

CITY OF CORAL GABLES, FLORIDA
PROPERTY ADVISORY BOARD MEETING
VIA TELECONFERENCE

Wednesday, March 10, 2021

8:35 a.m. to 10:09 a.m.

1 Property Advisory Board Members:

2 Valerie Quemada, Chairperson

3 Jack Lowell, Vice Chair

4 Alberto Manrara

5 Edmund Mazzei

6 Jonathan Leyva

7 Nancy Pastor

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10 Also Present:

11 Julian Perez, Director of Economic Development

12 Zeida Sardinias, Asset Manager

13 Yenisis Gomez, Administrative Assistant
Economic Development Department

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Ramon Trias, Director of Planning and Zoning

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1 MR. LOWELL: All right, so we'll start the
2 meeting. Do we have minutes from the previous meeting?

3 MS. SARDINAS: Yes. We have minutes from two
4 previous meetings because we had not met quorum.

5 MR. LOWELL: Do we take them together, or do
6 you want to do them separately?

7 MS. SARDINAS: You can do them separate.

8 MR. LOWELL: So first date is -- why don't
9 you introduce the minutes, please?

10 MS. SARDINAS: It's January 13th, the January
11 13th minutes are up for approval.

12 MR. LOWELL: Perfect timing.

13 MS. SARDINAS: Okay. For the purposes of the
14 minutes and the court reporter, Jonathan Leyva is here
15 now.

16 MR. LOWELL: All right. Do we have a motion
17 on the minutes?

18 MR. MANRARA: Well, I'd like to discuss about
19 the -- I didn't see minutes. I only saw one set of
20 minutes in the information that was sent, and it was the,
21 I guess, verbatim 37 pages of minutes, which, whew, I've
22 never seen that to be minutes of any meeting where you
23 have a verbatim report. This is a first one for me, and I
24 don't think that's a good thing to have, and I wish we had
25 known that that was going to happen, you know, before we

1 were presented with 37 pages of verbatim report as in a
2 court reporter.

3 Minutes are generally very brief, often only
4 action items. I mean, imagine if the commission here in
5 Coral Gables presented verbatim minutes, all the things
6 that go back and forth between the commissioners and the
7 mayor, you know.

8 But relevant is the decision and perhaps some
9 points on the discussion that led to the decision, but
10 this whole back and forth, I don't know. I'm not
11 comfortable with that at all, and so I don't know how to
12 vote here. I only saw one package, one minutes.

13 MS. SARDINAS: The January 13th minutes --
14 and I'm sorry they weren't attached to your packet. I
15 didn't realize that, but they were in the minutes before.
16 It's just that last time we didn't meet quorum.

17 MR. MANRARA: Right, and so consequently, I
18 mean, who remembers -- I certainly don't remember those
19 minutes, so I couldn't vote on it.

20 MS. SARDINAS: Well, we did speak about them
21 in the last meeting, that if anybody had -- we reviewed
22 them in the sense that I remember Valerie specifically
23 reviewing the minutes and saying, "Does anybody have any
24 issues?" And at that point, you didn't.

25 But if you don't feel comfortable, that's

1 fine. We can bring them back next time.

2 MR. MANRARA: That's my feeling. There's
3 lots of other people.

4 MR. LOWELL: What's the pleasure of the other
5 committee members? You want to defer this, or we vote on
6 it now?

7 MS. PASTOR: Me too.

8 MR. LOWELL: All right. I think the other
9 members of the committee are comfortable voting on those
10 particular minutes, so the motion has been made. It's
11 been seconded.

12 MS. PASTOR: I second.

13 MR. LOWELL: All right. All in favor, please
14 say aye.

15 (Thereupon, the board members responded accordingly.)

16 MR. LOWELL: All right. Next, the minutes --

17 MR. MANRARA: Wait. I did not vote in
18 favor --

19 THE COURT REPORTER: Wait, wait.

20 MR. MANRARA: -- because I don't --

21 THE COURT REPORTER: Time out, time out.

22 MR. LOWELL: Are you abstaining from voting
23 no?

24 MR. MANRARA: Well, I don't know, whatever
25 the proper record. I mean, abstaining, I don't know what

1 that means. I'm not ready to approve something I'm not
2 sure what I'm approving.

3 MR. LOWELL: You're abstaining, okay, good.

4 Next section of minutes is --

5 (Reporter clarification.)

6 MR. LOWELL: Ed Mazzei made the motion.

7 MS. PASTOR: Nancy Pastor seconded.

8 MR. LOWELL: And everybody voted with one
9 exception favorably. Next section of minutes.

10 MS. SARDINAS: Okay. The next set of minutes
11 are the ones from the February 10th meeting, and those
12 were attached and are the ones that the court reporter did
13 off of the Zoom meeting that was held.

14 MR. LOWELL: I presume your same comments
15 apply?

16 MR. MANRARA: Well, did you read all 37
17 pages?

18 MR. LOWELL: I didn't read Page One.

19 MR. MANRARA: Okay. Well, there were 37
20 pages attached or that's what it's purported to be, the
21 meeting, the minutes of the last meeting. It almost, it
22 defies the description of what minutes are, to present 37
23 pages.

24 Julian, you know, I don't know what you're
25 doing with your other boards, but it just seems odd to me

1 that we would present minutes that are 37 pages that cover
2 all the discussion word by word verbatim.

3 I don't know. I mean, I'm perplexed at this.
4 Who decides this, and why are we even having to deal with
5 it?

6 MR. PEREZ: Julian Perez, director of
7 economic development for the City of Coral Gables.

8 There's other committees -- I'm sorry.
9 There's other boards in the city that use the same
10 process. We are in a position right now in the department
11 where we're one person short. We are also undertaking
12 many other activities.

13 For example, right now I'm involved with the
14 new maps that are coming out, flood plain management maps
15 that are coming out, the risk maps, and we just don't have
16 the resources at this time to be able to dedicate a
17 person.

18 MR. LOWELL: Will you have the resources to
19 present these minutes at our next meeting?

20 MR. PEREZ: No, no, sir, not at this time.
21 We're one person short, and we are not in the process of
22 now replacing that position that we just lost, Jordan that
23 moved on, and you know, we need to use this process.

24 And I understand what you're saying, but you
25 know, it's, what we're doing here is we're covering, you

1 know, the whole process here, so what can I tell you?

2 There's other boards that are using this same thing.

3 And to tell you the truth, it is a good
4 process. Why? Because everything that has been discussed
5 here is recorded. It's part of the record, and you are
6 making very important decisions as to, you know, our
7 city's assets, and we need to make sure that everything is
8 recorded so that two or three years from now when we have
9 an issue with property, something like that, we can easily
10 come back to those minutes and be able to track, and so
11 that's --

12 MR. LOWELL: So let me get this straight.
13 You have a recording of that meeting. You have a set of
14 minutes which exists. You don't have a copy for this
15 board. When will you have a copy for this board?

16 MS. SARDINAS: No, no. The minutes are
17 attached, Jack.

18 MR. PEREZ: The minutes are attached.

19 MR. LOWELL: The minutes are attached?

20 MS. SARDINAS: Yes, they are.

21 MR. LOWELL: There were meeting minutes for
22 this meeting?

23 MS. SARDINAS: What was not attached to your
24 package were the minutes from the January meeting.

25 MR. LOWELL: Okay.

1 MS. SARDINAS: Because they were attached
2 during that meeting.

3 MR. LOWELL: We voted on that one, all right,
4 so the February minutes were attached to our minutes?

5 MS. SARDINAS: They are attached.

6 MR. LOWELL: They are attached?

7 MS. SARDINAS: Yes.

8 MR. LOWELL: 37 pages?

9 MS. SARDINAS: Yes, they are, because they're
10 verbatim, so what ends up happening is, is that I also
11 want to bring to everyone's attention, we are in a Zoom
12 meeting and we are recording the meeting, so the meeting
13 is recorded --

14 MR. LOWELL: Understood.

15 MS. SARDINAS: -- of everything that is said,
16 and the minutes are basically a transcript of everything
17 that's been said in that recorded meeting, which is the
18 same thing that happens, more or less, in commission,
19 okay, that the meetings are recorded, video recorded. We
20 are being video recorded right now in Zoom.

21 MR. LOWELL: All right. That being said, are
22 the committee members comfortable voting on the set of
23 minutes?

24 MR. MAZZEI: I am.

25 MR. LEYVA: My comment on that --

1 MR. LOWELL: Ed Mazzei has moved to approve
2 those minutes. Do we have a second?

3 MR. LEYVA: I have a second and a comment --

4 MR. LOWELL: Please make your comment.

5 MR. LEYVA: -- for my fellow committee
6 members. This is a public hearing. You know, I don't
7 think we discussed anything controversial. We speak to
8 the topic, and our thoughts are part of what is public
9 domain, so I have no issues with verbatim minutes as is
10 customary on other boards. I think that, I hope that
11 other members agree.

12 MR. LOWELL: Any corrections, changes or
13 additions to the minutes? All in favor, please say aye.

14 MS. PASTOR: I just want to change that I was
15 present at the last meeting.

16 MS. SARDINAS: It was reflected, right,
17 Yenisis? We ended up fixing it.

18 MS. GOMEZ: Yes, yes.

19 MS. SARDINAS: And updating the minutes.

20 MS. GOMEZ: It was updated on the calendar.

21 (Inaudible).

22 MR. LOWELL: All right. So all in favor,
23 please say aye.

24 (Thereupon, the board members responded accordingly.)

25 MR. LOWELL: All opposed?

1 MR. MANRARA: I am voting against having
2 verbatim minutes. It's crazy.

3 MR. LOWELL: Okay, so one negative vote and
4 it passes. All right.

5 Next we're moving to Miracle Mile zoning
6 update, the noncontroversial zoning update. We're down to
7 four stories. Are you going further lower?

8 MR. TRIAS: Well, no. Actually that's what,
9 where we are right now, so as you have said, it's
10 completely noncontroversial. Nobody had any issues.
11 I'm here to answer any question you may have. We've had
12 many meetings --

13 MS. GOMEZ: Hold on. The court reporter --
14 you need him to introduce himself?

15 THE COURT REPORTER: Yes.

16 MR. TRIAS: My name is Ramon Trias, and I
17 work here. I'm the head of planning in the city.

18 As you know, we've had many, many public
19 meetings recently. Some of them have been more extensive
20 than others.

21 We had one last night, we had the first
22 reading of the final consensus idea that the commission
23 decided to vote, and generally speaking, it's four stories
24 in height and 50 feet, the same FAR as there is now, which
25 is three, or 3.5 for Mediterranean Bonus Level Two, and

1 the only practical way to achieve all of this is to have
2 remote parking, which they also, they also agreed on.

3

4 So there's remote parking that allows to have
5 the building be just the actual square footage of the
6 building, no parking on Miracle Mile.

7 And then the four-story, there's an emphasis
8 on having a set-back to be able to have terraces to have,
9 for example, outdoor restaurants and those types of
10 activities further up in the building.

11 So those are the main ideas that came out at
12 the end, so if you have any questions or any issues.

13 MR. LOWELL: Yes. So can you explain the
14 parking provisions, specifically how many, how much
15 parking and how close does it have to be to the site?

16 MR. TRIAS: Yeah. The "how much" hasn't
17 really changed, and that's something that fluctuated a
18 little bit through the discussion, but at the end, at the
19 end the commission decided to keep the same parking
20 requirements for hotels, which in our code are called
21 overnight accommodations, office, so that doesn't change.

22 However, what you can do is have the same
23 number of parking spaces located within 1,000 feet of the
24 building, so if you find, and you're able to find parking
25 spaces from someone, you can enter into some lease, for

1 example, of those spaces.

2 Alternatively there's also what we call
3 parking in -- payment in lieu, which is that you can make
4 a payment, and I think that the final amount was \$5,500
5 per space, again, the same number of spaces, but instead
6 of actually finding some other location, you can make a
7 payment to the parking department of the city. The
8 idea --

9 MR. LOWELL: Is it a one-time payment that
10 lasts forever?

11 MR. TRIAS: Yeah, and the idea is that then
12 the parking department will use that money to build
13 parking garages and other facilities within the vicinity,
14 so that's the big-picture idea.

15 The biggest change I think, at least from my
16 perspective, is that now one can develop smaller
17 buildings. What do I mean by that?

18 Well, most of the buildings that have been
19 built or most of the projects that have been proposed
20 tended to be very large, so only one surprise here and
21 there and so on. Now it's going to be much easier to do
22 more buildings closer together.

23 MR. LOWELL: So the current cost of a new
24 parking space in most structures is in excess of \$30,000,
25 so 5,500 bucks -- that's the number?

1 MR. TRIAS: Yeah, and that number is based on
2 a variety of analyses that were done by a consultant that
3 have to do with the economics of parking.

4 MR. LOWELL: Is there any limit on the number
5 of spaces you can pay for as opposed to build?

6 MR. TRIAS: No. There's no upper limit.

7 MR. LOWELL: But aren't you going to get a
8 rush of developers coming in to pay the parking fee?

9 MR. TRIAS: Possibly.

10 MR. MANRARA: But what right do they get by
11 paying that? What right do they get by paying that?

12 MR. TRIAS: The development of the four-story
13 building.

14 MR. MANRARA: But they don't get parking
15 spaces somewhere?

16 MR. TRIAS: No, no.

17 MR. MANRARA: Okay. So it just gives them --
18 and so they can develop higher than four floors, or?

19 MR. TRIAS: No. That's within the four-floor
20 limit that's being established, yes.

21 MR. MANRARA: And could you, Mr. Trias, could
22 you update us, what do we have now; what is the change;
23 and why are we doing the change?

24 MR. TRIAS: Well, that's a very interesting
25 question, what we have now because what we have now is we

1 have an overlay that allows six stories and 70 feet and a
2 few other things. I mean, not everybody can do it.

3 So basically what happens is that when you
4 include all those other regulations like the minimum width
5 of the parcel has to be 200 feet, et cetera, there's only
6 a few parcels that can really be developed like that, so
7 even though, even though the discussion has been about,
8 about the six stories and 70 feet, et cetera, the reality
9 is that the regulations are very complicated.

10 So one of the consequences of that is that
11 there's another regulation that says if you build up to
12 1.45 FAR -- FAR as you know, one means the same area as
13 the site, so 1.45 in theory is a little bit more than one
14 story, but not really because who is going to do a one and
15 a half stories, right? If you do up to 1.45 FAR, you
16 don't have to provide parking. So what is the consequence
17 of that?

18 Well, you can do a one-story restaurant, for
19 example, without providing parking relatively easily.
20 It's very difficult to do anything different than a
21 one-story building because it encourages the assemblage of
22 a larger parcel.

23 So what happens is that what you have on
24 Miracle Mile, which many people like and I think there's
25 nothing objectionable about it, is that the one-story

1 buildings that date mostly from the 1940s and '50s, the
2 majority of them do, basically are the best use with the
3 code as it was prior to that.

4 So the change I think allows for some
5 potential development of the smaller increment, of the
6 smaller 2,500-square-foot or 5,000-square-foot parcel,
7 which right now the only way to develop it is, is
8 basically with one-story buildings, from a practical point
9 of view.

10 Those are the issues that I think all of you
11 as very sophisticated real estate professionals understand
12 very well, and what has happened is that Miracle Mile, as
13 you well know, Merrick built a couple of buildings,
14 including the Colonnade, which is a fantastic building.
15 However, The Mile didn't really develop until the 1940s or
16 so, so it's not part of that early era, early history of
17 the city.

18 So what has happened is that it developed
19 very well for that time, and now we're trying to see what
20 the future could be, and that has led to a lot of
21 discussion, that has led to a lot of discussion, and the
22 last time there was significant discussion was 2001, which
23 is when that overlay with the six stories and 70 feet was
24 introduced. That was a result of the 10 Aragon and 55
25 Miracle Mile building, the very first big building close

1 to Douglas which was built at that time, that's when the
2 discussion took place.

3 MR. LOWELL: Do you support this current code
4 change?

5 MR. TRIAS: Yes. I think, I think it's very
6 good, and I think that the most important thing is that it
7 really clarifies what The Mile should be, it is to be,
8 because there were some other contradictory regulations
9 that we have through the years within the comprehensive
10 plan.

11 MR. LOWELL: Mr. Mazzei has a question.

12 MR. TRIAS: Yes.

13 MS. GOMEZ: We can't hear Ed.

14 MR. MAZZEI: Ed Mazzei. What I understand is
15 there is no addition Mediterranean feature for raising the
16 height. Is that correct?

17 MR. TRIAS: Yeah. What it is, is that the
18 Mediterranean bonus for height does not apply, so it's
19 four stories.

20 MR. MAZZEI: Yes. Thank you.

21 MR. TRIAS: However, for the 3.5 FAR, you do
22 have to do the Mediterranean bonus. Otherwise, we give
23 them 3.0 FAR.

24 MR. LOWELL: So a normally 3.0 FAR --

25 MR. TRIAS: Yes.

1 MR. LOWELL: -- with Mediterranean design
2 changes, you can get 3.5?

3 MR. TRIAS: Yes, and that's already in the
4 code. That was not changed. That was also some of the
5 discussion that took place, whether to change it or not,
6 but that remained as is.

7 MR. MANRARA: Do the zoning changes include
8 things like requirements that the ground floor be retail
9 or that arcades which are mandated in other buildings also
10 be included for Miracle Mile?

11 MR. TRIAS: Actually, arcades, that's a good
12 point because arcades were removed from Miracle Mile in
13 order to encourage better retail frontage, so that's one
14 one of the changes that were made.

15 In terms of requirements of retail exactly,
16 we don't have that precise language, but I think, I think
17 it's clearly encouraged because right now it's a mixed use
18 land use -- I'm sorry, mixed use zoning which clearly
19 implies that the ground level is not going to be anything
20 but retail, or you know, those types of activities.

21 MR. MANRARA: The point where the arcades are
22 specifically removed, you would think it would be the area
23 where you want pedestrians to be able to walk, not be
24 exposed to the heat of the sun or the rain.

25 MR. TRIAS: Yes, no, that's a very good

1 question which has been a source of discussion for a
2 while. Generally speaking, what you're saying makes a lot
3 of sense in most of the city.

4 However, when you try to do a 100 percent
5 retail frontage like Miracle Mile, the arcade is not the
6 best architectural solution for the retail store fronts.

7 For example, if you look at The Plaza
8 development that's being built on Ponce de Leon, it has
9 arcades, but not in the retail frontage, so it's a matter
10 of being strategic about about where to do it.

11 Now, that doesn't mean that the retail
12 frontage doesn't have awnings or other things that provide
13 some protection for the pedestrians, and in addition, as
14 you well know, the project, streetscape project was
15 designed in such a way that it encourages the growth of
16 the live oaks and so on to provide shade.

17 It's a very, it's a very delicate balance to
18 achieve the quality of the frontage and the exposure of
19 the retail needs and the comfort of the pedestrian, so
20 that's what we're trying to achieve on a case-by-case
21 basis.

22 So in this case, only in Miracle Mile, that
23 was the choice that was made.

24 MR. MANRARA: But when you say arcades are
25 not good for retail, is this like a scientific study

1 that's been done, that if you have arcades, sales per
2 square foot are less, and if you don't have an arcade,
3 sales per square foot are greater and the public has
4 greater visibility, or is this just a subjective decision?

5 Because I have found that the city's use of
6 arcades, for example, if you walk along Alhambra on the
7 south side of the street between Salzedo and Ponce de
8 Leon, there are retail businesses there and you can walk
9 through the arcades and it's very pleasant.

10 And anybody who has been to Europe is used to
11 seeing a lot of arcades in a lot of retail areas, which is
12 one of the things I thought originally when arcades were
13 mandated was one of the things the city was trying to
14 promote, was that kind of feel.

15 And for you to say that arcades are
16 detrimental to retail is surprising, particularly given
17 our climate. I'm perplexed.

18 MR. TRIAS: Well, that's exactly what I'm
19 saying, and what happens is that that is the result of
20 research. I don't have it with me right now, but
21 certainly that has been the testimony of some of the
22 experts that have been actually your experts in the
23 department of economic development.

24 Now, I am not saying arcades are bad, no.
25 Arcades work fine. In fact, some of the great cities, one

1 of the great cities that has arcades all over the place is
2 the City of Havana, for example, a classic city that has
3 arcades, has beautiful arcades all over the place.

4 Arcades are a good thing.

5 However, in this particular situation which
6 is mostly a 1940s modern, "modern" for lack of a better
7 word, design is not Mediterranean except for the Colonnade
8 and so on. That is the nature of the street.

9 I mean, when we do design, architecture or
10 urban design, we try to look at the specifics of each
11 case. The more we do that, the better the quality is
12 going to be.

13 In this case we had a long discussion on
14 this, and we looked at the existing conditions, and it
15 certainly was our judgment that arcades were not the best
16 solution for Miracle Mile.

17 Now, they are the best solution in many
18 places in Coral Gables, I'm not saying they're not, but in
19 Miracle Mile, it just didn't seem to be the right
20 approach.

21 Now, if we're wrong, certainly in the future
22 the policy could change. I mean, that's the good thing
23 about zoning. Zoning is a work in progress, and certainly
24 hopefully we all learn from the history of the place.

25 MR. LOWELL: So if a developer wanted to

1 provide an arcade in front of their property, they could
2 do so?

3 MR. TRIAS: Not on Miracle Mile as we have
4 today. I suppose that there could be some variance
5 process in theory that one could go through, but that is
6 not, that is not what is encouraged.

7 MR. LOWELL: Are there questions from the
8 committee?

9 MR. MAZZEI: Yeah. Ramon, is there anything
10 in the zoning change or anything in the city plans to
11 upgrade the alleys, behind the buildings on both sides,
12 which are in horrible condition?

13 MR. TRIAS: Well, that's really not a zoning
14 issue, but certainly we can look into it as part of the
15 ongoing public works program. I think that some, some
16 have been enhanced and some will have to be enhanced,
17 particularly once the multi-model garage structure is
18 built, access, part of the access is going to be through
19 the alley.

20 One of the, one of the great things, also
21 another thing about Miracle Mile is that, and that was
22 already in the code, it's prohibited to have curb cuts,
23 you know, to have a 100 percent pedestrian area, so what
24 does that mean?

25 Well, that means that you need an alley, you

1 need to have, to be able to have access from behind, so
2 that's one of the great things of the legacy of Merrick's
3 plan. We have an alley, we have alleys all over the
4 place. It was very well thought out.

5 Our job is to make sure that they work well.
6 Our job is to make sure that they are up to standards and
7 so on.

8 So I mean, one of the nice things about my
9 job is that it's relatively easy because Merrick did such
10 a good job, and so as long as we keep going in that
11 direction, I think we'll be fine.

12 MR. MANRARA: I wanted to ask you, the hotel
13 that was being discussed for the corner of Miracle Mile
14 and Ponce that was very, very controversial because of
15 parking and other things, how is it affected by this
16 proposed zoning change that is coming through?

17 MR. TRIAS: Well, that project was withdrawn
18 so it's not, at this point it's not being reviewed.

19 However, if it were to be proposed again, it
20 could not have been four stories. That's the biggest
21 change that I can see.

22 MR. MANRARA: And the parking question has
23 been removed?

24 MR. TRIAS: Yes. The parking question would
25 be allowed. In other words, they would be allowed to have

1 parking remotely.

2 MR. LOWELL: And the access off the alley,
3 that was the other controversy.

4 MR. TRIAS: That would be allowed too.

5 MR. LOWELL: Okay. Other questions from the
6 committee members?

7 MR. LEYVA: Yeah, I have a question. Zeida,
8 I think this is more for you. How do the zoning changes
9 affect city property in Miracle Mile?

10 MS. SARDINAS: Well, I think it's important
11 to realize that, and Ramon can help me also here, so the
12 city-owned property on Miracle Mile basically encompasses
13 from the Ortanique space, the Miracle Theatre building,
14 which is a historical building --

15 MR. LOWELL: Yes.

16 MS. SARDINAS: -- and then the three store
17 fronts that we have, which is Haagen Dazs, the little
18 boutique that is now a little art gallery that we have
19 going on there, pop up, and Starbucks.

20 In reality, you know, I mean, anything can
21 happen, but I highly doubt that the Miracle Theatre as a
22 historic property would ever be, the city would ever
23 reconsider redeveloping that property in any way, so as
24 far as that's concerned or the other building is actually
25 right attached to it.

1 So zoning change to affect the city to that
2 parcel, yes, it gives it a certain by right, you know,
3 ability to be redeveloped, but I highly doubt that the
4 city would ever consider -- I mean, who knows what is
5 going to happen ten years from now, right? But at this
6 time it doesn't --

7 MR. LOWELL: Yes. So the city has an
8 interesting code arrangement for historic properties so
9 they can transfer the development rights. Armando Codina
10 has used this a number of times. Is that possible with
11 the Miracle Theatre?

12 MS. SARDINAS: It is, but it's, the city
13 hasn't done that up to now. It doesn't mean we won't, but
14 we have not sold TDRs up to now.

15 MR. TRIAS: Well, and I would make a policy
16 comment on this.

17 Whenever a city does that, then the transfer
18 of development rights program, which is a market-driven
19 program, basically doesn't work anymore, so it would not
20 be advisable for the city, for the public sector of any
21 city to participate in that TDR program, and that's a
22 clearly established principle in terms of decisions.

23 MR. LOWELL: Explain that more, because I
24 think if you provide the funding to preserve the
25 historical property, it should work.

1 MR. TRIAS: Well, what I'm saying is that the
2 TDR, TDRs as a program, as you mentioned, Armando Codina,
3 for example, a few others, it happens -- it doesn't happen
4 very often, and most of the time it happens within
5 properties owned by the same party, so the TDR programs
6 are very, very -- are a fairly minor aspect of
7 redevelopment.

8 If you infuse the fact that, if you introduce
9 the public sector into that discussion, then the market
10 forces don't work as well anymore, so I frankly, if
11 somebody will ask for my advice, I would advise against
12 participating in that.

13 MR. LOWELL: There goes my idea for the
14 Miracle Theatre.

15 MR. TRIAS: It's a good idea if we had -- if
16 the program was different than what it really is in terms
17 of that, it would be a great idea.

18 MR. LOWELL: Other questions from the
19 committee members? We're done?

20 Thank you very much. Thanks for all your
21 efforts. I know this has been a tedious process, and Mike
22 Mena did a great job coming up with a compromise I think.

23 MR. TRIAS: Absolutely. We had, and we were
24 lucky to have hundreds of people who participated, and the
25 leadership of the planning and zoning board and the

1 commission were really, really helpful on this, so we're
2 almost at the end. Thank you, thank you very much.

3 MR. LOWELL: Thank you for coming, Ramon.

4 MR. TRIAS: Thank you.

5 MS. SARDINAS: So since we brought up the
6 Miracle Theatre, I wanted to just bring to your attention,
7 yesterday there was an item in the commission agenda that
8 was actually placed on the agenda by a commissioner, which
9 was Commissioner Fors.

10 He put an item on the agenda to extend -- so
11 the Miracle Theatre had a lease that had been extended
12 through 2030, and they had an option to renew that lease
13 365 days before, so in 2029, April 12th of 2029, they
14 would have been allowed to renew that lease for another
15 ten years, and that would have been the end of their
16 options. Right?

17 Because they had an original 25-year term,
18 20-year term, and then five years that added, then ten and
19 ten, okay, which they have already exercised, one ten
20 years, so that was the one that was left.

21 So what they were asking for, what the
22 commissioner was asking, asked the commission to support
23 him and it passed unanimously, was to extend their lease;
24 in other words, allow them to exercise the option early,
25 and so their lease has now been extended to 2040.

1 In addition to that, we've also given them an
2 additional option for ten more years through 2050 which
3 they can exercise in 2039. That option is at the city's
4 -- you know, in other words, the city will review and it's
5 totally at our discretion, so they would put in for the
6 option, and at that point we could reevaluate what we
7 think at that point, of course, talking about 2039, and
8 then the city could at that point decide whether they
9 would want to let them exercise that option or not.

10 But so that went on yesterday in the agenda
11 that was placed on by Commissioner Fors, and it did pass
12 unanimously.

13 MR. LEYVA: Can you define who "they is?

14 MS. SARDINAS: I'm sorry?

15 MR. LEYVA: Who "they" is?

16 MS. SARDINAS: "They"?

17 MR. LEYVA: Because you kept referring to
18 "they." Are you talking about --

19 MS. SARDINAS: Oh, the rest the commission.

20 MR. LEYVA: No, no. I'm saying I'm assuming
21 the tenant. Who is the tenant?

22 MS. SARDINAS: The tenant which is Actors
23 Playhouse, yes.

24 MR. LEYVA: Actors Playhouse.

25 MS. SARDINAS: Actors Playhouse, so.

1 MR. LOWELL: Are there any conditions to
2 those changes to the ownership of the Miracle Theatre
3 lease?

4 MS. SARDINAS: No. There is, there are
5 clauses in that lease, and I can get it to you, Jack, if
6 you want to take a look at it with respect to assignment,
7 and we have to approve any sort of assignment of that
8 lease.

9 MR. LOWELL: Do you think there are
10 sufficient protections in that lease?

11 MS. SARDINAS: I'm sorry, that there are
12 what?

13 MR. LOWELL: Do you think there are
14 sufficient protections for the city in that lease?

15 MS. SARDINAS: Yes, yes, yes, absolutely, but
16 i mean, I'm happy to send them to you and you can look at
17 all the amendments if you'd like.

18 MR. MANRARA: Zeida, dear, I'm a little
19 perplexed. A lease of -- what was the original expiration
20 lease with all the extensions?

21 MS. SARDINAS: So they started their lease in
22 19 --

23 MR. MANRARA: No, no, but what is the
24 expiration? Before the commission meeting yesterday,
25 where did things stand?

1 MS. SARDINAS: 2030.

2 MR. MANRARA: 2030?

3 MS. SARDINAS: 2030, yes.

4 MR. MANRARA: Okay, and, but, 2030, but they
5 still had a ten-year --

6 MS. SARDINAS: Option, yes.

7 MR. MANRARA: -- options, and technically if
8 they took all the options, they could go to 2040?

9 MS. SARDINAS: Yes.

10 MR. MANRARA: And you said something that I
11 found -- maybe I misunderstood. The option right is all
12 for the tenant, the city cannot -- doesn't approve the
13 options?

14 MS. SARDINAS: So usually in a lease when you
15 have an option, there are certain -- there are all kinds,
16 okay, but there's, the way that you like to have them in
17 the public -- in the private world is, is that you, in the
18 private world, that you provide an option to a tenant, and
19 the tenant, unless they are in default and everything
20 else, and in the public world it works as well, they,
21 unless they're in default or they've done some breach of
22 the contract in some way throughout that term that they
23 already have, then you can refuse to grant the option.

24 At that point the landlord can say, "You know
25 what? You've been in default, you've had these issues,

1 and we are not granting your option."

2 That is basically what is in the Miracle
3 Theatre, the language that is in the option, the option
4 language that is in the renewals.

5 So what we did is we said we would extend the
6 lease. We would allow them to exercise that option early,
7 so now their lease has been extended to 2040, and we
8 allowed them an extra option, but we allowed the option
9 that it has to be mutually agreeable.

10 In other words, for any reason, the city at
11 that point can say, "No, I don't want to renew with you.
12 I don't want to let you have this option."

13 MR. MANRARA: So one year before the end of
14 19 -- of 2040, they need to indicate their intention of
15 taking it another ten years, at which time then the city
16 can decide --

17 MS. SARDINAS: (Inaudible) days.

18 MR. MANRARA: -- for no reason at all,
19 basically, "No, it's not -- we don't want you to go until
20 2050."

21 And the reason this comes up yesterday as
22 almost like an item that parachutes into here, bypassing
23 the entire property advisory board, what was it, an
24 emergency --

25 MS. SARDINAS: No. The commissioners --

1 MR. MANRARA: -- that this needed to happen?

2 MS. SARDINAS: -- the commissioners have a
3 right to put items --

4 MR. MANRARA: No, no, I know, but the
5 commissioners also have set up a property advisory board.
6 I mean, what are we doing here this morning?

7 Of course, the commission can do anything
8 within its power and no one is going to remove that, but
9 sometimes you have emergency items that need to be acted
10 upon, and then you do them and everybody moves forward.

11 But something having to do with a lease
12 that's going to expire in 2040 challenges my concept of
13 "emergency," and I'm wondering what your department is
14 saying to the commission when this is going to come up.

15 You say, "Well, Mr. Commission, do you know
16 that we have a property advisory board and you have
17 appointed them to look at these things and then give a
18 recommendation to the commission before you make a
19 choice?"

20 MS. SARDINAS: Well, the code allows the
21 commission to waive all of that process. They have the
22 power to do it, so.

23 MR. MANRARA: I know, I know, but, but, but
24 why? What was the urgency here?

25 MS. SARDINAS: Well, that question is a

1 question for Commissioner Fors, not for me, because --

2 MR. MANRARA: Well, who speaks then from your
3 department for the function of the property advisory
4 board? There may have been other boards, maybe the
5 economic development board may have had some, you know,
6 commentary on this matter also. I don't know. I'm --

7 MS. SARDINAS: There are three boards that
8 have oversight over leases: Yours, property; economic
9 development and budget; and the budget and audit board,
10 so.

11 But like I said, the commissioner has the
12 right to place an item on the agenda, and they have the
13 right to waive that entire process if they so choose,
14 especially with a unanimous vote.

15 MR. MANRARA: Did they provide a
16 justification for why this was being put on the agenda at
17 this time?

18 MS. SARDINAS: I'm not --

19 MR. LOWELL: The commissioner doesn't have to
20 do that.

21 MS. SARDINAS: It just happened.

22 MR. LOWELL: So now that this has been
23 approved in principle, the documentation has to be done by
24 your department or by the city attorney's office, right?

25 MS. SARDINAS: Yes.

1 MR. LOWELL: All right.

2 MS. SARDINAS: The amendment was already
3 sent to the tenant, and so it's been, it's been, it's
4 been, it's been approved by the commission, so
5 basically --

6 MR. LOWELL: So the amendment was already --

7 MS. SARDINAS: -- the signatures now that
8 will go through --

9 MR. LOWELL: So an amendment, lease amendment
10 was already prepared by the city attorney?

11 MS. SARDINAS: We had to prepare it for the
12 meeting, yes.

13 MR. LOWELL: Okay.

14 MR. LEYVA: I have a question. Do, does, do
15 the options contemplate increases on a year-by-year basis,
16 or is it a flat rate over time?

17 MS. SARDINAS: No. The Miracle Theatre,
18 doesn't pay rent. The Miracle Theatre, the organization,
19 Actors Playhouse, does not pay rent. They reimburse the
20 city for and the insurance costs of insuring the building,
21 but they do not pay rent.

22 They have certain other obligations with
23 respect to their lease, which is the programming, the way
24 they run, all of these things that they obviously abide
25 by, but they do not pay rent, so there is no -- and they

1 do, if the insurance increases, obviously they reimburse
2 the city. It's a pass-through, but.

3 MR. LOWELL: Do you know if the tenant had
4 approached Commissioner Fors about sponsoring this?

5 MS. SARDINAS: Did the tenant approach
6 Commissioner Fors?

7 MR. LOWELL: Yes.

8 MS. SARDINAS: Yes, I'm sure they did.

9 MR. LOWELL: Okay. So this was done at their
10 behest?

11 MS. SARDINAS: Yes.

12 MR. LOWELL: And I'm somewhat concerned the
13 way my fellow committee members are about skipping this
14 committee.

15 All right. Do we want to do anything
16 formally about this?

17 MR. LEYVA: Can I comment? Understood 100
18 percent, Alberto, but we are appointed by the commission
19 to act as they need us to.

20 If the commission decides that they don't
21 need us and they decide to vote on the subject and they
22 feel that they have enough information on it, I have
23 absolutely no problem, you know, that's their job, and so
24 I have nothing to vote on. I think that they acted
25 accordingly as they saw fit.

1 MR. LOWELL: Any other comment by committee
2 members? Yes, Ed.

3 MR. MAZZEI: Yes, Ed Mazzei. I for the life
4 of me can't understand why this had to happen immediately
5 or sooner, and I would remind everybody beyond this board
6 that we exist for a purpose and that we need to be
7 involved and aware so we can advise the city which is our
8 charge.

9 MS. SARDINAS: I just, I want to make one
10 more statement in all fairness, and I do because it was
11 made yesterday about -- and Commissioner Fors explained
12 it, what he -- and you're welcome to look at the tape so
13 you could see.

14 The issue of extension of lease was just not
15 a matter of extending the lease. The Actors Playhouse
16 survives basically on grants and donations to the theater;
17 in other words, the ticket sales that they actually -- and
18 we actually, that was verified through their financial
19 statements that they provided and everything else and that
20 they provide the city.

21 They do not, they do not make enough from the
22 ticket sales to cover all of the expenses that they have
23 in order to be able to keep their operation running. They
24 depend a lot on state, county and art organization grants
25 that they apply for, and also for their fundraising, their

1 private fundraising and the things that they do.

2 So I think the reason, and I did speak to
3 Barbara Stein which is the director of Actors Playhouse,
4 the reason why she feels that this is something that was
5 necessary is because she feels that when she goes with
6 this kind of an assurance that she has a lease now that is
7 through 2040, okay, that she is able to get donors that
8 are more willing to put in because it's seen as a more
9 stable institution, right, that has an actual lease and a
10 place to operate for a certain, for a longer period of
11 time, and that with that, she is able to raise.

12 You know, we do have to understand that we're
13 very lucky in Coral Gables to have this particular
14 theater. There's not communities throughout that have it.

15 It is, they do do quality work. They have
16 Actors Guild-level performances that they put, which is
17 you know, kind of like an off-Broadway type of -- and they
18 do provide all kinds of ancillary economic development
19 that comes across. Obviously they're not operating right
20 now because of COVID and everything else, but they do
21 that.

22 So we took -- that was part of what went into
23 what the commissioner explained, so she is in the process
24 also of constantly applying for these grants and for these
25 donations that she's trying to get into her fund in order

1 to be able to continue to operate, and that is what she
2 wanted, the --

3 MR. LOWELL: So since I have nothing to do,
4 I'm going to ask you to send me a copy of the lease in
5 hard copy. I would particularly be interested in the use
6 provision and what change in use can be made just at the
7 whim of the tenant, because if I can switch this to a
8 CrossFit exercise facility or a bordello or something more
9 remunerative, I might do it.

10 MS. SARDINAS: There isn't. That was spelled
11 out very precisely.

12 MR. LOWELL: The use clause is pretty well --

13 MS. SARDINAS: I do, but I'll send it to you,
14 Jack.

15 MR. LOWELL: Yeah, I'd like to read it.

16 MS. SARDINAS: That's fine. I'll send you
17 those and the amended.

18 MR. LOWELL: Thank you so much. Okay. Any
19 other questions?

20 MS. PASTOR: No. I would have to bet that
21 that is subject to city approval, at least that part you
22 would think.

23 MR. LOWELL: Maybe. All right. We'll pass
24 on to the next.

25 MS. SARDINAS: Okay. So let's go on to the

1 action item that I had talked to you guys about.

2 MR. LOWELL: Yeah, Ed, so one more question
3 from Mr. Mazzei.

4 MR. MAZZEI: Just a comment.

5 MS. SARDINAS: Yes.

6 MR. MAZZEI: I'm going to have to leave at
7 10:00 or a little bit after, 10:05 maybe at the latest,
8 so.

9 MS. SARDINAS: Okay. This shouldn't take
10 very long at all.

11 MR. MAZZEI: All right. Thank you.

12 MS. SARDINAS: Okay. So I sent you all of
13 the paperwork that backs up the item. I only printed out
14 the presentation here, but I would like to be able to just
15 run you real quick through what this is.

16 So this is a surface area parking lot that
17 has 34 spaces. It's at 350 Greco Avenue which borders Le
18 Jeune Road. It's the parking lot, the surface area
19 parking lot that is across the street from Havana Harry's.
20 I'm sure you guys have seen it.

21 The lot is 13,343 square feet. It has got a
22 future land classification of commercial low rise
23 intensity. It has commercial zoning, and it is in the
24 south industrial mixed use district overlay.

25 In May of 2019, given the location of the

1 property, and the city had been approached by several
2 developers to purchase the property, the commission at
3 that point, because the city had been approached by
4 developers, because the property was located in proximity
5 to major streets such as Le Jeune, Bird Road and Ponce,
6 and because the sale of the development would provide an
7 opportunity for there to be better development in that
8 area, the city has an interest also in activating the area
9 to foster more economic development, the commission passed
10 a resolution directing the city manager to evaluate
11 options for the sale and development of the property and
12 to provide recommendations to the commission on how to
13 achieve that.

14 So we were approached at that time by the
15 owners of the two adjacent lots to the south of the
16 parking lot, and they expressed an interest in purchasing
17 the property from the city, which -- so we went ahead and
18 contracted for an appraisal.

19 At that time the city provided the appraiser
20 with a zoning verification letter from the adjacent lots
21 and from our property, and the reason for that is that we
22 wanted to see if our property made a difference, according
23 to the way that the property was zoned and what the land
24 use was, in order to be able to -- what kind of value did
25 it have it, did it actually add something that allowed

1 them to have additional FAR or additional ability to go
2 higher, all of these things, by buying our lot.

3 And the appraiser's recommendation or part of
4 the appraisals, and you have them there, was that they
5 already had what they could do at the maximum they could
6 do it. In other words, our lot did not represent any
7 additional value to them other than to be able to create a
8 more comprehensive project that actually goes from the end
9 of the block to the other end of the block and creates
10 something that's more cohesive and that will look better,
11 so they submitted a purchase and sale agreement to us in
12 February. We -- basically they're purchasing the property
13 to improve it with the other two lots.

14 In addition to the consideration, and the
15 property was, the purchase price was 3.5 million, in
16 addition to that, to the consideration, the project will
17 include 34 parking spaces that will be accessible, so
18 they're replacing the public spaces that are in the lot
19 now.

20 Those will be accessible to the public at all
21 times, and they won't be restricted within any parking
22 garage that they build with that particular property, the
23 city will be able to use those parking spaces at no
24 charge. The required spaces are part of, the purchase and
25 improvement will be part of the project's overall

1 approval.

2 The inspection period expired March 5th, so
3 we already passed the inspection period, so the contract
4 is hard. They have put \$100,000 deposit.

5 We are going to enter into a management
6 agreement with them to continue to split the proceeds from
7 whatever parking fees we collect there until they break
8 ground with the actual project.

9 And obviously the project -- the contract is
10 contingent upon commission approval, and the closing will
11 occur 15 days after the commission, we obtain that
12 commission approval.

13 The appraisals were attached. One which was
14 sent in July was for 3.350, and the one that was done now
15 in February was for 3.525.

16 I have the questions that are in the code
17 that the board, that basically established what the
18 concerns to the board should be: Does it conform to the
19 comprehensive plan and is it compatible with the
20 surrounding neighborhood?

21 So the property is commercial low rise
22 intensity. It is within the limits of the south mixed use
23 district. It is in close proximity to the major streets
24 like I had mentioned already.

25 The sale and subsequent development of the

1 property would provide opportunity for it to become part
2 of the overall high-quality project in a highly visible
3 location that the city has an interest in activating
4 economically.

5 It has the 34 spaces, and the compatibility
6 with the surrounding neighborhood will fully be evaluated
7 during the planning and zoning review of the project.
8 They have not explained to us what the actual project will
9 look like because they haven't designed it yet.

10 I analyzed, analyzed the positive/negative
11 impacts of the adjacent property. The surface parking lot
12 is now mainly used by patrons of the restaurant across the
13 street which is Havana Harry's, and its current revenue
14 and usage is not very high.

15 The purchase is, purchase of the property is
16 to further improve it, and we feel that, again, as long as
17 we continue to make those 34 spaces available to the
18 public at all times once the project is built and that we
19 continue to manage the lot between now and the time the
20 project breaks ground, that it will work.

21 And then the other one is just, is based on
22 market value, so, and as you see, the appraisals pretty
23 much back up the price.

24 MR. LOWELL: So you recommend approval?

25 MS. SARDINAS: I recommend approval, yes.

1 MR. LOWELL: All right. Questions from
2 committee?

3 MR. MANRARA: Yeah. I have several
4 questions.

5 MS. SARDINAS: And I don't know if Kevin
6 Kinney, by the way, was able to come back on. He had to
7 be at a BID board meeting, but he said he was going to try
8 to sign on after that was done.

9 MR. MANRARA: Who is that, I'm sorry?

10 MS. SARDINAS: The parking director, in case
11 you had questions of the parking director.

12 MR. MANRARA: Who is the developer?

13 MS. SARDINAS: Jade --

14 MR. MANRARA: No, I know the letters, but
15 there's typically human beings behind an LLC. Who are the
16 human beings?

17 MS. SARDINAS: Well, the person that I have
18 met with is Jose Boschetti.

19 MR. LOWELL: Name again?

20 MS. SARDINAS: Jose Boschetti.

21 MR. MANRARA: And you don't know anybody else
22 who is involved?

23 MS. SARDINAS: I also met with Leo, and I
24 believe he's the architect. Hold on one second.

25 MR. MANRARA: So they want this space owned

1 by the city, but they don't really know yet what they're
2 going to do with it?

3 MS. SARDINAS: There is a project that is
4 being designed.

5 MR. MANRARA: So you really don't know who is
6 behind this?

7 MS. SARDINAS: Jose Boschetti is a well-known
8 developer. He's got --

9 MR. LEYVA: Yeah, he's a well-known
10 developer. He's actually a really nice guy.

11 MR. MANRARA: No, I had no doubt as to their
12 worth as human beings.

13 MS. SARDINAS: Leo Gomez, Leo Gomez. I just
14 wanted to make sure.

15 MR. MANRARA: Okay, because, you know, one of
16 the problems that Coral Gables has is it owns very little
17 amount of property for the city population size. It
18 really -- and it doesn't have the ability to really
19 acquire more property.

20 And this is a piece of property that is
21 supporting one of the things that the parking lots
22 typically support which is businesses in Coral Gables, and
23 Havana Harry's, a place that probably most of us have been
24 to at least once, is a successful restaurant, pretty busy,
25 and yet this is an important part of their area, which is

1 parking.

2 I know that you say that, in fact you say
3 here in the write-up that the developer intends, you use
4 the word "intends," to provide parking instead of using
5 the words, "Will be required to provide parking," and I'm
6 a little concerned.

7 MS. SARDINAS: The 34 spaces will replaced,
8 the 34 public spaces are being replaced. That is in the
9 contract.

10 MR. MANRARA: Okay, so that is required,
11 okay.

12 MS. SARDINAS: By covenant, and that they
13 will replace those 34 spaces and they will be accessible
14 to the public at all times.

15 MR. MANRARA: Okay, because here you quote,
16 you say, "The purchaser intends for the overall project to
17 include a parking garage," and "intends" is very different
18 than, "It will be required to."

19 But you're saying that the contract indicates
20 that they -- this is not an option for the developer; they
21 need to do this?

22 MS. PASTOR: Yes. It actually says it here.
23 "The purchaser's improvements shall include the 34
24 spaces."

25 MR. MANRARA: See where it says "intends"

1 also in the Question Number Two?

2 MS. SARDINAS: "Intends to have a parking
3 garage." They do, will have a parking requirement as part
4 of their project.

5 MR. MANRARA: All right. Is there a street,
6 is there a street between the current property owned by
7 the developer and this parking garage? It's hard to tell.
8 On the drawing, you put, there's like a dark, in my copy
9 it seems like a black -- well, I don't know if it's the
10 shade or the sun or what it is.

11 MS. SARDINAS: Yes. The street actually, the
12 way that it works is Granello is here and this is Greco,
13 so this is -- you're getting the shadow.

14 MR. MANRARA: Okay.

15 MS. SARDINAS: So this is (inaudible).

16 MR. MANRARA: The little yellow --

17 MS. SARDINAS: The yellow is the new
18 development being done here.

19 MR. LOWELL: It looks like there's an alley
20 in between the lots.

21 MS. SARDINAS: Yes, there is.

22 MR. LOWELL: And the city is going to vacate
23 the alley?

24 MS. SARDINAS: No. That is part of the other
25 project. They are, they -- that is being incorporated

1 with the other, the other project --

2 MR. LOWELL: But they're associated?

3 MR. LOWELL: -- behind, which is the ZOM
4 project, remember, with the assisted living facility ZOM
5 project that came through, I want to say before COVID
6 started, so it's at least a year ago, the assisted living
7 facility project that goes behind, you know, that will go
8 all the way and has like a triangle and goes like that.

9 MR. MANRARA: All right, and the city is not
10 advertising this for sale. It's just dealing with the
11 one?

12 MS. SARDINAS: It was unsolicited. They came
13 to us because they owned the other two.

14 MR. MANRARA: Right, and is it the city's
15 experience that when you just react to one interested
16 party, that the city is able to obtain the highest and
17 best value?

18 MS. SARDINAS: Well, the way that our process
19 works is when something like this happens and someone
20 comes and presents an offer or is interested, if the
21 commission feels that it is something it wants to do, and
22 that's why the manager went ahead and checked with the
23 commission and they gave him authority to go ahead and
24 proceed, is that we go through the process.

25 We conduct an appraisal, and then we wait and

1 say, "This is the appraisal we have," and they, actually
2 the appraisal that we had was for 3.35, and they made an
3 offer for 3.5. They made an offer that was higher than
4 the appraisal we had at the time. The second appraisal
5 came back \$25,000 higher, but we were confident that the
6 three five number was fine.

7 They had actually put in the contract, if you
8 look at the contract, that it would be the average of the
9 two appraisals but that never less than 3.5, so I think
10 that overall --

11 MR. MANRARA: But do you think, do you
12 think --

13 MS. SARDINAS: That is the process that we
14 followed, so.

15 MR. MANRARA: Okay, and is the value to the
16 developer because it has already lots there and that for
17 them the incremental worth of having additional land makes
18 it more valuable to them, that if somebody else were just
19 going to buy the 13,000-and-change-square-foot space, they
20 really couldn't do very much with it because it's a
21 relatively small space?

22 MS. SARDINAS: Exactly, but they don't need
23 -- their lots are sufficiently large that they don't need
24 our lot to give them any additional FAR or any additional
25 bonuses to be able to build more, bigger, higher, they do

1 not, they do not need it, but.

2 MR. MANRARA: So they just want to spend
3 three and a half million dollars --

4 MS. SARDINAS: But --

5 MR. MANRARA: -- for the fun of it.

6 MS. SARDINAS: -- but it would make for a
7 nicer looking project if you go from the one end of the
8 street to the other.

9 And so that's, you know, rather than leave a
10 surface parking lot there which is not really the highest
11 and best use for that particular parking lot as it is, if
12 it's incorporated into the project and the 34 spaces are
13 replaced and the public has access to them and the
14 restaurant can still continue to be served.

15 And eventually FDOT is doing an actual
16 project there on Le Jeune where they will establish a
17 crosswalk and all of that, right, make it safer, which we
18 had put on FDOT's, Florida Department of Transportation's
19 radar, they're taking care of doing all of that.

20 It will become a much better workable area
21 because now it will integrate with the restaurant in a
22 better way. You will be able to cross Le Jeune safely.
23 You will be able to park across the street safely, and it
24 will be a better project only because it will have more
25 frontage and it will look nicer because it will be between

1 the two streets.

2 MR. LOWELL: Are you done? Ed?

3 MR. MAZZEI: Are you finished?

4 MR. MANRARA: I just have one other question.
5 The attorneys representing the developer, any relation to
6 the former commissioner of Coral Gables?

7 MS. SARDINAS: I believe so, I believe so.

8 MR. MANRARA: So the Quesada who is part of
9 the lawyers representing the developer is the former
10 commissioner?

11 MS. SARDINAS: No, it is not the former
12 commissioner.

13 MR. MANRARA: Oh, it is not the former
14 commissioner?

15 MS. SARDINAS: I don't think that is his law
16 firm, no.

17 MR. MANRARA: Okay.

18 MS. SARDINAS: It's not him.

19 MR. MANRARA: All right. Thank you.

20 MS. SARDINAS: And the lawyer that has signed
21 at least all of the things that have come through the city
22 has been Valdes, which is one of the partners of the firm,
23 but I do believe that, that, that the law firm is either
24 his father's or a relative. I'm not sure.

25 MR. MANRARA: Oh, so the Quesada may be

1 connected to the commissioner?

2 MS. SARDINAS: No.

3 MR. MANRARA: Oh, you just said it might be
4 the father, but then --

5 MS. SARDINAS: I think he might be a relative
6 or the father or the law firm --

7 MR. MANRARA: Okay, but you don't know for
8 sure.

9 MS. SARDINAS: -- of the father, but I came
10 here after that commissioner was gone so I don't know.

11 MR. MANRARA: All right, and I have a
12 question I guess more for my fellow members of the board.

13 Is it your experience, and at least three of
14 you, and Jonathan, you probably have certainly more
15 experience than I do in this, is it your experience that
16 the highest and best value is an appraised value when you
17 want to sell a property?

18 MR. LEYVA: Let me tell you my experience. I
19 mean, appraisals for me don't really mean much. You could
20 sell something for higher than the appraised value. You
21 can sell something for less than the appraised value.

22 I think you got to look at the specific
23 project and the specific lot. I think that lot
24 specifically has been underutilized for too many years. I
25 mean, we've all driven by it and just see it there empty,

1 and yeah, they use it as a parking lot for Havana Harry's,
2 but even then, I mean, it just, it looks really bad.

3 And you know, any, any proposal in terms of
4 that, you know, to develop that is pretty, is pretty
5 exciting, being a resident of Coral Gables, because it
6 does give us another option to be able, you know, for
7 entertaining, restaurant, maybe retail. It sounds very
8 exciting.

9 Now, in terms of price, yeah, so you know,
10 the best sale is always you knock next door or vice versa,
11 they come to you and they ask for the ability to sell that
12 project. You know, I think the appraisal does give you a
13 value gauge in terms of the property.

14 But you know, I think, you know, indirectly I
15 did not answer your question, but I did at the same time.
16 I don't know if that was helpful.

17 MR. LOWELL: Other comments, other questions?
18 Ed, do you have a question?

19 MR. MAZZEI: It escapes me now.

20 MS. SARDINAS: I'm sorry, Ed?

21 MR. MAZZEI: Oh, during, let's say the sale
22 goes through and the developer of that property with the
23 other two parcels and garage and whatever, during that
24 period, obviously Havana Harry's is going to be without
25 parking. It could have an adverse affect on their

1 business.

2 Does the city have any thoughts on how to
3 supplement with maybe some shuttle to other parking, et
4 cetera?

5 MS. SARDINAS: Well, I don't know if Kevin
6 came on. Yenisis, is Kevin on the call?

7 MS. GOMEZ: No, he did not, no.

8 MS. SARDINAS: He did not come on?

9 MS. GOMEZ: No.

10 MS. SARDINAS: Okay. Why don't I forward
11 that question to Kevin and I'll get back to you on it?

12 MR. MAZZEI: Yeah, sure. We don't need to
13 know the answer today.

14 MS. SARDINAS: Because I know that we had
15 conversations about how to -- that's why we wanted to
16 continue to manage it until they actually were ready to
17 break ground, but from the time that they break ground
18 until the project is finished, I will find out because we
19 did discuss that he could, you know, help them out --

20 MR. MAZZEI: Right.

21 MS. SARDINAS: -- with street parking and so
22 on and so forth.

23 MR. LOWELL: Quick question: Behind this
24 lot, is there a public alley? It looks to me there's a
25 separation between the two lots.

1 MS. SARDINAS: Yes, but I think that that is
2 being handled through the previous --

3 MR. LOWELL: Other project.

4 MS. SARDINAS: -- project.

5 MR. LOWELL: So that is being vacated by the
6 city?

7 MS. SARDINAS: I'm not a hundred percent
8 sure. I will find this question out for you.

9 But what happened, the reason why I'm telling
10 you that is because when that project was presented, I was
11 sitting on the development review committee, and I
12 remember the conversation of the alley from those
13 meetings, but again, they were almost like two years ago
14 so it's not top of mind for me right now, so I will find
15 out --

16 MR. LOWELL: I'm sure it's being vacated.

17 MS. SARDINAS: -- what is happening with the
18 alley -- if we are vacating it for the project in the
19 back?

20 MR. LOWELL: You vacate an alley for the
21 benefit of the adjoining property owner so they each get
22 half of the alley.

23 MS. SARDINAS: Right, right.

24 MR. LOWELL: So that other half --

25 MS. SARDINAS: But I don't know if that

1 happened or it didn't happen. I remember the conversation
2 of the alley, but I don't remember where it ended up
3 because development review is very early. It's something
4 you do like at the very beginning when somebody comes.

5 So I remember the conversation of the alley
6 with respect to that project. I don't know what ended up
7 happening, but I will find out for you.

8 MR. LOWELL: Effectively the site is bigger
9 if the alley is vacated, just so you're aware.

10 MS. SARDINAS: Yes, and I do remember that
11 that one project, the entrance to the actual, it was right
12 there, like on that side.

13 MR. LOWELL: Right.

14 MS. SARDINAS: So, but I don't know where
15 that project ended up. I don't know what was actually
16 approved, and I know it has been approved because I
17 remember it going to commission.

18 But again, I only remember that conversation
19 from almost two years ago that I sat on that committee, so
20 let me find out what the answer is.

21 MR. LOWELL: All right. So you want a motion
22 from this board to approve this deal, right?

23 MS. SARDINAS: Uh-huh.

24 MR. LOWELL: Okay. Committee, we're ready
25 for a motion, and I've got to leave at 10:00, I've got to

1 leave by ten.

2 MR. LEYVA: Is it a motion, or do we have to
3 answer the questions?

4 MS. SARDINAS: The questions --

5 MR. MAZZEI: Yeah, we have to answer the
6 question, the three questions.

7 MS. SARDINAS: The questions are there. I
8 put proposed answers, which is what I will forward --

9 MR. LEYVA: Okay, okay.

10 MS. SARDINAS: -- with your minutes --

11 MR. LEYVA: Yes.

12 MS. SARDINAS: -- and make them part of your
13 minutes. This sheet, this presentation sheet will be part
14 of your minutes --

15 MR. LEYVA: Sure.

16 MS. SARDINAS: -- that has the answers to the
17 questions.

18 MR. LEYVA: So do we have to propose a motion
19 for each question?

20 MS. SARDINAS: No. I think you just have to
21 propose a motion to recommend, you would want to recommend
22 that the commission sell the property.

23 MR. LEYVA: Okay. I move for that motion.

24 MR. LOWELL: Do we have a second?

25 MS. PASTOR: I second.

1 MR. LOWELL: It's been seconded, moved. Any
2 questions or discussion?

3 MR. MANRARA: Well, I would take exception
4 with Number Three because I feel that an appraisal is only
5 an estimate, and I asked the questions of the real estate
6 professionals, Jack and Ed and Nancy, as to if you owned
7 this property or if you had a client, and would you advise
8 selling just based on appraised value, you didn't respond.

9 But my feeling is that we might know what the
10 real value of this property is if it was offered to the
11 general public rather than just dealing with one
12 prospective buyer, despite the support that the city gets
13 from the appraiser.

14 So I'm concerned about Number Three, that
15 we're just not going through a process here to determine,
16 given the market structure, what is the best value.

17 MR. LEYVA: So I mean, to expand on my
18 comment earlier, I think that I hear you, I hear you 100
19 percent, you know, in terms of, in terms of marketing
20 property.

21 You know, I really do feel that, that at
22 times, you know, you may end up marketing the property and
23 may end up in the same place that you're at; at times you
24 may market the property and end up worse than you're at;
25 and at times you market the property and you may end up

1 better than where you're at.

2 I really don't know in terms of this specific
3 lot. It's not -- it's, you know, it's been like that for
4 a while.

5 But I do also believe that a bird in the hand
6 is worth more than two in a bush, and we have an
7 opportunity here for the city. It's not like we can
8 develop this into a park, you know, and which is a comment
9 that we've had in multiple, multiple meetings about, you
10 know, the sale of land and utilizing that land for park
11 usage. I don't think that this would apply.

12 So, so on the contrary, I feel very
13 comfortable with Number Three.

14 MR. LOWELL: Any other comments?

15 MS. QUEMADA: Can people hear me, or no?

16 MS. SARDINAS: Yes.

17 MS. PASTOR: Oh, Valerie, yes, we can.

18 MR. LOWELL: Hey, Valerie.

19 MS. QUEMADA: I'm still here. So I'm
20 obviously listening to all of this, and I'm sort of erring
21 on the side of Alberto. In my opinion with the market the
22 way it's been going, it's an incredible market right now,
23 and so sometimes knocking on your neighbor's door, yes,
24 you get, like Jonathan said, a bird in the hand is better
25 than two in the bush.

1 However, looking at today's market trends and
2 looking at everything that is going on, I would imagine
3 you put that and open that up to a larger selection of
4 people and you may be able to drive that price up.

5 It really is based on what the desire of the
6 city is: Do you want to just make a quick and easy deal
7 and it's not a bad price; or do you want to go out there
8 and see if you can go ahead and get some more money for
9 it? That's just my --

10 MR. LOWELL: So Madame Chair, would you like
11 to take over the meeting? Because I have to leave.

12 MS. QUEMADA: Go ahead, that's fine, now that
13 I can speak again, so yes.

14 MR. LEYVA: Can we still vote on the item if
15 he leaves?

16 MR. LOWELL: It's been voted -- it's been
17 moved and seconded. Discussions have been had. Go ahead.

18 MR. MAZZEI: I have two, one comment, one
19 question.

20 The property appraiser evaluation in 2020
21 land value was \$2,134,880, and if bring that up 15 percent
22 or more because the property appraiser is typically below
23 market, it's probably two and a half million dollars.
24 That's the comment. I think it's a fair market value, and
25 I think it's a best use for that property.

1 My question is did you approach Waronker and
2 Rosen since their appraisal was July of 2020 to see what
3 their updated appraisal would be?

4 MS. SARDINAS: No, I did not, I did not, and
5 it's, I think that the whole COVID situation kind of led
6 -- this should have gone faster, but we're in the middle
7 of everything that was going on and kind of, you know, was
8 longer than the six months. Right now we're at eight
9 months from that appraisal.

10 MR. MAZZEI: I'm in favor.

11 MR. LOWELL: Great. Let's call for the vote.
12 All in favor please, say aye.

13 (Thereupon, the board members responded accordingly.)

14 MR. LOWELL: I all opposed, say no.

15 MR. MANRARA: No.

16 MR. LOWELL: One negative vote, and motion
17 passed. I'm going to now turn the gavel over to Madame
18 Chair, and thank you all for your attention.

19 MS. QUEMADA: Thank you, thanks, Jack.

20 (Thereupon, Mr. Lowell left the meeting.)

21 MS. QUEMADA: Okay. So moving on to the
22 asset manager report.

23 MS. SARDINAS: We went through that. The
24 rent report is attached. I don't know if you had a chance
25 to review, if you guys have any questions regarding that.

1 Everything is working fine with respect to
2 the rent deferments that we did, and if you see any of the
3 ones that have not come through for March, it's just
4 because it's the beginning of the month and it just works
5 out that way, but so far we don't have any issues with the
6 rent report.

7 MS. QUEMADA: Any questions or comments on
8 the rent report?

9 MR. MANRARA: No questions.

10 MS. QUEMADA: Sorry, Zeida.

11 MS. SARDINAS: No, that's fine, and then I
12 just wanted to let you guys know, Francesca was going to
13 provide the new business report, but she had to go do
14 something else unexpectedly this morning.

15 So we also have, we have Julian here who has
16 some excellent news that he wants to share with respect to
17 economic development and property and business that we
18 have coming to the city, so he's going to do the new
19 business report for you.

20 MR. PEREZ: Julian Perez, again, director of
21 economic development. I just want to share a very good
22 piece of news.

23 We just found out through the Beacon Council
24 that we have been working with for a while now on a major
25 relocation to our city.

1 MR. MANRARA: I'm sorry, a what?

2 MR. PEREZ: A major relocation, a new
3 headquarter is coming to our city, and that is ACI
4 Worldwide Services Corporation.

5 We just received a grant -- not a grant
6 actually. It was a part of an incentive program with the
7 county, and that is the Miami-Dade County Targeted Jobs
8 Incentive Fund, and so they were given a little bit more
9 than \$200,000, if my mind serves me correctly.

10 And this company or this firm that is moving
11 to our area, their original headquarters was in Omaha,
12 Nebraska. Then they moved to Naples and now over here.

13 And the company develops and markets and
14 installs and supports a bright line of software products
15 and solutions, and they're focused on facilitating
16 realtime electronic payment.

17 And again, they're making an initial
18 investment in our city of over nine million dollars of
19 which six million dollars of that is going to renovation,
20 and the rest is going to furniture, fixtures and equipment
21 and so forth.

22 They have committed to creating over 180
23 jobs, to be precise 182 jobs within a five-year period,
24 and that was part of the incentive program with the
25 county, and you're looking at between 23,000 to 26,000

1 square feet.

2 And so it's just a very interesting
3 opportunity for the city as we begin to see more
4 businesses relocating into South Florida, specifically
5 Miami-Dade County, and obviously, you know, the City of
6 Coral Gables also.

7 The benefits in terms of property tax from ad
8 valorem, according to the application that was submitted
9 on their behalf by the Beacon Council to Miami-Dade County
10 for this incentive program, the average property tax will
11 be in the neighborhood of about \$24,000. I did the
12 calculations for the City of Coral Gables, and the average
13 for the City of Coral Gables is about \$28,000.

14 So we're very, very pleased to see this new
15 headquarter coming to our city. This is the second major
16 headquarters that we're seeing now within the last I would
17 say eight months. The first one was Friesland, and as you
18 know that I spoke to you about, and they opened up their
19 Latin American headquarters here in Coral Gables, and now
20 we have this, this firm now coming to our city.

21 So, and then we're working in other, other
22 initiatives with the Beacon Council as well as, you know,
23 some of the other developers in the area too, and so we're
24 very pleased to see this.

25 We are also very pleased to see all of the

1 economic activity that is right now taking place in our
2 city, if you go out and you walk, especially on Wednesday,
3 Thursday and Friday nights like I do, through our business
4 community or our city, the central business district and
5 you see the activity.

6 I think that the latest numbers on the
7 central business district was a vacancy rate of between
8 2.7 and 2.9.

9 The only area that is showing high numbers in
10 terms of vacancy is Miracle Mile, and we know that, you
11 know, that is happening because it's an area that we're
12 seeing a little bit of vacancy going on, but that doesn't
13 mean that there's other businesses also coming to that
14 area.

15 There's a number of restaurants coming to the
16 area. There's a number of I would say entities that are
17 looking at some of the empty space, and from our last
18 report that we gave you, we have seen a number of new
19 restaurants and other retail is coming to that area too.
20 Yes, we have lost a number of restaurants, but I can tell
21 you that we are making that back.

22 So our reopening plan that we have worked
23 very hard on that is based on, you know, having a
24 responsible, smart and safe approach to reopening is
25 working very well, as well as it is throughout the entire

1 State of Florida.

2 But again, the department is very, very busy.
3 The department is really focused on our mission, and as
4 you can see, you know, working with partners like the
5 Beacon Council, Enterprise Florida and so forth, we are
6 part of a team that is working together to bring these
7 businesses to our community.

8 So your question perhaps is, you know, so
9 what is the role of the City of Coral Gables, you know, in
10 this whole effort?

11 And our role is, you know, to work directly
12 with Beacon Council, provide the information, provide all
13 the letters and everything that we can to take that
14 business through that second phase of approval, and that
15 is the incentive part of it and now coming to the city.

16 And so what we have done is, and I mentioned
17 this in the past, how we have prepared a team that once
18 they get to that point, especially in the renovation and
19 the licenses and so forth, we're ready to work with them
20 directly with the other departments and my colleagues to
21 make sure that they go through the process as quickly as
22 possible.

23 So again, you know, this is one, and
24 hopefully in the near future I'll be coming before you
25 with another one too that we're looking at. All right?

1 Is there any questions?

2 MS. PASTOR: One question: Where will ACI be
3 headquartered?

4 MR. PEREZ: I understand that they're going
5 to be in The Plaza, the new development.

6 MS. PASTOR: And do you have a time frame as
7 to when?

8 MR. PEREZ: According to the application, the
9 time frame or the anticipated time frame when the project
10 will be completed, and you know, these numbers, they tend
11 to change a lot, and what they mean by completed is the
12 renovation start of it and so forth, is September of this
13 year.

14 As part of the agreement with the county
15 under the, excuse me, the targeted job incentive program
16 is that they need to have, in 2021 they need to have
17 contracted 43 jobs, and obviously if you understand how
18 this works, how this program works, you know, this is
19 performance based, and what do I mean by performance based
20 in terms of incentives is that you're not giving money out
21 just to attract.

22 You're giving money out with a certain level
23 of guarantees and performance that you have to meet, and
24 the reason for that is that the money comes from the
25 general revenue of the county, and so you have to really

1 meet those, those goals that I have set forth, and those
2 are very well spelled out in terms of the jobs.

3 Very quickly, this is cumulative numbers, so
4 in 2021, it's 43; then in 2022, they have to jump to 60;
5 then in 2023, to 77; 2024, 95; 2025, 128; and then 2026,
6 182 jobs. Okay. Any questions?

7 MR. MANRARA: Can you repeat the name of the
8 company?

9 MR. PEREZ: The name of the company is ACI
10 Worldwide Company.

11 MR. MANRARA: ACI?

12 MR. PEREZ: Yes.

13 MS. SARDINAS: Real quick, just I wanted to
14 let you know Kevin Kinney signed on really quick.

15 Kevin, Ed Mazzei, one of our board members,
16 had a question with respect to Havana Harry's parking
17 during the construction of that project.

18 I explained to them that we're doing a
19 management agreement to continue to manage the parking lot
20 and people will be able to park there until the
21 construction starts, and I also thought that we had had a
22 conversation with respect that you would work with them
23 with street parking and so on, but I didn't know if you
24 had anything else to add.

25 And the second questions was related to the

1 alley. Even though the board member that made it left, he
2 wanted to find out if the alley in the back, and I
3 remembered it, I think it had something to do with the ZOM
4 project, but I don't know if you remember, so I need to
5 find an answer to that question. Are you on?

6 MR. KINNEY: Yes. So let's take those one at
7 a time.

8 Yes, we will be managing the lot just as we
9 have in the past until there's, construction starts.
10 There's not even a plan for development under review yet,
11 so the construction will happen sometime in the future.

12 When that does happen, yes, we will manage
13 the spaces on Greco and Granello to provide substitute
14 parking that will cover the 34 spaces we lose on the
15 parking lot.

16 The existing alley will remain because the
17 two properties will be separated by the alley, but there
18 are significant improvements with the ZOM project, but it
19 will remain an alley, and the ZOM project is actually
20 under construction now, and that will have some impact on
21 the on-street parking.

22 But we will do everything we can to help
23 Havana Harry's, and in fact, as I'm speaking with you, on
24 the Havana Harry's side of the street we are doing
25 improvements to the street on the north and the south of

1 Havana Harry's that add parking in the city right of way
2 that can be used by customers at Havana Harry's, so we
3 have no interest in hindering the restaurant.

4 We're doing what we can to support it, and in
5 fact, when the new development does happen, one of the
6 things that we've negotiated is additional spaces or
7 spaces in the facility that can be used by members of the
8 public that are going there as diners or to any of the
9 other businesses around that has customers.

10 MS. SARDINAS: All right. Thank you, Kevin,
11 so much for signing on. I'm glad you were able to. I did
12 not remember what had happened to the alley. I was in the
13 meeting with the ZOM and I didn't remember.

14 MR. KINNEY: Yes.

15 MS. SARDINAS: So I think we've gone over
16 like by 40 minutes, so they're ready to go. Valerie,
17 people are getting up, so.

18 MS. QUEMADA: Okay. Thank you, thank you,
19 everybody, for Kevin and yourself and the presentation, so
20 let's have -- do I have a motion to adjourn this meeting?

21 MR. LEYVA: I second.

22 MS. QUEMADA: Great. So thank you all. See
23 you next time.

24 (Thereupon, proceedings were adjourned at 10:09 a.m.)

25

C E R T I F I C A T E

STATE OF FLORIDA)

COUNTY OF DADE)

I, DOREEN M. STRAUSS, do here by certify that
the foregoing pages, numbered from 1 to including 71,
represent a true and accurate transcription of the record
of the remote proceedings in the above-mentioned case.

WITNESS my hand in the City of Miami this 9th
day of April, 2021.

Doreen Strauss

Doreen M. Strauss, RMR

