

CITY OF CORAL GABLES

- MEMORANDUM -

TO: Carmen Olazabal
Interim City Manager

DATE: August 21, 2014

FROM: Diana M. Gomez
Finance Director



SUBJECT: Giralda Streetscape
Improvements Appeals

In accordance with the Initial Assessment Resolution for Giralda Improvement Project that was adopted by the City Commission on June 10, 2014, I had directed the provision of notice to all affected property owners within the Giralda Avenue Assessment Area. On or before August 5, 2014, 36 notices were mailed to these property owners. In addition to the monetary amounts of the proposed assessments, these notices detailed the front footage assigned to the property, the building area assigned to the property, and the market value assigned to the property so that any mistakes in these assessment unit assignments could be corrected, as provided in section 2.13 of the City's Capital Project and Related Services Assessment Ordinance.

To date, the City has received credible information from one property owner within the Giralda Avenue Assessment Area, demonstrating an error in the assignment of assessment units. Information regarding this property, and analysis performed, is detailed in the attached.

It is recommended that the City Commission approve the Final Assessment Resolution and incorporate the corrections noted above.

FISHKIND
& ASSOCIATES
ECONOMIC CONSULTANTS

August 21, 2014

Ms. Diana Gomez, Finance Director
City of Coral Gables
405 Biltmore Way
Coral Gables, FL 33134

VIA: Email Only to dgomez@coralgables.com

RE: Giralda Streetscape Special Assessment Appeal
Alhambra International Center 150 Alhambra Circle
Tax Identification Number 0341080072380

Dear Ms. Gomez:

I have reviewed the materials provided by the landowner including: (1) redacted rent roll and (2) email message from Sabrina Robinson, esquire, attorney for the property owner. In addition, I analyzed information on the property from: (1) the Property Appraiser ("PA") and (2) Costar. After my review of this I agree with the landowner that the square footage figure contained in the Property Appraiser's ("PA") database includes the parking garage. The PA shows the building contains 207,408 square feet. The documentation from the property owner's representative indicates that only 104,871 are available for rent with the balance being the parking garage comprising 102,537. Costar shows a rentable area totaling 105,773 which is 952 more square feet. However, this discrepancy is not material.

I have reviewed of other large properties that include parking facilities which are included in the streetscape benefit area. In all of these other instances the parking garage space was not included in the adjusted building square feet information in the PA's database. Therefore, it is appropriate in my opinion to exclude the parking garage space for Alhambra International Center thereby bringing its assessment measurement into conformance with the other properties in the benefit area. Table 1 displays the adjustments I recommend reflecting the reduced square footage for the building.

Table 1. Proposed Adjustments

<i>Reference</i>	<i>Market Value</i>	<i>Adj. Bld. SF</i>	<i>FF</i>
<i>Alhambra Center</i>	\$16,900,000	207,408	0
<i>Adjustment</i>	0	-102,537	0
<i>As Adjusted</i>	\$16,900,000	104,871	\$0

The proposed adjustment to the building square feet lowers the assessment by about 23% as shown in Table 2. The par debt assessed would be reduced from the currently proposed \$304,247 to an adjusted amount of \$233,687.

Table 2. Impact of the Adjustment

<i>Reference</i>	<i>Market Value Ass.</i>	<i>Adj. Building SF Ass.</i>	<i>Front Feet Ass.</i>	<i>Annual Ass.</i>	<i>Admin. Fee</i>	<i>Total Annual Ass.</i>	<i>Total Par Debt Ass.</i>
<i>Alhambra Cnt</i>	\$9,827	\$15,393	\$0	\$25,220	\$2,522	\$27,741	\$304,247
<i>Adjustment</i>	\$0	-\$7,610	\$0	-\$7,610	-\$761	\$8,371	-\$70,559
<i>As Adjusted</i>	\$9,827	\$7,783	\$0	\$17,610	\$1,761	\$19,371	\$233,687

Finally, this adjustment is very fair to the owner. The adjusted building area concept in the assessment methodology is an adjusted gross building area concept. However, in this instance the best information available to make the appropriate adjustment to remove the square footage of the parking garage is based on the rentable area measurement, as documented by the owner. Rentable area is less than building area with the difference represented primarily by bathrooms, stairwells, and elevator shafts. Use of the rentable area to make the adjustment understates the actual gross building area less the garage space. Even so, I think it is appropriate to adjust for the excess space of the parking garage using the best evidence available, so I recommend making this adjustment.

After your review please let me know if there are any additional questions.

Sincerely,

Henry H. Fishkind, Ph.D.

Hank Fishkind, Ph.D.
President

Digitally signed by Henry H. Fishkind, Ph.D.
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