



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

REDEVELOPMENT AGENCY MEMORANDUM

TO: Chairperson and Members of the Miami Beach Redevelopment Agency

FROM: Alina T. Hudak, Executive Director

DATE: November 22, 2021

SUBJECT: **A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY, ADOPTING THE FIRST AMENDMENT TO THE CITY CENTER REDEVELOPMENT AREA, THE ANCHOR SHOPS AND PARKING GARAGE, THE PENNSYLVANIA AVENUE SHOPS AND PARKING GARAGE, AND THE COLLINS PARK PARKING GARAGE FOR FISCAL YEAR 2022.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

STRATEGIC PLAN SUPPORTED

Organizational Innovation – Ensure strong fiscal stewardship

BACKGROUND

The RDA City Center Redevelopment Area operating budget for Fiscal Year 2022 was adopted by the Chairperson and Members of the Miami Beach Redevelopment Agency on September 30, 2021, through Resolution 660-2021.

Section 166.241(4)(c), Florida Statutes, requires that a municipality's budget amendment must be adopted in the same manner as its original budget.

RDA CITY CENTER ANALYSIS

RDA City Center Redevelopment Area revenue sources for FY 2022 include City and County Tax Increment funds, estimated interest income, and use of prior year excess RDA Trust Fund revenues in accordance with the Fourth Amendment to the Interlocal Agreement between the City and Miami-Dade County.

RDA City Center Redevelopment Area expenditures for FY 2022 include community policing initiatives to provide enhanced levels of staffing and services throughout the area and capital projects maintenance for repairs and maintenance of existing capital assets in the City Center Redevelopment Area. In addition, the FY 2021 budget includes administrative expenditures that are comprised of a management fee allocated to the General Fund to pay for indirect staff support provided to the RDA, annual audit fees, and chargebacks for internal service department services provided.

The RDA City Center Redevelopment Area budget also includes the annual debt service related to the issuance of the 2015 Convention Center bonds. On December 15, 2015, the RDA issued \$286,245,000 in Tax Increment Revenue and Revenue Refunding Bonds, Series 2015A, and \$35,850,000 in Tax Increment Revenue Refunding Bonds, Taxable Series 2015B, which financed certain costs associated with the renovation and expansion of the Miami Beach Convention Center.

Other line-item expenditures budgeted in FY 2022 include items that, pursuant to the existing Bond Covenants, may only be expended once the annual debt service obligations have been met. These include a transfer to the Miami Beach Convention Center Fund, Miami-Dade County's administrative fees, which are equivalent to 1.5% of its respective TIF payment, and the corresponding contribution to the City's General Fund, which is equivalent to 1.5% of the City's share of its TIF payment.

PROPOSED AMENDMENTS TO THE RDA CITY CENTER OPERATING BUDGET

The preliminary year-end analysis for FY 2021 reflects that the City Center Redevelopment Area revenues totaled approximately \$69.2 million and total expenditures were \$51.1 million resulting in a projected surplus of \$18.0 million. The proposed first amendment would allow for the funding of \$288,000 of goods and services originally budgeted in FY 2021 that were not received and expended at the end of FY 2021. The remaining projected FY 2021 surplus would be set aside to retire the outstanding debt issued in 2015 for the Convention Center renovation and expansion project as required pursuant to the Third Amendment to the Interlocal Agreement between the City and Miami-Dade County.

PROPOSED AMENDMENTS TO THE ANCHOR SHOPS AND PARKING GARAGE OPERATING BUDGETS

The revenues and expenditures associated with the operations of the City Center Redevelopment Area Garages and Shops are presented as separate schedules in order to eliminate any perception that the proceeds from these facilities' operations are pooled with Tax Increment Financing (TIF) and other City Center Trust Fund revenues.

The preliminary year-end analysis for FY 2021 shows that there are \$80,000 of encumbrances in the Anchor Shops Fund for goods and/or services that were procured in FY 2021, but not received, that are recommended to be carried forward into the respective FY 2022 operating budget.

CONCLUSION

The Administration recommends that the Chairperson and Members of the Miami Beach Redevelopment Agency adopt the First Amendment to the RDA City Center Redevelopment Area, the Anchor Shops and Parking Garage, the Pennsylvania Avenue Shops and Parking Garage, and Collins Park Parking Garage operating budgets for FY 2022 as described herein and further detailed in the attached Exhibit "A."

ATH/JW/TOS

Exhibit "A"

**Miami Beach Redevelopment Agency
City Center Redevelopment Area
Operating Budget**

	FY 2022 Adopted	1st Budget Amendment	FY 2022 Amended
Revenues and Other Sources of Income			
Tax Increment - City	\$ 31,123,000		\$ 31,123,000
Proj Adjustment to City Increment	\$ (1,318,000)		\$ (1,318,000)
Tax Increment - County	\$ 25,185,000		\$ 25,185,000
Proj Adjustment to County Increment	\$ (1,075,000)		\$ (1,075,000)
Interest Income	\$ 429,000		\$ 429,000
Fund Balance/Retained Earnings	\$ 12,904,000	288,000	\$ 13,192,000
TOTAL REVENUES	\$ 67,248,000	\$ 288,000	\$ 67,536,000
Admin/Operating Expenditures			
Management Fee	\$ 564,000		\$ 564,000
Audit fees	\$ 22,000		\$ 22,000
Internal Services	\$ 332,000		\$ 332,000
Total Admin/Operating Expenditures	\$ 918,000	\$ 0	\$ 918,000
Project Expenditures			
Community Policing:			
Police	\$ 4,969,000	\$ 288,000	\$ 5,257,000
Code Compliance	\$ 259,500		\$ 259,500
Capital Projects Maintenance:			
Property Mgmt	\$ 1,865,000		\$ 1,865,000
Sanitation	\$ 3,789,500		\$ 3,789,500
Greenspace	\$ 1,006,000		\$ 1,006,000
Parks Maintenance	\$ 484,000		\$ 484,000
Total Project Expenditures	\$ 12,373,000	\$ 288,000	\$ 12,661,000
Reserves, Debt Service and Other Obligations			
Debt Service Cost	\$ 21,715,000		\$ 21,715,000
Reserve for County Admin Fee	\$ 362,000		\$ 362,000
Reserve for CMB Contribution	\$ 448,000		\$ 448,000
Reserve for County Reimbursement:			
Transfer to County Reimbursement	\$ 4,291,000		\$ 4,291,000
Transfer to County Beach Renourishment Fund	\$ 1,500,000		\$ 1,500,000
Reserve for City Reimbursement:			
Transfer to Beach Renourishment Fund	\$ 1,500,000		\$ 1,500,000
Transfer to Fleet Management Fund	\$ 5,613,000		\$ 5,613,000
Transfer to Convention Center	\$ 4,000,000		\$ 4,000,000
Set-aside for Debt Payoff	\$ 14,528,000		\$ 14,528,000
Total Reserves, Debt, & Other Obligations	\$ 53,957,000	\$ 0	\$ 53,957,000
TOTAL EXPENDITURES AND OBLIGATIONS	\$ 67,248,000	\$ 288,000	\$ 67,536,000
SURPLUS / (GAP)	\$ 0	\$ 0	\$ 0

Exhibit "A"

Anchor Shops and Anchor Garage Operating Budget

Anchor Parking Garage		FY 2022 Adopted	1st Budget Amendment	FY 2022 Amended
Revenues:				
Valet Parking	\$	325,000		\$ 325,000
Monthly Permits	\$	509,000		\$ 509,000
Attended Parking	\$	2,312,000		\$ 2,312,000
Interest Income	\$	22,000		\$ 22,000
TOTAL REVENUES	\$	3,168,000	\$ 0	\$ 3,168,000
Expenditures:				
Operating Expenditures	\$	2,423,000		\$ 2,423,000
Transfer Out to Penn Garage	\$	27,000		\$ 27,000
Internal Services	\$	368,000		\$ 368,000
Contingency/Reserve	\$	350,000		\$ 350,000
TOTAL EXPENDITURES	\$	3,168,000	\$ 0	\$ 3,168,000
Revenues Less Expenditures	\$	0	\$ 0	\$ 0
Anchor Shops		FY 2022 Adopted	1st Budget Amendment	FY 2022 Amended
Revenues:				
Retail Leasing	\$	406,000		\$ 406,000
Capital & Maintenance	\$	44,000		\$ 44,000
Interest Earned	\$	22,000		\$ 22,000
Fund Balance - Retained Earnings	\$	40,000	80,000	\$ 120,000
TOTAL REVENUES	\$	512,000	\$ 80,000	\$ 592,000
Expenditures:				
Operating Expenditures	\$	152,000	80,000	\$ 232,000
Transfer Out to Penn Shops	\$	323,000		\$ 323,000
Internal Services	\$	37,000		\$ 37,000
TOTAL EXPENDITURES	\$	512,000	\$ 80,000	\$ 592,000
Revenues Less Expenditures	\$	0	\$ 0	\$ 0
COMBINED REVENUES - EXPENDITURES	\$	0	\$ 0	\$ 0

Exhibit "A"

Pennsylvania Avenue Shops and Pennsylvania Avenue Garage Operating Budget

Pennsylvania Parking Garage		FY 2022	1st Budget	FY 2022
		Adopted	Amendment	Amended
Revenues:				
Transient	\$	511,000		\$ 511,000
Monthly	\$	303,000		\$ 303,000
Interest Income	\$	3,000		\$ 3,000
Transfer In from RDA (Anchor Garage)	\$	27,000		\$ 27,000
TOTAL REVENUES	\$	844,000	\$ 0	\$ 844,000
Expenditures:				
Operating Expenditures	\$	730,000		\$ 730,000
Internal Services	\$	114,000		\$ 114,000
TOTAL EXPENDITURES	\$	844,000	\$ 0	\$ 844,000
Revenues Less Expenditures	\$	0	\$ 0	\$ 0
Pennsylvania Shops				
		FY 2022	1st Budget	FY 2022
		Adopted	Amendment	Amended
Revenues:				
Transfers In from RDA (Anchor Shops)	\$	323,000		\$ 323,000
TOTAL REVENUES	\$	323,000	\$ 0	\$ 323,000
Expenditures:				
Operating Expenditures	\$	321,000		\$ 321,000
Internal Services	\$	2,000		\$ 2,000
TOTAL EXPENDITURES	\$	323,000	\$ 0	\$ 323,000
Revenues Less Expenditures	\$	0	\$ 0	\$ 0
COMBINED REVENUES - EXPENDITURES	\$	0	\$ 0	\$ 0

Exhibit "A"

Collins Park Garage Operating Budget

Collins Park Parking Garage		FY 2022 Adopted	1st Budget Amendment	FY 2022 Amended
Revenues:				
Transient		\$ 816,000		\$ 816,000
Monthly		\$ 190,000		\$ 190,000
TOTAL REVENUES		\$ 1,006,000	\$ 0	\$ 1,006,000
Expenditures:				
Operating Expenditures		\$ 1,006,000		\$ 1,006,000
TOTAL EXPENDITURES		\$ 1,006,000	\$ 0	\$ 1,006,000
Revenues Less Expenditures		\$ 0	\$ 0	\$ 0