

City of Coral Gables City Commission Meeting
Agenda Item F-3
February 12, 2019
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

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

City Staff

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

Public Speaker(s)

Agenda Item F-3 [0:00:00 p.m.]

An Ordinance approving the purchase and sale agreement for the sale of Municipal Parking Lot 24 located on the northwest corner of University Drive and Pisano Avenue, Coral Gables, FL 33146 having a Miami-Dade County parcel identification number of 03-4119-006-0200 to Doctors Hospital Inc., a Florida not-for-profit corporation; waiving certain requirements of the Procurement Code pursuant to Section 2-1089 thereof; providing a repealer provision, severability clause and providing for an effective date. (The lot is currently leased to Doctors Hospital)

(Sponsored by Commissioner Quesada)

Mayor Valdes-Fauli: F-3.

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City Attorney Ramos: F-3 is an ordinance approving the purchase and sale agreement for the sale of Municipal Parking Lot 24 located on the northwest corner of University Drive and Pisano Avenue, Coral Gables, FL 33146 having a Miami-Dade County parcel identification number of 03-4119-006-0200 to Doctors Hospital Inc., a Florida not-for-profit corporation; waiving certain requirements of the Procurement Code pursuant to Section 2-1089 thereof; providing a repealer provision, severability clause and providing for an effective date. This is an ordinance. It will be here on two readings. It is a public hearing item and it must be adopted by four-fifths vote for waiver of the Procurement Code and due to the amount of the price of the purchase.

Mayor Valdes-Fauli: We have discussed this in the past many times. Will you...

Commissioner Quesada: Just real quick. Does it need to be in this item the designation of the funds to parks? Does it have to be here?

City Attorney Ramos: There was a previous resolution that designated these funds to be used for park acquisition.

Commissioner Quesada: So, it doesn't have to be repeated in this resolution?

Unidentified Speaker: Correct.

City Attorney Ramos: It does not.

Commissioner Quesada: Okay.

City Attorney Ramos: This is an ordinance adopting -- or approving the purchase and sale agreement.

Commissioner Quesada: Got it.

Vice Mayor Lago: Yeah. And I just -- if I could add just one little caveat to your comment -- I appreciate you bringing that up -- is we had stated that these monies are going to be used for the acquisition, acquisition. And then we -- again, I want to talk to my colleagues. When we talk about acquisition, we have a mechanism in place that breaks it down 65/35. Do you want to have the discussion now or do you...?

Mayor Valdes-Fauli: No.

Commissioner Quesada: No. I think that's separate.

City Attorney Ramos: Yeah, and to clarify...

Commissioner Quesada: It's actually -- as you mentioned last time, which I had forgotten, so thank you for that, that that's what the resolution is.

Vice Mayor Lago: Yes.

Commissioner Quesada: The 65/35, it is what it is.

City Attorney Ramos: And to clarify, that's what...

Commissioner Quesada: Are you saying for this...

Vice Mayor Lago: That's what I just wanted to -- I wanted...

Commissioner Quesada: No, hold on.

Vice Mayor Lago: To bring that up.

Commissioner Quesada: Do you want it to be 65/35 or you want it to be 100 percent?

Vice Mayor Lago: I'm giving my...

Commissioner Quesada: Because I don't care either way.

Vice Mayor Lago: I'm giving Commissioner Mena...

Commissioner Mena: So that's -- you guys are -- that's for impact fees?

City Attorney Ramos: Correct. That's...

Vice Mayor Lago: Yes.

City Attorney Ramos: That's park impact fees.

Vice Mayor Lago: I just don't -- wanted to make sure you don't want to apply it to this.

Commissioner Mena: No, I think...

Vice Mayor Lago: That's why I...

Commissioner Mena: It's fine.

Commissioner Keon: Okay, but wait a minute. So, this doesn't apply the 35/65.

Commissioner Mena: Correct.

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Vice Mayor Lago: No, it does not.

Commissioner Keon: This is \$3 million that goes entirely to the acquisition...

Vice Mayor Lago: Yes.

Commissioner Keon: Of parks.

Vice Mayor Lago: Yes.

Mayor Valdes-Fauli: Okay.

Commissioner Keon: You know...

Mayor Valdes-Fauli: Do I hear a motion?

Vice Mayor Lago: Go ahead.

Commissioner Keon: Hold on until I finish talking, if you don't mind.

Mayor Valdes-Fauli: Come on, please. Come on.

City Attorney Ramos: Also...

Mayor Valdes-Fauli: Come on.

City Attorney Ramos: I think -- I believe Mr. Roberts has a...

Commissioner Keon: (INAUDIBLE)

City Attorney Ramos: Presentation.

Commissioner Keon: Darling, but -- yeah, I -- you know what, I too -- I understand how you feel. I know that you want a large sum of money because there are areas that we want to purchase parks in where it is expensive. But it is -- because it is a large sum of money and I look at if we want to like improve Lee Lincoln or whatever else that is a very expensive thing. So, I'm hesitant to say -- I mean, I guess I'm asking how you feel about making it only -- I don't want to see it go to -- into the Parks budget for the maintenance in everyday parks. I really don't.

Commissioner Quesada: Yeah.

Commissioner Keon: But I would like to see it be an extraordinary expense...

Commissioner Quesada: That almost feels like a loss.

Vice Mayor Lago: Yes.

Commissioner Keon: What?

City Attorney Ramos: The resolution...

Commissioner Keon: Yeah. I don't want it to supplant ordinary...

Commissioner Quesada: I agree.

Commissioner Keon: Funding.

Commissioner Quesada: I agree with you.

Commissioner Keon: I don't.

Commissioner Quesada: Yeah, I agree.

Vice Mayor Lago: And if I may -- and I want to...

Commissioner Keon: But I'd like to see maybe if you can't be a little more -- give a little more leeway and if that -- for -- it can be for the -- also for the improvements of new acquisitions. So, not just for the purchase, but also maybe it could go to the improvement...

Commissioner Quesada: Technically...

Commissioner Keon: And...

Vice Mayor Lago: That's what I just said.

Commissioner Keon: Whatever.

Commissioner Quesada: Technically, it's not before us right now.

Commissioner Keon: Okay.

Commissioner Quesada: Let's get past this.

Commissioner Keon: Okay.

Mayor Valdes-Fauli: Correct.

Commissioner Quesada: And then...

Commissioner Keon: I'm sorry.

Commissioner Quesada: Maybe...

Mayor Valdes-Fauli: That's what I was trying to get -- yeah.

Commissioner Quesada: Maybe in discussion items at the end. We'll discuss this real quick.

Commissioner Keon: Okay, thank you.

Commissioner Quesada: Just so that we can keep this moving. Is that alright?

Commissioner Keon: Okay, thank you.

Mayor Valdes-Fauli: That's exactly what I...

Commissioner Quesada: Leonard, do you want to give us a quick recap...

Economic Development Assistant Director Roberts: Sure.

Commissioner Quesada: Of this...

Economic Development Assistant Director Roberts: Absolutely.

Commissioner Quesada: So we could vote?

Economic Development Assistant Director Roberts: Leonard Roberts, Economic Development Assistant Director. This item has come to the Commission in the past. And right now, the deal terms are that the sale is an as-is sale. The sale is for \$3 million. The -- it is contingent upon the City Commission approval and Doctor's approval. There are no brokers involved. This deal will terminate the existing lease that expires in 2047.

Commissioner Quesada: Can you just recap your thoughts on the purchase as you had advised us before?

Economic Development Assistant Director Roberts: Oh, sure. So...

Commissioner Quesada: Highest best use.

Economic Development Assistant Director Roberts: Yeah. So, the -- currently, the City leases the site to Doctor's Hospital for -- the lease just renewed in 2000 -- the beginning of 2018 for an additional 30 years. The lease went up from roughly 90 something thousand dollars a year to \$114,000 a year. The site was appraised at \$2.2 million and \$2.35 million for its existing use, which is a duplex use. The sale price of this is \$3 million. What we did is we analyzed with the appraisals and the appraisals are obviously lower than the actual price that we're getting the property for. In addition, we analyzed the rent that we receive, which his \$114,000. If you took \$114,000 and looked at the open market what that would (INAUDIBLE), \$3 million is substantially more than what that \$114,000 would yield.

Commissioner Quesada: So, if I could just summarize, we're getting a spectacular deal.

Economic Development Assistant Director Roberts: You're getting a -- yeah, this is an above...

Commissioner Quesada: Okay.

Economic Development Assistant Director Roberts: Market value deal. So, the (INAUDIBLE) also requires that the existing restrictive covenant that's in place stays in place. There is another restrict -- there is another covenant that we're putting in place that has the Baptist Hospital requirement to maintain the land around it, allowing the City access. And thirdly, they operate as a parking -- operate as parking, not a surface parking lot, but operate as parking. The restrictive covenant that's in place today from 1996 that has a limitation on using the site only for a surface parking lot. So, just to summarize, we have two covenants in place; one that has been in place for many years and has over 70 signatures from the residents in the neighborhood that requires it to be a surface parking lot, and then we have an existing covenant that has additional items. And this covenant provides City access for the canal. It provides the City -- requires them to maintain the site and also limits their use to a parking. And when I say that, parking -- generic parking.

Commissioner Quesada: Okay.

Mayor Valdes-Fauli: Alright.

Commissioner Quesada: Any speakers?

Mayor Valdes-Fauli: No.

Commissioner Quesada: I'll make a motion to approve.

Mayor Valdes-Fauli: Is there a second?

Commissioner Keon: I'll second it.

Mayor Valdes-Fauli: Will you call the roll, please?

Commissioner Keon: Yes.

Vice Mayor Lago: Yes.

Commissioner Mena: Yes.

Commissioner Quesada: Yes.

Mayor Valdes-Fauli: Yes.

(Vote: 5-0)

Mayor Valdes-Fauli: Thank you very much.

Economic Development Assistant Director Roberts: Thank you.

Commissioner Keon: Thank you.

Mayor Valdes-Fauli: Good presentation.

Vice Mayor Lago: I will support you on this.

Mayor Valdes-Fauli: Thank you.

Commissioner Quesada: And I will support you on the park.