

CORAL GABLES

THE CITY BEAUTIFUL

Property Advisory Board Meeting Minutes
 Wednesday | September 12, 2018 | 8:30 a.m.

PAB MEMBERS	J	F	M	A	M	J	J	A	S	O	N	D	APPOINTING ENTITY
	'18	'18	'18	'18	'18	'18	'18	'18	'18	'17	'17	'17	
Alberto Manrara	P	P	X	P	E	P	P	P	P	P	P	X	Mayor Raúl J. Valdés-Fauli
Jonathan Leyva	P	P	X	P	P	P	P	P	P	P	P	X	Commissioner Michael Mena
Jack Lowell	P	P	X	P	P	P	P	P	P	-	-	X	Commissioner Patricia Keon
Valerie Quemada	P	P	X	E	P	E	P	E	Ph	P	P	X	Commissioner Vince Lago
Tony Gonzalez	E	P	X	P	P	P	E	P	P	E	P	X	Vice Mayor Frank Quesada
Edmund Mazzei	P	P	X	P	E	P	P	P	P	P	P	X	City Manager Swanson-Rivenbark
Andrea Molina Vice Chair	P	P	X	P	P	P	P	E	P	P	P	X	City Commission as a Whole

A = Absent E = Excused Absence P = Present X = No Meeting Ph = Present by Phone - =Former Board Member

STAFF AND GUESTS:

Pamela Fuertes, Director, Economic Development Department
 Leonard Roberts, Assistant Director, Economic Development Department
 Francesca Valdes, Business Development Coordinator, Economic Development Department
 Mariana Price, Administrative Assistant, Economic Development Department

Meeting Motion Summary:

A motion to approve the minutes of the August 17, 2018 meeting passed unanimously.

A motion to approve the Burger Bob Lease Renewal as per the proposed deal terms passed unanimously.

Mr. Manrara brought the meeting to order at 8:34 a.m.

1. Introduction of new Economic Development Director, Pamela Fuertes

Mr. Manrara introduced to the board the new Director of Economic Development, Pamela Fuertes. Ms. Fuertes expressed her excitement to be in this new role and to be working for the City of Coral Gables. Mr. Lowell requested that staff send out her bio to the rest of the board.

2. Review of August meeting minutes (Action)

After reviewing the minutes, Mr. Mazzei made a motion to approve the August meeting minutes, which Mr. Lowell seconded, and which passed unanimously.

3. Burger Bob Lease Renewal (Action)

Mr. Roberts reviewed the following proposed lease renewal terms with the board:

**Burger Bob's Renewal Lease
PROPOSED DEAL TERMS**

Background: The Tenant has been leasing the Granada Snack Shop from the City pursuant to a prior lease agreement that commenced on September 1, 2003. There have been multiple lease renewals; the most current lease agreement expired on August 30, 2018. The Tenant would like to renew.

Tenant: Robert Maguire, personally, d/b/a Burger Bob's or the Granada Snack Shop

Premises: 1,184 square feet at 2001 Granada Boulevard, Coral Gables, FL

Security Deposit: Landlord continues to hold a \$6,000 security deposit.

Equipment and Furniture: Tenant Leases equipment and furniture along with the Premises.

Term: Three Years with one – 1 year option

Rent: Base Rent will be increased from \$28.28 PSF to \$29.13 PSF and will escalate at three percent (3%) a year (including the Renewal Term).

LEASE YEAR	BASE RENT PER MONTH	BASE RENT PER SQUARE FOOT
9/1/2018 – 8/31/19	\$2,874.16	\$29.13
9/1/2019 – 8/31/20	\$2,960.00	\$30.00
9/1/2020 – 8/31/21	\$3,048.80	\$30.90

Termination Right: Landlord has a right to terminate upon ninety (90) days' notice.

Landlord's Maintenance Obligations: Landlord will continue to provide HVAC, electrical service, water and propane to the premises, and will maintain the physical plant, City owned restaurant appliances, HVAC, and provide a limited amount of janitorial services primarily for the exterior of the snack bar.

Tenant's Maintenance/Operational Obligations: Tenant to have qualified personnel operating the business, and serve best quality food for the type of menu. Tenant will be responsible for the installation, operation and maintenance expenses of the Premises not expressly assigned to Landlord which includes the cost of all sewer, garbage, gas and waste removal, other utility expenses, janitorial service, pest control and insurance. Tenant to keep the premises clean and operate in compliance with laws.

Insurance: Tenant provides the City's standard insurance requirements for general liability, workers compensation, automobile liability and property insurance for Tenant's personal property. Tenant will reimburse Landlord for its proportionate share of Property and Windstorm coverage, and for the cost to insure the furniture and equipment leased from Landlord. Tenant does not carry glass coverage or boiler and machinery, as the Landlord is responsible for these items.

Real Estate Taxes: The property is currently not assessed, but if it were to be assessed the Tenants will be responsible for Real Estate Taxes for its lease period

The procurement code requires a deal to be presented to the Property Advisory Board and allow responses to certain questions in their consideration as an advisory board; hence, the following suggested responses have been provided.

1. Does the proposed use conform to the city's comprehensive plan and is it compatible with the surrounding neighborhood?

The use has been in place since 2003 and is consistent with the existing land use rights.

2. Analyze the positive or negative impacts on adjacent property including, but not limited to, open space, traffic, access considerations, noise level, property values, improved development patterns and provision for necessary services including municipal utilities and other infrastructure systems and the needs and costs associated with the needed improvements. To the extent needed, traffic studies and other professional studies required shall be the responsibility of the proposed purchaser, developer, or lessee.

Patrons who visit Burger Bobs include the surrounding residential neighbors, golf players of the Granada Golf Course, and visitors to the Granada Pro Shop. It appears the use complements the surrounding properties and is a value add to the community. Based on previous years of operations there has not been any complaints received by the landlord that would negatively impact the surrounding neighborhood; the landlord has received positive feedback related to the use.

3. Are the terms and conditions of the proposed purchase, sale, or lease of city property; or the proposed purchase or lease by the city of non-city property based on market terms and value?

The lease is considered a concessionary use to complement the golf course. The starting lease rate of \$29.13 presents an annual increase of 3% increase from the 2017-18 lease rate; the annual increases will continue at 3% for this lease term. The restaurant hours of operations are restricted due to the residential surrounding; hence, traditional market rates that cater to a commercial district would not be comparable. The surrounding commercial leases are different in use (Country Club and Granada Pro-shop); hence, their rates would not be comparable.

The board discussed the annual increased percentage rate and termination rights of the lease. Mr. Roberts explained that the Granada Snack Shop property is not currently assessed, and is therefore not liable for real estate taxes; it is considered a concessionary use to complement the City-owned golf course. The rent increase from two to three percent annually is therefore relatively minimal.

Mr. Mazzei made a motion to approve the Burger Bob Lease Renewal as per the proposed deal terms provided. Mr. Gonzalez seconded the motion which passed unanimously.

4. 2018-19 City Budget regarding City properties (Discussion)

Mr. Roberts briefed the board on the budget regarding City properties. He said that approximately \$5 million is collected in rent annually, and that the City contributes \$300,000/year to a fund for acquiring park spaces to fulfill the City's Park Plan. The Park Plan's objective is to provide enough green space that any resident could walk to within 5-10 minutes.

5. Invitation of a City Commissioner to attend the next PAB meeting (Discussion)

Ms. Price informed the board that she reached out to the Commission's liaisons for the Commissioners' availability to individually attend the October and November board meetings. Mr. Manrara suggested that since the board has already met with the mayor and another commissioner, to go ahead and schedule the next three or so meetings with the remaining three commissioners.

6. Updates

a. Bloom Boutique

Mr. Roberts informed the board that Bloom Boutique is continuing operations as was their recommendation at the previous board meeting and that rent payments have been made by the end of each month as was agreed upon.

b. Ortanique on the Mile

Mr. Roberts informed the board that Ortanique on the Mile continues to pay their rent, though not always on time and they have been incurring late fees.

c. LaSalle Cleaners Building

The owners of the LaSalle building have agreed to have a conversation with the Commission about preserving the building only until they have received a demolition permit. A demolition permit has not yet been issued.

d. Fink Studio Building

Centro Cultural Español (CCE) was selected to be the tenant for the property at 2506 Ponce, otherwise known as the Fink Studio. A meeting has been scheduled with CCE, Mr. Roberts, and Historic Resources Director Dona Spain to review their interior renovation plans to make sure they are in keeping with the historic integrity of the building.

e. Gables Cinema potential expansion

Mr. Roberts informed the board that the expansion is at a standstill until the Cinema can secure \$350k in funds from the City (to then justify their outreach efforts for matching grant funding). The lease for the adjacent space expires in August 2020. The board requested that staff provide them with an analysis comparing a cinema expansion versus maintaining the current business (Patio 'n Things).

7. Outstanding Rent Report

An Outstanding Rent Report of the City's tenants with outstanding rent balances was given to board members. Board members asked about City-owned properties not shown on the report. It was explained that only tenants who have not paid on time within a certain length of time appear on the report, so if a tenant has never had a late payment, they would not appear. Board members requested a report that shows all City tenants, including when their leases are due to expire.

8. Other City Business

Mr. Manrara asked Ms. Fuertes if there would be any staff changes with the recent developments within the City. Ms. Fuertes reassured the board that the Economic Development team would stay onboard and if anything, the department would bring on interns through the Talent Development Network, a joint initiative by FIU and the Beacon Council's One Community One Goal program, which helps to place students in internship roles in exchange for academic credit. The board requested the website link for the Talent Development Network.

Board members asked about the status of the Fire Station IV acquisition at 7000 Old Cutler Road. Mr. Roberts responded that given recent developments with the City's leadership, he will need to follow up on which direction to take. Ms. Molina asked about the timeline in order to secure grant funding, to which Mr. Roberts replied that the only stipulations are that the money is spent in three years and that the name "Cartagena" is attached to the adjoining green space. When asked about the status of the redevelopment of Garages 1 & 4, Mr. Roberts informed the board that another workshop to discuss the massing (or extent of the development) will take place next Thursday, Sept. 18th. Staff agreed to send out a link with more information to the board.

Ms. Valdes informed the board of an upcoming workshop, the second in a series provided by consultant Scaling Retail titled, "Branding" on September 26th from 9-11 a.m. at the Coral Gables Art Cinema. A Property-Landlord Workshop by retail strategist consultant Downtown Works will take place on October 18th from 4-6 p.m. at the Coral Gables Museum. This workshop will focus on best tenant practices and trends in the industry. Board members asked Ms. Valdes for a status on the state of the Miracle Mile & Giralda Avenue businesses. Ms. Valdes reported that there are no vacancies on Giralda Avenue, and that construction is ongoing at 120 Giralda, which will eventually feature a rooftop, Chef-driven restaurant led by Jorge A Ramos (SP?) as well as a Coyo Taco restaurant. Owners of 120 Giralda, Maven PM, have also acquired the nearby property of La Palma and are determined to create an attractive downtown. Another space will soon feature Espresso Cubano, whose owners are working through the permitting process. On Miracle Mile, new fashion designer stores Giovanni Scutaro and Azzai Boutique have recently opened. Carrot Express will soon open its healthy salad option concept and Salumeria 104 has opened in the space formerly occupied by Angelique's Euro Café.

The meeting was adjourned at 9:43 a.m.

Respectfully submitted,

Mariana Price, Administrative Assistant - Economic Development Department