

MIAMI BEACH

Finance and Citywide Projects Committee Meeting

City Hall, Commission Chambers, 3rd Floor, 1700 Convention Center Drive

January 25, 2019 - 2:00 PM

Commissioner Ricky Arriola, Chair
Commissioner Michael Góngora, Vice-Chair
Commissioner Mark Samuelian, Member
Commissioner Micky Steinberg Alternate

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A meeting of the Finance and Citywide Projects Committee was held on Friday, January 25, 2019 at 2:00 p.m. in the Commission Chambers, 3rd floor of City Hall. Attendance: Commissioners Ricky Arriola, Michael Góngora, Mark Samuelian, John Elizabeth Alemán, and Joy Malakoff. Members from the Administration and the public were also attendance.

Meeting began at 2:06 p.m.

OLD BUSINESS

1. DISCUSSION REGARDING THE REVIEW OF THE JULIA TUTTLE BUS RAPID TRANSIT DEMONSTRATION PROJECT

May 16, 2018 – C4 R

Sponsored by Commissioner Samuelian
Transportation

ACTION

Commissioner Samuelian opened the item. He said the short story is that the Commission is working with FDOT and the TPO and does have a project on the books for an express bus coming from the Golden Glades going over the Julia Tuttle in a dedicated lane. The challenge is it is out a few years. He thinks the last estimate he heard was something around 2022. This discussion would have really helped with the discussion we had about parking, as this could really move the needle on traffic. The gist of this is that this is a quarterly update, so we want to hear any progress we are making in terms of getting this done faster, but also what else we can do in the interim and if we can do something today to help the employees who try to come here, work with the County on their bus routes, and do something that sort of mimics this.

Jose Gonzalez, Transportation Director, said that we continue working with both FDOT and the County to try to push short-term as well as long-term solutions. As recently as yesterday we had a meeting with FDOT and it was basically to present to us the maintenance of traffic plan for the I395, I95, 836 signature bridge project and as we were looking at the details of the maintenance of traffic on what it's going to represent for our residents and visitors coming from the mainland. We raised this issue in the

context of that project which we had not done before. We've been working with FDOT and the County to try and get bus on shoulder operation on the outside shoulder once FDOT deemed that it was not feasible, we then focused on the inside shoulder. FDOT has been moving forward, they programmed about \$2.5 million dollars in their work program, they continue saying, 2022 is the year they would deliver that product, the infrastructure work and that service will be ready to go into effect in 2022. In yesterday's meeting in the context of the signature bridge project, which has already started, they brought that up again. They have a meeting with FDOT next week to talk about it a little more, but he can't guarantee anything, but we continue pushing right now. The slowdown is more so on the County side than the FDOT side. Even for FDOT to deliver the inside shoulder by 2022, they need the County to do some upfront analysis on the BERT. The bus bypass lanes within Miami Beach as well as on the Miami side and that has not even been initiated yet by the County, that analysis. That is what is holding everything up.

Commissioner Samuelian asked in the short term if we have come up with any ways to maybe implement something in the interim as we try and accelerate the BERT progress.

Jose Gonzalez said that's been part of the conversations, specifically modifications to the route 150. Right now our goal is to have the modifications approved by the County in time for the June service lineup. The County does 2 service lineups a year, one in June and one in November. So if we missed the June date, it will need to be November, even for the June date their deadlines are pretty aggressive. They need to work all these modifications out and get them cleared with the bus drivers' union. By about April we would need to have a solid plan for the modified 150, which is the Airport Express could look like. We are trying to work towards that goal. We are working with 2 agencies that don't move quite as quickly.

Commissioner Samuelian said he appreciates the update and obviously want to see progress here, we've been pushing hard and thankfully County Commissioner Higgins has expressed an interest. He is going to meet with her in the next couple weeks on this specific item. She's expressed interest to help, this is a wonderful opportunity, but 2022 is a ways away.

Jose Gonzalez said that would be great if Commissioner Samuelian can speak with Commissioner Higgins about the 2022 timeframe and as for the shorter-term solutions we are also trying to move along.

Wendy Walsh spoke on the item. She said she does think that Commissioner Higgins will be incredibly helpful in this, they have been talking with her about it and she's been good enough to take 2 of the people that they recommended to be a part of the project advisory group from our union who are happy to be there and to start to engage in it more directly. She thinks that she would be happy to talk about the ways they would be helpful. She thinks we need to be mobilizing more workers with the County to try and nudge the County where they can be helpful.

Commissioner Samuelian thanked Ms. Walsh.

Jose Gonzalez asked if Linda Westin, Transportation Manager could provide a brief report on the monthly transit passes that we are subsidizing for City employees and we are trying to set the example for other businesses in the city to do the same. This was

part of this item and was one of the recommendations from this Committee a few months ago. In the context of the BERT to incentivize the service and provide some sort of monthly pass to our City employees

Lynda Westin, Transportation Manager, spoke. She said the City is launching the transit pass program in February. This is a great joint effort between Transportation and Human Resources. So far there are 58 people signed up to start the service, which is wonderful news. Next week they will be getting this package from HR and will be getting instructions and also a little envelope with their very own regional transit pass. They have the option of choosing the County only pass or even the regional one, which includes Tri-Rail and possibly even parking at Metrorail stations, so that's good news and we are trying to lead by example.

Commissioner Samuelian said that is great, great news, 58 people signed up to use the service of the city providing the subsidy, maybe setting an example for private employers who see what we are doing and will maybe get on board as well

Vice-Mayor Góngora said he hopes that is the case. He asked how many of the employees live on Miami Beach.

Lynda Westin said they can find out and provide the information to the Committee.

DIRECTION: Come back quarterly with an update. Provide information on how many of the 58 employees signed up for transit passes live in Miami Beach.

2. **DISCUSSION REGARDING THE FINANCIAL IMPACT OF MAINTAINING TREES LOCATED IN THE SWALE**

May 16, 2018 – C4 AA

Sponsored by Commissioner Arriola

Public Works

ACTION

Rodney Knowles, Greenspace Management Division Director, presented the item. He said that the information in the agenda is a summary of previous conversations regarding this item. An analysis that we did in green spaces activities in the right way as it stands, between internal staff and contractors, emergency response in the right-of-way and there is also a corridor on Meridian Avenue they took a look at to give an idea of the impact number of trees and cost per tree. There is a before and after photo of what it would take to keep that going. As it stands between emergency response and areas that we hit, not every year like in the case of Meridian Avenue, it is every three years We go in and take care of those trees, because that is something we don't want to put on the adjacent property owners. They are heritage trees and we do what we can throughout the city to take care of select areas like this.

Commissioner Malakoff said she read this carefully and seems to her that as we are doing more roadwork and construction throughout the whole city over the next umpteen years through G.O. Bond projects as well as others that are already planned; we need to replace our palm trees with shade trees. The shade trees can be trimmed every three years as opposed to four times a year for a palm tree, due to those Royal Palms, when one of those fronds fall it can break the windshield of the car and coconuts can fall and hurt someone. You have to do it, they are safety hazards, and I think once we can start

changing our tree mix it will be much more reasonable to take care of them on an annual basis.

Rodney Knowles said that's actually happening now, palms are being phased out. You see less and less palms being introduced in a lot of new projects. The good thing is that when some of our departments are doing projects they allow for Green Space and Urban Forestry to take a look at these projects and to offer comments and a consistent comment they have is to reduce the number palms if is there an opportunity for shade tree here, if so, can we put infrastructure in place so that we don't just have shade trees, but nice size shade trees and the space necessary to reach its fullest potential.

Commissioner Malakoff said Meridian Avenue is one of the most beautiful streets in the whole City of Miami Beach and the only reason that it is because of the beautiful canopy trees.

Commissioner Arriola said he put this item on the agenda and he wishes he could take credit for it, but he got this idea from Alex Rey who is the City Manager of Miami Lakes. His office is there and one of the things that makes the area so unique is the tree canopies. The trees have a profound impact on that community and other cities in the County such as Coral Gables as well. Miami Beach has some beautiful streets with great canopies, but because we don't always maintain as a city the trees, a lot of private homeowners have taken it upon themselves and we allowed it. In the future years as we take some of the G.O. Bond money to plant 5,000 new trees might we start thinking strategically about maintaining some of these trees, particularly the ones we are going to be planting, so we can standardize and beautify and the City taking over more maintenance. He would be very interested in that. He suggested looking at big corridors, like Alton Road or Pine Tree Drive to plan these trees and do City owned maintenance of them that over the next decade or so end up with a city that has an amazing tree canopy that we maintain. He said the proposal said it would cost \$1 million a year or so. It is just for us to consider.

Commissioner Malakoff said over time it's cost-effective because we will not be sending out crews 4 times a year. It could be once every 3 years.

Commissioner Arriola said this is not something we do overnight, but we need to be strategic, he will bring it up at the goals conference.

Commissioner Samuelian said he shares the strong views of the tree canopies, that they are an important asset and we absolutely want to do right by it. He said he heard from his colleagues about picking a particular area and start. He doesn't think it's something that we would grow into overnight. It looks like that request actually came through the budget process, but was thrown out. His ask would be a test program an extra crew in a certain area that we could tiptoe into the waters here to experience it because he thinks it is going to have to be a crawl, walk, run. He would hate to see this good dialogue come back and be about \$1 million again, he is not sure we are going to have the appetite, given everything else, all these new programs. He thinks a small slice whether it is a geographic area or something surgical he thinks is the way to go in terms of a potential budget enhancement.

Rodney Knowles said the good thing is that there are portions of the city that are under landscape maintenance contracts. We have contractors currently performing tree work in those areas and our existing landscape maintenance contracts are expiring at the

end of this calendar year. We are in process of creating new language so we have a new contract in place, among other things and identify specific tree trimming costs so we are sending the contractors out there. We would say we have an estimate in-house from our staff and are knowledgeable, they know what it will cost you and we want the contractors to go out there and tell us what it is going to cost to maintain this at the level we are expecting to have actual hard numbers. A portion of what Commissioner Samuelian described is already being done and will actually have a number associated with that before the year is out in our contracts.

DIRECTION: Work with the new contractor after the year is up to identify how much it will cost to maintain the trees on a per unit basis.

3. **DISCUSSION REGARDING G.O. BOND**

January 17, 2018 – R9J

Sponsored by Commissioner Arriola

Office of the City Manager

ACTION

John Woodruff, Chief Financial Officer, presented the item. He said that the first meeting of the G.O. Bond Oversight Committee is next Thursday January 31st. Between now and then there are briefings with Commissioners being held to discuss the draft proposed project implementation plan. The Oversight Committee will meet weekly through the end of February so they can bring their recommendation regarding the plan to the Commission Workshop on March 4th. It will be reviewed then and hopefully finalized on March 13th at that City Commission meeting because we need to know which projects are in the first tranche of \$150 million, so we can issue bonds in April. The website has also been updated, there will be a lot more information added as time goes on. He mentioned that we have had this item as a standing item, and wanted to know if this needed to continue here since there are updates at each Commission meeting as well.

Commissioner Arriola said if an update is provided at each Commission meeting, the standing item can be removed from the FCWPC agenda.

John Woodruff said that is the plan.

Commissioner Malakoff asked if there have been any changes to the City's credit ratings.

John Woodruff said we haven't received the rating yet, we should have it in the March timeframe in advance of the bond issuance. One piece of good news is that at the end of the last fiscal year, we were able to fill up our reserves in both the General Fund and in Resort Tax Fund.

DIRECTION: Continue to provide updates at each Commission meeting, remove standing item from this agenda.

4. **DISCUSSION REGARDING THE JANUARY 3, 2019 TERM SHEET FOR THE PARKING GARAGE/RETAIL DEVELOPMENT PROPOSAL, INVOLVING CITY-OWNED PARKING LOTS IN NORTH BEACH, SUBMITTED BY NORTH BEACH**

**TOWN CENTER DEVELOPMENT, LLC, AN AFFILIATE OF PACIFIC STAR
CAPITAL, LLC**

April 11, 2018 – R7 A

Office of the City Manager/ Economic Development

ACTION

Kathie Brooks, Assistant City Manager, presented the item. She said she was going to focus on the changes because the Committee has heard this topic before, but said if the Committee wanted she could go through the entire term sheet.

Commissioner Arriola said since Vice-Mayor Góngora and Commissioner Malakoff are new to this topic, he recommended Kathie Brooks walk through the term sheet from the top.

Kathie Brooks reviewed the term sheet and highlighted the changes that occurred since the last meeting. She referred to page 165, which showed the lots that are currently owned by the City and the developer. The City owns the lots in red and the developer owns the lots in yellow. The developer would like to swap those lots in red, which comprise city lots with what you see outlined in blue. Our appraisal is \$800,000, that would give them one continuous parcel between Abbott and Harding Avenue. They would be building a mixed-use office building with residential units, ground-floor retail and a 275 space parking garage. On the lots between Byron Avenue and Abbott Avenue, the original concept was that in the area that is currently outlined in blue, the City would build a standalone parking garage and when they started out they were trying to acquire the Prima Pasta site, so they were thinking that they would build to the north of that a retail development. Unfortunately, they couldn't acquire Prima Pasta and it doesn't make sense, so instead of it being two standalone projects, it would be one development, which would provide City parking spaces. And then their retail, but it would be have to be a condominium because the first floor would be entirely retail with loading areas, etc. second floor entirely retail. When the Committee last saw this the third floor was going to be City parking, that's one of the changes and then fourth and fifth would be parking so they would develop it and at the end of that, it would be a condominium. That's basically the development structure. She spoke about the current term sheet; they would provide 80,378 of square feet on that parcel between Byron and Abbott in the development. They provided options for either 358 parking spaces or 479 parking spaces, depending how large the City wants to build the garage and of those parking spaces the latest proposal and this is a significant change from what was seen on November 30th, the significant change is that they would take the entire third floor parking would own it and that would be left 111 spaces so the net effect is that the city would have either 247 new spaces on the lot or new parking garage spaces or 358. There are currently 83 spaces on those lots. Previously, we were looking at between \$12 and \$16 million for the parking garage costs. Under this new change with them taking the entire third floor in the air rights they need to acquire from our parcel after the swap, the out of pocket costs for the City now would be between \$6.2 million and \$11.4 million, depending on which option we choose. Some of the other important points in the term sheet, the numbers are based on a cap of \$34,000 per space, net of what they have to pay for air rights, so they have agreed to cap that, it includes design, permitting, and construction and it includes that the design would be in a manner based on the City's criteria for potential future conversion. There is a requirement that it'll be designed that it can be converted after 20 years, so the base period is that we wouldn't be able to convert it for 20 years except for commencing on the 10th anniversary of the opening date if the occupancy level declines to a certain criteria the City set out, which basically

means that it's about 30% occupied that at that point we will be able to convert it. Another item that has been going back and forth as being about validation, early on, they had proposed two-year pre-validated parking for their tenants, when the Committee last saw the deal, had removed that, but with the last iteration, they are now proposing validation of one hour and does provide that after five years that if they meet 78% occupancy, then they would pay for those validated tickets. She said those are a lot of the key terms the Committee has been going back and forth on. They will pay for an IPP on their portion of the structure. There were some concerns that the City Attorney's office has worked extensively with in terms of the risk associated with us swapping the land with them, turning it over to them, then doing the development, and we don't get a portion back until there is a condominium at the end The City Attorney has worked extensively with their attorneys to try and minimize that. However, they do feel that the structure is complex and may involve the City taking on more development risk than may be necessary for the project as opposed to if they were to buy the land out right and develop the project and then turn it over to us afterwards. She read some sentences from the term sheet.

Commissioner Malakoff asked about the parking requirements for retail if they do a large grocery and how many spaces are they going to be required to have and how much will be left over for the public.

Kathie Brooks said on page 162 that goes into detail under concerns. The legal requirement as part of the town center is that they do not have to provide parking. She spoke about the different things from the memorandum.

Commissioner Samuelian asked Kathie Brooks to speak about the conclusion that the Administration would not recommend proceeding with this project on its merits solely as a parking garage project.

Kathie Brooks said to look at page 179/180 regarding the pro forma showing the net profit margin prior to and after depreciation with and without you know one hour free parking and you can see that they're very narrow and they don't even cover depreciation, so we wouldn't be generating enough money to even do the renewal and replacement projects that we would need to do over time. Between that and between the fact that, based on the numbers she explained we are not really providing significant amount of excess. We would be putting in about \$11 million and not gaining a lot of excess basis and not throwing off a lot of profit. From a facility parking project, it's very slim to justify.

Commissioner Arriola summarized the project to help his colleagues understand.

Kathie Brooks said the recommendation at the last FCWPC meeting was to evaluate the project using a broader economic impact analysis, including what potential it has as an economic catalyst for North Beach. It went to Commission and it was adopted and Administration was directed to do the study and at the same time there was a referral to the Budget Advisory Committee for their perspective. They looked at the project including the new terms which we had by then, and they also recommended that we do the economic impact study.

Vice-Mayor Góngora said the representative was kind enough to meet with him this morning and he appreciates that. He said he told him that he was probably going to take the most passive role on the dais because he has been looking at this project the

least amount of time. He said it would be easier for him to sit back and follow the Administration's recommendation and the Budget Advisory Committee recommendation and see what the economic impact study has to say. He feels that we are paying to build a garage that is going to serve their business primarily, while that may be a very good thing for North Beach and be a catalyst, he doesn't know that that's enough for him at this point to recommend spending this enormous sum of money and he understands the argument that this could be a game changer, like the Sunset Harbor garage. The difference when Sunset Harbor garage got approved sometime back, there was also a grocery store abutting that area, Publix, but it was providing all of its own parking. The Sunset Harbor garage wasn't offsetting parking for the grocery store. At the time the garage was approved, it was creating parking for future businesses to come in and additional parking for the residential community. It seems to him the deal has gotten a lot sweeter than it used to be, but it still seems that the City is spending a lot of money to do this land swap to help build their project to offset the parking for their grocery store and tenants and other than the fact that we are going to collect additional property taxes, he is having a hard time seeing the public benefits which is why he'd feel more comfortable seeing the economic impact study.

Commissioner Samuelian said he is concerned about the fundamental economics. He is concerned about some of the development risk. He gets the catalyst argument and if we were doing nothing in that area he might be more empathetic. However, we just passed comprehensive town center legislation, we have a \$60 million project a couple blocks north on 72nd Street, we going out for an RFP for the Byron Carlyle including one of these lots as part of it. It's not like we have nothing there. He is still concerned about the fundamental proposition.

Commissioner Arriola said he has a different view on this; this developer has a track record of having done a pretty substantial project where Whole Foods was the anchor tenant in North Miami Beach. He said he hears what Commissioner Samuelian is saying, but he is desperate to see something happen in North Beach. He said if we had developers banging on the door it would be different. The developer has already spent over \$25 million to buy a building. He thinks he is going to be putting \$100 million into this project, and already negotiating with tenants. He said the question is if the City is willing to spend \$11 million to build a garage as part of a public private partnership in order to stimulate the economic development of North Beach, he thinks it is appropriate responsibility of government to do deals like this to try to create economic development in areas that have been blighted, so he has an open mind on this. He understands staff's recommendation, but he is not completely aligned with it. He is glad we have been able to negotiate a better deal in the last two months; we are getting closer to the comfort zone for him. He is willing to keep going until we get a deal.

Commissioner Malakoff said she thinks we should spend the money, but she thinks we need more than 95 net spaces for the public.

Commissioner Alemán said that the property owner didn't buy these properties with this being the deal on the table. She said that Vice-Mayor Góngora is right that from the last meeting the deal got slightly better, but it had taken a steep plummet prior to that. When we started talking about this deal, the land was worth more and they were separated buildings, etc. She said that this isn't an \$11 million investment, the land is \$10 million alone, plus we need to inject cash, it about \$21 million that the City would have to put into this deal. She leans on the side of Commissioner Samuelian, this has been discussed for a very long time and if it was going to happen and we were going to get to

terms that were really a win, win, it would have happened by now. We have said to the property owner a few times for him to give us the best and final offer and we haven't gotten that. We have been very candid about what the developer needed to do in order for this to be a good deal for the City. We don't have a pro forma. Staff has put in an extraordinary amount of time into this deal and negotiating, she thinks if something was going to happen it would have already. She doesn't think this is a good deal for the City. \$21 million is a lot of money for a catalyst. She thinks we have done what we were supposed to do. We have a density increase, a height increase, we have other projects going online with 72nd Street through the G.O. bond, and we also have an overlay where all of the streetscape is going to be improved. It is a lot of catalyst that we injected into the area. She said she thinks this needs a 5/7ths vote to pass.

Raul Aguila, City Attorney, said if this involves a land swap, it needs a 6/7ths vote.

Commissioner Alemán said she doesn't think they are going to get there, she would rather just admit that now and move on to other things that are more productive for the City.

Commissioner Arriola said if we say now, we are going to have 2 surface parking lots, that is not exciting to him. They cannot develop this without our lots, so they're stuck they got a bad investment and he doesn't know what they will do with it. He said we have to factor in that value, but that's the market rate right now, the truth is it is on our books at zero and just sitting and it is going to sit there unless we do something, by doing the swap and investing another \$6-\$11 million, we will create a new city center that's going to be mixed use retail, residential, office, parking, that will attract more investment. We heard Mr. Cohen say he cannot get a tenant to North Beach. Commissioner Arriola said the other day at the Commission meeting that we cannot even get medical marijuana dispensaries to North Beach. That tells us how blighted and depressed North Beach is. This developer has the kind of caliber tenants on the hook, whether it's Whole Foods or Target that should bring other retailers to the area. If we want to walk away from the deal fine, but he promises 20 years from now, we are going to look at each other and it is going to be exactly the same way it is now.

Vice-Mayor Góngora said in his first meeting hearing this, he doesn't want to shut it down, but he's not ready to support the deal here today. To gain his vote and support it needs to be a better financial deal for the City and he would feel more comfortable coming back with the economic impact study that has been recommended by our Committee and our Administration.

Commissioner Malakoff said we get 95 net spaces and pay the \$11 million it comes to \$116,000 for space, even when Zaha Hadid was designing the garage on 23rd Street, it wasn't even that much. She thinks the developers have to go back to the drawing board and see what they can do as far as making it a better deal for the City and everybody will benefit.

Oliver O'Donnell, Pacific Star Capital, spoke. He said they have made positive improvements in the deal since the last iteration. The 3 major changes for City's cost is now \$6.3 million to construct the garage almost half the \$12 million cost than the parking garage presented in October, resulting in a subsidized cost of \$25,000 per stall. Sunset Harbour as an example; it costed \$12 million and the City paid \$8.5 million for air rights. Secondly, they are paying for one level of parking, as a result, their overall investment in the garage is almost 50-50 with the city. The tenants get the majority of

their parking from them. Finally, they reached a side agreement with counsel representing the owner of Prima Pasta where they can operate during and post construction. They kindly ask for the City's support of the deal today to keep the momentum of this deal moving forward. The economy is changing before us, interest rates are rising, their tenants are becoming skeptical, and the market is tanking showing prerecession signs. This is an opportunity to revitalize North Beach with this project and we have the power to move residents one step closer to have their town center. He thanked the Committee for their consideration.

Commissioner Arriola said he is game and maybe Commissioner Malakoff is interested, but he doesn't think the rest of the Commissioners have much interest in this. He said there is a lot more work to be done. He thinks if we don't do a deal now, 20 years from now it will be exactly the same way.

Commissioner Alemán said she doesn't disagree with what Commissioner Arriola is saying, but instead of looking at each other and feeling disappointed in each other, she looks directly at the developer and be disappointed there because that's the reason that this deal to her stinks. He had every opportunity, on multiple occasions she said that he was not close, we aren't tweaking fine point details here. They are asking us to invest \$21 million into the project, to provide parking for the project. That is at least the 3rd time she said that.

Commissioner Arriola said it sounds like the client is going to have to buy this land from us and hopefully the numbers work. He is sure if the numbers worked the developer would have made that offer already.

Kobi Karp spoke. He said they have been working with staff and he thinks they are moving in a positive direction, but we are certainly not there. He thinks the numbers from the economic impact study have to come back. They agreed to pay for the study, which will be done in February. It would behoove us to wait for that study and see what it says and then continue to work with staff and hopefully continue to sweeten the deal, based on what they are hearing here from the dais. They have had the pleasure of meeting with Commissioner Alemán and Commissioner Samuelian and everyone has been very supportive and given direction. He thinks he can take everything that has been discussed with them and continue to comply with that input as fast as they can.

Vice-Mayor Góngora moved to continue this to February and wait for them to come back with economic impact study and a better offer than what's on the agenda now, if they aren't ready in February, at their request it can go to March, but if they are ready in February, he'll hear it again in February.

Mr. Karp said hopefully they can get it to work by then.

Matis Cohen, North Beach Business owner, spoke. He asked this Committee what the plan is on approaching the RFP, specifically as it pertains to the Byron Carlyle lot next door.

Kathie Brooks said the RFP was very specific, the RFP said you have to propose as a base option, just the Byron Carlyle, it allowed for consideration of a secondary option but they have to propose just the Bryon Carlyle with the small lot to the south.

Mr. Cohen said what he is hoping to be able to do is to combine those two properties.

Commissioner Arriola confirmed that if we don't do the deal with this developer that the surface lot we own across the street, that it might be part of a bigger project for the Byron Carlyle.

Mr. Cohen said the RFP identifies the smaller lot and that's really where the benefit is because the Byron Carlyle itself is a very constructed lot. We have to look at both of these things together.

Commissioner Arriola said that when we were talking about the Byron Carlyle, which is a very exciting project, among the reasons why he liked the developer's project that was just presented would be the catalytic effect, potentially on the Byron Carlyle development and he would have skewed towards the larger parking garage for the previous discussion, because that would serve potentially for the parking at the Bryon Carlyle site, because they don't have to build parking, they can use that FAR for a public performance space. If we don't do this project with the developer with a larger parking lot, then the Bryon Carlyle developer has to provide parking consuming FAR, meaning less other space they could be using for performance space, galleries, artistic housing, workforce housing, etc.

Mr. Cohen said in the larger scheme, if the current developer and he doesn't want to put them on the spot, but if in fact he expanded to provide those additional things with this project. He is going to going to try to propose to the City, an alternative that is in line with the City's goals, but he also needs to know if he is working on a project that is feasible or is the City going to take that away from him and say we already have a deal.

Commissioner Arriola said legally the RFP is very specific and we can only entertain whatever the RFP asks the market to provide us. Any other proposals we would have to do another RFP.

Kathie Brooks said it says what needs to be proposed on the base proposal is just the Byron Carlyle site and the small parking lot to the south of that and then as an option which the City could choose to entertain, at its sole discretion, they could do a second proposal which included that site.

Commissioner Arriola said that is good, it saves us a lot of time.

Kathie Brooks said she wants to caution everyone because the RFP is under the cone of silence right now.

Commissioner Samuelian said he wanted to echo what Commissioner Alemán said, we have gone through a bunch of rounds here asking for the best and final offer, this is public land and has an incredibly high threshold, which is reflected in the 6/7ths vote. He thinks they have been pretty clear from the start, and they have said several times that they are way away from compelling. He believes the developer proffered that they would pay for the development stud, but he maintains that we need material change in the economic terms.

Commissioner Arriola said maybe the path to victory for the developer is to take a look at that RFP and see if there's a bigger play here.

DIRECTION: Come back to the February or March 2019 FCWPC meeting with the results of the economic impact study, along with a better offer.

5. **DISCUSSION ON THE STORMWATER UTILITY RATES**

Public Works

ACTION

DIRECTION: Discuss this item as part of the Budget Retreat.

6. **DISCUSSION REGARDING THE FUTURE USE OF THE CORAL ROCK HOUSE, CONSISTING OF APPROXIMATELY 1,307 SQUARE FEET, LOCATED AT 1701 NORMANDY DRIVE**

April 11, 2018 – C4 A

Tourism, Culture, and Economic Development

ACTION

DIRECTION: Item withdrawn by Administration.

NEW BUSINESS

7. **DISCUSSION REGARDING LEASING THE PENNSYLVANIA GARAGE RETAIL SPACE, CONSISTING OF APPROXIMATELY 7,722 SQUARE FEET, LOCATED AT 1661 PENNSYLVANIA AVENUE, TO MOONLIGHTER MAKERSPACE**

January 16, 2019 – C4 A

Sponsored by Commissioner Arriola

Economic Development

ACTION

Commissioner Arriola opened the item. He said that this space has been a trouble spot for retail. We have been unfortunate in our ability to lease it for a number of years, we switched real estate brokers last year in an effort to try to find a suitable tenant and we still haven't had much luck. He said he came across Moonlighter Maker Space that is currently in Wynwood. He believes that by coincidence they are clients of Prospera. This is for the Committee to consider them as a tenant or not. He thinks there are a lot of public benefits that they are offering to our community.

Mark Milisits, Asset Management Division Director spoke. He said we have had difficulty leasing the space. CBRE has been marketing the space for about six months. They've had some activity, but it has proven difficult. The Convention Center renovation was a problem in the past and now the construction of the Convention Center Hotel is also discouraging. He explained that we did get a proposal from an existing restaurant on the Beach, very low numbers, in their first years they are offering between five dollars and eight dollars per square foot, until the completion of the hotel and they said they would be willing to go to a percentage rent to be negotiated so that's obviously not a very attractive proposal at this point. Due to the lack of viable prospects and the need to relocate a couple of city departments from the 555 building, we've been looking for alternative spaces. He said he thinks we've identified some space for Housing and Community Services, but we still need to identify space for Code Compliance, they need about 6,000 feet. We did receive a proposal from Moonlighter Makerspace last month; they are offering that they would like the space for a period up to 10 years at \$1

a year and take the space as is. He introduced Tom Pupo from Moonlighter Maker Space

Commissioner Samuelian asked about the low offer that Mr. Milisits mentioned. He asked what we are currently listing the space at today. He asked how much revenue that would bring so we have a sense of the economic impact.

Mr. Milisits said the price per square foot that they would pay worked out to \$4,000 a month, but they do not want to have to pay for July and August when they close, that is \$40,000 for year 1 and year 2 they would go to \$4,500 a month and year 3 they would go to \$5,000. We are talking about \$40,000-\$60,000 a year.

Commissioner Samuelian asked how we have been marketing the property. He asked if we need to look at our price as one option.

Mr. Milisits said our marketing price is \$80 per square foot, it is consistent with what Scott Robbins is marketing his project for down the street, on 17th and Michigan Avenue. We do make it clear to prospects that we are flexible with the rate depending on the quality of the credit worthiness of the tenant and the amount they are going to invest in the space, so that is a listing price. We do make it clear that we are flexible and that is also based on that we are taking a portion of the space.

Commissioner Arriola said it has always been shocking to him that we have not gotten many bids for this space that is right off of Lincoln Road.

Mr. Milisits said that as an example, the Scott Robbin's space has been vacant for longer than 2017, they have been sitting on empty space for 5 years as well, we are not unique in this regard.

Vice-Mayor Góngora said this space has always been difficult. He said it is an odd space. He is open to hearing the proposal he is completely open with using it as a public space. His main concern is that if we move in that direction that we do it for a short period of time, no more than 2 or 3 years or however long the construction of the convention center hotel would be, because he does think once that hotel opens that it is going to be a whole new day in the space and all of sudden it will become more valuable. He would like to know more about who Moonlighter Maker Space is. He is not opposed to bringing in a great nonprofit. He would like to know if there are other groups that may be equally good, so he's not quite sure that he is in favor of giving it to Moonlighter Maker Space, but he wants to learn more about them.

Commissioner Malakoff said that the memo says we are leasing 7,722 square feet, but Mr. Milisits said there is only 6,800 square feet available.

Mr. Milisits said that is because the Chamber of Commerce Visitor Center currently occupies 935 square feet, so there should be 6,800 square feet remaining.

Commissioner Arriola said to look at nonprofits and find art pop ups or other organizations. He said the problem is that we didn't even have a taker for this space for free.

Mr. Milisits said they he knows we have reached out to restaurant users, but he is not sure how many nonprofits were reached out to. He said there are a lot things in place

for restaurant use. He said he met with a tenant that we have at another one of our properties and they have 3 restaurants on the Beach and are really good operators and they were just concerned with the Convention Center Hotel construction and said they would not make it through the construction if they were to come in now.

Tom Pupo, Moonlighter Maker Space, gave a detailed presentation on who they are and what they do. He spoke about their objectives with one of them being about supplementing the education system. He spoke about the community benefits in regards to Steam Education. He spoke about some other benefits that include a free field trip for all Miami Beach schools, reduced rate after school programming to Miami Beach students, bi-annual educator professional development workshops, and free monthly Maker workshops for Miami Beach residents.

Vice-Mayor Góngora said his vote is sort of contingent on the afterschool programming. He asked what reduced means and what the regular price is. He would like to see programming for low income students, in particular from Fienberg Fisher and Biscayne Elementary.

Mr. Pupo said that could be done.

Commissioner Arriola said they will start negotiating with Mr. Pupo soon. He also said he would like everyone to see the space, so they can really understand what this is about. It is currently located in Wynwood.

Commissioner Malakoff asked if this would be a second space in Miami Beach.

Commissioner Arriola said no, we would be taking this away from Wynwood.

Mr. Pupo said the afterschool programming is \$35 a session and goes down from there if they pre-buy more sessions. It is very cost effective for parents.

Commissioner Arriola asked what kind of things students can learn at the workshops that are provided.

Mr. Pupo explained that it depends on the student and what their interests are.

Commissioner Arriola asked for Mr. Pupo to go through the different things that the children can learn.

Mr. Pupo walked the Committee through what students can learn. He went back through the presentation to give visual examples and gave a more detailed explanation on the summer camps.

Commissioner Malakoff asked what the summer camp would cost for 2 weeks.

Mr. Pupo said the cost is \$300 for the 2 weeks. He said they can work out a discount and they usually do a 10-15% discount of members of organizations or in this case the municipality.

Vice-Mayor Góngora asked if they offer afterschool programs at the schools also.

Mr. Pupo said they currently do not, that is something they are working on doing and submitting grants to try and get a mobile unit. They have actually identified a bus that has a number of technologies that they use in their space, that would visit different schools and do after school programming and field trips there at their location. They realize that is a factor that affects a lot of schools, the transportation to the space.

Commissioner Samuelian said he really likes the education angle. He asked him to talk about the work angle with entrepreneurs and small businesses. He said they all have a lot of passion for that as well.

Mr. Pupo said since they are currently in Wynwood they interface with a lot of art and entertainment businesses. He went back through the presentation to show businesses they deal with and how the businesses use the Moonlighter Maker Space. The businesses have access to the tools that costs hundreds of thousands of dollars with the membership.

Discussion continued regarding the businesses and how they have benefited from the membership.

Commissioner Alemán asked if there are any IT certificates or other if students work with you under any certifications or certificates of recognition for their work, that they receive that might help them get into good colleges and programs that they might want to apply for scholarships.

Mr. Pupo said they are a bit global chapter which is an Electronics platform; they have a certification program, so they can actually train the trainers to use little bits in the classroom, which is a PD certificate. They are also a chapter of maker bot.

Commissioner Alemán said to her this is so much more compelling in terms of an addition in the community than just having another restaurant in that space. She said clearly from the presentation they are willing to provide public benefit. She said our high school has an entire IT academy and she would really like this to land even more than just the field trips that there's actually some involvement with IT academy at Miami Beach Senior High. She is sure they can work on these things in negotiations.

Mr. Pupo said they are also on the committee for the maker fair, so another whole program they are trying to rollout is similar to how at schools submit projects to the youth fair. They would like to have a standard subset of projects that students can learn and do in class with the curriculum that's developed and given to the teachers and they can submit those to the maker fair to showcase what their work is.

Commissioner Samuelian said he is intrigued as well. He thanked Commissioner Arriola for bringing this idea forward. He said he thought he heard the Administration say they had some ideas for the space. He asked Mr. Milisits if there are space requirements that they need to know before they start giving it away, it will have to be factored in. he also said today the space is a tough space because of construction. However, at Commission they just made the decision to accelerate the Convention Center Hotel in about three years or so, that this will be a very valuable spot, so he thinks we have a window here, but he wants to make sure that they are meeting the Administration's space needs in terms of that window.

Vice-Mayor Góngora said he agrees. There is roughly 3 years, so this would be a temporary home. Assuming they approve this and this takes off, we will have lots of other city space, that we could move Moonlighter Maker Space when the space becomes needed for other projects. He said for him what's most important is for lower income people and we have two very high ranked public elementary schools and two that are lesser high ranked, which are Fienberg Fisher and Biscayne Elementary and for him, he would like to see them work on and come back with when it goes to Commission. He thinks this will go out of Committee with a favorable recommendation with a program that can be set up after school at Fienberg Fisher and Biscayne Elementary in exchange for no rent.

Commissioner Samuelian said his colleagues have put emphasis on education and he agrees, but he really does want to put emphasis on the entrepreneurial small business aspect. He said we have a new small business task force and they meet monthly, he would ask that Moonlighter Maker Space goes to them and dialogue with them about some of their needs and some of the programs, to maybe take what Moonlighter Maker Space has and see what light fits some of their needs so he would like that as part of the exploration process.

Ms. Jacobson spoke again on behalf of Prospera, but since Moonlighter Maker Space is one of their clients and they see their growth first hand in the past 2-3 years. They were located in Wynwood when Wynwood wasn't what it is today and they are still called the new kids on the block in that area. What they provide to the community is unique, there are no other similar services as they provide, not only in South Florida, but in the whole State. She was happy that the Committee was talking about small businesses because some of the clients that the Prospera has will refer them to Moonlighter Maker Space as well. The kids that they are talking about now are the next generation of entrepreneurs. Those are the kids that their parents have small businesses as well and they are building a legacy. This is not only about some of the things that Mr. Pupo mentioned before but about innovation and entrepreneurship itself.

Commissioner Arriola said if someone is a graduate architect and are going on their own as solo practitioner, they are able to avail themselves of the assets at Moonlighter Maker Space, because they don't have access to these things like the bigger firms have and use all of their technology to be able to do presentation renderings and things like that for clients. It is exactly for small businesses and as an incubator for people that create things. In the past he hasn't supported white collar offices, but this is unique because they are actually making something.

Matis Cohen, North Beach business owner, spoke. He spoke about STEAM. He also spoke about having an incubation that is not only for people to come and rent space, it has a broad range from education to finding jobs and presenting is something that all I can say is that he is sorry that this is not in North Beach. He said not to screw this up. He has seen many opportunities like this come to Miami Beach, but then we tell them they have to do certain things and then we are here two years later. He said to accelerate this. The last business that was an incubator was an incubator that left Miami Beach and we felt the pains of that. This is an incubator that has ramifications beyond its rent, the people that want to live close to it, the people that shop close to it, food next to it. Everything that you want to have an urban core we get with the ramifications and the impact from this type of incubator. He said not to put more regulations and restrictions on them, let them come and do what they do best.

Commissioner Arriola asked what their current lease in Wynwood is. He asked what they need to do about moving out and then moving in here. He asked what Mr. Milisits needs to do. He asked his colleagues to think about their ask of Moonlighter Maker Space because he doesn't know if we will be able to do a deal right now, but maybe by the next FCWPC meeting they can come back with their best offer. He said his vision, with whatever timetable we put is that 10 years will be too long, he will not support that. If this goes well and he is optimistic that it will, his dream is that they move to North Beach.

The Committee liked the idea of moving it to North Beach.

Mr. Milisits said to answer Commissioner Samuelian's question regarding the other requirements or other uses we were considering for the space, we do have a requirement for Code Compliance so we will have to find a space for them. That may mean going to a third part landlord if we cannot identify space internally. To answer Commissioner Arriola's question, next step from the Administration's perspective would be to sit down with Moonlighter Maker Space work out some of the specific public benefits, maybe some of the additional items that were discussed today, bring that back to the FCWPC, a letter of intent or term sheet and thereafter to Commission. We could probably move forward fairly quickly and he believes Moonlighter Maker Space's lease expires in April, but they have some flexibility.

Mr. Pupo said yes, their lease actually expires at the end of February, but they have already discussed possibly going month-to-month with them and they seem like they're willing to take that offer.

Commissioner Malakoff asked how many square feet they have now.

Mr. Pupo said they currently have 3,000 square feet.

Commissioner Samuelian asked how much space Code Compliance needs.

Mr. Milisits said they are getting ready to meet with the architect, but it is probably around 6,000 square feet.

Mr. Pupo said this space would be similar to the one they currently have in Wynwood and people can drop off their kids and then go shopping. He knows they discussed North Beach, but they think this is a really great spot.

Commissioner Arriola said he likes the stuff Vice-Mayor Góngora was talking about in regards to education, low income, even our seniors. The more public benefit the easier this will go.

Vice-Mayor Góngora said they would like to see something for up to 3 years, they would like to see increased public benefits, in particular, he would like to see them develop a program that they could do at Fienberg Fisher and Biscayne Elementary on site at their schools, some kind of reduction for all Miami Beach students and perhaps a set-aside amounts of free scholarships for low-income students.

Commissioner Samuelian said he would support all of that and he would just underline that he really likes the entrepreneurship for small business, our small business task force is the voice of small businesses, he would love for Moonlighter Maker Space to

hear from them some of their needs and take what they do and help them, he is supportive and will second the motion.

Commissioner Alemán suggested Moonlighter Maker Space rope in Dr. Leslie Rosenfeld because she is very familiar with what we are doing with our schools and how to weave it in properly, consult with her and bring her into the conversation.

Commissioner Arriola said for Mr. Milisits to reach out to any of the Committee members if clarification is needed of what they are looking for, the more public benefit the easier this will be. He said that there is probably a cost for Moonlighter Maker Space to move into the space and he wants to make sure the 3 year term is workable for them.

Mr. Pupo would like to discuss what that could look like in the future from a 3 year term ending and then moving into another city-owned space.

Commissioner Arriola said we can look at renewal terms, the other thing he would say is definitely 3 years, if there is a renewal maybe we could ask them to leave with 6 months' notice of something like that if the whole area takes off like we expect with the hotel, we could have another use for the space and then we will work with them to find something else in North Beach.

MOTION: Vice-Mayor Góngora motioned for this to move forward to the Commission with a favorable recommendation from the Committee, which includes something for up to 3 years, increased public benefits, in particular, developing a program that they could do at Fienberg Fisher and Biscayne Elementary on site at their schools, some kind of reduction for all Miami Beach students, and perhaps a set-aside amounts of free scholarships for low-income students. Commissioner Samuelian seconded. All in favor.

8. **DISCUSSION ON FUNDING AND SCOPE OF WORK FOR THE FAIRWAY PARK PROJECT**

January 16, 2019 – C4 K
Office of the Capital Improvement Projects

ACTION

David Martinez, Office of Capital Improvements Director, presented the item. He said that the last time they spoke about this at Commission they talked about the scope and the budget deficit that we had, as the scope of this project had changes. The original project was supposed to be redoing the playground area and redoing the soccer field with artificial turf. The current budget is \$1,272,000, if we were to do everything that has been added to the scope over the last several months from the Parks and Recreation Facilities Advisory Board, community, etc., we are looking at about \$1 million deficit, which would bring the total to \$2,274,000. At this point with the budget that we do have, we are able to accomplish the initial intended scope, which is to replace the whole playground system which includes fixing the drainage on the playground, whole new shade structure, a whole new surface, and a whole new component. We would also be able to replace the natural turf field with an artificial turf system with underdrains and could probably squeeze in also the walkway running paths all around the field as you can see in the diagram. He also may be able to bid alternates to see if the pricing comes in such a form that we might be able to go for some of the other items being requested. Otherwise, we need to find the \$1 million somewhere to accomplish everything that is shown in the memorandum and in the exhibit at this point. We are

about 90% design and ready to go. If we elect to do as much as we can with the money we have with some minor tweaking of the plan so that we can put it out to bid showing what is it we are looking for and get this project going sooner than later. He asked if they want them to try and find the money or work with what they have and then come back with a phase 2, which could be done through the capital budget process this year.

Vice-Mayor Góngora said this is the first he has heard about this and asked where this is located.

David Martinez said this is on the east end of the golf course in Normandy Shores. This area is used as a soccer field right now; it does get a lot of heavy use.

John Rebar, Parks and Recreation Director, said this location has a tennis court, a pavilion, etc. and is across from the club house.

Commissioner Malakoff asked if this was divided into 2 phases, how it would be divided.

David Martinez said the immediate needs are to fix the playground component and bring in the artificial turf field that gets a lot of heavy use. This was driving a lot of the reconstruction for the tennis courts and the basketball courts are trying to elevate them to some degree. We might be able to do a resurface that is a lot more economical later on this year. Some other things that have been added to the scope is park wide landscaping improvements, which comes along with the irrigation system and other things, there is also a monument sign and building out a dog park which are estimated to start adding up little by little.

Commissioner Samuelian said he probably lands with phasing this in to the budget. He thinks the community has high expectations, that something should happen and probably growing a little impatient. We have \$1 million gap and he doesn't think we will find that right now. The idea is to do what needs to get done with the playground and the drainage and these others are enhancements for a phase 2 if we can fit the dog park in, that is good because that is something people had interest in. He thinks we need to show progress and stay within budget.

Commissioner Arriola asked if we can find the \$1 million.

John Woodruff, Chief Financial Officer, said \$1 million is pretty steep, that's why we did the G.O. Bond to pay for big-ticket projects. His two concerns are not just finding funding for this project, which he guesses we would have to phase and try to do what we can over the next year or two to make up that number, but learning from it so that we can avoid similar situations as we get into the 57 projects in the G.O. Bond.

Commissioner Arriola said this is part of the reason why he fought so hard to include all of these little pocket parks in the G.O. Bond. He was quite firm on this, this one didn't make it in maybe because of an oversight. This is a very unique park, it is exactly the egalitarian public space that parks are meant to create, to bring well-to-do homeowners and people in multifamily dwellings take their kids out. He would like to see this park fully funded to meet the expectations of the residents. He doesn't want to short change this park, it is very special. Whether we phase it in or not because of budgetary reasons, he would ask, they allocate money to finish this park the right way and try to find whatever money we can this year to get something done this year. We could have done a better job of funding our parks.

David Martinez said he has to bring an item back to Commission, which is the playground, now that it is a little larger it requires a waiver, but that is just a technicality. They are going through the Building Department's process of reviews. They should be street ready in about two months, but that allows him to come back to Commission, go through the waiver process and then be ready to go out to bid may be in the next two to three months.

Vice-Mayor Góngora said he moved that this go forward with that process with the funding we have and that the difference be placed in next year's budget, so that we can fund the rest. Commissioner Samuelian seconded. All in favor.

Commissioner Arriola said to please work on the pocket park to accelerate it, he is disheartened today to learn that it is going to take this long. He was told it would be open in the summer and he said he doubted it and he was right.

MOTION: Vice-Mayor Góngora moved that this go forward with the process that was described and with the funding we have and that the balance be placed in next year's budget, so that we can fund the rest. Commissioner Samuelian seconded. All in favor.

9. **DISCUSSION REGARDING THE REVIEW OF CITY STREETS THAT NEED TO BE FIXED**

October 17, 2018 – R9 Z

Sponsored by Commissioner Alemán and Commissioner Samuelian
Public Works

ACTION

Roy Coley, Public Works Director, presented the item. He said the report is on some previous direction they have received and provided analysis for the Central Bayshore neighborhood where back a few months ago in October, the Commission gave direction to staff to do some repaving in areas that weren't ready for the neighborhood improvements yet. Our CIP team led by David Martinez has completed that, the work is done and then you have a list of roads in the same neighborhood that we as staff consider in desperate need of repaving now since the neighborhood project is not on track moving forward and it needs repaving. It is about \$150,000 worth of preliminary estimates to do this, paving and they are here to report those findings to the Committee and seek direction if they want to move forward with that.

The Committee said yes, that they would like staff to move forward with this.

John Woodruff, Chief Financial Officer, asked Roy Coley if we would we use the G.O. Bond pavement money or if there is another funding source we might use.

Roy Coley said most likely we would use the G.O. Bond pavement money.

John Woodruff said as we sequence the pavement projects that we will program in this first year, he assumed this would be at the top of the list.

Roy Coley said yes, it would be at the top of the list.

DIRECTION: Move forward with using the G.O. Bond pavement money in the amount of \$150,000 to repave the streets.

10. **DISCUSSION TO CONSIDER THE REQUIREMENT THAT CITY REVENUE-GENERATING CONTRACTS INCLUDE A CONTRIBUTION TO EDUCATIONAL INITIATIVES**

January 16, 2019 – C4 AM
Sponsored by Commissioner Alemán
Procurement

ACTION

Commissioner Alemán opened the item. She said that they were always looking for a sustained funding stream for our educational enhancements. When the Convention Center Hotel comes on line will have that in spades . We implemented maybe a year ago and she was the original sponsor, the requirement that on city revenue-generating contracts, we would include an educational contribution component. Recently, she had the opportunity to see it implemented inside of a procurement and the way that were doing it is that it's a weighted criteria that's affecting the selection of a partner. For example, it was the tennis contract that she was looking at, we might select a tennis partner that wasn't as good because of the size of check they could write to education initiatives, which to her was not really in our interest. She said that she and Alex Denis spoke about this and he thinks he can get the same result by negotiating after the fact.

Alex Denis, Procurement Director said the reality is that of the contracts that have come since that time, the educational contributions have all been done as part of the negotiation either at the time of contract or the time of renewal of the contract.

Vice-Mayor Góngora said he fully supports education and he thinks that why he supported it last time and supports every education item that is about to come before us. Considering that the convention center hotel income is going to be generated education is one of the three uses for those monies, he asked if we need to include this in contracts as well, because it seems to him that we are just bumping up the price of the contracts. He asked if we are really going to need the money considering we are going have a dedicated funding stream.

Commissioner Alemán said when we get the revenue stream from the Conventino Center Hotel we won't need it, but for the next 3 years we still do. She said about \$350,000 of annual spend on educational enhancements like the international baccalaureate training, the healthcare initiative, and others, and so just for the next few years we still need funding source for those. The idea is to shift how were doing it really for the next 3 years. After that, we can just stop doing it all together.

Vice-Mayor Góngora said he would like to stop doing this all together once the Convention Center Hotel is up and running.

Commissioner Samuelian said they are on the same page. We have this funding coming. He thinks it's in order of magnitude maybe \$600,000 or \$700,000 that comes in in hopefully starting in three years or so. If the idea is that this is the bridge that gets us to there, and it will not exceed that amount, he thinks that makes sense and is supportive of that.

Dr. Leslie Rosenfeld, Chief Learning Officer said that we actually have about \$336,000 from the General Fund and another \$350,000 currently from the education compact fund inclusive of the new initiative of the STEAM initiative so we are around \$688,000 today.

Commissioner Alemán said that the motion she was hoping that the Committee would make today would be to simply endorse the different methodology that Alex Denis would like to execute, which is to take it out of the criteria and just make it something that he negotiates after the fact and only until such time as that we have the Convention Center hotel revenue.

Commissioner Malakoff said we want to get the best people from the procurement and not take someone just because they are going to give more to education.

VOTE OF ACCLAMATION TO ENDORSE THE ADMINISTRATION'S METHODOLOGY ON TAKING THIS OUT OF THE CRITERIA

11. DISCUSSION REGARDING PROSPERA REQUEST FOR FUNDING, IN THE AMOUNT NOT TO EXCEED \$12,500, FOR A TECHNOLOGY BUSINESS SOLUTIONS ACADEMY FOR SMALL BUSINESSES

December 12, 2018 – C4 C

Sponsored by Commissioner Alemán
Economic Development

ACTION

Heather Shaw, Tourism and Culture Assistant Director, presented the item. Prospera does capacity building, they have for the last two years been doing the same type of courses and training in Miami successfully. They have been training in Miami for over two years and they have had groups of 35 businesses, small businesses that they trained in doing Information Technology. They want to bring this to North Beach and be located in North Beach, but it will be open to all businesses in Miami Beach. It is a 4 to 5 week program and the cost for the training is \$25,000 and they are looking for support of \$12,500 from the City to do the programming and then after the 4 to 5 weeks they also continue to support the small businesses and what is also really interesting is that it's bilingual, so it would help a lot of our businesses. She said she was also joined here by Soledad Jacobson who is with Prospera so she can also answer any questions the Committee might have of the program or their request for funding with the matching funding.

Commissioner Alemán said this originally came from the North Beach Steering Committee, which was the reason that she agreed to sponsor it. It was a request to provide support for the North Beach businesses just to help them build skills to survive and thrive as part of the overall economic development support that we are looking to provide to North Beach.

Ms. Jacobson thanked Commissioner Alemán for supporting them. She said although they are looking into the North Beach area. It's open to all the residents with small business within the City of Miami Beach as well.

Vice-Mayor Góngora asked if they are offering this in North Beach and where the training would take place.

Ms. Jacobson said that last year where they were proposing this technology academy is because they had an initial seminar at the North Shore Park and Youth Center. They had around 30 attendees, when they followed up with them; most business owners said the need was especially in the North Beach area. They are also open to any suggestions. They are looking into community places because they really want to be out in the community.

Vice-Mayor Góngora asked if they will match the funds of the City that they are asking for.

Ms. Jacobson said if that's an opportunity, yes. Also, they have a private founder that has already secured the funding for them. The other \$12,500 they are depending on the rest from the City today.

MOTION: Vice-Mayor Góngora motioned to approve the funding of \$12,500. Commissioner Samuelian seconded. All in favor.

12. DISCUSS UPDATES ON THE NEGOTIATIONS BETWEEN UNITEHERE LOCAL 355 AND THE FONTAINEBLEAU ON THE PROPOSED ORDINANCE CREATING A MONTHLY PARKING PERMIT RATE OF \$100 FOR P71 – 46TH STREET AND COLLINS AVENUE MUNICIPAL PARKING LOT

January 16, 2019 – R5 G

Sponsored by Mayor Gelber

Parking

ACTION

Saul Frances, Parking Director presented the item. He said at last Wednesday's Commission meeting we heard the first reading of the ordinance to create the parking permit at the 46th Street lot at \$100 monthly. There was direction to come to this Committee and have a discussion to get direction on what to do between the nexus of the \$200 initial rate that had been proffered Unite Here Local 355, Wendi Walsh was present, she had countered with \$100 monthly so that's how we got to that rate, but to give a little bit more background for Commissioner Malakoff's benefit and to bring her up to speed. During the last budget process, the Commission approved an increase to the daily rate at the 46th Street lot to \$20 a day for nonresidents \$6 dollars a day for Miami Beach residents and that would be seven days a week, and the operation of the lot would be 24 hours a day as opposed to currently where it's \$1 an hour Monday through Friday from 8 AM to 6 PM and it's free after 6 PM till 8 AM and Saturdays and Sundays we have a \$20 flat rate. We didn't deploy it in October, we got some inquiries and feedback from the hotel employees in the area from the Fontainebleau and the Eden Roc that this was a financial hardship for them and so forth. We have been working with them and the union trying to find a solution to this. We have come up with a plan to provide additional parking 400+ spaces at lots in the area, North Beach in the west lots, along the 41st Street corridor up to 400+ monthly parking permits with the addition of 100 permits that we proffered through the ordinance that we've talked about last Wednesday would get close to 500 to 600 spaces in the corridor for the employees to use. Clearly the locations on Collins Avenue and 41st Street have a park-and-ride component to it. Our Transportation department has done some analysis on trying to get advanced headways during shift changes to be able to accommodate that.

Commissioner Malakoff asked if our Trolleys could do that.

Saul Frances said yes, that they're working on trying to create some additional headway by increasing their number of Trolleys during certain times of the day, such as during the shift changes and the union and the Fontainebleau have provided us that information and Transportation is working on that. There were conversations to be held by the Fontainebleau management and the union. Wendi Walsh and Michael Llorente are here to speak on the item.

Wendi Walsh, Unite Here, spoke. She said at the Commission meeting last week, the focus became the Fontainebleau understandably, and it is not the only hotel that has workers who park in that lot, but obviously there are 2,000 employees in the Fontainebleau and we represent about 1,200 of those employees. The Commission asked for some information last time and they gave that information request to the Fontainebleau in writing and have not received a response to that. She said she thinks Mr. Llorente will respond directly to the Committee on that. The last information that we were given is that of our bargaining unit of the 1,200 there about 200, for whom they provide spaces. They in addition, buy bus passes in bulk for our bargaining unit; there are nine people who buy those for the company. She thinks in part because buying something on a monthly basis for an hourly employee is a difficult thing to do. She said they have talked to the Fontainebleau about this for about 6 to 9 months since there was the proposal to move to that \$20 a day. They did bargain a collective bargaining agreement back in 2017. This wasn't an issue at the time. Members were paying \$1 an hour in the lot when you make \$11.50 an hour, they are making it work. They are estimating around 300 employees who probably parked in that 46th Street lot. The proposal as it is, will displace hundreds of those employees to have to park more remotely and to take the trolley system or to walk to work from the remote lots and are living with that because it is not for them to say what the city is going to do. What they are asking for is 100 permits at \$100. They have workers going to work as early as five in the morning and that get out at midnight. She did reach out to the Fontainebleau in the last week and did talk to their General Counsel yesterday afternoon; the bottom line is there's been no change.

Commissioner Samuelian said that the thing that jumped out to him, is with 1,200 employees, 9 participating in the monthly bus program, one of things is where do the cars fit with the public transportation solution and we need to explore it. He asked what the barrier is.

Ms. Walsh said an employee that is present was featured in the Miami Herald about a 1 year and 1/2 ago about taking the bus to work and how cumbersome it can be and she starts at something like four in the morning to get to work for eight. We do have a lot of employees who do take public transportation. She thinks the purchase of the monthly bus pass is difficult to pay \$100 and she thinks they are going to face the same difficulty here with this permit. People pay \$1 a day and I think that they have a hard time paying it all at once. When you don't make a lot of money, people are living day-to-day, week to week and so they pay that dollar an hour in the lot. She does want the Committee to pass the proposal, but she thinks that we may have a hard time getting 100 people who by a pass at \$100 a month just because of their financial circumstances.

Commissioner Samuelian said one quick follow up that it seemed to be hard to pay up front, maybe there something they could do so others can pay up front for the employees.

Ms. Walsh said that an additional thing they can do is bargain with the Fontainebleau around the payroll deduction, which they do on a number of other things. She said there are another 800 workers there that she knows nothing about, but of the 1,200 she thinks there's a few hundred parking in the lots. There are a lot of people who are carpooling or taking public transportation, who are getting rides to work and are getting there by other means. They are not all driving, but there are a few hundred who do you drive.

Commissioner Arriola went through a hypothetical situation. He said there is a very large employer who are very important to the community who put a stress on parking supply because all the workers who come in with the traffic among other things. The city feels it's our responsibility and obligation to provide parking for our residents and tourists and employees work for our businesses. If you play out the scenario where you have 2,000 employees and they have to park somewhere, well say there are city lots. If every employer were to do that and keep adding employees, we have to keep building parking. Someone has to pay for that. His whole problem with the way the parking revenue is being split is falling completely on the workers and tax payers. The question is where is the Fontainebleau, where is the employer that should be subsidizing their private operation. He said that all of them are super sympathetic and wish they could make the parking zero for the employees, but that's not the case right here but if more employees come more parking demands are put on the City we have to fund those.

Discussion continued about parking with other examples of other hotels.

Commissioner Malakoff asked if anybody in the City has gone to the Fontainebleau and the Eden Roc to speak with senior management.

Saul Frances said there were some conversations had with Mary Rogers.

Ms. Walsh said her and Mary Rogers met with the Mayor prior to Christmas. Mary Rogers is the general manager at the hotel.

Michael Llorente, Llorente and Heckler, representing the Fontainebleau spoke. He said he is not exactly sure how or why the Fontainebleau specifically was dragged into this conversation. He is not exactly sure how the item morphed into some sort of expected public negotiation between the Fontainebleau as a private entity and its workers, but he thinks it's important to reiterate some of the points made by Mr. Frances a little earlier. He said that 3 months ago the City in order to increase revenue and decrease car use, more than doubled the parking rates at the 46th Street lot, it had unintended consequences. There are a lot of folks that park in the parking lot that can't afford it, some of those are employees of the Fontainebleau and some of them are employees of other area hotels and establishments. They reached out to their advocates and leaders and appeared at the City asking for relief. The item that is presented to Commission last week did just that, it reinstated a monthly pass program at a cost of \$100 a month. Ms. Walsh alluded to this earlier, but he thinks it's also important to reemphasize that this is not unusual. Almost every parking facility in the City of Miami Beach has a monthly pass program and the cost is \$70-\$100, the ask is to create a program that is similar to what there is everywhere else the city so that area residents and workers are on the same footing as everyone else the city. This has nothing to do with the Fontainebleau, but there have been obviously some suggestion that the Fontainebleau is not doing

anything or is not doing enough in the form of parking for its team members. That's not true. The Fontainebleau has about 650 employees who park for free on campus and another 200 or so who participate in some other form of parking or transit program. Over 300 of those are union. The Fontainebleau has a much more robust parking and transit plan hotel than any other in the City.

Vice-Mayor Góngora asked how many parking spaces are for union employees,

Mr. Llorente said of the employees who are getting either free parking or are participating in one of the various parking programs, it's over 300. There is no other hotel on the Beach that has a program this robust and they are not unionized. The Fontainebleau cares about their team members union and nonunion. He said he appreciated that we are here because the Commission is fighting for the little guy. He understands it, and the Fontainebleau has been doing that for decades. They believe in unionized labor and the workers. They are continuing to search for creative parking transit solutions improve quality of life for team members to study quietly and without the City's involvement.

Commissioner Alemán asked how much the Fontainebleau charge for valet parking of its guests.

Mr. Llorente said it's somewhere around \$47. The cars are parked on site.

Commissioner Alemán said this is more complex, it is being positioned like they are trying to make a choice between these hard workers and City's parking structure. There is more to it than that. She said she assumes that Fontainebleau only has a finite set of parking. They've carved off a chunk that they choose to use for valet parking instead of providing to their employees and for that they have a revenue stream at \$47 of which is half of the cost of transportation for workers probably one guest on one day. They are making a tremendous amount of revenue on the parking that they've allocated for valet and the City's being asked to come in then and provide parking for their workers. So it's a little more complex than it's being presented here.

Mr. Llorente said the City provides parking for other hotels' employees throughout the City and they aren't even unionized. They just don't offer parking for any of their employees, those employees have to figure it out on their own.

Commissioner Alemán said for all she knows they could charge \$48 an hour and pay for parking for all of their employees; someone needs to do the math.

Mr. Llorente said he understands where she is coming from like he said earlier, the Fontainebleau will continue to search for parking transit options. This may be part of the conversation, but we should not negotiate in a public forum. He can say that there are two other programs that are being explored, which started being explored before this conversation started, independent of this process to provide additional options. He feels they are being unfairly targeted here because the Fontainebleau offers more parking options probably more than any hotel in the entire city. He humbly submits to the Committee that the package before the Committee, which has nothing to do with the Fontainebleau does one thing that it reinstates a monthly pass program that exists everywhere else in the City at the same cost.

Commissioner Arriola said logic says that the beach's parking is not the same in low demand areas.

Commissioner Samuelian said he knows the Fontainebleau is here and they are a large employer but he thinks they should talk a little more broadly. There are other hotels to be fair. He thinks one of the biggest concerns for residents is traffic, cars, and congestion, what strikes him is that we are subsidizing the problem we are making it less expensive for the cars bringing the problem. He would like to talk about how we make it more attractive for other solutions. He thinks that this is a broader conversation, but he thinks that the connection between our subsidizing parking with more cars coming is something we need to keep in mind.

Commissioner Arriola said we are going to be discussing item 1 about transit, to the extent that we continue to subsidize garages and parking we are incentivizing people to drive and use their cars.

Vice-Mayor Góngora said he has a slightly different take on this, this is one of the reasons why he is rarely in favor of reducing parking requirements because although every planner and developer keeps coming and telling him that we need less and less parking, we have other items that come in where we have to find more and more parking for other people. He asked Saul Frances if we can comfortably absorb this parking in the lots that are being recommended in this administrative item.

Mr. Frances said the answer is yes, we have done some analysis with a lot at 46th Street and came up with 100 permits in the lot, there are 450 spaces in the lot, which is roughly 22%. The sweet spot for parking from a utilization perspective is about 80-85%, so that gets us to some availability for monthly parking, but yet still have availability for transient parking folks, whether for the residents or users of the lot. We have also identified locations or lots along Collins Avenue, the west lots as well as on the 41st corridor that would make up about 400 some odd that would be available for monthly parking there at the \$70 rate and of course using the park-and-ride.

Vice-Mayor Góngora confirmed that we are spreading a lot of this into the underutilized parking lots. He asked UniteHere who they represent in Miami Beach.

Ms. Walsh said the Fontainebleau and the Miami Beach resort, the Miami Beach resort charges \$25 a month for their parking.

Vice-Mayor Góngora said in that case, since they would be administering the parking permits. He asked if they would be doing that for the hotels they represent.

Ms. Walsh said they would not. They have been in conversations with the workers of the Eden Roc as well. It would be for employees of the Eden Roc and the Fontainebleau. Those are the only hotels that utilize the lot.

Vice-Mayor Góngora said he is generally in favor of helping employee, he voted for this at the Commission to move it forward. It's expensive, the employees are spending a lot of their money to park here, and he sympathizes and empathizes with the employees. As he reads the item in the agenda he confirmed that we would be looking at about \$159,000 in lost revenue to offer these reduced parking spaces, he asked if that is correct.

Mr. Frances said that is correct, but we expect that to be offset by the additional revenue that we would garner at the lots at the West Lots and 41st Street the offset there is 190 permits. We would offset that \$159,000 loss from the numbers and the information received from the Fontainebleau it should be able to cover that if not more.

Vice-Mayor Góngora said although the city has invested millions of dollars and the bus route that were trying to make happen, he is hearing that the employees aren't necessarily taking it in big numbers. He doesn't know how to force them to take it. He said he was the one vote against funding those millions of dollars from the City to extend that County bus route to the Golden Glades interchange because he didn't think it was the best use of our residents' tax dollars to extend the County bus route to the Golden Glades. This Commission is moving forward with those millions of dollars. That's why he doesn't have a problem with giving up the \$159,000 so that these employees can comfortably park and go to work and afford to live in our city. He understands the argument that by incentivizing them by giving them these reduce parking rates it puts more cars on the street, but the flip side of the argument it stops them from driving around in circles looking for cheaper parking elsewhere. That's why he feels comfortable supporting this last time before the Commission and why again he will support it today.

Ms. Walsh said she wanted to be clear for the buses, 9 people are buying their bus passes from the Fontainebleau, hundreds are taking buses and we are incredibly interested as a union in incentivizing people to take mass transportation. We are trying to work with the county and work with the City on how to do that and ideally that is going to be a more affordable option for workers to be taking mass transit.

Vice-Mayor Góngora agreed with the comments by his colleagues, he thinks the Fontainebleau has a great deal. I think they are making a ton of parking revenue. He agreed completely that they are making money off of valet parking, rather than making more parking available for their employees. He doesn't know what this body is going to do to for that to change and he doesn't want to hold these people prisoner to this negotiation.

Commissioner Arriola said he thinks all of them want to move forward and make sure they have adequate parking passes that are economical, he thinks they are all frustrated that the private employers are not stepping up to the plate to a greater degree to solve this problem and making it the City's problem. That's what he finds objectionable.

Vice-Mayor Góngora agreed with that statement

Mr. Frances clarified and for full disclosure, that the \$100 monthly rate is actually less than what the employees are paying now. So if you do the math at \$1 an hour, 8 hours a day, presumably a five-day work week, it is about \$160 a month. The point about whether that can be done through payroll deduction and so forth to ease that burden for the employees is another conversation, but just to get the numbers straight on what they were actually paying, the \$100 is less than what they would be paying.

Commissioner Arriola confirmed that they were paying in essence \$160.

Mr. Frances said assuming it's a five-day work week and an 8 hour day, yes.

Ms. Walsh said people who are working 5 days a week 8 hours a day then yes. Not everybody does, some people have 6 hour shifts, and it's hard for her to know exactly what those numbers are.

Commissioner Arriola said what he is worried about as part of the collective bargaining agreement, is that the Fontainebleau is somehow using that for the City to put the extra \$60 in the pockets and not the Fontainebleau

Ms. Walsh said the \$100 came from to put extra money in the employee's pockets, not to make money off of this.

Vice-Mayor Góngora said he is going to move this item forward, they will see if it passes, at the same time he would separately like to make a motion to the Administration to monitor when the Fontainebleau needs to come back to the City for something and they will, they have come back multiple times over the years. Whether it's a permit, whether they want to install artificial grass, whether they want to do some type of work that they need from us, to bring it back to the FCWPC, because he thinks that's the appropriate moment to try to negotiate some of these concerns that his colleagues have and see what financial benefits we can get.

Commissioner Samuelian seconded the motions.

Commissioner Alemán said she is fine with that and will support the recommendation of the Committee when it comes back to the Commission. She said she did want to mention a couple things just before we leave the topic. She said a year ago or so Saul and her looked off-line at Park share. She said they looked because there are parking share applications on the Internet and some cities have actually embraced a particular one and this is an example of why the city might have an interest in picking a partner because there are a lot of homeowners in Mid-beach who have driveways that are very close to the Fontainebleau that sit empty all day while those people have gone off to work and it's an opportunity for the resident to basically rent out on an hourly basis, their driveway so somebody can park there. At the time they couldn't really think of a compelling reason why the city would want to drive that kind of initiative, but maybe this is a need that we should look into. A lot of her neighbors don't have dates or anything and wouldn't mind making a few dollars for employees to come. Secondly, we should soon have the Julia Tuttle bus rapid transit. We should make the bus overall trip shorter and therefore more appealing for workers because they would be able to get to their destination much quicker, she hopes. Finally, also this discussion about taking some of the parking and moving it into lots that are further away and having those people ride the free trolley to get to their place of employment, her only concern with that is, she wants to make sure that when a trolley blows past a bus stop because it is full and knows it doesn't have any room for whoever's waiting there, every time that happens that its recorded because it doesn't do us any good to move workers to a further away bus location and then have the trolleys blowing by the people that were there were trying to ride. She said she wants to make sure that we have a mechanism to capture that.

Commissioner Arriola said as they think about item 1 with bus rapid transit and about park share price by artificially subsidizing parking, we are going against everything we want to do with mass transit and traffic reduction. We need to think about doing here, we will do this today, but we do need to keep this top of mind as we work on bus rapid

transit, park share, and these kinds of things that we may not be able to be successful to get the bus ridership keeping parking artificially low.

Commissioner Samuelian said he is so excited to see his colleagues and hear from Wendy and the union about the excitement with bus rapid transit and we do have item 1 on today's agenda to get the latest update and he hopes we can keep this energy to keep pushing that forward.

Matis Cohen, North Beach business owner, spoke. He said it concerns him to witness this conversation which he believes is unfair. It is unfair to the Fontainebleau and the workers, but mostly to Miami Beach. Miami Beach has the highest rated trolley system in the County. It is rated 2 stars above any other trolley system. The cost to run the trolley system is a dollar a trip less than anyone else's. We spent so much money in doing this to undermine it and lower the parking requirements in order to become less car centric, to incentivize cars to come over the bridge, he is opposed to it. We are trying to rebuild an area that hasn't been touched in over 40 years. He said to take those same dollars and say we are committed to employees. He said we should find out who cannot afford the parking and figure out how to make the 9 people into 100 people that take the bus and spend the budget on the bridges.

Commissioner Alemán said she hears what Mr. Cohen is saying and employees aren't just employees, she drives her car even though she doesn't work very far away from where she lives, but she drives her car because she has a life and needs to pick up her children from two different schools. She has to go to the grocery store; there are things she has to do as a human being that requires her personally in her life right now to use her car. We have to remember that not everyone can take public transportation because of their physical condition, their other obligations with their life or to others in the community itself.

Vice-Mayor Góngora said this is an ordinance, this is not a change in the charter, this is not a permanent solution. Ordinances change all the time with four votes on the Commission. This is something that's needed at this time to address a problem, but it's not set in stone. As times change perhaps this ordinance will change.

Matis Cohen said if we put more spots in the West Lots, the second we give it up it is going to be a problem. He thinks we need to go back to the drawing board.

MOTION: Vice-Mayor Góngora motioned to move this item forward. He also made a motion to the Administration to monitor when the Fontainebleau needs to come back to the City for something whether it's a permit, whether they want to install artificial grass, whether it's a permit, whether they want to install artificial grass, whether they want to do some type of work that they need from us, to bring it back to the FCWPC, because he thinks that's the appropriate moment to try to negotiate some of these concerns that his colleagues have and see what financial benefits we can get. Commissioner Samuelian seconded. All in favor.

13. DISCUSSION REGARDING THE BUDGET ADVISORY COMMITTEE MOTION THAT THE CITY OF MIAMI BEACH COMPLETE A FACILITY CONDITION ASSESSMENT

December 12, 2018 – C4 H

Sponsored by Commissioner Samuelian

Property Management

ACTION

Commissioner Samuelian opened the item. He said the notion here is that we have a lot of important assets that we invest in over time and the idea from the Budget Advisory Committee that we take a holistic view of our assets. Maybe starting with our buildings first and understand their current condition, so that we could start to think of what might be the cost of over time, almost like a condo board would set aside reserve. It would help to see what the priorities are. He thinks the Administration has made progress.

Adrian Morales, Property Management Director, spoke. He said that we are in the process of a refreshment of the current facility condition assessment. The last one was done in 2014. Since then, we've opened some new facilities, including upgrades to the convention center. We are looking at different companies and we are actually trying to upgrade the methodology to include our day-to-day operating system where our work orders and our service requests, when things break can be included in the overall condition. He said they are looking at different companies and he thinks in the next few weeks they can have that ready. He said this will tie into our renewal and replacement program for us to properly assess our buildings, inspect them, document the condition and also provide for better lifecycle management. He thinks this is a good first step forward, which we are taking. Over the next few weeks we'll start to see that roll out. He said he could probably have the entire portfolio done sometime in the next 60 to 90 days and then right in time for the budget cycle for us to get going.

Vice-Mayor Góngora said he likes this idea and as Commissioner Samuelian said, which is something he is familiar with is condos and this seems like a reserve study that is done in condominiums, so we know the useful life. He thinks it is a good investment to do.

Adrian Morales said that we have the funds, we decided to roll over some of the funds from last fiscal year. He still doesn't know what the new implementation will cost, there might be a little bit of a cost difference. They are still evaluating some program costs for that, but he is confident a new work order system tying into the facility condition assessment is the right way to go as opposed to what we have now, which is a database. He likes the information to be updated in real time because that is what the future holds for facilities.

Commissioner Arriola asked John Woodruff if we have depreciation schedules and things like that to keep track of city assets.

John Woodruff, Chief Financial Officer, said we do have depreciation schedules, but he thinks what Mr. Morales is really talking about is that when we do a facility condition assessment at some point in time like 2014, that then we are able to keep up with it as work orders go in and roofs are replaced and different things happen that they are updated continually. So we can look at it and know the highest priority and what needs to be done and if we can try to do that across a portfolio we can try to come up with what is a good annual amount that we need to set aside.

Commissioner Arriola asked if we are already doing that.

John Woodruff said we are doing a version of that but it's really more like the highest needs-based and what is happening is we are doing a lot of emergency work instead of getting ahead of that curve and so that's where the BAC was coming from. He thinks they are all fully supportive, he thinks what we need do is marry up the condition indexes to software and come up with an integrated solution. It sounds like we are a few

months away. He said we fund technology projects in the budget, so there's a process for that he thinks we have the indexes mostly funded and we can look at any deltas we have there, but it's certainly something we are striving to get our arms around.

Adrian Morales said the intention is to make this almost a science. We would know what our facility asset's lifecycle is and every 10 years the mechanical components that need to change, roof systems every 10 to 20 years, but we are not there yet. We have gone through a lot of the backlog from previous Administrations. We are in the process of completing about 100 renewal projects this year, we did 84 last fiscal year. We are on the right track, we just need a little more time. He thinks that the future for us with this implementation in addition to some of the other stuff that we are doing could help us get to where Mr. Woodruff mentioned, so we don't have to go to the Commission for emergency funding because we have anticipated this through the budget cycle and everything is mapped out. There will be failures, but they will be minimal as opposed to one happening every few months and having to do a mid-year appropriation.

Commissioner Samuelian said he is pleased with the progress of the Administration here. He said the members will need to figure out where they will find the money that is likely to surface as needed. That will be on them as they go through the budget process, because it's probably a bigger nut that we have been putting aside. He is comfortable and he would like an update in 60-90 days as suggested.

DIRECTION: Come back to the FCWPC in 60-90 days with an update on the progress.

14. **DISCUSSION REGARDING ANNUAL ADJUSTMENTS (EG. CPI) FOR CITY FEES AND CHARGES**

December 12, 2018 – C4 D

Sponsored by Commissioner Samuelian

Office of Budget and Performance Improvement

ACTION

Commissioner Samuelian opened the item. He said we had some situations where we had some fees that hadn't been updated in several years and we had to do some catch ups. Then they were double digit increases that we weren't happy with. The gist of this was to take a holistic look at our fees and charges, and if there are certain items that basically there's cost-of-living increases that we would just automate that and say with CPI we have COLAs that we are paying that these fees would be done on an annual basis. The key is to avoid the shocks of having significant increases, also try to depoliticize this item and he thinks the Administration has made some progress.

John Woodruff, Chief Financial Officer, spoke and then said Tameka Otto Stewart, Budget Director, will get into it a little further. He said during last year's budget process we ran into some situations where we realized that we didn't have CPI adjusters on several different revenues we were looking at. We were asked at the end of last year to take a holistic look at all the City's revenues and see where CPI adjustments would make sense. We started that analysis, resulting in a spreadsheet of 55 pages. There is a massive number of revenue accounts out there is what we found. In order to continue to keep other balls moving, we brought in a consultant for less than \$10,000, who is helping to keep this project moving on a good track.

Tameka Otto Stewart, Budget Director, went through the rest of the bullets on the one

pager that was handed out. She said the consultant we are working with actually worked on the water and sewer rate increases, which already have an index to CPI so he has some experience working with City. She went to bullet 3, which are the deliverables that were noted in the item. She said the timeline is that they hope to come back to the FCWPC in March with some recommendations and the consultant will be present to answer any questions and hopefully we can go to the Commission meeting in April with a recommendation from the FCWPC on when the CPI increases would become effective.

Commissioner Samuelian said he likes it. He said this is what they wanted and thanked Tameka Otto Stewart and John Woodruff for being responsive. He said unless anyone has any issues or questions he would move that the Committee accept this and look forward to the recommendation back to this committee in March.

DIRECTION: Come back to the March 2019 FCWPC meeting with the consultant's report and recommendations.

15. DISCUSSION REGARDING REVENUE GENERATING OPPORTUNITIES FOR BEACH CONCESSION OPERATIONS

January 16, 2019 – C4 AO
Economic Development

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

16. DISCUSSION REGARDING THE INTERLOCAL AGREEMENT WITH MIAMI-DADE COUNTY FOR THE CITY'S CONTRIBUTION IN THE AMOUNT OF \$417,000 TOWARDS THE BEACH CORRIDOR RAPID TRANSIT CONNECTION PROJECT DEVELOPMENT AND ENVIRONMENT STUDY

December 12, 2018 – C4 I
Transportation

ACTION

DIRECTION: Item withdrawn by Administration.

17. DISCUSSION REGARDING CAPITAL APPROPRIATIONS FOR THE SOUTH POINTE PARK BUILDING HVAC UNIT REPLACEMENT

January 16, 2019 – C4 J
Property Management

ACTION

DIRECTION: Item withdrawn by Administration.

DEFERRED ITEMS

18. DISCUSSION TO REVIEW THE CITY'S FORTHCOMING STORMWATER MANAGEMENT BUDGET AS WELL AS RELATED UTILITIES, ABOVE GROUND, AND OTHER ASSOCIATED COSTS

September 12, 2018 – C4 G

Sponsored by Vice-Mayor Samuelian
Public Works

ACTION

DIRECTION: Defer to the March 2019 FCWPC meeting, pending information from Jacobs Engineering.

19. DISCUSSION ON THE PROPOSED MOBILITY FEE PROGRAM

July 25, 2018 – C4 U
Sponsored by Commissioner Alemán
Transportation

ACTION

DIRECTION: Defer to the February 2019 FCWPC meeting, pending an analysis of regional mobility/impact fees and review of fiscal impact of the proposed mobility fee.

20. DISCUSSION REGARDING THE RECYCLING FEE AND BACKYARD SERVICE COST

September 12, 2018 – R5 M
Sponsored by Commissioner Arriola
Public Works

ACTION

DIRECTION: Defer in order to be discussed as part of the program budget process.

21. UPDATE ON ENERGOV PERMITTING SYSTEM

April 26, 2017– C7 M
Information Technology

ACTION

DIRECTION: Defer to the February 2019 FCWPC meeting.

22. DISCUSSION REGARDING THE PROJECT BUDGET AND SCOPE OF THE 72ND STREET CIVIC COMPLEX PROJECT

January 17, 2017 – C4 AD
Sponsored by Commissioner Alemán
Office of Capital Improvement Projects

ACTION

DIRECTION: Defer pending conversation with Savino Miller about the swimming pool.

23. DISCUSSION ON ACTIVATING VACANT STOREFRONTS INCLUDING THE PURCHASE OF NEW COVERS AND EXPLORING NEW DESIGNS THAT REFLECT NORTH BEACH, MID-BEACH, AND SOUTH BEACH AND IDENTIFYING FUNDS FOR THE PURCHASE

April 11, 2018 – C4 J

Sponsored by Commissioner Arriola and Co-sponsored by Commissioner Samuelian
Economic Development

ACTION

DIRECTION: Defer to the February 2019 FCWPC meeting, pending final design cover from DASH students.

24. **DISCUSSION TO CONSIDER REVISING THE “SPECIAL EVENT REQUIREMENTS AND GUIDELINES”, BY AMENDING THE FOLLOWING SECTIONS: “MINIMUM REQUIREMENTS,” “EXTERNAL REVIEW PROCEDURE,” “BOOKING POLICY,” “USE OF PUBLIC PROPERTY,” “SPECIAL EVENT FEE SCHEDULE, AND “SPECIAL EVENT CLASS MATRIX”, HEREBY PERMITTING AND RESTRICTING FURTHER USES ON PUBLIC PROPERTY AND RECONCILING SPECIAL EVENT FEES TO MATCH RECENT INCREASES ASSOCIATED WITH OTHER PUBLIC RENTAL USES**

October 18, 2017 – C4 F

Tourism, Culture, and Economic Development

ACTION

DIRECTION: Defer to the February 2019 FCWPC meeting, pending feedback from the industry.

25. **DISCUSSION REGARDING ESTABLISHING A PILOT PROGRAM FOR DOCKED ELECTRIC ASSISTED BICYCLE SHARING SERVICES**

October 17, 2018 – C4 J

Sponsored by Commissioner Arriola
Transportation

ACTION

DIRECTION: Defer pending further discussions at the NCAC and Transportation, Parking and Bicycle-Pedestrian Facilities Committee.

26. **DISCUSS ENGAGING IN A PILOT WITH CAMINO PERMITTING SOFTWARE**

September 12, 2018 – C4 N

Sponsored by Commissioner Arriola
Building/Information Technology

ACTION

DIRECTION: Defer to the March 2019 FCWPC meeting, pending the issuance of an RFP and the continued studying of the City’s processes.

27. **DISCUSSION REGARDING ESTABLISHING A HISTORIC PRESERVATION FUND**

April 11, 2018 – C4 O

Sponsored by Commissioner Arriola
Finance/Planning

ACTION

DIRECTION: Defer to the February 2019 FCWPC meeting, pending Land Use and Development Committee discussion.

28. DISCUSSION REGARDING THE COSTS RELATED TO HAVING MIAMI BEACH COMMIT TO ENSURING THAT ALL GOVERNMENT BUILDINGS WILL BE POWERED BY 100% RENEWABLE ELECTRICITY

May 17, 2017 – R9 AB

Sponsored by Commissioner Rosen Gonzalez
Environment & Sustainability/Property Management

ACTION

DIRECTION: Defer to a future FCWPC meeting, pending Sustainability and Resiliency Committee direction.

29. DISCUSSION REGARDING THE BIGBELLY PROGRAM AND POTENTIAL WAYS TO SUBSIDIZE ITS COST

October 17, 2018 – C4 I

Sponsored by Commissioner Arriola
Public Works

ACTION

DIRECTION: Defer to a future FCWPC meeting until meeting with BigBelly and Public Works has taken place.

30. DISCUSSION REGARDING THE MIAMI BEACH ROWING CLUB LEASE

June 6, 2018 – C4 E

Sponsored by Commissioner Arriola
Economic Development/ Office of the City Attorney

ACTION

DIRECTION: Defer to the February 2019 FCWPC meeting, pending discussions with Miami Beach Rowing Club.

31. DISCUSSION REGARDING THE ANNEXATION OF NORTH BAY VILLAGE, AND TO REVIEW PROPERTY TAXES, ECONOMIC IMPACT, AND VALUE

September 12, 2018 – R9 E

Sponsored by Commissioner Arriola
Office of the City Attorney

ACTION

DIRECTION: Defer to the March 2019 FCWPC meeting, after obtaining feedback from North Bay Village.

32. DISCUSSION REGARDING THE ANNEXATION OF THE WESTERNMOST ISLANDS OF THE VENETIAN ISLANDS AND MAKING THEM A PART OF MIAMI BEACH, AND TO REVIEW PROPERTY TAXES, ECONOMIC IMPACT, AND VALUE

September 12, 2018 – R9 F

Sponsored by Vice-Mayor Góngora
Office of the City Attorney

ACTION

DIRECTION: Defer to the March 2019 FCWPC meeting, after obtaining feedback from the City of Miami.

33. **DISCUSS THE DESIGN AND PLAN CONCEPT FOR THE OCEAN TERRACE NEIGHBORHOOD URBAN DESIGN PLAN BY THE CORRADINO GROUP FOR PRIORITIZATION AND POTENTIAL FUNDING OPTIONS**
December 12, 2018 – C7 AE
Tourism, Culture, and Economic Development

ACTION

DIRECTION: Defer to the February 2019 FCWPC meeting.

34. **DISCUSSION REGARDING THE ADMINISTRATION'S PROCEDURE FOR WELCOMING NEW BUSINESSES TO MIAMI BEACH**
December 12, 2018 – C4 E
Sponsored by Commissioner Arriola
Economic Development

ACTION

DIRECTION: Defer to the February 2019 FCWPC meeting, pending new Economic Development Director.

35. **DISCUSSION REGARDING THE NORMANDY SQUARE ART FESTIVAL**
January 16, 2019 – C4 B
Sponsored by Commissioner Alemán
Tourism and Culture

ACTION

DIRECTION: Item withdrawn by sponsor, discussion was held during item 46.

36. **DISCUSSION REGARDING THE MOTION PASSED BY THE PRODUCTION INDUSTRY COUNCIL MOTION TO ADOPT CHANGES TO THE CURRENT FILM INCENTIVE GUIDELINES, MAKING THEM LESS RESTRICTIVE FOR PRODUCTIONS TO TAKE ADVANTAGE OF THE FILM INCENTIVE PROGRAM**
January 16, 2019 – C4 C
Sponsored by Vice-Mayor Góngora
Tourism and Culture

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

37. **DISCUSSION TO CONSIDER DEVELOPING AND FUNDING A PROGRAM FOR TEMPORARY PUBLIC ARTISTIC INSTALLATIONS**

January 16, 2019 – C4 D
Sponsored by Commissioner Arriola
Tourism and Culture

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

38. **DISCUSSION REGARDING ESTABLISHING CITYWIDE STANDARDS FOR CHILDREN'S PLAYGROUNDS, PLAY SURFACES, SHADE SYSTEMS, AND OUTDOOR FITNESS EQUIPMENT AND TO ESTABLISH A DEFINED PROCUREMENT AUTHORITY TO PURCHASE SUCH EQUIPMENT IN A RESPONSIBLE AND EXPEDITIOUS MANNER**

January 16, 2019 – C4 E
Sponsored by Commissioner Arriola
Parks and Recreation

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

39. **DISCUSSION REGARDING BENCHMARKING OF IMPACT FEES**

January 16, 2019 – C4 G
Sponsored by Commissioner Alemán
Office of Budget and Performance Improvement

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

40. **DISCUSSION REGARDING THE APPLICATION OF HISTORICAL MARKERS UNDER THE AUSPICES OF THE STATE OF FLORIDA HISTORICAL MARKER PROGRAM**

January 16, 2019 – C4 H
Sponsored by Commissioner Alemán and Co-Sponsored by Commissioner Samuelian
Planning

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

41. **DISCUSSION REGARDING THE LOCATION OF A STORAGE FACILITY AND NEW RESTROOMS FOR SOUNDSCAPE PARK**

January 16, 2019 – C4 I
Tourism and Culture

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

42. **DISCUSSION REGARDING A POTENTIAL RFQ FOR A CITYWIDE CYBER SECURITY RISK ASSESSMENT**

January 16, 2019 – C4 L
Sponsored by Commissioner Alemán
Information Technology/Procurement

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

43. DISCUSSION REGARDING UPDATING MINIMUM WAGES ON CITY FUNDED CONSTRUCTION CONTRACTS

January 16, 2019 – C4 M
Sponsored by Commissioner Steinberg
Procurement/Office of Capital Improvement Projects

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

44. DISCUSSION REGARDING THE JANUARY 8, 2019 BUDGET ADVISORY COMMITTEE MOTION REGARDING AN ECONOMIC ANALYSIS ON THE NORTH BEACH TOWN CENTER PROPOSED GARAGE DEVELOPMENT PROJECT

January 16, 2019 – C4 AN
Sponsored by Vice-Mayor Góngora
Office of the City Manager/Economic Development

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

45. DISCUSSION REGARDING THE 41ST STREET IMPLEMENTATION WORKPLAN AND PRIORITIZATION OF BUDGETED FUNDS

January 16, 2019 – R7 G
Economic Development

ACTION

DIRECTION: Item to be heard at the February 2019 FCWPC meeting.

ADDENDUM

46. DISCUSSION REGARDING PROGRAMMING FOR RUE VENDOME

May 16, 2018 – C4 Y
Sponsored by Commissioner Arriola
Tourism and Culture

ACTION

Heather Shaw, Tourism and Culture Assistant Director, presented the item. She said that this is an item to also include within the programming activation of Rue Vendome the discussion of the Normandy Art Fair. She said she was joined today by David who is with Painting With A Twist who has been an active participant in activating Rue Vendome and specifically with the Normandy Art Fair.

Commissioner Alemán said that David will discuss the art fair a couple of iterations of it and what's working and how we go forward. For the Committee's benefit she passed out a document that is titled Normandy Square Art Fair timeline and challenges. It took an extremely long time, and Commissioner intervention to really help the art fair get off the ground. She knows we have a new director of Economic Development and she knows that TCED has been really challenged from a staffing standpoint and she wanted to put this on the agenda and have a candid conversation about how difficult it was for this art fair. She said they will talk about the difficulties regarding permit applications and other things. David told her how long and difficult it was. She said we need to help our Miami Beach businesses to be effective, and in the modern world, they need to be nimble we need to help them instead of putting all the burden on them. We have somebody come forth who is a proven long-standing member of our community, David had his business for 25 years in North Beach and we have specific initiatives to drive economic development in that area. We have partner that is coming forth trying to do something, we need to engage in a proactive solution oriented mode and be their partner in helping them understand what needs to be done and getting it done. She wanted to document what his experience was so that the new director can help identify some ways that we can do better going forward.

David, with Painting with a Twist, spoke. He thinks that there was a change of employment, that Rue Vendome is a unique little area, it is not really a big space, so they were working to create a new permitting process and he hopes that the timeline is going to help the next person because he thinks that we have learned a lot about what works for that area. He said that it's so small and still others, but he had to pay a \$200 activation fee and if we want small events to take place there, that's going to kill them because that's the profit margin. We have learned a lot and thinks that moving forward it'll be a better system.

Heather Shaw said that \$250 is for 10 years of activations.

David said the point is that it is becoming a thing.

Discussion continued about the art fair and how they have been successful.

Commissioner Alemán said she believes in addition to the Prism money that the City Manager has allocated some budget money to help with these real granular locals for local types of events and she really appreciates the City Manager for just doing that. She asked David, what else we can do to help his event. She knows that he wants to work with Prism.

David said he has worked with them before and they have used Painting With A Twist to activate other areas, they are a great organization. He said the entire time there was no money to activate the square and it took money out of his pocket about \$1,000-\$1,500 per event to pay for it and then he found out there was money being allocated to an organization. He said he does like Prism and are an organization that has community written on their website and he was trying to do something within the community and he thinks there is a distinction that needs to be made to make the art fair happen.

Vice-Mayor Góngora said that he echoes the sentiments of Commissioner Alemán, he knows how hard David has worked to activate that area and all of the events that he

does not only in his business, but to activate other areas in North Beach. He agrees that we need to work with the businesses there and we need to make sure the money that we are allocating doesn't necessarily go to businesses of the Beach and it stays local and helps David and he thinks he's already doing it, it is a new year, new beginning, new people, he would like to direct the Administration to work with these local businesses and activating this area and keep as much of the money as we can within our city supporting our local businesses.

David mentioned KCC and Kimberly who does the first Fridays and it has given him the vision of what the art fair could be. It is a sense of community, really authentic interaction. It's not a business meeting or phone calls, it is everyone wanting the same thing about the neighborhood thriving.

Heather Shaw said the people working with Prism live in the Rue Vendome area.

Commissioner Arriola said we contract with people like Prism or anybody to do what the government isn't really skilled to do which is broaden and market events and bring people from the community together and activate an area. You hired someone who essentially is a marketing firm to do this, but they for sure need to be integrated with the local businesses and what we are trying to do is activate Rue Vendome, that people in the community expect to see something there any given night shortly. He will be bringing something to the next meeting for them to consider, which is a potential restaurant/pub crawl with North Bay Village and North Beach and have the trolley run between the two pick a night for locals and do something fun. The meeting place would be Rue Vendome.

Commissioner Alemán asked if her colleagues agree that something like this with closing Rue Vendome and we are piloting and having activation, they shouldn't have to say City of Miami Beach to please promote this through your social media channels, we should just do that. She said we haven't done that for David. We are obviously trying to support this pilot and we have clear stated goals for economic development in North Beach if we have an event.

Commissioner Arriola said he was going to say that and he will mention it at the goals conference next week among other things, which is that we have staff who do this for living all the time, he said we don't want to be the ones with the ideas and the problem-solving and all of that. They will if they have to, but Matt Kenny's new job is that if they set policy or vision he makes it happen. To hear the feedback from the business community that it is not happening isn't good.

David said in the past Commissioner Alemán has helped promote it through her social media. Kimberly will send out an email blasts through the first Friday event. He asked if they could use the signs with the arrows on the street that notify people that first Friday is happening for second Sunday.

Commissioner Arriola asked if David is seeing things picking up in general in terms of traffic and commerce.

David said for his area, it is getting better there.

Commissioner Arriola asked what more they could do and they will continue to allocate funding and remove barriers. He asked for feedback.

David said the restrictions on tables were an issue and the Deauville Hotel shutting down wasn't good. The area has been sort of building up again though.

Discussion continued regarding the area and what has been going on there.

Commissioner Alemán withdrew item 35 because she thinks they have exhausted the topic. She said David had a specific request about the signs that we put the dynamic messaging because a big part of this particular fair is people are driving on 71st Street and Normandy Drive to see those signs that tell you what is going on. We do it for First Fridays and David requested we do that for Second Sundays.

David said we have another event March 10th, those are the last 2 events that are scheduled. The signs would help educate and inform everyone.

Matis Cohen, North Beach business owner, spoke on the item. He said he thinks this is the 6th time he has spoken to this Committee on the specific issue. He spoke about the frustration about losing spots, etc. The City put a budget together to make this into a Piazza instead of just a driveway. The programming is by far nothing that it should be like in a vibrant city like we have. We have to look at this from quantifiable and measurable parameters.

Commissioner Arriola said Mr. Cohen makes a good point, to the extent that a business case can be made and we are asking annually for budget dollars for this kind of thing, to the extent we can say it is 50% better and we can justify putting more money into the fairs.

Mr. Cohen said he needs to attract retailers.

Commissioner Samuelian said the comment that Commissioner Alemán made about tying communications to everything we do, we have a robust engagement toolbox now, he would agree that should be every time. He said if we are going to invest money in these programs there should be a simple business case that lays out the benefits to that point, the quantitative measure and we want to see the afteraction on what happened that we made a good decision. We are willing to try things and pilot them, but we need facts and data to show that it worked or it didn't.

Discussion continued.

DIRECTION: Staff to find additional methods to help promote events that are happening within the city. Create signs, similar to those used for Rue Vendome First Fridays, to be used for other Rue Vendome activations. Continue to work on activating/programming Rue Vendome area and engaging local businesses to do the same, in particular the Normandy Square Art Fair.