

CITY OF CORAL GABLES
Property Advisory Board Meeting Minutes
Wednesday, January 21, 2015, 8:30 a.m.
1 Alhambra Plaza, Suite 617, Coral Gables, Florida 33134

MEETING MINUTES

MEMBERS	O	N	D	J	F	M	A	M	J	J	A	S	APPOINTING ENTITY
	'14	'14	'14	'15	'14	'14	'14	'14	'14	'14	'14	'14	
Luis Espino Vice-Chair	P	P	X	P	P	P	P	P	P	A	P	X	Mayor Jim Cason
Jack Elmore	P	P	X	P	P	P	P	P	P	E	P	X	Vice Mayor William H. Kerdyk, Jr.
Stuart McGregor	E	P	X	P	P	E	P	E	E	E	E	X	Commissioner Patricia Keon
Valerie Quemada	E	P	X	P	P	P	E	P	P	P	P	X	Commissioner Vince Lago
Tony Gonzalez	P	P	X	P	P	P	P	P	A	P	E	X	Commissioner Frank Quesada
Valentin Lopez Chair	P	P	X	E	P	P	P	P	P	P	P	X	City Manager Patrick Salerno
Derek L. Space	P	P	X	P								X	City Commission

A = Absent
E = Excused Absence
P = Present
X = No Meeting

STAFF AND GUESTS:

Cindy Birdsill, Director, Economic and Cultural Development Department

Leonard Roberts, Assistant Director, Economic and Cultural Development Department

Jorge Casuso, Business Development Analyst, Economic and Cultural Development Department

Meeting Motion Summary:

A motion to approve the minutes of the November 19, 2014 meeting passed unanimously.

A motion to approve the FY 2013-2014 Annual Report for the Property Advisory Board passed unanimously.

Mr. Leonard brought the meeting to order at 8:30 a.m.

1. Review and approval of the Property Advisory Board Minutes of November 19, 2014.

Mr. McGregor made a motion to approve the minutes from the November 19, 2014 Board meeting. Mr. Elmore seconded the motion, which passed unanimously.

2. Review of FY 2013-14 Annual Report

Mr. Elmore made a motion to approve the FY 2013-2014 Annual Report for the Property Advisory Board. Ms. Quemada seconded the motion, which passed unanimously.

3. Outstanding Rent Report

Mr. Leonard informed the Board that all City tenants were current and any outstanding rents would be cleared up by the end of the month.

4. Update on 290 Miracle Mile

Mr. Leonard informed the Board that he had received three letters of intent from prospective tenants for the City owned space at 290 Miracle Mile and handed out copies of the deal proposals and images of the concepts. Two of the prospective tenants – Charlie's Girlfriend and Bloom Boutique – would sell woman's clothing, while San Rafael would sell linen.

Charlie's Girlfriend will be a new concept in the U.S., and the store would resemble a wealthy woman's walk-in closet. The owner is offering to pay \$40 per square foot triple net (\$30,853.91 annualized net revenue) and is willing to spend \$120,000 for tenant improvements. The owner is seeking a 10-year lease with two 5-year options and is willing to put down a security deposit equivalent to 6 months' rent.

San Rafael is a French linen company that offers fine linen currently sold only at Neiman Marcus. The proposed space would evoke a rustic feel. The prospective tenant is seeking a 1-year lease at \$50 per square foot triple net (\$35,418 annualized net revenue) with one 3-year extension and is willing to spend \$5,000 on tenant improvements.

Bloom Boutique currently leases a space across the street from 290 Miracle Mile and would like to stay in Downtown Coral Gables, where they have been in business for more than a decade. The owner is offering to pay \$37.50 per square foot triple net (\$30,031.18 annualized net revenue) and is willing to spend \$75,000 for tenant improvements. The owner is seeking a 10-year lease with two 5-year options and is willing to put down a security deposit equivalent to 2 months' rent and an additional rent of 1 month.

Ms. Quemada said that Bloom Boutique offered stability. Mr. McGregor agreed, saying it was a proven business that was making money and would likely continue to do so. Mr. Espino said that on the surface Charlie's Girlfriend was the best offer but that it was a judgment call. He agreed that Bloom Boutique offered stability and suggested the owner be asked to increase the escalation from 2% to 3% or increase the rate to \$40 PSF. Mr. Leonard noted that rents at other City owned spaces on the Mile ranged from \$32 to \$37 per square foot. Mr. Space asked about the sublease clause in the event a business fails. Mr. Leonard said the City's sublease clauses were "very strict" and required landlord approval. Mr. Espino said the permitting process should be expedited so the City can start collecting rent as soon as possible. The Board agreed that Bloom Boutique was the best choice for the space.

5. Other City Business

Ms. Birdsill informed the Board that the Jazz in the Gables concert series and the Farmers Market had both started. She noted that the Miami Jazz Co-op, which co-sponsors the jazz series, is partnering with Open Stage, a City tenant on the ground floor of Parking Garage 6, to offer jazz on Monday nights. Ms. Quemada said that tenants at the condo building at 10 Aragon Avenue where she lives have been complaining about the noise generated by Fritz & Franz and Open Stage. She said tenants have been organizing to complain to the City Commission. Mr. Roberts noted he was working with Code Enforcement, the Police Department and Parks and Recreation to ensure the noise is managed.

The meeting was adjourned at 9:05 a.m.

The next Property Advisory Board meeting is scheduled for Wednesday, February 18, 2015, at 8:30 am.

Respectfully submitted,

Jorge Casuso, Economic Development Analyst - Economic and Cultural Development Department