

**City of Coral Gables City Commission Meeting
Agenda Item E-4
January 10, 2012
City Commission Chambers
405 Biltmore Way, Coral Gables, FL**

City Commission

Mayor Jim Cason

Vice Mayor William H. Kerdyk, Jr.

Commissioner Maria Anderson

Commissioner Rafael “Ralph” Cabrera, Jr.

Commissioner Frank Quesada

City Staff

City Manager, Patrick Salerno

City Attorney, Craig E. Leen

City Clerk, Walter J. Foeman

Deputy City Clerk, Billy Urquia

Public Speaker(s)

Mark Trowbridge, President of Coral Gables Chamber of Commerce

E-4 [Start: 9:20:47 a.m.]

Resolution electing to use the uniform method of collecting Non-Ad Valorem Special Assessments levied within the incorporated area of the City; stating a need for such levy; providing for the mailing of this resolution; and providing for an effective date.

Mayor Cason: Alright we move onto Item E-4, Mr. Manager, and you have an introduction you'd like to make.

City Manager Salerno: Thank you Mayor. Item E-4 is a resolution electing to use the uniform method of collecting Non-Ad Valorem Special Assessments levied within the incorporated area of the City; stating a need for such levy; providing for the mailing of this resolution; and providing for an effective date. Mayor and Commissioners, as you know we are working on a significant improvement to Miracle Mile and Giralda, the Miracle Mile and Giralda Streetscape. One of the ministerial perfunctory steps in the process, and this item is before you today only for

the reason to provide the City Commission flexibility in the future should you decide to go forward with a special assessment that has yet to be determined by you – whether you will or you won't and what the parameters and framework for that item would be. So this item provides flexibility, it merely preserves the Commission's ability to do something in the future. What it really is, is an item that says to the Property Appraiser that the City Commission is thinking about levying an assessment. So it really talks about whether or not – that merely you are contemplating that action. The resolution is not binding, it does not obligate the City to use the tax bill collection method, it does not actually impose a special assessment, and has no other implications or obligations to the City other than to let the Property Appraiser know that you are thinking about doing something with a special assessment regarding Miracle Mile and Giralda Avenue. That is merely the action that is before you. I would only add to that to give you just a little bit of flavor for how I think the process may go in general terms likely. When we present to you at some time in the next several months options for you to consider and those options would include what the boundaries of any special assessment would be, whether the rates are set having a correlation to their use, to their frontage, to their gross square footage, or any other factor that the Commission may wish to consider. All of that has yet to be developed and considered. At some point in the future it would probably be appropriate I would imagine to have a workshop or workshops of the City Commission and anybody interested in this matter. Following a workshop as far as the process to actually implement a special assessment there would be a preliminary or first reading of an ordinance that it would be based upon after you decided what you want to do if you want to do something. Once that first reading of that ordinance is adopted a notice has to be given to every person affected, all property owners affected within that area 20 days in advance of your final hearing on that matter, that notice is provided by First Class mail. That is something that happens way down the road, has nothing to do with today's action; today's action as I said is merely providing the City Commission flexibility. In fact, it's likely at the time when we do have a workshop I would probably present a recommendation that it will be any assessment if one is adopted would be put off for about two years from the time that you actually adopt the assessment. What that would do is that allows for one year for construction of the improvements, so that there would be no assessments on anybody, any of the property owners, or any of the beneficiaries of this project during construction, and one year after construction is completed, so that the beneficiaries actually realize the benefit of the improved traffic and exposure and business opportunities that they would receive from this endeavor. So the likely path is some two years out from once you adopt it before any assessment would actually be paid by anybody. All of that is background and not specifically tied in any fashion to the item before you today. The item before you today merely said to the Property Appraiser that the City of Coral Gables is contemplating, thinking about, considering taking some action down the road that may utilize his uniform method of collection. That's all it does. We are just required to give him notice so that he can think about that. He may have some workload associated with doing

so, but it doesn't tie the hands of the City in any fashion, and as you may recall about a year ago you adopted a similar measure...

Commissioner Anderson: For the garbage, right?

City Manager Salerno:...for garbage rates for the City, we were considering staff, we never brought it back to you because we thought there were some disadvantages to doing so, and there was no subsequent action. In fact you didn't even need to take action to undo the action that you had done. As I said, it's really a ministerial function, but necessary that you inform the Property Appraiser you are thinking about doing something.

Mayor Cason: OK. Before we have a discussion up here do we – since this is a public hearing I'll open the public hearing; Mr. Clerk do we have any speaker cards?- we do. Mark welcome.

Mr. Trowbridge: Good morning, Mark Trowbridge, President of the Coral Gables Chamber of Commerce, 224 Catalonia Avenue. We are here to speak in support of this item. We understand that this is part of the process in terms of streetscape and as you know the Chamber has made the streetscape project on Miracle Mile and Giralda one of our top priorities, so we are here to speak to support the item on behalf of the Chamber. Thank you very much.

Commissioner Anderson: Thank you.

Mayor Cason: Thank you.

Commissioner Cabrera: Mr. Trowbridge before you leave and good morning Mr. President.

Mr. Trowbridge: Good morning.

Commissioner Cabrera: Mr. President, I'm just curious because as a long time resident of this community and being involved in the Chamber at one time or another, how many of the Miracle Mile merchants, property owners and Giralda merchants and property owners are part of the Chamber?- I know it's probably a difficult...

Mr. Trowbridge: A rough idea – the property owner is probably not as much as obviously the individual merchants, obviously we have a good majority of the restaurants, about as many of the retailers, but I would say somewhere in the neighborhood of about 30 percent.

Commissioner Cabrera: That's pretty strong.

Mr. Trowbridge: We believe so.

Commissioner Cabrera: Thank you.

Mr. Trowbridge: Thank you very much.

Mayor Cason: Any other speaker cards?- if not I'll close the public hearing.

City Manager Salerno: Mayor, I think there is one...

Mayor Cason: One more.

City Manager Salerno:...Mari Gallet from the B.I.D. (Business Improvement District).

Ms. Gallet: Good morning Commissioners, Mayor, Clerk and City Attorney, Mari Gallet from the Business Improvement District. As you know the B.I.D. has been working on this project probably for about ten years now trying to move it forward, and we are very excited that this is part of the process of moving it forward. Obviously we are very interested to know the particulars and want to make sure that we are involved in the process hand-in-hand with you along the way, 100 percent of our members are affected by this program. So we are very excited, but we recognize that other cities right now are cutting back and not doing capital projects, but we want to make sure that this is at the top of our priority list as a City, not only for the benefit of the property owners and the merchants, but the entire City. So this is our number one priority and we want to see it happen.

Commissioner Anderson: I sent you some e-mails this morning, I forwarded some e-mails from some folks from your Business Improvement District, Mari, so that you can be aware that there were concerns, I think they had some understandably some misinformation or misconception of it. So I just thought that maybe – what are you doing to help kind of spread the word that this is not what they think it is.

Ms. Gallet: Well actually I was very interested in hearing the points this morning about the two years. I think if you read the item, and I read the item and thought, oh my goodness, the assessment is going to start right away...

Commissioner Anderson: Sure.

Ms. Gallet:...and some of those e-mails said, what the reality is right now. For example, one of them talked about four stores that just went dark on the 200 block, which is kind of our main

block, so four folks are concerned that they are going to be hit with an assessment this year before the work is done, and we want to make sure that we have a demonstration of the project, that we have the project, that we have the work done, and as our City Manager said that they have the opportunity to realize some gains.

Commissioner Anderson: Sure.

Ms. Gallet: They are hanging on for dear life right now.

Commissioner Anderson: I think that's understandable.

Ms. Gallet: As we know the economy is tough, our retailers and our restaurants are feeling it, so I think the initial shock of seeing assessment 2012, but we'll go back to your question and inform all of our members of the results here today, and another thing is from the beginning of the project we've had public meetings, so we want to make sure we continue that and I think now that this is in front of us we need to have public meetings right away.

Commissioner Anderson: Sure – and I'm glad and I'm very supportive of what the Manager says about the assessments waiting, I think it's only the right thing to do, we put these business owners who are under a lot of strain and give them an opportunity to recoup, and I – hopefully that will spread some goodwill between government and our business community. So I'm supportive of that.

Vice Mayor Kerdyk: Let me just add to that in my opinion the most important thing in this process is the vetting of this in an open forum; I'm talking a very open forum like having workshops, numerous workshops. Being on the street as you know probably leasing more space on Miracle Mile by far than anybody else. The fact is that people are hurting and in a project that could take up to a year and possible also encapsulate a project behind there, when I say behind there, on Andalusia corridor to those parking garages, is critically important to understanding the whole process logistically, and the problem why I've received phone calls and conversations about this is that in my opinion it was not vetted. I mean, it does seem like a very simplistic and non binding situation and I understand that, but the problem is that a lot of people when they first read this they say, Oh my God, like exactly what you said, they are going to start charging as of November 2012, and the City Manager makes a very articulate presentation there explaining that's not the case, but that's not what we hear when we walk around the streets. So, I'm telling you, I'm really looking forward to the project and I can tell you, it has to be right or I'm not going to support it, no doubt about, because it's a bad economy for tenants, and a bad economy for owners, and I'm sure it's a bad economy for the Chamber, and I know it's a difficult thing to collect fees from the B.I.D. So this is going to be something that we really, really need to make

sure we do the right things, all the right things. So I want to see all the pieces of the pie, that's what I want to see at one time.

Commissioner Cabrera: That was well said. Ms. Molina (Gallet) how much lead time did you have on this? Did your organization and your members become aware of this prior to either this week or last week?

Ms.Gallet: This item?

Commissioner Cabrera: Yes.

Ms. Gallet: Last week.

Commissioner Cabrera: Last week. Were you able to communicate to the B.I.D. members?

Ms. Gallet: Not formally.

Commissioner Cabrera: I don't disagree with anything my colleagues have said, in fact I agree with Ms. Anderson and Mr. Kerdyk. The issue here is this is a very large project, you know this better than I do, you've been working on it, you've been the Executive Director of the B.I.D. for how long?

Ms. Gallet: Seven years.

Commissioner Cabrera: OK – seven years, it feels like longer than that, and Mr. Trowbridge has been the President of the Chamber for quite some time as well, and this is such a large project with so many various pieces to the puzzle, as Mr. Kerdyk, if I steal from his commentary, that's it's so important to get off on the right foot. It's so important not to get people angry about reading something that came out on an agenda item that's ministerial or perfunctory. So my concern is as you go forward or as you go back to the B.I.D. and you go and tell them what's happening here that they understand that we have a long ways to go. If I were king of Coral Gables I would tell you go back to them and apologize for having done this without first letting them know, but I'm not, so this is not going to work out that way. I appreciate you listening and I hope that your folks will get an opportunity to get the full story.

Mayor Cason: Thank you very much. Any more speaker cards?- if not we'll close the public hearing – any other discussion?

Commissioner Cabrera: I'm just curious. I wanted to ask staff if this item is time sensitive?

Mayor Cason: Mr. Manager?

City Manager Salerno: Yes it is. As the items says, we've advertised it four times, there is rather an extensive requirement, even though it's just ministerial and giving notice to the Property Appraiser, we have till March 1st by the Property Appraiser to give him notice, but the process has already been advertised and I see no reason why a pure ministerial function needs any more time.

Commissioner Cabrera: Let me just comment. The item was in fact published, excuse me, advertised, it was advertised in the Daily Business Review, and I don't read the Daily Business Review, obviously Ms. Molina doesn't read it because she wasn't aware of this item coming before us until last week. The first time that it was printed in the Daily Business Review was December 4th, to the best of my knowledge; and I went around and asked a couple of merchants and property owners if they in fact knew about this, and no one seemed to know about it. So my only comment before we vote is that I just think that unfortunately this lacks transparency, and therefore I'm not going to vote for it because I'm not going to support a lack of transparency in a process. So having said that, I really don't have any other comments Mr. Mayor.

Commissioner Anderson: Actually, I had a very good conversation with our Manager as a result. I didn't know about it until last Thursday as well like everybody else, and I did call him and we did speak, so I had the benefit of that. So, I'm very comfortable; I'm comfortable to move forward to get this moving. It is something that is needed, and I don't think there is anything ominous about it. I do think that we do need to make sure that our business community does know what it means, but other than that I'm ready to make a motion.

Mayor Cason: Any other discussion?

Commissioner Quesada: Yes, just one quick point. I took a look at the statute that's mentioned here, I read the resolution, I had a conversation with staff and from what I've heard today the word ministerial has been used a few times and that's what I believe it is, it's just opening the door to allow us to make a decision if we choose to make a decision in the future, but I just want to clarify, Mr. City Manager, before any special assessment is levied, before any assessment is levied it's going to come before this Board, there is going to be a public hearing...

City Manager Salerno: Multiple, multiple. I would imagine Commissioner, there would be at least one workshop, perhaps multiple workshops, there would be a first reading of a public hearing and a first reading of an ordinance for you to set the parameters for what you are

considering, if you decide to go forward. Then individual notices by First Class mail get sent to each property owner...

Commissioner Quesada: OK.

City Manager Salerno:...they would be benefiting and affected, giving them notice of the final ordinance hearing as to when it will be time, place and what the rates are, etc. So it is an extraordinary amount of notice associated with this process. When we get to making meaningful decisions, as I said, this is merely a ministerial and it is just part of the process, but frankly as you've done before you've adopted these things and frankly you never act on them again and they simply have absolutely no effect at all.

Mayor Cason: Mr. Manager could you sort of lay out what you think the chronology moving forward?-, what's the next step after this vote is taken?- what do you expect will happen in the next six months let's say?

City Manager Salerno: We have – we are just starting the process of analyzing the data in the downtown area, that's where we are at right now. We are developing the data and that's a variety of property and economic type of data. I would expect we are probably three months away from, perhaps two, between two to three months away from being able to have a workshop, a first workshop with the Commission where our team will make a very detailed presentation where all the options, and really at that stage we are going to be presenting the Commission with options. We may provide a recommendation or we may just simply provide all the options and different scenarios for you to consider. There will be opportunity for the Chamber, the B.I.D., any individual property owner, residents to express their views on the methodology that they deem is appropriate for this apportioning the benefit and the cost to those affected property owners. So that's two to three months before we are at the workshop stage, and then from there it's a function of what the timeframe and what the appetite of the Commission is, it could be done as quickly at 30 days, 45 days, or it could go on for an extended period of time depending on how comfortable the Commission is and how much – they may want more information, they may want other items considered, they may want other factors considered, they may want to see different boundaries that had been presented, so it's hard for me to predict because it's an interactive process that the Commission is going to direct. We'll be in the process of providing you information and then it's up to the community at large to see what options and paths they feel the best about in going forward. So there is tremendous flexibility that rests with the Commission as to how you go forward, when you go forward, if you go forward, or don't go forward at all. You are not obligated to – at this stage with the adoption of this resolution I assure you, I guarantee you there is not action required subsequent to this and if you don't decide to

spend five minutes more on this, you won't spend five minutes more on this, and you won't even have to undo this resolution because it will die on its own.

Mayor Cason: OK – Bill?

Vice Mayor Kerdyk: I have a follow up to your question Mayor. You talk about two to three months for the Miracle Mile, when does the RFP go out for the Andalusia?- what's the timing?- the garages?

City Manager Salerno: Oh, Andalusia...

Vice Mayor Kerdyk: Yes, the Andalusia garages, so I can see the timing of both issues.

City Manager Salerno: It's two to three months before we present you with data, OK, so the first step is in two to three months we will be able to present to you options, scenarios, factors that we think you should consider and perhaps a recommendation.

Vice Mayor Kerdyk: For the Andalusia garages?

City Manager Salerno: No – for the Miracle Mile.

Vice Mayor Kerdyk: Miracle Mile, OK, I'm done with that, I understand that. I want to know the Andalusia garages now.

City Manager Salerno: We are probably in the neighborhood of the same timeframe, two to three months before the RFP. What will happen is we will be preparing an RFP, we have already started that process, by that I mean, we are negotiating the final aspects of a contract with a firm that the City has used in the past, can't think of his name at the moment, but he was involved in the Palace project that the City did from the beginning. He will prepare the RFP, I'm saying that that will take between two to three months to get done, then it will go out on the street, 30-45 days to be on the street, maybe as many as 60 days. Then those proposals will come in, staff will evaluate them. I would anticipate we would have a recommendation, but I don't want to prejudge what is going to be presented, and then it will be presented before the Commission to decide which if any of those proposals you would like to entertain and to go forward with. I would tell you that there is considerable interest on the part of the development community in those two sites. I think if that interest materializes in proposals, some of them are quite exciting and all of them will provide – one of the premises here is to provide additional parking in the downtown, but I can tell you there is considerable interest in the marketplace for that, but that's the timeframe.

Commissioner Quesada: So does that mean that the parking garages are going to be constructed at the same time?- I'm making a lot of assumptions here, but go with my assumptions here, that the streetscape is being built up on Miracle Mile, is that a problem that we are going to have so much construction at the same time assuming it's all going to end up at the same time?- because my concern is what if a potential consumer doesn't want to come to Coral Gables because there is traffic, and there is congestion everywhere you go because of all the construction. Is this something we need to be thinking about right now?- is it something we should be staggering?

City Manager Salerno: No. I don't think so. Just like the Palace is under construction today, obviously it has some impact right on the property directly adjacent to it, but that's progress, but I don't believe we should hold up either initiative in that regard.

Mayor Cason: The garages could go before the streetscape.

City Manager Salerno: Huh?

Mayor Cason: Presumably one option would be the...it could be in place before or under construction before...

City Manager Salerno: You know the – construction today is very favorable, the construction, the bidding market today is favorable to cities or anybody that's doing construction, so I don't think you'd want to hold up on Miracle Mile if you decide to go forward to wait on another project on somebody that you don't control. You control your actions for Miracle Mile.

Vice Mayor Kerdyk: Let me say something. The reason I brought it up Commissioner, was because I have some anxied about these being developed at the same time. There has to be some logistics in it, or I'm telling you it's a lot different the zero to 100 block of Andalusia than the 2 to 300 block of Andalusia, there is a whole different traffic flow pattern. I mean there is a whole different traffic flow pattern and I'm telling you it's going to impact. So I'm just pointing out in my overall assessment of the deal it's going to have to look at the whole pie and that's why I asked what the staggered was of these RFP's and the development of Miracle Mile. They might all be the best thing, we might pick one, we might pick two, we might pick none, but whatever it is its part of the equation to make the right decision from my standpoint period, that's it.

Commissioner Cabrera: And Mr. Kerdyk, your office is one block southwest of the Palace...

Vice Mayor Kerdyk: Right.

Commissioner Cabrera:...my office is one block south of the Palace, you and I travel those corridors all day long...

Vice Mayor Kerdyk: Down Galiano.

Commissioner Cabrera:...tell me it's not a nightmare...

Vice Mayor Kerdyk: It's a mess.

Commissioner Cabrera:...it's a nightmare. It's a nightmare travelling north, it's a nightmare south, it's a nightmare travelling east.

Vice Mayor Kerdyk: Well it also backs up on Ponce, it does all these things.

Commissioner Cabrera: It is what it is.

Vice Mayor Kerdyk: It is what it is. I have one last question. City Manager you brought it up and I just want to know as you put the methodology or logistics as far as this goes. If we decided to expand on the Miracle Mile and Giralda component there on this assessment, what would be the way we added to that or how long a time period. For instance if we wanted to landscape Salzedo and Galiano between Giralda and Miracle Mile or whatever the street, Valencia, Aragon, whatever the street is; is this site specific with this resolution?- or is this for any component in the, I think you put it, in the Central Business District?

City Manager Salerno: This is for Miracle Mile and Giralda, that is the project that is being contemplated, but within 30 to 45 days I can put us in the exact same spot on any other road that you would like anywhere in the City.

Vice Mayor Kerdyk: It would just – since it wouldn't be before March 1st, say it happened April 1st, you could apply it as early as November 2012, it probably is the difference in that.

City Manager Salerno: That would be correct, but as I mentioned we are not looking at levying the assessment for two years anyway.

Vice Mayor Kerdyk: No, no, no, I understand, I'm just trying to get the answers to the questions that I need. That would probably be the one component that would change in the way this is written here, the November 2012, if we adopted it in April – if we decided to do another street...

City Manager Salerno: Yes.

Mayor Cason: OK. Any other discussion? If not, can I have a motion on E-4?

Commissioner Anderson: I'll move it.

Mayor Cason: Commissioner Anderson makes a motion, a second?

Vice Mayor Kerdyk: I'll second it.

Mayor Cason: Vice Mayor makes a second.

City Clerk

Commissioner Anderson: Yes

Commissioner Cabrera: No

Vice Mayor Kerdyk: Yes

Commissioner Quesada: Yes

Mayor Cason: Yes

(Vote: 4-1)

City Manager Salerno: Mayor, could I just add one thing? In addition, interesting I'd like to just keep you apprised of what's happening in the marketplace just to make you aware. We all know that Coconut Grove is looking at investing millions of dollars in their downtown, we know that downtown Miami is looking at it, most recently even the town of Cutler Bay has decided that they are looking at spending \$10.2 million to improve their main thoroughfare in Cutler Bay and communities realize that they have to change if they want to protect their community, their merchants, their residents, their tax base, they need to be moving forward all the time, and I thought I'd just share with you what another community, nearby community has decided to proceed with a \$10 plus million dollar streetscape project on their main thoroughfare. That's all I wanted to add Mayor.

[End: 9:50:55 a.m.]