got direction from Vice Mayor, then Commissioner Lago at the time, to go meet with the Planning and Zoning Director, and we put multiple options in front of the Planning and Zoning Director. And, the option was selected to reduce G4 height from 190 feet down to 163 feet. There are additional massing and re-massings that we can do on both of these sites where were not elected by the Planning and Zoning Director. If the explicit direction from this Commission is to drive down the height further irrespective of some of the other planning and massing and articulation issues that were given more priority by the Planning and Zoning Director at the time...

Commissioner Keon: I met with Mr. Morris...

Vice Mayor Lago: We talked about this...

Commissioner Keon: Wait.

Vice Mayor Lago: We talked about this last night.

Commissioner Keon: I met with...

Vice Mayor Lago: We talked about this last night.

Commissioner Keon: I met with Allen Morris last Thursday and he told me this was it.

Vice Mayor Lago: Okay.

Commissioner Keon: So, I'm taking it as his word that this was it, not the Planning Director, not anybody else. He told me this was it.

Vice Mayor Lago: We had a long...

Commissioner Keon: There was no more cut.

Vice Mayor Lago: We had a long two- or three-hour conversation last night, okay. In between putting the kids to bed and feeding them -- obviously, before they went to bed.

Mr. De Yurre: You did offer me sustenance. I appreciate that.

Vice Mayor Lago: And you denied it.

Mr. De Yurre: I had to go home and eat too.

Vice Mayor Lago: It's under \$100. You have -- you don't have to...

Mr. De Yurre: Thank you, thank you.

Vice Mayor Lago: Obviously, put it as a gift. I told you, I know we asked for a different iteration, but when you come to me and tell me I need to give you now \$8 million...

Mr. De Yurre: There are...

Vice Mayor Lago: I'm not giving anybody \$8 million plus two prime pieces of property in the City of Coral Gables in the downtown to build me a garage when you know very well that I can build it myself.

Mr. De Yurre: There are eight different options that we discussed, and I'm happy to discuss with the Commission at large that would address and reduce the increment...

Vice Mayor Lago: And remember -- and that's what I think is important, because I don't think my colleagues understand the detail because you haven't gone over it with them.

Mr. De Yurre: You accidentally tore one of the pages, but...

Vice Mayor Lago: Yes.

Mr. De Yurre: Yeah.

Vice Mayor Lago: In detail how it breaks down per year, the cost. You know, what are the real numbers in regards to that -- those \$8 million. How does it -- what is the effect on the City in regards to if you amortize it over 30 years?

Mr. De Yurre: Yeah, let's...

Vice Mayor Lago: There's a number.

(OVERLAPPING COMMENTS)

Commissioner Keon: They did that...

Mr. De Yurre: Let's be very...

Commissioner Keon: On Friday at the meeting that I had.

Vice Mayor Lago: I wasn't here. I was out of town. I wish I...

Mayor Valdes-Fauli: I do (INAUDIBLE).

Commissioner Keon: They did that on Friday...

Mr. De Yurre: Let's be very honest.

Commissioner Keon: So, I understand.

Mr. De Yurre: There's a number the City will make -- by using the City's conservative figures, the City will net an additional \$1.1 million due to our project. You just heard the correction. Now, if the City builds it itself, they're actually going to be negative about a million dollars until they accelerate increased rates for the garage. Obviously, if you increase your rates, you're going to make more money. But guess what? In theory, you're going to make the same delta on our project. So, night and day, it's about a \$2 million swing what we're offering you day one than what the City can build it for themselves. There are six -- five, six, seven options that we can do to reduce the increment and we went through those yesterday. I would be happy to share this with everybody. There are also options that we can do -- if the City Commission tells us our number-one priority is height is our problem -- height is our problem because zoning has always been that you can go to 4.375. Our issue is that, in 2010, the land use got modified and so we want to drive the height down further. So, we're very happy to rework the massing. We went and we followed instructions. We followed the instructions of the Planning and Zoning Director. If the City says, irrespective of these articulations and other concepts that we're taking into account, height is our biggest issue, drive it down further. In taking notes here today, there are ways to expand or contract and deal with some parking. If you really want to reduce G1, for

example -- if you really want to reduce G1, you've got to pick. You've got to pick the parking count. Do you want -- we can still deliver 900 spaces at night, 800 spaces at night, but there's a cost to that, and so we can drive down several floors of parking in G1. We can also widen G1 and drive down the office tower. There are options, Vince.

Vice Mayor Lago: And there's also...

Mr. De Yurre: Commissioner Lago.

Vice Mayor Lago: Don't worry about it; it's fine. Listen, and also, when you talk about the \$8 million, you pin it on the City as if the City is going to be the only one benefitting from it. Your tenants are going to be benefitting on G1 and the residents on G4 are going to be benefitting from it, obviously, having direct access to Miracle Mile. So, it's not only just us that are going to be some sort of, you know, huge benefactors in...

Mr. De Yurre: Oh, look, it's...

Vice Mayor Lago: Reference to having direct access to Miracle Mile. It plays into the project and all parties benefit, at the end of the day, so...

Mayor Valdes-Fauli: Okay. We have...

Vice Mayor Lago: So, I think there has to be a little bit of...

Commissioner Keon: I don't...

Mayor Valdes-Fauli: We have a motion on the...

Commissioner Keon: I'm going to move the item.

Mayor Valdes-Fauli: On the floor.

Vice Mayor Lago: But this...

Commissioner Keon: I will move the item.

Vice Mayor Lago: This is my last statement.

Mayor Valdes-Fauli: Yeah, but please, we have...

Vice Mayor Lago: And I want to -- do you feel -- do my colleagues feel comfortable voting today with the way that this project is structured? Are you ready to vote today?

Mayor Valdes-Fauli: I'm ready to vote today.

Commissioner Mena: I -- listen, I think that every time this has come back to us, I think they've made adjustments to address the concerns that have been expressed, including the two that you see very prominently displayed right there. So...

Mr. De Yurre: (INAUDIBLE) number one...

Commissioner Mena: Right.

Mr. De Yurre: And number two. They said do this...

Commissioner Mena: Right.

Mr. De Yurre: And do that.

Commissioner Mena: So, you know...

Mr. De Yurre: And the parking.

Commissioner Mena: If you feel like there's room for more -- he's saying there's room for more and you want to keep discussing it, I'm open to that. I mean...

Mayor Valdes-Fauli: There's a motion on the floor denying the item. Is there a second?

Mr. De Yurre: The issue becomes, is it denied and is it con -- are we continuing it so we can take...

Commissioner Keon: No.

Mr. De Yurre: Further direction from the Commission?

Commissioner Keon: If it's denied, it ends. That's the motion that's on the floor.

Mayor Valdes-Fauli: (INAUDIBLE) motion.

Commissioner Keon: Now, somebody may make another motion, but that's the motion that's on the floor right now.

Mr. De Yurre: I would...

Mayor Valdes-Fauli: I would speak against that motion. I think that they have exhibited a great deal of good faith. They say they can develop it more, and I would very much be opposed to cutting it off today forever.

Commissioner Mena: I agree.

Vice Mayor Lago: Vice Mayor?

Commissioner Quesada: What? Oh, you said Vice Mayor. I thought you were talking to yourself.

Vice Mayor Lago: You'll always be the Vice Mayor, always. You have a special place in my heart.

Commissioner Quesada: I think we should move to continue it today.

Vice Mayor Lago: I'll second that.

Commissioner Keon: When are you going to continue it to?

Vice Mayor Lago: Next Commission meeting.

Commissioner Quesada: To the next Commission meeting.

Commissioner Keon: Can I...

Commissioner Quesada: The eight iterations that -- again, I was out of town also on Friday. I didn't see that.

Commissioner Mena: Those weren't presented on Friday.

Commissioner Keon: Yes, it was. They had a meeting -- no, we...

Mr. De Yurre: I wasn't allowed to speak on Friday.

Commissioner Keon: We had a -- no, but...

Commissioner Mena: That's what I thought.

Commissioner Keon: There was a full and complete discussion about the finances, what it would cost the City, what the benefits...

Vice Mayor Lago: That's not what he's talking about.

Commissioner Keon: To the City is or whatever else. But...

Commissioner Mena: That's not what he's talking about.

Commissioner Keon: He's talking about another iteration. You know...

Commissioner Mena: (INAUDIBLE).

Commissioner Keon: Mr. Morris told me last Thursday this was it. There are no more iterations. So, I'm basing it based on the developer telling me this is it.

City Attorney Ramos: If this is going to be continued, I would ask for two things. One, you need to extend the time period now past the December meeting because it ends tomorrow. And two, I believe that staff needs direction. If we tell them to lower the massing -- and Ms. de las Cuevas can speak to this as well, as can Leonard -- the price goes up. If we tell them to lower the massing, the parking count goes down. So, if every time they come back with -- we checked

box A and B, box C and D are not -- then I don't think this ever ends. We're going to be here in perpetuity.

Commissioner Keon: Right.

City Manager Iglesias: Let me...

City Attorney Ramos: So, I think some direction is important.

City Manager Iglesias: If we lower -- what the Planning Director has done is he's tiered the building. By tiering the building, it provides less impact. Now, the lowering, the massing, you know, we're talking about making a lower building, wider building, like a box, versus a taller building, kind of tiered building, like the Biltmore. And that's what...

Vice Mayor Lago: How about breaking up the building?

Commissioner Keon: Let's not compare it to Biltmore.

Vice Mayor Lago: Or how about breaking up the building so it's not a contiguous wall all the way from Le Jeune to Ponce? Or how about potentially removing some parking? If you're telling me that our parking expert says that our most important critical time for parking is in the evenings...

Commissioner Keon: But...

Vice Mayor Lago: Why don't we -- then why don't we push more for shared parking?

Ms. De las Cuevas-Diaz: Can I...

City Manager Iglesias: We've already addressed that situation.

Commissioner Keon: They're telling us it's in the evening.

Mayor Valdes-Fauli: They have done that.

Commissioner Keon: He hasn't told us it's in the evening.

Ms. De las Cuevas-Diaz: Can I make a comment? I just want to take us back to a meeting where I told you guys there's four issues, right. There was how do we pay for it, how big is your building, how many parking spaces and your ownership. Every single one of those four things have been tweaked substantially. And following up on City Attorney and City Manager, the key factor here is what is your parking number because you -- we can't -- it's like a Rubik's cube. You know, you could go at it as many times and eventually the reds are the reds, the blues are the blues, the yellows are the -- what is your parking number? Because if we're going to mandate 700 parking spaces, you know, it might not be exact, but there's -- they have come to 4.375. They have taken off the Andalusia encroachments. They have -- they've done -- I mean a lot of what has been asked. There's always more that can be asked. But the question is, if you're going to continue it, that's fine because we've come a long way. And if we need more time, that's great. This is a massive project. Just give us...

Vice Mayor Lago: I have given...

Ms. de las Cuevas-Diaz: A concept.

Vice Mayor Lago: You direction.

Commissioner Keon: No.

Vice Mayor Lago: I have given you direction.

Ms. de las Cuevas-Diaz: Me?

Vice Mayor Lago: Everyone.

Ms. De las Cuevas-Diaz: Okay.

Vice Mayor Lago: It's very simple. Just look at my voting record. My voting record speaks for itself. I do not approve massive buildings in the City of Coral Gables, in height and in scale. I just haven't. I have not. I have not approved buildings that are 190 feet. I think it's out of scale and out of context with -- it's going to cast a shadow on Miracle Mile. I've been very clear about that and my tune hasn't changed. It's the same. You can -- I understand -- and the problem here -- the problem here is -- and I'm very clear with the developer and I understand the situation that we've put him in. We're asking for 700-plus parking spaces, lifting that podium even higher, and he's got to find some sort of mechanism to pay for it all, and I got it. But at the end of the day, if I'm not happy with the way the building looks, I'm not going to make the same error that other Commissioners made when they approved the Palace. Look at the Palace at the end of the -- at the end of -- on 37th Avenue. To me, again, I think it's an albatross. It serves the City no good, no benefit. And I'm sorry to say that and it hurts me to say it, but every time I walk by that building, every time, I don't see the true benefit for the City of Coral Gables. I don't see activation on Miracle Mile. I don't see something which is producing something special here in the city.

Ms. de las Cuevas-Diaz: I think you're -- I -- with all due respect, I hear you. This is not at you. This is at all of you because the reality is each of you get a vote.

Vice Mayor Lago: No. I have to disagree with you because it seems to me that the decision has to be made by me because you need that fourth vote.

Ms. de las Cuevas-Diaz: I...

Vice Mayor Lago: So, at the end -- I mean, Mike -- everybody's laughing because it's true.

Ms. de las Cuevas-Diaz: I...

Vice Mayor Lago: So, I have to give -- I have to tell you what I want.

Commissioner Mena: And for the record, we've all been there.

Vice Mayor Lago: I got to tell you what I want. If you're asking me what we want, it seems to be more like what I need...

Ms. de las Cuevas-Diaz: Right. But just...

Vice Mayor Lago: To vote on this.

Ms. De las Cuevas-Diaz: Finish what I was saying is...

City Manager Iglesias: Let me say something, Vivian. Seven hundred cars have to come from somewhere.

Vice Mayor Lago: I agree.

Ms. de las Cuevas-Diaz: Bottom line.

City Manager Iglesias: 700 -- as you know -- you're in construction. I don't need to tell you.

Vice Mayor Lago: Yeah.

City Manager Iglesias: There's a certain cost involved in 700 cars. And that comes from developing or from our participation. But 700 cars do not come from -- are not free, as you know, Commissioner. So, we have to decide as to what is it that we want.

Vice Mayor Lago: But, we've had a discussion with -- Mr. City Manager is the continued struggle with how many parking spaces do we truly need either permitted versus non-permitted.

Commissioner Keon: Seven hundred.

Vice Mayor Lago: And that's discussion...

Mayor Valdes-Fauli: The Parking Director...

Commissioner Keon: It's 700.

Mayor Valdes-Fauli: Has told us that we need 700.

Commissioner Keon: He's telling you 700.

Mayor Valdes-Fauli: 700.

Commissioner Keon: You've got to go off the base of 700. If they reduce the size or the scale of their building, in order for their return to be what they need it to be, then you have to -- the City has to increase its contribution to this -- its annual contribution to this project. So, that's what you have to decide is, at that point, to make it smaller, to make it lower, to make it more -- less mass or less big, it's going to cost us...

Unidentified Speaker: Smaller.

Commissioner Keon: More money. To make it smaller, it's going to cost us more money. So, that's what you decide, whether -- if before you're going to put -- either you accept what it looks like today and what the...

Vice Mayor Lago: Financial implications are.

Commissioner Keon: The financial implications are, or you say, I don't like the size. I don't like the scale. I'd prefer to be able to control those pieces of property myself. We can build it for -- at a cost to the City. It isn't terribly different in the long run than what they are proposing to us. You could still have control over the land and the properties and everything else that we have there. So, it's not that -- you know, it isn't -- it's not -- they make it smaller; we pay more. So, you know, do we know what...?

Mayor Valdes-Fauli: Okay.

Commissioner Keon: The fixed costs are to build a garage.

Commissioner Mena: But...

Commissioner Keon: And we make that decision.

Commissioner Mena: Sure.

Commissioner Keon: So, that's (INAUDIBLE) yes or no.

Commissioner Mena: I think you have -- but I think if you want a smaller building, you're going to -- the finances are obviously going to change.

Vice Mayor Lago: Yeah.

Commissioner Mena: Or you're going to have to reduce the parking. But you also -- I think we're getting a very short shrift to the economic development component of this.

Commissioner Keon: What is that?

Commissioner Mena: People working and living in downtown Coral Gables.

Commissioner Keon: Yeah, but I also ask you to look at...

Commissioner Mena: Which is very important.

Commissioner Keon: You know -- okay, but SunTrust -- you know, the SunTrust building has been purchased and the lot behind it. We've already received a proposal for -- I think it's from the owner to develop -- I think it's two additional stories on Miracle Mile of residential and a residential building behind it. So, they are going to bring in a lot of people into Miracle Mile that we don't have to do anything except just do the permits.

Mayor Valdes-Fauli: Now, are we going to approve that height versus this height?

Commissioner Keon: That height is midrise. That is a midrise height.

Mayor Valdes-Fauli: Can I...

Commissioner Keon: Because it's on...

Mayor Valdes-Fauli: I'm enjoying this...

Commissioner Keon: It's (INAUDIBLE).

Mayor Valdes-Fauli: So much that I'm not going to call for a motion...

Commissioner Keon: We still have...

Mayor Valdes-Fauli: Anymore. Let's continue.

Commissioner Keon: Okay. But I'm telling you, Agave is coming online. That was going to -- that will have both retail and commercial before either one of these will be built. The current public safety building -- if we have -- the public safety building, we intend to have it done in three years, is that right? We're going to move in in three years?

City Manager Iglesias: In August of 2020.

Commissioner Keon: Okay, August of 2020, so that's a year and a half from now or two -- a year and a half. Codina will start work on that building, which is also just on the street, which will either be a commercial or a residential building that is -- you know, that is a very big space, far bigger than any of these spaces, that will bring both residential and commercial into the downtown. And we still have -- we -- the Publix...

Vice Mayor Lago: 24 Salzedo just came online.

Commissioner Keon: 24 Salzedo. But you have a lot of projects that are coming online that are going to bring people into the downtown, both residential and commercial. And you also have the Publix site. I mean, if we -- if this does not work for the City, I would hope you would go to Publix and have that conversation with them, because the site that they have will easily allow you to build what you want to build on that site. So, that will all come to us. We don't have to

do anything to make that happen. All we need to do is make sure that we have the infrastructure of public parking available to people to come into the downtown, so they're not driving around the city looking for a place to park.

Commissioner Mena: Which we don't have.

Commissioner Keon: Which we don't have.

Unidentified Speaker: Yeah.

Commissioner Keon: So, we can either build our own parking garage and -- as you say, I would let -- certainly let the private sector take care of all of that other development. It is a very desirable place to be. And we know that all of these buildings, you know, that are very close to Miracle Mile are coming online. I mean, even further out, we know that 33 Alhambra is coming online. They're already starting to build that. They have the other one a few blocks down from that. We know we have the other project on East Ponce that's coming online that's bringing people. We have a lot of buildings on particularly residential properties that are coming online and we also know that we're getting a number of Class A office space that is also coming online. So, that -- you know, the market will take care of that. What won't take is -- we need to build a garage, so let's build a garage.

Mr. De Yurre: Yeah, look, I -- the only point I'll make, Commissioner Keon, is none of those buildings will pay for \$30 million that otherwise will be footed by the taxpayers, which you just heard will cost you negative one million dollars from day one until you raise rates in those garages. That is the fact. Our project will give the City an extra \$1.1 million. And even if there is an increment paid of \$400,000, the City is still going to net an extra \$800,000, \$1.8 million dollars more than you would for building your own project, and that's just the one comment I want to make about the difference between this project...

Commissioner Keon: Yeah.

Mr. De Yurre: You control it, and because you control it, you're getting this significant benefit. And it's the only project that will create a paseo and add pedestrian activity to Miracle Mile. Don't forget about the paseo. It's not just the garage.

Commissioner Keon: We have paseos currently that are being used and have been used for a very long time. We can certainly enter into a...

Mr. De Yurre: They are private and can be cancelled at any moment.

Commissioner Keon: Discussion. They are privately held, but we can certainly enter into a discussion as to why would someone deny the City the opportunity to use those paseos. Now, they may decide -- they may not allow that for some private entity, but they have allowed it to the public sector, the City, for a very long time. And I can't imagine that they will stop that. And even if there is -- you know, those dollars are not available to City in year one, depending on when we start. If we don't begin construction until 2020, you know what, that is year one and we will make up for it in year two, in year three, in year four, in year five and going on. So, you know what...

Mr. De Yurre: The City will never make up...

Commissioner Keon: They can have that discussion, but you know, we're going to have that with accountants...

Mr. De Yurre: Sure.

Commissioner Keon: And with other people too.

Vice Mayor Lago: Before...

Commissioner Keon: So, that's a decision we make.

Vice Mayor Lago: Before I make a motion...

Mayor Valdes-Fauli: No, don't make a motion.

Vice Mayor Lago: To continue this...

Mayor Valdes-Fauli: Come on.

Vice Mayor Lago: To continue this to either the December or January meeting, depending on what staff feels appropriate -- deems appropriate, excuse me -- I want to make sure that everybody's on board in having staff, Leonard, our legal team, outside counsel, Diana, review the possibility -- really review the possibility of building a garage on G1 while G4 continues in operation. And what are the financial ramifications of doing that on the City over the next 30 years? That's what I -- I need support from my colleagues on that because, if not, I'm ready to vote in regards to where I stand on this project right now. Make your decision. Do you want to explore that, or do you want to go on with -- do you want to...

Commissioner Quesada: I'm fine with that.

Vice Mayor Lago: Okay.

Ms. de las Cuevas-Diaz: One point of clarification...

Commissioner Quesada: More information never hurts.

Commissioner Mena: Right.

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

Ms. de las Cuevas-Diaz: The City Attorney...

Mayor Valdes-Fauli: I'm one vote.

Ms. de las Cuevas-Diaz: Well, if this gets postponed, it doesn't matter, I guess.

(OVERLAPPING COMMENTS)

Commissioner Keon: I'm going to ask...

Vice Mayor Lago: I want to hear from you.

Commissioner Keon: If you continue this, I would like you to continue it into the meeting in January because I'm going to be gone for the next four weeks, and I'd like to be here.

City Attorney Ramos: I agree. And, I think that that's how long it's going to take with the Thanksgiving week in between anyway.

City Manager Iglesias: The meeting in January is the best.

City Attorney Ramos: So, either the first or the second meeting in January. But if you're going to continue it, we need to make that known today to what date specific, and then make that also the date of the extension of the time that we have to continue negotiating with the individuals.

Commissioner Keon: Okay, but you'll note that my motion failed due to a lack of a second.

Ms. de las Cuevas-Diaz: One of the suggestions that...

City Manager Iglesias: I would like to -- Miriam...

Ms. de las Cuevas-Diaz: Your City Manager had...

City Manager Iglesias: Second meeting in January.

City Attorney Ramos: Second meeting in January is what the City Manager's requesting.

City Manager Iglesias: Yes.

Ms. de las Cuevas-Diaz: One of your suggestions also was if this -- how this vote might have happened today, I just want to make sure you guys all know or was aware is that we would vote the project in and of itself and ask for 60 days to negotiate the finances of this.

Vice Mayor Lago: Yes.

Ms. de las Cuevas-Diaz: That was the other point of clarification that would allow us to take the ball further.

City Manager Iglesias: If this project was acceptable from a developmental point of view...

Commissioner Keon: Well, but you can't...

City Manager Iglesias: We would want the time to discuss the actual finances if it was acceptable from the development point of view...

Commissioner Keon: But it's not acceptable...

City Manager Iglesias: Which we're talking about massing, height, cars and so forth.

Commissioner Keon: But it's not developing -- it's not acceptable (INAUDIBLE).

Mayor Valdes-Fauli: It was not acceptable (INAUDIBLE).

Commissioner Keon: (INAUDIBLE) because Commissioner or Vice Mayor Lago has told you he doesn't like the size of it, so...

Assistant Economic Development Director Roberts: Speaking of size...

Commissioner Keon: You can't negotiate the finances of it...

Vice Mayor Lago: It's not only the size.

Commissioner Keon: When you don't have a project to make a decision on.

Vice Mayor Lago: It's just the financing of the project. The size -- and again...

Commissioner Keon: You can't do it.

Vice Mayor Lago: I don't think my colleagues agree -- disagree with me. I think they'd like to explore the opportunity to see if -- that we're making the best decision on behalf of the City. If I find out that it doesn't make sense to build this garage, then you know what? I'd be more inclined to support this project because we're in such dire need. If you tell me -- if you tell me and you put it in paper, in writing, in a memo -- you know I love to write memos -- if you put it in writing and you send it to all my colleagues with approval by Diana and it says it's not

financial feasible to build on G1 and, you know, with G4 continuing in operation, to subsidize the project, and you give me a pro forma and you model out over five years and you tell me this is what it will be in five years, and if Kevin can't sign off on it, then I'm ready to vote on this project.

Commissioner Keon: They've already told you that.

Assistant Economic Development Director Roberts: We'll evaluate that.

Vice Mayor Lago: No, no. They haven't given me an assurance, because I think what they need is to sit down and really do this. We've talked about it. We've talked about it and we've done a lot of, you know, paper on the back of a napkin, but what I want to see is a real pro forma. I want to see it really modeled out. I want to see a real plan. No one's talked about keeping G4 online. This is the first time I bring that up.

Commissioner Keon: No.

Vice Mayor Lago: And, we can demolish that in the next five years after we have a stabilized asset and then we can move in the direction of whatever we want to do on G4, maybe it's either a park, if it's either -- I don't know, whatever that may be.

City Manager Iglesias: Vice Mayor, you're looking for the financials and also the timeframe involved.

Vice Mayor Lago: Yeah.

City Manager Iglesias: Because...

Commissioner Keon: We know...

City Manager Iglesias: You need the timeframe involved.

Vice Mayor Lago: Yeah, and I want to see everything. Like Commissioner Keon mentioned, we currently have an agreement with some landlords on Miracle Mile. I want to see those agreements. I want to see when they expire or when they sunset. What will be the cost associated with extending those agreements? I want to see a real -- I want Leonard -- Leonard knows what to do. I want Leonard to be able to provide us with a detailed breakdown of what it will take. And if it doesn't make financial sense, then I'm more inclined to support this project.

Assistant Economic Development Director Roberts: We'll evaluate the standalone situation related to this project and making sure we understand what size refers to. I know you've made reference to midrise, and I just spoke to Ramon earlier. And I said Ramon, if this was midrise, how many public parking spaces could you potentially build within an...

Commissioner Keon: Two hundred?

Assistant Economic Development Director Roberts: Yeah.

Vice Mayor Lago: Yeah.

Assistant Economic Development Director Roberts: So...

Commissioner Keon: Two hundred.

Assistant Economic Development Director Roberts: So, when you say size, what -- you know, it's still going to be over a hundred feet in just -- conceptually.

City Manager Iglesias: Midrise project...

Vice Mayor Lago: Leonard.

City Manager Iglesias: Midrise project does not work here. Midrise is out.

Assistant Economic Development Director Roberts: So, if that's something that...

City Manager Iglesias: From a project perspective.

Assistant Economic Development Director Roberts: A game changer with you...

Vice Mayor Lago: No, but you can't tell me you're going to do 100, 110 foot building...

Assistant Economic Development Director Roberts: Agreed.

Vice Mayor Lago: Versus 190 feet.

Assistant Economic Development Director Roberts: No, no, agreed. So, the question what's...

Vice Mayor Lago: You know me very well. I've never approved a project to be up-zoned...

City Manager Iglesias: Vice Mayor...

Vice Mayor Lago: Of this magnitude.

City Manager Iglesias: Vice Mayor, this project doesn't work in midrise. It has to be above the midrise level.

Vice Mayor Lago: So, it's got to be higher than 95 feet.

City Manager Iglesias: Higher than midrise.

Vice Mayor Lago: And that's under -- maybe it gets to 107, maybe it gets to 117.

Assistant Economic Development Director Roberts: Right.

Vice Mayor Lago: But, when you look at the design that was provided by the team...

Commissioner Keon: You can't do it.

Vice Mayor Lago: Again, the parking podium gets up to 97 feet. I have a copy of it right here.

Unidentified Speaker: That's not a 750 space...

Vice Mayor Lago: Yeah, 750 spaces, right here, 97 feet. So, midrise, it works, okay, unless this example is incorrect.

Commissioner Keon: Mr. Morris...

Vice Mayor Lago: 97 feet midrise, 750 parking spaces. If you tell me we can't do it then I'll support your project.

City Manager Iglesias: It works for a parking garage only, but not for a multi...

Vice Mayor Lago: I got it.

Commissioner Mena: But he's talking about if you build it yourself. He's talking about...

Vice Mayor Lago: Yeah. That's what I'm saying. And we have first floor commercial. We want to put a top floor of commercial on that similar to the NPA parking garage, maybe that could be an option. Go to 110, get more revenue out of it with a (INAUDIBLE) shell on top. But...

City Manager Iglesias: And with all the projects...

Vice Mayor Lago: I will support this project with certain tweaks to the finance and to the breaking up of the massing of the project if we can't do this on our own.

Mayor Valdes-Fauli: And with five or six projects going on at the same time, public safety, the fire station, the other -- maybe we'll have to hire your company in order to do the construction, because we don't have the staffing or finances, yeah.

Vice Mayor Lago: That would be a conflict of interest.

Mayor Valdes-Fauli: Well...

Unidentified Speaker: We'll talk to somebody else.

Mayor Valdes-Fauli: Somebody good.

Assistant Economic Development Director Roberts: There's been four main objectives here.

Vice Mayor Lago: Yeah.

Assistant Economic Development Director Roberts: Just looking at this. We have the number of parking spaces. We have the FAR and height and size. We're discussing public parking.

Vice Mayor Lago: Yes.

Assistant Economic Development Director Roberts: We talked about the ownership structure and it seems to be the ownership structure is something that we can digest. The financing is where the City's coming out of pocket in a situation. So, just to kind of go back and say when we reevaluate this...

Vice Mayor Lago: Yes.

Assistant Economic Development Director Roberts: We're going to be reevaluating all four components?

Vice Mayor Lago: Yes.

Assistant Economic Development Director Roberts: Okay.

Commissioner Keon: Why...

Mr. De Yurre: I think a direction from...

Vice Mayor Lago: And I want you to compare it to what's being proffered today. I want you to show me the numbers.

Mr. De Yurre: The priority for the Vice Mayor, in particular, is to drive the height down of this project and to lower the mass. That is...

Vice Mayor Lago: And also...

Mr. De Yurre: Number one, numero uno.

Vice Mayor Lago: You're asking me to give you \$8 million. That's a lot of money.

Mr. De Yurre: I have options. We discussed options.

City Manager Iglesias: Let me clarify that because we must have a good project and the height may not be the only issue that we have to look at, because tiering and so forth are other issues. So, not just the height.

Commissioner Keon: How high of a project are you willing to accept? There has to be a range. You have to give them parameters.

Mr. De Yurre: It's...

Commissioner Keon: You have to give them parameters...

Mr. De Yurre: It's not fair...

Commissioner Keon: Or they can't work for it.

Mr. De Yurre: It's not fair without seeing what we can do based on the parking count, based on the step backs, the elevations, based on a number of architectural features in the buildings that we already exercised to bring it down from 190 to 163. We already met with staff. They were okay with it, so now we're getting further direction and we're going to drill it down again. We're very good at following directions, Commissioner Keon. If you give us the directions, we will follow through to the t. We were told 4.375. We were told no Andalusia encroachment. Now, we're being told, look, it's not just that. The height's still an issue. We want to get it closer to midrise. We're going to work on that. We're going to do it and we're going to...

Commissioner Keon: And we want 700 parking...

Mr. De Yurre: Do it (INAUDIBLE).

Commissioner Keon: Public parking spaces under the control of the City.

Mr. De Yurre: The number one -- Commissioner Keon...

Commissioner Keon: Is that -- (INAUDIBLE) that?

Mr. De Yurre: I am -- I have heard...

Commissioner Mena: I don't know that Vice Mayor Lago's necessarily in agreement with you on that.

Commissioner Keon: Commissioner Lago.

Mr. De Yurre: I heard the priority was...

Vice Mayor Lago: You know...

Commissioner Keon: 700 parking spaces...

Vice Mayor Lago: Let me...

Commissioner Keon: Under the control of the City.

Mr. De Yurre: I heard the priority.

Mayor Valdes-Fauli: What's the recommendation of our staff?

Vice Mayor Lago: That's the recommendation of staff and I have the utmost respect for Mr. Kinney, but...

Commissioner Keon: That's part of (INAUDIBLE).

Vice Mayor Lago: I don't buy it. I don't buy it. I think it's an overabundance of parking that we may not even need. And I know we want to be safe, but I just find it -- I -- this is where we get back to the discussion we've had over years where you end up with these massive buildings. Again, I am not a believer -- and I've said it from the beginning. I think my colleagues agree with me. I think it's just an excessive amount of parking.

Mayor Valdes-Fauli: I don't agree with you.

Vice Mayor Lago: We should use -- we should use -- I know that Commissioner Keon...

Commissioner Mena: I agree with you on parking.

Vice Mayor Lago: We should use a sharing...

Commissioner Mena: I agree with him on parking.

Vice Mayor Lago: A park sharing component or...

Commissioner Quesada: I one hundred percent agree.

Vice Mayor Lago: Or approach where in the evenings, instead of having 200 parking spaces available, you know, maybe we need 300, maybe we need 400, but we reduce the scale of the project.

Ms. de las Cuevas-Diaz: One other...

Commissioner Quesada: A hundred percent agree with that.

Mr. De Yurre: Thank you, Vice Mayor Lago.

Ms. de las Cuevas-Diaz: To be clear...

Vice Mayor Lago: Oh, thank Vice Mayor Quesada.

Ms. de las Cuevas-Diaz: Just for the direction...

Mr. De Yurre: Yeah, former Vice Mayor Quesada.

Ms. de las Cuevas-Diaz: Mr. De Yurre, I think there's another point that I keep on hearing from Commissioner Lago, which is finances. So, I just want to be clear that that's one of the objectives that we also want to go back to the drawing board for.

Unidentified Speaker: Absolutely.

Vice Mayor Lago: But let me ask you a question.

Ms. de las Cuevas-Diaz: Sure.

Vice Mayor Lago: My esteemed outside counsel. If you look at my colleagues here and you tell me, do you want to pay \$8 million right now? I don't think anyone would want to pay \$8 million, so it's not only me. It's everybody else that wants to get the best bang out of their buck.

Ms. de las Cuevas-Diaz: Again, the only reason I'm saying it is because...

Vice Mayor Lago: I know, I know.

Ms. de las Cuevas-Diaz: He listed his items and that wasn't on it. I'm not here to vote. I'm here to just make sure that your information comes onto their list and comes back with that information.

City Attorney Ramos: In addition, I think it's very, very important if this Commission is wishing to deviate from the number of 700...

Unidentified Speaker: Yes.

City Attorney Ramos: That changes everything. And, if it's going to be that you want to take a vote today that says we want it to be 600...

Commissioner Quesada: So moved.

City Attorney Ramos: Then that is what we need to work with because that changes everything. It changes...

Vice Mayor Lago: What I want...

City Attorney Ramos: Finances. It changes massing.

Vice Mayor Lago: What I want to...

(COMMENTS MADE OFF THE RECORD)

Vice Mayor Lago: See -- I want to see...

Mr. De Yurre: Unlocks.

Vice Mayor Lago: From Director Kevin Kinney how we can remove all permit parkers from these buildings and move them to another building.

Commissioner Quesada: Honestly, I thought this was a dead issue with us.

Vice Mayor Lago: It's not.

Commissioner Quesada: Because I remember we had this meeting...

Planning and Zoning Director Trias: I need to...

Commissioner Quesada: In the basement...

Planning and Zoning Director Trias: Vice Mayor...

Commissioner Quesada: I'm sorry. I'm in the middle of a sentence, Ramon.

Planning and Zoning Director Trias: No. I...

Commissioner Quesada: I'm in the middle of a sentence.

Planning and Zoning Director Trias: I'm sorry.

Commissioner Quesada: Just let me finish.

Planning and Zoning Director Trias: I apologize.

Commissioner Quesada: We were in the basement of the police station when we were talking about this. And we said, well, this really comes down to a parking issue. And we went back and forth on this a million times and he gave me a breakdown of every permit parking out there and I had some assumptions going into that meeting that he corrected for me after the meeting, not during the meeting, after, when I was able to speak to him in the back and I realized that he does something that actually is very smart. He does basically everyone month to month on their permitting parking so that he has to the ability to shift very quickly, which is something I wasn't aware of. Because when I was always complaining about the post office being -- having permit parking in there and other small businesses that should have some access to it, I just -- I remember Commissioner Keon was saying, well, look, it's important and they need to be -- if we have a small business there, we need to have the employees park nearby, which I agree to a certain small amount, but not to a large amount. But at least my position on this, completely unwavering, it has not changed from the beginning is there should not be so much parking in that building at all. And if that's going to help resolve it to get to a meeting point on this, I am absolutely ready to make the motion right now to have a lower number. I know Kevin's not going to like it. I know some people are not going to like it.

Mayor Valdes-Fauli: If we have...

Commissioner Quesada: My mind is made up on that one.

Commissioner Mena: I...

Mayor Valdes-Fauli: If we have our expert telling us that that is what we need -- I'm glad that you consider all of yourselves as experts in parking, because we're going to disregard the person who is our parking expert and his recommendations. And maybe, in 2030 or 2040, we will not need that much parking. But he tells us that today we do need that parking.

Commissioner Mena: Except we have data on that. I've said that before and I'll...

Planning and Zoning Director Trias: Mayor...

Commissioner Mena: I've said that before and I'll say...

Commissioner Keon: But he has data...

Commissioner Mena: It again.

Commissioner Keon: That says yes, and he happens to be the expert in the field...

Commissioner Mena: I'm looking at the same data. Numbers are numbers, whether he's an expert or not.

Commissioner Keon: He has -- do you have...

Commissioner Mena: Or whether he's an...

Commissioner Keon: Experience in that field?

Commissioner Mena: I'd like to speak for a second, if I -- when you guys have a chance.

Commissioner Keon: Well, tell us your credentials first.

Commissioner Mena: Whether he's an expert or not, 560 whatever spaces at peak time is 560 something spaces at peak time. That's a number. And at peak time, from what I've seen, for the most part -- there's a couple of exceptions but we're night and weekend, wherein we have 900 plus spaces here.

Commissioner Keon: We have...

Commissioner Mena: With shared parking, which I think is an important part of this that we ignore. We're only focusing on the committed spaces and not the shared portion. So, I'm absolutely willing to go down on parking, and I've said that from the beginning as well. Here's my only concern about the height part. You bring down the height -- I don't want to get some -- I would rather have a taller building with articulation that the massing is not as intense from the street level than a box that...

Commissioner Quesada: Agreed.

Commissioner Mena: You know, is 150 feet, but you see all 150 feet from street level right above you. So...

Vice Mayor Lago: I agree with you.

Commissioner Mena: Yeah, so I want to be careful about that. So, I'm just telling you that as sort of a word of caution, because I know you're talking about driving the height down and I don't want you to come back and say, well, you guys asked for the height to come down and now here's this box. So, I'm just putting my thoughts about this on the record. I'm willing to go down on parking if, to be clear, the shared number...

Vice Mayor Lago: Component.

Commissioner Mena: At peak times, which is night and weekends, remains in the ballpark of what we're talking about, which is 900 plus spaces, which should be more than enough to meet the...

Commissioner Quesada: So hypo...

Commissioner Mena: 560 something peak number that I saw in the numbers.

Commissioner Quesada: Wait, wait, wait. Okay, stop, stop. Don't say anything, don't say anything. I'm sorry. If -- hypothetically, if you were to phrase that as a motion, how would it sound?

Commissioner Mena: I don't think it's about a motion. It's about giving them direction.

Commissioner Quesada: It's a hypothetical...

Commissioner Mena: To come back and show us what a project looks like with 600 spaces.

Commissioner Quesada: Yeah, but they can't...

Commissioner Keon: They have.

Commissioner Quesada: They can't do that without knowing...

Commissioner Keon: They did.

Commissioner Quesada: That this Commission is committed to do that.

Commissioner Mena: Well, I'm telling them.

Mayor Valdes-Fauli: I'm not committed to that.

Ms. de las Cuevas-Diaz: So, we have...

Mayor Valdes-Fauli: I think...

Ms. de las Cuevas-Diaz: So, we have that option.

Mayor Valdes-Fauli: I think it's silly to do that.

Commissioner Keon: I do too.

Commissioner Quesada: (INAUDIBLE) option presently available now.

Commissioner Keon: The other thing is, you have...

Ms. de las Cuevas-Diaz: So, just to side note -- they came with 620.

Commissioner Keon: They came with 620.

Ms. de las Cuevas-Diaz: We pushed for 700. We -- because that's the number we have been told that we need. So, then they said today there was two options. Now, I think with what we're hearing is let's consider bringing down those numbers, looking at how the design looks best with those numbers because it's not like what's the magic number. I think that's what I'm hearing. And how do we come out of pocket the least. So, those are -- we're trying to make the most viable project for the City. The one suggestion is, if you're going to continue this through

January, then use December to go through your parking permits and your headcounts because it will continue to help the project look what it needs to look like January. It's just a consideration, but it's up to you guys.

Vice Mayor Lago: I want to move forward. We still have an agenda to deal with here, a bunch of items. So, through the Mayor, if I may. I've been -- go ahead, Ramon, excuse me.

Planning and Zoning Director Trias: We've had this conversation with the applicant and the issue was that if they looked at shared parking, like you mentioned, 100 percent of the project as shared parking, then the number of parking spaces and the massing and the height and all of that could be reduced. They said no. Why not? Well, because they want to keep parking for the residential, which makes sense for them. Now, they said no. That was off the table. The only thing that they're saying is that the office parking at night will be shared. That is the only -- that is the only thing they've offered.

Vice Mayor Lago: Well, Ramon, I mean, that's obvious because that's -- there isn't anybody there...

Planning and Zoning Director Trias: So...

Vice Mayor Lago: In the office anyways so...

Planning and Zoning Director Trias: Right, I know.

Commissioner Keon: So, it's daytime parking.

Planning and Zoning Director Trias: But what I'm saying to you is that...

Ms. de las Cuevas-Diaz: Nights and weekends.

Planning and Zoning Director Trias: Under the Zoning Code that we have, you could reduce the number of parking spaces, which will result in smaller massing and a building that is not as tall if they use shared parking throughout the project. That is possible, and they said no. That is a choice that they made.

Mayor Valdes-Fauli: No, because they want to have residences and they want to have office component and you cannot have shared parking with an office component or with residences.

Planning and Zoning Director Trias: So, that has taken place already.

Mayor Valdes-Fauli: It doesn't work.

Planning and Zoning Director Trias: That discussion and they've said no.

Commissioner Keon: And we have the numbers for 600 spaces.

Mayor Valdes-Fauli: And 2525 Ponce is having problems with shared parking with the residences.

Commissioner Keon: So, (INAUDIBLE) presentation at 600.

City Attorney Ramos: 620.

Vice Mayor Lago: Leonard, I already made a motion in reference to what I would like to see for the next...

Mayor Valdes-Fauli: Which is what?

Vice Mayor Lago: To continue this project, obviously.

Assistant Economic Development Director Roberts: Standalone.

Vice Mayor Lago: That I'd like to have Leonard prepare a thorough analysis of what it would take to build this project ourselves on G1 while G4 is continuing in operation. Tell me the financials of what is that undertaking and tell me what it would take -- and also, to include an uptick in regards to our permit -- excuse me, not our permit parking, but our parking fees.

Mayor Valdes-Fauli: Is that the recommendation, Mr. City Manager, that we undertake another - - yet another project, construction project?

City Manager Iglesias: What I was going to suggest is that we -- if the development portion of this project was okay with the Commission, that we would be allowed to negotiate the financial part of it based on 700 cars. So, 700 cars, which is what we've been talking about for quite some time. Actually, we talked about 750 and reduced it to 700, in order to come to a conclusion to this project.

Vice Mayor Lago: If we go that route, my vote today is no. So, if you want to do a roll call...

Commissioner Keon: Then second my motion.

Vice Mayor Lago: If you want to go on that route -- I'm willing to hire an outside consultant to help the City manager this if this is your concern. Threshold inspector, you know, an owner rep who would come in and help the City if this is what's required to alleviate the pressure as much as necessary. There's a litany of professionals in this community that you know very well that can handle this building, you know, like a Sunday morning, okay. This is not a big deal for them, okay. This is not complicated. You know this very well and you know this better than anybody else. So -- if that's the case. And I want to make sure -- I know you have a lot on your

plate. I want to make sure this is painless for you, okay, painless for you. So, I will go to the ends of the earth to make sure that whatever resources you need, I'll deliver for you. Now, going back to what I need from you, I will not make a decision on this project yea or nay until I have a full breakdown from you that's presented to every single one of my colleagues in this Commission explaining everything in detail, comparing the financial implications to what is being provided by the applicant, along with your breakdown.

Assistant Economic Development Director Roberts: Okay. And the break...

Vice Mayor Lago: And the understanding of -- even talking about paseos that are currently leased out. I want to know how long those -- how long is it before that contract sunsets. I want to understand what the financial implications are.

Mr. De Yurre: Apples to apples.

Vice Mayor Lago: Everything, apples to apple.

Mr. De Yurre: Two paseos.

Vice Mayor Lago: Well, it's only one because I'm not building on G4. I'm only building G1.

Mr. De Yurre: That's a big delta.

Vice Mayor Lago: I know. I want to do it apples to apples.

Assistant Economic Development Director Roberts: And is this is for a standalone one building and then once that single building or garage structure stabilizes, you made reference to going to the other building.

Vice Mayor Lago: Yep.

Assistant Economic Development Director Roberts: And doing what with that other building?

Mayor Valdes-Fauli: Why...

Vice Mayor Lago: Either demolishing that building or keeping it online for a year or two.

Mayor Valdes-Fauli: Why not do both at the same time?

Vice Mayor Lago: We could have permit parkers parking in G4 and have G1 open to whoever wants to use it.

Mayor Valdes-Fauli: If it makes economic sense, why not do both at the same time?

Commissioner Keon: Because it'll wipe out all of the parking.

Vice Mayor Lago: Because I don't want to build on G4.

Mayor Valdes-Fauli: Why?

Vice Mayor Lago: Because I have my own interest in G4.

Mayor Valdes-Fauli: To make it a park on Miracle Mile?

Unidentified Speaker: Commissioner Lago wants a park.

Commissioner Mena: Central Park.

Vice Mayor Lago: It could be something. It could be -- or it could be an ode to Mayor Valdes-Fauli.

Mayor Valdes-Fauli: No, no. It doesn't make any sense to add a...

Vice Mayor Lago: Mayor Valdes-Fauli sculpture garden.

Mayor Valdes-Fauli: Park in the middle of downtown. It really doesn't.

Vice Mayor Lago: I know. And I was just in New York this weekend and, you know...

Mayor Valdes-Fauli: Yeah, Central Park built...

Vice Mayor Lago: It doesn't work well either.

Mayor Valdes-Fauli: 150 years ago, yeah.

Mr. De Yurre: The only...

Mayor Valdes-Fauli: (INAUDIBLE) in Chicago.

Mr. De Yurre: The only nuance I would ask, Commissioner Lago, because it is a big number...

Vice Mayor Lago: Yes.

Mr. De Yurre: Is when you look at our project versus the City's build. The City is -- we are obligated to build two paseos. And so, we're taking on an -- if we would do an apples to apples comparison, you've got to build out two paseos because if not, there's an extra \$4 million that

we're putting in our budget and that's half of the increment anyways that we're having problems dealing with that we're short in the project.

Vice Mayor Lago: I'll offer you guys an allowance.

Commissioner Keon: So, I think that...

Mr. De Yurre: Okay, alright.

Vice Mayor Lago: (INAUDIBLE) an allowance.

Mr. De Yurre: Fair enough, fair enough.

Commissioner Keon: Okay, but that's to the point that we...

Vice Mayor Lago: Why would I include it if I don't need to build it?

Commissioner Keon: (INAUDIBLE)

Mr. De Yurre: Fair enough, fair enough. I heard allowance. I get it.

Vice Mayor Lago: So, again...

Mr. De Yurre: Okay.

Vice Mayor Lago: I need to make sure that I've covered every single base...

Mr. De Yurre: I understand. I just want to make sure...

Vice Mayor Lago: Before I make a decision on approving your project.

Mr. De Yurre: Alright.

City Attorney Ramos: Commissioner Lago -- Vice Mayor Lago, to finish your motion, to what date would you like to continue it and...

Vice Mayor Lago: Heeding your advice, January.

City Attorney Ramos: Okay. The City Manager's asked for the second meeting in January. Is that acceptable?

Vice Mayor Lago: Yes.

City Attorney Ramos: And...

Vice Mayor Lago: And, what I would like to do is I would like to have a meeting with -- I would like to have a meeting as soon as possible with Leonard, Diana, our outside counsel, yourself and the City Manager. And then -- to break down exactly what I would like and how I would like it broken out, and then I would like to have that same meeting with every one of my colleagues. Obviously, I know Commissioner Keon is leaving, so maybe you can have it with Commissioner...

Commissioner Keon: It's okay. I already had it. I had it on Friday. I had it at my pre-agenda.

Vice Mayor Lago: I didn't have it. I'm sorry.

Commissioner Keon: So, I've had it both.

Vice Mayor Lago: I've been out of town since Wednesday, so I apologize.

City Attorney Ramos: In addition...

Mr. De Yurre: And Commissioner...

City Attorney Ramos: Does that include an extension of the time to negotiate...

Vice Mayor Lago: Yes.

City Attorney Ramos: To the second January meeting?

Vice Mayor Lago: Yes, it does.

Commissioner Keon: But you can't negotiate what you don't know you're negotiating.

Mr. De Yurre: Would we -- Commissioner Lago, would we, as members of the public, be allowed to attend these meetings?

Vice Mayor Lago: I don't see why not. We don't have anything to hide.

Mr. De Yurre: Thank you.

Vice Mayor Lago: As a matter of fact, I highly recommend that you attend Commissioner Mena's and myself's...

Mr. De Yurre: Town hall. I'll be there.

Vice Mayor Lago: Town hall meeting that will be happening at the end of this month.

Mr. De Yurre: I will be there. I will bring...

Vice Mayor Lago: It will be riveting.

Mr. De Yurre: I'll be there.

Mayor Valdes-Fauli: Alright.

Mr. De Yurre: Children and everything.

Mayor Valdes-Fauli: A motion has been made. Is there a second?

Commissioner Quesada: Second.

Mayor Valdes-Fauli: Can you call the roll, please?

Commissioner Keon: Could I -- could you clarify for me what you're...

Mayor Valdes-Fauli: Let's call the roll.

Commissioner Keon: No, what you're -- clarify...

Mayor Valdes-Fauli: Come on.

Commissioner Keon: For me what you are negotiating.

Mr. De Yurre: I...

Mayor Valdes-Fauli: He's been talking about it for a half an hour.

Mr. De Yurre: I don't know if you can interrupt once they call the roll.

Commissioner Keon: No, that's why I still don't understand it.

Mr. De Yurre: Is it a point of order?

Vice Mayor Lago: Is that an indictment on me.

Commissioner Keon: Yeah. Well, no...

Commissioner Mena: Does it matter?

Commissioner Keon: It could be...

Commissioner Mena: I mean...

Commissioner Keon: Does it matter?

Commissioner Mena: Yeah. You're not going to vote yes on it and he might. So, he's the one that needs to figure this out.

Mayor Valdes-Fauli: Will you call the roll, please?

Commissioner Mena: Right?

Ms. de las Cuevas-Diaz: Can we clarify the date?

Commissioner Keon: But I still would like to know what you're...

City Attorney Ramos: The second January...

Vice Mayor Lago: The second meeting in January.

City Attorney Ramos: Meeting. I can look it up right now.

Ms. de las Cuevas-Diaz: Just -- I know, but I want the date so that everybody here hears it and there's no confusion.

Vice Mayor Lago: Second meeting in January.

Commissioner Mena: Whatever the second meeting date is.

Commissioner Keon: But if the variables are the amount of parking...

City Attorney Ramos: It's the 22nd...

Commissioner Keon: Or the height of the building...

City Attorney Ramos: So, we're extending through the 23rd.

Commissioner Keon: (INAUDIBLE) negotiating.

Ms. de las Cuevas-Diaz: Exactly. January 23 is our extension.

Commissioner Keon: What are you negotiating, Vice Mayor?

Mayor Valdes-Fauli: Okay.

Vice Mayor Lago: And I'd like to see a difference in -- Leonard, a breakdown in parking 700, 650 and 600. Break it out that way in construction, along -- to see what the costs are.

Mayor Valdes-Fauli: Will you call the roll, please?

City Manager Iglesias: We'll break it down by floor, Vice Mayor.

Vice Mayor Lago: Yep.

Vice Mayor Lago: Yes.

Commissioner Mena: Yes.

Commissioner Quesada: Yes.

Commissioner Keon: Yes.

Mayor Valdes-Fauli: No.

(Vote: 4-1)