



**City of Coral Gables
CITY COMMISSION MEETING
August 26, 2014**

ITEM TITLE:

A resolution of the City Commission of the City of Coral Gables, Florida, relating to the provision of the Miracle Mile improvement project; providing authority and definitions; approving the final assessment rolls; amending the initial assessment resolution; providing for the imposition of the assessments to fund the Miracle Mile improvement project; providing for collection of the assessments pursuant to the uniform assessment collection act; providing for the effect of this resolution; providing severability and an effective date.

And

A resolution of the City Commission of the City of Coral Gables, Florida, relating to the provision of the Giralda Avenue improvement project; providing authority and definitions; approving the final assessment rolls; amending the initial assessment resolution; providing for the imposition of the assessments to fund the Giralda Avenue improvement project; providing for collection of the assessments pursuant to the uniform assessment collection act; providing for the effect of this resolution; providing severability and an effective date.

DEPARTMENT HEAD RECOMMENDATION:

Approval.

BRIEF HISTORY:

The streetscape initiative for Miracle Mile and Giralda Avenue has long been discussed. The City retained C3TS (now Stantec) to work with the Business Improvement District (BID) that had put together a design scenario with their streetscape design committee in 2008. Then, in 2010, The City and the BID each paid a portion of the fees to hire Street-Works, LLC as a real estate consultant to provide input on re-positioning our main street district, which has been underperforming.

On January 27, 2011, the City held a special meeting/workshop for Street-Works to present its additional perspective on how we could generate the greatest return on the proposed investment in conjunction with the conceptual plans started by Stantec. The Commission unanimously passed Resolution No. 2011-25 approving the strategic downtown initiative for Miracle Mile and Restaurant Row, and directed the City Manager to move ahead with implementation, including design, cost estimates and financing, each subject to the City Commission's subsequent approval.

All during this process, the Chamber and the BID invested their time and energy to keep the need for addressing the Mile in people's minds, and they have been supportive of every step the City Commission has taken towards this initiative. (See attached transcript excerpts).

On February 25, 2014, the City Commission held a workshop where Hank Fishkind of Fishkind & Associates presented an assessment methodology for the proposed Miracle Mile and Giralda Avenue Improvement Projects that involved a special assessment for the specially benefitted properties.

Dr. Fishkind presented his finalized proposed allocation reports to the City Commission on June 10, 2014,

AGENDA ITEM NO.

and the City Commission passed the Initial Assessment Resolutions to establish estimated annual assessment rates, authorize the Finance Director to prepare a preliminary assessment roll and approve the mailing and publication of the notices required by the Ordinance No. 2014-07. The Final Assessment Reports that were presented are attached for reference. This was not an adoption of the financing plan, which still requires a final hearing and vote at the August 26, 2014 Commission meeting.

Below is the cost for the initiative showing application of County GOB grant funds (listed as the credit amounts):

| Project | Total* | Credit | Net Cost |
|--|---------------------|--------------------|---------------------|
| Miracle Mile | \$15,694,098 | \$953,634 | \$14,740,464 |
| Giralda | \$3,560,763 | \$216,366 | \$3,344,397 |
| Total | \$19,254,861 | \$1,170,000 | \$18,084,861 |
| *See attached Stantec Report for details | | | |

The properties that are specially benefitted are identified as those that front directly on Miracle Mile and Restaurant Row, as well as the adjacent properties that are one half block next to the directly fronting properties. The assessment methodology presented by Fishkind & Associates considers front footage, building size, and market value. The directly fronting properties are allocated 70% of the assessment (35% after applying the City's 50% contribution), and the adjacent properties are allocated 30% (or 15% after applying the City's 50% contribution). In addition, the City will pay the interest only debt service for the first two years so that property owners will not be assessed until the improvements are estimated to be completed. Taking into consideration the City's proposal to pay the interest for the first two years, as well as paying the full amount for completing the project on Biltmore Way at an estimated cost of \$4.5 million, the City will be paying **63%** of the project, and the specially benefitted property owners would be paying **37%**.

| | Net Cost | Paid By Owners | Paid by City |
|--|---------------------|---------------------|----------------------|
| Miracle Mile Cost | \$ 14,740,464 | \$ 7,370,232 | \$ 7,370,232 |
| Giralda Cost | \$ 3,344,397 | \$ 1,672,199 | \$ 1,672,199 |
| Total Streetscape before Biltmore Way | \$ 18,084,861 | \$ 9,042,431 | \$ 9,042,431 |
| First two years of interest payments | \$1,783,469 | - | \$ 1,783,469 |
| Biltmore Way Cost | \$ 4,481,171 | - | \$ 4,481,171 |
| Total | \$24,349,501 | \$ 9,042,431 | \$ 15,307,071 |
| % of Total | 100% | 37% | 63% |

At the June 10, 2014, meeting, the City Commission requested that the City Manager have staff hold interim workshops before the hearing for the Final Assessment Resolutions to be held August 26, 2014. The Commission also asked that staff explore additional financing suggestions raised at the meeting.

Workshops were presented at the Chamber's Annual Goals Conference on June 20, 2014, at 11:15 a.m., for the Business Improvement District membership on July 15, 2014, at 3:00 p.m., and after the regular

AGENDA ITEM NO. _____

City Commission meeting on July 22, 2014 at 5:00 p.m. The public had the opportunity to speak at all of these meetings, and will also have the opportunity to speak at the hearing for the Final Assessment Resolutions.

At the July 22, 2014 workshop, Dr. Hank Fishkind was asked to address the following:

- The effects of assessing City property included in the benefit areas; and
- Financial structure and contribution by local government to other recent streetscape projects in South Florida.

In the attached report dated August 8, 2014, he concluded that the City's proposed payments of 50% of the cost of the project would be more than if the City was assessed for its properties directly. In addition, staff assessed what percentage the City would pay if it paid \$6,316,606 of the infrastructure costs and its pro-rata share of the assessments, and it was determined that the City's original proposal of the 50/50 split is more.

Dr. Fishkind also concluded that the only streetscape project that is truly analogous to our project is that of West Palm Beach. In that case, the specially benefitted property owners paid 100% of the assessment. The other examples raised by members of the public all involved CRA's or blighted property, where it is more appropriate for the government to pay more to redevelop those areas. Therefore, he continues to assert that "the City's proposed contribution to the streetscape projects at 50% of their cost is generous," as he also asserted in his Memorandum dated July 17, 2014 that was presented to Commission on July 22.

Individual property owners that have contacted staff prior to the final hearing have had the opportunity to raise concerns. Please see the attached memorandum from the Finance Director recommending changes to the assessment roles as a result.

Also, concern about assessing residential properties within the assessment areas was raised. Heather Encinosa of Nabors Giblin & Nickerson, P.A. addresses this issue with the attached memorandum of August 11, 2014, which concludes that the residential properties are legally included, and their inclusion is supported by the methodology of Fishkind & Associates.

The Miracle Mile project will create a unique sense of place – a civic promenade- that will become a focal point for the Region. The project is a redesigned experience for the most prominent public space in the heart of the City, and will include widening of the pedestrian area utilizing high quality materials and finishes, installing extensive gardens and landscaping, setting the stage for incorporation of public art, providing decorative street lighting and way finding, as well as improving drainage and creating new and cohesive surfaces from one side of the street to the other.

The Giralda project for Restaurant Row will include creating a single surface curb-free environment utilizing high quality materials and finishes including an artistic street paver design covering the full width of the road from building to building, installing landscaping, setting the stage for incorporation of public art, providing decorative street lighting and way finding, as well as improving drainage and creating a new and cohesive experience.

Miracle Mile, has never lived up to its potential, and it is in dire need of addressing both its physical condition as well as its position with regard to other competitive submarkets such as Lincoln Road, Mary Brickell Village, Coconut Grove, and South Miami, which provide other options and choices to residents and visitors. In addition new submarkets such as Brickell CityCentre, Miami Worldcenter, and redevelopment of Midtown/Design District are arising.

Just as businesses today must continually reinvent themselves in order to stay successful, cities need to do likewise. Coral Gables needs to be the city of choice. To achieve this, creating a vibrant main street is key. The Mile needs to reflect who we are, and who we were, and how the past has shaped us. This initiative aims to increase consumer traffic, support increased income to existing businesses, as well as attract new and diverse businesses. Cities and regions that thrive in the 21st century will be differentiated by their pedestrian-friendly neighborhoods and business districts, cultural and recreational attractions, great sense of place, protected natural areas and deep pride in local character.



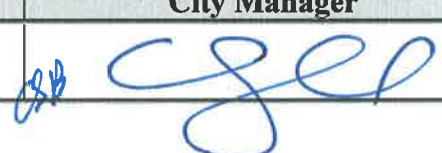
In addition to Miracle Mile, our Restaurant Row on Giralda Avenue will undergo a vibrant transformation and will also be able to realize its full potential as a dining destination and gathering place.

A walkable downtown quickly can become a magnet for both public life and economic expansion, thus enriching our community. When completed, downtown will be more visitor-friendly and better poised for economic success.

Through careful planning and by incorporating the design qualities and characteristics of enduring places, we can go beyond simply constructing a streetscape project. Instead, we should view this initiative as an opportunity for community building. We can create a unique place – a civic promenade – that will become the focal point for the region. When family and friends arrive from out of town, this area will become the place you want to share with them.

Few other City Commissions in Florida have adopted such an ambitious approach in pursuit of high quality development and a better quality of life for all. Nor will any other city have created such a beautiful unique environment reflecting the history, culture and architecture of the community. We will set the standard in South Florida for urban design of a public space.

APPROVED BY:

| Department Director | City Attorney | City Manager |
|---|---|---|
|  |  |  |

ATTACHMENT(S):

1. **Proposed Resolution for Miracle Mile Assessment**
2. **Proposed Resolution for Giralda Avenue Assessment**
3. **Final Assessment Report Miracle Mile Streetscape Improvements**
4. **Final Assessment Report Giralda Streetscape Improvements**
5. **Memorandum dated August 8, 2014 from Fishkind & Associates, Inc.**
6. **Memorandum dated August 11, 2014 from Heather Encinosa of Nabors, Giblin & Nickerson, P.A.**
7. **Memoranda from the Finance Director regarding recommended adjustments.**
8. **PowerPoint Presentation**
9. **Updated Project Development Cost Estimates dated August 21, 2014 by Stantec**
10. **Excerpt verbatim transcript Streetscape Workshop on January 27, 2011**
11. **Excerpt verbatim transcript Financing Workshop on February 25, 2014**