

**City of Coral Gables City Commission Meeting**  
**Agenda Item I-4**  
**March 26, 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**  
**Finance Director, Diana Gomez**  
**Parking Director, Kevin Kinney**

**Public Speaker(s)**

**Anthony De Yurre**  
**Charles Badell**  
**Allen Morris**  
**Unidentified Speaker**  
**Scott Sime**  
**Maria Cruz**  
**Jack Lowell**  
**Christopher Zoller**  
**Eddie Snow**  
**Jackson Rip Holmes**  
**Jeffrey Roth**  
**Dorothy Thomson**  
**James Drake**  
**Ana Lam**  
**Ron Sheffield**

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Agenda Item I-4 - 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 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 control.

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Agenda Item I-4 [0:00:00 p.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: Okay. We have a time certain item, 2 o'clock, I-4. Madam City Attorney.

City Attorney Ramos: Yes, sir. I-4 is 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) and 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 G -- CGCC to build a residential mixed-use project in G4 compatible with the surrounding neighborhood. This resolution requires a four-fifths vote because of the value of the property that is City-owned property and will come back to the City Commission, if approved, for two readings, an ordinance to approve the development agreement.

Mayor Valdes-Fauli: I have to say that I need to leave here ten minutes 'til 4, in one hour and fifteen minutes.

City Attorney Ramos: And I'll remind everyone this is a public hearing item.

Anthony De Yurre: Thank you very much, Mr. Mayor, Vice Mayor and City Commissioners. We're very happy to be in front of you today on this item to hopefully deliver to the City what

they have been working on trying to accomplish for the last 20 years when Mayor Valdes-Fauli was originally the mayor back in 1998 and we worked hand in hand, hour in hour with staff on this matter. And I just want to turn the floor over to them. I know they have a presentation that they want to show you on the current project and I just want to thank you all, Mr. Iglesias, Ms. Garcia -- Ms. Gomez, excuse me, on this matter. And that's not our presentation. That will be the City's. But thank you again for allowing us this opportunity today.

City Manager Iglesias: Thank you, Mr. Mayor, Commissioners. Diana Gomez, our Finance Director, and I will initiate the -- this was the presentation from the City concerning the P3 with Garage 1 and 4.

Mayor Valdes-Fauli: Diana.

Finance Director Gomez: Good afternoon. This presentation has been a presentation that you've seen for the most part over the last few times that we've discussed this item, so I'm going to go through it fairly quickly. But if you want me to slow down or need clarification, please let me know and I will take the time to slow it down. But with me today is also Barry Abramson, our real estate consultant, as well as City staff who have been working on this project for this whole time. And they may supplement some of the information that I have or answer more specific questions that I may not be able to. So -- okay, so the project is -- the two properties, Garage 1 and Garage 4, a total of 630 parking spaces exist in two structures that were built in 1955 and 1962. Garage 4 has 348 spaces; Garage 1 has 282 spaces. The objective of this public-private partnership was to replace the functionally obsolete garages with new smart garage that will meet today's and tomorrow's parking needs and provide for a mixed-use development that provides a balancing -- a balance of parking, design, economic development and financial benefits to the City. As Miriam stated, the purpose of this resolution is for the City to review the parking needs and determine the number of parking spaces and ensure the size of the property not only meets the Comprehensive Zoning Code but ensure its compatibility to the surrounding neighborhoods, review the ownership structure and determine the impact on the City's budget. This slide is just a summary of the

proposal. It lists out a lot of details of the -- of CGCC's proposal. I'm not going to go through the detail here, because we're going to talk about it throughout the rest of the slides. Okay, this slide shows the number of parking spaces required by the City Code for each of the sites based on the usage. The residential unit, G4 is required to have 411 spaces, but only 400 are being provided. Per discussion with the City's Parking and Planning directors, although the number of parking spaces provided for the residential component is not enough per the City's Code. Due to the parking demand for luxury brand products, the parking is determined to be sufficient to meet the private use. On the retail side, G1 site would require 67 spaces of parking and G4 would require 60 spaces, neither of which are being provided directly. However, the retail -- all the retail is being absorbed by the public parking 750 garage system which is acceptable to the City. Okay, this slide talks about -- looks at the FAR -- looking at the FAR for each of the sites. With this proposal, G1 site will have 0.57 FAR for the 20,000 square feet of retail because the parking is not used -- or is not considered for the FAR. G4 site will receive the balance of the FARs from G1 to make that site 6.38 FAR with a total of 351,000 square feet, for a total project blended FAR of 4.12. The City Attorney has issued an opinion that allows a mixed-use project to blend the FAR on these two non-adjointing sites as part of this public-private partnership. TDRs needed. This slide analyses the TDRs needed to make up this project. As you can see, with the 3.5 FAR of each site, the total square footage is only 314,794. An additional 56,506 square feet -- or TDRs are needed to come up with the total 371,300 for the combined project. Of that 56,506; 20,000 is needed for the City-owned G1 retail and the balance of 36,506 is needed for the G4 site. G1, this -- on this slide, G1 has one floor of retail and eight floors of parking for a total of nine floors and 90 -- a height of 97.4 feet. G4 has one floor of retail, three floors of private parking and nine floors of residential for a total of 13 feet at 140 -- or 141 feet. This is a rendering of the City's -- of the G1 City parking garage, a view from Andalusia. There's, as you see, the one -- the first-floor retail, 20,000 square foot -- feet, eight floors of parking will provide the 750 public spaces. This slide is a rendering of the developer's site. It offers ground floor retail, 18,000 square foot -- square feet, three floors of private parking, which is 400 spaces and nine floors of residential units, 245 units, for a total of 333,000 square feet. This slide shows the land use map and compatibility of the area. It presents all the allowable uses in the area. The dark red is the commercial high-rise that is allowed up to

190 feet with Med bonus and the medium red is considered commercial mid-rise and allows up to 100 feet with Med bonus. Both G1 and G4 are zoned as high-rise, as you can see depicted there.

City Manager Iglesias: The overlay on the Mile limits it to 70 feet, however.

Finance Director Gomez: Okay, ownership structure. The City will own G1 in fee simple form, including the ground floor retail. CGCC will own G4 in fee simple form. The ownership will also include a recording of a declaration of Restrictive Covenant in lieu of Unity of Title to allow both sites to be considered a mixed-use project as opined by the City Attorney under CAO 2019-004. In order to comply with all requirements of the declaration of restrictive covenant in lieu of the unity of title, the development agreement will need to detail how the owners will maintain and operate the property as a single building site. This slide shows the City's cost versus the developer cost to build the parking garage. As you can see, without considering the cost to add the retail, the total cost to build the City is about \$2.3 million higher than the developer. This is because of the City's higher soft costs and financing costs. On this next slide, this provides information on how the parking -- public parking is being valued. The land, based on 3.5 FAR, is valued at \$5.2 million for G1 and \$16.4 million for G4. The land TDRs needed for G4 is being valued at just under \$4 million, 3.906. The value of the sites being conveyed after demolition costs is \$24.7 million. To that, we add the value of the impact fee reimbursement and the permit fee waivers of \$3.4 million for a total value of \$28.1 million. This slide looks at the total cost -- the total value to CGCC per the proposal versus the total cost -- the total value the City is getting, the cost of construction. And it shows that there is a benefit to CGCC in the amount of \$2.9 million, \$2.892 million. The value to -- the total value to CGCC, as we said on the other -- on the previous slide was \$28.1 million. The total cost of construction excluding the retail shell is \$25.2 million and that's the difference of \$2.9 million.

City Manager Iglesias: The construction cost is 25, 177 is our construction cost, what it will cost the City to actually build the actual project.

Finance Director Gomez: When we look at the net present value over 50 years where -- we can see that the cash flows to the City from the CGCC proposal would be at \$35.6 million. Comparing that cash flow over time if the City were to build it on its own and sell G4 at the -- as the same scale project that's being provided to CGCC, the total cash flow would be \$52 million for a total benefit to the City over time of about \$6 million. Looking at the same net present value cash flow over 50 years, the -- CGCC's proposal is the same \$45.6 million, but if we look at if the City were to do a -- do the project on its own, meaning build the garage and sell G4 but maintain the as-of-right FARs, smaller project, the net cash flows over time to the City would be only \$43.1 million, so that would be a loss benefit of \$2.5 million in that scenario. So, some of the pros and cons to consider as -- of the CGCC proposal would be that the development on G4 will be controlled by a development agreement. There would be -- CGCC would be able to deliver the garage to the City two to two and a half years earlier than the City would be able to do it on its own. There would be no RFP requirement for construction of Garage 1 that we would need. The increment payment that the -- that we would be required to pay to CGCC as part of this proposal is lower than the City's annual debt service payment would be. We would not have to do any bond financing required with this proposal and it would not be subject to any market fluctuations and risk because the deal is right here in front of us and not -- we wouldn't have to wait for a couple years. On the con side, things to consider is that the majority of the density from G1 is going to the G4 site. Therefore, no significant future development would be allowable on G1. The City would be required to pay \$3 million upfront for the retail, as well as pay \$480,000 per year with two percent escalation for 30 years. That total is about \$19.5 million. And there would be a ten-foot alley encroachment versus a four-foot, if the City were to build it itself. And the City is providing the retail parking requirement for G4 at the G1 site, 60...

Commissioner Mena: So...

Finance Director Gomez: Spaces.

Commissioner Mena: Why would the alley encroachment be different?

City Manager Iglesias: We are using -- we're using a slightly different design. We're using the same design that we're using on G7, which has a three-foot encroachment, so we used four feet in lieu of that.

Finance Director Gomez: This slide just summarizes what we just discussed, that the CGCC build scenario where we get the retail, so we're paying -- we pay them for the retail. The net present value over 50 years would be \$45.6 million. Again, if we were to build ourselves and sell Garage 4 and allow the larger scale development, the transfer of the FARs, it would -- the City would -- the net present value would be \$52 million to the City. If we were to do a sell but at a smaller scale, just the as-of-right FARs, it would be about \$43 million. And if we were to build Garage 1 and maintain or keep G4 without selling it, it would be \$16.9 million or \$17 million. So, in summary, the four things that -- factors that have been considered on this project were parking, massing, ownership and economics. In terms of parking, we are getting a 750 City-owned public space brand-new garage. The massing will be 4.12 FARs. G1 would be 97.4 feet. G4 would be 141 feet, which is below the City's allowable height of 190 feet. Ownership, as we discussed, each would own fee simple form and the economics, we would -- the City would pay \$3 million upfront and 480 payments for 30 years. There would be tax base added value of G4 after we sell it would be added to the City's tax base. And as a residential project, it will bring in increased residents. That's what I have. Do you have any questions?

Vice Mayor Lago: Madam Director, just one quick question. In reference to Slide 14, when you talked about the \$2.3 million in additional costs associated with the City build option, you mentioned...

Finance Director Gomez: Right.

Vice Mayor Lago: Two reasons. Number one, soft cost, which I understand. Obviously, there's -- we're not as maneuverable, let's say...

Finance Director Gomez: Right.

Vice Mayor Lago: As the private sector. But the second one's financing. And I was a little caught off guard about that because we have...

Finance Director Gomez: Sure.

Vice Mayor Lago: We've worked very hard.

Finance Director Gomez: Sure. No...

Vice Mayor Lago: We're one of a handful of cities that have a triple triple bond rating in the state of Florida.

Finance Director Gomez: And so, this is a revenue-producing asset and so...

Vice Mayor Lago: Yeah.

Finance Director Gomez: Since we'd be closed for construction for two years, we have structured it that we will defer the payments for those two first years, right, so we don't have to pay for the asset that's not generating income at the time. So, we're deferring those payments over time so then it gets -- the financing cost because you're capitalizing that interest and the payments so we have -- would have zero debt service payment for the -- for two years while we're under construction. So, that's an option. We don't have to do that. We can decide that we pay from other revenues the bond payments for those two years. But being conservative, since that asset will not be generating revenue at that time, we decided to structure it this way.

Vice Mayor Lago: So, let me ask you a question in reference to that because you and I have had multiple discussions about -- that City parking produces around \$13 million a year across the board. And if we were to potentially continue to have one part of -- excuse me, one of the parking garages open while we build this asset, how much will we be reducing the cost from \$2.3 million if we're repaying the bond immediately, not waiting two years until the project was completed?

Finance Director Gomez: So...

Vice Mayor Lago: How much would the cost go down? What is -- is it a significant difference to defer...

Finance Director Gomez: (INAUDIBLE)

Vice Mayor Lago: The payments or if we started paying now, how much of a benefit...

Finance Director Gomez: So, yes...

Vice Mayor Lago: Would it be to the City?

Finance Director Gomez: You're looking at probably \$2 million more over the life of the bond, maybe a little bit more. I don't have the paperwork in front of me right now. I mean, I could...

Vice Mayor Lago: No, just wondering.

Finance Director Gomez: But yeah. So, it would be a reduction, so then that would probably make the financing process a little bit more on par, you know, with -- you know, it wouldn't be a factor for it to be more expensive for us. It would just be because of our procurement process and our more lengthy process of -- you know, we have certain regulations in government procurement that we need to follow that takes a little more time and effort and cost.

Vice Mayor Lago: Thank you.

Mayor Valdes-Fauli: Thank you.

City Manager Iglesias: Looking at the project, the...

Vice Mayor Lago: Well done, Diana. Thank you.

City Manager Iglesias: I think that we would -- if we do it ourselves, we would probably keep the development rights for G1. If we keep the development rights for G1, the scenario would be comparing the \$45.6 million, 50-year net present value compared to a net present value of about \$43.1 million, so it's about a five and a half percent net present value change over a 50-year period. So, but the -- so, I look at this as a fair deal. I think that the City would probably -- you'd probably make the deal where we do keep those development rights. This is the faster -- this is a faster delivery of Garage G1. However, this is a deal that we can do on our own as a parking garage. And if we do it on our own and go -- and decide to retain the rights of G1, then we have G1 then we've retained the use of G1 completely.

Vice Mayor Lago: Okay.

Mayor Valdes-Fauli: Thank you. Any questions?

Commissioner Mena: Can you -- under our scenarios, you envision selling Garage 4 as part of funding the construction of Garage 1, correct?

Finance Director Gomez: So, that is one of the options. There were several different options we looked at.

Commissioner Mena: But in those numbers...

Finance Director Gomez: Two of the options did -- yes, two of the options did contemplate selling it. There was one option that contemplated not selling it. Either way, the -- we can afford the debt in either way, as long -- yeah, so we can afford the debt. I mean, what -- not selling will be a little bit longer for us before we start making money on that site.

Commissioner Mena: Obviously.

Finance Director Gomez: But City -- you know, it's not such a significant amount that we wouldn't be able to handle it in the normal budgeting process.

City Manager Iglesias: Yes, the \$4.31 million includes the sale of G4.

Finance Director Gomez: Right.

Commissioner Mena: Right.

Finance Director Gomez: Yes.

City Manager Iglesias: What I think -- I believe our Finance Director is saying is that we could - - we have the option of either selling G4 or keeping G4. Either way...

Finance Director Gomez: Right.

City Manager Iglesias: I think we could make -- we could build a parking garage.

Commissioner Mena: But in the option where you're not selling -- and I don't -- I'm sorry if I missed it on your slides.

Finance Director Gomez: No. I mean, it was just -- we did it Slide 18.

Commissioner Mena: Yeah, (INAUDIBLE)

Finance Director Gomez: It was just the net present value of it.

Commissioner Mena: Yeah (INAUDIBLE)...

Finance Director Gomez: It was less net present value.

City Manager Iglesias: It would be about \$17 million if we...

Finance Director Gomez: But when I look at the analysis from a debt service capacity and what we could do, we could afford -- we would be negative for a couple -- you know, in terms of -- slightly negative...

Commissioner Mena: What do you mean by we could -- that's, I guess, my question, we could afford...

Finance Director Gomez: Sorry.

Commissioner Mena: Right, because we -- of course, we could afford but we've had a lot of discussions on a variety of different projects from parks to public works projects where we would like to have more money to do other things. And so, when you say we could...

City Manager Iglesias: The...

Finance Director Gomez: Those are all factors.

Commissioner Mena: (INAUDIBLE) in our budget, yeah, but we're going to have to come up with more money to be able to pay off...

City Manager Iglesias: Well, we're looking...

Commissioner Mena: Unless we sell that building, right?

City Manager Iglesias: Commissioner...

Commissioner Mena: Or that lot, excuse me.

City Manager Iglesias: We're looking to keep our debt service within eight percent.

Vice Mayor Lago: Yeah.

City Manager Iglesias: So, both scenarios either selling G4 or keeping G4 keep us below eight percent debt service. So, what I believe our Finance Director is saying is it could work, either deal.

Commissioner Mena: Right. But if -- okay, again, but what I want to be clear on, if we did not sell Lot 4...

Finance Director Gomez: Right.

Commissioner Mena: What would the annual financing number be?

Finance Director Gomez: Sure. So, if we were to not sell G4 based on -- you know, there's a lot of assumptions, right.

Commissioner Mena: Sure.

Finance Director Gomez: We're assuming that we are going to increase the rates based on the schedule that we said that we were going to increase and that it's going to perform the way it's been performing so on and so on. So, there's always assumptions that we're making in these scenarios. So, if we were not to sell, we would -- the -- how can I say this? In the first -- one, two, three -- about five years, we would be short -- each year -- just for looking at G...

Commissioner Mena: Can you go back...

Finance Director Gomez: One...

Commissioner Mena: To that slide, if you have it?

Finance Director Gomez: No, I don't have...

Commissioner Mena: You don't have that slide.

Finance Director Gomez: It's not in a slide.

Commissioner Mena: Okay.

Finance Director Gomez: Because it's such a detailed slide. But the -- what I'm trying to say is that we would be able -- we would be short in G1 alone in -- for instance, in the first year of operations or second year of operations. We would be short in G1 -- just looking at G1 in revenues over expenditures with a debt, about \$100,000 short. So, we would have to cover that from other revenues. And in the second and third year would be about \$500,000 short, so we'd have to find other revenues to cover the debt service payment if we didn't sell because we didn't have the

inflow of the cash to bring down the debt service. And then it tapers off to about \$100,000 for like four more years. So, that's why I'm asking where it's manageable. It's not a million dollars that we're looking for. We're looking for a couple hundred thousand dollars, which we believe that the system -- because there would be increased parking revenues system-wide...

Vice Mayor Lago: Because of the increase.

Finance Director Gomez: That could help...

Vice Mayor Lago: Yeah.

Finance Director Gomez: Pay -- offset that cost. Whereas, if we were to finance...

Commissioner Mena: That's an assumption you're making on all these scenarios, right?

Finance Director Gomez: Well, yes, of course.

Commissioner Mena: That's fine.

Finance Director Gomez: Those are assumptions that are being made, right. But so, if we were to sell, then we would have that inflow of...

Vice Mayor Lago: Pay down...

Finance Director Gomez: The cash and then it would -- then...

Vice Mayor Lago: To pay down the debt.

Finance Director Gomez: Then we would bring -- structure the debt that we'd pay it down by that 16 million or \$18 million, whatever we sell it for, right away. So, then the ongoing payment moving forward would be manageable within G1 itself, the revenues that are expected from G1.

Vice Mayor Lago: And also...

Finance Director Gomez: Does that make sense?

Vice Mayor Lago: And also, another issue there that you brought up, Commissioner Mena, I think is very -- I want to make sure we put on the record. That number, that magical number of eight percent that we don't want to cross, obviously, for debt reasons, I asked the Finance Director in regards to what are we looking at future debt that's sunseting. So, the goal would be if we were to go at this alone, if we were to entertain that and do whatever it is that we're going to do with one of these garages, either keep it in the -- keep it producing revenue or knock it down and do something else or sell it, whatever that may be, that hasn't been defined -- or we may go with the developer today. The number would be a little over seven percent, so there's still almost one percent available in reference to the debt. And then with -- I think you told me, Madam Director, that we had about five, six or seven years that additional debt was going to be sunseting.

Finance Director Gomez: A little close to eight to...

Vice Mayor Lago: Eight years.

Finance Director Gomez: Eight or nine years. I don't have the schedule.

City Manager Iglesias: That is correct.

Finance Director Gomez: Before something of any significance will sunset.

Vice Mayor Lago: I mean, if you consider the projects that we have embarked on in the last two years since you've been in public office, I mean, they've been the most ambitious, obviously, including the Mile. We've -- we had a lot of deferred maintenance that's been dealt with already.

Mayor Valdes-Fauli: Safety and...

Vice Mayor Lago: Yeah.

Commissioner Mena: No, and I -- look, I think that's -- I appreciate the goal of staying under the eight percent. I think that's important and I certainly value our, you know, financial ratings and all that type of thing. But I'm sort of -- so that's great that we're under the eight percent. I'm looking at it really from the opposite side of where are we relative to our current budget and what is this going to do to our budget because, again, I want to improve our parks and I want to improve our public works. There's a lot of things that we want to do in this city, and so I need to be mindful of that if we're going to make a financial commitment to something, to build our own garage at, I don't know, \$30 million or whatever it is and we're going to finance that. You know, you -- I would love to see the numbers again because...

Mayor Valdes-Fauli: It's a big commitment.

Commissioner Mena: When I'm looking for \$500,000 for a park, it's hard to find, but all of a sudden, we just -- you know, \$30 million seems like pretty easy to do. So, I need help with understanding those numbers.

Finance Director Gomez: So, right again, the -- with the assumptions that the -- the rate increases and it comes in as has been trending, if we sell G4, it will -- G1, it will pay for itself, right. There's no question that -- and then we would still have additional revenues system wide that, at the end of the day, a lot of that does come back to the general fund that can be used for other purposes after all the parking expenses are paid. So, it would more than pay for itself. It's -- looking at the

-- you know, just G1, if we were to sell. Again, if we were not to sell and maintain that property, it could -- it would take a couple more years where we'll have a couple hundred thousand dollars that we would have to fund from other sources. But again, the parking system, with the anticipated increases, one coming up now in 2020 and one in 2024, those will help. Again, you know, there's assumptions built in there that it continues to perform. But we -- I even looked at being able to reduce the debt from 30 years to 15 years or even 20 years if we were to sell. So, there's a lot of different things that can be looked at depending on which way we go. But in terms of being able to afford on its own if we sell, absolutely; if we don't sell, it really is a couple of years that -- where we'd have to find other funds first. But system-wide, there would be sufficient...

Mayor Valdes-Fauli: Any other questions, Commissioner? Comments? Okay, Vice Mayor Quesada?

Commissioner Quesada: Not -- nothing at this moment.

Mayor Valdes-Fauli: Nothing? Commissioner Keon.

Commissioner Keon: You know, the biggest concern that I have is when we worked with Diana and with Peter so it could -- you know, the difference between our doing it ourselves or having them do it is a matter of a couple of years. And I don't think that that's -- that is that significant because it's going to take them as long by the time they go through the -- do a development agreement and then go through all of the other things. It's not going to be that much difference. What bothers me is that we have an asset in Garage -- in G1 that not only we're giving or we're going to lose G4, that property will be included for what the cost is to do (INAUDIBLE), but we end up on G1 with no FAR. So, you'll never repurpose that garage. You'll never repurpose that if, you know, all of your discussions about the demand for parking decreasing so significantly over time, we don't have enough -- you don't have enough FAR there to do anything with that building once it's gone because they are -- now they're tied together as a development site. Once it's over, they're not tied together as a development site anymore, only for the purpose of developing are

they tied together. So, once they're separated and they're going to build a residential building that, when the time is right, it will become condominimized and it'll be under different ownership and everybody will be gone. So, that really is the biggest issue I have with this, is that the effect that it has on a City asset that, you know, yes, you can say, you know, you're the Commission that got the garages built and how it has taken them 20 years. Or you know, we can say -- or I can say myself, you know, I'm a good steward of the City's assets and I don't want to see it devalued to that extent and I know that we can do it ourselves and, you know, we'll make a decision as to what happens to G1. We don't need G1 as the -- I mean, G4. We don't need it as a parking garage now. You know, there may be -- it may be available for some long-term lease, you know, that land still can be available at a long-term lease, like the Gables Grand, as a rental building or a number of other things. But it's really the devaluation of that asset going forward that I am most concerned about. The most -- that's probably the biggest reservation I have with this project and, you know, my biggest reason to not support this project is really the value of those assets because I feel like that's what we're here for. That's my job and I need to do it.

Vice Mayor Lago: If I may just answer your question, Commissioner. Maybe I'll ask the City Manager. When Commissioner Keon mentions devaluation of the asset and that we're -- won't be able to build anything in the future on this piece of property, are we talking about the project being knocked down in 30 years or are we talking about converting this, you know, parking garage into something which is more manageable in the future, hopefully, when there's less need for parking and we can convert this to maybe either apartments or into a commercial structure?

City Manager Iglesias: We are -- the...

Vice Mayor Lago: I'm...

City Manager Iglesias: The parking garage does not count for FAR.

Vice Mayor Lago: No, no, no. I know.

City Manager Iglesias: So, it's not calc...

Vice Mayor Lago: We're one of the few cities that -- we're one of the few cities that doesn't count parking.

City Manager Iglesias: So, if we turned it into a project that does count it for FAR, then we could not do it because the FAR -- we have a slight amount of additional FAR, but it would be almost a one-story building. So, we cannot -- we currently have 20,000 square feet of retail. So, to convert the parking garage to a use that counts as FAR, we cannot do. The other issue would be we have a theater next door. We could use that FAR. However, if it comes down to knocking a parking garage down, we could certainly come up with a very good use of that FAR in a building that doesn't need a parking pedestal. So, no matter how you look at it, it is a project that the FAR has been transferred to G4.

Commissioner Mena: So, you're saying you could -- sorry, I don't mean to interrupt.

Vice Mayor Lago: No, no, yeah.

Commissioner Mena: I just want to understand the last point you made about...

Vice Mayor Lago: I think it's also important, too, Commissioner, that we talk about it because a lot of people don't know that in the Gables parking doesn't count.

Commissioner Mena: Right.

Vice Mayor Lago: Like in the City of Miami, it does.

Commissioner Mena: And you're saying you could join it with the theater lot? Is that what you just said?

City Manager Iglesias: It may be possible in the future, but -- and then provide some FAR from those two -- if those two are combined. However, if that's the case, it means that we no longer need parking. And so, if we combine the current FAR of G1 with that FAR, then you could do a very nice project without a parking pedestal and you could still gain from that. So, whatever option realistically what you're doing is providing the FAR of G1 into G4.

Mayor Valdes-Fauli: Any other questions?

Finance Director Gomez: If I can clarify something...

Mayor Valdes-Fauli: Yes.

Finance Director Gomez: To Commissioner Mena. So, the numbers that I was calling out before were for a shorter-term debt service. Actually, I was reading the wrong line. So, the -- a 30-year debt, if we were to keep it on our own, it would only be the first three years, the two years of construction and the third year that we would be negative. It would start breaking even sooner than I thought. That was with -- the hundred thousand for a few years, that was in a 20-year paydown scenario. So, it would only be -- the first two years of construction would only be negative, right, because it's not generating any revenue and then the next year it would be about a \$750,000 shortage that we would have to fund somewhere else. And then the years after that would be breaking even.

City Manager Iglesias: That's in a 30-year period.

Finance Director Gomez: If I do it for 30-year debt.

Commissioner Mena: And without selling.

Finance Director Gomez: Without selling the second. But I -- the other numbers that I was -- I also had ran numbers if we shortened the length of the debt, so it would be -- there'd be larger payments. Therefore, each year I would have to pay a little bit more.

Commissioner Mena: What's the expected -- discussing this assumed increase in revenue from parking rates going up -- what's the annual number you're projecting for that?

Finance Director Gomez: So, each year, there's a...

Commissioner Mena: On average, I mean.

Finance Director Gomez: Right, so there's certain years where we have a rate increase. And I'd have to ask the Parking Director to come up and talk about the actual rate increases. But then we put in a growth factor, I believe two percent a year, in general based on growth of parking, not necessarily the rate increase. The rate increase is (INAUDIBLE).

Commissioner Mena: Kevin.

Parking Director Kinney: We reviewed kind of the market rates the last time you guys did our first rate increase in 20 years in the garage, we went from a dollar to a dollar fifty. Here we're looking at every four to five years, adding fifty cents. That would be for on-street and off-street with the first one either being in 2020 or 2021.

Commissioner Quesada: Pretty steep, right?

Vice Mayor Lago: Yeah.

Parking Director Kinney: Fifty cents?

Commissioner Quesada: Every four years?

City Manager Iglesias: That's very low.

Commissioner Quesada: Is it? Okay.

Parking Director Kinney: Well, when we looked at the market rates...

City Manager Iglesias: (INAUDIBLE)

Parking Director Kinney: Last year, the market rate in Coral Gables was...

Commissioner Quesada: (INAUDIBLE)

Parking Director Kinney: Four dollars. Yeah, it was four dollars and we were charging a dollar.

Commissioner Quesada: Yeah, that's right. You told us that a few months ago.

Parking Director Kinney: So, we are well below market. It would take us 15 years to catch up to market at what -- current market. And I'm sure in 15 years, the market will be different.

Mayor Valdes-Fauli: Okay. Now that we know what the parking rate is going to be 20 years from now, that'll be interesting. Anything else? Can I call the attorney for the applicant?

City Attorney Ramos: As they come up, Mayor, I just want to clarify Slide 7 speaks about the City Attorney opinion. What that opinion concluded is that the FAR may be shared in either a

PAD or a mixed-use project because it fits the definition of contiguous unified parcel in our Zoning Code. I just wanted to make that clear for the record.

Mayor Valdes-Fauli: Okay.

Mr. De Yurre: So, while our IT Department's bringing up our slide...

Mayor Valdes-Fauli: How many slides do you have?

Mr. De Yurre: Oh, those are in case of questions.

Mayor Valdes-Fauli: Okay, go ahead. Make your presentation.

Mr. De Yurre: So, first of all, I want to thank you all again for coming here today. We're very excited to be here. If there's one thing that is clear to me is that we have a fair deal in front of you. And I don't think anybody expected to have an unfair deal with the City and I don't think anybody expected an unfair deal for the respondent. And so, I'm glad that we've established that as a baseline moving forward. This is a deal that's 20 years and counting. Twenty years ago, as I stated earlier, the Mayor penned, in February of 1998, the original resolution. And 13 years ago, CGCC member Related was the awarded respondent in the RFP in its second iteration. And here we are again today. The RFP went out in 2013, six years later. And again, obviously, we've been working on this for a really long time. Now, let's talk about really why we're here. I want to just kind of get perspective because we get lost in the weeds probably everyday. We've been crunching numbers. We have been making assumptions. We have been pushing buildings down and responding to the requests from the City. This is just a smattering of comments from past Commissions and current Commissions, and I'll just -- please, I think everybody agrees both the garages need to be developed. They're various comments about how it reflects on the City, about it being an embarrassment. I think it's also a liability is also a concern. Elevators. Do we have elevators in these garages? No, we do not have elevators in these garages. So, the question comes

up, what's really operable in this garage. Do we really have the amount of spaces that we think we can use? Is there security here? I know that was a concern for Commissioner Keon. Does anybody actually use the roof? I think Kevin Kinney answered that question. Nobody uses the roof for the reasons I delineated earlier. And lastly, Commissioner Keon, we all understand the financial need of moving forward with the RFP. And so, we -- I want to make sure that I have addressed that concern of yours in regards to the financial need for the City and the RFP and that we be very sensitive to that. The City objectives when they put out the RFP, one of the main objectives -- there were four of them, underlined in red. Residential, in particular; why residential? Because residential is the engine that drives the retail on Miracle Mile. You have an elevator ride away from Miracle Mile on the back in the middle of the CBD in the heart of the CBD, residents that can come and spend at the restaurants, weekends and evenings. The Coral Gables retail strategy was issued by Downtown Works in 2017. This is a study the City I know took seriously because it was a \$100,000 study that the City paid for. And one of the just over a handful of recommendations was downtown residents bring activity to a district by putting feet in the streets but also with lights on at night. Encourage as much residential as possible to be built in downtown Coral Gables. So much was that resounding push for residential in the downtown CBD that Miami Today did an article on it citing the Gables is too small -- the CBD was too small to support its current retail that it had based on the Downtown Works consultants' findings. So, what did we do? The City moved forward and said, you know what, we could go and spend money. We can go a bond, but what is the smartest use of our dollars? And I think that that is the thread of the debate that we had a second ago that Mr. Mena raised and I know is a concern for Commissioner Keon in the financing and what it does to the bond rating. Commissioner Lago, no one is agnostic to it. It is front and center for every day. You are stewards for the city. You are stewards of every tax dollar that you get from the citizens. And the question that I ask you is, what is the smartest use of every single one of the dollars is what we should be asking each other and asking ourselves on this dais. And that's why primarily one of the main reasons that it makes sense to do the RFP because it also saves you from potential downside and risk. So, we went to the RFP process -- and originally, the deal was 190 feet. Now, we understand that there are priorities here. And the priority was given to us from the Commission that while you can go 190 feet and that might result

in a project that is more financially lucrative to all parties involved, the priority here is to make sure that we do things the right way and the Coral Gables way. And that even though the height was raised at a certain point beyond the site specific of 150 feet, we don't want that. And we responded. Even though the RFP approvals came back in May of 2013, a unanimous four nothing, even though the stage one was approved unanimous four nothing in 2014, even though the stage two RFP was unanimously approved in 2016 -- and again, our recommendation from staff was unanimously approved five nothing to move forward in these negotiations with you today, negotiations that have been ongoing in responding to the City's requests. Again, though we approved the RFP four different times at 190 feet, we understand what the priorities are and we responded to those priorities with a project at 141 feet for the Commission. To revisit, what was it like -- why did we put this RFP out, how does it work. Because, again, we're lost in the weeds of the numbers that we're crunching here today. And I understand that some on the Commission were not voting on that RFP that day -- Mayor Valdes-Fauli and Commissioner Mena. But Commissioner Keon, Commissioner Lago and Commissioner Quesada, I hope that these points refresh your recollection as to really what we were trying to accomplish with this RFP. Twenty percent of it was the capability of the proposer and the development team. We have Related. We have Allen Morris. They're here today. They're going to get the job done. That's a pretty much open and shut deal. Twenty points. The likelihood of the feasibility. Wait a second. I just spoke about feasibility. Forty percent of it, the most important component of it to the City was how likely is this to actually get done. I would imagine that if I was a fly on the wall in some of those discussions, that it would have been about we've been working on this for 20 years, feasibility is key to us, 40 percent of the scoring. Financial return to the City. The financial return's important to the City, but the City has other concerns. I've heard that from many people on this Commission that the financial concerns -- the City's not here to make money. The City is here to take care of its citizens, to spend the money correctly and to put it as -- the smartest use possible, which is 15 percent, the smallest amount of any of the categories that were debated and awarded here by the Commission. Twenty-five percent, enhancement of the public park system. We're putting all the parking on G1. If I'm not mistaken -- and Kevin can take a note on this -- Kevin and I have had a very detailed relationship on this project. I think Kevin -- I hope that I've learned as much from

you and maybe you've learned maybe one or two things from me. One -- let's go with one at least, thank you. The importance is that parking in G1 is -- what I learned from Kevin -- is worth multiple times of space in G4 in terms of revenue, location and efficiency to the City. And so, I thank Kevin Kinney for raising that concern, explaining to us how the parking system works so that we can come back to you today with a more responsive proposal than we've ever come to before and improve at the request of the City. Lastly, 20 points in economic activity. Again, I direct you to the mandate from the actual RFP, which was retail and residential. Again, the study from Downtown Works -- it was an expensive study -- residential in the CBD. So, how did we fare? I'll tell you how we fare. It's in the next slide. Ninety-three points is what we scored. Just out of curiosity to dispel any questions, a hundred points was the highest score you could get. That, ladies and gentlemen, is an A. I don't care what school you went to or where you studied. Our second -- wait a second. We have a second proposal. Our second version was also scored an 87. Our third version was also scored an 87, if you don't mind me rounding up. And then we had a final proposal that scored a 70. Why did we score so high? Go back a slide. Capability, feasibility, public parking enhancement, economic activity. Financial return is there. And primarily, you know what I look at that for, to make sure that on paper if you can't do a better deal than us, that sounds like you got fair market value and you got a fair deal in exchange for what you were expecting on this deal. Important to note, Commission -- to the Commission, now that we're here years after the fact, the quote directly from...

Mayor Valdes-Fauli: Please. Go ahead.

Mr. De Yurre: I'm sorry. Then, City Attorney Craig Leen stated -- and I have to quote this so that we all understand how the vote went on that day, how it was recommended by staff, how it was ruled on by the City Attorney's Office. Now, with the two proposers, one proposer -- and he's referring to my client, Coral Gables City Center, did submit one proposal that was compliant with the Zoning Code. There were two things you could have done. You had to submit at least one component -- compliant with the Zoning Code. Then you can submit others that had a variation of the Zoning Code. The other applicant -- not Coral Gables City Center -- did not present a

proposal that complied with the Zoning Code, so it did not comply, excuse me, with the strict requirements of the RFP. That's one of the reasons they ended up being the fourth party, the fourth of the options, because they did not comply with the strict requirements of the RFP. And so, it's important to understand before we go anywhere the RFP process is 20 years old. We've been involved for six years. We were ranked first, second and third. We comply with the requirements of the City, the smallest of which was the financial return to the City because the City is not here to make money. The City's here to service and be stewards. I like the word Commissioner Keon used. It's a word that I use to describe what elected officials should be doing on an everyday basis and I applaud them for it. And here we are. And we started the negotiation process. And in this process, we were given priorities from the Commission, different priorities at different times. And throughout the entire process, three things were made very clear to us. It's about the height and making sure that we get the parking we need and are we getting a fair deal out of this. Are we getting fair market value out of this deal? And that's what you told us. And so, if you look at the proposers -- excuse me, the proposals -- you see the height come down from what the RFP allowed of 190 feet. It starts coming down from 190 to 163 -- excuse me, 168, then 163, down to 150, and now down to 141 feet and 129 feet on the laterals of the main tower. And G1, the height is 97 feet. And I'll compare it to the actual proposal that we got that scored 93 points, and hopefully, we can walk about of here with those extra seven points we left on the table. Because I can honestly tell you the proposal we gave you then and what we gave you now is more responsive to the negotiation process, which I, again, commend every one of your staff members on and every one of you as Commissioners for being good stewards of the city and making sure that you got the absolute best deal possible on this deal. Sometimes that was Commissioner Lago, sometimes that was Commissioner Mena, sometimes it was Commissioner Keon, Commissioner Quesada and the Mayor. Now, FAR was a concern. We brought that down as well. The parking count was a big concern. In particular, Commissioner Keon. Commissioner Keon was adamant and I have to tell you, Commissioner Keon, when you're adamant, the count, we were able to do it. And I'll also add you were adamant about the height and we were able to do it and bring it down. And so, what happened? If you look at the second sheet, we were able to go from 620 spaces in some scenarios and more at night because we had an office component at the time to 750 full-time spaces for the

city. What does that mean? If I can -- if I learned anything again from Kevin Kinney, it's that the City wanted full-time spaces. The City valued the spaces in G1 more than in G4. And you needed 750 spaces and I believe that we delivered on what you told us to deliver on in terms of parking and we delivered in terms of what you told us to in terms of height. Lastly, I'll just turn to the comparison so we can be very clear about what was the first-place proposal which is 93 points and what -- and I think that one's worthy of putting up. Thank you, Charlie. And what we have here today in the improved scenario that we've gone through major revision after major revision after major revision after major revision in front of the City and the Commission. We have, from our RFP height of our version one, which is very similar to our current project, which was a garage on G1 and residential on G4. Went back to the version one, the one that was debated, the one that the City Commission -- and Commissioner Keon in particular wanted more than anyone else, wanted more than any other proposer, more than any -- excuse me, proposal was the version one. And it was left to the Commission, don't throw away the components of the other two versions they have. Let's see what we can make out of this to make a better deal. And ultimately, we took that 93-point proposal and there you have it. We went from a height at 187 feet to 141. We went from a podium height from 76 feet to 48. Why am I also listing the podium height? Because, as I'm sure your staff can tell you, the important height at the podium was the pedestrian fields. And at 48 feet, we're under the Miracle Mile height for the DO, the district overlay, of 70 feet. So, we're actually doing a better job than you can do on Miracle Mile at 70 feet. I think that you probably had a discussion about that earlier today. We're down at 48 feet on Andalusia. And so, I'm very proud of that. The client's very proud of that. I think the Commission and those folks that have helped us get there and have made these requests should be very proud of this deal and accomplishing those feats. The encroachment on Andalusia was a big request from the City. We kind of forget it because we've accomplished so many things together. That encroachment was a big deal for the City. We brought it back down to zero on Andalusia. You will not have an encroachment. But we were still able to find a design solution where we still have arcades and loggias, if you could call them, for the entire length of the project. So, you're still going to have that economic pedestrian activity along Andalusia for our garage, our building and for the garage on G1 with that retail. What's interesting is we talked about financials. Even though it was 15

percent of the deal, the net present value of our deal then as evaluated was \$3.2 million. Now, that sounds like a pretty low number, but the City looks at things a certain way. We look at things a different way and we say we have to make this better and we have to meet the financial expectations of what the City wants, okay. What is the net present value to the City? So, if the City doesn't come out of pocket today so that we fund it for the City so they can make smarter use of their dollars so they can have the freedom to -- Commissioner Mena -- do parks; Commissioner Keon, the Youth Center, which I'd love to discuss with you and I grew up at and I know you were instrumental in making that happen; the Senior Center, the women's center, the Biltmore, whatever the case might be, police, fire, other public works projects; this City Hall that's waiting and slated to be fixed and developed; 427 next door that's waiting for rehab. The G7 garage is going to get done; a number of other items I could keep talking about over and over and over again. Think about the word. It's not do we need this money, do we need this (INAUDIBLE). What's the smartest deal? That's why you put the RFP out. So, we came up to \$36 million in net present value and this was analyzed by the same folks. These are not our numbers. These are the City's numbers, okay. So, I'm pretty sure that if we had any lost numbers in the financial between 93 and 100, we had to have picked them up. We had to have picked them up and this is clearly a fair deal for the City where the City's getting exactly what they need and they're being fair to us; we're being fair to them. And we dramatically increased the amount of dollars that the City's receiving today so they don't have to come out of pocket. Revenue and increment. Originally, our project had us requiring the first \$2 million of income from the City and we're still ranked first with 93 points. I think that's a credit to how strong our package was. So, we reduced that. And by the way, that \$2 million didn't have a time limit on it. And by the way, the City owned the retail. So, now, the City owns the retail, the increment is only for 30 years and it's less than 25 percent of what we originally got voted as the number-one proposer for, and the City's getting the retail. And interesting to know about the retail is the last item there. The RFP, the way it was structured, said the City has the option to buy the retail from the developer at fair market value. The City negotiated that. Commissioner Keon, again, that was an item that you negotiated. It was important to you to control that G1 site and I think we did -- and we delivered on what you asked for. So, we didn't give it to you at fair market value like the RFP said. We gave it to you at our cost. And

not our soft costs, development costs, at our hard costs, if I'm not mistaken. Correct. Take a moment to think about that. So, we responded to the height. We responded to the parking and now, using the City's own numbers, the biggest difference I see there is in the financial element. If I could go to the next slide in the PowerPoint. So, what are we talking about in terms of the project? You saw it earlier. These are the two projects. You have the elevation at 141 feet. And by the way, these binders -- I've handed a binder out for everybody -- I neglected to tell you -- in case the TV or any print is difficult to read. I understand sometimes these monitors are a little far away. These binders are -- everyone has one at their chair. The elevations at G1 at 97 feet, again, lower than the original RFP proposal. The elevation on G4 down to 141 and 120 on the laterals, and then you see the elevation of the podium at 48 feet, which I'll go to a zoomed-in version of it. There you go. And I discussed some of the finer points with the Commissioners on how we were able to accomplish this. There was a significant cost savings and we were able to deliver by terms of timing. We were very concerned about the rising construction costs, so much so, if you recall, my client was willing to write you a \$5 million check, \$5 million if we were allowed to build both garages at the same time. Why? Not so we can get out of the deal faster, but because of the rising construction costs. And we presented you in the past the Turner cost index, which on a project of this size, it is not a single-family home. It is a commercial project -- is significant. Five million dollars. We were ready to put our mouth -- our money where our mouth is and give you that. So, think about that when you think about not doing the deal today and thinking -- let's figure out what we're going to do in the future and when because if my client was willing to write a \$5 million check, you better believe that it was serious. Here, we just have a close-up to show the difference between the elevation -- the 70-foot elevation from the Miracle Mile overlay. So, let's really talk about the comparison of the deals. Because as we've gone along, we got ranked first, second and third -- well, the first stage, there were five proposers. And the second stage, there were only two, and we got ranked first, second and third. But now we have another proposal to deal with. And I understand it from the standpoint of we want to make sure we're getting a fair deal. So, what would it be like if we, the City, did it ourselves, which is a fair enough question. What would it be like if we did our scenario that was laid out where, you know what, we don't realize the value of G1 today and the air rights to get our garage deal. Let's come out of pocket and let's hold on

to G1 for some time in the future, 30, 40 or 50 years. That's a fair enough question and we'll play that and we'll go down that -- and we'll deal with that hypothetical that expands out to 50 years. So, what do you have today? I won't say you have -- I've been saying one bird in the bush -- one bird in the hand. You've got two, because you've got both Related and you've got Allen Morris Company, two of the most accomplished real estate developers in the United States. Who's going to build G4 in the future? How are we going to sell G4 in the future? What money are we going to get for G4? I don't know, but you got Allen Morris Company and you got Related here today ready to do the deal. I don't know who the developer's going to be there. I don't know if they'll do 190 feet. I guess we'll have to rezone it. Are they willing voluntarily to do 141 feet after you sell it to them? Can we get four votes for the sale of G4 to fund the construction of G1? Fifty years is a long time, ladies and gentlemen. And I'm willing to entertain it and we did the exercise. And I think what you found was the fair market value is a wash over 50 years. Why? Why? Because you sell G1 at some point in time in the future to catch up with the cashflow that you expended today by not doing the deal with us. Is it going to end up being the same number on paper? Yes. This deal is concrete, though. This deal can happen today. And I think in my discussions with the City Manager and staff, that I feel very comfortable making that statement. So, let's go through it. What are the differences? I believe that with Allen Morris and Related you're going to get the better design. You're going to get the concrete financials and you're going to get the mitigated risk today. You're going to get the award-winning team. If I've said that enough, I can't because there is no developer right now for G4. There is nobody there. It hasn't even been sold. It hasn't been marketed. Who's going to buy G4? We have four votes for G4. There's this thing called political risk, not from the voters necessarily but political risk in discussion. We are here today. What is the likelihood we will have four votes sometime in the future? What will this dais look like? Can we get the four votes to sell G4 and at what price and to who? And what are they going to do on G4? They're not going to have a development agreement, so you're not going to be able to dictate how they develop the project, what they develop on that project. And I think that that's an important consideration to take into account and it's noted as a development agreement. Obviously, we've talked about the 141 feet versus the 190 feet. If you don't think that's important then we really got to have a discussion because the 141

feet was the priority for this Commission. There's no Andalusia encroachment. Don't get lost about that. It was a big deal. And our aesthetics will be beyond the minimum of the Med bonus. Our goal is to deliver a garage commensurate in design with the residential project. Financial advantages. Look, the fair market value that you got out of the City doing it on paper versus what we're talking about today is the same number. You've heard from City staff and I believe -- and I don't want to misquote them. Give me a second. -- that we can afford this debt. Of course, my question is, do we want to, is it smart? But it's lots of assumptions that are based I there, a whole bunch. So, let's go through them next, but let's talk about what the advantages are financially. You don't got to borrow the \$30 million, which I believe correctly turns into a debt service of \$52 million from the Finance Office. There's obviously a cost savings versus the debt service. This is where I have to make sure we understand the difference between the numbers that we're talking about. What does it mean there's a difference between the cost savings and the debt service you're going to do? Yes, there's a number out there that says in a certain amount of years you'll break even to zero. But that doesn't mean you're going to catch up to the money you're making today from those garages. I understand it that it'll get you to zero, so you're not in the red. It'll get you to break even, but you've still got time to catch up to what you're making today. And what you'll never catch up to is the fact that we're paying for these garages for you today and there will always be approximately a half a million-dollar difference between the money you get today from us versus the City doing it itself. I haven't even gotten to the risk components yet. Now, that's predicated off of a real estate tax number from our project of an appraised value somewhere in the high 60s to 71 -- \$72 million, if I'm not mistaken. Our development costs for this project are approximately 120 dollars. It does not take into account the land value. The land value -- let's put a round number of it on 20 million bucks. So, our cost in the deal is \$140 million. The City's estimate in terms of cash flow for us is only to give us \$480,000 of tax revenue credit, which is based on an appraisal, as I stated, of approximately \$7 million, which is half. I have had discussions with the Deputy Property Appraiser. We all know him. We all work with him closely on different projects. And in those discussions, no number less than a 10 percent to 20 percent discount maybe, comes up in the first couple of years to allow stabilization of the asset. And then after that occurs, the property taxes go up even higher. So, it's a half a million-dollar difference

today. Based on my understanding from the Deputy Property Appraiser, that number should be closer to a million, if not more. That number will never be caught up. That will be dollars and opportunity costs the City will never have in its coffers from this deal. And I'm sure, again, there's a smarter way to spend that money. There's also no guarantee of these financial returns. You heard about assumptions, and I hate to beat on it, but I'm a property owner in Coral Gables. And I'd like to know that if the City had a deal guaranteed to them today that ended up being the same amount of money to them on paper, that they'd take that deal. Why spend \$30 million to get the same return on paper when you can spend less and get the return today in concrete. So, that financial return, I think everyone will understand is not guaranteed. You put it out there, you're going to put it to bid. You're going to do a new RFP. If the construction costs come back higher, you either pay the piper or you wait. You can always wait, and we've had the discussion. Time mitigates normally risk. But in this case, I think time is a risk as well if you've been at this for 20 years. Time is not your friend. It's time to get the deal done. There's no guarantee of some cost ceiling in the future with the City build. Contractor risk. And there's no guarantee of a delivery date because we don't know when the market will be right, unless you're willing to sit here today and say we need that garage and I don't care what the bids come back. We're doing it. And I don't care if we're past the point of no return. If we sell G4, we sell G4; that's not my concern. You better be ready to just do G1 by itself because that is a plausible scenario. I'm not saying it's for sure. I have confidence in your staff. But some component of this, even my clients, if they're willing to stroke a \$5 million check, should give you caution about rising costs in construction. The next sheet is just -- you saw it from the City. This is a City sheet that was prepared. If you look at the numbers, this is just a comparison of our \$46 million to the City's -- excuse me, the fine print here is small -- \$43 million for the scenario where they develop -- they keep the development rights on G1 and sell G4 on that particular schedule of time. The next sheet lists the valuation of the land from the City. And I will tell you, this is for discussion if we need it. But there's a discussion that I will raise with -- this is in response to a question from Commissioner Lago at the sunshine meeting that I can come back to about what the cost is -- oh, Commissioner Lago, on cue. I was just, Commissioner Lago, referencing the importance of what you raised at the sunshine meeting we had recently about what does the valuation of the City land mean and

what you would expect to sell for in order to reduce the debt on G1. The discussion was \$90,000 a door. And in response to that comment, we had IRR, who is our professional appraiser. You know, I don't want to get in the weeds of the appraisal and the number of what the total value might be in the future, but it's a number that Commissioner Lago pointed out at \$90,000 a door. And, so to give you an honest answer on that, we backed out our retail component of the project and just did a per door number, okay. And it ends up being approximately \$100,000 a door after we pull retail out of the project. So, we ascribe a value of \$74 for retail, which is, I think, a pretty high and strong number to give credit to the City's proposal, not to ours. And then we say what's left over for the project that we have and it's \$100,000 a door, which is ten -- actually \$10,000 higher than what you discussed at the sunshine meeting.

Vice Mayor Lago: Can you name me one project in the City of Coral Gables that sold at \$100,000 a door, land cost?

Mr. De Yurre: Land cost for \$100,000 a door? There are none. Is that correct?

Vice Mayor Lago: Has there ever been one that sold at \$100,000 a door?

Mr. De Yurre: In the City of Coral Gables? No.

Vice Mayor Lago: The highest comps in the City of Coral Gables, can you give them to me off the top of your head?

Mr. De Yurre: Do we have that number? I can give them to you in a second. But, I'll tell you the highest comps that we found -- because we wanted to be fair. We pulled comps from all over Miami-Dade County.

Vice Mayor Lago: We're a special place.

Mr. De Yurre: Waterfront properties and boutique condo projects where priorities are a little different on the development. And...

(COMMENTS MADE OFF THE RECORD)

Mr. De Yurre: Do you have a microphone?

Unidentified Speaker: It's right next to you.

Mr. De Yurre: I didn't see it.

Commissioner Quesada: Other side, other side.

Vice Mayor Lago: You guys are in concert.

Charles Badell: Referring to the -- my name's Charles Badell, with Integra Realty Resources. We were hired by CGCC to provide some information on the land sales for multifamily projects in the City of Miami, including the City of Coral Gables. Referring specifically to your question about land sales in the City of Coral Gables, the highest sales noted in the Rosen appraisal that the City previously ordered topped out at about \$400 a square foot, just shy of \$400. But we went ahead and looked at all of the Miami-Dade County for the highest possible sales of any land for multifamily development. And we prepared for the client -- do you have...

Unidentified Speaker: Yeah.

Mr. Badell: Per door. We have, per door -- we analyzed it on a price per square foot of developable area. And based on that, the highest we've come up with I think is \$80,000 a door, but we didn't array the data on a per door basis. We arrayed it on a floor area basis.

(COMMENTS MADE OFF THE RECORD)

Mr. Badell: Eighty thousand a door based off of the FAR.

(COMMENTS MADE OFF THE RECORD)

Mr. De Yurre: Again, I wanted just to mention that fact in particular because we're talking about a lot of numbers that got crunched into the data you see here. I don't want to get into -- it's really food for thought that the Commissioner raised more than anything else. I don't want to take away from the accomplishments we did here or the accomplishments that were made by staff. It's just a number that responded to you. It could be seen as a disconnect. But obviously, when we see it, we want to bring it to your attention. The last item that we're going to talk about is the risk of real estate. Real estate is not for the faint of heart. Sorry, let me go back. This thing's skipping a little bit. Real estate's not for the faint of heart. If you're hoping on getting a certain sale price, a strike price, at some point in time in the future and the escalation or a value of an asset, that is the Webster's Dictionary definition of speculation. And, I don't want us to get into that world because if you sit here today and you say, yes, we can build a garage, take on whatever the costs are, fine. But, if you're thinking about looking at the values and saying we're going to do it for this price on this day and we're going to sell G4 for this much in four to six years -- if I'm not mistaken -- and then we will include in that analysis the sale of G1, 50 years from now, that's called real estate speculation. And, so when you talk about what the financial package is in front of you, I'm telling you it's concrete. I'm telling you it went from 3.2 to \$46 million. I'm telling you it's happening today and I'm telling you the deal's done and you don't have to worry about the risks that you may face in trying to get this deal done because I'm going to ask Mr. -- Mayor Valdes-Fauli, 20 years ago, if he ever thought he would be sitting here today doing the same RFP six years after it was issued. It's a rhetorical question. I hope the answer is no. I did not expect to be here 20 years later.

Mayor Valdes-Fauli: And I hope not to be here 20 years from now either.

(LAUGHTER)

Mr. De Yurre: You gave me a softball. Thank you.

Mayor Valdes-Fauli: Okay.

Mr. De Yurre: Listen, 50 years from now -- when this RFP first went out, I was 19 years old. Fifty years from now, I'll be actually 90 years old. Okay, hopefully, I'll still be around and healthy enough to do this deal, but nobody will be around to find out if the speculation was correct or not. A political risk is serious. You need four votes to get this done. We're here. Let's do this. You put the RFP out for a reason. You got the developers. Don't roll the dice on it. You don't know who you're going to get for G4. G4 is selling in four-plus years. G1 selling in 50 years. We've talked about the future construction risk. We were willing to pay you a \$5 million check to avoid it. Bond risk. I hope prices go down. Contractor risk. Everyone at this table who has been in real estate construction knows about contractor risk. If you have a problem with your contractor, you've got to deal with it. If we have a problem with the contractor, we have to deal with it. Your price is your price. It's not going to be a discussion about coming to you about, sorry, we have this issue. We have this other issue. That's going to be our problem. That's our risk to bear that we're willing to do and that's one of the main reasons you do the RFP. (INAUDIBLE) do a new RFP for G1, folks. You've got to put it out to bid and you've got to get responses. And I think we're all in agreement that most efficient way to do that would be to do a design-build project. But you've still got to put it out to bid. You've got to approve it. You've got to put the RFP together. I think you guys learned a lot from G7, I think, in my discussion with the Manager that will help you out. But, you've still got to put it to bid and you've got to find out what comes back. There are no guarantees with a future City build. Is anybody in this room right now guaranteeing that they will build this garage for the City of Coral Gables? Does anybody guarantee they're going to build it for less than \$30 million? The answer's actually, yes. It's these two companies right here; the Allen Morris Company and Related Group that have been working with you on this

project for years and years and years and have spent millions of dollars on this project. This is a legacy deal for the principals, okay. Nobody's getting fat off this deal. We're doing a deal and we're delivering it to the City. Who's going to buy G4 later? Who is going to do this other deal for the City? If anybody knows, please let me know, because I don't see anybody in this room telling me that they're going to go buy G4 right now. If you sell G4, don't forget something. This process has been intense in its due diligence for the RFP. You have made the project better in height. You have made the project better in aesthetics. You have made the project better in parking. You have made the project better in financial return for the City. It is the only deal where the City is benefiting from it. If you sell G4, you're not going to get your garage out of the deal. You're not going to get your retail out of the deal, and you're not going to be able to put the person through the RFP scrutiny. I dare say that I'm surprised at the resiliency of the developer and I've never had a client this committed to a community and to a project. In summary, before I open up to discussion, I want to remind you all why we're here again, how we got here, if the PowerPoint could be cooperative. There we go. Forty percent of it is the capability and feasibility of the project. Don't discount what you guys already voted on. That's the most important component, that you guys actually get a new garage. You don't only get the garage, but the financial return to the City is the same, except you don't have to spend \$30 million. If I came to you with an investment -- this might sound familiar to some of you -- but if I came to you with an investment and I said, give me \$30 and I'll get you \$43 to \$52 in return -- 52 if you mimic our deal the way how it is, 43 -- I'll get you \$43 in return if you spend 30. It might cost you \$52 million in debt, but that's another story. You give me \$30, I'll give you \$46 back. The first question that you're going to say is, is that guaranteed and when? That's what I want to know when I invest my money. Is the money guaranteed, is it safe and when. What if I told you, you could spend less than 30, significantly less than 30 and you get 36 out of the deal, which is actually more, and it's guaranteed and it happens today? Who's going to vote against that? If we've proven the fair market value of the project, if we've proven the financials pan out in concrete, not on paper, less money from the City. We're not relying on a sale 50 years from now of G1. You're getting value from your asset today. I want to remind you of the scores because the scores are important. And I think that this proposal in front of you exceeds 93 points. I think this is your 100-point score. And if you put

the RFP out there to get 100 out of 100, you got it. You got the height. You got the parking. You got the fair deal you wanted, not in paper. It's guaranteed in concrete, today. If you look at it, 100 out of 100. How do we vote down 100 out of 100? The RFP we're now -- and we've been working on this for 20 years. How do you vote down 100 out of 100 if we have done everything we've been told in this project? Reduce the height. Increase the parking. Increase the financial return. Again, the chart's up there and that sums up the whole deal. Significant difference even in our 93-point proposal. I will turn it over to the only man that I think can really explain to you from his passion and vision for the City of what this means for him as a legacy, what he's done for Coral Gables with other award-winning projects. Interestingly enough, many of those projects are in banners in City offices, like Leonard Roberts' office, whose worked real hard -- and I forgot to mention him. I know he's not here today. I want to thank and recognize Leonard. But the only man that can deliver, I think, the close to you is Allen Morris himself to talk to you about his passion, about this project, why he's in it and why he's in it for you today as opposed to the question marks we're talking about potentially going with instead. And so, with that, I will turn it over to Mr. Morris and allow him a brief moment to address you.

Mayor Valdes-Fauli: Okay, thank you. Thank you, Anthony.

Vice Mayor Lago: Thank you.

Mayor Valdes-Fauli: Allen, good afternoon.

Allen Morris: Thank you. Good afternoon, Mr. Mayor and Commissioners. Thank you for letting me come before you. I'll be very brief because this presentation was very comprehensive, and I'll be personal. I love the City of Coral Gables. My family has been responding to the needs of Coral Gables and I've had the privilege of living here for over 70 years in three generations. We responded six years ago, 2013 and 2014 because the City staff begged us to respond to this RFP repeatedly, as they probably asked others to as well. We did and we trusted and respected the City by responding to every point exactly in a 617-page response to the RFP, with all of the research,

all the studies, all the architectural drawings, the engineering, the economic impact studies, the parking studies, the traffic studies to create something that would be really special for Coral Gables, my hometown. Of course, we've invested six years of my life and millions of dollars to do this. And we were unanimously selected in January of 2017, two years ago. Since that time, we've been asked to revise our proposal -- at last count this week, 24 times in the last two years, which we have done every time. We've done everything the City has asked. I believe that what you have before you today is a great solution because it incorporates the need for low-density and low profile project on Miracle Mile that's been requested. We take all of the financial and contractor risk, so we don't have another situation like the fiasco that occurred with the Miracle Mile sidewalk streetscape problems. The City gets full market value for G4 now and \$450,000 a year in real estate taxes, just the City of Coral Gables portion alone that you will not get otherwise. The City gets needed economic development to save our restaurants and to save our retailers that keep going bankrupt and closing their doors on Miracle Mile. You see how many of those windows have paper on them today because we have not delivered the economic impact that's so desperately needed.

Mayor Valdes-Fauli: Twenty-two.

Mr. Morris: Pardon?

Mayor Valdes-Fauli: Twenty-two.

Mr. Morris: Twenty-two. Twenty-two stores. And somebody just came to me two weeks ago and said we've got a store on Miracle Mile and we're going to close it. We're giving up on Miracle Mile. We're moving to Wynwood. And we already saw what happened with our friends at Tarpon Bend with closing recently. There's no excuse for that. We can solve that problem here and now, not some day in the future. The some day in the future has already gone on 20 years since you signed that resolution, Mr. Mayor, 20 years ago, in 1998. So, the City with this -- with what we've proposed, the City avoids your going into more debt and avoids spending cash, taxpayer dollars.

The City Beautiful will get a beautiful, award-winning architecture. Just last month, we won our tenth award as the building of the year, the TOBY Award for Alhambra Towers, and we want to do that again with this new project that we propose right now before you. And the City gets it today, not some day. I know it is a difficult political environment. I just ask you to do the right thing and the smart thing for the people of Coral Gables. They need your leadership. Please let us get started.

Mayor Valdes-Fauli: Thank you, Allen. Thank you very much for your presentation. Anthony (INAUDIBLE).

Unidentified Speaker: I don't want to make anybody nervous. This is not going to take long at all. First, I would be remiss if I didn't stand up here and thank each and every one of you, Mr. Mayor and Commissioners, for the time that you invested in this project. Regardless of the outcome today, I have to tell you, I don't think your constituents know or appreciate how hard you worked. It happens at nights, on weekends, after people work full-time jobs. And I appreciate it. I've never seen anything quite like that commitment in a city I've worked in before. It's amazing. I want to address something that's an issue and I think, Commissioner Keon, you brought this up in the very beginning. And you said I'm concerned that we may be losing a valuable City asset. And I think your constituents will be proud of you for standing up for that. But, I know you're a smart lady and nobody ever accused me of being smart, but they have accused me of oversimplifying. And I want to make this really simple and tell you why I think you should do this deal. There's \$45 million being discussed in cashflow that could come into this project. Now, that's cashflow that comes in over 50 years that is discounted for time value of money for today, so that's \$45 million in today's money. Instead of concerning yourself about losing an asset, I want you to think about using an asset in a very creative way to turn G4 into a brand-new parking garage and the \$45 million in cashflow, net present value today and saving your debt. (INAUDIBLE) take the debt, take that future stream of cashflow. You don't have to wait 50 years. Find that project -- find that special project, Commissioner Lago. I know you know it. They're

on your list. Take that money today and make it happen and make your garage happen and you'll put residents right behind Miracle Mile. Thank you.

Mayor Valdes-Fauli: Thank you. We have...

Mr. De Yurre: I just want to thank you all again for your time. And I hope that we have delivered. I believe we have delivered. And in particular, I'll go across the dais quickly. Commissioner Keon, you asked for the height reduction. Commissioner Lago, you asked for the height reduction. We delivered at 141 feet. Commissioner Keon, you asked for the 750 spaces. We got you the 750 spaces. Even though we came up with inventive solutions, there's 750 in G1, which delivers the most return for the City. You wanted to make sure you got a financial return on this deal. There it is right there, confirmed by the City in concrete today. Commissioner Mena, you also were concerned about financial return for the City, and we delivered it today in concrete with our developer. You've all listed a number of concerns, but those are the main three, and the Mayor also raised them and so did Commissioner Quesada, but I want to be clear. We did what we were told and we continued the negotiation process because it continued to move forward and it was a good investment of our resources in this community because we knew we could deliver on what you asked for. We knew we could deliver and we want to thank you again for your time.

Mayor Valdes-Fauli: Thank you, Anthony. Now, we have members of the public that wish to speak and I would like to call them now. You have two minutes to speak. We've heard a presentation over an hour and a half, basically, and we would like to hear your opinions. And the first one is Scott Sime, 6000 Riviera Drive. Scott, good afternoon.

Vice Mayor Lago: Good afternoon.

Scott Sime: Mr. Mayor, Commissioners. My name is Scott Sime. I've been a resident here for about 30 years in the City of Coral Gables, and I'm in the real estate business and I'm affiliated with the developers. But you know, one of the things that we deal with is we deal with the

perception that the City is hard to do business with. You know, people come to the City. They look at Pinecrest, they look at South Miami and there's some fear out there. And one of the fears that I have is just listening to, you know, what's going on here, the time, the delays, the revisions of what seems like a very viable project. We're going to be sending the wrong message to people wanting to move into the City of Coral Gables. So, that's my thought. Thank you.

Vice Mayor Lago: Thank you.

Mayor Valdes-Fauli: Thank you, Scott. Maria Cruz. Ms. Cruz.

Maria Cruz: Good afternoon.

Mayor Valdes-Fauli: Good afternoon.

Ms. Cruz: I was sitting here listening, and sometimes memories come back, and I was sitting and listening to the attorney and I remembered the first time I went to buy a new car and I was given a price that I could only have that price if I bought it right then and there because if I did not do it that day, the price would not be the same the next day, and this is exactly what you were presented today. I know that this has been a long process, but some of you need to listen to what the residents of this City are saying and it's not just me. People are upset with the massive buildings. This is now what Coral Gables is all about. I can understand one building but putting the two properties together creates a humongous building. All you have to do is drive around US-1, look at the buildings that we have been approving lately and you will understand what people are saying. Enough is enough. You heard from your staff. The City can build their own parking. There is no reason why not to do it. Why do we have to continue acquiescing to what the developers want instead of listening to the people that really vote here, the people that live here and the people that will be affected, and, I hate to say, but you have a lot of people sitting here that are not residents of the City of Coral Gables. You have some that are residents, but you have a lot of people that

are (INAUDIBLE) with the amount of people present that are not going to be paying the price and suffering the consequences of living here.

Mayor Valdes-Fauli: Thank you, Maria.

Ms. Cruz: Thank you.

Mayor Valdes-Fauli: I have a correction to make on something you said on the US-1 projects, and they were not approved lately. They were approved some years ago when many of us weren't here.

Ms. Cruz: But it still reflects...

Mayor Valdes-Fauli: Thank you.

Ms. Cruz: The size.

Mayor Valdes-Fauli: But we didn't approve those. Jack Lowell.

Jack Lowell: Good afternoon, Mr. Mayor...

Mayor Valdes-Fauli: Good afternoon, sir.

Mr. Lowell: And members of the Commission. And Commissioner Keon, thank you for appointing me to the Property Advisory Board of the City of Coral Gables, and you have in your packet, I believe, some minutes from a meeting that, unfortunately, I had to leave early from and I want to correct those minutes. I would have voted against the motion suggesting that the property should not be sold to the developer, but should be leased. That board is an interesting board.

City Attorney Ramos: Sir, I'm very sorry to interrupt, but we have a Code provision that does not allow a board member to come and speak against their board unless they're the representative of the board to the City Commission.

Mr. Lowell: Okay. So...

Mayor Valdes-Fauli: And don't speak against the motion.

Mr. Lowell: So, the question of whether the City should sell or lease the property is a matter of financial analysis and what's good for the City. So, your staff has done a pretty good job of analyzing this development. I support the development as revised and I think this is a great plus for the City to establish more residential housing. And the numbers are persuasive. This is your last chance. If you vote this down, if this fails 3-2, you're back in the soup, you don't know what you're going to get. And I guarantee you, you're not going to get as good a deal. Thank you.

Mayor Valdes-Fauli: Thank you, Jack. Sheryl Gold. Sheryl Gold.

Commissioner Mena: Sheryl Gold.

Commissioner Keon: She was in the hallway.

Mayor Valdes-Fauli: Sheryl Gold.

Vice Mayor Lago: She left. She had to step out.

Mayor Valdes-Fauli: She left? Christopher Zoller.

Christopher Zoller: Good afternoon, Mr. Mayor, Mr. Vice Mayor, Commissioners, Madam City Attorney, Mr. City Manager. Thank you. Christopher Zoller, residing at 900 Bayamo Avenue.

Like Mr. Scott Sime, I've lived here a little over 30 years. I've also been very happy to have served the City on numerous boards -- citizen advisory boards, not the least of which was the Traffic Advisory Board back in the day when you were proposing -- or a prior administration was proposing to widen Miracle Mile. We agonized over the loss of the angled parking -- we on the Traffic Advisory Board, and we advised the then-administration of our worries about that. Sadly, I think, to Ms. Cruz's direction, she should have bought that car on the day it was offered to her. I kind of wish that this building had been built before we widened Miracle Mile. Perhaps, then we would not have lost some of the businesses that we have lost on Miracle Mile. Had we had this kind of parking available then in the block and location it's going to be available, it would be a big boon to where we were and where we are going to be today.

Commissioner Quesada: I hate to interrupt you, but you know, that's something we discussed early on a few years ago, definitely before the Mayor and Commissioner Mena. But we had a long conversation in several -- over several meetings when we were discussing Miracle Mile, what should come first, whether we should do parking garages or not. Sorry to interrupt. Just I forgot about that until right now.

Mr. Zoller: Well, in my opinion and yours as well, that's perfect.

Commissioner Keon: But to your point, Commissioner Quesada, when they built the Museum Garage, they built the (INAUDIBLE) garage intending that they were going to have no parking on...

Commissioner Quesada: Yeah.

Commissioner Keon: On Miracle Mile. So, the parking was already a consideration at that time. So, it really...

Commissioner Quesada: Yeah.

Commissioner Keon: Didn't go into...

Commissioner Quesada: No, I know, but we...

Commissioner Keon: (INAUDIBLE)

Commissioner Quesada: We still had pretty long conversations on that, but you're right. Yeah. Sorry to digress.

Mayor Valdes-Fauli: Sorry for the interruption.

Mr. Zoller: Well, you do get my point, I guess.

Commissioner Quesada: Yeah, I do.

Mr. Zoller: The developer that you have in front of you today is experienced. They are ready to go. They are financially stable, and quite honestly, I think they could do a very superior job. You do need to address the needs of your citizens, not the least of which of course is the fact there will be 270-some odd more residents right here in the heart of the City, where we need them the most, not down on US-1 or not on some other part of the area. This is where the vibrant heart of the city lives. These people are ready to move today. These people can bring you a product on time and of beauty and of value. I urge you to approve this opportunity for you to go ahead and negotiate with this development team. Thank you.

Mayor Valdes-Fauli: Thank you, Chris. Eddie Snow.

Eddie Snow: Good afternoon, Mr. Mayor and Commissioners. I'm Eddie Snow. I own Snow's Jewelers on Miracle Mile, and I have been a resident in a property here on Miracle Mile for 45

years. You know, before we did the Miracle Mile fiasco, we had angled parking and we converted it to parallel parking. We lost 35 percent of our parking. A lot of people here are concerned about overbuilding in Coral Gables. Well, let me tell you something, this parking garage is a necessity. The time is now. I mean, it's ridiculous what's happening here. You mentioned 22 merchants going out of business on Miracle Mile. It's not even ready to stop. It's incredible. We need to bring people back. And people -- when I'm out places, they'll say, "Hey, when are we going to finish Miracle Mile?" I say, "Well, they finished ten months ago." Well, guess what? A lot people don't even know the construction is over and they're avoiding the area. So, we really need to get on with that. And in all fairness to everybody who always tried to do a good job on the Miracle Mile renovation, there was a lot of incompetence. It was incredible. I think Allen Morris and his group, they're experienced at building things. They're very successful. They're the right people to do this job, okay. I just want to say that I'm for this project. The time is now. And I think you guys should call a vote today. Let's do it. We need to get on with it. We really need this project. Thank you very much.

Mayor Valdes-Fauli: Thank you, Mr. Snow. J. R. Holmes.

Jackson Rip Holmes: Hi. Thank you very much. Jackson Rip Holmes, 35 Sedonia Avenue, Coral Gables. I own property on Miracle Mile. I urge you to vote this down because it's the only place where a department store can go which is needed to anchor low-rise Miracle Mile retail. If we take that away, the overhead costs will surpass the income costs and Miracle Mile will turn into a 15-story building street, which will be the death of our claim that Coral Gables is a suburb when we have a 15-story main street. Your vote today, if you approve this, you'll be approving the end of Coral Gables as a suburb. And I think that would lead to demographic losses and horrible things. I see a way out of this. Let me emphasize here. I've spoken with H&M, alright. David Voss (phonetic) is the Regional Manager. He said they're coming to our area. Whether they come to us -- they're very interested in this location. I like what the Commissioners are saying about let's -- the City can do this ourselves. And let me tell you how this works. We can get H&M -- these developers are not using the retail space. The City can get a minimum, hard minimum of

\$1.5 billion a year on the retail. The height can be low and the City can do it. And I have to say something nice about Allen Morris. We can hire him for the architecture and maybe some of the construction, but with the City in charge. Everybody can win with this and we've got H&M. They're waiting to come here.

Vice Mayor Lago: Thank you.

Mayor Valdes-Fauli: Thank you, sir. Jeffrey Roth. Good morning -- or afternoon.

Jeffrey Roth: Good afternoon, Mayor Valdes-Fauli, Vice Mayor Quesada, Commissioners Mena, Lago and Keon. Thank you for the opportunity to speak to you. My name's Jeffrey Roth. I'm the owner of the law firm Roth and Scholl, with property owners on Dixie Highway over Granada, have been practicing law here in Coral Gables continuously for the last 37 years. I've had the privilege of working with and for Mr. Morris as well as his father, Mr. Morris, Senior and the Allen Morris companies for just about that entire time. As I think you already know, this developer, Mr. Morris, the Allen Morris Company, Related Group, these are stellar corporate citizens. They're capable of delivering. They have transformed communities both here and elsewhere throughout the state and throughout the southeast. This is the right developer and the right project for this spot and should be approved now. We believe the development team is extremely qualified. They've demonstrated that time and again. They certainly are eliminating the financial risk, as Mr. De Yurre explains, quite capably. We think this provides tremendous value to the City. They will provide beautiful architecture, as we know. The Morris -- Mr. Morris' building at 121 Alhambra is a signature and flagship building in our City. And we think that this project will get done now instead of languishing for more years as it already has. So, we urge you and we think this is the right time, the right developer, the right project. We urge you to approve this project now. Thank you.

Mayor Valdes-Fauli: Thank you, sir. Dorothy Thomson -- Mayor Dorothy Thomson. Good afternoon, Dorothy.

Dorothy Thomson: Good afternoon.

Mayor Valdes-Fauli: Delighted to see you here.

Ms. Thomson: Well, you and I sat together here 20 years ago.

Mayor Valdes-Fauli: That's right.

Ms. Thomson: What you're talking about, as a matter of fact. And that's really the reason I got up today. It's sort of stroked my interest here.

Mayor Valdes-Fauli: I hope not to see you 20 years from now again here, so...

Ms. Thomson: Twenty years ago, I sat in the same spot, Vice Mayor Lago. As you sit now; I sat then. And you know what, we were discussing -- as they say, 20 years ago, the same subject we're here for today. The City is going to turn 94 years old next month. Twenty of those 94 years have been on the garages, talking about what can we do with the garages. Isn't that ridiculous for this forward-thinking city, a city that was built by a wonderful developer, the most revered developer in the whole Cas George Merrick. There's a statue of him in front. The first and only wonderful, revered developer that came to Coral Gables until Allen Morris. I must reveal, I have not spoken to you all before. And Vice Mayor Lago, I want you to listen to me, okay. I want to direct my remarks mostly to you. I'm talking to the whole Commission, but it's you that I want to talk to especially. And that is because you're in construction. You know construction. You know the quality of work that Allen Morris Company has done. Arguably, the most beautiful building in the City aside from the Biltmore Hotel is Alhambra Towers on Alhambra Circle. Now, this project, the garages, I'm going to draw a parallel to the Biltmore Hotel and these garages, a parallel. And that is because we spent 18 years -- we, I'm talking about the City, when I was on the Commission that whole time -- 18 years to develop or redevelop Biltmore Hotel from 1969 to 1987. It's taking

longer to get the garages done than it is to develop the Biltmore Hotel and that, to me, is unconscionable in this City. Now, I know there's a lot of development going on. People are upset in the city about various projects underway. This is really not a development project. This is a redoing of something we should have done 20 years ago. Had I remained on the Commission, we probably would have gotten it done. I was not related to Allen Morris then; I am now. I divulge that right now. I'm his mother-in-law. Okay, I just want to say that Allen Morris has done the Alhambra Towers. His father before him developed Dadeland Shopping Center, which was, you know, a wonderful piece -- a wonderful shopping center, first of its kind, forward-thinking. He's forward thinking, too. He's a chip off the old block, if you will. I know my time is up, so I had to few other cogent things to say.

Mayor Valdes-Fauli: Go ahead, go ahead, please.

Vice Mayor Lago: Take all the time you need.

Ms. Thomson: Thank you. Alright, just a couple more minutes then. So, yes, his father developed the Dadeland Shopping Center. We all know that it is still there today. Whatever garages we've done (INAUDIBLE) Allen Morris would do today, if you say so, will be just as long-lasting as Dadeland Shopping Center. Talking about people with high-rise. We already have high-rise on Miracle Mile. The Colonnade Hotel was the first one. You do know -- not know, but it's high-rise. It's stepped back, but it was done as a high-rise site. And this is the same that will happen with the Allen Morris project. So, I really think that the thing to do is to go forward. Who said it -- it was the attorney, De Yurre, that if you waited, he would be 90 years old. I'm approaching that in a few years myself, and I'd like to see it done before then. So, do the right thing. You, a construction guru. You know construction. Vice Mayor Lago, I'm looking to you. And (INAUDIBLE) Biltmore Hotel, one more comment. I want to publicly thank Commissioner Quesada again for initiating the wonderful plaque you did out there, you know, on my behalf, giving me credit for -- and my administration. And Mayor Valdes-Fauli, you were there at the

same time. The people that turned out against redoing the Biltmore Hotel -- it was the most acrimonious meeting, you may remember that, in 1985 -- the most acrimonious meeting....

Mayor Valdes-Fauli: (INAUDIBLE), yeah.

Ms. Thomson: People said don't do anything to Biltmore. We don't want strangers. We don't want taxi cabs. We don't want garages in our neighborhood. Those same people now (INAUDIBLE) houses have risen in value and turned out wonderfully. Don't hesitate. Don't vacillate. Be good. Do right.

Mayor Valdes-Fauli: Thank you, Dorothy.

Vice Mayor Lago: Thank you, Mayor.

Ms. Thomson: Thank you all for the extra time. I appreciate it.

Mayor Valdes-Fauli: I hope not to see you here in 20 years discussing this same issue.

(LAUGHTER & APPLAUSE)

Mayor Valdes-Fauli: Thank you. James Drake. James Drake.

James Drake: Good afternoon.

Mayor Valdes-Fauli: Will you turn off that radio somewhere?

Commissioner Keon: He's trying.

Mayor Valdes-Fauli: Huh?

Commissioner Keon: He's trying.

Mayor Valdes-Fauli: Okay. Go ahead, sir.

Mr. Drake: Thank you so much. It's good to be here. My name is James Drake. I'm a resident and businessowner here in the City Beautiful. I'm also raising my family here. I have four kids, and we enjoy the quality of life that the City affords us, and we're so grateful for your leadership. So, from the bottom of my heart, thank you for all that you do to serve our city. I've had the privilege of sitting on a few nonprofit boards, and what I found is that when a nonprofit, like the government, is focused on its mission and does what only it uniquely can do, that mission is typically advanced further faster. What I've heard today is a great opportunity, in my opinion, for the City to allow Allen Morris and his company to step in and focus on something that they specialize in doing so that you, our City Commissioners, can focus on only what our City should and can do. Therefore, I would urge you to consider this proposal and accept it so, Michael, you can advance all those new projects that are much higher up than a garage on your list. Again, thank you for all that you do for our city and I'm very grateful for each one of you.

Mayor Valdes-Fauli: Thank you, sir. And the last one I have is Ana Lam. Good Afternoon.

Ana Lam: Good afternoon, Mr. Mayor, Mr. Vice Mayor, Commissioners, City Attorney and City Manager. My name is Ana Lam. I live on 800 Ortega. I am here in favor of this development. I think, more than anything, we need parking. It has taken too many years to have this -- to have parking. It's a shame that our businesses on the Mile have, had to close. It's affected us. I know personally I do not go as often as I did to the restaurants and a lot of the establishments on the Mile because there's not adequate parking and it takes a long time. I cannot think of a better developer than Mr. Morris to handle this. I know that there are other -- I guess there are other alternatives at this moment that have been discussed. But I don't think -- I just don't think that it's worth waiting

any longer for something that has taken so long. We need this. We need this parking and we need this development. Thank you for your time.

Mayor Valdes-Fauli: Thank you, ma'am.

Vice Mayor Lago: Thank you.

Mayor Valdes-Fauli: Is there anybody else that wishes to speak who is present? You did not fill out a card.

Ron Sheffield: I did not fill out a card. I'm sorry.

Mayor Valdes-Fauli: Go ahead.

Mr. Sheffield: Mayor and Commissioners...

Mayor Valdes-Fauli: (INAUDIBLE) You did not fill out a card, you are not...

Mr. Sheffield: Thanks for letting me speak. I'm Ron Sheffield. I've been living in this community for 40 years. My office has been in the Gables for 35 years. You know, we say in our business that we're now selling the two C's, the C's of community and convenience. And of course, we're seeing that beginning to develop in the Gables. The condominiums and the apartments that allow people now to walk to the grocery stores and walk to the restaurants, and we just need more of it. Obviously, we've seen the number of stores that closed on the Mile, and of course, it's a disappointing to all of us because we know that everything we went through, you know, to put in the street and to get the community to where we wanted it to be. I was the president of the Coral Gables Chamber of Commerce back in the early '90s. I've forgotten how many studies we commissioned during that period, you know, to look at the BID. It took us about three attempts to get the BID organized and those property owners to support that, and of course, those people, you

know, have been, you know, invaluable in their support of bringing business back to the community. So, we need more people, though, here in order to make the businesses flourish, and so, that's the only thing that I would ask you to think about as you're voting for this. Thank you.

Mayor Valdes-Fauli: Thank you, sir. Anybody else? Mr. De Yurre, you want to...

Mr. De Yurre: I just -- I want to thank...

Mayor Valdes-Fauli: Finish up?

Mr. De Yurre: I just want to finish up. I want to thank everybody that spoke, in particular, Mr. Sime. Thank you for your support. Ms. Cruz, I just want to clarify. We were invited to this process and I think it's important that the citizens know that. We were responding to a need of the City in the RFP. We're building it in the heart of the CBD for the benefit more than any other project to the residents. Take this money and do great things with it, great things. Let us take care of the mundane garage. Go do great things with this money. I just want to lastly thank Mr. Lowell, Mr. Zoller, Mr. Snow, Mr. Holmes, Mr. Roth, Ms. Thomson -- Mayor Thomson, excuse me, Mr. Drake, Ms. Lam and Mr. Sheffield. And the support that they expressed for the project in front of you today. And I'm going to challenge you each one at a time right now. Commissioner Quesada, Commissioner Mena, Commissioner Valdes -- Mayor Valdes-Fauli, Commissioner Lago, and Commissioner Keon. Now that we've delivered on everything that we've done -- that you've requested that we've done for you, who is willing to guarantee the bird in the bush? Who is willing to guarantee the 23<sup>rd</sup> or 24<sup>th</sup> store is not going to have an issue on Miracle Mile after we've given everything you wanted? Thank you very much. And you've been very kind with us and we look forward to working hand in hand with the City of Coral Gables.

Mayor Valdes-Fauli: Thank you, Anthony. Anybody else wishes to speak? Okay, then the public hearing is closed. And I'd like to start, and then I'll recognize each of you individually, by thanking everybody who's here, everybody who has expressed their opinion. This is a very

important issue. Mr. Morris, (INAUDIBLE) is not here, but I also extend my thanks to him and all of your team, your teammates, Mr. De Yurre, for the wonderful job you've done. Dorothy Thomson -- Mayor Dorothy Thomson and I were here 20 years ago when this was initiated, and it was initiated because those garages are obsolete, because we need the parking because the garages are 50 and 60 years old and they don't fill today's -- the needs of today's Miracle Mile. Miracle Mile had bridal shops -- it still has some -- and had shoe stores and had some very fine -- the Biscayne Cafeteria. It had ice cream shops, but it was a different Miracle Mile than what it is today. There were six lanes of traffic, three east, three west, no median. You were taking your life every time you tried to cross it and it's a different -- it was a different street. This RFP, request for proposal, was put out there 20 years ago because we needed to do something to replace these garages and serve Miracle Mile. Commissioner Keon said that we were stewards of the public welfare and we're custodians of the public welfare and I agree with you. I very much agree with you, and because of that is what I'm going to say today. I found it interesting to know what the parking fees were going to be 20 years from now -- the prediction in parking fees. I thought that was fascinating and a very esoteric figure. We can also speculate what the price of lollipops is going to be two years from now and that will also be a very interesting figure, but that has nothing at all to do with what we're talking about today, I think. We're talking about needs on Miracle Mile, our finest shopping, our finest commercial street. We just spent \$24 million on Miracle Mile and Giralda, \$24 million. Had we calculated the economic effect or the return on those \$24 million, I wonder if we would have spent those \$24 million. Our bottom line is residents; the residents' welfare, our citizens' welfare and how we can serve them better at the lowest possible cost. We built Merrick Park in 1998, 99, 2000. I wonder if we -- and we did not go into the economic effect of Merrick Park. We decided to replace a parking lot for garbage trucks with a shiny, purple lake -- little lake at the bottom that glowed at night and -- because of the contamination -- and now we have Merrick Park. Gables Grand in front of the Hibachi Restaurant, we had a wonderful bus terminal there. Unfortunately, we didn't have any buses, but we attracted residential units into Miracle Mile and residential units into the downtown and those people started populating Miracle Mile with shoppers, with walkers, with restaurant goers. Our Public Safety Building, have we figured the economic cost of that? No, we haven't. We're doing it because we want to serve our

residents in the best possible manner and that Public Safety Building will allow us to provide better safety measures. You talk about a concrete canyon. Number one, those decisions were made before we were here -- or when Commissioner Mena and I were here, but you know that we have 13 million square feet in -- of office space in Coral Gables. Thirteen million. You know how many square feet Brickell has? Brickell has 11 million and we have 13 and our height maximum is 15 or 16 stories with bonuses. We could do -- we do not have except for the Biltmore -- and I hope nobody condemns it. We do not have any building over 16 stories and we have more square feet than Brickell does. Why? Because we are smack in the middle of Miami-Dade County. You cannot go east-west in Miami-Dade County or west-east, south of Flagler without crossing Coral Gables. We're smack in the center. And we have kept our codes up to date and we follow our codes. We follow our codes in terms of height, the lot coverage, FAR. We follow our codes and that's where our (INAUDIBLE) is. And why do we follow the codes? Because we want to keep our residents lives -- quality of life -- Coral Gables, we want to keep it what it is and we want to keep the tradition of George Merrick alive. Our downtown, where we need parking and where we have spent \$24 million on Miracle Mile provides for 35 percent of our income, 35 percent. Our five percent geographic area, that's downtown. Five percent provides for 35 percent of our income -- provides for 35 percent of our income and if it were not for that, we would have to raise your taxes by 75 percent. Does anybody realize that? We are the stewards of vitality, economic activity and provide -- to provide amenities to our residents. And I take that responsibility very, very seriously. That is the sacred responsibility of somebody who has been elected to the office of Mayor and to the Office of Commissioners. I think -- I congratulate Mr. De Yurre and I congratulate your principals for a wonderful presentation for the efforts you have made in complying with everything that we've requested from you. But this is a necessity. We need this parking for Miracle Mile. We need this parking not to have the 22 empty stores that we have. I counted them on Sunday night, two nights ago. We need this in order to have our main shopping street be alive and as stewards of -- your word again -- as stewards of our residents' interests, I urge my fellow Commissioners to vote for this project. Vice Mayor Quesada, you want to say a few words?

Commissioner Quesada: I do. Thank you, Mr. Mayor. I thought you spoke very clearly and detailed, so I appreciate that and I agree wholeheartedly. You know, one of the things that really jumped out at me today is you forget how long the process has been and I think the applicant did a phenomenal job today, Mr. De Yurre. You know, you forget the three different variations that were proposed in the RFP, the 93, the 80 and 70, whatever the numbers were. And it's -- I didn't realize there was 24 revisions as well. And you forget. And you know, when Scott Sime spoke earlier -- the first speaker that we had today -- it reminded me of how the conversation really began because we were dealing with vagrants that were defecating in the stairwells and other issues that we had dealt with those existing nature of the parking garage that we discussed. We're putting all this money into Miracle Mile, yet the first impression that a shopper has to spend a few thousand dollars on a dress or a few hundred dollars on a meal is a smelly, nasty, stinky parking garage and then you walk through an alley. I don't know if there's a direct correlation with the losses that we've had with the restaurants, but it's certainly not helping. It's only going to make it a nicer experience. I remember when Sunset Place really was in its heyday and you wanted to park in the parking garage so that you'd go right into the store or you'd try to find parking on the third floor so you go straight into the movie theater. Obviously, things have changed over time, but I remember at the beginning that's the experience you wanted. And you know some of the other, you know, locations throughout the country -- even what we have at Merrick Park. I like parking in the garage to walk right out to go straight to the store you're going to through that parking garage. So, you know, it's been lost a little bit, I think, in the conversations that we've had here on the dais on where it began really. My biggest issue is delay. I don't want to delay it any further. You know, Chris Zoller mentioned that -- actually, many of you mentioned that already. And Mayor Thomson, who I thought spoke spectacularly because every time I -- she's behind the -- a billboard there, so I can't see her. But you know, it's funny you forget that the former mayor was a former mayor sometimes because she's so polite when you meet her socially. But you know, she's still very sharp and very strong on point. So, thank you for speaking so clearly and forcefully on it today. Look, I've been a fan of the project since its inception. I think it's better now than it was before, you know, and I applaud Commissioners Keon and Lago for beating you up a little bit to get it to a better spot today, and I think they've done a great job with that. Look, I -- you know,

if I'm counting the votes from the last time around, I think it really comes down to Commissioner Keon and Lago, and speaking to them, I understand their concerns, absolutely understand their concerns and they're well taken. What I would say is don't forget where this began. You know, we were given four different variations; three from the applicant that's here today that, again, the top one got 93 out of 100 points. They did exactly what we asked them to do. You know, my issues through all this has been we asked them to do an RFP. They complied with that RFP. They did exactly what we wanted them to do and then we tell them, well, no. That's not -- you know, we changed our mind, and I understand people's opinions change and time changes. But to me, that's a big aspect to this. Everyone thinks that there's a magic bullet to get rid of traffic. There isn't one. I mean, all we can do is really do the traffic studies and plan accordingly, and I think we've done a good job with that over time. So, I am in fully support of the project, you know. I'm thankful the developer has made all those concessions that they have until today. Again, I didn't realize it was 24. But going to what former Mayor Thomson said, you know, I'm in agreement with what you said as well. So, with that, I'm in favor of it just because our Downtown needs it and I think it's the right project.

Mayor Valdes-Fauli: Commissioner Mena. Thank you, Commissioner. Commissioner Mena.

Commissioner Mena: Yeah, no. I tend to agree with Commissioner Quesada here -- Vice Mayor for the day Quesada, I guess. You know, we've talked at the prior meetings about, you know, one of my chief concerns has been I don't want to kick the can down the road again. And I do have a concern that if this doesn't get approved, you know, I don't know if it'll be 20 years, but it might be here 10 years from now still with the same old parking garages. And I just, you know -- I can't let that stand, you know. When I ran for office two years ago, I do hear the concern of the residents about development. We all hear it and I can understand it. I think there's a difference, though, between our CBD and development that borders residential. The things you see on US-1 -- I don't know, when I ran for office the first time were hot-button issues. They're now going up and so people are even more upset, but again, you know, that's a different scenario because I think it borders residential and that's a problem. Speaking from personal experience, I've always said I

would prioritize the CBD and treat it differently than I would areas that border residential. The first project I think I voted on here was 33 Alhambra, which I voted against because it was outside our CBD and bordered on residential. On Venera, which is two blocks from my house, we voted against it multiple times, and eventually, we got it down to a point that we thought was palatable and fair. This is our CBD. These are two prime locations in our business core. To your point, Mr. Mayor, you know, when I see all the retail going belly up after the investment we made in streetscape, and you know, we've talked about financials today and the financial picture of this project. But you want to talk about return on investment on that \$24 million streetscape, we're not maximizing that investment because we don't have the infrastructure to support it. We don't have the parking. I've heard the point -- I've heard it from many people, including some who are running for office now -- that we should have done the parking before the streetscape. But here we are. And so, I think it's important that we fix this. You know, you talk about the financial picture. I know one of the key terms is the \$480,000 contribution. You know, when Diana was speaking earlier and she was sort of analyzing the two projects and the financial pictures, she's talking about it sort of versus the red, you know, when we're going off the current \$1 million we generate and how we compare to that. I think it's important to understand that \$480,000 contribution on this project is not relative to that red. That's just our out of pocket. The property taxes alone here, what they, you know, fair in conservative estimate would cover that out of pocket on its own. So, we're effectively not coming out of pocket on it. We're getting a brand-new garage, which we sorely need, with the amount of parking that, you know, I've been on record in prior meetings on different iterations of this project about whether or not we need 750 spaces. I know Commissioner Keon felt very strongly about it, as did our Parking Director, and now it's here. So -- and it's in the prime location that has been prioritized by our Parking Department. So, you know, when I weigh all of that, I'm -- I -- I'm just not willing to vote this down and to, again, kick the can down the road and hope that we figure out another way to get this done. We're here. We've put a lot of work into this. In some respects, there were -- I'll be honest. There were aspects about the most recent iter -- prior iteration of the project that I liked because I happen to think that more office space in that area would be a good thing as well, and the paseos would have been a good thing, but that's part of compromising. That's part of this P3 process. That's part of

negotiating, and you get some things and you lose some things, but you, hopefully, end up at a deal that's palatable to everybody and that moves the ball forward and I think this does that. So, I'll be supporting the project today because I think it's the right thing for our downtown, for our residents, for our retailers. You know, you talk about -- you sometimes have this misconception about traffic that we have all this traffic because of the size of a building. Any and all studies you read, anybody you talk to who is an expert in this area will tell you that having development in your downtown corridor actually reduces traffic. Having accessible, quality parking reduces traffic, because instead of people driving around looking for a parking space because they don't want to park in the current garages we have, they won't be doing that anymore. People who live in these residential -- hopefully, probably, will be walking to work within our downtown corridor. Maybe they'll take our Freebee. Maybe they'll take one of our scooters. Maybe they'll take our free trolley. That's our investment that we've made to try to make this a real Downtown that helps reduce traffic and makes it a livable place. So, I think this is a key missing component of that equation. I want to reiterate -- and this is the last point I'll make. I want to reiterate the point that Commissioner Quesada made. You know, I do understand the concerns of Commissioner Keon and Lago, as previously expressed. I think they're fair. I think they're reasonable, and I think it just comes down to sort of which of the issues here you prioritize over the others and where you fall on it. This is a complicated deal, a tough issue and so I'm curious to hear your thoughts after today's presentation, but I recognize that this is not an easy decision and not a simple decision to make, but that's where I fall on it after everything we've discussed.

Mayor Valdes-Fauli: Thank you, Commissioner. Commissioner Lago.

Vice Mayor Lago: Thank you, Mayor. My issue today is -- my decision today is not based on City finances. The City is in the most healthy financial shape it's been in decades, in my opinion and the opinion of many. When you talk about issues about finance -- before I get into that, I also want to hit on a point that was mentioned today about the 22 storefronts that have closed on Miracle Mile. I think it's heartbreaking when you drive down Miracle Mile or you walk down Miracle Mile and you see those storefronts closed, people losing their businesses, but I also have to be

honest with you. A lot of the businesses that have gone out of business have gone out of business because those properties have traded hands. Their leases have come up and rentals -- rental rates and lease rates have skyrocketed. I can give you a name, a list of them here on the Mile and we all know who we're talking about, not because the businesses weren't doing well, but because the land acquisition and the costs have resulted in the new landowners hiking up the rents which are unsustainable. It's a matter of fact. Is parking an issue? It could be, yes, but we're seeing more and more opportunities for people to get out of cars. We don't need to be in cars that much anymore. But my issue is not an issue of finance. And like I told Mr. De Yurre at our third sunshine meeting, I think it's actually a pretty good financial deal for the City, in all honesty. Zero bond debt, an expedited construction project, coming from the private sector, doing this every single day, I know that a private contractor can probably do it better than the City, even though we have Peter and our staff which are very capable, but again, resources are limited. Parking requests by Commissioner Keon have been met. And I mentioned before -- and I'll be quoting from January 24, 2017, the meeting minutes, which are located here. I was never a fan of a thousand parking spaces; 750 was Commissioner Keon's sticking point. I think it's appropriate. It meets that request. I request -- to my opinion -- and I've been a stickler for height, voted no on projects, for example, the Plaza, the projects on US-1 based on height. This is pretty in line with our CBD. The tax revenue that's going to be produced by this project -- brought up by Commissioner Mena, a very good point. You're talking about starting off around \$250,000, tapering up to about \$900,000 in the next 20 years. That's a significant windfall for the City. I mean, I think that's perfectly in line with what we're looking at. My issue is more geared towards quality of life. This is not an issue about finances for me. I think the project is in line with what I would expect for a P3 here in the City. If you go back to the meeting minutes dated January 24, 2017, I mentioned on multiple occasions, and I quote, I would like to see more open space. Always remember we can do this by ourselves at the end of the day. These are exceptional developers. They're both my friends, both of these applicants, and I mean it with the utmost respect. The presentation is incredible. Today's presentation was incredible again, but always remember that we can do this ourselves. And at the end, I mentioned, just remember that there's always an op -- we should always keep our opportunities open and there's many options. I made those comments in 2017,

almost two years and three months, and I bring them up today because my tune hasn't changed. I believe every world-class city needs to have an open space in Downtown. This is not a hard structure to build, as I've talked to the Manager before. This is a simple structure to build that we can articulate as we deem appropriate, lowering and raising the cost. I feel this is an issue of quality of life, and I'm voting as -- based on that. Here in the City, we're blessed to not be like other cities. This is the overall theme that we've mentioned three or four times today and that was mentioned in Vice Mayor Quesada's farewell comments. We don't have to make the tough decision today, at least I don't have to because I'd rather see an open space in our downtown which draws community into our Downtown where we could have events, similar to what Miami Beach has in their Opera Center, where people can come and watch a movie, where people can enjoy a sculpture garden, where people can have a -- instead of having in front of our City Hall our gardener's market, they could have it on Andalusia in this open space. It could be an economic driver to our downtown, which you know very well that the events that we have in our downtown that are held in front of our City Hall, not many people want to cross LeJeune. It's difficult, especially with children. So, my decision today is based on a quality of life issue. It's an issue where we've all seen renderings that have been submitted to you where G4 would be a parking garage and G1 would be an open space. That's what I think is in the best interest of the City. The applicants have been -- they've had 24 iterations of a project -- and I commend them for that. And trust me, it pains me not to approve this project today, but I think we have different options and we need to explore all our options.

Mayor Valdes-Fauli: Thank you.

Commissioner Quesada: The delays don't concern you?

Vice Mayor Lago: No, I mean Let me -- in reference to delays, there's been 20 years delay. We've had 20 years...

Commissioner Quesada: Yeah.

Vice Mayor Lago: In delays.

Mayor Valdes-Fauli: Precisely.

Vice Mayor Lago: And I think that to me, personally, would I love to snap my fingers and get the parking completed in two seconds? Of course. I would be -- that would be my wish, but...

Commissioner Quesada: Yeah, of course.

Vice Mayor Lago: But, you know, it's not my overall concern.

Mayor Valdes-Fauli: Okay, Commissioner Keon, your turn.

Vice Mayor Lago: May I ask Vice Mayor just a question? Why do you ask?

Commissioner Quesada: Because that's how it all started. That's how the whole conversation started about the RFP, at least that's what I recall. But I haven't looked -- I haven't gone back and looked at the minutes, which is fair. Which I think if that's your position today and you said it then, it's absolutely 100 percent fair. You've been clear from the beginning. If you recall, we were having an issue with some vagrants...

Vice Mayor Lago: Of course.

Commissioner Quesada: If I recall correctly -- which I may not -- that's really how it began. We were like, man, we've got to do something about this. And then we said, actually, with like three city managers ago or four city managers ago, the -- our original City Manager but our original City Manager that we dealt with when we first got elected. If you recall, we had a conversation of, man, it really needs to be fixed-up, and that City Manager at the time -- you guys may recall this -

- was refusing to pressure clean it because that could have been a nice, easy cleanup (INAUDIBLE) issues that we don't have to get into today. But if you recall at that time, we were saying, man, we've got to clean this up. It's a horrible eyesore for, you know, a visitor to downtown Miracle Mile to have to go through that before coming into -- if I recall correctly, that's how the conversation started. So, that was the original impetus for me to be in favor of moving forward on this. Look, I understand your position, but that's -- that definitely weighs into my concern today of wanting to move forward is I don't know how long construction would take and permitting and all that, but it would certainly be faster than any other option out there (INAUDIBLE).

Unidentified Speaker: Oh, no.

Unidentified Speaker: Of course.

Unidentified Speaker: That is...

Mayor Valdes-Fauli: Let's listen to Commissioner Keon.

Vice Mayor Lago: Okay.

Commissioner Keon: Let him finish.

Vice Mayor Lago: All I have to tell you is, I'm in the construction world. And the Mayor mentioned I'm a guru. I'm far from it, trust me. Peter is a guru.

Mayor Valdes-Fauli: (INAUDIBLE)

Vice Mayor Lago: Mr. Morris...

Commissioner Quesada: We don't understand anything Peter says though.

Vice Mayor Lago: So, you know, costs are skyrocketing. And when you compare costs from six months ago to today, I mean, it's unbelievable, 20, 30 percent in certain line items, excuse me.

Mayor Valdes-Fauli: Okay, can we listen to Commissioner Keon?

Commissioner Mena: No, but let's finish discussing (INAUDIBLE)...

Mayor Valdes-Fauli: No, no, no. We can discuss it later, but let's listen to her presentation first, and then we'll discuss (INAUDIBLE). Come on.

Commissioner Keon: You know, I feel like I have been -- I haven't really changed a great deal on how I view this project over time. I do -- I don't have a problem with the height. I don't have a - - and I do want 750 parking spaces. You know, we have talked about bringing residential into the downtown area. The Mile has a 70-foot overlay, so you can only go to 70 feet. The problem that stops the development on the Mile is the parking issue because there is no ability to park. With 750 spaces, we can waive parking for development on that Mile if you put another story or two stories of residential actually on that Mile. So, yeah, I do believe we need 750 parking spaces to really realize and have the return on investment from the -- what we have put into the Mile and the streetscape, so I think it's very important that we have that number of parking spaces. A thousand, no, but I know at least 750, yes, in order that we can really finish the downtown overlay that we've been talking about for a very long time also and never have done, that we can do that. You know, what I look at is -- and you know, it's a lovely building. It'll be a good garage. What I ask is, is this -- is it good for the City financially? Is this a good deal for us? and I look at it and say, you know, if we built the garage ourselves, what we are contributing to this project would pay for the garage anyway. We would pay for it by what we're today contributing. So, we could build it. We would retain the FAR for the garage, we would retain control of that property, of Garage 1. You know, I would gladly offer them to buy garage -- buy the site that's Garage 4. Buy it and build what you want on that site. Build a residential building. Build a commercial building. You know,

it's sitting there. You can build, but you can build that with 3.5 FAR that you would be entitled to. You're building now at a 6.38 FAR because of the combination of the two sites. So, you -- there are great advantages for the private sector development in doing this deal, great advantages. They get far more FAR. They can build a much larger or a much more dense building. They -- we are -- we're not charging or reimbursing for -- I think there's three and a half million dollars' worth of fees that we are -- we're not going to charge. There's a \$20 million land cost. There's probably -- I think there's -- you need 56,000 square feet of TDRs in order to do this project that we are giving them is a value of about \$6 million. So, there's a lot of give on the part of the City to get this done, and those -- all those dollars put together are probably about what it would cost us to build a garage. And do I think that we shouldn't go into debt? I -- no, I do think we -- I don't think there's anything wrong with a financially stable city to borrow or bond out debt to build infrastructure that is paid for over a 30-year period of time because it shouldn't be today's dollars. It shouldn't be these residents' dollars, these -- the people that are here today shouldn't be paying the full cost of a product that you want to see a lifespan of 30 years. It should be paid for over a period of 30 years by the people that are here. That's why we -- that's why you take out debt. So that it isn't up to us to do it today. So, I mean, I think -- I mean, I will gladly offer them the sale of that parcel. I don't have a problem with selling Garage 4. I'd offer them the sale of that parcel at the market rate and allow them to build whatever they choose to build. We would get the same in taxes, the tax dollar that's coming to us, we would get anyway. We would also get all of the permits and the impact fees. We would retain our TDRs, and we would retain the FAR on our -- on the Garage 1 site so that in time, if that needed to be repurposed, we would have the ability to do it. So, I think -- I don't see that there is a great benefit to us to enter into this agreement. I think we can build our own garage. We can sell that property and they can build whatever they want. I mean, they can build residential or they can build commercial on that property and it's a wash.

Mayor Valdes-Fauli: Thank you very much.

Commissioner Quesada: Can I...

Mayor Valdes-Fauli: Thank you.

Commissioner Quesada: Can I ask you a question?

Mayor Valdes-Fauli: Make a motion.

Commissioner Mena: (INAUDIBLE)

Mayor Valdes-Fauli: Yeah, come on.

Commissioner Keon: Yeah, I think he was asking a question first.

Mayor Valdes-Fauli: (INAUDIBLE)

Commissioner Quesada: I just -- I want to ask a question. Question is, Commissioner Keon, the same question I asked Commissioner Lago. Do you have a concern about the timing of things?

Commissioner Keon: I don't.

Commissioner Quesada: You don't, so you...

Commissioner Keon: I believe that this city...

Commissioner Quesada: Okay.

Commissioner Keon: That we will maintain the administration we have and not go through another city manager. You know, I believe we have the capability with in-house to build public infrastructures.

Commissioner Quesada: You would agree...

Mayor Valdes-Fauli: (INAUDIBLE)

Commissioner Quesada: Hold on, hold on.

Commissioner Keon: It's a garage.

Commissioner Quesada: Would you agree with one statement? Would you agree if, in five years, we still have the same garages -- whether we did it or someone else did it -- it's a shame a little bit, right?

Commissioner Keon: We -- shameful, yeah.

Commissioner Quesada: Okay.

Commissioner Keon: Shameful.

Commissioner Mena: But that's...

Commissioner Keon: But you know what...

Commissioner Mena: Isn't that what's happened, though?

Commissioner Keon: No. I mean, I was elected six years ago and I listened to everybody talk about what happened with Miracle Mile and I said, well, good, then let's get it done. Let's get it done, and you know, because we were a collegial body that could work together, we got done what they couldn't do in the 20 prior years.

Commissioner Mena: But not this.

Commissioner Keon: But because of the respect and the collegiality that we have for one another and our ability to work together and the staff that we now have in place and the administrative people that we have to oversee this, do I believe we can do it? Absolutely.

Commissioner Quesada: Okay, so...

Commissioner Keon: Why they didn't do it before...

Commissioner Quesada: In the...

Commissioner Keon: I don't know.

Commissioner Quesada: Hold on, hold on. In the spirit of cooperation...

Commissioner Keon: Yes.

Commissioner Quesada: Since I'm feeling that both of you are a no to this proposal, my biggest concern is I don't want to wait another 20 years where Mayor Valdes-Fauli comes back again for Mayor 20 years ago -- from now...

Commissioner Keon: (INAUDIBLE)

Mayor Valdes-Fauli: Over my dead body.

(LAUGHTER)

Commissioner Quesada: So, in the spirit of cooperation, Commissioners Keon and Vice Mayor Lago, how about this? Because timing -- I don't want it to linger forever. What I'm hearing from both of you is we've got to get a shot at the City trying to do this, correct?

Commissioner Keon: I think we can -- yeah.

Commissioner Quesada: Okay. If that's what it's going to take, how about I propose this, okay? Spirit of cooperation, collegial body. We can get things done.

Commissioner Keon: We can.

Commissioner Quesada: How about if we put a timeline on it?

Commissioner Keon: Okay.

Commissioner Quesada: If you feel so -- if you guys feel so adamant about not awarding it and trying to do it on our own, okay. Then let's do something that, I don't know -- let's -- give us a timeline. Give the City a timeline whether it's -- we try to get it done within the next -- I don't know enough about timely construction -- two years, a year and a half, two and a half years. I don't know what the number is. And if not, it reverts back to go forward with this deal.

Commissioner Keon: Absolutely.

Commissioner Quesada: Is that crazy?

Commissioner Keon: No. I would absolutely agree with you, absolutely. And I think that Peter -- I think the Manager -- well...

Commissioner Quesada: I just...

Commissioner Keon: You know what...

Commissioner Quesada: I want to make sure something gets done.

Vice Mayor Lago: Can I...

Commissioner Keon: Yes.

Vice Mayor Lago: May I...

Commissioner Quesada: Yeah, of course.

Commissioner Keon: Yes.

Vice Mayor Lago: May I? Okay, let me tell you...

Commissioner Quesada: And I don't know if they're going to agree to it.

Commissioner Keon: But I think that...

Commissioner Quesada: I don't know...

Commissioner Keon: I think the Manager...

Commissioner Quesada: I don't think anyone's going to agree to that.

Vice Mayor Lago: Okay.

Commissioner Keon: I think Mr. Iglesias...

Mayor Valdes-Fauli: We are speculating...

Commissioner Keon: Can tell you a timeline. I think Diana can give you a timeline for financing. All of that has been put out on the table. So, I think all that we are asking...

Mayor Valdes-Fauli: We are...

Commissioner Keon: Can be done. And I think, yes, we can do that.

Mayor Valdes-Fauli: And we are presuming that they're still going to be interested two years from now.

(COMMENTS MADE OFF THE RECORD)

Mayor Valdes-Fauli: No, no, no. Ma'am, please...

Commissioner Keon: (INAUDIBLE)

Mayor Valdes-Fauli: Please, please. Will you make a motion, Commissioner Quesada?

Commissioner Mena: Hold on.

Commissioner Quesada: Mayor, I -- we've got to be able to talk about this.

Commissioner Mena: Yeah.

Mayor Valdes-Fauli: Yeah, but we're...

Commissioner Keon: It's his last meeting.

Mayor Valdes-Fauli: Oh, yeah. That's right.

Vice Mayor Lago: I -- you know, in reference to your comments about whether we could bring this back in two years, I think it's a great idea, but there's some problems there, okay.

Mayor Valdes-Fauli: Okay.

Vice Mayor Lago: You know, construction costs, soft costs...

Commissioner Quesada: Of course.

Vice Mayor Lago: You know...

Commissioner Quesada: The market in general.

Vice Mayor Lago: Land costs, the market in general is in flux. Again, things are fluid here, so you may have a change for one way or the other. You may have an increase in construction cost and their number won't -- they won't hold their number or vice versa. It may drop and we may say, listen, we want a better deal on the table.

Commissioner Quesada: Sure.

Vice Mayor Lago: So, I just -- my big concern is -- here, look. Is this a financial deal or is this a quality of life deal? So...

Commissioner Mena: It's both.

Mayor Valdes-Fauli: This is a quality of life deal.

Vice Mayor Lago: So...

Mayor Valdes-Fauli: It has to be a quality of life deal. And I am very much opposed because of quality of life to having a park smack in the middle of Downtown. We have a park here. We have alternatives of parks in Downtown, but not Miracle Mile, where we are trying to attract pedestrian shoppers, restaurant goers, bars, whatever it is. Let's have a park somewhere other -- in downtown, but not Miracle Mile. I'm very much for a park. I'm very much for your idea. And there are other alternatives out there, but we need parking in this space for quality of life. And to me, your net present value of \$400,000, 50 years from now today is irrelevant. I mean, what's the net present value of having a 70-story building where Merrick Park is that's in US-1. That's -- this is quality -- for me, this is quality of life, and the four votes are not here, so...

Commissioner Mena: Yeah, I think...

Mayor Valdes-Fauli: Let's (INAUDIBLE).

Commissioner Mena: I do think -- like, just to answer your question, Vice Mayor. I do -- yeah, I do think it's a quality of life issue. I agree with you. I think that...

Mayor Valdes-Fauli: It is.

Commissioner Mena: Those garages that we have now really adversely impact the quality of life of people that come into our Downtown.

Mayor Valdes-Fauli: Yeah.

Commissioner Mena: I mean, I think they're abominable. And I mean, 20 years ago, there was...

Mayor Valdes-Fauli: They were terrible.

Commissioner Mena: A plan hatched to try to get rid of them and here we are.

Mayor Valdes-Fauli: Twenty years ago...

Commissioner Mena: So...

Mayor Valdes-Fauli: They were terrible.

Commissioner Mena: It's kind of dumbfounding to me that we're saying -- oh, yeah, no problem. Is it?

Mayor Valdes-Fauli: (INAUDIBLE)

Commissioner Mena: Because...

Commissioner Keon: They're terrible.

Vice Mayor Lago: Let me...

Commissioner Mena: It's six -- you said, you know, I've been here six years. Six -- we just spend six years on this and we're going to get nothing out of it.

Commissioner Quesada: (INAUDIBLE)

Vice Mayor Lago: Yeah, but Mike, let me just -- let me answer this for you, just so you know. When I came into public office -- and I'm not even going to go into Vice Mayor Quesada or Jim Cason because they...

Mayor Valdes-Fauli: (INAUDIBLE)

Vice Mayor Lago: No. You were -- you left the City in perfect financial shape, zero pension debt. I'm not going -- I'm going into the uphill battle that these two individuals had when they took office two years before I did. So, when we got here, when we got here, we had three fire stations to redo that had mold, a new public safety building, a mile that hadn't been done in 30 years, parks that needed to be acquired, streets that needed to be paved, sidewalks that needed to be done, crushing debt. So, again, I understand that this is a priority, the parking garages, and it will continue to be a priority, but it's very easy now to look at it with a magnifying glass and pinpoint the parking garages because that's what's left to not be really taken care of in regards to infrastructure.

Commissioner Mena: Well, but I don't think it's one or the other.

Vice Mayor Lago: No, no, no, but...

Commissioner Mena: Nobody's...

Vice Mayor Lago: No, no, no.

Commissioner Mena: Nobody's criticizing (INAUDIBLE) people have done...

Vice Mayor Lago: I'm not. I'm just saying -- I'm saying but this is why there's hyper attention to this right now.

Commissioner Mena: But I think that same...

Vice Mayor Lago: About making a decision.

Commissioner Mena: But I think that same mindset is what has...

Vice Mayor Lago: Six years ago, we were trying to, you know, stop...

Commissioner Mena: But I think that mindset is what allows something like this to get put on the backburner for 20 years, I really do. And so, that's where -- I think when Commissioner Quesada's asking the question are you worried about the delay, I think that's his point really is, you know, we keep saying we will, we will, we will, but we don't on this issue. I agree with you on a thousand other issues, an incredible job and we talk about that all the time. But right now, we're just talking about this and you know, we went to RFP on it. You know, I do think this board does say a lot about sort of the path that this has taken. And you know, it is what it is. Either there's four votes or not, I think we all understand and recognize this needs four votes to pass. It doesn't sound like they're here, but I think it's unfortunate, you know. It feels like a missed opportunity, and I just signed up for four more years of doing this and I hope it gets done during that time, I really do.

Mr. De Yurre: Let me...

Commissioner Mena: But I'm not optimistic, to be honest with you.

Mr. De Yurre: While I want to allow for -- excuse me, Madam City Attorney...

City Attorney Ramos: Yes, sir.

Mr. De Yurre: Do you know where Commissioner Keon went?

City Attorney Ramos: She had a procedure and she's in a lot of pain, so I think she's trying to walk around a little bit.

Mr. De Yurre: Okay. I will, in respect to Commissioner Keon, I want to be very, very brief. While it is extremely disappointing, we have invested too much in this deal and the City and this project, okay, and if the offer is to give the City a shot to try to figure out a way to get this deal done, then we are willing to entertain and have that done right now, and having quickly discussed it, we would be willing to allow the City a period of time to break ground on the garage. But today, for us to marshal resources and put everything on hold, we want to be recognized as the awarded party of the RFP, and if you do complete Garage 1, then we will request a right of first refusal, as Commissioner Keon outlined on G4, meaning we will sit on the sidelines, we will give the City the benefit of the doubt and let the City take a shot to do this for an entire year, to break ground on this project and we will wait. And we will hold the funds at bay...

Commissioner Quesada: Okay. I'm going to cut you off...

Mr. De Yurre: That we've expended.

Commissioner Quesada: Because the Mayor's in a hurry and Commissioner Keon is in pain.

Mayor Valdes-Fauli: (INAUDIBLE)

Commissioner Mena: Yeah. I need (INAUDIBLE).

Commissioner Quesada: Oh, okay. Well, Commissioner Keon is in pain.

Mayor Valdes-Fauli: I have to leave by 7.

Commissioner Quesada: And respectfully, we're just saying the same thing again. So, I'm going to make a motion.

Mayor Valdes-Fauli: Yes, please.

Commissioner Quesada: And my motion is -- I don't know how to artfully raise this. City Attorney, I'm looking at you, so walk -- let's walk through this. My motion is to defer decision on the applicant project day, to keep their application alive during the pendency of the City attempting to build these garages on its own or garage on its own, whatever it sees fit, the next Commission does, to -- and if -- to give the City two years to make a decision and break ground on it, and if that does not occur, then to move forward with the project that's proposed today. I know there are going to be problems with that. That's my motion. I want to hear feedback from the other elected officials.

City Manager Iglesias: Our...

City Attorney Ramos: Do you want me to give you some advice on the drafting of the motion?

Commissioner Quesada: Please.

City Attorney Ramos: Because it was a little bit internally inconsistent. So...

Commissioner Quesada: Thank you.

City Attorney Ramos: Initially, you said...

Commissioner Quesada: (INAUDIBLE)

City Attorney Ramos: To defer the item...

Commissioner Quesada: Okay.

City Attorney Ramos: The decision here, and then at the end, you said to approve the item if we don't do it within a certain amount of time, so I think what you're trying to say is to adopt a resolution with these general terms today to give the City a blank period of time to break ground. Should the City not break ground within that blank period of time, then it would go back -- we would basically stretch it to work on a development agreement to move forward with this project.

Commissioner Quesada: Correct.

Mayor Valdes-Fauli: Okay.

Commissioner Quesada: But that time period I want to put on it is the breaking ground in two years.

City Attorney Ramos: Two years.

Commissioner Quesada: If everyone -- if everyone's in agreement.

Commissioner Mena: (INAUDIBLE)

Commissioner Keon: I'm not sure that everyone -- I was listening to you guys.

Commissioner Mena: Okay.

Commissioner Keon: I'm not sure that you have the ability -- they have the ability to break ground in two years or we will have the ability to break ground in two years.

Commissioner Quesada: Us.

City Manager Iglesias: We are not looking at breaking ground in two years, no.

Commissioner Keon: You can break ground in four years?

City Manager Iglesias: Yes, three.

Commissioner Keon: In four years, you can break ground.

City Manager Iglesias: During the fiscal year 2021, which will be three and a half...

Commissioner Keon: Break ground...

City Manager Iglesias: Three years.

Commissioner Keon: 2021.

Mayor Valdes-Fauli: Is there a second? Second?

City Attorney Ramos: Well, I'm hearing an amendment. So, is it three years? Is it 2021?

Commissioner Quesada: So, if we were to break ground -- I just -- this is just a basic question. If we break ground in four years, when is it open? When is it operational?

Commissioner Keon: (INAUDIBLE)

City Manager Iglesias: We're looking to break ground in 20 -- in the fiscal year of 2021, then it would be open fiscal year 2022.

Commissioner Quesada: So...

City Manager Iglesias: October, 2022.

Commissioner Quesada: You're looking -- you used past or present tense.

City Manager Iglesias: We are...

Commissioner Quesada: You've analyzed this?

City Manager Iglesias: Yes, we have, in our proposal.

Mr. De Yurre: This is an easy garage. We will wait for two years for you. We will wait for two years. If you say we will give you a shot, we will be patient for you. We will give you two years to give the City the benefit of the doubt, but we've been at this for six years. Please, please, please, please, please consider the decision. We're willing to wait for a two-year period. If it's an easy garage, let's get it broken ground. And you know what, as a resident, I want to force it to happen faster. God bless you if you do it, and if you do it, give us a right of first refusal on G4.

Commissioner Quesada: I'll split the baby. My motion is for three years.

Commissioner Keon: Okay, it has to be...

Mayor Valdes-Fauli: Okay. Is there...

Commissioner Keon: What the Manager can tell you he can do.

Mayor Valdes-Fauli: Is there a second?

City Attorney Ramos: You're saying 2021.

Commissioner Keon: Okay.

City Attorney Ramos: Is that acceptable to you to say Fiscal Year 2021?

City Manager Iglesias: Starting in fiscal year 2021.

Commissioner Keon: Break ground...

City Manager Iglesias: Fiscal year -- Commissioner Mena, Fiscal Year 2021.

Commissioner Keon: Breaking ground.

Commissioner Quesada: So moved.

Commissioner Keon: You can break ground.

City Manager Iglesias: Fiscal Year 20 -- this can be until...

Commissioner Keon: We...

City Manager Iglesias: October of 2022.

Commissioner Keon: Okay, three years.

Mayor Valdes-Fauli: Okay. Is there a second?

Mr. De Yurre: Three years.

Commissioner Keon: I'll second it.

(COMMENTS MADE OFF THE RECORD)

Mayor Valdes-Fauli: Okay.

(COMMENTS MADE OFF THE RECORD)

Mayor Valdes-Fauli: It's been moved and seconded.

Mr. De Yurre: Three years and we are the approved RFP...

Unidentified Speaker: Yes.

Mr. De Yurre: Proposer with a right of first refusal.

Unidentified Speaker: Yes.

Mr. De Yurre: If you construct G1, we have a right of first refusal on G4.

Commissioner Keon: Yes.

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

City Attorney Ramos: I did not...

(COMMENTS MADE OFF THE RECORD)

City Attorney Ramos: I'm sorry. Are you adding that to your motion because that was not in my motion?

Unidentified Speaker: Yes.

Commissioner Mena: But at what...

Commissioner Keon: Absolutely.

Commissioner Mena: At what term?

Mr. De Yurre: It would be a right of first refusal. If somebody else gave you an offer, we would...

Commissioner Quesada: The first to negotiate.

Mr. De Yurre: No, it's a right of first refusal.

Commissioner Mena: And a right of first refusal.

Mr. De Yurre: If -- whatever offer you got, we would have an opportunity...

Commissioner Mena: Match it.

Mr. De Yurre: To match it considering the time and effort and resources we've expended to date on this deal.

Commissioner Mena: If we...

Commissioner Keon: Absolutely.

Commissioner Mena: If we sell G4.

Mr. De Yurre: Correct.

Commissioner Keon: Right. I think that there's a rumor...

Mayor Valdes-Fauli: Ability to match.

Commissioner Keon: That there is somebody else in line ready to come in and do...

Commissioner Mena: He's saying...

Commissioner Keon: This project.

Commissioner Mena: He's saying -- let me make sure...

Commissioner Keon: There isn't.

Mr. De Yurre: Thank you.

Commissioner Mena: Let me make sure I understand. We proceed with building G1 on our own. We have until October of '22 to break ground.

City Attorney Ramos: It's the year 2021.

Commissioner Quesada: Yeah, but that ends...

Commissioner Mena: But he said that's October -- ends October 2022.

Commissioner Quesada: That ends October 2022.

City Manager Iglesias: Ends October '22.

City Attorney Ramos: Okay.

Mayor Valdes-Fauli: October '22.

Commissioner Keon: Three years.

Commissioner Mena: Right. If we don't, we will go back to the current deal.

Commissioner Keon: Absolutely.

Mr. De Yurre: Correct.

Commissioner Mena: If we do...

Mr. De Yurre: We are the winning proposer and we negotiate a development agreement for the construction of the project as we proposed in the letter of intent.

Commissioner Mena: If we do, the current deal's out of the window, but if and when we go to sell Garage 4 or -- yeah, Garage 4...

Commissioner Keon: Property.

Mr. De Yurre: We would have a right of first refusal.

Commissioner Mena: First refusal.

Mr. De Yurre: Correct.

Commissioner Mena: For how long? For how long?

Mr. De Yurre: For how long we would have a right of first refusal?

Commissioner Keon: Well, it would take you whatever it would take you to do due diligence.

Commissioner Mena: No, I'm just asking. Is it for ten years? Is it in perpetuity? What is...

Commissioner Keon: No.

Mr. De Yurre: There is -- we have -- I'll give you just on this last point a history. We've already gotten burnt on that. The prior proposal had a right for refusal for seven years. The City waited for seven years and a month and put a new RFP out.

City Manager Iglesias: Let me...

Mr. De Yurre: So...

City Manager Iglesias: Let me clarify that and...

Commissioner Keon: (INAUDIBLE)

City Manager Iglesias: (INAUDIBLE) fiscal year 2022, which ends in October of 2022.

Commissioner Mena: This is -- okay. Can I just...

Mr. De Yurre: Three and a half years.

Commissioner Mena: I know...

Vice Mayor Lago: ... the way you'd like to see it.

Unidentified Speaker: No, no, no, no, no.

Commissioner Mena: This is what I'm going to say.

(COMMENTS MADE OFF THE RECORD)

Commissioner Mena: This is what I'm going to say.

(COMMENTS MADE OFF THE RECORD)

Commissioner Mena: It's -- look, it's been a long day. I know everybody's tired, but I want to get this right. So, if we need to take a ten-minute break, respectfully, so that the City Manager can -- I don't want to -- we're making a pretty significant deal here and we made it in the last minute and thirty seconds.

Mayor Valdes-Fauli: Yeah. I have to leave at (INAUDIBLE)...

Unidentified Speaker: The...

Mayor Valdes-Fauli: No, no. Let's finish it here.

Commissioner Mena: Okay.

Mr. De Yurre: Respectfully, Commissioner Mena, I believe that staff has sliced and diced and rebled this thing.

Commissioner Mena: What's that?

(COMMENTS MADE OFF THE RECORD)

Mr. De Yurre: If it's three years, we can go to three years.

Commissioner Mena: And how long is the right of first refusal?

Mr. De Yurre: The right of first refusal does not have an expiration considering the fact that we've already been burnt in the past on that right of first refusal.

Commissioner Mena: Perpetual right of first refusal?

Mr. De Yurre: Correct.

Commissioner Mena: That's a little (INAUDIBLE).

Mr. De Yurre: Which means we will only match an offer that you put out.

Mayor Valdes-Fauli: They'll match an offer.

Mr. De Yurre: We will only match an offer that you've received in light of the fact that we've expended...

Commissioner Mena: Okay.

Mr. De Yurre: Millions of dollars on this deal.

Mayor Valdes-Fauli: Okay.

Commissioner Quesada: That's incorporating what the City Manager said, the dates and incorporation of the terms, as outlined by Mr. De Yurre and the conversation with Commissioner Mena.

Commissioner Keon: Right.

Commissioner Quesada: And I amend my motion to include those points.

Commissioner Mena: Miriam.

Commissioner Keon: I'll second it.

City Attorney Ramos: Yes.

Mayor Valdes-Fauli: Okay. Will you call the roll...

Commissioner Mena: Miriam...

Mayor Valdes-Fauli: Please?

Commissioner Mena: Hold on. I want to talk to our City Attorney. Miriam, any concerns about that?

City Attorney Ramos: No. I think it just has to be written appropriately. Mr. De Yurre and I can work to do that, but we have direction.

Commissioner Keon: Do you have the right motion?

Mayor Valdes-Fauli: Billy.

City Attorney Ramos: I believe I have the right motion.

Mayor Valdes-Fauli: Will you call the roll?

Commissioner Quesada: Yes.

Commissioner Keon: Yes.

Vice Mayor Lago: No.

Commissioner Mena: Yes.

Mayor Valdes-Fauli: Yes.

(Vote: 4-1)

Mayor Valdes-Fauli: Thank you.

Vice Mayor Lago: Guys, in perpetuity.

Mayor Valdes-Fauli: Yeah.

Commissioner Mena: It's right of first refusal.

Vice Mayor Lago: I know. I'm saying perpetuity...

Commissioner Mena: You don't have to sell it.

Vice Mayor Lago: I've never in my life given anybody (INAUDIBLE).

Commissioner Mena: You don't have to sell it.

Vice Mayor Lago: I know, but it's perpetuity.

Commissioner Mena: And if you sell it, you get market rate. You get whatever the best offer is.

Mayor Valdes-Fauli: Okay, anything else to come before the Commission?

Commissioner Mena: Hey, there are a couple more items.

Vice Mayor Lago: Yes, there is, there are a couple more items.

[Note for the Record: The item resumed at 5:02:05 p.m.]

Vice Mayor Quesada: This is kind of tough since two people have left already. I want to bring – and I texted the applicant, but they are gone. I want to come back to my motion on the garages project, the perpetual nature. I want to put a number on that. Perpetual...

Commissioner Lago: We voted on it.

City Attorney Ramos: I need you to move to reconsider, if that's what you are going to do, and they are not here. It will be problematic.

Vice Mayor Quesada: OK. Then I'll say this. Hold on, let me finish.

City Attorney Ramos: Every time we rezone a property...

Vice Mayor Quesada: Why can't we put like 25 years on it, so it's not like forever?- the right of first refusal. The right of first refusal we voted on and gave them perpetual.

Commissioner Mena: One of us said, let's take ten minutes.

[Laughter]

Commissioner Lago: One of us brought it up – perpetual.

Commissioner Keon: When we get ready to sell the land, if we are going to sell the land, we make a decision to sell the land, we can offer them they have the right of first refusal.

City Attorney Ramos: That's all it is. If we get an offer and we put it out, they get to buy it first.

Vice Mayor Quesada: I just don't like the thought of, the way Commissioner Mena said it, it's very rich in the sense of just forever, and actually you said as soon as we voted.

Commissioner Keon: I don't think it's set forever.

Commissioner Lago: Perpetual means forever. Perpetual means forever. There is no other way to look at it, right?- I mean you tell me, you are the lawyer.

City Attorney Ramos: All I ask is that move to reconsider the vote.

Commissioner Keon: I'd like to make a motion to reconsider.

Vice Mayor Quesada: Hold on a second. Before I second that.

Commissioner Lago: Why don't you do me a favor, if I may, let me just have one moment before our dear Mayor comes back and takes the gavel away. Why don't you, why don't we call the applicant and have them come back. I'm not in a hurry to leave, this is important. If anybody voted no on this issue and wants to leave it's me. I will stay here and listen to the issue because I think this is a decision that merits a little bit more thought.

Vice Mayor Quesada: Commissioner Keon what were you going to say?

Commissioner Lago: She's fine. She's relaxing on my chair with her leg up. What is she going to say, she's perfectly fine? Her back hurts.

City Attorney Ramos: Would you like me to call him?

Commissioner Lago: I would. I think it's the right thing to do.

Vice Mayor Quesada: OK. Tell him we are discussing it, that they should come back.

Commissioner Lago: It's going to be reconsidered, they better get over here. Can we do something, let's take a ten-minute break in honor of Commissioner Mena, so while we wait for him to come back...Oh, let's go. I just thought we were done.

Vice Mayor Quesada: Number one, I want to make a motion.

Commissioner Lago: Yes.

Vice Mayor Quesada: Commissioner Keon, want to make a motion.

Commissioner Keon: What?

Vice Mayor Quesada: I don't know if this is a resolution, this is not an ordinance, but she is on the phone, so, listen away. This is more of a procedural internal Commission issue, I want to be clear about this.

Commissioner Lago: Are you pardoning somebody on your last day or no?

[Laughter]

Vice Mayor Quesada: Offices – selection of offices for Commissioners, it's always been on seniority, but I want to clarify something, it should be based on seniority of concurrent service at that time, is it. I don't think it's clear. So, if certain people, if a former person comes back onto the Commission, that person will not have seniority for somebody who've been here already for two years.

Commissioner Keon: No.

Vice Mayor Quesada: Of the picking of the office.

Commissioner Keon: Right.

Commissioner Mena: Our former City Manager had made that clear before.

Vice Mayor Quesada: Yes?

Commissioner Lago: You want it in writing, you want it concrete.

Vice Mayor Quesada: That's my motion.

Commissioner Keon: I'll second it.

Commissioner Lago: Billy, can we get the roll? No, no, she second it.

Commissioner Keon: Yes

Commissioner Mena: Yes

Vice Mayor Quesada: Yes

Commissioner Lago: Yes

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City Commission Meeting

March 26, 2019

Agenda Item I-4 - 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 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 control.

(Mayor Valdes-Fauli: Absent)

Vice Mayor Quesada: Next one. This question is really for Jessica Keller, but she's not here, but I'm going to ask you and I want the rest of you to think about it. Agave.

Commissioner Lago: Yes.

Vice Mayor Quesada: Another building, the plaza – we had discussed a parking facility for bikes internally there. I don't think we ever clarified, I could be wrong, but this is something I want you guys to remember moving forward, something we discussed is a parking area for bikes and a service station. Did we ever say, I don't think it's going to be public property? Was there ever any detail on what they were going to have to do there? - because it was something that they promised early on. I guess I'm asking Ramon, you don't have to answer it right now, but just keep it in mind, make sure that happens, because remember that was a big point that we fought about to make it more pedestrian-friendly.

Planning and Zoning Director Trias: There is an area in the site plan that is for that specifically in the ground level, so I'm going on my recollection, but certainly it is in.

Vice Mayor Quesada: It is in the site plan. I just want to make sure that it does get carried out, whether it's a non-profit or for-profit. Don't forget about that, because again, it was all about pedestrian mobility. Let's just make sure that happens.

Commissioner Lago: You have a third item you said, anything else?

Vice Mayor Quesada: I have another one, but I'm not going to bring it up.

Commissioner Lago: Bring it up, don't hold it in. It's your last meeting.

City Attorney Ramos: No problem with making it 25 years.

Commissioner Keon: Why is it 25 years?

Vice Mayor Quesada: Because I don't want perpetual.

Commissioner Keon: I never said perpetual.

Vice Mayor Quesada: But that's what we voted on.

Commissioner Lago: I said it. I'm the one that said it. You guys voted on it. I said, I question, I said perpetual?

Commissioner Keon: At the time that the parcel will come up for sale, they will be given right of first refusal.

City Attorney Ramos: At that time its 50 years from now.

Commissioner Keon: OK. So, 50 years is fine. When it comes up for sale.

City Attorney Ramos: So, you are limiting it to 25.

Vice Mayor Quesada: I just want to limit it to 25.

Commissioner Lago: Hey, stop, stop, stop.

City Attorney Ramos: Can I have a motion to reconsider please?

Commissioner Mena: Motion to reconsider.

Commissioner Lago: I know the Mayor's not here, and I'm not using the gavel, but...

Vice Mayor Quesada: The City Attorney loves cutting you off.

Commissioner Lago: I know. Listen, listen, hold on one second. I know the Mayor is not here and its all free for all, you know, but let's at least have some decorum here. Open it up.

Commissioner Mena: You just did.

Commissioner Lago: You did? You've got to make a motion.

Vice Mayor Quesada: Yes, Commissioner made the motion, Commissioner Keon.

Commissioner Lago: I didn't even hear.

Commissioner Keon: To reconsider. I made the motion to reconsider.

Commissioner Mena: Second.

Commissioner Lago: Billy, you got this, right?

Commissioner Mena: This is just to reconsider – yes.

Vice Mayor Quesada: Yes

Commissioner Keon: Yes

Commissioner Lago: Yes

Mayor Valdes-Fauli: Absent

Vice Mayor Quesada: I want to revise the motion, so it's not perpetual the right of first refusal, so its 25 years.

Commissioner Lago: Madam City Attorney can you add...

Commissioner Keon: Can you just say when the property comes up for sale?

Commissioner Lago: That's perpetual.

Commissioner Mena: Not for sale in 100 years.

Commissioner Lago: You don't have any control.

Vice Mayor Quesada: So, if it's for sale in the next 25 years, if it comes up in 26 years, they don't have it.

Commissioner Lago: Now, I know why he uses this so much. Can you do me a favor, can you put on the record your conversation with Tony please.

City Attorney Ramos: I've spoken with Mr. Anthony de Yurre who is the attorney for CGCC and Related, he presented before the Commission today, and he has told me that they have no objection to 25 years limiting the time that they have for the right of first refusal option.

Commissioner Lago: Do we have a second on Vice Mayor Quesada's motion.

Commissioner Keon: I'll second.

Commissioner Mena: Yes

Vice Mayor Quesada: Yes

Commissioner Keon: Yes

Commissioner Lago: No

Mayor Valdes-Fauli: Absent

Vice Mayor Quesada: So, its perpetual?

Commissioner Lago: I voted no the first time, I'm voting the second time.

City Clerk Urquia: Yes, but you had four the first time.

Commissioner Keon: You have the right of first refusal...why does it have to be four?

Commissioner Lago: Madam City Attorney.

City Attorney Ramos: Unless we do it as two separate motions, two separate resolutions, because the resolution that has all of the details about the agreement has to pass by four-fifths vote.

Commissioner Keon: OK.

Vice Mayor Quesada: Hold on a second. For reconsideration was related strictly to the perpetual nature.

Commissioner Lago: So, the reconsideration was strictly in reference to the entire deal that we were voting on today.

City Attorney Ramos: That was part of the original motion. So, because we've lost one member, we are not going to get four-fifths vote.

Vice Mayor Quesada: Tricky, tricky. Tricky, tricky.

Commissioner Lago: So, let's do two votes.

Vice Mayor Quesada: Nothing works. Nothing works. All you've done, OK, is just delay this meeting, because we know we've got to wait for the Mayor to come back.

Commissioner Lago: He's probably in the building.

City Attorney Ramos: So, there's a quorum in the room...

Commissioner Keon: Yes.

City Attorney Ramos: ... he can appear by phone.

Commissioner Lago: Call him, call him.

Commissioner Quesada: You could have just said you weren't going to do 25 years.

Commissioner Mena: [Inaudible]

Commissioner Lago: No, you can't, under no circumstance. I'm telling you, we would have built a park, it would have been perfectly fine.

Note: Mayor Valdes-Fauli was called on the phone.

City Attorney Ramos: Mayor, there's been a motion for reconsideration. The only thing that they are amending is, instead of the option for 25 years, could I put you on speaker, I need your vote, or we are going to lose the four-fifths vote. Hold on a second. The Mayor is going to be in one minute – the Mayor is on speaker, he's appearing by phone, there is a quorum in the room. Mr. Clerk.

Mayor Valdes-Fauli: Yes

City Attorney Ramos: Thank you, sir.

Commissioner Lago: Commissioner Mena before you leave, Commissioner Keon any comments before we adjourn and Vice Mayor Quesada's last meeting, any comments.

Commissioner Keon: I want to tell him how much I will miss him and what a pleasure he has been to serve with.

Vice Mayor Quesada: So, you missed my farewell speech.

Commissioner Keon: I was at the doctors.

Vice Mayor Quesada: I spoke and said about you that it's been a pleasure to serve with you and that you really have to work hard whenever someone disagrees with you and that's compliments, because you make us work for differing opinion.

Commissioner Keon: You have taught me a lot.

Commissioner Lago: Commissioner Mena.

Commissioner Mena: I'm good.

Commissioner Lago: Commissioner Quesada.

Vice Mayor Quesada: My last official act. I hereby dedicate Vice Mayor for the day, to Vice Mayor Vicento.

Commissioner Lago: Like I mentioned in the beginning of the meeting, it's been an honor and a pleasure to serve with you. You are a true gentleman and I'm very, very proud of you. Not only in the way you conduct yourself here, but the way you represented this body as a whole.

Vice Mayor Quesada: Thank you, so much.

Commissioner Lago: Thank you for allowing me the privilege to serve with you. Meeting adjourned.

[End: 5:13:12 p.m.]

DRAFT