

Miracle Mile Improvements

City Commission Meeting – August 26, 2014



Workshop Agenda

- Approach
- Streetscape history and timeline
- Streetscape financing plan
- Process & legal overview
- Q&A

Approach

- Staging will be sensitive to merchants.
- Businesses will not need to close during construction.
- Installation of temporary way finding signs.
- Collaborating with BID on a parking awareness campaign.
- Commitment to celebrate milestones, and to promote awareness, and excitement.

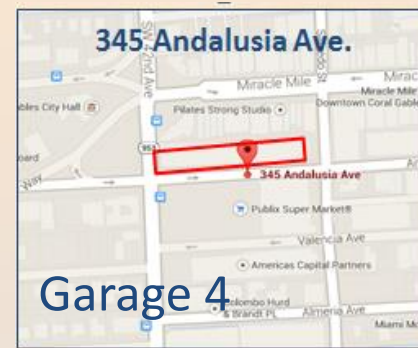


Window of Opportunity

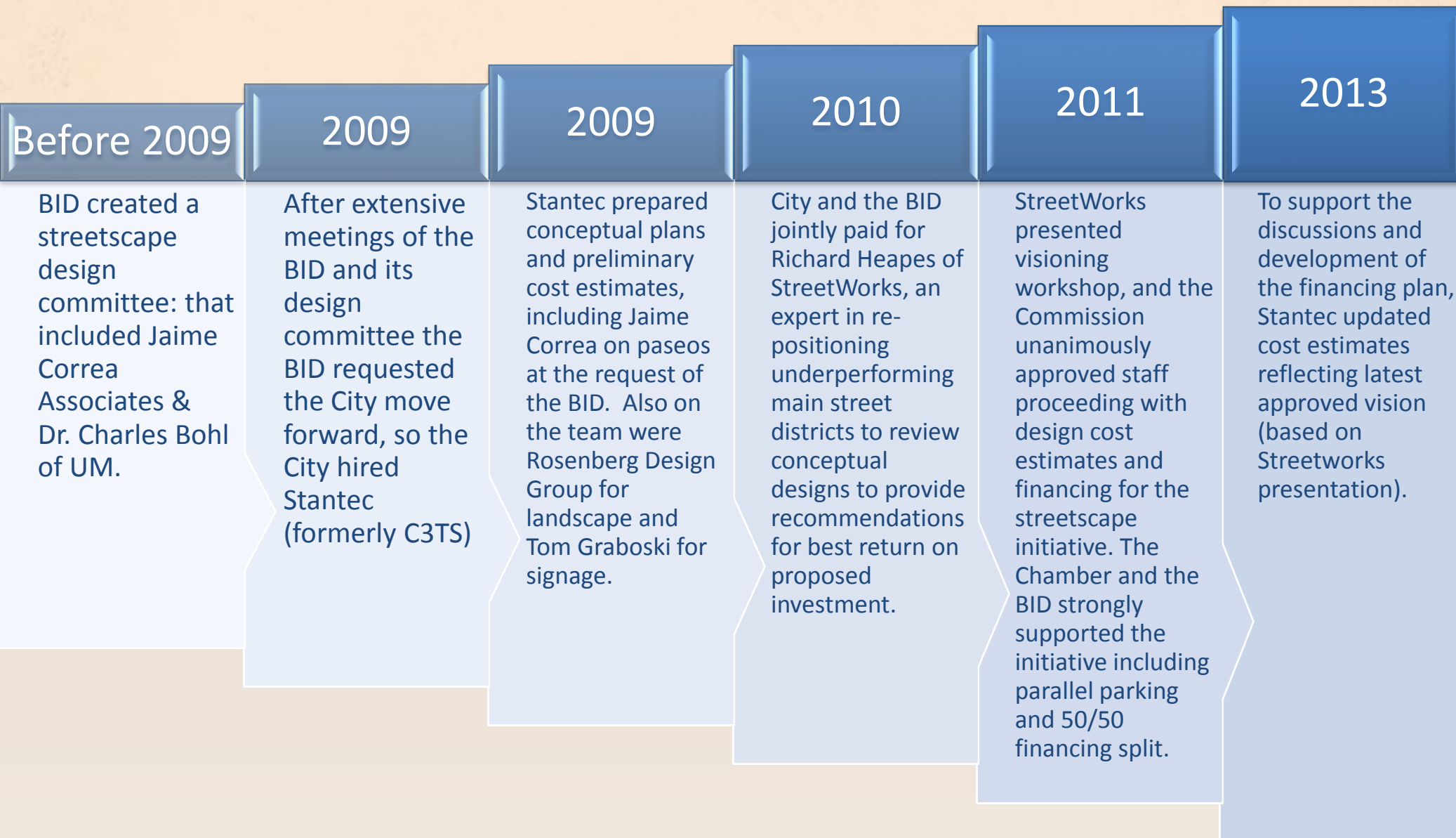
Estimated timing for construction

	Start	End
Streetscape	June 2015	October 2016
Garage 1	September 2016	February 2017
Garage 4	March 2017	December 2018

Assumes we issue the garage RFP in August 2014.



How We Got to This Point



2014 Approval Process Timeline

Feb 25: Public workshop held with the Commission to review a proposed financing plan based on the cost estimates

June 10: Commission passed an initial resolution for the financing plan, that authorized notification to property owners who would be assessed, asked staff to look at additional financing options proposed by the BID, and set a public meeting for Aug. 26

July 22: Workshop with Commission and stakeholders (including public) to discuss latest approved concept, and the financing plan, after **June 20** workshop with the Chamber, **July 15**, workshop with the BID

August 26 : Final hearing (public input) on the special assessment and a vote will take place.

★ *If passed, design will take approx. 6 months, and construction approx. 12-18 months.*

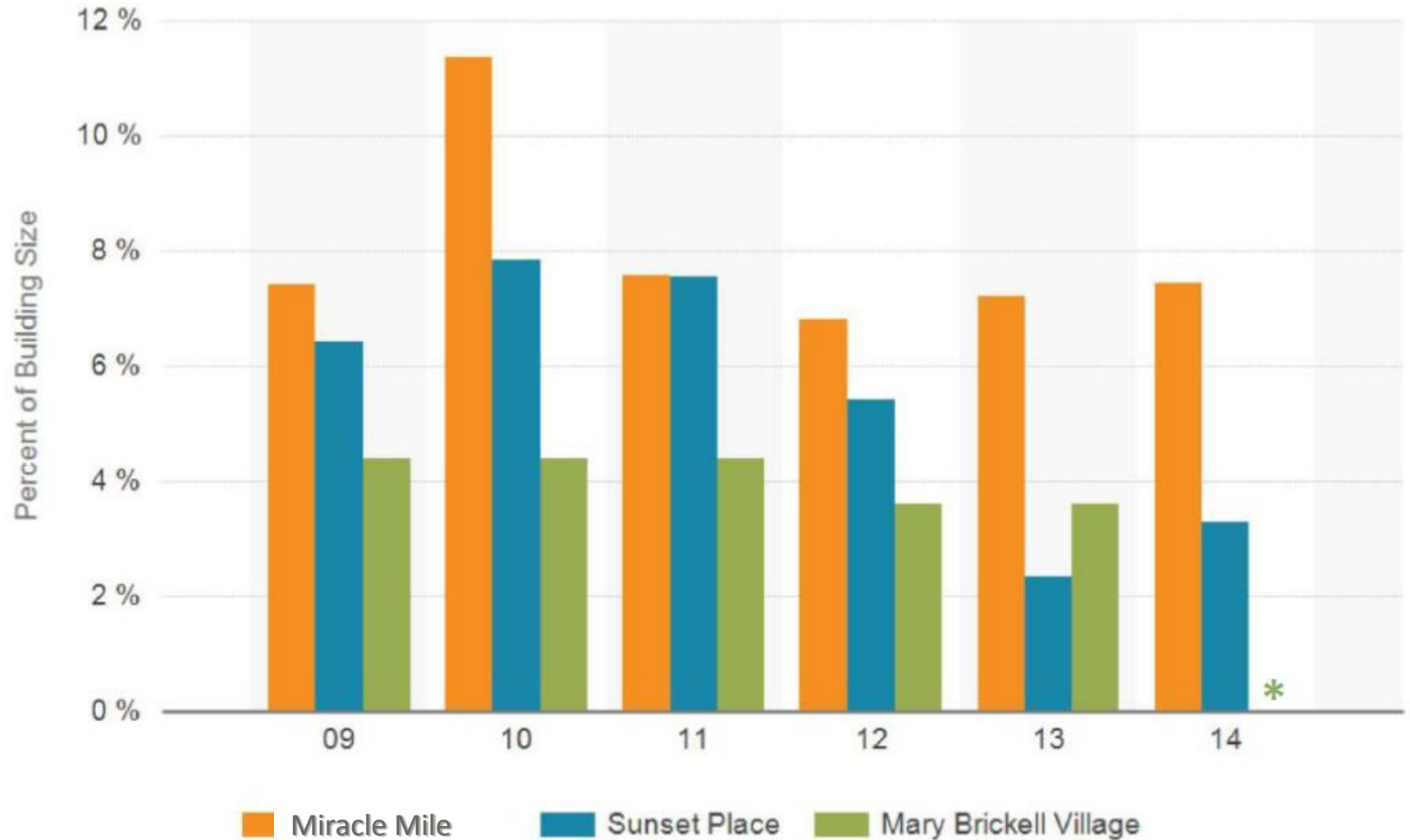
Planning

- Our Downtown has been in need of investment for a long time.
- We want to improve the City consistent with the aesthetics of the Coral Gables' character.
- We need to be competitive with other neighboring markets.



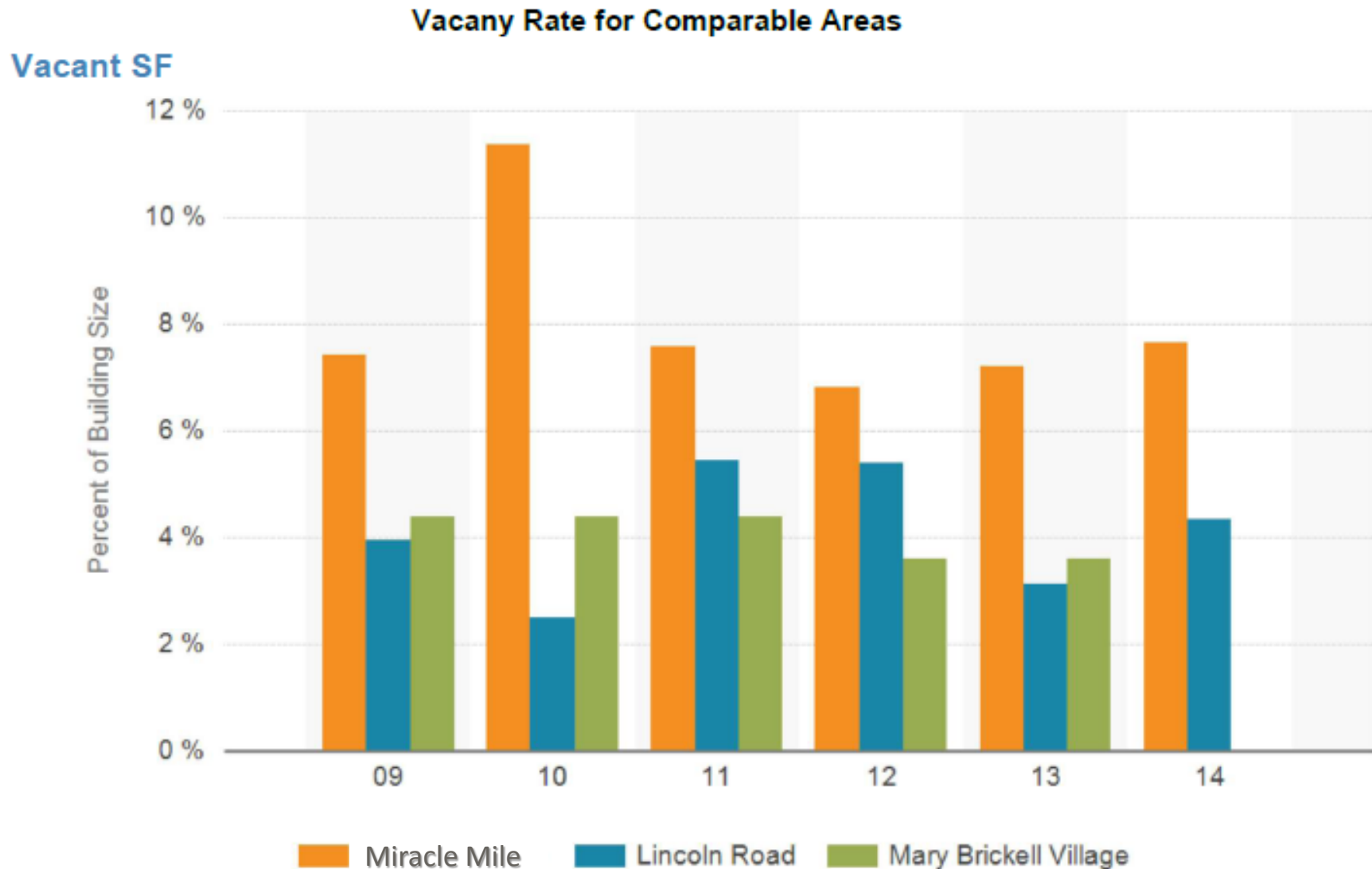
Comparable Vacancy Rates

Vacant SF



Data Source: CoStar 2014

Comparable Vacancy Rates

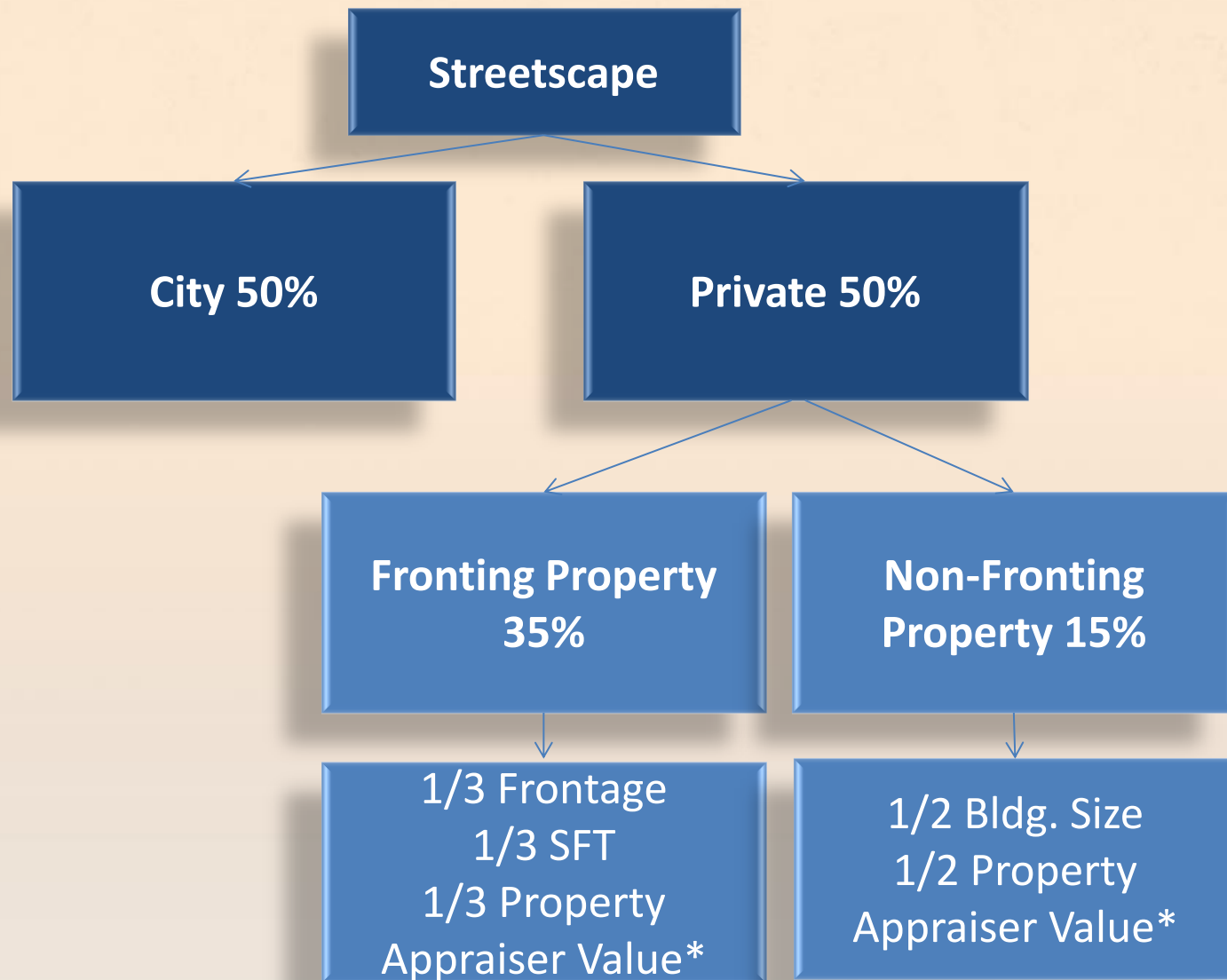


Data Source: CoStar 2014

Special Assessment Program

- Improvements create both a Special Benefit and a General Benefit.
 - Special benefits to properties fronting Miracle Mile and Giralda Avenue and to adjacent properties in the same block.
 - General benefits to all properties, citizens and visitors.
- The City of Coral Gables proposes to pay for 50% of the cost of the streetscape project which reflects:
 - The general benefits to other properties in the City.
 - City properties in the benefit zone.
- Private property owners specially benefiting from the proposed streetscape project could pay up to 50% of the project cost.

Allocation Methodology



**As of December 2013*

Other Streetscape Projects

Florida Streetscape Projects					
Project	CRA / Blighted	Total Cost	Government Share	Private Share	Year
Worth Avenue	No	\$14,770,000	0%	100%	2010
Flagler Street	Yes	\$13,000,000	92%	8%	approved in 2014
Lincoln Road	Yes*	\$17,800,000	73%	27%	1994
Lincoln Road	Yes*	\$6,200,000	100%	0%	2010
South Pointe	Yes*	\$23,000,000	100%	0%	2006 - ongoing
Ft. Myers	Yes	\$12,500,000	100%	0%	2010
St. Augustine	No	\$3,300,000	77%	23%	2015

**Community Redevelopment Agency time period had not expired at the time of most recent improvements.*

Program Cost With Grant Credit

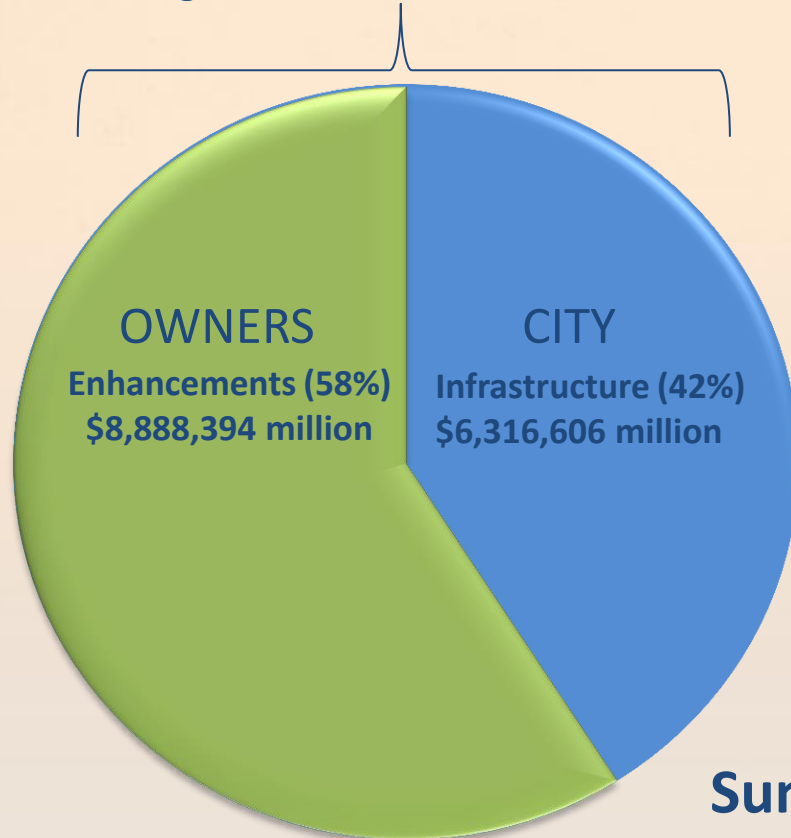
	Total Cost*	Credit (GOB Grant Funds)	Net Cost	Total Cost With Financing
Miracle Mile	\$ 15,694,098	\$ 953,634	\$ 14,740,464	\$ 15,205,000
Giralda Avenue	<u>\$ 3,560,763</u>	<u>\$ 216,366</u>	<u>\$ 3,344,397</u>	<u>\$ 3,480,000</u>
Total	<u>\$ 19,254,861</u>	<u>\$ 1,170,000</u>	<u>\$ 18,084,861</u>	<u>\$ 18,685,000</u>

Program Cost

Scenario A: *If* City pays 100% of infrastructure

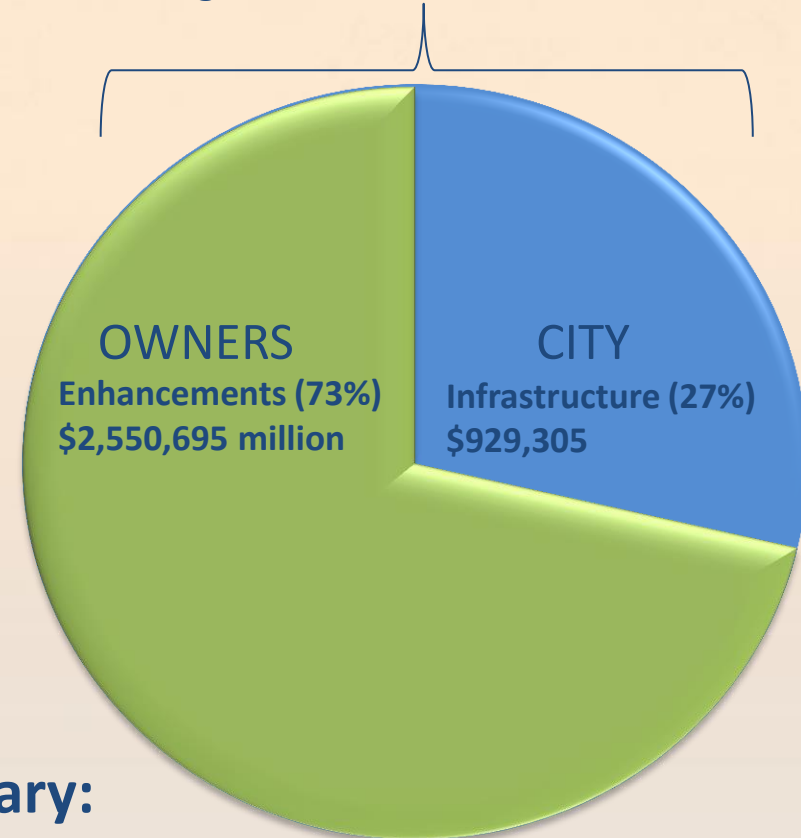
Miracle Mile

Program Cost: \$15,205,000 million



Giralda

Program Cost: \$3,480,000 million



Summary:

Owners Pay 61%: \$11,439,089

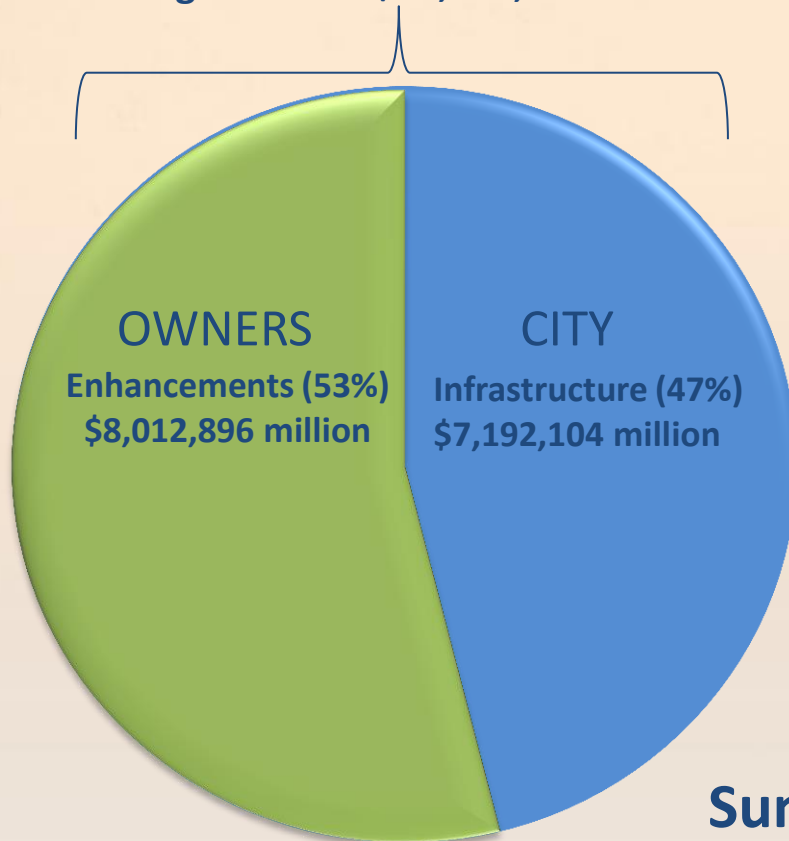
City Pays 39%: \$7,245,911

Program Cost

Scenario B: *If* City pays 100% of infrastructure
+ Pro Rata City Properties

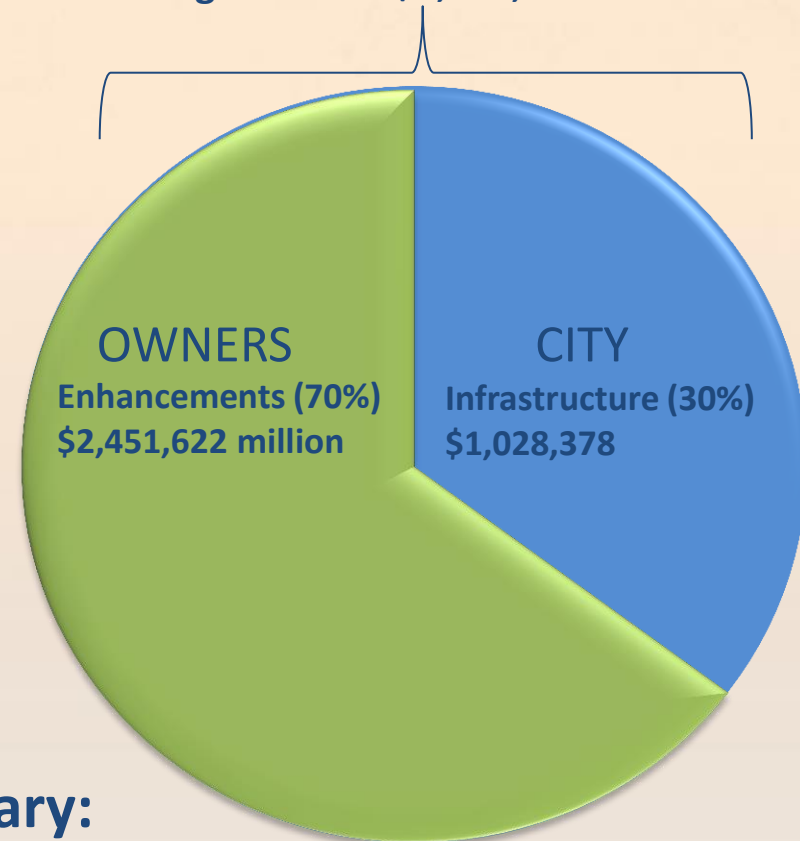
Miracle Mile

Program Cost: \$15,205,000 million



Giralda

Program Cost: \$3,480,000 million



Summary:

Owners Pay 56%: \$10,464,518

City Pays 44%: \$8,220,482

Total Program Cost

	Net Cost	Paid By Owners	Paid by City
Miracle Mile Cost*	\$ 15,205,000	\$ 7,602,500	\$ 7,602,500
Giralda Cost*	\$ 3,480,000	\$ 1,740,000	\$ 1,740,000
First two years of interest payments	\$1,783,469	=	<u>\$ 1,783,469</u>
Biltmore Way Cost	<u>\$ 4,500,000</u>	=	\$ <u>4,500,000</u>
Total	<u>\$24,968,469</u>	<u>\$ 9,342,500</u>	<u>\$ 15,607,140</u>
% of Total	100%	37%	63%

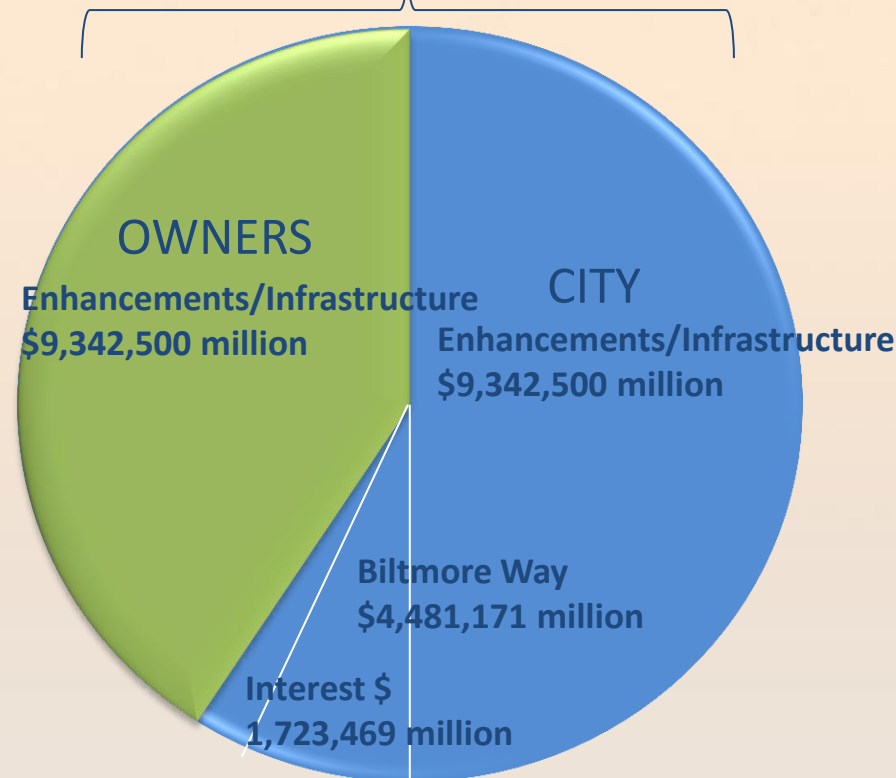
**Includes financing costs*

Total Program Cost

Scenario C: *If* Split Project Costs 50/50 plus City pays for Biltmore Way Improvements and Interest for first Two Years

Miracle Mile, Giralda, and Biltmore Way

Program Cost \$24,949,640



Summary:

Owners Pay 37%: \$9,342,500

City Pays 63%: \$15,607,140

Process & Legal Overview

- Notices to property owners sent August 5, 2014.
- Final Assessment Resolution confirms the methodology adopted in the IAR, levies the assessments, and provides for their collection beginning in 2016.
- Upon adoption, the Prepayment Period (approx. 60 days) would begin. (*Property owners have the option to pay in advance and avoid financing and interest costs.*)
- City issues Bonds (expected December 2014).
- City makes Bond payments (interest only) for the first 2 years.

Process & Legal Overview (2)

- Property owners have the option to pre-pay at any time during the 20 year assessment period. (*Will pay their share of financing costs and current year interest costs but can avoid future interest cost.*)
- Annually through the life of the assessment the City will recertify the assessment roll and reimpose its assessment lien.

Coral Gables



Questions?

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