

CITY OF CORAL GABLES

--MEMORANDUM--



The City Beautiful

TO: Members of the City Commission
City Manager, Peter Iglesias

FROM: Mayor Vince Lago

A handwritten signature in blue ink, appearing to be "V. Lago", is written over the name of the Mayor.

DATE: September 7, 2023

SUBJECT: Millage Rate Reduction Proposal

The purpose of this memo is to highlight my proposal to lower the current millage rate. Coral Gables has long been a beacon of prosperity, culture, and history. But as we continue to grow and flourish, we must ensure that our fiscal priorities reflect our commitment to our residents while ensuring the sustainable growth of our city. It is with this in mind that I strongly advocate for the reduction of Coral Gables' millage rate.

First, a lowered millage rate directly benefits our residents. It results in decreased property taxes, making living in Coral Gables more affordable for both current and potential residents. This is especially vital in a time when many are grappling with economic uncertainty. In Miami-Dade County, assessed values used to calculate tax bills are growing at the fastest rate in 15 years. Mayor Daniella Levine Cava also proposed an increase for trash and recycling fees earlier this year, all these things continuing to affect the cost of living for families.

Last year in a press release, Miami-Dade County Property Appraiser, Pedro Garcia, recommended a 3% reduction which would provide tax relief to over 439,000 homestead property owners, who would see an increase in their taxes if their overall millage rate were not reduced by 3% ([refer to Property Appraiser Pedro Garcia's Press Release](#)).

Secondly, a lower millage rate can indirectly stimulate business growth. The Central Business District is vitally important to our city as it provides 27 percent of our ad valorem tax revenue. When residents have more disposable income, they are more likely to spend it locally, supporting our businesses and, in turn, our local economy.

Lastly, this move reflects our values as a community. Coral Gables has always been a forward-thinking city, and our decisions are rooted in long-term vision rather than short-term gains. By lowering the millage rate, we're investing in our future, ensuring that Coral Gables remains a desirable place to live, work, and play for generations to come.

During the August, 22, 2023 Sunshine Meeting, most of my colleagues on the Commission advocated strongly against my proposition to lower our current millage rate and requested to see an action plan. Enclosed, I have included examples of the millage rate reduction (see examples at 2.5%,5%,7.5%). Kindly note, these projections serve only as an example. My intention is that together, as a governing body, we can work collaboratively to select the projects the Commission deems appropriate.

If you are interested, please read my editorial that was recently published in Miami Today (attached).

CITY OF CORAL GABLES
FISCAL YEAR 2024-2028 FIVE YEAR CAPITAL IMPROVEMENT PLAN
DRAFT - PROJECT LISTING

PROJECT	PROPOSED FY 2024	EXAMPLE OF 2.5%	REVISED FY 2024	Comments
	GENERAL CAPITAL FUND PROJECTS	MILLAGE REDUCTION	PROJECT FUNDING	
Network Infrastructure Matrix	2,118,470		2,118,470	
Citywide Roof Replacement Matrix	541,007		541,007	
HVAC Equipment Replacement Matrix	579,996		579,996	
Citywide Elevator Replacement Matrix	258,841		258,841	
Entrances & Fountains Refurb. Matrix	54,534		54,534	
Fleet Replacement Matrix	2,881,696		2,881,696	
Parks Replacement Matrix	1,836,363		1,836,363	
Radio System Replacement Matrix	658,988		658,988	
Police Rifle Replacement Matrix	12,604		12,604	
Fire Equipment Replacement Matrix	249,132		249,132	
TOTAL CAPITAL MATRICES	9,191,631	-	9,191,631	
City Hall Complex Improvements	1,600,000	(500,000)	1,100,000	Funds 3rd floor and Annex phases underway
Venetian Facility Improvements	600,000		600,000	Funds Grant Match
Phillips Park Renovation and Enhancement	3,800,000	(1,100,000)	2,700,000	Project has Grant
TOTAL PRIORITY PROJECTS FUNDED IN FY23 PLAN	6,000,000	(1,600,000)	4,400,000	
Citywide Septic to Sewer Conversion Assessm't*	187,500		187,500	Funds Conversion Assessment
TOTAL UTILITY IMPROVEMENTS	187,500	-	187,500	
Emergency Generator Matrix	680,000		680,000	
Recertification of City Facilities	1,200,000		1,200,000	
Sidewalk Repair/Replacement Program	350,000		350,000	
Bridge Repairs & Improvements	200,000		200,000	Funds Grant Match
TOTAL CRITICAL PROJECTS	2,430,000	-	2,430,000	
ADA Remediation	100,000	(100,000)	-	
Energy & Water Efficiency at Facilities	190,200		190,200	
Coral Gables Country Club Improvements	500,000	(200,000)	300,000	
Granada Golf Course Diner Renovations	1,443,473		1,443,473	
Park AED/Camera Surveillance Installation	200,000	(200,000)	-	
New Sidewalk Installation	500,000	(250,000)	250,000	
Citywide Street Resurfacing Program	193,000		193,000	Funds Grant Match
Citywide Traffic Calming Program	1,200,560	(80,004)	1,120,556	
Citywide Landscaping & Irrigation Impr.	520,577	(260,000)	260,577	
Residential Waste Pit Restoration	100,000	(50,000)	50,000	
Street Tree Succession Plan	100,000	(50,000)	50,000	
TOTAL RECURRING PROJECTS	5,047,810	(1,190,004)	3,857,806	
Toledo and Alava Neighborhood Park	905,125		905,125	Funds Grant Match
Rotary Park Enhancement	212,800		212,800	
Youth Center Improvements	500,000	(200,000)	300,000	
Blue Road Open Space Improvements	498,872		498,872	Funds Grant Match
Police Body Worn Cameras	81,000		81,000	Project has Grant
Granada & Columbus Plazas Transportation Impr.	100,000		100,000	
Ponce De Leon Blvd. Streetscape Impr. - Phase III	250,000		250,000	
Last Mile Transit Stop Improvements	46,661		46,661	
TOTAL ONE-TIME/MULTI-YEAR PROJECTS	2,594,458	(200,000)	2,394,458	
TOTAL	25,451,399	(2,990,004)	22,461,395	

CITY OF CORAL GABLES
FISCAL YEAR 2024-2028 FIVE YEAR CAPITAL IMPROVEMENT PLAN
DRAFT - PROJECT LISTING

PROJECT	PROPOSED FY 2024	EXAMPLE OF 5%	REVISED FY 2024	Comments
	GENERAL CAPITAL FUND PROJECTS	MILLAGE REDUCTION	PROJECT FUNDING	
Network Infrastructure Matrix	2,118,470		2,118,470	
Citywide Roof Replacement Matrix	541,007		541,007	
HVAC Equipment Replacement Matrix	579,996		579,996	
Citywide Elevator Replacement Matrix	258,841		258,841	
Entrances & Fountains Refurb. Matrix	54,534		54,534	
Fleet Replacement Matrix	2,881,696		2,881,696	
Parks Replacement Matrix	1,836,363		1,836,363	
Radio System Replacement Matrix	658,988		658,988	
Police Rifle Replacement Matrix	12,604		12,604	
Fire Equipment Replacement Matrix	249,132		249,132	
TOTAL CAPITAL MATRICES	9,191,631	-	9,191,631	
City Hall Complex Improvements	1,600,000	(600,000)	1,000,000	Funds 3rd floor and Annex phases underway
Venetian Facility Improvements	600,000	-	600,000	Funds Grant Match
Phillips Park Renovation and Enhancement	3,800,000	(1,500,000)	2,300,000	Project has Grant
TOTAL PRIORITY PROJECTS FUNDED IN FY23 PLAN	6,000,000	(2,100,000)	3,900,000	
Citywide Septic to Sewer Conversion Assessm't*	187,500	-	187,500	Funds Conversion Assessment
TOTAL UTILITY IMPROVEMENTS	187,500	-	187,500	
Emergency Generator Matrix	680,000		680,000	
Recertification of City Facilities	1,200,000		1,200,000	
Sidewalk Repair/Replacement Program	350,000		350,000	
Bridge Repairs & Improvements	200,000		200,000	Funds Grant Match
TOTAL CRITICAL PROJECTS	2,430,000	-	2,430,000	
ADA Remediation	100,000	(100,000)	-	
Energy & Water Efficiency at Facilities	190,200		190,200	
Coral Gables Country Club Improvements	500,000	(350,000)	150,000	
Granada Golf Course Diner Renovations	1,443,473	(721,737)	721,736	
Park AED/Camera Surveillance Installation	200,000	(200,000)	-	
New Sidewalk Installation	500,000	(500,000)	-	
Citywide Street Resurfacing Program	193,000		193,000	Funds Grant Match
Citywide Traffic Calming Program	1,200,560	(596,405)	604,155	
Citywide Landscaping & Irrigation Impr.	520,577	(520,577)	-	
Residential Waste Pit Restoration	100,000	(100,000)	-	
Street Tree Succession Plan	100,000	(100,000)	-	
TOTAL RECURRING PROJECTS	5,047,810	(3,188,719)	1,859,091	
Toledo and Alava Neighborhood Park	905,125		905,125	Funds Grant Match
Rotary Park Enhancement	212,800	(212,800)	-	
Youth Center Improvements	500,000	(500,000)	-	
Blue Road Open Space Improvements	498,872		498,872	Funds Grant Match
Police Body Worn Cameras	81,000		81,000	Project has Grant
Granada & Columbus Plazas Transportation Impr.	100,000		100,000	
Ponce De Leon Blvd. Streetscape Impr. - Phase III	250,000		250,000	
Last Mile Transit Stop Improvements	46,661		46,661	
TOTAL ONE-TIME/MULTI-YEAR PROJECTS	2,594,458	(712,800)	1,881,658	
TOTAL	25,451,399	(6,001,519)	19,449,880	

CITY OF CORAL GABLES
FISCAL YEAR 2024-2028 FIVE YEAR CAPITAL IMPROVEMENT PLAN
DRAFT - PROJECT LISTING

PROJECT	PROPOSED FY 2024	EXAMPLE OF 7.5%	REVISED FY 2024	Comments
	GENERAL CAPITAL FUND PROJECTS	MILLAGE REDUCTION	PROJECT FUNDING	
Network Infrastructure Matrix	2,118,470	(309,000)	1,809,470	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
Citywide Roof Replacement Matrix	541,007	(80,000)	461,007	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
HVAC Equipment Replacement Matrix	579,996	(85,000)	494,996	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
Citywide Elevator Replacement Matrix	258,841	(38,000)	220,841	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
Entrances & Fountains Refurb. Matrix	54,534	(8,000)	46,534	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
Fleet Replacement Matrix	2,881,696	(300,743)	2,580,953	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
Parks Replacement Matrix	1,836,363	(268,000)	1,568,363	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
Radio System Replacement Matrix	658,988	(96,000)	562,988	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
Police Rifle Replacement Matrix	12,604	(1,900)	10,704	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
Fire Equipment Replacement Matrix	249,132	(37,000)	212,132	Budget Estimate Funds 95% of request / reduction funds approx. 80% of request
TOTAL CAPITAL MATRICES	9,191,631	(1,223,643)	7,967,988	
City Hall Complex Improvements	1,600,000	(600,000)	1,000,000	Funds 3rd floor and Annex phases underway
Venetian Facility Improvements	600,000	-	600,000	Funds Grant Match
Phillips Park Renovation and Enhancement	3,800,000	(2,000,000)	1,800,000	Project has Grant
TOTAL PRIORITY PROJECTS FUNDED IN FY23 PLAN	6,000,000	(2,600,000)	3,400,000	
Citywide Septic to Sewer Conversion Assessm't*	187,500	-	187,500	Funds Conversion Assessment
TOTAL UTILITY IMPROVEMENTS	187,500	-	187,500	
Emergency Generator Matrix	680,000	(280,000)	400,000	
Recertification of City Facilities	1,200,000	-	1,200,000	
Sidewalk Repair/Replacement Program	350,000	-	350,000	
Bridge Repairs & Improvements	200,000	-	200,000	Funds Grant Match
TOTAL CRITICAL PROJECTS	2,430,000	(280,000)	2,150,000	
ADA Remediation	100,000	(100,000)	-	
Energy & Water Efficiency at Facilities	190,200	-	190,200	
Coral Gables Country Club Improvements	500,000	(350,000)	150,000	
Granada Golf Course Diner Renovations	1,443,473	(721,737)	721,737	
Park AED/Camera Surveillance Installation	200,000	(200,000)	-	
New Sidewalk Installation	500,000	(500,000)	-	
Citywide Street Resurfacing Program	193,000	-	193,000	Funds Grant Match
Citywide Traffic Calming Program	1,200,560	(600,280)	600,280	
Citywide Landscaping & Irrigation Impr.	520,577	(520,577)	-	
Residential Waste Pit Restoration	100,000	(100,000)	-	
Street Tree Succession Plan	100,000	(100,000)	-	
TOTAL RECURRING PROJECTS	5,047,810	(3,192,594)	1,855,217	
Toledo and Alava Neighborhood Park	905,125	(705,125)	200,000	Funds Grant Match
Rotary Park Enhancement	212,800	(212,800)	-	
Youth Center Improvements	500,000	(500,000)	-	
Blue Road Open Space Improvements	498,872	(298,872)	200,000	Funds Grant Match
Police Body Worn Cameras	81,000	-	81,000	Project has Grant
Granada & Columbus Plazas Transportation Impr.	100,000	-	100,000	
Ponce De Leon Blvd. Streetscape Impr. - Phase III	250,000	-	250,000	
Last Mile Transit Stop Improvements	46,661	-	46,661	
TOTAL ONE-TIME/MULTI-YEAR PROJECTS	2,594,458	(1,716,797)	877,661	
TOTAL	25,451,399	(9,013,034)	16,438,366	

MIAMI TODAY

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Image is everything: 15-year-old taxis are bad ambassadors

Fast-changing Miami has few constants. One is the annual return of the buzzards that encircle our skyscrapers from their summers in Hinkley, Ohio. The other is the return of the taxi industry to county hall seeking permits for older and older cabs.



Michael Lewis

The buzzards don't return until November, but the taxi industry is already circling, seeking to make permanent its "temporary" OKs for cabs up to 15 years old, clunkers that might have run a million miles before impressing riders with their comfort.

Moreover, the industry wants the premier Ambassador cabs that serve the airport and seaport greeting arrivals to be as old as 15, five years older than today's limit of 10. What says Miami better than a 15-year-old Ambassador taxi?

The county-abetted aging of our licensed taxi fleet has been going on since 2010, when the visitor industry was already complaining about the pitiful impressions

taxis made. And in those days the maximum use limit was just being raised to 10.

Year after year as the industry came to the county pleading hard times, the age rose to 8 years maximum and then 9 years and then 10 and so on. Each of those pieces of legislation bore the dictum "no further extensions shall be granted."

When the age got to 11, Mayor Carlos Gimenez pushed through the Ambassador category as the only taxis that could pick up passengers arriving at the airport and seaport to get their first impressions of Miami. Among requirements of the Ambassador cabs was a maximum age of 10.

Meanwhile, all non-Ambassador taxis were permitted to be older and older. Finally, in 2019 the industry got the commission to allow taxis up to age 15 – but just on a two-year pilot program. When the pilot expired in 2021, commissioners OK'd another "pilot" for two years. That one just expired.

This week, commissioners are hearing legislation to make the pilot program permanent at 15 years. Further, the higher-level Ambassador cabs could also now be 15 – making every clunker on the road an Ambassador for Miami-Dade County.

Past requests to extend the lives of taxis came with excuses. First it was a bad economy. Then the reason was new competition from Uber and Lyft, which

hadn't existed when age limits were created. Then the plea was covid.

This year's legislation doesn't bother with a reason. It just says the county commission "believes it is in the best interest of residents and visitors of this county to extend the authorization on a permanent basis for vehicles 15 model years of age or less to be licensed and operated as taxicabs in this county."

It utterly eludes me what that best interest of residents and visitors to ride in ancient cabs could possibly be. The best interest of the taxi fleet owners, yes, I can see that. But the rest of us? No way.

The legislation doesn't even bother to argue that Uber and Lyft had company-imposed 15-year limits so why shouldn't taxis?

That could be a ploy, except for one huge difference: ownership. Uber and Lyft drivers own their cars and drive one shift a day. Taxis have drivers around the clock, so they get far more mileage.

Taxi drivers have less interest in keeping the cars in top condition. They could be in another cab tomorrow. But Lyfts and Ubers are personal cars whose drivers are likely to look after them to maintain their investments.

Besides the entry of Uber and Lyft into the business, another change is term limits. Most county commissioners haven't

been around long enough to realize that the 15-year limit is far beyond anything envisioned a decade ago.

As the county was voting in 2012 whether to allow cabs 8, 9 or even 10 years old on the road, then-Commissioner Sally Heyman said, "Image is everything. I don't think they [the public] should get into an 8- or 9-year-old car."

An extension that year kept 351 over-age taxis on the road. This year, commissioners aren't even getting statistics on numbers of cars affected. They're just told "it's in the best interest of residents and visitors."

A New York City taxi's age limit is seven years. And we plan 15? Come on. Taxi patrons at Miami International Airport are either tourists or business visitors. Why would we greet either one with a cab more than twice as old as they'd see in Manhattan?

We feel for any business that must spend money to meet regulations. But using a 15-year-old car that may have run a million miles as a public conveyance is like flying a creaky airliner or a train without current safety features: government shouldn't allow it.

Beyond the safety factor, a 15-year-old taxi is also a rotten first impression of a city that's trying to be cutting edge. As Sally Heyman put it, "Image is everything."

Why Mayor Lago favors lowering Coral Gables' millage rate

Coral Gables has long been a beacon of prosperity, culture, and history. Our tree-lined streets, Mediterranean architecture, and thriving businesses have made us a gem within Miami-Dade County. But as we continue to grow and flourish, we must ensure that our fiscal policies reflect our commitment to our residents and the sustainable growth of our city.



Vince Lago

It is with this in mind that I strongly advocate for the reduction of Coral Gables' millage rate.

At first glance, lowering the millage rate might seem counterintuitive. Some might ask: "Why would we reduce our primary revenue source when we have such a vast array of services and amenities to maintain and improve?" But it's essential to view this decision within a broader context, understanding its long-term benefits and aligning it with our commitment to a prosperous future.

Firstly, a lowered millage rate directly benefits our residents. It results in decreased property taxes, making living in Coral Gables more affordable for both current and potential residents. This is especially vital in a time when many are grappling with economic uncertainty. In Miami-Dade, assessed values used to calculate tax bills are growing at the fastest rate in 15 years. Mayor Daniella Levine Cava also proposed an increase for trash and recycling fees earlier this year, all these things continuing to affect the cost of living for families.

Last year in a press release, Miami-Dade County Property Appraiser Pedro Garcia recommended a 3% reduction, which would provide tax relief to over 439,000 homestead property owners who would



see an increase in their taxes if their overall millage rate were not reduced by 3%.

By reducing the millage rate, we're putting money back into the pockets of our residents, empowering them to invest in their futures, their homes, and our local economy. With the continual rise of inflation, it also means homes will be valued higher for calculating taxes, which in turn will place higher tax bills unless tax rates can be reduced enough to clear the increases.

Moreover, a competitive tax rate makes our city more attractive to potential new residents and businesses. Coral Gables should be a place where families, young professionals, and entrepreneurs desire to lay down roots. By creating a favorable tax environment, we are signaling to the broader market that Coral Gables is not only open for business but is also an inviting place for innovation and growth.

Every dollar saved in property taxes is a dollar that can be reinvested in our local economy. It could mean a family deciding to dine out more often, invest in home improvements, or engage in local recreational activities. Businesses might consider expansions, further investments, or even hiring additional personnel.

This brings me to the second point: local businesses. Our business community, from the charming boutiques of Miracle Mile to the bustling eateries and shops of Giralda Plaza, has been the backbone of our city's economic health. The Central Business District is vitally important to our city as it provides 27% of our ad valorem tax revenue. A lower millage rate can indirectly stimulate business growth. When residents have more disposable income, they are more likely to spend it locally, supporting our businesses and, in turn, our local economy.

It's also worth noting that fiscal responsibility doesn't mean we are compromising on the quality of services we provide. We've made it a priority to streamline our operations, find efficiencies, and ensure that every dollar of taxpayer money is spent wisely. These efforts mean we can afford to lower the millage rate without diminishing the world-class services Coral Gables residents have come to expect.

Lastly, this move reflects our values as a community. Coral Gables has always been a forward-thinking city, and our decisions are rooted in long-term vision rather than short-term gains. By lowering the millage

The Writer
Vince Lago is the mayor of Coral Gables.

rate, we're investing in our future, ensuring that Coral Gables remains a desirable place to live, work, and play for generations to come.

Of course, no decision, especially one of this magnitude, should be made lightly. That's why we've engaged in rigorous financial planning, consulted with experts, and sought feedback from our community. The consensus has been clear: this is the right move for Coral Gables.

In conclusion, the reduction of our millage rate is more than just a fiscal policy change. It's a testament to our commitment to our residents, our businesses, and our future. As mayor, my pledge has always been to serve the best interests of Coral Gables, and I genuinely believe that this move does just that. Let us look to the future with optimism and embrace this opportunity to fortify our legacy as one of Florida's most vibrant and prosperous communities.

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