

## **City of Coral Gables City Commission Meeting**

### **Agenda Item E-4**

**November 18, 2008**

**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**

**Interim City Manager, Maria Alberro Jimenez**

**City Attorney, Elizabeth Hernandez**

**City Clerk, Walter J. Foeman**

**City Clerk Staff, Billy Urquia**

#### **Public Speaker(s)**

**Yvonne Dawson, TischlerBise**

**Susan Schoettle-Gumm, PLLC, TischlerBise**

**Janet Gavarrete, Associate Vice President of Planning, UM**

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E-4 [Start: 12:18:06 p.m.]

An Ordinance of the City Commission of Coral Gables, amending in part and restating in its entirety Chapter 2, Article IX of the Coral Gables City Code (“City Code”), the City of Coral Gables Development Impact Fee Ordinance; providing for amendments to clarify terms and procedures and correct codification errors; providing for impact fees applicable to certain types of new development on the University of Miami Campus; providing for liberal construction; providing for severability; providing for codification; and providing for an effective date.

Interim City Manager Jimenez: An Ordinance of the City Commission of Coral Gables, amending in part and restating in its entirety Chapter 2, Article IX of the Coral Gables City Code (“City Code”), the City of Coral Gables Development Impact Fee Ordinance; providing for amendments to clarify terms and procedures and correct codification errors; providing for impact fees applicable to certain types of new development on the University of Miami Campus; providing for liberal construction; providing for severability; providing for codification; and providing for an effective date. And while our consultants, well they are here already, before they start, I just want to give a brief background. If you recall, the City passed an impact fee ordinance in August of 2007 for all new development projects in the City. City staff was asked to work with the University of Miami in establishing their own category, perhaps taking into account some credit for certain services, such as Police and Park facilities. The City engaged the services of TischlerBise to develop the methodology of establishing such a rate. University of Miami has reimbursed the City for these fees. The University of Miami, TischlerBise, and the

City staff have been working toward this goal, and the results are presented today for your consideration. Yvonne, Susan.

Ms. Dawson: Hello Mr. Mayor and Commissioners. I am here today to present to you the results of the study that was conducted to determine impact fees for the University of Miami; as Maria mentioned, to account for the facilities that are provided and the unique demand factors of the University. I'm joined today by Susan Schoettle-Gumm, legal consultant, and we will be discussing with you how the fees were developed in cooperation with the University, and also discussing proposed amendments to the ordinance. And just to recap, our firm along with Susan, we prepared the citywide impact fee, which is in effect, and we were asked to follow up and do the additional work in looking at the University and considering the unique demand factors there; and again joined by Susan Schoettle-Gumm who was also on that team in preparing the citywide impact. So, just to recap, the impact fees considered both residential and non-residential fee categories included, non-residential and residential impact fee demand, and it included the following public facilities: Police, Fire, General Government, and Parks. The capital facilities that were considered for each public facility category were buildings, land, and vehicle, and equipment. This slide presents the summary of adopted impact fees, which reflects the variation of different housing types, and for different commercial office development for the various categories that were considered. The University Impact Fee considers very unique demand factors; to back-up when we originally did the fee study we were not able to include a fee category specific to the University, as there is not enough information in the Institute of Transportation Engineers Trip Generation Manual to create a fee category on that basis. So at your direction we worked with the University to determine what their unique demand factors were. So to do this, we had a series of meetings and conference calls with UM and Coral Gables staff to determine the factors that should be used and the capital cost adjustments. We also approached/discussed general methodology to address this issue and to develop the fee category. As a result, we issued methodology and calculation of City of Coral Gables impact fees for the University of Miami Report, which details the approach to the impact fee. As a result, three impact fee categories have been created for the University; those are student housing, faculty staff housing, and academic buildings. An important note, any other development that would take place on the campus would fall under your existing impact fee schedule. This slide presents the generic impact fee formula, and what is considered in this formula is demand unit per development unit, which would be employees per square feet, or persons per unit; infrastructure units per demand unit, which would be square fee per employee; and then dollars per infrastructure unit; so the amount, the cost per square foot. So in our approach to UM fee study, we looked at how we could make this stuff match, the circumstances of the University; and so while in the citywide impact fee, the residential demand factor is person per housing unit; at the request of the University, we looked at student housing on a per bed basis, and that was their request to reflect the fact that in the future they may make adjustments to their arrangement of rooms and for their purposes in terms of administratively, it would be easier to have a fee that was structured by bed. The persons per housing unit are still used for the faculty staff component, but it reflects the fact that those units are townhomes and there is slightly less demand there. On the non-residential side, the citywide impact fee reflects employment and vehicle trips per 1,000 sq. ft. from Institute of Transportation Engineers. As I mentioned previously, there was not enough information there for us to create an impact fee category for the University. This is where the University stepped in to provide that information for us; and that

included employment per 1,000 sq. ft. for academic buildings from the University, and then also their traffic study served as the basis for looking at the non-residential demand for the Police impact fee, the non-residential portion of the Police impact fee. This slide presents the adjustments on the cost side. For Police there are slight adjustments, and I'll discuss the approach to making those adjustments, but you'll see the various in there on the per person and per trip; and then on Parks and Recreation, the citywide impact fee is presented there, and then the next column, the fee is adjusted for student housing, and then no reduction for faculty/staff housing; and there are no reductions made for General Government or for Fire. This slide presents the Police Impact Fee Adjustments; the on campus patrol services and some police services are provided by the UM Police Department, which receives its legal authority from the Coral Gables Police Department. As you all know, the Coral Gables Police Department also serves the campus responding to emergencies, training University Police Officers, receiving and dispatching calls, and other law enforcement services. The UM Impact Fee is reduced based on law enforcement capital facility cost avoided by the City due to the facilities provided by UM. This was calculated through a partnership between the Coral Gables Police Department and the University Police Department. The Coral Gables Police Department considered the amount of additional capital facilities that would be needed, if in a hypothetical instance, the City were to provide police services on the campus at the City's level of service. The Coral Gables Police Department worked with UM to review its policies for service, and determined those calls that Coral Gables would respond to if Coral Gables served the campus. Then Coral Gables determined the additional staffing that would be needed in this type of scenario. The scenario was analyzed in order to determine a percentage reduction for capital costs avoided, for each facility category considered, and that's building, land and vehicles; and this slide presents an example of how that was calculated. Then to move on to the park fee – the student housing at UM is not expected to place demands on the City park system, due to the University's comprehensive park and recreation facilities, as well as the character of the student community. To provide clarification on this point, and documentation, UM provided a level of service comparison with Coral Gables park facilities; and as a result of this analysis, UM meets or exceeds in all areas except two. So the impact fee reflects that this comparison and charges a reduced impact fee for student housing. No discount is made for faculty and staff housing because that is expected to place similar demands on the park system as any other development outside of the University. This slide presents a comparison of the level of service factors used in the fee study, including acreage, facilities, vehicles and amenities, and as documented here the University far exceeds in most cases the level of service provided on a citywide basis. This table presents the student housing park cost per person for those two items in which it does not meet the level of service of the City. To summarize on the residential side; there are two categories that were developed; student housing and faculty and staff housing. As mentioned at the request of the University, student housing is presented an impact fee by bed; faculty and staff impact fee is by housing unit, and reflects the person per housing unit for townhomes. The student housing park impact fee is reduced to reflect the University Park facilities; no park impact fee reduction is made for faculty and staff housing. A reduction is made to the police impact fee based on capital facilities provided by the University Police Division. This slide summarizes the proposed UM residential impact fees. OK, moving on to non-residential – this slide presents the summary of UM Academic Building Impact Fee approach. This reflects the unique demand factors of the University. As I mentioned, the University provided us with this data; the employment for its academic buildings, as well as the non-residential vehicle trips generated by the facilities. As this

is a non-residential function, the fee includes Fire, General Government and Police; there was no reduction made for Fire or General Government; and for Police again the impact fee was reduced to reflect the service and facilities provided by UM. The UM Academic Building Impact Fee applies only to Type 1 academic buildings, and the traffic study defines Type 1 buildings as those that directly serve and support the student population, staff and faculty. The other type is Type 2, and Type 2 buildings generate activity not directly related to the student population. Those are the facilities that would fall within your existing impact fee. Then this slide shows the proposed Academic Building Impact Fees by category. And now I'm going to toss it over to Susan who is going to discuss the proposed ordinance amendment.

Ms. Schoettle-Gumm: Good to see you again. The proposed ordinance amendments concentrate on a couple of different areas. One is specifically looking at bringing in new definitions and provisions specifically related to the proposed fees for academic related development on the UM campus. There are some additional changes that refine the language in your previous ordinance, and there are also some glitches that we are cleaning up with this. On the proposed ordinance amendments related to the UM, we are adding definitions, for example, the Type 1 development, which is the academic related buildings, and provided that the UM campus is defined by the map that is in your Zoning Code, so you have the ability over time, if the situation warrants it, to expand that area, but right now what's being proposed would apply only as that campus is defined on your zoning map, so it ties directly to that. Again, as Yvonne mentioned, the new impact fees that are being proposed are applicable only to academic related development on the UM campus. Remaining development, whether it's owned by UM on campus or off campus would pay the same impact fees as new development anywhere else in the City. UM will be responsible for providing the kind of data and information that was necessary to making these calculations when the City does any updates to their impact fees in the future, and that is written into the ordinance. If they don't provide updated data that the City needs to update these calculations, then they will no longer qualify for this special fee; and I believe we lost the PowerPoint, if you could put that back up.

Mayor Slesnick: We have it in front of us.

Ms. Schoettle-Gumm: OK, there it is. So for example, they have to provide updated information about employment and vehicle trips; next slide. The other issues are clarifying other definitions, and clarifying some provisions, in particular related to demolition credits, and I want to just spend a minute on that. In talking with staff and UM representatives, it became apparent that the current approach on demolition credits and what is typical on most ordinances is that on a single parcel if you demolish a structure and rebuild something else on that parcel you off-set credit, the previous impact generated by the prior building. So they don't pay for the whole new building, if they had a home there, a single family dwelling unit, and they come back and rebuild a townhouse with two units, they pay the difference between the two fees. Typically that's restricted to a single parcel that wasn't really going to make sense in the context of UM. They have a number of different parcels that are aggregated to make the UM campus; and so we looked at that and determined that within the campus there it made sense to allow them to sort of basically banking demolition credits. Now, they still have to demolish the building; and so we are going to allow them, and the City billing department software has the capability to track that without you having to create a new system that has already been reviewed with staff, and they

investigated that; so that was seen as a reasonable and appropriate modification. During those discussions staff also raised the issue about allowing planned developments to do something similar. But then again you are talking about an aggregation of parcels that are then being developed under a unified development plan. Particularly, because of the potential disaggregation of those parcels, it's important that documents recording the allocation of demolished credits be recorded related to those parcels. Because there will be one moment in time when everybody sits down and agrees on how these demolished credits should be divided up. They might not agree to that six months later or a year later when someone else comes in and bought one of the parcels. So it's important to track that with documents that are recorded, so that subsequent purchasers are aware and have notice. So that is something that the City Attorney's office can help work with the property owners on those documents. They don't have to be elaborate, but you need something in the recorded records to make sure that subsequent purchasers are aware, and that it doesn't come back to bite the City, it's really to protect the City on that. And again, the City current department can track those on those kinds of developments, also. Very quickly, I have a couple of housekeeping things on the ordinance, some little glitches that I didn't catch, that I want to make sure are on the record. In the title of the ordinance, three lines from the bottom, the line starts "development on the University of Miami", and then it says "camus" instead of campus, that needs to be corrected; and then on the next last line, "providing for codification", that is misspelled; there are two "F's" and there should only be one; and I've got one other glitch that I want to call to the Clerk's attention, in the definition section, Section 2-2105, in the definition of the Type 1 facilities, that definition should read, "Type 1 facilities shall mean those buildings", and then in the following line it needs to be inserted, "located on the UM campus", and then it goes back to the language that was previously in there, "that directly serve and support the UM student population", and the remainder of that paragraph remains the same. So those are just a couple of glitches that I didn't catch before I sent the ordinance out. As your outside consultant, I'm sorry....?

Mayor Slesnick: In addition, was located on the UM campus, right?

Ms. Schoettle-Gumm: Correct, and that's to make it very clear that these new fees are applicable only to development on the campus as defined by your zoning map. So as your outside consultants, we recommend that you adopt these amendments to your ordinance; believes that it establishes a very reasonable approach to handling the magnitude of the development that is going to occur on the UM campus, minimizing the administrative burden on both the City and UM; and also I believe establishes a very strong rational relationship between the fees that you are imposing on academic related development, as opposed to other types of development within the City. So we'll be glad to answer any questions that you might have.

Mayor Slesnick: In reference to the map...

Ms. Schoettle-Gumm: Yes sir.

Mayor Slesnick:...does that take into account future changes to the map?- does it say the map as it exists...?

Ms. Schoettle-Gumm: As may be amended from time to time.

Mayor Slesnick: OK.

Ms. Schoettle-Gumm: So the map is not set in stone, so we anticipate that it might change over time.

Commissioner Anderson: Very thorough.

Mayor Slesnick: Very good report.

Commissioner Withers: I just have a couple of real quick questions. There is really no addressing any type of affordable housing, is that even a possibility on the UM campus as far as affordable housing credits or building of affordable housing to help the City?

Ms. Schoettle-Gumm: I mean, there are....

Commissioner Withers: Can you waive impact fees on affordable housing?- is that something we...

Ms. Schoettle-Gumm: Most of the programs I've worked on provide for deferral of impact fees on affordable housing, for so long as they remain in the affordable housing mix. There are insolvent payment plans you can do. If the City has revenue available, you can pay on behalf of affordable housing.

Commissioner Withers: Well I guess what I'm saying, I didn't read the ordinance, but is there an opportunity for the City to defer these fees if we wanted to for any reason at all, or how is that set up?

Ms. Schoettle-Gumm: There is nothing currently that's drafted in the ordinance; I don't recall that issue coming up.

Interim City Manager Jimenez: I think we could probably address that issue when we would consider some legislation related to affordable housing, maybe put some of the idea like what Susan has shared as far as deferred the impact fees.

Ms. Schoettle-Gumm: I could look at adding a sentence, and I've done this with some other ordinances, so it wouldn't take me but a few minutes, I don't think, that would allow the City to do other programs that might foster affordable housing or economic development, those are the two areas; and then what I typically do, I try and keep my impact fee systems as insulated from potential attack, as I can. I do those other programs as separate ordinances.

Commissioner Withers: Last question. How does this tie into, maybe this is a question for Maria, how does this tie into our overall development plan? If we adopt a new development agreement, would we then have this as a credit against development agreement? How would that work?

Interim City Manager Jimenez: That's all part of the negotiations. This will form part of it, but I think that the development agreement addresses a lot more than new development, but we will have this form part of it, our discussions with them.

Commissioner Withers: That's all I have.

Mayor Slesnick: You do not see this as being a hindrance to the continuation of the negotiations?

Interim City Manager Jimenez: No, no sir, I don't.

Mayor Slesnick: By the way, we should point out to those of you not reading the agenda that the staff has recommended our approval of this.

Interim City Manager Jimenez: Yes.

Mayor Slesnick: We have the University of Miami here, I thought that they might like to step up and make sure they comment on the proposal.

Ms. Gavarrete: Good afternoon Mr. Mayor, members of the City Commission. Thank you very much for the opportunity to have responded...

Mayor Slesnick: Please introduce yourself.

Ms. Gavarrete: My name is Janet Gavarrete with the University of Miami.

Mayor Slesnick: Your position is?

Ms. Gavarrete: Associate Vice President of Planning.

Mayor Slesnick: Thank you.

Ms. Gavarrete: We have enjoyed thoroughly the discussions and the process under the leadership of Maria, and with Susan, and Yvonne, the report as given by them speaks for itself as to the thoroughness and the details and the fairness of this project. We thank you very much, thanks staff and our consultants, and we urge you to adopt the amendments as proposed.

Mayor Slesnick: Thank you Janet.

Commissioner Cabrera: Were you recently promoted?

Ms. Gavarrete: No, it's been awhile.

Commissioner Cabrera: Oh, then I'm sorry.

Ms. Gavarrete: I call myself a campus planner, it's a lot more fun (laughter), I tell you that much.

Commissioner Cabrera: A belated congratulations on your promotion.

Ms. Gavarrete: Thank you very much.

Mayor Slesnick: For those of you who don't know, Ms. Gavarrete is a citizen of Coral Gables, a resident, and Mr. Bass, did you have anything to say?

Mr. Bass: No (laughter).

Commissioner Anderson: I'm happy to make a motion, Mr. Mayor, to accept the ordinance on first reading.

**Mayor Slesnick: Ms. Anderson moves this proposed ordinance, an amendment to an ordinance, which is an ordinance itself on first reading, and Mr. Kerdyk seconds it. Any other questions or comments? Again, we thank you Maria, your staff, we thank the consultants for a complete report, it certainly made it easy to understand and consider.**

**Mr. Clerk**

**Vice Mayor Kerdyk: Yes**

**Commissioner Withers: Yes**

**Commissioner Anderson: Yes**

**Commissioner Cabrera: Yes**

**Mayor Slesnick: Yes**

**(Vote: 5-0)**

Commissioner Anderson: Thanks to all involved.

[End: 12:46:18 p.m.]