



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Honorable Mayor Dan Gelber and Members of the City Commission

FROM: Alina T. Hudak, City Manager

DATE: May 12, 2021

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE FINANCE & ECONOMIC RESILIENCY COMMITTEE AND OF THE CITY MANAGER WITH RESPECT TO PROVIDING COVID-19 RENT RELIEF FOR THE USE OF CITY-OWNED PROPERTY; AND WAIVING ALL RENTS AND FEES DUE TO THE CITY FOR THE MONTHS OF APRIL 2020 THROUGH SEPTEMBER 2020; AND FURTHER WAIVING BASE RENT DUE TO THE CITY BY QUALIFYING TENANTS FOR THE MONTHS OF OCTOBER THROUGH DECEMBER 2020; IN AN AMOUNT NOT TO EXCEED \$400,000.00**

RECOMMENDATION

The Administration recommends adopting the Resolution.

BACKGROUND/HISTORY

On March 13, 2020 the City of Miami Beach, in line with the County and State, declared a State of Emergency and implemented discretionary emergency measures in response to the COVID-19 pandemic. Since its initial declaration, Miami-Dade County issued various Emergency Orders which temporarily closed public and private facilities, including non-essential retail and commercial establishments within the County. The health crisis impacted businesses' revenues and local economies. To counterbalance the City's tenants' loss of revenue due to the closures mandated by County and City, the City's Commission adopted Resolution 2020-31332 suspending all rents and fees from April to September 2020.

ANALYSIS

Following the discussions, FERC recommended providing base rent relief to qualifying tenants from October 2020 through December 2020 in a total not to exceed \$400,000.00. In an effort to retain tenants as some establishments were unable to reopen due to the COVID 19 pandemic, the Administration requested financials from tenants to determine which qualifying tenants could use short term assistance and would be able to meet their contractual obligations as of January 1, 2021. Thereafter the Administration presented an item for discussion at the December 18, 2020 Finance and Economic Resiliency Committee meeting for additional base rent abatement to qualifying tenants from October 2020 through December 2020.

Following the recommendation from the Committee, base rents were waived for qualifying tenants from October to December 2020. Since the City still has obligations to meet such as property taxes and maintenance costs, the additional rent abatement was applicable only to base rent and tenants would remain responsible for paying operating expenses and property taxes for the additional abatement period from October 2020 through December 2020. Commencing on January 1, 2021 all rents would be due and payable from all tenants. The waived base rents for FY 2021 for the qualifying tenants are as follows:

Tenant Name	Waived Base Rent Amount
Admiral Cruises	\$ 13,518.75
Cubiche 105	\$ 112,348.29
Liquor Lounge	\$ 33,302.91
Colony Theater Café	\$ 56,961.90
O Cinema	\$ 3,000.00
Total	\$ 219,131.85

During a recovering economy, the additional abatement has assisted tenants in reopening their businesses. The City continues to work closely with tenants and strives to maintain business retention.

CONCLUSION

The Administration recommends that the Mayor and Commission memorialize the rent abatement the City has provided to tenants in response to the COVID 19 Pandemic.