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PLANNING & ECONOMICS
GROUP

Value Capture Analysis

Kendall Corridor

Miami-Dade Citizens' Independent Transportation Trust

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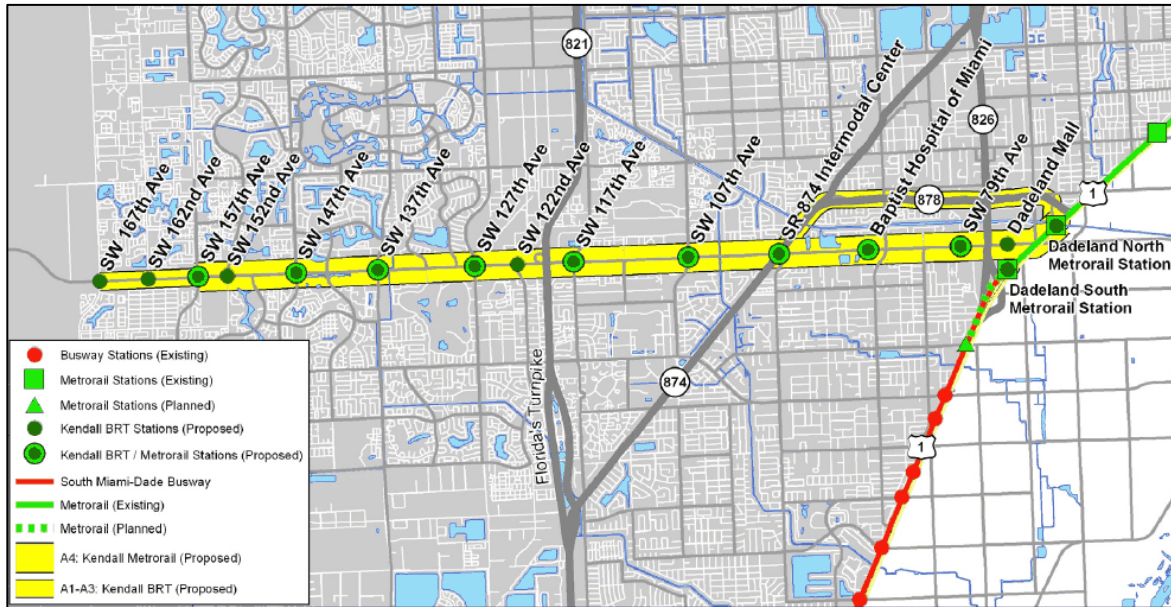
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Figure 2: Proposed Kendall BRT Corridor and Stations
(Kendall Corridor Transportation Alternatives Analysis, 2007)



On the east, the Dadeland Mall takes up the Corridor's northern side for half a mile, while the southern side features mid-rise office and apartment buildings. Going westward the Corridor passes through a variety of single-family unit developments, condominium complexes, and shopping centers. **Figure 3** and **Figure 4** show typical Corridor commercial activities and traffic.

Figure 3: Typical Corridor Commercial Development



Figure 4: Typical Corridor Traffic

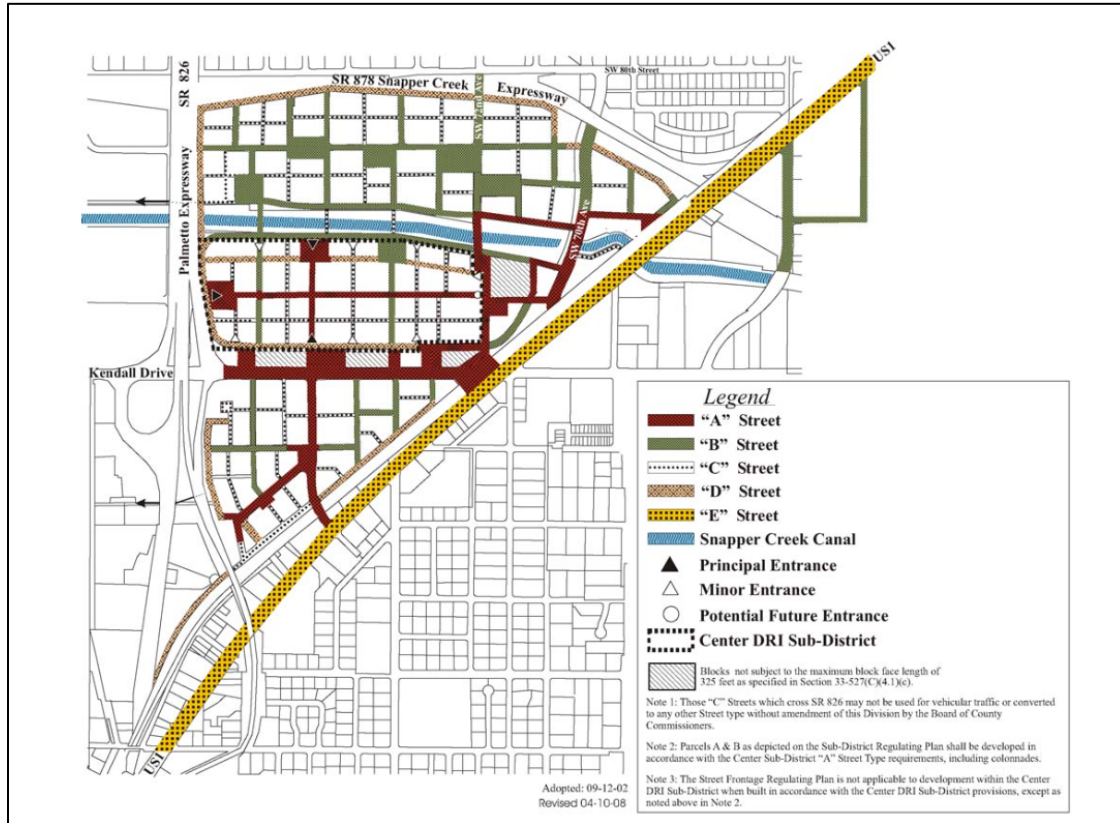


The Baptist Hospital of Miami is near the intersection of Galloway Road (SR 874) to the south with residential neighborhoods on the north. The Corridor crosses the former Seaboard Coast Line Railroad tracks and the Don Shula Expressway (SR 874) around SW 107th Avenue. West of this area, Kendall Drive's surroundings grow more commercial as it approaches the Homestead Extension of Florida Turnpike, with shopping malls and motels surrounding the interchange.

The Corridor includes the Downtown Kendall Urban Center (DKUC) District, adopted into the zoning code in 1999 through Ordinance 99-166 (the Ordinance 99-166).¹ This ordinance applies to two contiguous areas on each side of US Highway 1, one of which is included in the Corridor: the western area – bounded by the Palmetto Expressway on the west, the Snapper Creek Expressway on the north, and US Highway 1 on the east (see **Figure 5**).

¹ See "Article XXXIII(I), Chapter 33, Code of Miami-Dade County, Florida, Downtown Kendall Urban Center (DKUC) District," <http://www.miamidade.gov/zoning/library/reports/downtown-kendall-district.pdf>

Figure 5: Downtown Kendall Urban Center District



The intention of Ordinance 99-166 was to produce an urban center that promotes the goals and objectives and policies of the County's Comprehensive Development Master Plan by:

- Fostering a denser development within a district near mass transit;
- Organizing a network of tree-lined streets to improve pedestrian access; and
- Creating quality public open space with specific square and plaza locations and shaping the way buildings front onto the open space and streets.

While not all Corridor portions are subject to this level of planning, this type of walkable, transit-oriented development is compatible with the Project's expected impact on development throughout the Corridor.

The Corridor has experienced significant growth and as a result in July 2, 2013 the West Kendall Municipal Advisory Committee (MAC) was formed by the Miami-Dade County Board of County Commissioners under the sponsorship of Commissioner Juan C. Zapata (Ordinance No. 13-71). The MAC was created to study the feasibility and desirability to incorporate in a municipality; to date, however, the Corridor remains in unincorporated Miami-Dade County.

The Corridor has been studied for several years, including in 2007, the Corridor Transportation Alternatives Analysis (Kendall AA), which included: (i) a dedicated busway facility along Kendall Drive; and (ii) the use of CSX and FEC rail lines. BRT improvements considered

consisted of dedicated bus lanes with bus stations, branding, and frequent daily service. Furthermore, the Kendall AA proposed a BRT station approximately every mile, usually at an intersection, where there is a concentration of retail and commercial activity that can be further developed. The Miami-Dade Metropolitan Planning Organization (MPO) has yet to select a preferred alternative.

The MPO has studied planned, programmed and implemented parking facilities along the Corridor. Several studies were performed with the purpose of developing potential improvement alternatives and to identify early implementation improvements along the Corridor, like the "Kendall Drive Mobility Enhancement Study" in September of 2002, and the "Miami-Dade County Kendall Corridor Alternatives Analysis, Final Report" dated July 2006. In April of 2015, the MPO prepared a report titled "Bus Rapid Transit (BRT), Implementation Plan along Transit Corridors," in which the Corridor was one of the four major corridors in the County identified for a new level of premium transit service.

Currently, the "Kendall Cruiser" limited stop bus line implemented in 2010 is aimed at alleviating traffic congestion along the Corridor.

3 Joint Development

3.1 Site Evaluation

The Team conducted a site visit and analyzed the land use maps provided by the office of the County's Department of Regulatory and Economic Resources. The maps delineated all land uses within half mile from the middle of the Corridor.

In general, there was very little if any clearly identifiable public land that could be developed with a private partner. The exceptions are properties around state highway interchanges, which are likely to be problematic due to their irregular shapes and access issues.

The Team used the highways that cross the Corridor to group the Corridor into three sections: the eastern section (SW 68nd Avenue to SR 874), the middle section (SR 874 to Florida's Turnpike), and the western section of the Corridor (Florida's Turnpike to SW 167th Avenue).

3.1.1 Eastern Section

As discussed, the portion of the Corridor from Dadeland North and Dadeland South Metrorail Stations west to SR 826 consists of a variety of commercial buildings. Just west of SR 826, there is some SR 826 interchange property that might be available for joint development, yet it is small and most likely would have access issues. On the north side of SW 88th, however, are lower density privately-owned buildings that might lend themselves to redevelopment.

The Baptist Hospital of Miami and Baptist Children's Hospital, part of the Baptist Health South Florida, are located between 87th Avenue and 92nd Avenue, just east of SR 874. The hospitals

are served by a parking lot on the northwest side of the hospitals' property. Should the Corridor plan progress, the County may want to approach Baptist Health about developing a parking structure that might jointly serve the hospitals and the Project.

3.1.2 Middle Section

In the middle section of the Corridor, from SR 874 to Florida's Turnpike, some property may be available around the Florida's Turnpike interchange, yet as discussed, access and planning may be problematic. **Figure 6** and **Figure 7** show office and retail structures in this section typical of the entire Corridor. These are usually structures no more than two stories; the Project may spur demand for more space around stations resulting in higher structures, zoning permitting.

West of this intersection approximately two miles is a large property that is bounded by SW 127th Ave and SW 88th Street, zoned general use. Given its size and location near the 127th Avenue station, it should have significant opportunities for development.

Figure 6: Corridor Office Building, West of SW 107th Avenue



Figure 7: Shopping Center at SW 122nd Avenue



3.1.3 Western Section

The major opportunity on the western section of the Corridor from Florida's Turnpike west to SW 167th Avenue is a large property that is in front of the West Kendall Baptist Hospital between SW 158th Avenue and SW 162nd Avenue on the south side of the Corridor as seen in **Figure 8**. This property appears to be privately-owned and zoned commercial. As it is located near two planned stations, this would appear to have significant development potential.

Figure 8: View of Kendall Drive at SW 162nd Avenue



At the end of the Corridor at SW 167th Avenue on the northern side is a smaller property that is also undeveloped and zoned commercial that would appear to benefit from the terminal station, as would the outdoor shopping plaza across the street as shown in **Figure 9**.

Figure 9: Intersection of Kendall and SW 167th Avenue



3.2 Joint Development Considerations

As discussed, there appear to be few, if any, opportunities for public agencies to leverage publicly-owned properties in the Corridor for joint development. There are likely to be a number of value capture opportunities as planned stations are located at major intersections that may be further developed.

4 Parking and Parking Increments

The previous 2013 report, *Applying Innovative Financing Options for a New Fixed-Route Transit Line in Miami-Dade County*, evaluated how the County could impose a parking increment or surcharge on public and parking spaces in Downtown Miami. There are major structured parking at the Dadeland North and South malls and surface parking at other shopping facilities along the Corridor. However, these facilities are located either in unincorporated County property or in jurisdictions with populations of less than 200,000 (South Miami and Pinecrest), the threshold below which jurisdictions may not impose such charges, per state law.

5 Assessment District and Tax Increment Financing

This section discusses the results of the real estate value capture analysis, including assessment districts (ADs) and tax increment financing (TIF) for the Corridor. Specifically, three value capture techniques were analyzed:

- AD₁ – This assessment district is based on annual *ad valorem* assessment on property assessment values;
- AD₂ – This assessment district is based on a specific annual assessment on the projected total floor area; and
- TIF – Tax increment financing is based on *ad valorem* annual assessment on incremental property assessment values and incremental floor area development. TIF estimates are

prepared for both countywide millage (County TIF) and unincorporated municipal services area (UMSA) millage (USMA TIF).

Value capture revenues can be used to fund transit improvements either as: (i) debt service for bonds issued to finance capital costs or (ii) availability payments for the delivery of the transit projects under a public-private partnership. Funding both of these options are addressed in this analysis. Additionally, value capture revenues may also be used for funding on a pay-as-you-go basis, which is not the focus of this analysis.

5.1 Methodology, Assumptions, and Limitations

Previously, the Team developed two value capture analyses for CITT in 2013 and 2014. Detailed methodology for value capture analysis is explained in the 2013 report titled *Applying Innovative Financing Options for a New Fixed-Route Transit Line in Miami-Dade County*. The report can be accessed on CITT's website.² Key elements of the methodology and assumptions are highlighted below.

While AD1 and AD2 are applied to commercial, office, industrial, and mixed use properties, TIF relies on incremental tax revenues from all current tax paying properties including residential properties. Properties under government and public use – such as government buildings, utilities, water bodies, public parks, and cemetery – are excluded from both ADs and TIFs.

Value capture is applied to properties within a half-mile area along each side of the Corridor; the half-mile area was determined to be appropriate for value capture analysis based on the nature of the Corridor and planned transit improvements. Table 1 provides an overview of the floor area and property assessment valuation, which is the basis for the value capture estimates presented in this section.

² Please see: <http://www.miamidade.gov/citt/strategic-financial-studies.asp>

Table 1: Summary of Current (2015) Property Assessment Value and Floor Area for the Corridor

<i>Land Use Category</i>	<i>Property Assessment Value (\$M)</i>	<i>Percent of Property Assessment Value</i>	<i>Floor Area* (Millions of Square Feet)</i>	<i>Percent of Floor Area</i>
Commercial	2,275	28.57%	15.2	21.08%
Office	447	5.62%	3.9	5.44%
Industrial	5	0.07%	0.1	0.09%
Other	11	0.14%	0.1	0.14%
Residential	4,616	57.98%	48.2	67.08%
Government/Public Use	607	7.63%	4.4	6.17%
Total	7,962	100%	71.90	100%

* Parcels without assessment value such as canals, streets and roads, transit and railroad properties, canals and waterways, etc. have been excluded.

The key assumptions used in developing the value capture estimates are as follows:

- AD1 is based on assessments of \$0.10, \$0.20, and \$0.50 (also known as millage rates) for \$1,000 of property assessment value and AD2 is based on assessments \$0.10, \$0.20, and \$0.50 per square foot of floor area.
- TIF estimates are based on Miami-Dade County's 2015 adopted millage rates.³ Countywide millage applied for the County TIF is \$4.6669 and UMSA millage applied for the UMSA TIF is \$1.9283. Fifty percent (50%) of the incremental tax revenue is assumed to be available for transit funding.
- The value premium from transit development is assumed to be 10% of land value. The value premium of 10% is assumed to be realized equally over the 30 years of analysis.
- Estimates are based on 50% realization of the total potential of future floor area development. For instance, if a property can develop up to an additional floor area ratio (FAR) of 2, the analysis assumes that only 1 additional FAR is actually developed.
- There are three growth scenarios for future floor area development: (i) slow growth – 50% of future development in 25 years; (ii) medium growth – 50% of future development in 15 years; and (iii) fast growth – 50% of new development in 5 years.

None of the value capture mechanisms *inherently* generates more revenue than the other. Changing the various assumptions can alter the projected estimates. For instance, in the case of AD1, by increasing the assessment from \$0.10 to \$0.20 for every \$1,000 of property assessment value, the estimates will also increase in the same proportion (i.e. double). Similarly, TIF estimates increase if the share of TIF revenues available for transit improvements is increased. Additionally, the characteristics of the analysis area impact the extent of value capture revenues. In an area that is already extensively developed with lower potential for incremental development, TIF estimates will be lower than AD estimates. Between AD1 and

³ Please see: <http://www.miamidade.gov/pa/library/2015-adopted-millage-chart.pdf>

AD₂, an area with relatively higher property assessment valuation will result in more revenues in contrast to AD₂.

It is also important to remember that property valuation and rates of development are difficult to predict with accuracy because of external economic changes, such as a recession. Changes in the assumed rate of growth in property values and the time it takes to reach the maximum FAR may alter the estimates. For this reason, several growth scenarios are used to derive the estimates. Finally, the estimates are based on best available land use, zoning, and property assessment valuation information received in mid-2015. If there are corrections or changes made to the data, it could alter the estimates.

5.2 Bonding of Future Incremental Value Capture Revenues

The issuance of bonds based on the incremental value capture revenues assumes that bond issuance occurs at specific intervals. That is, once a certain level of value capture revenues is achieved, bonds are issued backed by those value capture revenues. Relying on incremental revenues to issue bonds reduces the uncertainty of the underlying revenue stream, as uncertainty is restricted only to achieving incremental revenues. ADs rely less on future growth than TIFs as they are capable of generating revenues from the initial year (Current Year). TIF revenues, on the other hand, rely on future growth even for initial revenue flow. Future growth supporting TIF revenues can be the result of new floor area development and/or increase in property assessment valuation through the accrual of value premium, which only may occur several years after the transit project is completed.

Table 2: Summary AD1 Bond Issuance Capacity (\$)

<i>Growth Scenario</i>	<i>Year</i>	<i>Incremental Bond Issuance Capacity (\$)</i>	<i>Incremental Revenue (\$)</i>
<i>\$0.10 / \$1000 of Property Assessment Value</i>			
<i>Slow Growth</i>	Current Year	9,863,581	796,198
	Year 5	427,216	34,485
	Year 10	190,193	15,353
	Total	10,480,990	-
<i>Medium Growth</i>	Current Year	9,863,581	796,198
	Year 5	514,507	41,532
	Year 10	277,484	22,399
	Total	10,655,572	-
<i>Fast Growth</i>	Current Year	9,863,581	796,198
	Year 5	950,963	76,763
	Year 10	190,193	15,353
	Total	11,004,737	-
<i>\$0.20 / \$1000 of Property Assessment Value</i>			
<i>Slow Growth</i>	Current Year	19,727,163	1,592,397
	Year 5	854,431	68,971
	Year 10	380,385	30,705
	Total	20,961,979	-
<i>Medium Growth</i>	Current Year	19,727,163	1,592,397
	Year 5	1,029,014	83,063
	Year 10	554,968	44,798
	Total	21,311,144	-
<i>Fast Growth</i>	Current Year	19,727,163	1,592,397
	Year 5	1,901,926	153,525
	Year 10	380,385	30,705
	Total	22,009,474	-
<i>\$0.50 / \$1000 of Property Assessment Value</i>			
<i>Slow Growth</i>	Current Year	49,317,907	3,980,991
	Year 5	2,136,078	172,426
	Year 10	950,963	76,763
	Total	52,404,948	-
<i>Medium Growth</i>	Current Year	49,317,907	3,980,991
	Year 5	2,572,534	207,658
	Year 10	1,387,419	111,994
	Total	53,277,860	-
<i>Fast Growth</i>	Current Year	49,317,907	3,980,991
	Year 5	4,754,815	383,813
	Year 10	950,963	76,763
	Total	55,023,684	-

Table 3: Summary AD2 Bond Issuance Capacity (\$)

<i>Growth Scenario</i>	<i>Year</i>	<i>Incremental Bond Issuance Capacity (\$)</i>	<i>Incremental Revenue (\$)</i>
<i>\$0.10 / \$1000 of Property Assessment Value</i>			
<i>Slow Growth</i>	Current Year	23,819,363	1,922,723
	Year 5	4,073,958	328,854
	Year 10	4,073,958	328,854
	Total	31,967,278	-
<i>Medium Growth</i>	Current Year	23,819,363	1,922,723
	Year 5	6,789,930	548,090
	Year 10	6,789,930	548,090
	Total	37,399,222	-
<i>Fast Growth</i>	Current Year	23,819,363	1,922,723
	Year 5	20,369,789	1,644,270
	Year 10	4,073,958	328,854
	Total	48,263,109	-
<i>\$0.20 / \$1000 of Property Assessment Value</i>			
<i>Slow Growth</i>	Current Year	47,638,726	3,845,446
	Year 5	8,147,915	657,708
	Year 10	8,147,915	657,708
	Total	63,934,557	-
<i>Medium Growth</i>	Current Year	47,638,726	3,845,446
	Year 5	13,579,859	1,096,180
	Year 10	13,579,859	1,096,180
	Total	74,798,444	-
<i>Fast Growth</i>	Current Year	47,638,726	3,845,446
	Year 5	40,739,577	3,288,540
	Year 10	8,147,915	657,708
	Total	96,526,219	-
<i>\$0.50 / \$1000 of Property Assessment Value</i>			
<i>Slow Growth</i>	Current Year	119,096,815	9,613,616
	Year 5	20,369,789	1,644,270
	Year 10	20,369,789	1,644,270
	Total	159,836,392	-
<i>Medium Growth</i>	Current Year	119,096,815	9,613,616
	Year 5	33,949,648	2,740,450
	Year 10	33,949,648	2,740,450
	Total	186,996,110	-
<i>Fast Growth</i>	Current Year	119,096,815	9,613,616
	Year 5	101,848,943	8,221,350
	Year 10	20,369,789	1,644,270
	Total	241,315,547	-

Table 4: Summary County TIF Bond Issuance Capacity (\$)

<i>Growth Scenario</i>	<i>Year</i>	<i>Incremental Bond Issuance Capacity (\$)</i>	<i>Incremental Revenue (\$)</i>
50% Revenues for Transit Funding			
Slow Growth	Current Year	-	-
	Year 5	19,766,157	1,595,544
	Year 10	14,502,528	1,170,659
	Total	34,268,685	-
Medium Growth	Current Year	-	-
	Year 5	28,556,946	2,305,146
	Year 10	23,293,317	1,880,260
	Total	51,850,264	-
Fast Growth	Current Year	-	-
	Year 5	72,510,893	5,853,153
	Year 10	14,502,528	1,170,659
	Total	87,013,421	-
100% Revenues for Transit Funding			
Slow Growth	Current Year	-	-
	Year 5	39,532,314	3,191,088
	Year 10	29,005,057	2,341,318
	Total	68,537,371	-
Medium Growth	Current Year	-	-
	Year 5	57,113,893	4,610,291
	Year 10	46,586,635	3,760,520
	Total	103,700,528	-
Fast Growth	Current Year	-	-
	Year 5	145,021,785	11,706,305
	Year 10	29,005,057	2,341,318
	Total	174,026,842	-

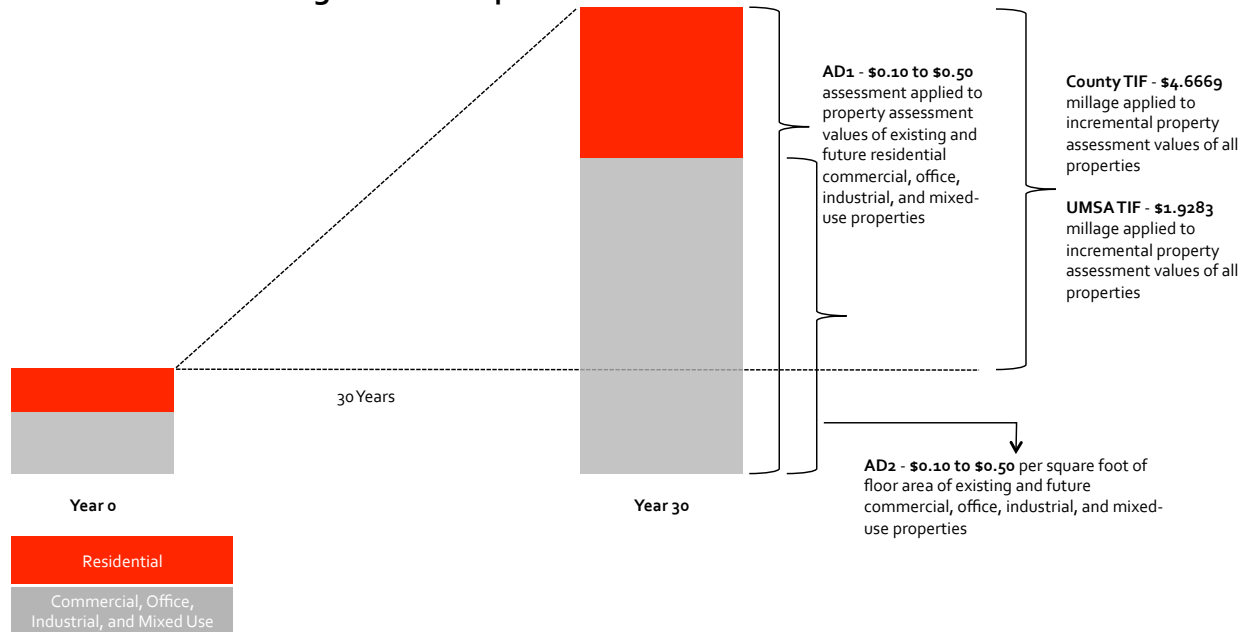
Table 5: Summary UMSA TIF Bond Issuance Capacity (\$)

<i>Growth Scenario</i>	<i>Year</i>	<i>Incremental Bond Issuance Capacity (\$)</i>	<i>Incremental Revenue (\$)</i>
50% Revenues for Transit Funding			
Slow Growth	Current Year	-	-
	Year 5	8,167,109	659,257
	Year 10	5,992,249	483,700
	Total	14,159,358	-
Medium Growth	Current Year	-	-
	Year 5	11,799,344	952,455
	Year 10	9,624,484	776,898
	Total	21,423,828	-
Fast Growth	Current Year	-	-
	Year 5	29,960,521	2,418,444
	Year 10	5,992,249	483,700
	Total	35,952,769	-
100% Revenues for Transit Funding			
Slow Growth	Current Year	-	-
	Year 5	16,334,218	1,318,515
	Year 10	11,984,497	967,401
	Total	28,318,715	-
Medium Growth	Current Year	-	-
	Year 5	23,598,689	1,904,910
	Year 10	19,248,968	1,553,796
	Total	42,847,656	-
Fast Growth	Current Year	-	-
	Year 5	59,921,041	4,836,887
	Year 10	11,984,497	967,401
	Total	71,905,539	-

In the above tables, TIF revenues are significantly higher than AD1. This is because the Corridor's current real estate development is sparse, which implies that transit facilities could potentially lead to significant new real estate development. Additionally, while AD1 is based on assessment ranging from \$0.10 to \$0.50, County TIF is based on a countywide millage of \$4.6669 and UMSA TIF is based on UMSA millage of \$1.9283.

Figure 10 below provides a graphic illustration of the reason for higher the TIF estimate compared to AD1. On the other hand, AD2 estimates cannot be compared to AD1 and TIF estimates, as the former is based on assessment on the floor area while the latter are based on property assessment valuation.

Figure 10: Comparison of AD1 and TIF Calculations



5.3 Annual Value Capture Revenues for Availability Payments

Instead of bonding future revenues, policymakers can choose to use the value capture revenues to make availability (or annuity) payments for the delivery of transit projects. Availability payments are generally fixed annual payments subject to agreed indexation. Value capture revenues are, however, not fixed throughout the analysis period, and fall within a broad range given the upward growth assumptions in the estimation of value capture revenues. The range is much narrower for ADs compared to TIFs. Tables 6-9 provide a summary of the actual value capture revenues from the various value capture techniques at certain periodic intervals. While Year 10 and Year 30 estimates are relevant, realistically, earlier estimates (Current Year and Year 5) are more relevant for the sizing of availability payments. Since availability payments are fixed payments, uncertain future value captures revenues that are contingent on real estate growth and/or increases in property valuation cannot be the basis for determining availability payments.

Table 6: Range of Annual AD₁ Revenues (\$)

<i>Growth Scenario</i>	<i>Current Year</i>	<i>Year 5</i>	<i>Year 10</i>	<i>Year 30</i>
<i>\$0.10 / \$1000 of Property Assessment Value</i>				
<i>Slow Growth</i>	796,198	830,684	846,036	949,724
<i>Medium Growth</i>	796,198	837,730	860,129	949,724
<i>Fast Growth</i>	796,198	872,961	888,314	949,724
<i>\$0.20 / \$1000 of Property Assessment Value</i>				
<i>Slow Growth</i>	1,592,397	1,661,367	1,692,072	1,899,447
<i>Medium Growth</i>	1,592,397	1,675,460	1,720,257	1,899,447
<i>Fast Growth</i>	1,592,397	1,745,922	1,776,627	1,899,447
<i>\$0.50 / \$1000 of Property Assessment Value</i>				
<i>Slow Growth</i>	3,980,991	4,153,418	4,230,180	4,748,618
<i>Medium Growth</i>	3,980,991	4,188,649	4,300,643	4,748,618
<i>Fast Growth</i>	3,980,991	4,364,805	4,441,568	4,748,618

Table 7: Range of Annual AD₂ Revenues (\$)

<i>Growth Scenario</i>	<i>Current Year</i>	<i>Year 5</i>	<i>Year 10</i>	<i>Year 30</i>
<i>\$0.10 / Square Foot of Floor Area</i>				
<i>Slow Growth</i>	1,922,723	2,251,577	2,580,431	5,211,263
<i>Medium Growth</i>	1,922,723	2,470,813	3,018,903	5,211,263
<i>Fast Growth</i>	1,922,723	3,566,993	3,895,847	5,211,263
<i>\$0.20 / Square Foot of Floor Area</i>				
<i>Slow Growth</i>	3,845,446	4,503,154	5,160,862	10,422,526
<i>Medium Growth</i>	3,845,446	4,941,626	6,037,806	10,422,526
<i>Fast Growth</i>	3,845,446	7,133,986	7,791,694	10,422,526
<i>\$0.50 / Square Foot of Floor Area</i>				
<i>Slow Growth</i>	9,613,616	11,257,885	12,902,155	26,056,315
<i>Medium Growth</i>	9,613,616	12,354,065	15,094,515	26,056,315
<i>Fast Growth</i>	9,613,616	17,834,965	19,479,235	26,056,315

Table 8: Range of Annual County TIF Revenues (\$)

<i>Growth Scenario</i>	<i>Current Year</i>	<i>Year 5</i>	<i>Year 10</i>	<i>Year 30</i>
<i>50% Revenues for Transit Funding</i>				
<i>Slow Growth</i>	-	1,595,544	2,766,203	11,706,801
<i>Medium Growth</i>	-	2,305,146	4,185,406	11,706,801
<i>Fast Growth</i>	-	5,853,153	7,023,811	11,706,801
<i>100% Revenues for Transit Funding</i>				
<i>Slow Growth</i>	-	3,191,088	5,532,406	23,413,603
<i>Medium Growth</i>	-	4,610,291	8,370,812	23,413,603
<i>Fast Growth</i>	-	11,706,305	14,047,623	23,413,603

Table 9: Range of Annual UMSA TIF Revenues (\$)

<i>Growth Scenario</i>	<i>Current Year</i>	<i>Year 5</i>	<i>Year 10</i>	<i>Year 30</i>
50% Revenues for Transit Funding				
<i>Slow Growth</i>	-	659,257	1,142,958	4,837,092
<i>Medium Growth</i>	-	952,455	1,729,353	4,837,092
<i>Fast Growth</i>	-	2,418,444	2,902,144	4,837,092
100% Revenues for Transit Funding				
<i>Slow Growth</i>	-	1,318,515	2,285,915	9,674,184
<i>Medium Growth</i>	-	1,904,910	3,458,706	9,674,184
<i>Fast Growth</i>	-	4,836,887	5,804,288	9,674,184

6 Naming Rights

Transit agencies have been able to enter into agreements with third parties to name their facilities in exchange for an upfront or on-going consideration. The major agreements in the U.S. have often involved large hospitals, universities, or utilities—in Cleveland (hospitals), Denver (university), Philadelphia (telecommunications), and San Diego (university/hospital). Also, in Florida, Tampa's electric company, Tampa Electric Company, bought the naming rights for an historic streetcar.

With increased competition, hospitals are looking to increase their brand recognition. Furthermore, hospitals are enormous activity generators attracting patients, visitors, doctors, nurses and other staff. To a similar extent, universities are also seeking increased exposure in their communities and also generate passenger ridership, depending on their characteristics and how campuses are configured. The revenues transit agencies receive from such agreements can range from hundreds of thousands to million dollars or more per year for periods of five to thirty years. As is typical in advertising, the compensation is based on the number of "views" of the Corridor buses and stations—from bus riders, drivers and pedestrians along the Corridor and from people who see look at Corridor maps and online information.

The major hospital/university institution in the Corridor is the Baptist Health South Florida. Three of the hospital system's facilities are located on the Corridor: Baptist Hospital of Miami and Baptist Children's is located in the eastern quarter and West Kendall Baptist Hospital at the Corridor's western end. Should Baptist Health be willing, the Corridor could be named the "Baptist Kendall Line" or "Baptist Rapid Transit" (BRT). At the least, the adjacent stations to the two locations could be named for the respective hospitals.

Other Corridor commercial entities, such as the Dadeland Mall, Kendall Mall, and big box stores in the Corridor's western segment, including Target and Home Depot, may also have an interest in Corridor or station naming rights.

7 Impact Fees

Under the County Chapter 33E, the County imposes impact fees on new construction of industrial, residential, institutional, office, retail, and other commercial services facilities.⁴ The road impact fees were primarily dedicated to fund County roads. However, those fees can be used to fund mass transit projects, such as commuter rail as contemplated in the Corridor.

The Board of County Commissioners is currently evaluating a new ordinance expanding the flexibility of impact fee uses.⁵ In particular, it would allow:

- The funding of mass transit projects outside the Urban Infill Area;
- The use of multiple road impact fee funds if the mass transit project benefits multiple impact fee districts; and
- County powers to take on projects with impact fees with less consultation required from the Mayor and the Director of the Department of Public Works and Waste Management.

Such a measure may be beneficial to the Corridor, depending on whether the western end of the Corridor is located outside of the Urban Infill Area. Greater access to and flexibility in applying impact fees can also be beneficial to the funding opportunities for the Corridor.

These impact fees, however, are not expected to yield the same revenues as the AD and TIF value capture mechanisms discussed in Section 5, since they are:

- One-time, non-recurring fees—much of the Corridor has been built out, although as discussed in Section 5, greater densities are foreseeable; and
- Not solely available to fund transit improvements—it is unlikely that all fees in an impact fee district could be applied towards transit improvements, since the fees may need to fund other transport needs.

⁴ See: <http://www.miamidade.gov/zoning/library/fees/impact-fee-schedule-2015-10-01.pdf>.

⁵ Memo from Carlos A. Gimenez to the Honorable Chairman Monestine and Members, Board of County Commissioners, "Ordinance Relating to Road Impact Fees Providing for Use of Impact Fees to Pay for Mass Transit Projects that Benefit Multiple Impact Fee Districts," November 17, 2015.