

City of Coral Gables City Commission Meeting
Agenda Item E-4 and H-1 are related
August 23, 2016
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Jim Cason

Commissioner Pat Keon

Commissioner Vince Lago

Vice Mayor Frank Quesada

Commissioner Jeannett Slesnick

City Staff

City Manager, Cathy Swanson-Rivenbark

City Attorney, Craig E. Leen

City Clerk, Walter J. Foeman

Deputy City Clerk, Billy Urquia

Assistant Development Services Director, Charles Wu

Public Speaker(s)

Agenda Item E-4 and H-1 are related [1:31:34 p.m.]

E-4: An Ordinance of the City Commission of Coral Gables, Florida providing for a text amendment to the City of Coral Gables Official Zoning Code, amending Article 3, "Development Review," Division 21, "Art in Public Places Program," Section 3-2102, "Applicability," Section 3-2103, "Art in Public Places Fund Requirements, Waivers, and Exemptions," Section 2104 "Administration," and Section 3-2105 "Enforcement," Section 2-2106, "Definitions"; increasing Art in Public Places contribution for non-municipal construction projects providing incentive for option to direct certain percentage of contribution to public parks and open spaces, clarifying the ordinance by utilizing the words "alternative options" in lieu of the word "waivers," modifying procedures of the Art in Public Places Program; providing for repealer provision; severability clause, codification, and providing for an effective date.

H-1: Discussion regarding Open Spaces, Park Impact Fees and Transfer Development Rights

Mayor Cason: E-4.

City Attorney Leen: Thank you Mr. Mayor. Item E-4 and H-1 are related, so what I would propose doing is reading E-4, the title and opening the public hearing and then having discussion of the Commission. I know that there will also be a presentation on H-1 during the consideration of this item. So Item E-4 is an Ordinance on First Reading, it's a Zoning Code Text Amendment. An Ordinance of the City Commission of Coral Gables, Florida providing for a text amendment to the City of Coral Gables Official Zoning Code, amending Article 3, "Development Review," Division 21, "Art in Public Places Program," Section 3-2102, "Applicability," Section 3-2103, "Art in Public Places Fund Requirements, Waivers, and Exemptions," Section 2104 "Administration," and Section 3-2105 "Enforcement," Section 2-2106, "Definitions"; increasing Art in Public Places contribution for non-municipal construction projects providing incentive for option to direct certain percentage of contribution to public parks and open spaces, clarifying the ordinance by utilizing the words "alternative options" in lieu of the word "waivers," modifying procedures of the Art in Public Places Program; providing for repealer provision; severability clause, codification, and providing for an effective date. This item is sponsored by Commissioner Lago. With that Mr. Mayor, I turn it back to you and to the sponsor.

Commissioner Lago: Well just to be brief. The purpose of this ordinance is to not increase the amount of money that goes to art, we want to keep it at one percent, but even though the County has a one point five (1.5) percent fee that goes to art. What I want to do was make sure that we had a funding strategy, a mechanism to continue to perpetuity buy private land or homes and make them into passive parks like we've done with the seven pieces of property that we just recently bought over the last year and-a-half. Taking that into consideration, I thought that we could raise the Art in Public Places fee to one point five (1.5) percent, leaving one percent for art and point five going directly into a piggybank which could be used only for the purchase of land, not for the refurbishment of an existing park. After speaking with Craig, he made it clear that my request was a little ambiguous in the sense of that we couldn't potentially procedurally do that, correct Craig?

City Attorney Leen: That we could procedurally...?

Commissioner Lago: That we couldn't just have one and one point five. That it needed to be some sort of bonus program.

City Attorney Leen: So the current Code already provides for a one percent fee and it allows for an alternative which is the purchase – that can be contributed by the applicant for purchase of open space or parks, and that open space alternative can be done in lieu of the contribution for Art in Public Places. My understanding is that that provision, that alternative has not been used. So what the Commission is essentially doing through this ordinance is creating an incentive

program; it's doing two things, its increasing the Art in Public Places percentage and its creating an incentive program to have people, applicants potentially do the open space component for a portion of the Art in Public Places fee. Do you want me to describe it?

Commissioner Lago: Yes.

City Attorney Leen: Under the ordinance as written there would be a two percent that the Art in Public Places fee would go from one percent to two percent for non-municipal construction projects, which are construction projects that are not done by the City, they are done by private entity that exceed a million dollars.

Mayor Cason: Let me ask you right there. Is that for projects starting at the passage of the second ordinance, Second Reading, or how would that fit with Spanish Village and the other things we've approved?

City Attorney Leen: That is something for the City Commission's determination because these can be applied up to the time of permitting. Once something is permitted the fees are locked. My understanding from the Assistant City Manager is typically in the City, we look at the second BOA, the final BOA as the date that is key, so anything that's already, where the fee has been paid for second BOA and they are going before second BOA, we would typically not apply a change in the law, if it's before that we would. That's my understanding Mr. Assistant City Manager, is that the way that you look at it as well?

Assistant City Manager Iglesias: The Building Code has been interpreted when the final Board of Architects approval, the Code in effect at that time is the Code throughout the project.

City Attorney Leen: So it's actually when it goes to the Board and they issue the approval. Now one issue that came up before the Planning and Zoning Board, and I know you have the Development Services Director here who can talk to you about the substance of this. Just remember procedural posture, the Planning and Zoning Board did propose, they supported the increase to two percent with the incentive program, and the incentive program, just so you know, the incentive program would be, although the fee is increased to two percent, if you agree to contribute point five percent to open space then the total fee, the art fee plus the open space component would be one point five percent. So essentially, you would receive a point five percent incentive for participating in an open space program that's being created here.

Commissioner Lago: So if I may interject. In my opinion, again, you never know anybody may be generous, they may be feeling generous at that point and say, let me have two percent go to art, because they are advocates of public art, but what you publicly see on a continual basis is

people saying, OK, I'm going to opt for the one point five percent; one percent continuing to go to art and point five going into like I mentioned, piggybank for the purchase of private land to make it public, pocket parks.

Mayor Cason: What if they wanted to give one and-a-half percent to parks?

Commissioner Lago: The problem is that I don't want to take away from the monies, it's a good idea by the way, it's a great idea. I don't want to take away the monies from what we have right now in reference to public art. I think that's essential.

City Attorney Leen: So there were comments made, this went to the Cultural Affairs Board, which they unanimously supported it, but they did say they would want the art fund to be essentially held harmless. So they don't want money diverted from the art fund into an open space fund.

Commissioner Lago: And by the way, just so you are aware also. Like I mentioned in the beginning, like I prefaced my comment. If you are doing business in the County, you are already paying one point five (percent) for public art, and basically everyone there strokes a check, they don't go through the headaches of potentially bringing out an artist, or designing it, and getting the approvals. So, I think that this falls in line with what the County is doing and it also allows us to in perpetuity fund the purchase of private land.

Mayor Cason: Is another incentive the, I think it was proposed by Planning and Zoning, to drop soft cost from the calculation...

Commissioner Lago: And that's a discussion that I had with the Assistant City Manager, because my understanding, correct me if I'm wrong, the figure that is used to calculate that one percent of the art fee is what you place on the permit application. So let's say your project is a million dollars of construction, you are going to put down a million dollars of construction. I've never seen people put down soft, hard, and land acquisition, and correct me if I'm wrong Dona, or...

Historic Preservation Officer Spain: We've developed a separate form for that and we explain on that form that its soft cost also, which is everything. Its engineering, architectural, you know it's not just the...

Commissioner Lago: So I'm incorrect then.

Mayor Cason: I thought we had included soft on some projects, a couple of years ago we actually had a discussion on that.

Commissioner Lago: But let me ask you a question. When you fill out a permit application and I do it for residents all the time when they come to me when they want to discuss the issue, when you put down cost of work \$15,000 for any driveway.

Assistant City Manager Iglesias: The Building Codes traditionally uses cost of construction.

Commissioner Lago: OK. That's what I've always understood.

Historic Preservation Officer Spain: It's very specific in the ordinance that it does not refer to the definition in the Building Code, it's actually in the ordinance....

Mayor Cason: And it's over a million dollars...?

Historic Preservation Officer Spain:...That was unintentionally long before...

Mayor Cason: And it's over a million dollar commercial.

Historic Preservation Officer Spain: It's over a million dollars – commercial.

Commissioner Lago: Commercial. But I think it's a good opportunity. Usually soft costs are what?- ten, fifteen percent?

Assistant City Manager Iglesias: Ten percent.

Commissioner Lago: Ten percent of a project. So again, its money, but we are not talking about a huge amount of money. I know exactly where you are going. When you talk about large projects like for example, Mediterranean Village, the numbers are staggering and I understand that, but that's once in a lifetime. Very few people can assemble seven acres of property in the City of Coral Gables.

Historic Preservation Officer Spain: Right now we require the applicants, the developers to sign an affidavit that's notarized...

Commissioner Lago: Which by the way, I'm not going to single anybody out. Mr. Iglesias understands very clearly that we have to be very, very careful what people put as cost of construction, number one; and number two, in the past I've seen certain approvals in regards to Art in Public Places which are shameful, in my opinion.

Historic Preservation Officer Spain: I'm not going to disagree with you. And we have had...

Commissioner Lago: And when I say shameful, I'm sorry to interrupt you, I don't mean by the quality of work, again, art is in the eye of the beholder. What I mean is the approvals that were given in regards to the values that people have put on certain things, which are very difficult to swallow.

Historic Preservation Officer Spain: We recently had an application that the cost of construction on this affidavit was \$999,000. We asked them, you need to verify that. Submit to us proof that that's...

Commissioner Lago: Oh by the way, just so you are aware, in my line of work the way that it's conducted is very simple. They ask for a contract in between the developer and the contractor or the contractor and the architect, or whoever the design team is. It's through an AIA contractor, which is notarized and submitted to be recorded in the County.

Assistant City Manager Iglesias: In this case we would ask for an AIA contract, condition to that we would review the AIA contract to make sure there are no issues that are submitted that are provided by the developer which would add to the construction cost, because sometimes things are by-owner, but they are still part of the construction cost.

Commissioner Lago: But I think this is something that maybe we could hash out between First and Second Reading and I think it's beneficial because I think we need to hash it out on all levels, because right now what Dona brings up is kind of in contrast to what we are doing on the third floor. It's not a big deal, but I think that we need to figure it out. And the last thing I want to do is, and I understand the purpose of what Craig is trying to do with the two percent and then bringing it down to one point five as a bonus. The end-all by-all is that no one is going to go with two percent; they are going to save point five.

Historic Preservation Officer Spain: I need to interject here. Also as part of that of this proposal that you have in front of you is, and this went to the Cultural Development Board, that if they want to do art, if they don't want to just pay into the fund, the one percent and the additional point five percent, that that would be at two percent, the value of art would be at two percent. And that was done intentional on staff's part and on the Cultural Development Board because we want, if they want to do the art, they have a high quality art, number one; and number two, we really want them to give the money. We want to have the money in the art acquisition fund so the City can do that. So that's incentive of them to give the money.

City Attorney Leen: So what that means from a legal perspective is there is a real choice; this is not just an incentive everyone is going to take the one point five. You could still put art in your project that's a real choice, but you have to do the two percent, you can participate in the program.

Commissioner Lago: And Craig, excuse me, I want to be very clear, and it has to be very well documented either through the purchase from an art gallery, established art gallery, reputable art gallery, the key being reputable.

Historic Preservation Officer Spain: The artist needs to be prequalified.

Commissioner Lago: Prequalified – no, but sometimes you know the art world is not, in certain instances the most transparent.

Assistant City Manager Iglesias: Commissioner, I think we can deal with this. We can simply use the AA contract at ten percent, if they feel it's less than they can submit their consultant contracts, we can add that. So I think we can work with either one.

Commissioner Lago: And I'll close with this before maybe my colleagues have some comments. The goal of this is to, again, have a mechanism in place where we can buy one piece of property a year in North Gables, South Gables, wherever it may be. I want to be able to deliver on that; and again, the City is going to continue budgeting money, like we have every single year to purchase land, but I'll love to see if the business community can buy into this, and also see the importance of really making this a habit.

City Attorney Leen: So Mr. Mayor, just to finish what I was saying about – I do want to be clear on the record what the legal basis is for the incentive program. So the ultimate idea is that two percent is within the range that the Commission could approve for an art program. My understanding from staff is there are, at least some cities that go up to two percent, there is a range and two percent is within it. So because you could adopt a two percent art fee, the provision of an incentive program, which would lower it to one point five, does nothing different than what you can do anyway. If we just had a two percent art fee that would be perfectly legal and permissible. You are creating an incentive program because people are not taking advantage of the fact that they can do the open space alternative and you are creating an incentive to try to increase applicants to do that. The open space provides a similar benefit in many ways; I'm not saying its equivalent of the same, but a similar benefit to public art in dense downtown areas, which is one of the benefits of an Art in Public Places Program. So in my view, there is a rational basis to proceed with this type of incentive program that makes it legal.

Mayor Cason: Just to clarify. Is part of the proposal that soft cost would not be counted if you go for the one and-a-half percent?

Historic Preservation Officer Spain: That's not how it's written in the proposal.

City Attorney Leen: The Planning and Zoning Board has proposed that instead of using soft cost that you use hard cost, which would lower, obviously the total amount that this would be calculated based on, because hard cost is a more limited figure than hard and soft cost, and that's something that you may want to ask staff to come back with, to give a final recommendation at Second Reading.

Commissioner Lago: I would request between First and Second that staff take a look at it and give us their interpretation.

City Attorney Leen: One last thing is, in discussions with you individually and in discussions with the City Manager, I would propose that a few words be added to this, its Section 3-2103(a)(2). Right now it says that one half percent going to the purchase of parks and open spaces. So what I would propose that it be changed to is going to the purchase or improvements of parks and open spaces, to make it clear it can be used for improvements; and then second, that there also be a clause that says that, that if there is a determination by staff that this cannot be readily used for parks or open spaces. It could be used for an equivalent public benefit, and we could work on the wording of that between First and Second Reading, but that would be the other proposed addition.

Commissioner Lago: My ultimate goal is, like I mentioned before is to purchase, to purchase open space that is the key.

Mayor Cason: Now what if, for example, the Mediterranean Village decided to bring a very expensive piece of art from...which they have tons of art there, and they were originally talking about bringing some of the art, would that be an alternative to them?- not purchase, but bring and install.

Historic Preservation Officer Spain: Is that done by a separate agreement?- that project I think has a separate agreement going forward.

City Manager Swanson-Rivenbark: There is a development agreement that governs that there is a requirement for the Art in Public Places for the City and then there is also a separate amendment associated with either public safety or additional public art. But I think what the Mayor is saying

is, if a developer has legitimate quality art can they apply that to their obligation for the Art in Public Places?

Mayor Cason: Without having to purchase it, because the word says purchase.

City Manager Swanson-Rivenbark: No, no, no. But there is a...

Historic Preservation Officer Spain: You are talking about an appraisal on...

Mayor Cason: So it's another option, that's why I want to make sure that this option was there, because I could see that being done in terms of certain developers. OK. We have a motion on this?

Commissioner Lago: So moved.

Commissioner Keon: Are we going to discuss this?

Mayor Cason: If you want to discuss it.

City Attorney Leen: Did you close the public hearing Mr. Mayor?

Mayor Cason: Yes – do we have any speaker cards?

City Clerk Foeman: No Mr. Mayor.

Mayor Cason: So we'll close the public hearing.

City Attorney Leen: And then there was Item, I believe H-1, do you want to hear that now?- or do you want to vote first. It is First Reading, so...

Mayor Cason: Why don't we vote because that brings in TDR (Transfer Development Rights), which is different.

Commissioner Keon: Yes, that's a different story.

Mayor Cason: Let's take care of this one first after discussions.

Commissioner Keon: You know, I think we keep putting additional requirements on people that come here to build when we can't figure out how to fund something, we just assign that cost to

somebody else, and I don't think that it's appropriate, I really don't. I think one percent of some of the larger projects for Art in Public Places is fine, I don't think we need to go to two. We don't have lots of plazas and open things, but I think I like seeing them included in their projects and whatever, but I don't like to continually add. I think it's a burden that you add to people as they begin to build where the different fees and whatever that are assigned to those projects become so high and if they start looking for reduction in permit fees or something else to be affordable, we can't reduce permit fees, that's what the permit fees are what it cost to do the inspections and to process permits and whatever else. You know, I had a discussion with the Manager yesterday about with regard to impact fees and we do have impact fees, we have a park impact fee. It doesn't apply to commercial properties; I mean I'd rather look at maybe the impact fee going to look at a park impact fee for commercial properties if we are looking for open spaces in the downtown areas and in the more developed areas. I know as we start to look at our plan on North Ponce, those areas that actually do need some open spaces and they need some parks and things like that, that park fee, the impact fees can go to that in that area; and the impact fees that now exist, the park impact fees now are in residential, you know are primarily in the residential communities. I'd like to see what kind of money you can raise from that. And I know it's because we are always looking for additional resources in revenues and that they not be and it not touch the tax rate, and so we just continue to place fees and fees and fees on other people so that we don't have that, so I think that we do a good job in allocating dollars annually into our budget to fund parks and open spaces and land, rather than continue to do this, I would rather just see us budget appropriately or maybe look into, if we are going to do parks look at the impact fees related to parks. I also understand that in the impact fees though, if it's an impact fee, it can only be used for the purpose, for the purchase of, you can't use them or in this it can be used to upgrade a park, an existing park?

Mayor Cason: No.

Commissioner Keon: It can do what?

City Attorney Leen: The impact fees for parks?

Commissioner Keon: No, in this ordinance.

City Attorney Leen: This ordinance can be used, well the way that I've mentioned it; the way it's written it says the purchase of open space and parks. I proposed including the word improvements. Although, I would also defer to the sponsor or the Commission as-a-whole regarding that, but I have proposed that the word improvements be added, because sometimes you may have an open space that you want to put a playground on, so I've been informed.

Commissioner Lago: I'm perfectly fine with saying that's it's for the purchase and maybe improvement of that park that was purchased, but let me give you some reasoning behind why I think that this ordinance is important. First off, you mentioned fees, I'm not familiar when we raised fees here, when was the last time we raised fees for developers in this community. I can't remember and educate me, because I have a senior moment all the time and potentially I've forgotten, but I can't remember the last time we raised fees and I've been here three and-a-half years, so I'd don't even know when was the last time we raised fees.

Commissioner Keon: Well, I don't think it's only the fact that you are raising fees. I think the cost of construction is more expensive, the cost of land becomes more expensive, and so you don't have to raise fees to continue to get more money, because it's the cost. You know, you talk about Mediterranean Village, I don't even know what the anticipated construction costs of even like Paseo or something like that is. I don't really know, but an additional two percent on top of that...

Commissioner Lago: No, it's not two, they are only paying one.

Commissioner Keon: They are paying one.

Commissioner Lago: They are only paying one, and extra point five.

Commissioner Keon: Well, I thought this was raising it to two. Is this raising it to two?- two percent?

Historic Preservation Officer Spain: It will be two percent, but if they want an option to go to the parks it will be brought down to one point five.

City Attorney Leen: Just to be clear, there is a fee resolution; it does increase from year to year.

Commissioner Lago: But they are not new fees...

Commissioner Keon: No, it's increasing fees.

Commissioner Lago: It's increasing existing fees that go up. The purpose behind this mechanism is we speak with Commissioner Slesnick on a continual basis in reference to her expertise which is residential real estate. We talked about today and I asked her that I could not believe that little lots next to my grandmother's home on Minorca is selling for \$8, \$900, a million dollars, little homes there, 2,000-3,000 square foot homes. If we are going to deliver in North Gables which we all agree is the need, the drastic need for open space, you've got to fund it somehow

someway. The budget is great; we've answered a significant amount of deferred maintenance that's been left for us to deal with over the last ten or fifteen years – sidewalks, streets, open plazas, areas of entrance features of the City which are going to be redone, hopefully in the next month they'll be started, but you can't put \$300,000 away every year in a budget to buy open space and meet the requirement that North Gables has, it's just impossible, there's no way. There has to be – what are you going to do?- you are going to save for ten years to potentially buy two pieces of property?- it's just not a possibility. There are some pieces that I've mentioned to the Manager that are spectacular pieces in the heart of North Gables that are one and-a-half million, two million dollars, and that they are negotiating, they can't even buy them because of the cost. If we had a mechanism in place that's constantly feeding a line item in the budget, I think you know, we could potentially entertaining continue to buy property, but right now we don't have that, we are just putting \$300,000 away. How much do we have in the line item for the budget right now?

City Manager Swanson-Rivenbark: October 1, 2016 you'll have \$1.5 (million).

Commissioner Lago: \$1.5 would potentially maybe buy one piece of property.

City Manager Swanson-Rivenbark: That does not include the park impact fees also, we have not spent those.

Commissioner Lago: But I'm just saying, the only reason why we were able to buy seven pieces of property and I give credit to the Mayor before at the beginning of the meeting was because we were able to get those trash fees back.

City Manager Swanson-Rivenbark: It's also Neighborhood Renaissance though as several of the parcels were purchased within our...

Commissioner Lago: A lot of the money, but a lot of the money also came from the garbage fees.

Commissioner Lago: But I also think that if we want to make an expressed issue of going out and buying parks that we can grow bonds and we can make it a park initiative bond that is paid for covered by all of the people. I also think that there are other opportunities. You could put in a one percent bed tax on hotel space. You are doing more and more hotels are being built in the City, you could look at some sort of bed tax, but we keep going back to the same well every time.

Vice Mayor Quesada: Do you think that that additional one percent is going to discourage...

Commissioner Lago: Additional point five.

Vice Mayor Quesada: What I'm hearing from you Commissioner Keon is that, that additional half percent you believe is going to affect a developer from wanting to do a project in the City of Coral Gables.

Commissioner Keon: I don't know that it's going to affect them from wanting to do the development in the City. I think it's that we just keep going back to the same well. What I'm saying is, I think it's something that, yes, we would like money to buy open space, we would like all those things, but where do we go to get it and we shouldn't keep going back...

Commissioner Slesnick: Our economy is doing so well right now though and that's why everybody wants to build in Coral Gables. So right now we have so many more people wanting to come in and I think they would pay that extra half a percent just because...

Mayor Cason: I think they would pay it...

Commissioner Slesnick: There is no shortage of new people that want to come into Coral Gables. Can we reduce this down the line if we vote now and three years or four years if the economy slows down we could back track.

Mayor Cason: Do you think between this, if this was to pass now and Second Reading you'd be able to calculate where the projects you know that are coming on, the value and how much this would bring in for the parks? Can you come up with a ballpark figure?

Commissioner Lago: Javier just a quick question. You speak to the business owners, you speak to the developers, is this issue going from one to one and-a-half, which is already established in all the municipalities that surround us, we only put one percent, are we out of line?- are we out of context?- are we not playing by the same rules everybody else is?

Vice Mayor Quesada: But you said that the County is one and-a-half.

Commissioner Lago: But is the ask too significant?- be honest as always.

Mr. Betancourt: We haven't done an analysis of that and we have received no comments from the business community or the development community either in support of or opposed to, but frankly we haven't had that conversation.

Commissioner Lago: But have you heard from any developers or individuals that maybe that have come to you and said that our fees are exorbitant; they are out of context with our neighboring municipalities?

Mr. Betancourt: It's always a factor; we have to lay out the pro former and see if the numbers makes sense, but I have not heard a specific comment of that type.

Mayor Cason: But you know one thing, going forward one thing that will go up is the cost to buy park land will go up a lot we've already seen.

Commissioner Lago: And by the way, its standard practice and its understood in the real estate business and you can tell. If you are buying a home or you are going to buy a building and I'll give you a fair example, because I did the project, the piece of property adjacent to ICOM Brickell where they found the Indian remains, I built that project. There were supposed to be two high-rises on that property and they ended up finding those remains there. It was in litigation for about ten years, embroiled in litigation. They did an RFQ, they qualified my firm to build it and we helped design it. To make a long story short, ICOM Brickell hit a home run by building their project there. Property values went up – why?- because you literally had adjacent to you on the water a two and-a-half acre piece of property that would never be built on. Didn't obstruct your views, gave you perfect open space for individuals to go run around, walk their dogs, instead of being in a congested area, another building blocking your view or not having the ability to really go outside and open space or having to walk three miles to, what is the name of the park where the PAM is located? No, where the PAM is located...

Vice Mayor Quesada: Museum Park.

Commissioner Lago: Museum Park. You have something on Brickell that's a treasure on Brickell. So, I'm not saying that we are in the same situation as that. Would I love to have a park in the middle of downtown?- yes, of course, but you are talking about the prices are exorbitant for property right now. But in downtown, excuse me, in North Gables like the Commissioner has spearheaded the North Gables review, can you imagine if we are able to sprinkle little pocket parks all over the place so these people who live there and step out of their buildings, instead of having to head to the Coral Gables Youth Center, they can enjoy a park like what we did with Lisbon, you know that is an asset. We had over 70 people that turned out for that discussion, I was there, and you know what there question was outside of what's the programming for this park, the question was, hey by the way can we do this three blocks down? Anybody who was there was – I was caught off guard by the interest of the individuals in that neighborhood just requesting for open space, and by the way, when they say open space they are not talking about they were all anti basketball courts, they were anti-parking, we don't want parking. We want

people to walk to the park, sit under a tree, toss a football, enjoy the butterfly garden, whatever it may be that the final programming was, sit on a bench. So the cost is really the purchase of the land and the landscaping that's going to happen there. Again, I think it's a good idea. I understand Commissioner Keon's concerns and as always between First and Second Reading, I'm more than amicable to tweak or change if our fees are exorbitant, if we are charging more than the other municipalities around us, we can always work on it or I can abandon the ordinance altogether if it doesn't make sense.

City Attorney Leen: Commissioner, I would suggest just to build a record that we – because there is non-municipal fee for non-municipal buildings like county buildings, and then there is the one for, pardon me, for municipal buildings, and then there is the non-municipal building which some cities have fees, my understanding is some do not. So what we probably should do just to build a record and for you to make your determination is, have a list of what is the municipal building fee and non-municipal building fee for each of the municipalities around here and for the County, and then you'll have all that information at the next reading and you could see whether this is...

Mayor Cason: And then you can also come up with a ballpark figure of how much money potentially for parks from the projects that you know of right now and estimated values.

Commissioner Lago: And also remember, I want to go off of what the Mayor just said, I'll be very brief. Remember to buy an 8,000 square foot lot in North Gables, \$5-\$600,000, that's a lot of money. Again, nothing against the City of Miami, nothing against West Miami, South Miami, there is a significant reduction in cost of land acquisition. We need to take that into consideration.

Historic Preservation Officer Spain: Just for your information, we have, we were checking what we have in the fund now and we have in the art acquisition fund \$704,500.

Commissioner Keon: How much?

Historic Preservation Officer Spain: \$704,500 – and I believe that \$458,000 of that was this year, is that right?

Commissioner Lago: Dona let's put it into context. I don't want to put you on the spot. We have \$700,000, right?

Historic Preservation Officer Spain: Yes.

Commissioner Lago: Can you seriously think that with \$700,000 we can go and buy a significantly important artwork?

Historic Preservation Officer Spain: Well that's the issue. The total that we've collected since we've been collecting this is \$1,900,000, and a portion of that obviously went to the Streetscape, but we still have \$704,000, and in the Municipal Project Historic Fund we have \$340,000.

City Attorney Leen: Just so you know, the Municipal Fund that's a one point five percent fee – understanding is one percent goes to the Historic Fee and then point five to the Art Acquisition Fund.

Mayor Cason: Any other discussion?

Commissioner Keon: I guess I have concerns when it comes to, you know we talk about the cost of housing in the City and the cost of housing is high because people build whatever. I'd like to see – I have a concern with our having to provide for some workforce type housing and what are we going to do and what we require of developers, residential developers if they are doing workforce housing and if they are willing to give ten percent of their building space to more affordable, you know do we then waive some of these provisions for those kinds of people or whatever. There are all those issues too.

Vice Mayor Quesada: Commissioner Keon, I am 100 percent agreeing with you on the workforce housing issues. That was one of the ideas that we had discussed that it was actually the City Manager's idea to try to attract some of the best teachers to our public schools through that workforce housing initiative if you teach at one of our public schools you have preferential. I know staff is still working through the details on that. I think until we have that issue worked out, let's implement this one and-a-half percent, let's get this going once staff comes back to us with a plan on the workforce housing aspect, we can always adjust accordingly, that's my thought.

Commissioner Keon: I would rather give them some of that office building make a percentage of their housing because I think there are so many issues and so many needs.

Vice Mayor Quesada: That doesn't mean we can't change it, but until we have a detailed plan we can't segregate those funds.

Commissioner Keon: Right.

Vice Mayor Quesada: So moved.

Commissioner Keon: The two percent – you are increasing the Art in Public Places percentage to two percent from one percent?

Commissioner Lago: Yes, but what ends up happening is that what you'll see is, again, I could be wrong, somebody may come in and say I want to give two percent or I want to buy two percent...

Commissioner Keon: If you are directed toward...

Commissioner Lago: It's a bonus program to basically end up at one point five; one percent for land, one percent for art, excuse me, and point five for land acquisition.

Commissioner Keon: What happens to the part in the original ordinance that calls for open spaces?- does that still remains the same?

City Attorney Leen: That's actually been removed, that's been removed, yes.

Commissioner Keon: That's being removed so that this will be in its place.

Vice Mayor Quesada: Hold on a second, I'm sorry, I missed that.

City Attorney Leen: So what it does is, the ordinance used to have that, there was a provision...

Vice Mayor Quesada: I'm familiar with the ordinance what it said, so are you telling me now that if we adopt this, there is no more public open space requirement?

City Attorney Leen: No, no, no. So the ordinance allowed you in lieu as an alternative to the contribution to the art fund, it allowed you to do four different alternatives; one of which was which has been used incorporating the artwork into the property, one of them...

Vice Mayor Quesada: Which is what we did on Alhambra, which is not yet complete for that project.

City Attorney Leen: And one of them was causing the purchase of parcels identified in the City's parks and open space inventory and now not equal to or greater than the Art in Public Places fee that otherwise would be required and donating such parcels to the City. My understanding is no one's every used that, so we are removing that as an alternative and instead we are moving it up into the main body of the ordinance where it says that you can provide a point five percent, if

you provide point five percent to open space then you get this incentive and then you'll put one percent toward the art fee.

Historic Preservation Officer Spain: And there is still an open space requirement for development.

City Attorney Leen: And this doesn't affect that...

Vice Mayor Quesada: Got it, clear – so moved.

Mayor Cason: Alright. Vice Mayor made the motion, who wants to second?

Commissioner Lago: I'll second.

Mayor Cason: Commissioner Lago seconds – City Clerk.

Commissioner Keon: Yes

Commissioner Lago: Yes

Vice Mayor Quesada: Yes

Commissioner Slesnick: Yes

Mayor Cason: Yes

(Vote: 5-0)

Commissioner Lago: And like Commissioner Keon said, we'll talk about it later, see if we can get some information between First and Second Reading to appease and let's be as comfortable as possible. I live the 5-0 vote.

Mayor Cason: Let's continue to talk on H-1 now, which has got the transfer development rights aspect.

City Manager Swanson-Rivenbark: We are having Charles come back into...since it is germane he is here and ready to go.

Assistant Director Development Services Wu: If you could pull up the slides. Thank you. We have four simple slides to introduce to you and give you a comprehensive overview of what we have been doing to date. One is to address the impact fee update, the idea of a mobility fee, something you talked about earlier as a workforce housing study. We talked about earlier the Art in Public Places fee approved on First Reading, the open space requirement and the open space to the arts. We have been working on impact fees to gather for several months and we believe

we'll have the first draft after it's reviewed by the City Manager's office. We have tentatively scheduled for October that will update all the fees, including parks, municipal facilities, police and fire. We'll also update our administrative fee which we have been charging for the past six years and its usually updated census and funding date that we have to date, we have better data in this exercise. As a caveat, we could not include annexation areas and that would be a separate effort. And as part of this impact fee, we are introducing the concept which is a mobility fee since we have no impact fees we are coming up with a thought about quantifying how we can charge a mobility fee and this is for pavement, bicycle facilities, sidewalks, etc., for the entire City. We will also be engaging in a consultant to do a workforce housing study, we are about to sign a contract pending review by internal departments. If we sign that in September we expect completion in four months and early next year we'll have a proposal for you. And as part of the workforce study as you all have a linkage fee for your preview. Also, the City Manager asked us to look into an open space transfer development rights for downtown. For instance, if someone wants to dedicate open and its perpetually open space for the public use, we can sell or that person can sell TDR's should that space for ever remain open space.

City Manager Swanson-Rivenbark: And just for clarification. It's not exclusively downtown, it is citywide.

Assistant Director Development Services Wu: It is citywide. And something Commissioner Lago brought up is open space requirement to meet our current Code regulations. We've done the draft, we sent it to you a couple of months ago, we are doing a comprehensive review of open space requirements and come up with some proposed changes that were warranted and discuss the Art in Public Places fee. This is a graphic that may give you an idea about art in public places we wanted to quantify it, and this is an example of 100,000 square foot non-municipal building estimated cost at \$27.5 million. Today's fee the art at one percent would be \$275,000, and as it goes up to one point five, the \$125,000 will remain the arts fee, other that \$137,500 will become the open space dedication, and the two percent, as you can see exceed half a million. So that's quantifying the numbers for you. Again, this is a broad brush we've been working on six initiatives, just giving you an update where we are. Any questions?

Mayor Cason: So you'll be back to us in October with something more concrete.

Assistant Director Development Services Wu: As these move along and we consider the five we'll bring for future agendas.

Commissioner Keon: Your workforce housing study that you are doing that's due in September, do we respond to – was it the League of Cities that is working on a response?

Assistant Director Development Services Wu: The County approved the ordinance on First Reading and it's a countywide imposition to cities and Craig can talk about it a little bit more.

City Attorney Leen: The City Manager and I met with Commission Jordan, who is the sponsor of the County item, also attended the Miami-Dade League of Cities meeting and what we did was all the cities have put together a proposed alternative to the County version, which has a municipal paragraph which essentially allows municipalities if they are not exempt, cities under 10,000 would be exempt, but for Coral Gables which is over 10,000, it allows cities to create their own program and then make legislative findings that the City has addressed the problem the way it thinks is appropriate. It's respectful of the City's Charter and is comprehensive plan, so we were not required to violate those in any way, and it's ultimately up to the Commission to determine what is the appropriate way to address the workforce housing issue. We did let Commissioner Jordan, the County, and the other cities know that the City of Coral Gables is in favor of workforce housing based on the Commission's previous actions in this area and statements, and that we would be going forward with the program either way, City Manager is there anything else?

City Manager Swanson-Rivenbark: Absolutely true, plus we had in our Comprehensive Plan for several years a workforce housing component so this allows us to bring our plan up to date.

Commissioner Keon: I know that at one point in the workforce housing program that we were looking at, the median income that was used was the median income for the City of Coral Gables. I know in Commissioner Jordan's it is marked to the County's median income for the...what is it?- 140 percent of the poverty level. What do we use?- and as municipalities what can we use?- what number do we use?

City Manager Swanson-Rivenbark: In our program which we have the right to create, we will be using a Coral Gables demographic income not a countywide demographic income, and Commissioner Jordan understood that and was supportive of it.

Commissioner Lago: I was at the meeting, as a representative for Commission of League of Cities, I attended with Craig that evening and he gave a thorough presentation also, along with the other County Attorneys; and just to echo the sentiments of our City Attorney, we explained that we will be complying that we are looking forward with complying. This Commission has their own expressed interest and needs to provide this type of workforce housing, but that it would be under our terms, and it would be what the City deems as appropriate, but that we knew that the residents in the community were clamoring for it.

Commissioner Keon: And we are not subject to any of the percentages or income levels that they...

Commissioner Lago: That's why I told you it would be under our terms and that we realize that there is extensive need, especially for the people who live in this community, excuse me, who work in this community who want to live near where they work.

City Attorney Leen: In fact, if I could say. One thing that was really, that's been good about the process is, you know how with the County and with the School Board we've raised the fact that the City should be able to establish its standards and that those are unique and that they are subject to our zoning, things like that. There is also a provision of the Charter 6.02, which says that cities to preserve their uniqueness essentially and individuality that cities can have a higher standard of zoning, regulation and service. We raise this because it's something Coral Gables has stood for, for decades. Other cities also agreed with that. We raised this with the County and this is one of the first times that they've really incorporated that concept into an ordinance whereby what they are saying in this ordinance is, the minimum standard is that we address the issue of workforce housing. The City determines how that's done and the County will defer to the legislative findings of the City Commission.

Commissioner Keon: Thank you.

Mayor Cason: Thank you.

Assistant Director Development Services Wu: Thank you.

[End: 2:17:16 p.m.]