



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

## COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: July 31, 2019

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE EIGHTH AMENDMENT TO THE CAPITAL BUDGET FOR FISCAL YEAR 2018/19.**

### **ADMINISTRATION RECOMMENDATION**

Adopt the Resolution.

### **BACKGROUND**

Planning for capital improvements is an ongoing process; as needs change within the City of Miami Beach ("the City"), capital programs and priorities must be adjusted accordingly. The Capital Improvement Plan ("CIP") serves as the primary planning tool for systematically identifying, prioritizing and assigning funds to critical City capital development, improvements and associated needs.

The City's CIP process begins in the spring when all departments are asked to prepare capital improvement updates and requests on the department's ongoing and proposed capital projects. Individual departments prepare submittals identifying potential funding sources and requesting commitment of funds for their respective projects.

The CIP is updated annually and submitted to the City Commission for adoption. The 2018/19 – 2022/23 Capital Improvement Plan and FY 2018/19 Capital Budget was adopted on September 26, 2018 by Resolution 2018-30515.

The First Amendment to the FY 2018/19 Capital Budget was approved on November 14, 2018 by Resolution 2018-30610. The Second Amendment to the FY 2018/19 Capital Budget was approved on December 12, 2018 by Resolution 2018-30649. The Third Amendment to the FY 2018/19 Capital Budget was approved on January 16, 2019 by Resolution 2019-30681. The Fourth Amendment to the FY 2018/19 Capital Budget was approved on March 13, 2019 by Resolution 2019-30753. The Fifth Amendment to the FY 2018/19 Capital Budget was approved on April 10, 2019 by Resolution 2019-30792. The Sixth Amendment to the FY 2018/19 Capital Budget was approved on May 8, 2019 by Resolution 2019-30825. The Seventh Amendment to the FY 2018/19 Capital Budget was approved on July 17, 2019 by Resolution 2019-30891.

Section 166.241(4) (c.), Florida Statutes, requires that a municipality's budget amendment must be adopted in the same manner as the original budget. The Administration recommends adopting the Resolution for the Eighth Amendment to the FY 2018/19 Capital Budget.

**EIGHTH AMENDMENT TO THE FY 2018/19 CAPITAL BUDGET**

The Eighth Amendment to the FY 2018/19 Capital Budget totals an overall increase of \$7,091,168.00 and realigns \$62,890.00 to provide additional funding for, and to reallocate funding between, the following capital projects:

- 1. Rue Vendome Public Plaza:** The scope of this project includes the reconstruction of Rue Vendome around the Normandy Fountain to create an open, at-grade, public plaza. Construction bids were received and came in higher than expected. This proposed budget amendment is necessary in order to fully fund the cost of the project based on the bids received.

Funding for this amendment would come from the Capital Reserve fund balance (Fund 304), in the amount of \$419,110.00, as well as the realignment of \$62,890.00 of Capital Reserve funds previously appropriated to the project outlined below:

- Biscayne Pointe Island Entryway - \$62,890.00 (project has been completed with savings)

Prior Years' Appropriations	\$ 1,754,000.00
July 31, 2019 Budget Amendment	482,000.00
<b>Proposed Total Appropriations</b>	<b>\$ 2,236,000.00</b>

- 2. Indian Creek Street Drainage Improvements:** This is a Florida Department of Transportation (FDOT) roadway reconstruction and drainage improvement project. The scope of the project includes: raising the elevation of the roads; installing a new drainage system; reconstructing impacted driveways and pedestrian accesses, along with other harmonization related work; completing construction of a pump station; providing new street lights; and replacing all other pedestrian features located within the existing right of way.

This proposed budget amendment includes \$2,250,000 needed to award the full contract for the roadway, \$1,543,058 in non-reimbursable expenses associated with some of the interim work and other project related costs that FDOT did not agree to cover and \$1,800,000 in funds related to completion of the seawall. This amendment will allow for the completion of both the entire roadway and seawall projects.

Funding for this proposed amendment would come from the Storm Water Projects-MDC ILA fund balance (Fund 433).

Prior Years' Appropriations	\$ 9,500,368.00
July 31, 2019 Budget Amendment	5,593,058.00
<b>Proposed Total Appropriations</b>	<b>\$ 15,093,426.00</b>

- 3. Affordable Housing Property at 795 81<sup>st</sup> Street (Building Acquisition):** On July 2, 2018, the City Commission approved Resolution 2018-30374, which appropriated \$1,079,000.00 in the General Fund to be used for repayment to the U.S. Department of Housing and Urban Development (HUD), in order to comply with the decision of

the Office of the Inspector General Audit and as recommended by Letter to Commission (580-2017) on December 5, 2017.

HUD subsequently provided wiring instructions for the repayment of the federal funds that would be returned to the City's Line of Credit Control System (LOCCS) and be made available for expenditure by the City, in compliance with the rules and deadlines specified by HUD.

This proposed amendment would appropriate the funding for the acquisition of a qualifying multi-family property, identified by the Administration at 795 81<sup>st</sup> Street, for a total sum not to exceed \$1,079,000.00 (inclusive of closing costs), as recommended by the Administration and adopted by Resolution 2018-30551.

This acquisition would ensure that workforce housing, for key industry workers, is available in suitable locations throughout the City. The availability of affordable housing has been a priority for the City and is critical to its economic growth. This opportunity to add to the City' affordable housing stock has materialized as a result of the City's resolution of past compliance issues with HUD.

Prior Years' Appropriations	\$ 0.00
July 31, 2019 Budget Amendment	1,079,000.00
<b>Proposed Total Appropriations</b>	<b>\$ 1,079,000.00</b>

JLM/JW/TOS