



City of Coral Gables
CITY COMMISSION MEETING
April 12, 2016

ITEM TITLE:

Presentation on a proposed Community Benefits Program.

DEPARTMENT HEAD RECOMMENDATION:

Discuss the parameters of the Program and provide direction.

BRIEF HISTORY:

Recently, the City has approved some major development projects that had incorporated various conditions related to public benefits. In light of some on-going discussions with the School District on incentive housing for public school teachers in Coral Gables, staff prepared a comprehensive report on the status of public benefits for a discussion on how to move forward. In general, the city's development incentives are primarily focused on design-oriented features, and public benefits are derived by payment of impact fees. As part of the development approval process, the city also negotiates additional public benefits on a case-by-case basis as part of the development agreement.

Zoning Code Requirements:

First and foremost, the Zoning Code provides additional floor height and building square footage incentives for architectural incentives (aka Med. Bonus) as follows:

Level 1 bonus allows an additional 13.5 feet in height and 0.2 Floor Area Ratio (FAR) for:
Residential uses that meet 6 of the 12 architectural design criteria; and
Non-residential and MXD uses that meet 8 of the 12 architectural design criteria

Level 2 bonus allows an additional 13.5 feet in height for properties designated Residential Low and Medium Density and Commercial Low- and High-Rise Intensities and allows an additional 27 feet in height for properties designated Residential High Density and Commercial High-Rise Intensity, 0.3 FAR, 25% residential density bonus.

The criteria for both Levels 1 and 2 bonuses are primarily design-oriented such as provision of arcades and paseos, varying of rooflines, use of towers, inclusion of paver treatment, reduction of building setbacks, provision of underground parking, etc. The Coral Gables development incentive program is limited by the Comprehensive Plan maximum building heights and FARs. Any further bonus will require the amendments to the Comprehensive Plan as well as the Zoning Code.

Impact Fees and Monetary Contribution:

The City requires monetary contribution for public art and impact fees for general government facilities, public safety (Police and Fire), and parks. By payment of these fees at permit issuance, the development projects would have mitigated the impact incurred by those projects.

The impact fees collected are deposited in separate trust fund accounts and “shall be expended only on system improvements needed to accommodate the demand generated by new development.” (City Code Sec. 2-2110(d)) The City has embarked upon an impact fee study update that is projected to be completed in the Summer. Below is a status of various impact fee balances.

| Category | Fee Balance as of April, 2016 |
|---------------------------|-------------------------------|
| General Government | \$293,537.66 |
| Police | \$798,407.25 |
| Fire | \$438,861.52 |
| Park | \$454,229.00 |
| Sanitary Service Capacity | \$299,527.00 |
| Art Acquisition Fund | \$364,792.98 |
| Historic Public Art Fund | \$316,542.85 |

Development Projects:

In the review process, the staff evaluates the impacts of the development projects and proposes mitigation measures to address the impacts. The majority of these pertain to traffic mitigation measures and streetscape improvements. Recently, the City has included provisions for residential parking zones, bike/car sharing facilities and further contributions to mobility and open space. A summary of those mitigation measures and public benefit options for some recently approved projects is as follows:

| | Public Realm / ROW Improvement | Off Site Improvement | Monetary Contribution | Transportation Mitigation | Other |
|---------------------|---|---|--|---|--|
| The Collection | Decorative pavers, landscaping, irrigation, street/landscape lighting | | \$64,000 for emergency vehicle signal preemption | Replacement of 42 public parking spaces in garage | Underground Utilities (code required for MXD); LEED Gold |
| Med. Village | Similar to above | Various traffic, intersection Improvements; neighborhood traffic calming & streetscape improvements | \$1.34M for trolleys or trolley garage; \$626K annual mobility contribution for 25 yrs; \$2.7M for public art/safety | Bicycle facilities; residential parking zones; traffic monitoring | Underground Utilities; LEED ND; LEED |
| 2020 Salzedo | Similar to above | | | Mini roundabout @ Salzedo and Minorca; provide 14 public on-site parking spaces | Underground Utilities (code required for MXD) |
| Paseo de la Riviera | Similar to above | Bicycle/ped. facility for Caballero, Hardee and Madruga; traffic calming if needed; roadway intersection improvements | Mobility contribution; open space contribution; | Car/bike sharing; electric car chargers | Underground Utilities (code required for MXD); LEED |

BEST PRACTICES

In general, cities grant certain incentives in the form of more building floor area with increased building height when certain public benefits are provided. These benefits fall under the

following categories summarized below, with an analysis whether the City has incorporated such benefits in its program.

Attainable, Incentive Housing:

This incentive allows the provision of attainable / incentive housing either on site, off site, or a contribution into a housing trust fund (payment in lieu of option). While the City of Coral Gables Comprehensive Plan has certain policies for the furtherance of affordable / attainable housing, the Zoning Code was not updated to implement these policies. Recent discussions were more focused on incentive housing for public school teachers, consistent with the City Attorney's opinion that the City has wide latitude to adopt a teacher incentive housing program pursuant to Sec. 166.04151 of the Florida Statutes.

This may be an opportunity to explore further as a public benefit option in the form of a housing mitigation linkage fee. To pursue this option, a study will have to be done to assess the incentive housing needs for public school teachers in Coral Gables and establish a legally defensible method by which this fee can be charged. A resolution is prepared as Exhibit B that provides for such a study and in the meantime requires developments to incorporate such incentive housing in their development projects or to provide a monetary equivalent for the provision of such housing.

Green Building:

The City of Miami allows a progressive incentive program for the different LEED certifications, i.e. the higher the certification achieved and greater the bonus allowed. The City of Coral Gables is proposing a separate Green Building Ordinance that will require a LEED Silver certificate or Florida Green Building Coalition (FGBC) Silver for all new buildings owned by the city and for buildings over 20,000 square feet that are non-city owned. If adopted, this public benefit will generally be required.

Historic Preservation and Transfer of Development Rights (TDRs):

Coral Gables has a very progressive and well-established historic preservation ordinance that addresses the preservation of designated structures. The preservation of historic properties is not optional but a required public benefit. The City also has a TDR program whose goal is to protect the historic structures in the downtown and the North Ponce area. The entire downtown area is a receiving site for TDRs and a bonus of 25% FAR is provided for the receiving site. Since 1999, approximately 156,363.5 sq. ft. was transferred for Allen Morris Building, Codina Building, Starwood Building and 2020 Salzedo.

Adopt-A-Landmark or Contribution to Historic Preservation Fund:

The City of Chicago has a unique public benefit option called "Adopt-A-Landmark Floor Area Bonus" that involves the adoption of a landmark for the purpose of preserving it. To qualify, a new development "adopts" a local landmark by providing funds for a substantial renovation project. The Commission on Chicago Landmarks (Commission) determines the eligibility of the landmark building for the adopt-a-landmark bonus and approves the scope and budget of the restoration project to ensure that it is consistent with landmark guidelines, exceeds normal maintenance work, and involves substantial interior or exterior renovation work that is visible or otherwise open to the public. The City's TDR Program provides such a similar approach whereby the sending site owner will be responsible for implementing a preservation and

maintenance program for the historic structure of the sending site in exchange for the development rights of the historic property. The Adopt-A-Landmark proposed here is different in that it does not involve any development rights, but directly deals with the restoration of historic landmarks. Alternatively, an equal contribution to the Historic Public Art Fund serves the same purpose.

Parks and Open Space:

Coral Gables has a park impact fee for new residential projects and mixed-use projects with a residential component. The fee is based on the capital park needs of future residents. In light of the need for pocket green spaces in the Downtown, it might be advisable to consider an aggressive park and open space provision for all new construction in the Downtown since office workers also benefit from these parks and open spaces. Further, the City's TDR program may be modified to include the preservation of parkland and open space.

Public Art:

Coral Gables has a well-established Art in Public Places (AIPP) Ordinance that supports various art programs. The provision of public art, or payment in lieu of providing art, is a required public benefit. There is a separate proposal to increase the AIPP contribution for non-municipal projects as a method to incentivize the purchase of land for parks and open space. Pursuant to Sec. 3-2103 of the Zoning Code, the Commission may apply a portion of the AIPP funds toward the purchase of park land identified in the City's Parks and Open Space Inventory Analysis.

Transportation Mitigation:

Since the local city streets are all constrained by limited available right-of-way, and there are no opportunities to build new local roads, the City does not have a local traffic impact fee. However, there are still opportunities to address mobility for transit, bicycle and pedestrian circulation. The Transportation Master Plan currently underway, with a scheduled completion date of February of 2017, will provide a blueprint for capital projects that will address mobility needs citywide. The results of that study will inform the basis of funding needs, which may include monetary contribution from future development projects.

In conjunction with the Transportation Master Plan, staff proposes the study of a Transit Improvement District to support trolley operations for FY 2016/17 to be effective 2018. The results of this study may propose a long term funding mechanism for the operation of the trolley.

Public Parking:

Pursuant to City Code Section 74-201, developers are required to make a cash payment as a replacement for parking space lost as a result each project. Where appropriate, private development that accommodates parking for the general public use beyond the required parking needs can serve as an alternative public benefit. The Collection and 2020 Salzedo provided for 42 and 14 replacement public parking spaces, respectively, as the projects displaced existing public parking spaces. It is advisable that the provision of alternative parking rather than the parking replacement assessment required by Sec. 74-201 should occur in cases only when the additional public parking is determined by staff to meet a clear public purpose and does not create design issues due to increased garage bulk or size.

Employer-Based Transportation Demand Management:

There is growing evidence that specific measures called “Transportation Demand Management” (TDM) help reduce vehicle trips by providing employees with incentives, information, and additional transportation options to commute via modes other than the single occupant vehicle (SOV), to commute during off-peak times of day, or even to eliminate certain work trips altogether. These measures include but are not limited to preferred parking and subsidies for carpoolers and vanpoolers; bicycle lockers and showers; transit subsidies or vouchers to employees; parking cash-out (cash benefit offered in lieu of accepting free parking); parking charges (charge employee to park the car); etc.

Civic, Social, Cultural Facilities:

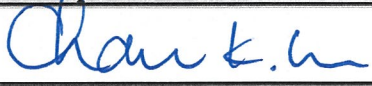
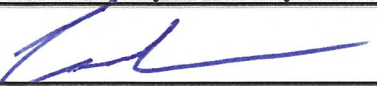

Where appropriate, a development project can fill a critical or unique need of the community such as a non-profit day care center, senior center, small business incubator space, artist workspace, performing arts facility, etc. The key is identifying a use and space that will be successful in the long term with appropriate community support so that the public benefit is self-sustaining and long lasting. The development should be of a critical mass and scale that can provide the space and support system to make the community benefit feasible. For example: Mediterranean Village has proposed for a day care center as part of its community benefit package.

Community Benefit Program Option:

For projects seeking a mixed-use site plan or Planned Area Development review by the City Commission, Staff proposes a menu of options from which developers may choose as each development project is unique due to its location, size, mixture of uses, etc. A total of 100 points must be obtained, with 50 points required from each menu. The Commission has the sole discretion to determine whether the Community Benefit Program proposed meets its intended purpose.

| Menu A* | Menu B* |
|--|--|
| Attainable / Incentive Teacher Housing 30 points | Transportation Mitigation 30 points |
| Enhanced Parks and Open Space Provision 30 points | Provision of Public Parking 10 points |
| Increased Arts in Public Space Contribution 15 points | Employer Based Transportation Demand Management Measures 20 points |
| Adopt A Landmark or Contribution to Historic Public Art Fund 5 points | Enhanced LEED Designation or equivalent (higher than Silver) 10 points |
| Civic, Social, Cultural Facility 5 points | |
| *Note: Consideration can be made by the City Commission to award extra points due to the magnitude, extent or nature of the specific community benefit option demonstrated by the development project. | |

APPROVED BY:

| Department Director | City Attorney | City Manager |
|---|---|---|
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ATTACHMENT(S):

Exhibit A: City Attorney Opinion 2016-008 Regarding Coral Gables Mediterranean Design Standards

Exhibit B: Teacher Incentive Housing Resolution