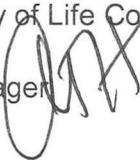


MIAMIBEACH

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

COMMITTEE MEMORANDUM

TO: Honorable Chair and Members of the Public Safety
Neighborhood and Quality of Life Committee

FROM: Alina T. Hudak, City Manager 

DATE: February 28, 2023

SUBJECT: **A DISCUSSION REGARDING BOAT CHARTER ACTIVITY AT THE
MIAMI BEACH MARINA AND THE RECURRING QUALITY OF LIFE
CONCERNS OCCURRING AT OR NEAR THE MARINA PARKING
AREAS AND SURROUNDING AREAS.**

BACKGROUND

On June 15, 1983, the Mayor and City Commission adopted Resolution No. 83-17385, approving and authorizing the execution of a Lease Agreement (the "Marina Lease") with Carner-Mason Associates, Ltd. for the construction and management of a marina and dry storage facility (the "Marina") in the South Shore development area (generally lying south of 6th Street). The Marina Lease was subsequently signed on June 24, 1983.

On October 17, 1989, pursuant to a judgment of foreclosure of the Marina leasehold interest, Tallahassee Building Corporation, a Delaware Corporation, a wholly owned subsidiary of Heller Financial, Inc., acquired the interest of Carner-Mason in the Marina Lease.

Thereafter, the Marina Lease was amended four times, as follows: 1) First Amendment, which consisted of the parties' agreement to a "Modified Lease", dated October 23, 1991; 2) Second Amendment, which consisted of "Marina Parking and Facilities", dated August 11, 1994; 3) Third Amendment, dated May 27, 1997, which included the adoption of Resolution No. 97- 22398, where the City consented to the assignment of the Lease from Tallahassee Building Corporation to the Miami Beach Marina Associates, Ltd., a Florida Limited Partnership; and 4) Fourth Amendment and most recent, which consisted of "Parking and Easements", dated April 15, 1998.

On October 18, 2017, the Mayor and City Commission adopted Resolution No. 2017-30050, authorizing approval for a change of operator of the Marina, naming SMI Concierge Services, Ltd., a Florida Limited Partnership, which is a wholly owned subsidiary of Suntex Marina Investors, LLC. ("Suntex" or "Marina Operator"), a limited liability company, as the new operator and current Lessee of the Marina.

ANALYSIS

Residents of the South of Fifth neighborhood, including members of the condominium

association at the ICON, Murano Grande, Murano Portofino, and Yacht Club at Portofino, have expressed concerns over recurring issues at the Miami Beach Marina, the Baywalk and the Marina-related parking garages, much of which is believed to have arisen as a result of the significant increase in charter boat activity at the Miami Beach Marina in the last few years.

For several months, Commissioners, City staff, and various representatives of Suntex, have participated in numerous meetings with residents in an effort to understand and to develop solutions to help address these issues.

On October 26, 2022, at the request of Commissioner Meiner, the Mayor and City Commission approved the referral of item C4 X, to the Public Safety and Neighborhood Quality of Life Committee (PSNQLC) to discuss the residents' concerns, as well as any and all regulatory or contractual options which may be available to the City to improve the situation and address charter activity at the Marina. Subsequently, a meeting was held on November 3, 2022 between City staff, including the City Manager, key City department representatives, Commissioner Rosen-Gonzalez and several members of the South of Fifth Neighborhood Association (SOFNA). Overall, there were four (4) major points raised:

- **The elimination/significant curtailment of the charter program.**
 - SOFNA provided photos and videos of unruly charter patrons, mainly upon their debarkation of the vessels and entering the Marina Baywalk. The offensive conduct observed by the residents includes public intoxication, engagement in excessively loud arguments, playing excessively loud music, public urination, etc. As the City has made great strides in addressing prior problems with unlicensed charters (see below), it appears these individuals are patrons of licensed and approved charters.
 - Thanks to the efforts of Code Compliance, Police, and Marine Patrol, illegal charters have been eliminated and controlled by 99%.
 - The residents indicated that there needs to be greater control, security and supervision of these guests until they leave the Marina/Condo property lines. Residents also indicated that they would like to see the elimination of so-called "party charters" and acknowledged that fishing charters and long-term charters are not the source of the problem.
- **Increase security coverage.**
 - SOFNA is requesting an increase in security coverage to include public safety in the first level of each Condo garage, which is an area solely used by Suntex for Marina storage and public parking.
- **Return all parking in the condo garages to Suntex boat slip holders only and not allow these parking spaces to be open to the public.**
 - In early 2022, Suntex activated its right to convert these spaces into municipal parking and charge a fee. The City receives 35% of parking revenue (approximately \$480,000.00 per year).
- **Overall condition of the Retail Property and Baywalk.**
 - The retail property has aged and has not been redeveloped or comprehensively refurbished since its construction. Suntex is

planning to paint the building and replace the awnings. The gardens, planters, pavers and concrete sidewalks also need repairs and/or replacement in some areas.

On November 30, 2022, this item was discussed at the PSNQLC meeting. During this meeting, Michael Greico (representing Suntex Marina at the time) advised that Suntex Marina is reviewing the designation of the four hundred seventy-one (471) parking spaces under their Agreement. Suntex is not objecting to converting some of those parking spaces back to Marina control (i.e. slip owners only, surface parking spots for residents only, etc.). Suntex has taken measures to mitigate the disruptive behavior observed by residents and unruly charter operators. Over the last six (6) months, Suntex has terminated three (3) leases and has refused to renew an additional seven (7) leases, which were charter operators, contributing to the concerns raised. The charter operators are tenants of the Marina, many of whom were present at the PSNQLC meeting to express their own concerns of how all charter operators were being swept into one category. These charter operators are also wanting a positive change and control of the unacceptable behavior resulting from a small group of charter operators and/or patrons.

At this meeting, it was concluded that the burden of these issues remains on Suntex to resolve by providing solutions to enhance the current operations of the charters as well as addressing the parking situation in the condos' garages. Commissioner Steven Meiner requested to bring the item back to PSNQLC to allow some time for Suntex to conceptualize solutions and address the issues.

CONCLUSION

The Administration has taken the residents' complaints very seriously and has conducted community meetings, which included SOFNA members and representatives from City departments to review and address the concerns and complaints from the neighborhood representatives. The City is committed to continue its close engagement with the SOFNA board representatives and work closely with Suntex to ensure a positive and proactive partnership to continue addressing the points that have been raised by residents. Suntex has been responsive and cooperative in addressing the repairs and maintenance items.