

RESOLUTION NO.

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE, AT ITS MAY 27, 2022 MEETING, AND APPROVING AND AUTHORIZING A PARKING INCENTIVE PROGRAM FOR BUSINESS ATTRACTION AND RETENTION FOR A THREE-YEAR PERIOD, SUBJECT TO ANNUAL BUDGET APPROPRIATION; AND FURTHER AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE AGREEMENTS IN CONNECTION WITH THE PROGRAM.

WHEREAS, the 2019 Customer Satisfaction Survey illustrated that though 70% of Miami Beach business survey respondents have a positive overall image of the city, 52% of respondents indicated that the effectiveness of public transit for employee commuting was fair or poor, and only 28% of businesses reported providing free or subsidized parking for employees; and

WHEREAS, on March 17, 2021, the Mayor and City Commission adopted Resolution Nos. 2021-31618, 2021-31619, and 2021-31620, identifying technology and financial services as targeted industries for business attraction, retention and expansion efforts, and identifying methods including, but not limited to inducements and incentives for locating or expanding local headquarters or regional offices for other industries, and authorizing baseline criteria and performance standards for the Economic Development Department to market and offer services and multi-year financial incentives, such as the Job Creation Incentive Program for the targeted industries; and

WHEREAS, at the September 24, 2021 Finance and Economic Resiliency Committee ("FERC" or "Committee") meeting, the Committee discussed the potential to offer a parking incentive as a possible business retention strategy for Groot Hospitality, LLC ("Groot"), an established Miami Beach based hospitality company; and

WHEREAS, the Administration shared parking information on existing challenges and opportunities to identify solutions and maximize usage, including reassessing and evaluating existing parking access card waiting lists for accuracy, as well as proactive strategies including offsetting demand, prioritizing access card issuance, balancing parking demand, increasing access card percentages, and working with private parking operators; and

WHEREAS, the Administration shared that the Parking Department operates as an enterprise fund and revenue bonds are impacted by parking revenue and as such, free parking cannot be offered; and

WHEREAS, the Committee asked that the Administration explore a long-term business attraction and retention approach that would leverage parking, as a city asset, by evaluating parking demand data, utilizing technology, and engaging with stakeholders and the business community to ascertain need; and

WHEREAS, at the October 22, 2021 FERC meeting, the Administration provided (1) information on parking demand, and usage and capacity to increase issuance of access cards, noting that the greatest demand for parking is largely during daytime office hours allowing for evening availability to support nighttime uses and activities, (2) a conceptual parking subsidy program in-lieu of providing guaranteed city-owned parking accommodations for restaurant and hospitality firms and venues, and (3) that the City Commission could establish a program to offer

city parking (if available) and offset costs with an allocation from the General Fund, or if city parking is not available, provide funding for an alternative to city-owned parking, such as privately-operated parking facilities; and

WHEREAS, at the April 29, 2022 FERC meeting, the Committee requested that the Administration further develop and propose a general parking incentive policy and return to FERC on May 27, 2022 to discuss details of the proposal; and

WHEREAS, at the May 27, 2022 FERC meeting, the Committee approved and recommended the Administration's proposed guidelines for a three (3) year pilot Parking Incentive Program for business attraction and retention, designed to focus on technology, financial services, hospitality, and health/wellness industries, and will accommodate at least five (5) unique eligible businesses with a 100% subsidy in year one (1), 75% subsidy in year two (2), and phase out by year three (3) with a 50% subsidy; and

WHEREAS, the purpose and goals of the pilot Parking Incentive Program are to:

- Support the hospitality industry;
- Attract and retain businesses in the targeted industries of technology, financial services, and health and wellness;
- Promote economic diversification; and
- Promote quality of place and quality of life for employees; and

WHEREAS, the pilot Parking Incentive Program will provide a financial incentive for the dollar value associated with up to the value of twenty (20) parking access cards, at current City rates (currently approximately \$108), and will allow Participants to purchase any available parking access cards from the City and/or utilize the funds to access available parking from private operators, at their sole discretion; and

WHEREAS, the pilot Parking Incentive Program will be reduced over a three (3) year period as follows:

- Year 1 (12-month period): 100% subsidy at current parking rates = \$25,920 (up to 20 cards x \$108 fee x 12 months = \$25,920);
- Year 2 (12-month period): 75% subsidy at current parking rates = \$19,440; and
- Year 3 (12-month period): 50% subsidy at current parking rates = \$12,960; and

WHEREAS, pursuant to the criteria and guidelines of the Program, which are more fully described in the Commission Memorandum accompanying this Resolution, participating businesses will enter an agreement with the City, and will be eligible to receive a maximum financial incentive of approximately \$58,320 over a three (3) year term; and

WHEREAS, the City Commission, at its discretion, may consider any other criteria at the request and recommendation of the City Manager; and

WHEREAS, Program participants must be approved by the City Commission, and participation is contingent upon compliance with Program requirements throughout the term of the agreement and annual funding appropriation by the City Commission; and

WHEREAS, after authorization by the City Commission and execution of an agreement, the parking incentive will be awarded within sixty (60) business days upon request via an annual invoice as required by the City and following vendor registration; and

WHEREAS, the incentive is revocable at the discretion of the Administration if participant is in violation of the terms of the agreement; and

WHEREAS, in recognition of the Program's long-term potential to attract and retain businesses, the Administration recommends that the City Commission authorize the Program, with a Fiscal Year 2023 budget enhancement to be prioritized as part of the annual budget process.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby accept the recommendation of the Finance and Economic Resiliency Committee, at its May 27, 2022 meeting, and authorize a Parking Incentive Program for business attraction and retention for a three year period, subject to annual budget appropriation; and further authorize the City Manager and City Clerk to execute agreements in connection with the Program.

PASSED and ADOPTED this _____ day of _____, 2022

ATTEST:

Dan Gelber, Mayor

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION



City Attorney

6-13-22

Date