

ORDINANCE NO.

2020-4386

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 34 OF THE CODE OF THE CITY OF MIAMI BEACH ENTITLED "COMMUNITY DEVELOPMENT," BY AMENDING ARTICLE III THEREOF, ENTITLED "SAFE NEIGHBORHOOD IMPROVEMENT DISTRICTS," BY AMENDING DIVISION 5, ENTITLED "DISTRICT 4," BY AMENDING SECTION 34-203 THEREOF, TO ELIMINATE THE AD VALOREM CAP OF \$500 PER PROPERTY PER YEAR, CONSISTENT WITH ORDINANCE NO. 2002-3380; PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION AND FOR AN EFFECTIVE DATE.

WHEREAS, in 1993, the Mayor and City Commission enacted Ordinance No. 93-2881 (the "1993 Ordinance"), establishing the Normandy Shores Local Government Neighborhood Improvement District (the "Normandy Shores District"), for the purpose of providing security services within the Normandy Shores area; and

WHEREAS, the 1993 Ordinance authorized the City Commission to impose an ad valorem levy of up to 2 mills annually, subject to a cap of \$500 per property; and

WHEREAS, in 2002, the Mayor and City Commission amended the 1993 Ordinance, and enacted Ordinance No. 2002-3380 (the "2002 Ordinance"), to eliminate the ad valorem cap of \$500 per property for the Normandy Shores District; and

WHEREAS, the adoption of the 2002 Ordinance, and the elimination of the cap of \$500 per property, permitted the City to reduce its financial contribution to the Normandy Shores District and achieve the budgetary objectives of the City Commission at the time, namely, a 35% City general fund contribution toward the Normandy Shores District's operating budget, as identified in Resolution No. 2002-24977; and

WHEREAS, in 2015, as part of a "clean up" Ordinance to repeal certain other safe neighborhood districts that were no longer active, the Mayor and City Commission enacted Ordinance No. 2015-3928 (the "2015 Ordinance"). With respect to the Normandy Shores District, the 2015 Ordinance inadvertently re-adopted the original 1993 Ordinance (which included an ad valorem cap of \$500 per property), and not the correct, and most recent version of the legislation, the 2002 Ordinance (which deleted the cap of \$500 per property); and

WHEREAS, the proposed ordinance would correct the error in the 2015 Ordinance and eliminate the \$500 per property cap, consistent with the 2002 Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:

SECTION 1. That Sections 34-201 through 34-205, Division 5, Article III, of Chapter 34, of the Code of the City of Miami Beach are hereby amended as follows:

**CHAPTER 34
COMMUNITY DEVELOPMENT**

* * *

ARTICLE III. - SAFE NEIGHBORHOOD IMPROVEMENT DISTRICTS

* * *

DIVISION 5. - DISTRICT 4

* * *

Sec. 34-201. - Creation.

- (a) A Local Government Neighborhood Improvement District, to be known as the Normandy Shores Local Government Neighborhood Improvement District ("District 4"), an area of approximately 234 acres consisting of single-family residences, located within the City of Miami Beach and more specifically described as that northern portion of the Isle of Normandy beginning at the intersection of North Shore and Fairway Drives to include all parcels west with Indian Creek as the northern boundary following the shoreline to the Normandy Waterway and including all parcels north of the Normandy Waterway in an easterly direction to the intersection of Ray Street and South Shore Drive, is hereby created. A map of the above area is attached as Exhibit "A".
- (b) A Safe Neighborhood Plan shall be prepared for District 4 for the coordinated, balanced, and harmonious development of District 4, and for the reduction of crime through environmental design.

Sec. 34-202. - Board of Directors.

The Miami Beach City Commission is hereby designated as the Board of Directors of District 4.

Sec. 34-203. - Finances.

- (a) District 4 is hereby authorized to levy an ad valorem tax on real and personal property of up to two mills annually, ~~but not to exceed \$500.00 per parcel of property per year,~~ to support planning and implementation of District 4 improvements.
- (b) District 4 is hereby authorized to use special assessments, pursuant to F.S. § 163.514, not to exceed \$500.00 per parcel of property per year, to support planning and implementation of District 4 improvements.

Sec. 34-204. - Advisory Council.

An advisory council to the Board of Directors, comprised of property owners or residents of District 4, as appointed by the Mayor and City Commission, is hereby established.

Sec. 34-205. - Powers of District.

- (a) The Mayor and City Commission may, by ordinance, prohibit the use of any District 4 powers that may be authorized by F.S. § 163.514.
- (b) The Mayor and City Commission may dissolve District 4 by rescinding this ordinance creating District 4.

SECTION 2. REPEALER.

All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

SECTION 3. SEVERABILITY.

If any section, subsection, clause or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity. portions of this ordinance.

SECTION 4. CODIFICATION.

It is the intention of the Mayor and City Commission of the City of Miami Beach, and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Miami Beach City Code. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriate word.

SECTION 5. EFFECTIVE DATE.

This Ordinance shall take effect on the 19 day of December, 2020.

PASSED AND ADOPTED this 9 day of December, 2020.

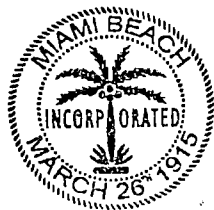
ATTEST:

RE 12/18/2020
 Rafael E. Granado, City Clerk

[Signature]
 Dan Gelber, Mayor

Underline denotes additions
Strikethrough denotes deletions

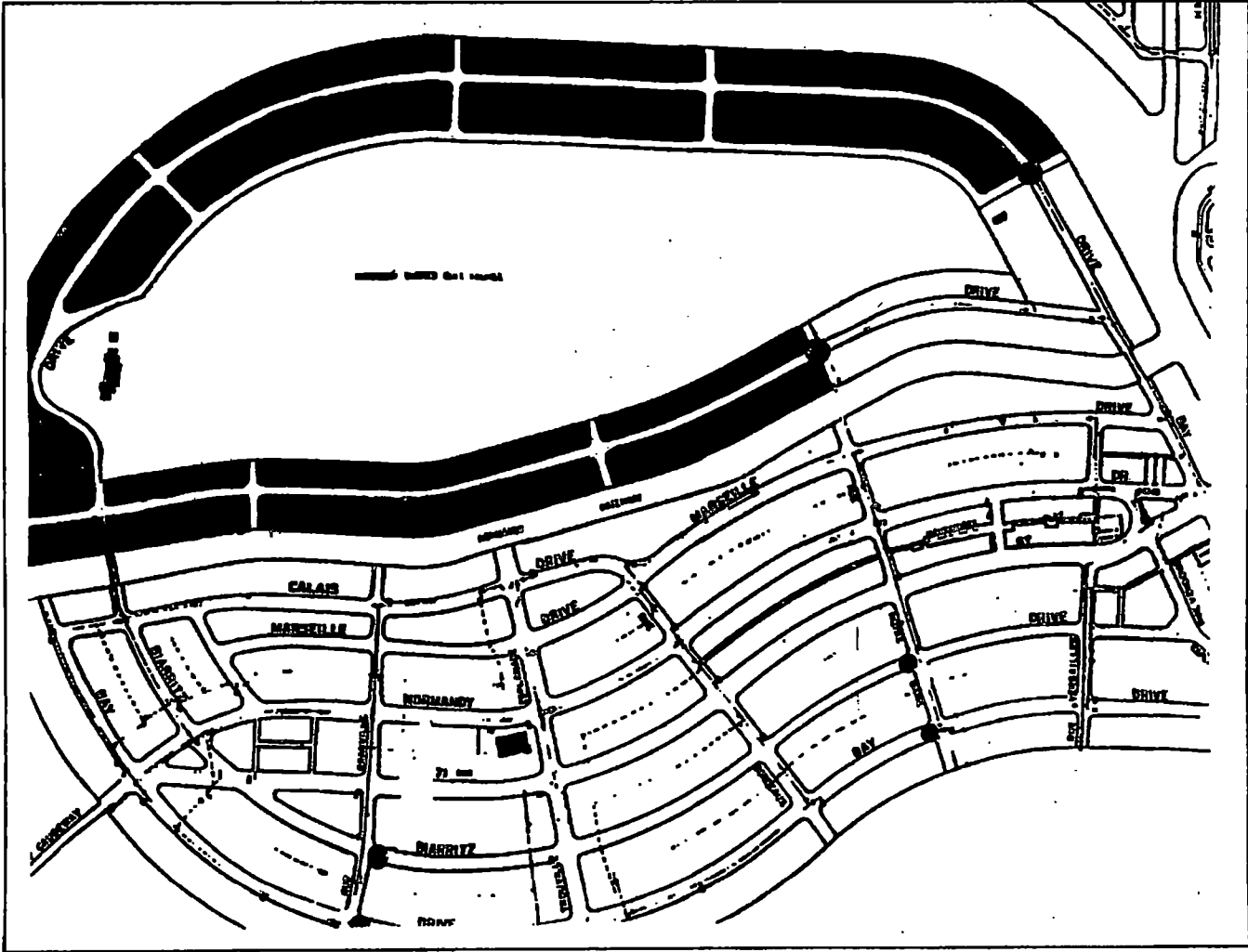
(Sponsored by Commissioner David Richardson)



APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

[Signature] 10-29-2020
 City Attorney Date
 RAP

EXHIBIT "A"
NORMANDY SHORES LOCAL GOVERNMENT
NEIGHBORHOOD IMPROVEMENT DISTRICT 4



MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Raul J. Aguila, City Attorney
DATE: December 9, 2020

9:45 a.m. Second Reading Public Hearing

SUBJECT: AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 34 OF THE CODE OF THE CITY OF MIAMI BEACH ENTITLED "COMMUNITY DEVELOPMENT," BY AMENDING ARTICLE III THEREOF, ENTITLED "SAFE NEIGHBORHOOD IMPROVEMENT DISTRICTS," BY AMENDING DIVISION 5, ENTITLED "DISTRICT 4," BY AMENDING SECTION 34-203 THEREOF, TO ELIMINATE THE AD VALOREM CAP OF \$500 PER PROPERTY PER YEAR, CONSISTENT WITH ORDINANCE NO. 2002-3380; PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION AND FOR AN EFFECTIVE DATE.

BACKGROUND/HISTORY

In 1993, the Mayor and City Commission enacted Ordinance No. 93-2881 (the "1993 Ordinance"), establishing the Normandy Shores Local Government Neighborhood Improvement District (the "Normandy Shores District"), for the purpose of providing security services within the Normandy Shores area. The 1993 Ordinance authorized the City Commission to impose an ad valorem levy of up to 2 mills annually, subject to a cap of \$500 per property.

In 2002, the Mayor and City Commission amended the 1993 Ordinance, and enacted Ordinance No. 2002-3380 (the "2002 Ordinance"), to eliminate the ad valorem cap of \$500 per property for the Normandy Shores District. The adoption of the 2002 Ordinance, and the elimination of the cap of \$500 per property, permitted the City to reduce its financial contribution to the Normandy Shores District and achieve the budgetary objectives of the City Commission at the time, namely, a 35% City general fund contribution toward the Normandy Shores District's operating budget, as identified in Resolution No. 2002-24977.

In 2015, as part of a "clean up" Ordinance to repeal three other safe neighborhood districts that were no longer active, the Mayor and City Commission enacted Ordinance No. 2015-3928 (the "2015 Ordinance").

With respect to the Normandy Shores District, because the prior versions of the ordinance had not been codified as part of the consolidated legislation of the City, the 2015 Ordinance sought to codify the legislation, but in so doing, inadvertently re-adopted the original 1993 Ordinance –

which included an ad valorem cap of \$500 per property – and not the correct, and most recent, version of the legislation, the 2002 Ordinance, which deleted the cap of \$500 per property.

On November 18, 2020, the Mayor and City Commission approved the proposed ordinance on first reading.

ANALYSIS

In September, 2020, shortly prior to the final budget hearings for all of the City's budgets, during the legal review of the legislation governing the City's 35% subsidy to the district, it was discovered that the \$500 cap on the highest valued home in the District was still legally in place.

As a result, the City Commission was unable to adopt the proposed millage rate of 0.7497 that was tentatively adopted at the first public hearing on September 16, 2020. Instead, the millage rate had to be significantly decreased to 0.0773 mills, in order to comply with the \$500 cap. This resulted in a \$155,000 loss of revenue from property tax revenue to the District, which was ultimately covered for FY 2021 by reducing certain budget items and appropriating available fund balance for the Normandy Shores District.

The proposed ordinance would correct the inadvertent error in the 2015 Ordinance and eliminate the \$500 per property cap, as intended since 2002, when the City Commission removed the cap in the 2002 Ordinance. If not corrected, the Normandy Shores District would face a significant revenue shortfall in future fiscal years. The proposed ordinance amendment is attached hereto to this Commission Memorandum.

Subsequent to the adoption of the FY 2021 millage rate and budget by the City Commission, the Advisory Board of the Normandy Shores Local Government Neighborhood Improvement District requested that the City communicate directly with the residents of the District through mail to outline the situation as described above, along with an explanation that the significant reduction in the millage rate for FY 2021 is one-time in nature and would be adjusted accordingly in the FY 2022 budget, if the \$500 cap is removed.

The Administration recommends providing residents with an explanation of the changes to the millage rate as recommended by the Advisory Board for the Normandy Shores District. It is estimated that the cost of the mailings would be approximately \$1,000.

FINANCIAL INFORMATION

By eliminating the \$500 per property cap consistent with Ordinance 2002-3380, the proposed ordinance would permit the City to adopt a higher millage rate, and generate additional revenues, in support of the District.

Applicable Area

Citywide

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-14?

Yes

Does this item utilize G.O. Bond Funds?

No

Legislative Tracking

Office of the City Attorney

Sponsor

Sponsored by Commissioner David Richardson

ATTACHMENTS:

Description

- Ordinance