

City of Coral Gables City Commission Meeting
Agenda Item E-8
July 29, 2009
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Donald D. Slesnick, II
Vice Mayor William H. Kerdyk, Jr.
Commissioner Maria Anderson
Commissioner Rafael “Ralph” Cabrera, Jr.
Commissioner Wayne “Chip” Withers

City Staff

City Manager, Patrick Salerno
City Attorney, Elizabeth Hernandez
City Clerk, Walter J. Foeman
Deputy Clerk, Billy Urquia

Public Speaker(s)

Bethany Burgess, Special Counsel for the City
Camille Tharpe, Consultant with GSG
Richard Namon, Coral Gables Resident
Roxcy Bolton, Coral Gables Resident
Charles Girtman, Coral Gables Resident
Danielle Blake, Representing Realtor’s Association of Greater Miami and the Beaches
Chief Dan Thornhill, City of Coral Gables Fire Department

E-8 [Start: 10:03:33 a.m.]

An Ordinance of the City Commission of Coral Gables, Florida relating to the provision of fire rescue services, facilities, and programs throughout the incorporated areas of Coral Gables, Florida; authorizing the imposition and collection of fire rescue assessments against property; providing certain definitions including a definition for the term “fire rescue assessment”; establishing a procedure for imposing fire rescue assessments; providing that fire rescue assessments constitute a lien on assessed property upon adoption of assessment roll; providing that the lien for a fire rescue assessment collected pursuant to sections 197.3632 and 197.3635, Florida Statutes, upon perfection shall attach to the property on the prior January 1, the lien date for ad valorem taxes; providing that a perfected lien shall be equal in rank and dignity with the liens of all state, county, district, or municipal taxes and assessments and superior in dignity to all other prior liens, mortgages, titles, and claims; authorizing the imposition of interim assessments; providing authorization for exemptions and hardship assistance; providing a procedure for the collection of fire rescue assessments; providing a mechanism for the imposition of assessments on government property; providing for severability; and providing an effective date.

Mayor Slesnick: E-8

City Manager Salerno: [Note: Read the above title into the record]. Mayor, at the July 8th Budget Workshop you received a PowerPoint presentation from Camille Tharpe with GSG, she is here today...

City Attorney Hernandez: As is Bethany Burgess who is Special Counsel to the City on this matter.

City Manager Salerno: If you'd like we could have the Special Counsel just briefly introduce the item.

Ms. Burgess: Good morning and thank you for having me. I am Bethany Burgess with Nabors, Giblin and Nickerson, and we are Special Counsel to you on the Fire Rescue Assessment Program, an ordinance...

Commissioner Cabrera: I think...Fire Rescue Assessment Program, is that how it's titled?

Ms. Burgess: Fire Rescue Assessment Ordinance that you are here today to consider.

City Manager Salerno: The definition of such will be forthcoming in a resolution; it does not have to do with EMS transport.

Ms. Burgess: No, it doesn't. The ordinance that you are here to consider today is actually a procedural ordinance and all that means is that, all it does is give you as a Commission the authority to adopt and impose the special assessment resolutions that will be required in the coming weeks on the Fire Rescue Assessment Program. In this it basically provides the definitions that will be needed as you go forward, it also provides the procedures that will be required as you go forward with the initial assessment resolution that you will be considering on August 25th, if you choose to go forward, and provide for the methods of collection of any assessments that you ultimately impose. If you have any questions I'd be happy to answer them, or if you'd like more information.

Mayor Slesnick: Thank you very much, have you standby, or is anybody prepared to ask right now?

Vice Mayor Kerdyk: I have one question just for clarification for everybody here; the assessment for resident or household.

Ms. Burgess: Yes.

Vice Mayor Kerdyk: What do we determine that to be?

Ms. Burgess: Actually, Camille Tharpe with Government Services Group (GSG) is here, but just to be clear also before she comes up if you'd like her to, the ordinance doesn't actually impose

any rates, or adopt the methodology that will ultimately be imposed. So this is only – this is the step before that step.

Vice Mayor Kerdyk: I guess my question was incorrect; my question is when she presented it July 7th or 8th whatever our Budget Workshop was, what was the number that she filled in for the residential? – because she did fill in a number, whether we adopted it or not, she filled in a number; and she also filled it in for the commercial area too, I just want clarification as far as that goes, that's what I'm trying to get. Thank you.

City Attorney Hernandez: No, no, I understand, she's here.

City Manager Salerno: I can answer that myself; the residential fee is fifty dollars (\$50.00) per year and I have copies of the presentation that was made on the 8th in case you'd like to see it again.

Vice Mayor Kerdyk: That's all that I'm asking.

Commissioner Cabrera: Did you say you have copies, or you are prepared to show this, because the last time we saw this it was not aired on television, or you are going to wait to do this if this should go any further at a later time.

City Manager Salerno: We could do it at the Commission's preference, we can certainly do it at subsequent meetings; we didn't have the PowerPoint today because it was presented previously. If you'd like, Camille are you capable of running through the presentation?

Commissioner Cabrera: Well let me see what do you all want to do?

Mayor Slesnick: Well it seems to me that this was given to us an informational piece for us to understand what we are doing, but this presentation will go more with the next time around when we actually consider, in other words this is not what we are considering this time, but if we gave the presentation next time we are actually going to be considering this; in other words you'll have it presented again is what I'm saying.

Commissioner Cabrera: Yeah, OK – I think what we are trying to do today is simply a formality.

Vice Mayor Kerdyk: There is a lot of misinformation that's being generated in the public and lack of information, concern, so that's why I asked.

Commissioner Cabrera: Misinformation, lack of information, concern, yeah; so that's why I asked.

Commissioner Anderson: I think that's a good question to ask to clarify, because there is a lot of misinformation in certain groups or spreading some of that misinformation and causing alarm to the community.

Mayor Slesnick: And what we are discussing by the way, and Ralph it doesn't matter to me, we can do it again, is that we have a presentation that was given during the Budget Workshop about what a Fire Assessment Fee Program would look like if we adopted it; and that was given and talked about and Mr. Cabrera is absolutely correct, that was not on a live television feed, and it is a presentation that will bare directly on exactly what we will be talking about, if I'm not mistaken Mr. Manager in our August meeting?

City Manager Salerno: Yes Mayor, the August 25th and the September 22nd meeting.

Mayor Slesnick: So at that time we will have to have this presentation as part of the...so it's your call.

Vice Mayor Kerdyk: That's fair.

Commissioner Cabrera: I just wanted to have conversation amongst the five of us to see how...

Mayor Slesnick: Then I think we should have further explanation

Commissioner Cabrera: That would be great.

Mayor Slesnick: Mr. Manager could we have your consultant give us a brief run through exactly of what we are talking about.

City Manager Salerno: Certainly – Camille could you come on up.

Ms. Tharpe: Good morning – Reader's Digest version, right Mayor.

Mayor Slesnick: Well, Reader's Digest version with as many questions as the Commission wishes to ask you, but I want to clarify before we start that our vote today is not a vote on what we are about to hear; this is if we move forward, if we do the implementing legislation then we will consider a program, that program is what we are about to hear about.

Ms. Tharpe: And I do want to point out to you, Mr. Mayor, and Commissioners, my name is Camille Tharpe, I want to point out to you between now and then you will have a draft Assessment Report, that will lay out all of this in great detail, that will become a public record in draft form, and in final form that will hopefully clear up some of the information that's out there; and that besides the resolution that you will be asked to adopt in August, there will be a mailed notice by First Class Mail to every property owner affected by the assessment with exactly what they would be asked to pay, if you should go forward and inviting them to the public hearing in September. So this is just the first reading, you've got the second reading, you've got lots of meetings to talk about it. OK? I'm going to go just to page 3...

Commissioner Cabrera: Did we want to do this?

Mayor Slesnick: I had asked her to in reference to what you said, the Reader's Digest type version...

Commissioner Cabrera: I had more questions than, you know it's great what we are doing, I'm sorry, I apologize for interrupting.

Mayor Slesnick: No, but the comment was that I thought you made and was agreed to by others was that there was misinformation out there, and I thought why not address some of that.

Commissioner Cabrera: Yeah, I think so too.

Ms. Tharpe: Just on page 3 of your handout, remind you of the case law criteria for a valid special assessment and what we have to do to make sure that you're in good standing with the program, that the services or the facilities provide a special benefit to properties, which the courts have ruled that Fire and First Responders services do provide that requisite special benefit; and that how we charge people is fair and reasonable, and the methodology that we prepared for you is similar to the methodology we used in other places that have also been upheld by the Supreme Court. Page 4 – why use assessments, why even look at them; it is a benefit based charge and not value based, it does cure the tax inequities that exist in the State Tax, Property Tax system, and that two houses on the street will pay the same for fire services under this program. It is a revenue diversification tool; it is a dedicated revenue source that cannot be used for other means; you can't transfer it to the water; you can't transfer it to a building that's not related to fire; so it really does make the department accountable for what they are spending, because it is dedicated. It establishes a cost per billing unit for services and facilities; I think that's very important especially with the fact that you have some government property here; some educational property and we now know what it's costing you to serve those properties, even though they may not be paying taxes right now. It is an annual decision, so this year's decision, next year can be something less, something more, and it is pledgable for debt without referendum. You aren't alone in the program as far as cities in the State of Florida; there is at least fifty (50) cities that we've conducted studies for, and twenty-five (25 out of the thirty-two (32) cities in Broward County has a fire assessment program and has had one since 1995; and as far as counties, there has been twenty-seven counties throughout the State. Page 6 – we looked at many data components and got to learn about your Fire Department here; we looked at how they provide service; we reviewed their budget on a line item basis, because we had to make sure that the cost associated with the assessment program were only related to fire services and not with the emergency medical services; we looked at the call data and isolated the fire call data from the EMS data, and we looked at the tax roll data. We've created a proforma planning budget which you all saw last time, and allocated that budget between fire and EMS on a line item basis, and based on that proforma budget, we discovered that about eighteen million dollars (\$18,000,000) of your proposed proforma \$25,000,000 or \$26,000,000 budget would be legally assessable through the assessment program. We then looked at the call data and on page 9 it doesn't show up very well, but these are the call proportions to the different property categories based on historical demand for fire services; and we have residential category, commercial, industrial/warehouse, institutional and educational, and these are similar categories that you would find in other cities in the State of Florida. Once we apportion those calls to each of those categories we then had to determine what each parcel within those categories would pay, and because this will eventually will go on the tax bill and be sent to the property owner, we had to use information on the billing units from the ad valorem tax roll; residential would be on a dwelling unit basis; commercial, industrial/warehouse, institutional and educational would be on the square footage

of their building, not their land. So based on, assuming that you would want to fund about a little less than ten percent of what you could fund of the assessable budget, you would generate a little bit less than two million dollars (\$2,000,000); residential rate would be \$50.00 per dwelling unit, and the other non residential rates would pay based on the size of their building within square foot ranges, and there are very extensive square foot ranges that are on page 11, and 12, and 13. Some things we talked about, and again not for you to decide today, these are things that will come up in your initial resolution and in your final resolution, is whether or not you'll provide for any exemptions of the institutional tax exempt non government properties, which will be your churches and not-for-profits. We talked about the fact that you have government property in the City and why you can charge government property, you can't send them a bill and you can't lien their property. So those government properties you would pay on their behalf from other available legal sources; and we showed you the impact of those kinds of decisions on that, ten percent funding level budget and its about \$40,000 or \$50,000. We provided you with an implementation schedule which has since changed because of your budget cycle, as Mr. Salerno said, we'd be back here August 22nd (sic: August 25, 2009) with the initial assessment resolution, second reading of the ordinance, the initial assessment resolution, should you go forward from their, notices are sent out, and then a public hearing will be held September 22nd.

Commissioner Anderson: So between the August meeting and the first budget hearing there would be a notice sent out, is that correct?

Ms. Tharpe: Yes, it's required by law.

Commissioner Anderson: OK. Thank you.

Ms. Tharpe: Any questions?

Commissioner Cabrera: Yes, I've got a bunch of them. You have a lot of experience with this process and I guess you are the only agency or consulting firm in Florida that pretty much handles this kind of work.

Ms. Tharpe: We have some competition.

Commissioner Cabrera: But you are the top of the echelon in that kind of business. How many other municipalities in Miami-Dade County that provide fire services are in the middle of considering a fire fee?

Ms. Tharpe: We've had several looking at it, and they go back and forth; Hialeah has looked at it and the County has looked at it twice, but so far neither of those two entities has moved forward.

Commissioner Cabrera: And Hialeah looked at it this time around?

Ms. Tharpe: Last year.

Commissioner Cabrera: Last year – did they hire you?- did they retain your services?

Ms. Tharpe: Yes and we created an assessment report, and I don't know if you know, but their Chief has since moved and received a new job in Texas, so I don't know who their new Chief is, but that has had a little bit to do with the continuity of the project.

Commissioner Cabrera: In Broward County you have 25 out of 32 municipalities...

Ms. Tharpe: That we worked with.

Commissioner Cabrera: That you worked with, and of those 25, how many have actually lowered their fire fee? It's a tough question, I know, it's a lot of municipalities to remember.

Ms. Tharpe: There have been times over the years when a lot of the cities may not have lowered it, but has kept it the same for five, six, seven years, and so I can't remember if anyone has actually lowered it, but I can tell you that a lot of them keep them at the same funding level.

Commissioner Cabrera: And that process is one where, as the Manager has explained to me yesterday, it's a process in which each year their governmental body makes a decision in the form of a resolution to maintain it, or do away with it, or raise it, or lower it.

Ms. Tharpe: Correct.

Commissioner Cabrera: Now I'm going to get a little more specific. University of Miami occupies lots and lots of space here in the City, I think its somewhere between 250 to 260 acres, is that about right?- how would they be classified?

Ms. Tharpe: A majority of their property is going to be educational.

Commissioner Cabrera: And what is that going to do?

Ms. Tharpe: The educational category is a separate category, it also shares with your public schools, your private schools, your church schools, so they will pay a rate based on the square footage of each separate building, that rate would be within that educational category.

Commissioner Cabrera: Is that a lower rate?

Ms. Tharpe: Pardon?

Commissioner Cabrera: Is it considered a lower rate?- a preferential rate?- a deal of a lifetime rate?

Ms. Tharpe: Well, let me tell you what it is; it is a rate that is fair and reasonable for their property within the scope of all the other properties; it reflects the unique nature of your City that you have a very large university here; I'll give you two other examples where we use educational, and one is the Town of Davie where they have three universities or three colleges, and Tallahassee, the City of Tallahassee; and we've also looked at it for the City of Gainesville in Alachua County. So in places where we see extensive educational facilities, its not only – its

not favoring anybody, it's just the fact that when you have a predominant property like that, property category, you don't want to hurt anybody else in another category – say if we didn't treat them as educational, we would probably treat them as institutional; we don't know whether or not putting them together with institutional will help or hurt either university or the other institutional, but we do know that when you have a campus with students that they are going to generate a whole lot more kinds of fire calls; there are going to be a whole lot more false alarms; you are still responding to them, they might not be full fledged fire, but I would hate to have the other institutional properties suffer because of that, and that's why we look at them separately.

Commissioner Cabrera: Let me take you then a step further. Let's say we impose this, we go through this process and we create this, could we then use the funds that are derived from the fee to proportionately apply them to a University of Miami for say a sub-station or another fire station? Now I'm talking about the use of funding.

Ms. Tharpe: If you found that a sub-station at the University of Miami furthered service delivery within the City, you could add that cost to that sub-station or station to the budget and everyone would share in those costs.

Commissioner Cabrera: And that would only be fire station, it would not be a fire rescue?

Ms. Tharpe: It could be a fire rescue station, but we would only fund the fire part of it through the assessment program, and the rest of it would be...and the reason that we would let everyone pay, or ask everyone to pay, is because even though it may be there and now those properties are getting maybe a faster response time say, that station doesn't sit there and never go out of the University of Miami campus, they are going to respond outside.

Commissioner Cabrera: Last question – we own a property down the street, it's a hotel, and its called the Biltmore; how would be categorize a facility like that owned by the City of Coral Gables with an operator and with a long term management/lease?- how would that be classified?

Ms. Tharpe: First of all its always going to be classified based on how the Property Appraiser and the Fire Department classify it, because we want to have that correlation. I believe, and I'm pretty sure that it has been classified as commercial property, because if the Fire Department responded to it, that's how they would code that in their fire calls; however, since it's a commercial property, but owned by you and leased by you, and it's a true leasehold interest, you're either going to have to pay those costs back to yourself and recover them through your lease, or if the County sends the Biltmore a tax bill separately, it would go on their tax bill; those are the kinds of very specific issues we are starting to address as we are doing resolutions.

Commissioner Cabrera: So in light of that, and thank you very much for your answers, in light of that what I guess that I would ask and I would hope that you all would support me on, if this goes further, that the Manager's office provide us with a listing of all the properties that we own, and we lease out, so its not only the Biltmore, but it would be the Country Club, it would be the Actor's Playhouse, Miracle Theatre, and the Village of Merrick Park, among...I guess I rattled off four of them, I don't know if I'm missing any others...?

Mayor Slesnick: Actor's Playhouse.

Commissioner Cabrera: Actor's Playhouse I said, the Biltmore, yeah; and then we could see how those would be impacted by this so-called fire fee, that would be important. That's it for me.

Commissioner Withers: May I ask one quick question Mr. Mayor? This is kind of different from the conventional ad valorem property tax value equals tax; so...and you might have said it and I missed it, is it the land use or is it the way it has been permitted as far as what you classify it as?

Ms. Tharpe: I didn't say it this time, I might have said it last time; it is the use of the building as determined by the Property Appraiser for purposes of value. So how he has, what they call, a Department of Revenue Use Code, which is the highest and best use of the entire parcel, but we actually get to the building level, so you might have a property where there is a commercial store in the front and a warehouse in the back, we would charge each of those differently because we are going to the building level. Again, because when the Fire Department responds to those two buildings, when they come back and code them, they are going to code that one as a fire call to commercial and the other one as industrial/warehouse.

Commissioner Withers: I understand, because sometimes our land use and our permitted maps don't always match up.

Ms. Tharpe: You know the Property Appraiser, that's their job, is to go out there and determine the best use of the property for purposes of value. So if there are issues related to that when we do the assessment program, sometimes those come out, and actually sometimes it makes the property owners look at what they are being assigned and actually go the Property Appraiser and ask for changes, because sometimes you just go along and you think everything is fine, and then all of a sudden you see how they have been treating you.

Commissioner Withers: And if this fee is not paid, the municipality puts a lien against the property, is that how that works?

Ms. Tharpe: For the first year you will be using a separate bill, and that separate bill will be mailed in November like the tax bills, and you'll give everyone the opportunity to pay, they can get the same discounts as you would on the tax bill, but we will lien the property temporarily, but if they haven't made payment, let's say June of next year, then their delinquent amount will be added to next year's tax bill amount, and both of those amounts will appear on the tax bill and then be subject to a tax certificate sale if they don't pay.

Commissioner Withers: So someone could pay their property tax, but not pay their fire tax in this year and they could have unlike a City Code Enforcement Lien, where it goes to the property and we decide any mitigating...

Ms. Tharpe: For this year they would have the opportunity to pay one or the other, but once it goes on the tax bill they cannot pay one or the other, the tax collector has to accept full payment, and the beauty of the tax bill is that you get the same collection rate that you get from the tax bill.

Vice Mayor Kerdyk: Just one clarification; the County opted not to move forward with this project, right?

Ms. Tharpe: Right now they did.

Vice Mayor Kerdyk: We must remind the people watching that they do have right now a fire taxing district, which I think is 2.2 mills...

Ms. Tharpe: Correct.

Vice Mayor Kerdyk:...that each person in each building is assessed and the only ones that are exempted are Coral Gables, Miami Beach, Hialeah...

Ms. Tharpe: Indian Creek Village.

Vice Mayor Kerdyk: Right – so that is already being done in the County, they were considering something in addition to that 2.2 mills, alright – thank you.

City Manager Salerno: Commissioner, if I could add, I have a copy of the letter from County Manager George Burgess to the members of the Commission, and he withdrew his recommendation actually for that item on the 14th approximately of July, and in that memo he said, basically he indicated that they didn't need it for this year, they have reserves...

Commissioner Cabrera: They have reserves.

City Manager Salerno: They have reserves and I'll read the sentence that's most appropriate, it says although the BCC has the ability to provide the fire rescue district with the resources to maintain the current services within the limitations of the locally imposed 3 mill cap. Basically it was saying they didn't need it, and he withdrew his recommendation for it based upon that. I did talk with the County Manager's office as recent as yesterday, and they believe that within the next several years that they will be hitting that cap and the fire rescue assessment is a tool that they will look toward, and they were looking to impose it this year to be prepared for the future.

Commissioner Cabrera: So let's go back to the process again; this part of the process as the City Attorney has mentioned is enabling legislation; I guess my question is, why wouldn't we incorporate this enabling legislation at the time that we are considering the budget in its totality? is it because there is still much work to be done on this process?- or...

City Attorney Hernandez: The enabling legislation has to have two public hearings; this is first reading and then second reading, so we have to have it in place before you can consider the resolution, and we are going to be bringing second reading at the same time that we are going to be presenting a resolution, so it's at that time that its...

Commissioner Cabrera: So it is impossible for it to be done simultaneously.

City Attorney Hernandez: Well no, because you have to have first reading and then second reading of the enabling ordinance.

Commissioner Cabrera: I know, but you will have that in the two budget hearings, you will have the ability to have first reading and second hearing...

City Attorney Hernandez: No, but we have to have the ordinance in place so that when you do consider the numbers and approve the budget, chronologically it has to come before.

Commissioner Cabrera: OK.

City Manager Salerno: And the first resolution has to be approved twenty days in advance, so the way the schedule works out, we have just enough time right now with the dates with the Commission meetings; we use every day that is available.

Commissioner Cabrera: Well, I first of all I want to publicly commend you for all your hard work, because I know you have worked very hard on this process, and given the fact that you bring so much experience from Broward, and having done this in Broward County and understanding how it works and the complexities, and the fact that you moved very quickly to identify the right consultant, and I can see that they are exceedingly professional; so therefore my comments don't have to do with the fine work you have done because I really do commend the work you have done. I guess where I am coming from to the rest of my colleagues is that I feel as though, and maybe this is a poor choice of words, but I almost feel like we are being painted into a corner here to once this enabling legislation gets going, it may, and who knows, maybe it will be unanimous approval from this Commission, but it certainly gives the impression that we are just heading in that direction and there are still a lot of unanswered questions; I think you saw that I have lots of questions like the rest of you do about city owned properties, that we actually lease out. I still, and the Manager has been very, very gracious, I still contend that seniors need to be exempt from this fire fee if we should move it forward, and the Manager has been very clear with me that he heard me make those comments at the budget workshop, and that he will be working toward something like that, and Ms. Tharpe indicated that some municipalities do in fact exclude seniors from the fire fee, but it will have a financial impact on the fire fee; I don't know how many seniors exactly we have in our City, but I'm willing to bet that we have a fair amount as the total percentage of the population on the residential.

Mayor Slesnick: Forty percent.

Commissioner Cabrera: Sir?

Mayor Slesnick: Forty percent or so.

Commissioner Cabrera: Forty percent – Mayor said forty percent; I tend to agree with him, somewhere in that neighborhood.

Mayor Slesnick: I mean it depends on what you call seniors in this case.

Commissioner Cabrera: Sixty-five and older.

Mayor Slesnick: Forty percent.

Commissioner Cabrera: Yeah, and probably a lot more when they find out they are going to have a fire fee, we'll find out a lot of people will start telling the truth about their age you know.

Commissioner Anderson: May I ask you a question to where you are headed? Is it just seniors in general or seniors of certain economic means, or some kind of economic caveat?

Commissioner Cabrera: I don't know, I'm open to looking at seniors on a fixed income.

Commissioner Anderson: It's probably harder to figure that part out, that's the part. I was asking just as a question, because I know that we went through that exercise before and how economic status is kind of whacky, it doesn't really give you a true perception; some people have assets but they don't have maybe a large income, but they have enough; and then there are people who don't have anything, and how do we know which one's which, is kind of a burden on the government.

Commissioner Cabrera: Because as you all sit here with us and those that are watching on TV, and say you know, Cabrera he's nuts, we are talking about fifty bucks, that's a nice dinner at California Pizza Kitchen, but believe it or not over the last eight years, I've had residents contact me who could not pay their trash bill, because they are on fixed income, and yes they may own a very nice house in Coral Gables and today may be worth half a million dollars, but they bought it thirty years ago for twenty thousand dollars, and they are empty-nesters, and they are in their seventies and their eighties, and they are not working, and they can barely make it on Social Security and Medicare, and believe it or not \$50.00 to them a year is a lot of money, and I also represent people like that. So that's the reason why I'm trying to move this process, that if we did approve something like this, our seniors, and as Ms. Anderson said especially those seniors, that economically cannot afford it, can be helped out because we are also today going to be looking at trash fees, and you know, you say again well you are going to raise the trash fees to \$685.00, that's nothing. I had a gentleman last year who could not pay it; he was very ill and his wife was very ill, and they simply could not pay the City's fees, so we have people like that throughout our City and we need to recognize that. So that's the only reason I continue to harp on this; but Mr. Manager back to you, I appreciate the fact that you are willing to look at that; I just again, probably it's the wrong choice of words, but it's how I feel; I feel sort of like I'm being painted into a corner on this one, so I think there is still a lot to be asked and a lot of things to be cleared up before we can make a final decision on this.

Vice Mayor Kerdyk: Can I say something too; I also have some problems with some of these proposed fees we have here in our budget that we are going to be addressing today, and at budget time; the reason that I'm willing to move forward with this at least is that this is an enabling legislation, we can make a decision about this at a later time, this is just putting in the proper paperwork, at the next hearing we will be able to drill down a little bit further onto the subject, and make an intelligent decision; but yes, I share your concerns with several of the fees that are being proposed, and I just see that as a discussion item that we are going to have in September

when we have the budget, and that's when we are going to make the final decisions on whether we enact this, enact the fire rescue, whether we enact some of the other fees that are proposed in the budget. I'm OK with going forward with it right now based on that.

City Manager Salerno: Mayor, Mayor, if I may, thank you. Thank you Commissioner Cabrera, not only are we willing to consider what you suggested as a staff, we are actually working to accomplish what you've asked us to consider. I've had two conversations with Special Counsel regarding this, several conversations with Ms. Tharpe about it; they are doing their homework working with the Property Appraiser's office in Miami-Dade County to be able to implement a senior hardship exemption on this matter, so far we haven't come across any impediments to being able to do so. Again, the implementation of such a matter would occur with the resolution, not with this enabling ordinance; this enabling ordinance could be adopted on first and second reading, and just so you understand that you shouldn't feel under the slightest pressure other than the financial pressures that we are under, but the ordinance itself doesn't put any pressure on you to do anything. This ordinance could be adopted on first and second reading and sit out there for eternity, and it won't mean one penny of additional cost to a resident of the City of Coral Gables; it can sit out there and whenever the City Commission feels its appropriate to act on it, you would have that as a tool and you would have already taken the steps to then deal with the subsequent issues, the two resolutions, and the notice to members of the public that are all following. So I just wanted to make it clear we're taking that request because we sense that it was very important to you Commissioner, and that the other Commissioners certainly would want to consider that. It is our hope that we will be able to present along with the resolutions a hardship exemption that is the goal, that is what we are working towards.

Commissioner Cabrera: Can I direct one quick question to the City Attorney, Mr. Mayor? Madam City Attorney, in all your work with this along with the Manager, and incidentally I know you worked very hard on this as well; you have looked at the City of Miami and the issues they've faced publicly when they attempted to institute a fire fee?

City Attorney Hernandez: Yes.

Commissioner Cabrera: And you laugh, but you laugh out of the fact that I know you probably spent hours and hours researching this stuff, any summary that you would like to impart on us?

City Attorney Hernandez: Their issues were completely different...

Commissioner Cabrera: How?

City Attorney Hernandez:...our Special Counsel has worked with numerous cities in order to address the needs of the various communities in adopting a legally sound and sufficient ordinance that is defensible in court, and I'm not sure how many cities you have worked with, your firm has worked with over the years in order to adopt this.

Ms. Burgess: Camille might have a better idea of the number actually.

Commissioner Cabrera: It's many, it's many, the answer is many.

City Attorney Hernandez: So from our perspective it's actually a defensible ordinance; Miami was taking in money and paying for different things, you have to have a specific purpose of the ordinance in the enabling legislation, and you can only use the money – you cannot intermingle them with the General Revenue Fund, there are specific requirements that apply in which this ordinance provides for.

Commissioner Cabrera: So you are comfortable from that standpoint?

City Attorney Hernandez: Totally, I've discussed it with Special Counsel, this is an area that they specialize in, and we are comfortable that it's an appropriate ordinance for the Commission to adopt.

Commissioner Cabrera: I bring this up more for the fact that when people read about the fire fee in Miami, they read what the paper outlined, and really all that stuck was the fact that there are all kinds of challenges that eventually won, and there are not the complexities that you and the Manager have studied.

Mayor Slesnick: And also Ralph, one of the big things that really stick in people's minds is after Miami discovered they had made errors in the way they implemented to see the way in which they tried to resolve that, and that was the really horrible thing which drove home the point that everybody left with a negative attitude.

Commissioner Cabrera: Well the term fire fee has a negative attitude, at least that's what I've gotten from...

Mayor Slesnick: Well, what I'm saying is the way they handled that was just horrible, you know with all apologies to the people I'd hope who were trying to do the right thing, they just didn't get it right.

Commissioner Cabrera: And maybe my commentary that the term fire fee has a bad connotation really stems from that terrible experience from the City of Miami, but that's what we have to live with. You know, if we were a Broward County municipality, in fact I was talking to a Broward County newspaper reporter from the Sun Sentinel not long ago, and she couldn't believe we didn't have a fire fee. So she looked at it as, what's wrong with you guys, and I said we are in a different country to understand that.

Commissioner Anderson: And I think it's important to educate our constituents, because you're right, they mix it up in their heads with the Miami thing, and all of a sudden what we may decide to do all of a sudden has a taint on it that may not necessarily need to have. So I appreciate that bit of education.

Mayor Slesnick: OK, we are going to get into the public comment now; I do have a question though I'd like clarification on too, we've talked about misinformation; why since it's not a rescue fee do we keep using the word rescue in this?

Ms. Burgess: Its actually because it's a consolidated department and the fact that its called fire rescue does not mean that any of the revenues will be used, you know, the fire department also provides first responders services, so first responder can be included under Florida law, but anything beyond that is not going to be funded with any portion of the assessment; and actually in the definition to what can be in this ordinance where its defining what the assessment revenues may be used for, it specifically excludes anything used for emergency medical services. So it's called that because it's a consolidated department, it doesn't actually mean that rescue other than first responder...

Mayor Slesnick: Well why don't we take the word out?

Ms. Burgess: Sorry, what?

Mayor Slesnick: Why don't we take the word out?

Commissioner Anderson: We'll have to take that up with our state legislatures.

Mayor Slesnick: Why don't we remove the...

Ms. Burgess: It could be taken out.

Commissioner Anderson: Is that according to statute or something that...

Ms. Burgess: No, it could be taken out, I mean, it's just how we do it, its we put on it whenever it's consolidated department.

Mayor Slesnick: Mr. Manager, in order to clarify this before we get to second reading, I think we should take the word out.

City Attorney Hernandez: That's fine.

City Manager Salerno: I don't see a problem Mayor, if you like.

Mayor Slesnick: Thank you.

Commissioner Anderson: Sure, that will clarify it even better.

Mayor Slesnick: Mr. Cabrera.

Commissioner Cabrera: Mr. Manager after you get done with the exception process that you're gracious enough to consider, will you be able to come back with a projected fee that will be generated with the exceptions?

City Manager Salerno: Yes, we need to; we are looking to get that information from the Miami-Dade Property Appraiser to find out, for instance, how many people have the senior exemption today, and it will tell us how many folks would be eligible under that.

Commissioner Cabrera: So you have to base it on the database of Miami-Dade County's Property Appraiser?

City Manager Salerno: Yes, there is – both Miami-Dade County and Coral Gables have that exemption on property taxes today.

Commissioner Cabrera: So you could just about calculate that now.

City Manager Salerno: We just need to get it from them, they have it, yes.

Commissioner Cabrera: So it's a fairly easy calculation?

City Manager Salerno: We just need to get it from them, and we've asked for it.

Commissioner Cabrera: OK, and you believe that you will have that.

City Manager Salerno: Oh yes, shortly. We were hoping to have it, but they are so overworked right now with getting the tax rolls done, getting any other information out is secondary to them right now.

Commissioner Cabrera: Because I would be interested to see if in fact it's doable to do the exception, what will be the final fee that we will generate or revenue that we will generate from this fee?

City Manager Salerno: Right.

Mayor Slesnick: Thank you, don't go away; Mr. Richard Namon.

Mr. Namon: Richard Namon, 5555 Oakwood Lane, Coral Gables; Mr. Mayor, Commissioners, I wanted to part a little bit from what I was going to say simply because I hear a concept of banking, new methods of taxation in terms of legislative forum to create a resolution for a tax or a fee that might be used in the future; I find that as a concept quite troubling, simply because if you put a resolution for the purpose of making a fee, I would expect that you intend to go forward with it not just say, well, we may use it, we may not use it. I think we can agree with what George Washington said about taxes, he said, "*no taxes can be devised which are not more or less inconvenient or unpleasant*". A fee that everyone must pay is simply a tax with another name. The problem with raising revenue by new fees and fee increases is that they are regressive taxes, by that I mean they fall harshest on the least fortunate of our residents, the poor, the retired and the widowed will feel the pain of new and increased fees most. For that reason I suggest you raise property taxes to make up for revenue lost, not new fees and fee increases. It takes a blind person not to see many residents in this affluent city don't have large incomes or a lavish retirement, the ones who have those advantages live in the most expensive homes. They can more easily afford to pay bills than those in less expensive homes. Property taxes are a fair tax, being neither aggressive nor progressive. Also, they are a more stable form of revenue; people with less expensive homes will pay less in total with a small millage increase in place of new and

higher fees, less than if you hit them with fire fees and higher garbage pick-up fees along with a millage increase. You have to consider the number of people 65 and older in Coral Gables. The postal zip code of 33134 contains the bulk of city residents; it had a population of 34,000 in the 2000 Census, of those twenty-one and-a-half percent (21.5%) were 65 and older; twenty-four point two (24.2%) of all females were 65 and older, many of them widowed and living on small Social Security and small pensions made less by inflation. After the recent market crash many retirees are having a hard time affording to live; the proposed new fees and increase City service cost will devastate some. As a matter of transparency in government, don't use new fees and increased fees to balance your budget. You tried that last year with a myriad of increased fees and look where it got you. Deal with one tax increase, not a handful of clever fees that only require more staff and computation. New fees work against improving government efficiency; keep the balancing of your budget as simple as possible, only increase property taxes not create new fees. Thank you.

Mayor Slesnick: Thank you.

Commissioner Anderson: Actually could I make a comment to Mr. Namon?

Mayor Slesnick: Yes Ms. Anderson.

Commissioner Anderson: I actually agree with you on a lot of the issues as far as regressive taxes, but we have residents, it's interesting, we have residents who don't want any tax increase at all, and in fact we had one resident who said cut services, and so well I absolutely agree that these are regressive taxes, those are the only instruments that we've got; I actually asked, made an exercise on adding into our tax rate, which is something Chip, you talked about, is the garbage fee into our millage and it would have inflated it tremendously, and then we would have had a heck of a time trying to get that passed, because they would have come after us. I agree it's regressive, but we don't have very many choices, we have to find that balance unfortunately. I would love for a lot of these things to be included in the millage so people could deduct them from their taxes. Sometimes we are kind of stuck between a rock and a hard place. Thank you.

Mayor Slesnick: Ms. Roxcy Bolton.

Mrs. Bolton: Good morning gentle persons, my name is Roxcy Bolton, I live at 124 Cadima Avenue. This new round of new process perplex me; I couldn't hear some of it and I want to know how much it cost?- Mr. Mayor would you tell me, how much this team, and their work and their assistance, and their aides have cost us?

Mayor Slesnick: Mr. Manager.

City Manager Salerno: They have been authorized, well I'm not sure if the actual payments been made, but we've authorized them for Phase One work, and Camille is it \$28,000 for the Phase One work; Phase Two, which we've started is approximately \$18,000 to \$20,000, but we are at the early stages, I don't believe even they've spent any funds other than Camille's trip here today and to the second phase, I don't believe there has probably been any other material expenses

associated with that, I would only add to that, that Miami-Dade County is spending close to – has spent close to \$800,000 to get to the stage that they did.

Mrs. Bolton: Did we engage a consultant?

Mayor Slesnick: Yes.

City Manager Salerno: Yes.

Mrs. Bolton: For how much, the total?

City Manager Salerno: Well the total would be to include implementation, which would be, and please don't hold this to me because – are you talking about the consultant services?- or you want to include, Mrs. Bolton, the mailings or just for the consultant services?

Mrs. Bolton: The works.

City Manager Salerno: The works – ball-parking it is \$75,000-\$80,000, which is the total cost of consultants and two mailings, those two mailings to each of the residents, if necessary those two mailings will run about \$17,000 per mailing, so the consultant services are substantially, are only a modest portion of the total. So let's say if the total cost was \$80,000, \$34,000 of that goes to the notices to the public, and the balance some \$45,000-\$50,000 would be to the consultant that's GSG.

Mrs. Bolton: What troubles me a lot is that we not publicly notice people what's happening in Coral Gables. Many people, many people in the last week have said, oh, I didn't know about that; they do not have notice by the cable office, Ms. Fallon's office, or they do not have notice in either newspaper, the Miami Herald or the Gazette, and that's a failing on our part of the City. Let's cut to the chase, what are you saying Mr. Mayor that the rescue fee will probably be set at?

Mayor Slesnick: I'm not sure I understand the question Mrs. Bolton. I didn't say anything about the rescue fee; I said that we would remove the word rescue from this ordinance because it doesn't apply to rescue; this only applies to fire operations.

Mrs. Bolton: In other words at no time a person calling for rescue that's had a heart attack or stroke...

Mayor Slesnick: This has nothing to do with that, absolutely nothing.

Mrs. Bolton: But rescue, that was a very good point that you made.

Mayor Slesnick: Thank you, thank you; I didn't want it to confuse the issue.

Commissioner Cabrera: Mrs. Bolton that other fee will come back at another time, if we consider it; it will come back another day.

Mrs. Bolton: It will come back to haunt us.

Commissioner Cabrera: Well, it will come back so we can deal with it; it will come back for us to discuss, if it does.

Mrs. Bolton: I don't want to have anything on the back burner about money, we all know, the reason we are here today in a bind, Mr. Manager, you stepped into quick sand; do you know what quick sand is?

Commissioner Cabrera: He does now.

Mrs. Bolton: Ralph you always put the finishing touch on it. We are here today struggling with this; we brought in \$75,000, it will wind up to be \$100,000, before it's over; and I'm just really troubled about why and how... Now the fire fee is...I'm unclear about that, explain it to me Mr. Mayor.

Mayor Slesnick: Mrs. Bolton what we are talking about here is a fee to support the fire services of our City.

Mrs. Bolton: We are paying that and we are happy to.

Mayor Slesnick: Well, I'm saying is, its either you pay it through, I think Mr. Namon hit the nail on the head, you either pay it through your taxes or you pay it through a fee; and obviously the fee that we are suggesting does not cover the entire Fire Department's cost, this is to help support the operations of the Fire Department, and to ensure, I mean this is the purpose, this isn't a campaign speech of why we should vote for it, but the purpose of this would be to ensure the continued operation of the Fire Department without worrying about the ups and downs of property assessments and appraisals and so forth, in other words it's a guaranteed set amount of income for the future to base our plans and purchases of fire equipment and hiring of fire personnel and so forth, that we know that we have a base level of income to work with that will not fluctuate with the real estate market. That's as best as I can explain it, that would be the purpose; we can either agree to that purpose or not agree to that purpose, all of us up here don't know what we are thinking because we haven't voted yet.

Mrs. Bolton: You failed to do the day, I don't know if it's you or the Manager, failed to notify the University of Miami that this discussion would be taking place because it will have a profound effect; they turn out more money for us than anybody else, you graduated from there, you should be looking out for them.

City Manager Salerno: Well, I look after everyone in the City equally.

Mrs. Bolton: But not me when you want to raise our garbage fee \$685, because of – no fault of yours, but because of the mismanagement; this City has been so badly, Commissioner Kerdyk you can laugh at me if you want to, whether you are laughing at me or with me...

Vice Mayor Kerdyk: I wasn't laughing at you.

City Manager Salerno: Mrs. Bolton, Mrs. Bolton if I could, you are correct, University of Miami does have an interest in knowing what the action of this body is regarding this matter. In fact, I most recently had a conversation with Joe Natoli, am I saying it right?- Joe Natoli, Vice President at UM as recent as Monday, and the time before that was 8:00 o'clock Sunday morning, we had a telephone conversation, he was in Boston...

Mrs. Bolton: But did you invite him here today?

City Manager Salerno: I made him aware that this meeting was being held today on Wednesday, and we discussed the matter, and we are keeping them fully posted. As I said, I'm talking to him before he had breakfast on Sunday, and I talked to him first thing on Monday; I can't do any more than that.

Mrs. Bolton: But Sunday to Wednesday is not much of a notice, that's a kind of a sorry notice.

City Manager Salerno: I've had discussions...

Mrs. Bolton: You are laughing at me.

Commissioner Withers: Well you just keep going Roxcy, you never slow down, do you?

Mrs. Bolton: Of course I don't.

City Manager Salerno: Those are not the first discussions, I've had discussions with Mr. Natoli on the same day or before the first action and consideration of the Commission, and there have been discussions, in fact there have been meetings...

Mrs. Bolton: They've got those big executives and lawyers and bankers...

Mayor Slesnick: Mrs. Bolton, Mrs. Bolton...

Mrs. Bolton: I've got a few more seconds and then I'll finish...

Mayor Slesnick: Mrs. Bolton, Mrs. Bolton, I never give big bankers and lawyers more time than you do.

Mrs. Bolton: I never saw them stand here.

Mayor Slesnick: The two lawyers that sit here represented groups of people and the groups didn't speak because of that, but please as you know, we ask you to stick to three minutes and you've had five so far, so we are being very generous Mrs. Bolton.

Mrs. Bolton: Well you are lucky to have me here today.

Mayor Slesnick: I am. I felt that way; I've been smiling, I've been enjoying the repartee.

Mrs. Bolton: What pains me so much is that most people, some people do not understand why we are raising all these fees because of mismanagement in this City; we are right on the brink of falling over; you've seen some of those houses in California after a storm tumbling into the ocean, we are pretty close to that. What has happened, wait a minute, is it three million you are going to borrow from the Sunshine State Fund for the Museum?- who's going to pay for that, the taxpayers; look at the Biltmore, we are going to be paying their rent that they couldn't pay, how much – where's Mr. Nelson?- how much do we owe the Sunshine State Fund?

Mayor Slesnick: Mrs. Bolton, Mrs. Bolton we are getting off base now, so.

Mrs. Bolton: But I'm bringing out hard facts, and people need to know how we are spending money recklessly, the Museum is three million dollars we are borrowing...

Mayor Slesnick: Mrs. Bolton, Mrs. Bolton...

Mrs. Bolton: Yes sir.

Mayor Slesnick: Mrs. Bolton number one, this City is facing the same economic struggles as every other government in the United States; and if you've been reading the Miami Herald you will know that the County and the City of Miami which is one of our next door neighbors, and the County which we live in are having the same exact, if not worse issues, in fact worse issues than we are. This problem is a product of a number of things, not mismanagement in our City...

Mrs. Bolton: Oh now, the previous Manager you know mismanaged.

Mayor Slesnick: I do not know that, Mrs. Bolton, the previous Manager had issues and problems which he paid a high price for in his own personal and professional life, but they were not mismanaging the City, and this City has been well managed, and we came into this thing thank heavens, thank heavens we came into this with an almost ten million dollar reserve or we would be in the same kind of trouble that some of the other governments are in.

Mrs. Bolton: You are intimating that he didn't mismanage, when the Country Club didn't pay their bill for six months or was it a year, nobody knew about it...

Mayor Slesnick: Mrs. Bolton he did not cause the Country Club not to pay their bill...

Mrs. Bolton: But he didn't let anybody know.

Mayor Slesnick: Well, Mrs. Bolton we've all gone through...

Mrs. Bolton: Thank you; I've had my five minutes, and good day, thank you gentleman.

Mayor Slesnick: Well thank you Mrs. Bolton, good day to you.

Mrs. Bolton: Thank you Mr. Manager, you better look after the University.

Mayor Slesnick: Mr. Charles Girtman.

Mr. Girtman: My basic point has been made and its been made by Maria Anderson, its been made by the blonde lady there, who's name I'm sorry I don't remember, and that is the whole purpose of this fee is a way to circumvent current tax law. If we can't raise enough money – the whole purpose of this fee is a way to circumvent current tax law; I will take issue with two things that again, if somebody will tell me the lady's name that made the presentation I'll be glad to use it; but two things that she said, one of them really bothered me a lot, and that was a method which we can balance the taxes, those who are under to save our homes, and those that are under elderly, and those who are under some other exemption, we can screw them, they can pay the same taxes as everybody else, without even a good public hearing, doesn't that scare you?- and I'll take issue with another thing she said, she was specifically asked if we could take the fire fee money and build a fire station; I believe the handout that I gave you, I'm not a lawyer, I'm 68 years old, and I haven't listened to a hell of a lot of these arguments, the main reason that handout was the opinion of the Attorney General was given was, we wanted to collect building fees, use the building fees to build a building to house the Building Department, and the Attorney General said, my reading of it Ms. City Attorney was that the Attorney General said, you can't do that. So I segwayed that into it, you can't collect fire fees and build Fire Stations, you can use it to off set the cost of Firemen perhaps, but you can't use it to build Fire Stations, and I believe that says that very clearly. Mr. City Manager, you said that the County spent \$800,000, that's less proportion than \$80,000 for the City of Coral Gables.

City Manager Salerno: That was to date, that is not the total cost of the fee.

Mr. Girtman: No, all I'm saying is, for them to spend \$800,000 to convince everybody in Dade County to do something, it's proportionately per citizen less...than for Coral Gables to spend \$80,000, that's my quick arithmetic, and I'm not very good at arithmetic.

City Manager Salerno: I understand – in that particular case its an “apples” to “oranges”, because that is not the total cost, the total cost that I was asked by Mrs. Bolton, was what was the total cost going to be?- that was only the cost that the County spent to date, not the total cost.

Mr. Girtman: Well, I'll tell you something else about spending money, you don't think that Miami, the City of Miami spent a hell of a lot of money on lawyers, and consultants, and PR people, and mailings and everything else before they passed their fire fee? Lawyers have opinions, lawyers are not judges, lawyers are not juries; every time a lawyer comes here and say this way, a lawyer stands there and says that way, when it goes to court one of them is wrong, yet they both collect a heck of a good fee for telling you what they think you may want to hear. I want to remind you one other thing, you threw out fifty bucks as a number, doesn't sound like a bad number, none of you are as old as I am up there, maybe somebody in this room can tell me what the garbage fee started out as in Coral Gables?- its getting close to \$700 this year, I think it started at like fifty bucks, does that sound right?- This is a taxation and I know we are just giving you...you are giving yourself the authority, we are not giving you anything, that's the problem, you are giving yourselves the authority to consider this farther on. I hope as the City Manager said, you can pass this, and it can sit on the backburner for eternity, that's my fervent wish that

when you pass this today, it will sit on the backburner for eternity. Now I'll tell you what my fear is; my fear is because you need the money and the money looks so good, we need the money in this City, you will pass it, you will pass the fire fee, you'll start collecting the money, you'll get sued, we will lose; two and-a-half-three years from now whoever is sitting in your chair, hopefully its you Donald, will turn to the right and look to see whoever is sitting in the City Attorney's chair, and hopefully its Ms. Hernandez, and you'll say, what's this four hundred thousand dollar legal fee here, and the response would be, well that's to pay Akerman Senterfitt or this law firm for the losing effort to defend us in the fire rescue fee; and then you'll turn to the left and ask Mr. Salerno, Mr. Salerno how do you propose we raise the money to pay these fees back to the citizens if we already collected, that's my fear; I think you'll lose this in court. I think this will be one that you will get [inaudible]....sued over, and as one of paid a hell of a lot of fire fees in the City of Miami and got zip back. I hope you will really give it some serious thought, and I hope you put enough room in raising the millage rate to honestly raise the taxes and let us pay for our Firemen, like we need to pay for them. Thank you very much.

Mrs. Bolton: Thank you Charlie.

Mayor Slesnick: Thank you Charlie. Danielle Blake.

Ms. Blake: I thought I was being tricked this morning when you put me in between those two Firefighters, they said they weren't going to let me get up and speak.

Commissioner Cabrera: Especially that big guy, he's all talk.

Ms. Blake: Well I did want to, since you brought up what happened at the County, two weeks ago the County did have this proposal...

Mayor Slesnick: Will you tell us who you are her representing?

Ms. Blake: Oh I'm sorry. My name is Danielle Blake, and I'm here with the Realtor's Association of Greater Miami and the Beaches, do you need the address Mayor, 700 South Royal Poinciana Boulevard, which is right on LeJeune, Suite 400, Miami, Florida 33166. OK. The City Manager did bring up what happened at the County and two weeks ago we had this up in front of the County Commission in Committee, and the County Manager's recommendation was that we don't do it for this fiscal year, but we do move forward with the proposal, so that we reserve the right to assess the fire fee in the future; and the fire County Commissioners that were present at the time voted, all five, to defeat that proposal.

Commissioner Cabrera: Now Ms. Blake, you realize that the County has a special taxing district that does exactly what this fire fee does; in fact it's exponentially much higher than.

Ms. Blake: Well I understood it as being include in their cap; they are capped at 10 mills for the maximum amount that they can leverage and 3 mills of that is included under the fire services, and they are at 2.2 right now, you are absolutely correct.

Commissioner Cabrera: So there were five County Commissioners, right not....

Ms. Blake: There are six on that subcommittee, and there were five present.

Commissioner Cabrera: Of the thirteen, of the thirteen.

Ms. Blake: Not thirteen sit on that subcommittee.

Commissioner Cabrera: I understand, but there are thirteen total County Commissioners, and I'm a little confused, are you talking about Miami-Dade County or City of Miami.

Ms. Blake: I'm talking about Miami-Dade County.

Commissioner Cabrera: OK thank you ma'am, I'm sorry, I misunderstood.

Ms. Blake: That's OK, thank you, because it died in committee it didn't move forward to the thirteen County Commissioners. In discussing it with some of our realtor members that work here in Coral Gables, one of the quotes from one of our members is, "the Commission has already approved a possible 6.34 millage rate, the biggest ever, Coral Gables is ranked to becoming one of the highest taxed city in the County", and that was from one of our agents with EWM. This is a concern for our agents especially in a time with what we are dealing with in this economy.

Mayor Slesnick: I am sorry, would you read that again?

Ms. Blake: The quote?

Mayor Slesnick: Wait one minute; yes, it sounds terribly wrong.

Ms. Blake: Oh good, I like to hear that. "The Commission has already approved a possible 6.34 mills...

Mayor Slesnick: Well, that's wrong right there...we

City Manager Salerno: 6.24 Mayor.

Mayor Slesnick: 6.24.

Ms. Blake: .24

Mayor Slesnick: OK so .34 is wrong, that's the first thing, and we didn't approve the millage rate, we adopted that as a published possible maximum millage rate that we could possible go to were we to decide after hearing the public that we need to do that. Now what was the next part of that?

Ms. Blake: The biggest ever.

Mayor Slesnick: I'm sorry, read...

Commissioner Cabrera: What she said was the biggest ever from a mills standpoint.

Mayor Slesnick: If that were true.

Commissioner Cabrera: If that was passed.

Mayor Slesnick: If that was passed but if we pass what we said...

Commissioner Cabrera: Remember this is coming from a realtor.

Mayor Slesnick: I know that.

Commissioner Cabrera: His wife is a realtor.

Ms. Blake: I know.

Mayor Slesnick: Excuse me, but Ms. Blake is I presume base her comment on this supposed quote, and I want to correct, if you don't mind me Danielle, we go back a long ways...

Ms. Blake: Eleven years.

Mayor Slesnick: First of all it wasn't .34, secondly it was 6.24 it would not be our biggest rate ever because we were at 6.25 three years ago, so that's wrong; and finally the comments concluded one of the highest in Dade County; we are in the bottom third of Dade County and at 6.25 we were still in the bottom third in Dade County.

Commissioner Cabrera: For a full service City.

Mayor Slesnick: For a full service City, in fact the bottom third the people below us were mostly all the non full service, newer cities, but we were like 27, and if that's out of the bottom third I don't know, 26 or 27, something like that. With those personal corrections on the record please go ahead.

Ms. Blake: Thank you.

Mayor Slesnick: Those will not be held against your time.

Ms. Blake: Thank you very much. Since I'm doing my math, I'll correct it real quick. Commissioner Withers if you had a condo for a \$100,000 and the Mayor had a house for \$1,000,000, at that millage rate, just for City taxes you would be paying \$624 in City taxes, and you will be paying \$6,240, with my new math; so under this, at the time when I came here to speak and we were doing these mathematical equations, I didn't know it was going to be \$50 for the residential, so I took kind of somewhere in between there and came up with \$1,000; and I did it really because I want people to understand the difference between ad valorem and non ad valorem taxes. So currently right now Fire is being paid from ad valorem taxes, that's all

included under the taxes that are being paid; under this non ad valorem proposal, let's just say for easy math we are at \$1,000 and you reduced it and you reduced the millage rate, which we don't have any reassurance right now that you are going to reduce that millage rate to cover what we are paying in this fee now, but let's say that you did, your condo, you will be paying right now \$900 more dollars, and you would be breaking even, you wouldn't pay any more money. So what the previous speakers had spoken about aggressive taxes, it is that, and it is a concern for those working class people, this is a working class tax. So that I did want to put on the record and also to mention our senior citizen, I know you mentioned it and how you can track it at the County, but the income is a little bit over \$24,000; it started at \$20,000 and it adjusts each year, so for senior citizens 65 years and older at about \$24,000 or less in income would qualify under this; and one other thing I would like to mention just on the commercial portion real quick; our commercial guys are really hurting, we have about 1,100 members that are members of our Realtor's Association, and one of the things that we are trying to do right now, you are familiar with the TALF program, which is a federal program, they are trying to put money in it for refinancing for commercial because commercial loans are coming due, at the end of 2009 and 2010. They have nowhere to go for refinancing, they are really hurting and we are bringing down the people from Washington, D.C. to explain what they have been doing in D.C. because Miami is not feeling it, we are not getting our loans refinanced. I don't know how much the amount is, and I assume you guys have it, its based on the per square footage, the size of the building; this tax would really hurt us, in terms of pushing us over the edge and what's going to happen, we do have concerns about that for tax reasons in general. If you guys have any questions.

Commissioner Cabrera: Ms. Blake will you have an opportunity to go back to your group and clarify some of the interpretations, misperceptions, whatever it may be, this is what I wanted to say, I'm not looking to defend us, but I'm just looking to set the record straight.

Ms. Blake: For the millage rate for the quote.

Commissioner Cabrera: For the discussion that unfolded early on when you were quoting a realtor, it may be the sentiment of the whole group, and I think it's important that they have all of the information.

Ms. Blake: What we try to do in our association is target the groups in which an ordinance comes up, so if the City of Coral Gables, we don't deal with our 14,000 members as a whole, we are going to deal with those realtors who either live or practice in the City of Coral Gables. So we do have a specific group for that and that realtor came from one of the chairs of that group, so I will get that clarified.

Commissioner Cabrera: It sounds to me that you are also keeping up with what's happening at the County level, are you doing this with other cities?

Ms. Blake: Yes, we didn't speak at the City of Miami, but we did speak at the County, and we also have been working with the State. There was something I was a little unclear on, and I'll be happy to share the research because I still haven't got the answer from the State. Are you familiar with the response assessment for crash fees that happened, are you familiar with the legislation, I don't have it in front of me.

City Manager Salerno: I'm familiar with it, but you can't do that in Florida, the legislature banned it.

Ms. Blake: Correct – the legislature outlawed those crash fees; some of the cities specifically in Broward, when someone got into a crash and they sent, I'm not sure sent Fire Rescue or Police response, I'm not sure who it was, but emergency personnel, when they sent them out there they would charge them a fee for sending them out there, a user based fee, and the legislature made a ruling saying that they can't do that, that specifically in the staff analysis they mentioned what cities can charge and what cities can't charge in terms of ad valorem taxes and these user fees; and so we are taking a look at that, and I'd be happy to share our research.

Commissioner Cabrera: I would be interesting in seeing.

Ms. Blake: OK. Thank you.

Mayor Slesnick: The Florida Legislature has done a lot of other things, which is one of those reasons which brings us to this juncture in income balancing. Thank you Danielle for your presentation, and sometime I'm sure any member of this Commission would like, not about the fire fee, but would love to talk to the realtors about the City of Coral Gables.

Ms. Blake: We also have foreclosure numbers and stuff like that, so we would be happy to sit down and talk to you guys about that.

Mayor Slesnick: The fact of the matter is, let me give a quick response, not on fire fee, its not my position to do that, this Commission hasn't spoken yet, but to the realtors number one, this City provides them with one of the greatest opportunities to make money on real estate.

Ms. Blake: Yes sir, and we are hurting right now.

Mayor Slesnick: This is one of the greatest places for realtors to work is Coral Gables, and one of the reasons that it is, is because of the kind of City it is, and the kind of City that the citizens have paid for and have gotten back in return for their payments; first class City with first class property values, and probably the fastest recovering home market in Dade County right now, so thank you.

Ms. Blake: Thank you Mr. Mayor.

Mayor Slesnick: Mr. Dan Thornhill.

Commissioner Cabrera: While Chief Thornhill is coming up here, Mr. Manager, and I'm not trying to be funny, have other governments begun to consider a Police response fee or anything associated with law enforcement fees?

City Manager Salerno: No, because it's not allowed, it's in Florida because it's tied to people not property, you can only do this type of an assessment because it's property based not people based, so it's not allowed.

Commissioner Cabrera: But I guess you could, you could tie it into property.

City Manager Salerno: You would have to make the nexus between a Police Officer going to a property and somehow protecting the property versus the person, that's where the issue becomes.

Mr. Thornhill: Good morning Mr. Mayor, Vice Mayor, Commissioner, Madam Attorney and welcome to our new City Manager, we haven't had the opportunity to publicly welcome you. I stand here today, I prepared a lot of thoughts and spent many hours getting ready for this, and sadly I don't need to go through a lot of this. I've heard a lot of words today, I've heard University of Miami, I've heard elderly residents, I've heard concerns about being able to sell property; the bottom line is, my comments as one as a proud member of this Fire Department, is to tell you this is about lives. We've never seen times like this in the history, probably of anyone here today; property taxes, budget shortfalls and deficits. We've sat for weeks and weeks and weeks with Chief Reed through the City Manager's Office to come up with whatever solutions we can to help the City get through these dark hours, and we are going to get through them, we all know that, good times are going to come again, but we've hit a dip in the road, but that dip in the road when it comes to your Fire Department affects lives. There is not a person in this room that can come up with an invaluable life, I know I can't; everyone of you on this Commission up here today has had the Fire Department respond to you or your families, and we are happy that we did. Sometimes we've been to many people in this audience here. We had a meeting with the City Manager, probably two months ago, and he met with Vice President Bush, President Chickillo and myself, and he was very candid, he said, the City is sick and it needs medicine, those were his exact words, and he said, I need help. So we said, hey you know what that's what Firefighters do, we help. We said, let us go back sharpen our pencils and see what we can do; we've always been there, we've helped out with pension issues, we've come right up, we are the first employee group to volunteer our five percent across the board wage decrease to help with the City. We came up with a concept to keep the unit staffed and basically bring the overtime down to zero, and that's all on the backs of the men and women behind me, they are still willing to come in 24 hours a day, 7 days a week to do what we need to do. This isn't about taxation, this isn't about calling it something different, this is about, do you want to maintain the response time we have in the City of Coral Gables? - do you want to maintain the level of service that we provide 24 hours a day? - do you want to have competent, able ready people with equipment, up-to-date, able to respond to the needs of your family? - that's the way we need to be looking at this; this is an enabling ordinance, and we understand that, and this is simply a tool to put in place that in the event we have crisis's down the road that we can operate a Fire Department effectively. The sirens you just heard earlier, I just got a text message they are responding to a building fire on 8th Street, OK, that's reality, OK, that's reality - we are here during hurricanes, we are here on Christmas morning, we are here on New Year's Eve, we are here 7 days a week, tropical storms, no matter what it is, we are the first line of defense the City has on anything. So when you think of that, and I hope the residents understand first and foremost we appreciate the opportunity to work for the City of Coral Gables, we've proven that time in and time out, we love our job. The firefighters do it, whatever you have asked us to do, we stood up and said you

know, let's go make it happen, first ones always on the front line; and I'm here today to tell you as one who's a front line person and I see the men and women behind me, and I see Retired Chief Rick Cook here, Retired Chief, he felt it so important to be here on his day off as well, that I've heard some people refer to University of Miami, they use a lot of services of the Fire Department, the University of Miami, and they don't actually offset the bill, a lot of elderly people do, lot of people....do, University of Miami doesn't, it's a great avenue to be able to pursue other revenue sources for the City, diversifying our way of looking at ad valorem taxes. Elderly residents, that's the majority of our calls are on elderly people. Put something in place so that you can keep us operating 7 days a week, have a tool that you can use in the dark hours of the City that you can implement to generate revenue if you have to keep. This isn't about salaries, this isn't about health benefits or improving the salaries or benefits of the employees, we are giving back; you are going to ratify late in the agenda our contract that we ratified to give back, that's not why I'm here. I'm here to tell you if you care about the safety of your family and your residents, and I know you do, we care about the safety and health of our people, the firefighters behind me, do the right thing, put this in place, go forward and analyze it. Its an annual decision that you can look at, there may be times it may be zero, there may be times you need to look at it, but think about it from a safety perspective. Our realtor friend back here, she talked about what it will do to impact people, you hit it perfectly; people come to Coral Gables because of their fire service, because of their Police service, OK, that's what you hear first thing out of everybody's mouth when they come here. So think about that when you talk about or worry about millage rates and some of the false numbers she had up there, but anyway.

Commissioner Cabrera: Chief, Chief, regardless of what you do, excuse me, regardless of what we do, I'm not saying this because there are a bunch of firefighters in the room, you all are going to continue to provide exceptional services. While I understand how passionate you are about this item, whether this thing passes or doesn't pass, you all are not going to stop delivering quality services to the business community as well as the residents, and I can confirm that.

Chief Thornhill: But you have to give us the tools to do that.

Commissioner Cabrera: We have been.

Chief Thornhill: I agree, and we appreciate that, and we've produced a product that's second to none, but by this fire fee being implemented, if it's needed, it will continue to give us the tools to provide that service, that's what we are talking about.

Commissioner Cabrera: We've been doing it for 84 years without a fire fee.

Chief Thornhill: We also haven't had an economy that we've had in 84 years.

Commissioner Cabrera: That's true, that's true.

Chief Thornhill: Thank you Mr. Mayor.

Mayor Slesnick: Thank you. You referred to them, why don't we ask the men and women of the Fire Department they are here, to stand up and be recognized and thank them for their service.

[Audience Applauded Firefighters]

Mayor Slesnick: That closes the public hearing. Let me first ask if we have a motion on this item then we...

Commissioner Withers: Move it.

Commissioner Anderson: I'll second it.

Mayor Slesnick: It's been moved by Mr. Withers and seconded by Ms. Anderson; now is there any further discussion at this time?

Commissioner Cabrera: Not about this enabling legislation, I want to get beyond it because I realize this is simply a formality. Mr. Manager, have you calculated what would happen to the budget that we are going to hear in September, if in fact this fee does not get approved? - or is it too early for you to give us a...

City Manager Salerno: No, I would, not quite two-tenths of a mill would need to be adjusted, the millage rate approximately, that's on the high end, but...

Commissioner Cabrera: I'm assuming it would be an increase up to two-tenths or thereabout. I don't want to corner you or put you in a tough situation, but thereabouts – two-tenths of a mill.

City Manager Salerno: It wouldn't be any more; it probably might be under that.

Vice Mayor Kerdyk: Can I just...so the two-tenths of a mill would be added to the lower millage rate that we talked; if all the pieces of the pie fall into account; we talked about two millage rates, we talked about the 5.69, and the 6.24, correct?

City Manager Salerno: As a range.

Vice Mayor Kerdyk: So this two-tenths of a mill is part of that range, correct?

City Manager Salerno: No, its not.

Vice Mayor Kerdyk: Its not?

City Manager Salerno: No. What I was saying was, I should say probably yes and no, it's a way to look at it. The range was set based upon the assumption to provide you flexibility; there are still many moving parts that we have to address here, so we came up with that range of 5.5 or 5.6, let's say it was 5.5 to 6.24, to provide you flexibility with respect to other non ad valorem revenues that are necessary to be considered, but we came up – so it would reduce your flexibility by that amount if you use approximately two-tenths of a mill to replace these revenues; and it may be necessary to have that flexibility depending upon what you do with the other items; that's why, frankly the benefit of this action today is, it doesn't commit you and it doesn't, it just provides you that flexibility later on to make those judgments. If you don't go

ahead with the ordinance you lose that flexibility in doing so, and then I would tell you, you just used up two-tenths of that and you may actually want that flexibility later on.

Vice Mayor Kerdyk: I have another question, but I'll save it for the next item which has to do with the waste collection fees, because we are doing one thing for one, but then we are asking to enact legislation to go ahead and increase fees on another legislation item that we have here, but I don't want to complicate the two issues here, so let's deal with that one first.

Mayor Slesnick: OK, any discussion at this time?

Mr. Clerk

Vice Mayor Kerdyk: Yes

Commissioner Withers: Yes

Commissioner Anderson: Yes

Commissioner Cabrera: Yes

Mayor Slesnick: Yes

(Vote: 5-0)

Mayor Slesnick: Thank you all for participating. Now remember for those of you who are either happy with our vote or dissatisfied with our vote, this is first reading, we'll be back here in August for second reading on the enabling ordinance, and if the enabling ordinance is passed the Commission will at that time then move into a full fledge discussion of, do we really want a fee and use the enabling ordinance, and secondly if we want one what would it be and how would it be implemented. So it's a three part movement here, I'm just trying to explain that to everybody, we appreciate.

[End: 11:32:48]