

City of Coral Gables City Commission Meeting
Agenda Item I-1
March 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)

Anthony De Yurre

Agenda Item I-1 [9:25 a.m.]

A Resolution approving the general business 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 (G1 and G4) in which CGCC proposes a public private-partnership to provide an improved parking structure where the City will retain ownership and control of the public parking component in G1 and allow CGCC to build a residential mixed-use project in G4 compatible with the surrounding neighborhood. (This resolution requires a 4/5 vote because of the value; if an agreement is reached with CGCC an ordinance will come back to City Commission for two readings)

Mayor Valdes-Fauli: There's a time certain -- L-1, which is a resolution having to do with the parking garages on Miracle Mile. I would like to pass the gavel to the Vice Mayor and I would like to move for a deferral of this item until the next meeting.

Commissioner Keon: I'm sorry. What is it? I missed you.

Commissioner Quesada: You said L-1?

Commissioner Mena: What item is this?

City Attorney Ramos: I think it's I -- I-1.

Mayor Valdes-Fauli: What?

City Attorney Ramos: I-1, Garage 1 and 4.

Mayor Valdes-Fauli: I'm sorry, I-1, yes. Looked like an L to me. I-1, to defer to the next meeting.

Commissioner Quesada: Have they -- have there been any changes?

Vice Mayor Lago: I'll second the motion for discussion.

Commissioner Quesada: Yeah, but is anyone here from the developer?

City Attorney Ramos: They're set for a time certain at 2 o'clock, so they're not going to be here until then.

(COMMENTS MADE OFF THE RECORD)

City Attorney Ramos: Oh, he is? Okay.

Commissioner Quesada: Oh.

Commissioner Mena: He's right there. He's right...

Commissioner Quesada: Yeah. Mr. Mayor, I'm willing to be supportive. I just want to...

Commissioner Mena: Cristina.

Commissioner Quesada: Have -- lay a record.

City Attorney Ramos: He's here.

Commissioner Quesada: Mr. Mayor -- well, I guess, Mr. Vice Mayor, since you're running this item, is it okay if we call up the developer's representative?

Vice Mayor Lago: Always. It'd be a pleasure. Mr. De Yurre, good morning. How are you, sir?

Commissioner Quesada: With the time change, you know...

Anthony De Yurre: Good morning, Commissioner Lago...

Commissioner Quesada: Spring forward 2 o'clock...

Mr. De Yurre: Vice Mayor.

Commissioner Quesada: Is actually 9:30.

(LAUGHTER)

Mr. De Yurre: The same thing happened to my kids. Don't worry.

Commissioner Quesada: What's changed? What do we need time for? What's going on? Can you give us an update? We have a motion for a deferral on the table. It's got a second for discussion.

Mr. De Yurre: Sure. We have a new project where the City gets the parking count. I understand the City needs 750 spaces. We have a new proposal where the City gets only one tower. There will not be an office tower. The City will have ownership and control of the G1 site. We've been asked to resolve some legal questions regarding the zoning, which we just received an opinion letter from the City Attorney on. The new height of the only tower left is 141 feet. The original smallest proposal that was selected and moved forward was 190 feet, so we brought it down substantially, which also reduced the overall FAR on the project. And the direction from the recent Sunshine meeting was to resolve the issue of the financials to make a direct apples to apples comparison of the City building its own garage versus our providing the solution that we have right now.

Commissioner Quesada: And has that been done?

Mr. De Yurre: That's what -- we are in direct communications right now with the Manager and his office and his full team and staff to accomplish that. We got some requests for specific questions regarding to a wrinkle in the retail and the value of the retail of the property on G1. So, I think that that's the final issue as I understand it to be resolved to make that apples to apples comparison now that we resolved the height, the parking and the legal question regarding the two lots.

Commissioner Mena: We had a Sunshine meeting last week. I know you were...

Commissioner Quesada: Yeah, and my apologies. I was in surgery on that day.

Commissioner Mena: Correct. I know you were out with your surgery, but there were still -- from my view and my colleagues can chime in -- I think there were still a lot of questions that we needed answers from the City Manager on. I had that meeting yesterday with the City Manager at 6 o'clock to finally get some clarity on some of the issues. So, I just -- you know, that's been my experience of what's happened over the last few days was I felt like at the Sunshine meeting there was still a lot of questions unanswered.

Vice Mayor Lago: I think mostly...

Commissioner Mena: And I got some answers yesterday -- last night, but you know, not everybody's had that opportunity.

Vice Mayor Lago: I had my meeting also...

Commissioner Mena: Right.

Vice Mayor Lago: At 5 o'clock, an hour before you, and I think most of the issues that are -- still need to be addressed are the financial issues. The height is the height. The structure of the agreement between the City and the developer is pretty much what it is. Now, the discussions are more leaning towards whether it makes financial sense.

Commissioner Quesada: Whether it's a good deal...

Vice Mayor Lago: Whether it makes financial sense...

Commissioner Quesada: For the City or not.

Mayor Valdes-Fauli: And -- yeah.

Vice Mayor Lago: And that's what was discussed...

Commissioner Keon: Whether it's a good deal for the City.

Vice Mayor Lago: And that was what was being discussed at the Sunshine meeting towards the end of it.

Mayor Valdes-Fauli: And I made a motion because I am not sure that I have all of the facts in order to form an informed opinion on this most controversial issue in Coral Gables today. So, I'd like to get...

Commissioner Quesada: Well, I...

Mayor Valdes-Fauli: Two more weeks and also extend the deadline until the 27th, which is the day after the next Commission meeting and have an opportunity to really consider this very important issue for the City of Coral Gables.

Commissioner Quesada: Seeing that there are items still pending open, I will second it for approval -- the motion for a deferral. You did it for discussion purposes. I just want to be clear what my position is however procedurally that works. But I would say not only because the next meeting is my last meeting, but I think we should either fish or cut bait...

Mayor Valdes-Fauli: Yeah.

Commissioner Quesada: At that time.

Mr. De Yurre: I would second that. I mean, I'm not on the dais, obviously. It's a figure of speech, but we concur with that opinion. I think that it's too important of a project for the City, but at the same time we need some...

Commissioner Quesada: It's been dragging now, so let's...

Mr. De Yurre: We need...

Commissioner Quesada: We're either in or out.

Mr. De Yurre: Finality to it. And it seems like the last issue that we got specific direction on -- well, there were two, the resolution of the legal issue, which we got resolved, and now it's just coming down to fully breaking the financial...

Commissioner Quesada: Okay, but here's the thing -- and I've been supportive of this project. But I just want to make sure that this doesn't happen again, like the timing that we're still waiting for things. So, when can you -- give me a conservative deadline where you can have the rest of the information over to us, or you're still waiting on the City for a few different things?

Mr. De Yurre: Well, the...

Commissioner Quesada: Like I don't want to get it on Monday before the next meeting.

Mr. De Yurre: No.

City Attorney Ramos: Let's keep in mind that the agenda deadline is March 21. At 5 p.m., the agenda's published, so it would have to be well in advance of that, which means probably the end of this week.

Mr. De Yurre: Our proposal is...

Commissioner Quesada: Is that realistic, end of this week?

Mr. De Yurre: Yes. And our proposal, as Vice Mayor Lago said, is baked. It's done. The question is there are, you know a handful of assumptions on the City's calculations that at the Sunshine meeting we...

Vice Mayor Lago: Well, if I...

Mr. De Yurre: Raised.

Vice Mayor Lago: If I just may interrupt you and I just answer Commissioner Quesada's comments. At the Sunshine meeting, there was -- I don't want to say a disagreement, but there was a dispute on certain valuations of property and TDRs and the assumption of, you know, what that brought to the table and what the City's responsibility was and how that -- the implications for that over the next 30 years. So, that was an issue that was met with, you know -- we had a certain valuation. Our team said it was worth X; the developer said...

Commissioner Quesada: Y.

Vice Mayor Lago: Y. So, I think that we need to hash that out and come to a number and...

Commissioner Quesada: Okay.

City Manager Iglesias: I would say...

Vice Mayor Lago: And I'm with you in finalizing this at the next Commission meeting. I think...

Mayor Valdes-Fauli: Very much so.

Vice Mayor Lago: I think it needs to be taken care of. Again, so...

Commissioner Mena: Yeah. And I -- listen, I -- two things. Mr. Leonard Roberts, who you see standing in the back of the room, who you know well and who has been spearheading a large part of this project on the City's side, Friday's his last day with the City.

Commissioner Keon: This Friday?

City Attorney Ramos: Tomorrow.

Commissioner Mena: This Friday, right?

Commissioner Keon: No.

City Attorney Ramos: I think it's tomorrow, isn't it?

Commissioner Keon: Are you coming back for the meeting?

Commissioner Mena: Thursday.

City Manager Iglesias: Thursday.

Commissioner Mena: Thursday.

City Manager Iglesias: Thursday.

Commissioner Mena: So, I would suggest that, obviously, our City Manager will have people in place to continue working on this as much as needed, but please get together with him and with Peter and his staff to work out whatever questions remain tomorrow, if possible.

Mr. De Yurre: Okay. As I said, to Vice Mayor Lago's point, our deal's baked.

Commissioner Mena: Right.

Mr. De Yurre: I think that we're just working with the City to understand the numbers the City put together for its proposal. Because basically, it's our proposal versus the City's City build proposal. And ours is done and now we're just trying to figure out, look, you're making these handful of inputs on your calculations. We see things a little differently. I think Vice Mayor Lago, at the Sunshine meeting, raised the issue of the value per door that the City expects to get from the sale of the G4 garage in the City build scenario. And you know, I just use that as an example because it really stuck out in my mind. We're trying to just agree -- hopefully, we can come to a consensus on what those are. And if not, we'll just -- you know, we'll have to deal with the assumption the City makes on its proposal because we all want to make sure that the City build is as accurate as possible.

Mayor Valdes-Fauli: Thank you.

Commissioner Keon: Is Leonard going to be here for this -- for that meeting?

City Attorney Ramos: No.

Unidentified Speaker: No.

Commissioner Keon: No. But you know what, you cannot continue this and not have the person who has been working on it for how many years not be here and not available to explain the City's position. How can you do that?

Commissioner Mena: Well, I think our City Manager's been involved...

Mayor Valdes-Fauli: Very much involved.

Commissioner Mena: As of late and is very -- I met with both of them yesterday for two hours. Peter certainly knows what's going on with the project. And I think, again, it's pretty much at the finish line here for a decision to be made. I just think there are some final questions to get sorted out.

Vice Mayor Lago: And I just want to add to Commissioner Mena's comments. Leonard has done an exceptional job, but I have the utmost faith in our City Manager and his ability. And I would love to see Leonard come back. I'm even willing to -- I know you have a new employer that you're going to be starting with in two weeks. I'm more than willing to make a phone call and ask you to be here just for that hour or two. And I have a feeling that they would potentially grant us that.

Mayor Valdes-Fauli: Make it time certain.

Vice Mayor Lago: They would grant us that...

Commissioner Quesada: Make your life more complicated.

Vice Mayor Lago: You know, just make your life a little bit more complicated, like Commissioner Quesada says. But I just want to make sure that, you know -- you've done a great job. But I just want to make sure that we are 100 percent certain before we make this decision. This is a significant project that has a lot of implications in the City.

Mayor Valdes-Fauli: It's the most controversial project in the city.

Vice Mayor Lago: And I don't want to rush into something where there are certain issues on the finance side that have not been hashed out.

Commissioner Quesada: So, are we ready to call the roll?

Commissioner Keon: Are you...

Mayor Valdes-Fauli: Yeah.

Commissioner Keon: Are you comfortable to present the project without Leonard? You can take over and you can present the project and you're comfortable with that?

City Manager Iglesias: I think we have a few things to discuss. We're in disagreement in some issues. I don't know if we can...

Commissioner Keon: You're in disagreement with Leonard on some issues?

City Manager Iglesias: No, no.

Commissioner Keon: Or with the developer?

City Manager Iglesias: With the developer on some issues.

Commissioner Keon: Okay. You are in agreement -- you and Leonard are in agreement...

City Manager Iglesias: Yes. We're in agreement.

Commissioner Keon: On the issues.

City Manager Iglesias: We're in agreement.

Commissioner Keon: And the Finance Department is in agreement...

City Manager Iglesias: We just -- disagreement with...

Commissioner Keon: With you?

City Manager Iglesias: With the developer. If we can come to an...

Commissioner Keon: So, the City is in agreement.

City Manager Iglesias: The City's in agreement, yes.

Commissioner Keon: Alright, well...

City Manager Iglesias: And I'm familiar with the project. I think we can work something out for the next Commission meeting.

Mayor Valdes-Fauli: Okay.

City Manager Iglesias: And whether we're in agreement with the developer or not, I don't know. That's something else.

Commissioner Keon: Okay. I mean, you know, I would be ready to listen to that -- those disagreements today. If you want to wait until the next meeting to actually vote on it, but -- I mean, to...

Mayor Valdes-Fauli: I have asked, as a matter of courtesy, for a deferral. So, if you please give me -- I don't have enough information to really do it today. And I would ask, as a courtesy to me and to others that don't have the information, if we could defer it for two weeks.

Commissioner Keon: As a courtesy to you.

Mayor Valdes-Fauli: Thank you.

Commissioner Keon: Yes, I will.

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

Mr. De Yurre: Thank you.

City Attorney Ramos: So, the motion is to defer to the meeting of 3/26 and to extend the negotiation deadline to 3/27.

Mayor Valdes-Fauli: Right. That's the motion.

Vice Mayor Lago: (INAUDIBLE) been moved. Second.

Commissioner Keon: Is there -- and there's no reason that we would extend it beyond that?

Mayor Valdes-Fauli: No. I -- it will be my fault if I don't have the information at that time.

Commissioner Keon: Okay, thank you.

Vice Mayor Lago: Mr. Clerk...

Commissioner Keon: Thank you, thank you.

Vice Mayor Lago: Let's call the roll.

Commissioner Keon: Yes.

Commissioner Mena: Yes.

Commissioner Quesada: Yes.

Mayor Valdes-Fauli: Yes.

Vice Mayor Lago: Yes.

(Vote: 5-0)

Mayor Valdes-Fauli: Thank you very much.

Mr. De Yurre: Thank you very much.

Mayor Valdes-Fauli: And this is the last extension. It's been -- and it's our job to get all the information to be able to vote (INAUDIBLE) at that time.