

City of Coral Gables City Commission Meeting
Agenda Item H-1
May 22, 2018
City Commission Chamber
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Raul Valdes-Fauli
Vice Mayor Frank Quesada
Commissioner Pat Keon
Commissioner Vince Lago
Commissioner Michael Mena

City Staff

City Manager, Cathy Swanson-Rivenbark
Assistant City Manager, Peter Iglesias
City Attorney, Miriam Ramos
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia

Public Speaker(s)

Juan Galan

Agenda Item H-1 [12:00 p.m.]

A discussion regarding the creation of a city board/committee for each special taxing district being transferred to the City.

(Sponsored by Commissioner Keon)

(Sponsored by Mayor Valdes-Fauli)

Mayor Valdes-Fauli: Next item is creation of a city board/committee for each special taxing district. Commissioner Keon and my item, too.

City Attorney Ramos: This is Item H-1.

Vice Mayor Quesada: H-1.

City Attorney Ramos: And, I believe that Mr. Galan is present and would like to address the Commission.

Mayor Valdes-Fauli: Mr. Galan, how are you?

Juan Galan: Hi. My name is Juan Galan, and I have been a resident of Coral Gables since 1977, so 40 years is a long time. And I want to first say thank you to Miriam, who gave an excellent ethics lecture session to all the committee members last year. And, I think that's one of the reasons why when this issue of the special taxing district came up, immediately the thought that came to my mind was that it would be a perfect thing for the committee structure that the City already has in place that is well proven that it's well run and that people are required to attend the ethics sessions and so on to handle it. To be quite frank -- and I don't think there's any surprise -- the County totally mishandled the special taxing district. We've had it in Cocoplum, where I live now, for over 10 years. I have yet to get the first financial report. There's no transparency. There's no financial accountability. So, when I heard that the City was going to take control of it because, frankly, I think we all know the County didn't want it -- it immediately came to mind that the City has a proven committee structure. The City has an opportunity to use the committee structure that it already has in place for many other things to provide the transparency and the accountability, as well as, we all know, the Sunshine law aspects of it so that the special taxing districts are done properly. Now, why is it important? I serve currently on the Waterway Advisory Board, appointed by Commissioner Keon. I previously served on the Budget Committee when -- in the first go-around of Mayor Valdes-Fauli and that became also the Audit Committee, which we formed at that time, which does not exist. And, all of the decisions that are made by these various citizen committees, in some way, indirectly affect taxes. But, the reality is that the special taxing districts are the only committees -- once they're formed -

- that will directly impact taxes, because the decisions made by these committees -- the recommendations that are made for the -- to come to the Commission for a vote will be direct tax increases. So, all the more important that we use the accountability and the transparency and the ethics process that the City has always used for its committees. Now, I know that there's a concern with cost. I know there's a concern with -- that if the City has to staff 16 different committees for special taxing districts, what is that going to cost the City and so on. Well, first of all, it's not committees that are going to meet monthly. These committees can probably meet twice a year, maybe three at most; number one. Number two, the County did charge these special taxing districts an administrative fee, and the City can do the same. So, obviously, as a citizen, I would not want to bring to the City an idea that incurred cost. It would at least be a break-even situation. So, these special taxing districts would pay for the administrative cost of the special taxing district. And, then there's one -- a couple of things that I cannot give you an answer, because I don't know the answer. And in some cases, frankly, the law doesn't know the answer. And, that is the issue -- two issues that come to mind that are important, because having assumed these special taxing districts, what are they going to do? They're going to decide on certain improvements on certain things. They are then going to come and suggest a budget, which is then going to come to the Commission for approval. Well, one of the real questions I think if I were in your shoes I would ask myself is at what point do we go to the residents, because if all of a sudden one of these committees, going through the proper procedures, following everything correctly comes up with a 50 percent increase that's going to impact 100 residents or 150 residents. I'm not sure if you may want to go ahead and approve that without having some input from the residents if this is what they really want or so on. So, that's one issue. The other issue is -- it's interesting, because everybody talks about the Boston Tea Party. And, the Boston Tea Party was not about the English and the Americans. The Boston Tea Party was about taxation without representation. And, the situation we have today and the situation the County managed, unfortunately, is such that if you are a resident, for example, of Cocoplum and you own four or five homes that -- for -- which you rent out and you live in one -- I don't happen to own any other homes other than myself -- my own home. But if you do, you don't get to vote on the special taxing district. The rules, as they exist today, is that the registered voters of the

house -- i.e., the tenants -- are the ones that vote on any particular issue that gets brought before the public. Now, I've discussed that with your attorneys, who have been very helpful. In turn, they have hired a counselor to help them and it is a state law issue. And, whether it's something that the City can approach or wants to approach or not is another issue. But, I just want you to be aware of that under the current rules, if you did bring it to a vote, the people that vote on it are the registered voters, not the people that own the property, which is very unusual for our country that tends to, want to have taxation and representation tied together. So, that's really all I have to say. I really -- I believe strongly that the committee is a good process, and I think the citizens will be well served by it. Yes, Raul.

Mayor Valdes-Fauli: Yes. Let me -- I'll just make a comment. I don't want to engage you in this. But, if you provide the owner of the homes a vote and the private tenants of the homes a vote, then you know, you face the exact opposite where you're -- the people who live there are as affected as anybody else or more and you're depriving them of a vote. But going on to the special taxing districts and the committees, I wanted to -- 16 new committees -- it's not the cost. I mean, we can tax you for the cost. But, I think it would be unmanageable -- and I would like to suggest something to you as an alternative, which is have one person elected by the homeowners' association to be the person in charge of the contact with the City, as opposed to, you know, the committee and...

Mr. Galan: Well, first of all, I can't speak for the other 15 homeowners' associations. And, our homeowners' association is really not representative of the community. There are only 40 members currently out of 149. That's less than 30 percent representation. So, even if you chose one of those 40 members, they would not be representing the other 149 members of the community. So, that -- the HOA, I think, frankly, should be a totally separate focus from the special taxing districts.

Mayor Valdes-Fauli: Okay. So, I hear you. But, maybe have the special taxing district elect a representative and not the HOA.

Mr. Galan: That could be, but then you have to go through a voting process, which requires a cost...

Mayor Valdes-Fauli: Which you will have to do anyway in order to elect the committee.

Vice Mayor Quesada: Let me understand something.

Mr. Galan: No.

Vice Mayor Quesada: Are you suggesting that each organization have its own...

Commissioner Keon: Yes.

Mayor Valdes-Fauli: Yes.

Vice Mayor Quesada: Board? So, in other words, 11...

Mayor Valdes-Fauli: The 16...

Vice Mayor Quesada: Boards or 16 boards. And what you're saying is, let's have 16 people on one committee...

Mayor Valdes-Fauli: Sixteen people...

Vice Mayor Quesada: To come back...

Mayor Valdes-Fauli: Elected by -- each by...

Vice Mayor Quesada: That makes a lot of sense.

Mayor Valdes-Fauli: The residents...

City Attorney Ramos: The reason...

Vice Mayor Quesada: That sounds like a logistical...

Mayor Valdes-Fauli: A nightmare.

Vice Mayor Quesada: Yeah.

Commissioner Keon: But the issue is...

City Attorney Ramos: One board of -- I'm sorry. One board of many people would not work, because all the different special taxing districts...

Mayor Valdes-Fauli: Yeah. We're not talking about...

City Attorney Ramos: Are different.

Mayor Valdes-Fauli: One board. We're talking about one representative that would interface with the City Manager and with the Commission.

City Attorney Ramos: Right, but the...

Mayor Valdes-Fauli: One person...

City Attorney Ramos: Vice Mayor was taking about one board for all of them.

Mayor Valdes-Fauli: No, no, no, no, no, no. Not all, no.

Commissioner Keon: Well -- but the issue is, as Mr. Galan has brought up, in Cocoplum, I think there's three different homeowners' associations. I mean, Tahiti Beach is its own -- has its own taxing district. Cocoplum I, Cocoplum II, and then the preexisting Cocoplum...

Mr. Galan: Tahiti Beach...

Commissioner Keon: What is...

Mr. Galan: But, you also have the issue that some of the -- there's only a couple of communities in Coral Gables that have deed restrictions that require HOAs.

Commissioner Keon: Right.

Mr. Galan: A lot of the other communities are voluntary HOAs...

Commissioner Keon: Right.

Mr. Galan: Which gets into the issue of why you don't have enough representation.

Commissioner Keon: Right.

Mr. Galan: So, what -- all I'm suggesting is that the committee structure that is proven where each Commissioner, and perhaps, the City Manager appoints a member and then those people act as a representative of their area would basically do a much better job than the County has done before. Now, if that's too many people, then I don't know how to figure out how to get from six

to three or six to two or six to one. But for sure, I can tell you that I don't think using the HOA as a...

Mayor Valdes-Fauli: No, maybe not the HOA.

Mr. Galan: Methodology is...

Mayor Valdes-Fauli: I agree with you.

Mr. Galan: The correct methodology.

Mayor Valdes-Fauli: Yeah.

Commissioner Keon: Right.

Mayor Valdes-Fauli: I agree with you.

Commissioner Keon: I think...

Mayor Valdes-Fauli: The HOA shouldn't be, but the special taxing district will call an election to elect a representative, two or three people will stand for it, and that person will be the official representative that will interface with our City Manager and with us.

Commissioner Keon: I think -- you know, and I think...

Mayor Valdes-Fauli: And I...

Mr. Galan: That's an option.

Mayor Valdes-Fauli: (INAUDIBLE)

Mr. Galan: And you know, the other option is the proven method that we have of Commissioners appointing various people and so on. You know, and the other -- I mean, the other option that I hadn't considered is to have a special taxing district committee, just one, for all 16, and they would act in evaluating the 16 different budgets and the 16 different...

Mayor Valdes-Fauli: Maybe that's...

Mr. Galan: Approaches. The question, then how do you design the composition of those five or six members, and do you require a rotation among the various special tax -- and that might be another choice is the first time you pick out of a hat, and out of 16, you get 5, and then the next time, those 5 aren't in the hat. And out of the 11 that are left, you pick 5, and then eventually you have every special taxing district that has served, okay, and then you go again.

Commissioner Keon: Well...

Mr. Galan: So, you know...

City Attorney Ramos: I think it's problematic to have a board making decisions without a member from that particular community. If you went to one, I think it would have to be -- with the 9 or 11 or 16 members, one from each one.

Commissioner Keon: You know, if we created, you know, a group within each taxing district that could meet -- because the only thing they're doing is looking at -- primarily is the budget for that guard gate and for the security services within your community.

Mr. Galan: Perhaps, because the other concern that people have shared with me is I have had other residents that have talked to me about it is the fact that, as I said before, there are only a few communities that have deeds restrictions and have forcible...

Commissioner Keon: Right, right.

Mr. Galan: HOAs.

Commissioner Keon: Right.

Mr. Galan: Some people are thinking that they can use the special taxing district much like an HOA...

Commissioner Keon: No.

Mr. Galan: And, force others to pay for amenities that they would like that they wouldn't get in an HOA, but they would get through the special taxing district.

Mayor Valdes-Fauli: But you see, that's exactly what we don't want to get involved in in terms of...

Commissioner Keon: Right.

Mayor Valdes-Fauli: The City.

Mr. Galan: Right.

Mayor Valdes-Fauli: And, maybe one representative -- let's try the one representative for a while.

Commissioner Mena: Can we...

Commissioner Keon: Well...

Commissioner Mena: Why -- can we not just have somebody from staff sort of be appointed liaison for the City for...

Mayor Valdes-Fauli: Yeah.

Commissioner Mena: These districts? And, instead of having a committee or a board and all this -- have them meet and have like an annual or biannual meeting that's publicly noticed within the special taxing district to discuss any issues with each neighborhood as opposed to...

Mayor Valdes-Fauli: I agree with you.

Commissioner Mena: Even the...

City Attorney Ramos: We have hired...

Commissioner Mena: But, even the suggestion that the special taxing district is going to have an election and elect...

Mayor Valdes-Fauli: No.

Commissioner Mena: A representative...

Mayor Valdes-Fauli: I think that they should have...

Commissioner Mena: Seems like a lot of...

Mayor Valdes-Fauli: A representative.

Commissioner Mena: Bureaucracy.

City Attorney Ramos: So, we have hired a consultant, which will be really the liaison to the communities. I think the concern from the residents is who speaks on behalf of them to that consultant.

Commissioner Keon: I...

City Attorney Ramos: What voice are they listening to? I think. That's what I heard from Mr. Galan.

Mr. Galan: Well, yeah, and -- but I mean, I -- on the surface, your suggestion, which is to have an employee of the City be assigned to be the liaison with each of the 16 special taxing districts, to have public announcements that there's going to be a meeting, to have discussions at that meeting of each individual special taxing district and, perhaps, within that meeting, a vote of what the people who were there are in favor of might be an approach to start the thing and then figure out where we need to go from there.

Mayor Valdes-Fauli: Okay.

Mr. Galan: My main concern is that the City has proven structures, you know, the people go through Ethics Committee.

Commissioner Mena: Which is a good thing, but I...

Mr. Galan: Which is a very good thing.

Commissioner Mena: Got to be honest with you. I think we have too many boards now.

Mayor Valdes-Fauli: Yeah.

Commissioner Mena: And, we would be adding 16 to I think -- what do we have, 32, 33, something like that? So, it's a lot more boards...

Mr. Galan: But it's...

Commissioner Mena: For us to manage and for...

Mr. Galan: I understand.

Commissioner Mena: Even for the City Attorney to do these ethics trainings, you know. It's a lot more for us to manage.

Mr. Galan: But if you're going to go that route, the one thing I would ask you -- because the County never did it -- is to go ahead and follow through on the issue of having meetings and having, you know, decisions about what the special taxing district should be, which the County never did. It was totally -- you couldn't even figure out who was doing what and where. So, that's very important and I think the City...

Commissioner Mena: I'm confident we can do better than the County.

Commissioner Keon: We can.

Mr. Galan: I hope so.

Commissioner Mena: That's my opinion, maybe others disagree.

Mr. Galan: I hope so, but...

Commissioner Mena: But, I would say -- because my concern is even if any sort of election we have -- whoever that person ends up being, they still may not be...

Mr. Galan: Representative...

Commissioner Mena: Speaking on behalf of everybody. It may be somebody from the HOA, because the HOA may be better organized and they may elect somebody from their HOA.

Mr. Galan: Exactly.

Commissioner Mena: So, there's no...

Mayor Valdes-Fauli: Why don't we have...

Commissioner Mena: Good answer in that approach. I like the idea of having a public meeting by somebody from staff. Obviously, I'm -- sort of just came up with this idea. We'd have to have this discussion with the City Manager to see if it's feasible, but I think it's a...

Mayor Valdes-Fauli: Can I...

Commissioner Mena: It might be an easier...

Mayor Valdes-Fauli: Can I make a suggestion?

Commissioner Mena: Approach.

Mayor Valdes-Fauli: That we have the City Manager or her appointee meet with Mr. Galan to come up with a suggestion that will please everybody, as opposed to us discussing it here.

Commissioner Mena: Yeah, sure.

Commissioner Keon: And they don't have to meet that often.

Mayor Valdes-Fauli: Okay.

Commissioner Keon: It's only a couple times, because it's really primarily to look at the budget and approve a budget for the services that you want from a tax -- from that security district going forward.

Commissioner Mena: And outside of...

Mayor Valdes-Fauli: Okay, so we'll...

Commissioner Mena: And outside of the scope of those...

Commissioner Keon: Yeah.

Commissioner Mena: Occasional maybe -- let's call it twice a year, just to use a round number...

Commissioner Keon: Yeah.

Commissioner Mena: You'll still at least have that point person on the City staff...

Mr. Galan: Oh, sure.

Commissioner Mena: That you can contact...

Commissioner Keon: Right.

Commissioner Mena: If you have an...

Mr. Galan: Right.

Commissioner Mena: Individual concern.

Commissioner Keon: Right. You'd have...

Commissioner Mena: So...

Commissioner Keon: You'd have to meet like in April, because it has to be -- go into our budget.

Unidentified Speaker: Right.

Commissioner Keon: And it needs to be on the tax rolls.

Mayor Valdes-Fauli: Okay.

Commissioner Keon: So...

Mayor Valdes-Fauli: So, let's have the City Manager...

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Commissioner Keon: They'll figure it out.

Mayor Valdes-Fauli: Appoint someone to interface with Mr. Galan and come up with a suggestion.

Commissioner Keon: And the...

Mr. Galan: Thank...

Commissioner Keon: City Attorney...

Mr. Galan: Thank you very much.

Mayor Valdes-Fauli: Thank you very much.

Mr. Galan: And without going off topic, I just wanted to interject on the previous question you had about FP&L and so on. Having lived in Cocoplum for 24 years and having a nice ugly green box that was never approved by the architectural board, I think one of the questions the City should ask itself is why is it that all of us have to go through the architectural board to build houses and make improvements, but the utilities don't have to go through the architectural board.

Mayor Valdes-Fauli: Don't get us started. Thank you. Thank you, Mr. Galan.