

City of Coral Gables City Commission Meeting
Agenda Item I-2
February 14, 2017
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

Public Speaker(s)

Henry Iler, Principal with Iler Planning in Stuart, Florida
Craig Collar, Special Counsel for the City

Agenda Item I-2 [2:13:11p.m.]

Status report regarding annexation.

City Attorney Leen: With that Mr. Mayor, if it's acceptable at this time, I would like to go to I-2.

Mayor Cason: I-2.

City Attorney Leen: Thank you. Mr. Mayor, I-2 is a status report regarding annexation. We have here today two consultants for the City, one is the planning consultant, Henry Iler and the second is the former Assistant County Attorney, now he's a Special Counsel for the City, Craig Collar. The main point I want to say before they speak to you and please ask them any questions you would like, but I just would like to first give thanks, say thank you to Commissioner Rebecca Sosa and Commissioner Xavier Suarez. Commissioner Sosa first has been working with us on the annexation of Little Gables. Her main goal, she's informed me, is that whatever happens be

the will of the residents there, the City Manager and I know the Commission supports this and I do as well, has raised the issue of making sure that if we do go forward with an annexation of Little Gables that it has a super majority support and that that be 66 percent, and Commissioner Sosa has agreed to that. So we are presently going forward with a survey, it has just been approved as to form, and so it's in the process of being finalized and it will be sent out to the residents of Little Gables and they'll have an opportunity to let us know if they'd like to be annexed. We've told Little Gables, assuming they get to the 66 percent and we can address a couple issues that are going to be raised, that are going to be discussed at some extent today, that we would be happy to have them, assuming the rest of the annexation process is passed and of course the City Commission and the County Commission approve annexation. In addition to that, we are meeting; the City Manager and I this week are meeting with Commissioner Xavier Suarez to talk to him about the same thing, but this time in relation to High Pines and Ponce Davis. He also is very open, however, the City would like to proceed, and he also is most interested in what the will of the residents are in his District, and in particular those areas. He has been very flexible and he's looking forward to meet with us and we are looking at maybe doing a survey there as well or something similar. We are also looking at trying to get a super majority support for whatever we do, 66 percent again, and we'll determine how to do that in that location once we meet with Commissioner Suarez, and we are also looking at High Pines as a whole and also Ponce Davis, both of them together, perhaps separate, depending on what the will of the residents are there. So with that, that's the current status of things, to recap, because I see the Vice Mayor here. We are meeting with – we've already met with Commissioner Sosa and we are issuing a survey and we are meeting with Commissioner Suarez this week.

Mayor Cason: Let me ask about the survey. Is the survey attempted to get to the owners or the renters in the case where there is a renter? How do we avoid you know, the renter saying one thing and the owner saying the other thing?

Mr. Iler: Because in annexation the resident electors vote, so whether you are a renter or an owner you have to be a resident. So, I believe as I understand it that the survey is going out to both the owner and residents of Little Gables.

City Attorney Leen: Yes, we've asked that the survey goes to the residents, but also notice and the survey, that's going to be up to the County, but also goes to the owners. The 66 percent applies to the electors, the people that would vote, so those are the people that live there, that's what the 66 percent applies to, is my understanding. So with that, if Cathy wants to add anything, do you want to add anything Cathy?

City Manager Swanson-Rivenbark: We think the 66 percent is absolutely critical, because you don't want 49 percent of your residents upset with you if the decision was made to annex. The

decision, the voters of the area of Little Gables and in turn Ponce Davis and High Pines, they are the ones that vote for whether or not their area can be annexed, registered voters; and so, I think that has been confusing for some of our residents thinking when does our resident body get to vote, but I think the real sentiment on the survey, it's an informal survey, but it will tell us up or down if there is a desire to move forward and we are looking forward to the results of that survey.

City Attorney Leen: So we've asked, both the City Manager and I have asked Henry and Craig to put together this report, we've been working together on this matter, so they are going to present the report now, and then please ask any questions you have.

Mr. Iler: Good afternoon, my name is Henry Iler, Principal with Isler Planning in Stuart, Florida, and of course, I'm joined today by Craig Collar. We have a PowerPoint, if that's available. We were here in the summer and we gave our first draft of our report. Since that time we've been very busy, in fact the City staff has been busy as well going over the financial numbers we had in the summer, and really refining them quite a bit, as well as carving out Ponce Davis from High Pines, so you'll be able to look at one or the other or both together, so you have the numbers there if you want to choose one or the other, annexation versus having both of them. This is just a map and you can see down in the lower portion there that we have the Ponce Davis neighborhood, which is basically south of Davis, east of Ponce, down in the High Pines area, essentially about a quarter mile, a quarter square mile.

City Manager Swanson-Rivenbark: And Mr. Iler, if I can interject. The reason why we are looking at the possible separation of Ponce Davis, we are interested in High Pines including Ponce Davis, but Ponce Davis residents have told us they believe that there is very strong support in Ponce Davis, but there may be differences of opinion for High Pines. In the event that the majority of the High Pines residents separate from Ponce Davis do not want to move forward, we are going to come back to you and ask us to only allow us to go forward with the Ponce Davis piece, that's the division that we are talking about.

City Attorney Leen: Yes – and something I'd like to add is that, you know we would have to get the approval basically of the County Commission to do that, but Commissioner Suarez has indicated an interest in that, and that's one reason we are meeting with him, in that he cares mostly, the thing that he cares about most is that there be super majority support within whatever area we seek to annex. So, if that ends up being Ponce Davis, because there is not support in High Pines, he was open to that, we are going to confirm that in our meeting on, I believe it's on Thursday, but he was very open to working with the City and we appreciate that very much.

Mr. Iler: Some of this you saw in the summer, but I would emphasize on Little Gables, it's about 200 acres, about 1,500 voters speaking of the survey, so the survey should be going out about the number of voters; household income around \$60,000. Since the summer we've looked into the zoning quite in depth for the Gables Trailer Park, and found out that that was created in 1936 actually, by a special permit of the County and the County now considers it a non-conforming use, but it's got some nuances that might not be what you would kind of expect for that kind of use, and if we need to go into that, Craig's been looking into that in great detail, but that's up in the northwest corner of the site. High Pines – once again, we have carved out the Ponce Davis as well. The overall areas about 675 acres, pretty much 95 percent single-family, there is a little commercial school, there is a little multi-family on the edges, but mostly single-family. Just to go over quickly, the application for Miami-Dade County, should you move forward in the future after these surveys are in, and we know a little bit more, the application is quite involved and it does involve a petition from at least 20 percent of the voters that they are in support of submitting the annexation application. They don't necessarily have to say they are for the annexation, but you would assume that they are, but it has to have a petition from 20 percent of the voters, so if we did go forward we'll need to go through that process, and of course as a City...

Mayor Cason: Let me ask you on that, if Rebecca Sosa survey gets 50 percent, say they support it; does that mean we don't go to the 20 percent?

Mr. Iler: Well you probably would not move forward.

City Manager Swanson-Rivenbark: Then we'll recommend sir, if all that is garnered is a simple majority we are going to recommend that we not move forward with the Little Gables, but will continue to work and over time they may change their mind, but we would not recommend moving forward.

Mr. Iler: Once again, some of the County approval criteria as well, a lot of these are really along the lines of exactly what all three of these areas some of the attributes. If you look at the County criteria, not creating enclaves, compatibility with City land uses impact on public safety. You saw in some of the information that our response for Police and Fire is considerable better than the County, so a lot of those criteria go right to what the County is supposed to look at. Now as I mentioned, the City staff and the Finance Department has taken a much closer look at the numbers now and you'll see some different numbers than we had back in the summer. For the revenues, total revenues from all three of these areas if you were to move forward with all three approach about \$80 million, this is over about an eight year period where we are assuming that maybe in a couple of years the annexation either one, two, or three would take place and be in effect, and so that period of bringing these areas in from 2019, maybe to 2026, you are going to

be amortizing cost and you'll be getting revenues over that time. You are not going to build everything in year one, whatever improvements you are going to make. So, the Finance Department chose about an eight year period, which seems reasonable and you can see the expenditures total about \$39 million over that eight year period bringing up a plus for all three areas of about \$40 million over that period. Now also, 30 new employees would be needed according to County staff to service all three areas. So as you can see, High Pines and Ponce Davis have a very positive financial type of impact, Little Gables is about breakeven for the City as far as revenues and cost, just a little bit more revenue. Some of the net cost to the residents – Little Gables, now there is a little bit of a difference here, because the County in their survey – a little difference here in the Little Gables cost, because the County as of Christmas was saying it was about \$700, which is about our number as well, but between Christmas and now they've come up with a number of \$923 per year, net cost increase to Little Gables residents to come into Coral Gables, that's basically property tax; the property tax difference is about 1.2 mills higher in the Gables than the County UMSA rate, you have the solid waste fee, the waste fee, which is higher in the City than it is in the County, of course the service is better too, and then there is the \$70 annual fire fee, so those are the three components. The real variables are what price of home do you use to figure the property tax? They used a higher priced home, we used the lower priced home, and also, they also assumed that nobody would prepay the solid waste fee and I think quite a few people prepay that fee; it's a fairly substantial difference. So, they've made some assumptions we don't quite agree with, but still the number is still in a range that's – these are all numbers that are estimates, so we'll go with that for the current time. Now as far as High Pines and Ponce Davis, of course higher value homes, so the cost there is going to be in the \$1,000 to \$1,100 range each year. We are still looking for a County estimate, we haven't gotten that yet and maybe that's something on Thursday could be raised as well. Now one thing that's very strong for the City is that there are a lot of benefits the City has, of course, that the County doesn't – much shorter police response times both emergency and non-emergency, better response on fire and medical, although the difference is not quite as big, we have more frequent and more convenient waste service, we plan to upgrade the parks and the residents would have discounted prices that residents now have to the County recreation venues, Venetian Pool, they'll be able to get into those venues at the resident price, upgraded roads, drainage and landscaping, the landscaping standards of the Gables would be brought into these areas, and much closer municipal services and the City's ombudsman capabilities as well. So, a lot of those benefits move to offset this net cost. Feasibility of course, it is more than dollars and cents; these are areas surrounded on two and three sides by the City. They really physically belong in Coral Gables, if you just look at a map and say, hey I'm going to draw the boundary and smooth it out, and they really should be in the City just from a physical point of view. Long term – it's going to be more efficient for the City to serve these areas in the County, there is no doubt about that, but as we mentioned about the 66 percent, the key is going to be the community support, and that has to be strong. And finally, just the current status and I think Craig took some of my thunder on this,

but we did plan the survey, the meeting with the office, Commissioner Sosa's office was in November, I believe, and at that time we planned the survey, we planned it out, we did a common fact sheet, which you have in the Exhibit 2, as part of the County survey package, and then they expect to have the voter response by February 24th, they may change that date, depending on when the survey comes out, because that was based on the survey going out, I think this week, so they may move that forward to the end of February or maybe early March.

Mayor Cason: Will the survey in Spanish as well as English?

Mr. Iler: Yes. As far as Ponce Davis goes, we've been coordinating with Suarez' office, and of course the meeting on Thursday, we have a fact sheet in the back of the report in the third exhibit that we have prepared and we are looking at a community meeting right around the same time. We'd like to have the community meeting prior to the survey going out, so we are looking at that meeting sometime in March or April; and then shortly after that we would expect the survey to go out to the residents, I mean the voters. So, that's basically the update and we wanted to run these new numbers by you, especially since they are probably more of realistic impact of how you bring in an area over time to kind of upgrade it. So, we'd be glad to answer any questions.

Commissioner Slesnick: I just wanted to ask a question. When you have what you feel is the average value of a home in those districts, like in High Pines, when the Gables took in the last two annexations the values of the properties went up immediately the first year – is this on projected values of property?- or is this the current value?

Mr. Iler: The current value. It does not take into account the values going up.

City Manager Swanson-Rivenbark: It's interesting because when we had meetings with High Pines Homeowners Association, they believed that their property values are already – they don't anticipate...we might that their property values by virtue of annexation will immediately increase, but it is – we did have that discussion with them.

Commissioner Lago: Just to dovetail what you are saying right now. I met with two of the residents from High Pines and they had the similar stance, but I met with a few other residents that don't live in the Gables right now and they were thinking about potentially looking into buying in Little Gables and they came to see me and asking what was the process of annexation?- how far along we were?- obviously, I couldn't give them any assurances of the process. I explained to them that this was more in the hands of the current residents, but they were looking for that value play, which we discussed before, living in a very central location, living in the Gables, getting all the amenities. One of them was an elderly person, who was excited about potentially being able to use the brand new Adult Activity Center. So, there are a

lot of people right now are hinging kind of making a decision where they are going to live based on this decision, this forthcoming decision.

Mayor Cason: Your numbers assume that the County will drop the fire fee?

Mr. Iler: Yes and in fact we kind of had confirmation of that now in their survey that they sent us in their fact sheet they have dropped the 2.4 mills, which is what their fire cost.

Mr. Collar: There is a debt service that has to be paid at a very minimal amount.

Mayor Cason: The other thing, what if High Pines says yes and Ponce no, would we be creating an enclave for Ponce?

City Manager Swanson-Rivenbark: I'll answer that – , because both areas are contiguous to the City at different parts, we would be able to annex them, annex either one individually, but I would tell you Mayor, based on the response that we have gotten from Ponce Davis; the scenario that Ponce Davis would not get overwhelming support would be highly unusual. They were more concerned with what would happen if High Pines didn't provide the overwhelming support. They wanted to make sure that they could still be included in the annexation discussion.

City Attorney Leen: So, the idea would be once the two surveys come out and we determine where we have the 66 percent, the matter will come back to the Commission and then they will go to the County Commission. We are going all this work up front to try to build support, so assuming the two County Commissioners who are working with us remains supportive of it, which we believe they will, because we are basically following their instructions and we are trying to work with them as best we can, and we are very appreciative of their help. The Commission would likely support it, we think the County Commission, at that point it goes to a vote, and that's a 50 percent vote, so that's why it's important to do the 66 percent aspect of it right now and determine if we want to proceed or not. That would be a 50 percent vote and the position that Coral Gables has taken is, whichever – there'll be two separate votes, they'll be one for Little Gables and there would be one for High Pines-Ponce Davis or just Ponce Davis, depending on how those surveys turn out and whichever one has over 50 percent we would take, and if both have over 50 percent we would take both, if only one had over 50 percent we would take that one, that's the way that we have been proceeding, and I think we have been proceeding in a very open and transparent way, so everyone knows exactly our position. I don't think anyone can question that.

Vice Mayor Quesada: So, I have a friend that lives in the High Pines area, he has a home in the Gables, but he's renovating and he's renting a house there, and he just told me last night that City

of South Miami is having neighborhood meetings to see if South Miami tries to annex High Pines. I don't know if you guys were aware of that. I found that to be interesting.

Commissioner Slesnick: Yes. I've heard that too.

Vice Mayor Quesada: I guess they have a meeting this week.

Commissioner Lago: High Pines is being courted by multiple cities.

Commissioner Slesnick: It is.

Mayor Cason: Hope springs eternal (laughter), but we'll compete, we are more beautiful (laughter).

City Attorney Leen: So hopefully, the next time we'll come back to you is with some survey results, so then we can come back to you with a resolution as to proceed or not to proceed, whatever that may turn out.

Commissioner Keon: Can I ask just for some clarification? You only need 50 percent to proceed and 66 percent to actually annex?

City Attorney Leen: Opposite. Opposite – 66 to proceed.

Commissioner Keon: Just to proceed.

City Attorney Leen: Yes.

Mayor Cason: 50 plus one, right?

City Attorney Leen: That's not a legal requirement, that's a requirement that we...we've agreed that we are going to do it based on 66 percent, that's the recommendation you are going to get from the City Manager and my understanding is the Commission is supportive of that as well, with the idea that we don't want to force 45 percent proportion of an area or 48 percent proportion of an area into coming into the Gables. We want it to be a super majority, a significant super majority, two-thirds.

Commissioner Keon:...before there is any community meetings, before there is anything, was that right?

Mayor Cason: You are going to have meetings before you have the survey on Ponce and High Pines?

Mr. Iler: We will in High Pines-Ponce Davis. We have already had a meeting a long time ago in Little Gables, so I think that survey is going out in future meetings.

City Attorney Leen: That one's going out.

Commissioner Keon: OK. So, that one would be 66 percent if positive you would move forward and going into Ponce Davis and High Pines.

City Attorney Leen: We are going to come back to the Commission with whatever the survey shows. What we've indicated with Commissioner Sosa is that you are going to get a recommendation from staff if it's over 66 percent, and we've told based on discussions with you.

Commissioner Keon: What I'm asking you is I'm looking for the timeline of the activity leading up to the annexation. First you have the community meetings then you do the survey, yes, is that right?

Mr. Collar: Well the survey is really an unofficial part of the process, it's not legal.

City Attorney Leen: It's not a legal....

Commissioner Keon: And when do you do the survey?

Mr. Collar: Well the survey is something that we have chosen to do, Commissioner Sosa wants it and I believe that Commissioner Suarez wants it. So, the survey for Little Gables hopefully is going out within the next few weeks.

City Attorney Leen: It's already been approved.

Commissioner Keon: And it's that survey that needs to be 66 percent?

Mr. Collar: Pardon?

City Attorney Leen: Yes.

Commissioner Keon: It's that survey that needs to be 66 percent?

Mr. Collar: That is what you all decided.

City Attorney Leen: That's not a legal requirement, that's something that we agreed.

Commissioner Keon: I understand, but you have public meetings in the areas prior to surveying?

City Attorney Leen: Yes.

City Manager Swanson-Rivenbark: So, we would envision a High Pines and Ponce Davis or High Pines-Ponce Davis twice community meeting explaining the process, answering questions and then have a survey follow-up, just like we did with Little Gables.

City Attorney Leen: Yes.

Commissioner Keon: Yes, that's what I'm asking. OK.

Mayor Cason: And just for the record, we are not inheriting a sea level rise problem or a crime problem in any of these areas, is that correct?

Mr. Collar: Right.

Mayor Cason: OK. Good – thank you. Anything else? Thank you. Thank you very much.

[End: 2:37:26 p.m.]