

## COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: June 24, 2020

SUBJECT: REPORT OF THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE MEETING ON FRIDAY, APRIL 17, 2020

A meeting of the Finance and Economic Resiliency Committee was held on Friday, April 17, 2020 at 10:00 a.m. via Zoom. Attendance: Mayor Dan Gelber, Commissioners Ricky Arriola, David Richardson, Mark Samuelian, Steven Meiner, Micky Steinberg, and Michael Góngora. Members from the Administration and the public were also attendance.

### MEETING OPENED AT 10:02 A.M.

### OLD BUSINESS

#### 1. **FINANCIAL IMPACT FROM COVID-19** Office of Management and Budget

#### ACTION

Jimmy L. Morales, City Manager, opened the item. He explained we have been dealing with COVID-19 for over a month now and early on in the process, we recognized there would be two impacts, obviously the human issues and healthcare issue. We would also find ourselves as a city spending money we hadn't budgeted, that is something that has happened and will continue to happen. Secondly, depending on how far this rolled out, it could have significant impact on our residents. Early on we began to take measures, including a hiring freeze, we also took more steps with the direction from the Mayor and Commissioners and the City has led on these issues. We have shut down a great portion of our economy. Our economy is dependent on hospitality and we have lost about \$3.6 million a week. We have taken significant measures. Today, we will present a plan on worst case scenario for the rest of this fiscal year, our goals are to provide services, pay our bonds and stay within our means. He explained he challenged John Woodruff, Chief Financial Officer and Tameka Otto Stewart, Budget Director, as well as our Management Team to work department by department. They have put a lot of time and energy into this proposal and he thinks it is a good proposal. He turned it over to John Woodruff, Chief Financial Officer, to walk us through the financial impact and how we are addressing the critical funds in Parking and Resort Tax.

John Woodruff, Chief Financial Officer, went through the presentation. He explained there is a lot of information in the memorandum and this presentation will help focus on the holistic view of everything. He provided an outline of what will be shown in presentation. The outline included, the revenue impacts, cost saving measures, Parking budget balancing plan, Resort Tax budget balancing plan, General Fund budget balancing plan, other funds, use of reserves, and next steps. He explained that when we shut down the

City due to COVID-19, Resort Tax, Parking, General Fund, and Water & Sewer are greatly affected as we are heavily dependent on Tourism and Hospitality. He spoke about the numbers that that are being projected of revenue loss, he showed the slide that included the optimistic, likely, and conservative scenarios of each fund. The likely number, which assumes 3 months of shut down activity and 3 months of slow activity totals \$87 million. He spoke about the cost saving measures that were put into place immediately, which included, freezing all non-essential expenditures, implementing a hiring freeze, freezing of all vacant positions, elimination of all non-essential overtime, reduced contracted services as much as possible, repurposed employees, and rightsized operations. He went on to talk about furloughed employees, that include, 32 full-time positions, 208 part-time positions, and 64 temporary positions. The City Manager, City Clerk, City Attorney, and the Inspector General all committed to 10 unpaid furlough days and the Management Team 5 days. There will also be no COLA for unclassified employees and no merit pay for the Management Team. He explained we are pending the second quarter expenditures projections, which will show more details and likely to reflect additional cost savings. In the balancing plans, we are prioritizing all debt service and vendor obligations, and we need to send that clear message to the rating agencies, bond holders, and vendors. We are not relying on any potential federal and state relief programs and if they become available it will likely take a long time for the City to receive any money.

John Woodruff proceeded to walk through the Parking balancing plan. 80% of parking demand is from visitors. The likely revenue loss is almost \$26.8 million. He touched on the furloughed positions, which include 32 full time and 34 part time positions. All of the pay stations that are out on the street right now have been slowly eliminated in stages and now we are going to move forward with suspending all of them. There is a lot of cost savings from the behind the scenes work. We also reduced 90% of contracted services, we have been using repurposed employees to provide these services. Exhibit A includes the details of the plan. He continued with talking about the capital projects that are lower priority to de-appropriate money due to less parking demand. He spoke about the transfers we are proposing to eliminate from the Parking Fund, which means we need to come up with the money in the other funds to compensate for this elimination.

John Woodruff continued and presented the Resort Tax balancing plan. Resort Tax fund consists of 2% resort tax, including 2% bed tax and 2% food and beverage tax. There is an additional 1% bed tax for Quality of Life and 1% bed tax for Convention Center Bonds. The likely revenue loss is \$21.5 million. This is where we fund a lot of programs related tourism. Staff reviewed each line item and made recommendations, which are included in Exhibit B, totaling \$11.6 million. The proposal includes reducing the transfer to the General fund by \$7.7 million and using \$5 million or 1 month of 3 months Resort Tax Fund reserves. We would still preserve 2 months of reserves. If we didn't want to use the extra \$5 million from reserves, it would need to come from the General Fund transfer, which would then increase. In summary, the projected revenue loss is \$21.5 million, with the cost saving measures, reducing transfers to the General Fund, and use of the reserves, instead of getting to zero to balance, we wanted to get to an additional \$2.8 million. The reason being is we need to generate \$2.8 million to move to the debt service to help make that whole.

John Woodruff explained the resort tax-quality of life balancing plan. The likely revenue loss is \$5.1 million. He spoke about the trolleys and mentioned they are currently suspended. If they stay suspended through the end of the fiscal year, we will save \$3.6 million. He said he suspects we will want to operate sooner as we open the City and we will need to add additional funding. One option is realigning money from the Arts and another option is reducing the resort tax transfer to the General Fund further and shift the burden over to the General Fund. For the capital projects, we have identified a list, which is in Exhibit B, they are pushed out until October 1, they are not unfunded. In regards to the 10% for Arts, the Cultural Arts Council has an existing \$4 million fund balance, instead of trying to make up the \$512,000, we are proposing reallocating the \$961,000 to support the trolley system.

John Woodruff explained that we are looking at about \$5.1 million revenue loss for debt service. Normally, we are able to cover the debt service and give an addition few million dollars to the Convention Center Renewal and Replacement Fund. We are recommending not making the \$2.3 million transfer to the renewal and replacement fund, and we still need the \$2.8 million difference to make the debt service

payment. That would come from the additional \$2.8 million savings 2% resort tax mentioned in the last section. That is why we cut more than we needed to shift it over here.

John Woodruff went over the General Fund Balancing Plan. The General Fund is the City's largest fund at \$350.1 million, it is 52% of the City's overall budget. 10% of the revenue is from the Resort Tax fund, which is why we worked hard to establish the strong reserve of \$80.6 million. We have most of the positions budgeted for in the General Fund. The General Fund is the backstop to all other city funds. That is why our credit rating is so important. The projected revenue loss was explained. The amount that we need to balance the General Fund is \$29.5 million, which includes a likely revenue impact of \$10 million, \$7.8 million from reduced transfer from Resort Tax fund, \$5.5 million from reduced transfer from Parking Fund, and \$6.1 million from reduced transfers from Water & Sewer and Sanitation funds. We are able to generate \$17.5 million from the cost savings measures, \$3.4 million from deferral of PAYGO and CRR projects, and with the savings we are only proposing the use of the \$8.6 million of general fund reserve, which will leave 90% of the reserve in place. It is very important because of the uncertainty of the times and we may need some next year to help balance the budget.

John Woodruff explained some of the other funds including Water & Sewer. There are losses in revenue, but at the same time we have meaningful offset by not having to pay Miami-Dade County for cost of water or sewer service. In addition, we eliminated the transfer to the General Fund of \$2.4 million to provide additional capacity in the Water & Sewer Fund. The Sanitation Fund is affected by proposed cost saving strategies in Parking and City Center RDA, so we will eliminate the transfer of \$1.8 million to the General Fund to help provide relief to the Sanitation Fund. He explained we will spend more time on the other funds, now that we have the balancing plans for the funds most affected by the COVID-19 impact.

John Woodruff went through the use of the reserves. We tried really hard to maximize cost savings opportunities and limiting the use of our reserves. The proposal is using \$8.6 million from the General Fund reserves and \$5 million from the Resort Tax reserves. We feel that it keeps us in good shape for uncertainty, hurricane season, and next budget cycle.

John Woodruff then explained the next steps. A lot of the actions in these plans have already been taken and most of them can be taken under the City Manager's authority. We would appreciate a green light to start implementing the items in the plans. There are a few that we would need to bring to Commission for approval. For example, the Arts piece where we would approve having the Cultural Arts Council using the \$4 million fund balance to fund their operation and shift the money to be available for the trolleys. Another example that would need commission approval is unfunding various Parking capital projects. As we move forward, we will continue updating all of the assumptions in these plans because of the uncertainty. Depending on how things are going we may need to take additional action. As we get into late May, June, and July, we will shift from this budget to talking about next year's budget and the kinds of things we can expect there. He is concerned that tourism revenue will likely be much less than what it is normal. That is going to require some big policy decisions of what to fund moving forward.

Jimmy L. Morales reiterated that we are going to continue to do the department by department analysis so we will be hopefully identifying more savings particularly in the General Fund as well as the utilities.

Discussion was held.

Commissioner Samuelian spoke. He thanked everyone for their work on this in quite a difficult situation. He strongly agreed that any liabilities we are responsible for such as our bonds and vendor obligations are job #1. He appreciated the comment around the trolley, even though the way we operate the trolley may need to change, there is a good chance we will be using the trolley. His overall thought is that he is comfortable with the direction we are headed in but has a few things he would like to bring up. First, is a tracking process. It is his view that we should have a periodic update and maybe just hear this as the Finance Committee and see how we are doing. He thinks we need to track progress on a regular basis. Second, he understands we have used the most likely case, not the best or the worst case. He thinks that is reasonable. He would like to have some discussion on our contingency planning. If we are closer to the worst case he wants to know what sets of plans are in place. The third is a concept is any opportunities to

refinance debt. Interest rates are at historical lows. Finally, we aren't depending on federal or state money, but he wants to make sure that any action we can be taking proactively we do and make sure we can bring in those funds to the city.

Commissioner Arriola said he likes the idea of hearing it at the Finance Committee as well. He thinks weekly tracking is a good idea.

Jimmy L. Morales said the legislation that came out in Washington D.C. only allowed cities in excess of population of 500,000 to get direct access to the funding that was put forward, otherwise the money goes to the State and the Counties. One thing we are going to be doing is pursuing with the County Mayor's office and the Governor's office, the money they get from the federal government because they will be making it available to cities. Another thing we are working on with the legislative team is, it looks like there will be a new bill that may be coming out with a new bailout piece of legislation. We are lobbying hard to get them to open that up to cities with under 500,000 people. He knows Congresswoman Shalala was helping put forward, so hopefully there will be some bipartisan support for that. He said he knows John Woodruff and his team have looked at the refinancing issue, it is obviously a very challenging environment with the markets.

John Woodruff said we have met with our financing team and there is a meeting set up with the City Manager next week to review the results of that meeting and he suspects that at the May Commission meeting there will be a package put together to try to move forward with. What we are seeing now is that it is very difficult to refinance bonds, but it can be done through bank loans. The traditional method is hard to do right now because no one wants to issue bonds based on your ability to repay when you are seeing 90% reduction in revenue such as we see in Parking. We can accomplish the same thing with a nontraditional mechanism going through a bank loan. We will have at least 3 refinancing opportunities that are going to produce a few million dollars' worth of savings, which will definitely help us going into next fiscal year.

Commissioner Samuelian asked John Woodruff to say a word about contingency planning. He would like to understand our thought process if things are worse than our likely case and our contingency plans if we need another wave of actions.

John Woodruff said that to give a little comfort of what the likely scenario looks like, in Parking for example, the likely assumption over the next 6 months is 3 months of only 10% of the normal revenue and then 20%, 25%, and 30%, going into the last 3 months. He thinks that is pretty conservative. Our likely scenario is fairly conservative. He thinks we should stay strong on our cost saving measures. If possible try to generate a little more, if things swing the wrong way we have that ready to go. It also provides more flexibility in the coming budget. Worst case scenario we can always tap the reserves a little more. He said as we go through the second quarter projections and have more time to go into detail with each department, if we can negotiate with the unions for some concessions, he thinks we can generate a few more million dollars.

Commissioner Arriola asked for confirmation on the 3 months of little to no revenue and if that is for April, May, and June.

John Woodruff confirmed that is correct. He said basically 3 months of shut down activity, which we now know what that looks like and then 3 months of slowly starting to reopen. In no case do we anticipate being anywhere close to normal.

Commissioner Arriola said as they make the decisions to reopen, he wants to understand the economics of what the decisions will look like. He asked what the revenue would look like starting in July.

John Woodruff said it is definitely less than 50%, we just start stepping it up throughout those 3 months. Our hope is that even if one of those months is off materially, that hopefully cumulatively we are landing in a good place. There is no easy way to project these revenues. Most of the information we get financially is on a monthly cycle. He thinks we can provide updates on these plans monthly as mentioned earlier.

Commissioner Richardson said he would like a little more information on the Cultural Arts Council. He understands there is about \$4 million in that account. He asked for some more information.

John Woodruff explained that when he mentioned the \$961,000, that is what they will get this year based on the reduction in revenue. They usually get more. We budgeted \$1.47 million, because of the loss in revenue they would only receive about \$960,000. So what we are saying is instead of giving them that allocation we would use it for things like the trolley or other gaps that we know we need. They are sitting on a fund balance, we are using our reserves, so they should probably be using some of theirs as well. We may even advocate that it occurs next year as well.

Commissioner Richardson asked how the fund balance got to \$4 million.

John Woodruff said his understanding is that they grant out the money that we give them, often times when they allocate grants, the grantee doesn't follow through and sometimes the deals fall apart, or sometimes the grantee doesn't live up to the expectations with the contract so we don't end up reimbursing them. After a period of years they have been able to generate quite a bit of fund balance there. We feel this is a time to try to use.

Commissioner Richardson asked how much was put aside for us to use of the \$4 million.

John Woodruff said right now it would only be for this fiscal year, the maximum would be \$1.4 million. He suspects it is closer to the \$1 million mark and we can work with them. There are a lot of organizations in these plans we need to work with, so that is why it would be helpful to get the green light now to start doing that since any item could be up for commission approval. We don't want to waste time and leave money on the table.

Commissioner Richardson asked if the plan is to sweep part of that \$4 million.

John Woodruff said the idea would be is that we have \$4 million in the bank and we budgeted \$1.4 million, we would use the \$1.4 million, but he is guessing it will be closer to \$1 million of the \$4 million, so they will be left with \$3 million. We are certainly not taking all of their money. He thinks we can do that same thing next year and still have about a \$2 million fund balance at the end of the day.

Jimmy L. Morales clarified we aren't taking any money out of their account, we just aren't giving them new money, so any grants they issue this year would come from their fund balance. We aren't putting new money into the account. What John Woodruff was explaining is that we don't deposit the new money into their account and that we keep it on our side of the ledger to use for things like the trolley or other gaps. To the extent they give grants this year, it would come from their current fund balance.

Commissioner Richardson said in the Parking Fund we cut a number of people at the rank and file level. He is concerned that we didn't cut anyone at the top. He thinks it sends a bad message to our rank and file workers. He spoke about the Director making \$210,000, an Assistant Director that makes \$173,000, another Assistant Director makes \$154,000, a services Manager makes \$125,000, and the 5<sup>th</sup> person makes about \$100,000, which totals \$762,000 for the top management people. He said one of the positions he thought was going to be eliminated, he then learned that one position was repurposed to the Resource Center. He is very worried we are sending a bad message; we kept all the top management in a department that has basically lost 90% of its revenue. He doesn't think that's fair to the rank and file. He said the assets are not managed by the Department.

Jimmy L. Morales said with respect to Management Team, we did impose on all Management Team the 5 unpaid furlough days, no merit pay, and no COLA. He asked for Saul Frances to address the duties of the employees that were mentioned. He also mentioned the Assistant Director that is on the Resource Team is helping to manage the team.

Saul Frances, Parking Director, spoke about the senior management team of the Parking Department. He explained that there is an Assistant Director of Compliance, who oversees all of the contracts that we put on suspension, also dealing with HR issues with employees, the Administrative Service Manager and Financial Analyst does the budget and analysis with the rightsizing plan that they put through, they are monitoring the activities on a daily basis as well as the revenues and expenses on a weekly and monthly basis and comparing to the prior 12 months. There is a lot of activity there and a couple other unclassified employees that assist with that process. He mentioned that the department has 38 unclassified positions, but of those 38, 22 are in other departments. While they are not at the assistant director level, most are high level positions that do a number of things within those departments that support Parking. Within the department of the 16 people, 5 have been repurposed to the Resource Center, one being the Assistant Director and 3 other people were actually furloughed, leaving 8 to do the functionalities of the department, including himself.

Commissioner Richardson confirmed the furloughs and current people that are still in the department and came to the conclusion that the management team is only managing about 4 or 5 people currently.

Saul Frances said all garages are still operational, all of the pay stations have been shut down so those people assigned to work with the pay stations have been repurposed to work as security in the garages. That is a 24/7 operation. The employees are doing roaming patrols in the garages. In addition, the sign shop is still operational. Also, they have reduced the contract services by 90%, so they were able to repurpose a good amount of employees to those services that were previously performed by contracted companies.

Commissioner Richardson reiterated that there were 38 employees, 22 of those work in other departments that leaves 16 people, 5 of those include Saul Frances and the other 4 people in the senior management team and one of those have been loaned to the Resource Center. It seems to him that Saul Frances and 3 other managers are only managing a handful of people.

Saul Frances went through the amount of employees that his team is still managing, he said there are 10 meter technicians, 15 in the sign shop, there is still a small level of contracted employees. Roughly 30-35 employees plus whatever is level of the contracted employees, which is probably another 5-10 employees off the top of his head. There is also still parking enforcement patrol, there are 9 officers still on the schedule and a supervisor. There are still about 50 employees and there is a chain of command.

Commissioner Richardson reiterated that we laid off about 30 rank and file employees and no one at the top, he said cannot support that plan. He is disappointed. He is not going to support this plan unless there are changes. He said this has sent a bad message that when we have cuts we are going to leave all of the senior people making their salaries and take out the lower employees. Out of the 4 management people, he doesn't think someone who is making \$154,000 should have been repurposed to the call center, when he understood it was going to be a furlough. Now we are finding out there were no furloughs at the top. He would support if that position is furloughed and one more. There is no reason to him that half of the top 4 people were not furloughed.

Commissioner Arriola said he wanted to throw some support for Commissioner Richardson's comment. He said for the last 4 years he has challenged the City Manager to dig deep and cut payroll because our payroll rolls over every single year and government keeps getting bigger. Last year we started with zero based budgeting which proved to be very useful. He is going to support his colleague to challenge the Administration to look at all of the departments because we go to our unions and our rank and file employees, we have to show some real serious cuts. This is a serious problem and we continue to roll over a very top heavy city hall every year. This is the great opportunity he and the City Manager always talk about, never let a crisis go to waste. We are in a crisis, let's try to identify opportunities to permanently trim some fat.

Commissioner Richardson said he appreciated Commissioner Arriola's comments. He said one way we can accomplish this is having people taking furlough days like the senior management team is doing. There are other ways. One thing he thought about was everyone taking a 10% pay cut. Another way to do it is to



furlough individual people. There are different ways to accomplish this maybe doing a combination of the things mentioned. It sends the wrong message to the rank and file people that we keep all of the senior people and the rank and file people get laid off. He is not going to support that kind of cost cutting budget. He wants 2 of the 4 positions to be a true furlough. Also, he mentioned that what is being proposed or the Cultural Arts Council is something that is acceptable to him because it leaves them a significant balance. He said colleague Commissioner Samuelian already spoke about the trolley system and cultural arts. He also mentioned the tracking system, he would like to see John Woodruff and the City Administration come back to this Committee once a month with a status briefing to look at this. He thinks it is hard for us to know right now with the exact combination of what we are going to do with the trollies and cultural projects. He can support the plan right now but wants to review the plan every month so they can tweak it and get a briefing and see what the right combination for the budget cuts. His personal goal is to be able to only use \$5 million of the reserves instead of \$8 million. He will support the plan that was proposed today with amending it to cutting 2 of the 4 senior management positions in the Parking Department, they have to be true furloughs.

Commissioner Arriola said he is very much supportive of Commissioner Richardson's comments. He was thinking more of having these meetings every 2 weeks for the time being because of the emergency nature of this. He is also good doing this weekly and keeping it brief on addressing the budget shortfall. He thinks they should all give their comments to the City Manager and John Woodruff, so they can come back next week with a revised plan. He feels the same way about Parking, but he wants the same analysis applied to all the departments in the City. Maybe they can share those insights privately with the City Manager and John Woodruff, so they don't embarrass anyone.

Mayor Gelber said he appreciates the work that has been done. He thinks the Finance Committee meeting every week or every other week makes sense. He said as we go through this, we are going to return to some level of normalcy at some point. One thing he wants to point out that a lot of cultural institutions aren't separate from the City, they are part of the City. We support them. He wants to make sure when we emerge from this, they are going to have a huge problem returning. He doesn't know they are going to reemerge the same way they were before, because of the social distancing and other guidelines. He said while we are cutting in a lot of places we may need to provide some extraordinary support for these institutions. It is really hard to get these arts groups viable and working. Hopefully we are thinking about that and not view them as something that we don't have to worry about. They are not just arts. The arts profile has changed us over the last few years.

Commissioner Arriola said he is likeminded with the arts and culture community. They are the first to be sacrificed during these kinds of times. This will define how we truly believe how we should support the cultural institutions. He wants to tread very lightly, he doesn't want them to be the first to be sacrificed. They aren't big corporate institutions that can withstand financial hardship very well, they need support.

Commissioner Góngora said that he is not on the Finance Committee currently, but was in his prior term which was right after the big real estate financial crash, John Woodruff was also around and he wanted to compliment him, because he has been a very good job at presenting his first round of cuts. The year before last, he voted against the budget and this past year he voted for the budget, with a referral to the Finance Committee to review all departments, something that he now hears that his colleagues want to do. He doesn't want to pick on one department and start micromanaging the Parking Department. He doesn't think that is the role of this Commission. He thinks it is dangerous to go down the road of telling the City Manager to cut one position or another. He does agree that all departments need to be reviewed and he thinks they will find that all departments have gotten fat over the past 5 years. When he came back on the Commission he asked for a comparison of the budget from 2013 when he left to when he came back in 2017. He thinks a review of that will show how the departments grew exponentially. He is not in favor of going out and borrowing money, he is in favor of learning how to live within our means. That is not only going to apply to the Administration, but also true for the Commission. Over the past 2 plus years, these have been gravy years. He noted we have been able to support many causes and add positions as well. We are going to have to look at this holistically, it's not about looking at one department or position. He thinks this is a good opportunity to go back to living within our means.

Commissioner Meiner said that he agreed with the comments of his colleagues. In a bigger picture he wanted to know some more information regarding the bank loans and refinancing. While the treasury yields dropped tremendously making it cheaper for the federal government to borrow, municipal bond loans have spiked. He wanted to know if the volatile in the bond market affected our city debt in any way and if our bond debt is at fixed yield.

John Woodruff said it is fixed, we are shielded, and we are aggressively pursuing different refinancing opportunities like he mentioned earlier. He is confident we are going to find opportunities to save several million dollars.

Commissioner Meiner also asked if the credit rating agencies have had any input and if there could be a hit to our credit rating based on everything going on.

John Woodruff said the way it works is that each bond has its own rating and they look at them individually. He has noticed the first sweep where they have scheduled calls and meetings has to do with airports, transportation and parking entities. That is where they are spending their time, they are asking questions like what their projected cashflow is over the next 6 months and if they are going to run out of money. He is hopeful in regard to our Parking revenue being down 90% compared to everyone else out there because we have not only quantified what the impact is, but we built a budget balancing plan to mitigate it. He is hoping the agencies respect that but thinks we all need to be ready for a potential downgrade at least in the near term, while we see where the new normal ends up going. In terms of the Parking Fund it is not going to look like it did before, and we will have to prepare it for the new normal.

Commissioner Richardson said that he is fully supportive of us looking at refinancing if we can get better terms, he doesn't think we should extend the number of years for our debt service. At this point, he doesn't want to push out debt beyond the current years we have now. He also wanted to support the comments the Mayor made on the cultural institutions. He wants as part of the Administration coming back weekly to look at the \$4 million in the Cultural Arts Council fund. He doesn't want to cut what they are doing, but if they have a healthy balance maybe we should consider sweeping \$1 million of it and putting in a special allocation so that we can keep these other cultural institutions that are funded in other ways on their feet. Maybe it will be used to also continue fund some of the things that are on the chopping block right now to push out.

Commissioner Samuelian said that he wanted to be clear he supports what Commissioner Richardson said about getting a better interest rate for the debt, but not extending the duration.

Jimmy L. Morales said we would absolutely not be looking to spread out the debt over more time, it would only be to generate extra savings. He said the Administration also completely agrees that we should be cutting costs and not hitting our reserves, that is the philosophy we took in this proposal. As he said earlier we are not done identifying cuts and identifying more savings. We know how volatile some of these funds are. He said in terms of weekly or biweekly monitoring, we weren't looking for a final vote today, we just wanted a green light that we are heading in the right direction. We know it is a work in progress. We are happy to come back and tweak the numbers. We have spent only \$350,000 in response to COVID-19, we certainly think that in weeks and months ahead, whether we are supporting our cultural organizations, helping our small businesses, we may have to make more of a commitment, which will hopefully be FEMA eligible. In addition, he is happy to go back and take the suggestion to look at all of the departments, not just Parking to make sure we are right sizing everything including management. This is an opportunity to right size the government, but also how we budget. We have become very dependent on Resort Tax and Parking revenues, which are highly volatile funds. This is an opportunity to look at how we utilize the Parking and Resort Tax funds in a way that are more resilient going forward. Part of what we want to do as part of the FY 2021 budget is build that in going forward. He said we will come back next Friday with some adjustments based on the comments received today.

Commissioner Arriola asked the availability of his colleagues for next Friday at 10 a.m.

Everyone is available.



Commissioner Arriola asked if it would be helpful for them to provide a target percentage for the Administration on reductions in city hall. He said they want to see some real trimming in departments.

Jimmy L. Morales said he doesn't need a specific number, he received a clear message.

Commissioner Arriola said in terms of Commissioner Richardson's comment on cutting his salary, he is open to that as well and if anyone has an idea of what that would be, he will support it.

Commissioner Richardson said the City Attorney's Office already offered that they would take a 5% cut. He doesn't want to force it on anyone, but he thinks the Mayor and Commission Office should offer up some of what the other departments are offering to take 5 unpaid furlough days, it would be a reduction even though they are at the lower end of the scale and they will continue working. He said maybe next week the City Manager can bring back what it would look like if every employee took a 5 day unpaid furlough.

Mayor Gelber said he is not sure their salaries mean a lot to the 5 day furlough, but they do get a much larger amount for expenses. He said whatever his colleagues are going to do to let him know. They can easily say they don't want their expense allowance right now. He said he already asked to not get it for this month and he will keep doing that. He will also talk to Michele Burger about an unoccupied position in their office. They will certainly do something in their office because they ought to lead by example. He also thanked his colleagues for attending the meeting and thanked the City Manager and John Woodruff on their hard work.

Jimmy L. Morales offered his condolences to Mayor Gelber for his loss.

Commissioner Richardson said he would also propose they take a 5 day unpaid furlough on their expenses. He also said he is planning on putting his expenses into feeding the community.

Commissioner Samuelian said he thinks it is an excellent idea and that they should lead by example. He is ready to join his colleagues of what they think as a body makes sense, it is important they are part of the solution as well.

Commissioner Góngora said he wanted to follow up on a few points. He said this is a great exercise and they need to lead by example, but they are talking about very little money. They need to be focused on big ticket items. He said we need to be conscious while going employee by employee, there are employees who made \$30,000, \$70,000, \$100,000, and \$300,000. As we are looking to cut people's pay for someone who is making under \$75,000 a year, it is a much bigger impact than someone who is making a six-figure income. This isn't a one size fits all solution. He thinks we need to give consideration to someone who makes more money versus someone who makes less money. Also, as they are going to lead by example, their salaries and expenses are minimal, if we are going to look at each department for cuts we need to look at the departments that do the most spending. He said in the Mayor and Commission office the main expenses are the credit cards for the purchasing of things that go under the radar, he thinks they need to look at cutting that budget as other departments cut their budgets. To say they are going to take a minimal cut of their minimal salary doesn't do much. He reiterated he wants to look at the big picture and big-ticket items, not little specific things that might be able to make a political sound bite and also pay consideration to those that make less money as opposed to people who make more money.

Commissioner Arriola agreed with the comments. He said in his company when they looked at having to cut salaries, they stepped it up, for example people making \$50,000 weren't touched, then it escalated from there. The higher income employees took more of a cut. Everyone has basic minimum expenses that you have to be able to pay for. The people at the top should have to take a bigger hit than people at the bottom. He recommended that the Administration pay mind to that when cutting.

Commissioner Richardson agreed, he said one size doesn't fit all. He hopes that different options are brought back that they can evaluate.

Jimmy L. Morales said when he announced the furloughs for Management Team, he didn't do the same thing for the unclassified employees that are at lower scales, he just did no COLA there.

Daniel Ciraldo, resident spoke. He thanked John Woodruff for the analysis, he thinks it is really smart. He wanted to mention a few things. It would be helpful to have the analysis, the actuals year to date. He has the resort tax through February and the resort tax lags by one month. As of February it was up 7% over the year before. It does not include the Super Bowl. He thinks it is important to look at that. He has a feeling the numbers have been strong this year and he wants to know more about the March numbers that includes many special events going on. He also mentioned that he was surprised to see for Art Deco weekend that the recommendation for the event that already happened was to cut \$6,230 from the sponsorship. They spent all of that money already, the event was in January, he would ask the City to consider not cutting that part of the sponsorship because the money was already spent. They look forward to opening as soon as it is allowed.

Ron Starkman, resident and Chairman of the Budget Advisory Committee, spoke. He said they haven't had a chance to meet as a committee to look at the plan, but personally he is very pleased at the direction after listening today. He was concerned a little that there might be pressure to use more of the reserves, he is very encouraged by the fact that the Commissioners are not looking to dig deeper into the reserves and that they are trying to use less of it. It is important because the City does not carry insurance and if there is a hurricane the City would not only have the revenue loss, but also the cost of the repairs of the facilities and infrastructure. Also, we have had tight budgets the last few years, last year the property tax increase wasn't sufficient to maintain the current service level, there was creative steps done to try to balance the budget. Even before this financial shock the budget has had stress. If we were to use the reserves it would be hard to find a way to replenish it over the next few years. He also touched on the Cultural Arts. He thanked everyone for their good work.

Daniel Veitia, resident and business owner, spoke. He thanked everyone for their hard work being done during these times. He is on the conservative side and thinks there is more work that needs to be done in these hard times ahead. He thinks we need to continue to be extremely conservative the economy has been shut down and it is going to be difficult for it to come back online. As a business owner he has had to make very difficult decisions. He appreciates the tone of the Commission and everyone taking this seriously. He thinks it would be beneficial for the public to review and understand the employee levels by department and understanding where the City Manager is looking to make the cuts. It is important for the City to maintain the services and quality of life for the residents, however, it is going to be prudent to continue to look at the plan presented today and continue ways to finding cuts to make sure we can survive the coming years moving forward. He supports everything discussed today.

Alex Fernandez, resident, spoke. He thanked everyone for their hard work for the community during these unprecedented times. He wanted to point out the essential services to the community while the City is looking at cuts, those that relate to public health and public safety, so that as we weather the storm everyone continues to be safe and healthy. He wanted to give his input to the services that shouldn't be touched, including homelessness. He supports all of the work that is being done. He thanked the City Attorney for making the 5% reduction in their department.

Jerry Libbin, Chamber of Commerce CEO, spoke. He said everything that has been talked about is a great start, but there was something that wasn't spoke about and he doesn't think there is any time to waste, which is foreclosures and companies that aren't going to come back. As reported by John Woodruff 52% of money is in the General Fund, if businesses don't come back, property values are going to be reduced and it is going to have a serious long term impact on the City's resources. He would recommend to contract a consultant to put together a long term impact study that will look 5-10 years and how they City is going to deal with it. He recommended including business leaders from the Chamber of Commerce along with City staff to analyze the complete impact and how the City will make up the deficits over the next decade perhaps. In addition, there are going to be fees that aren't going to be collected from businesses when they aren't here.

Jimmy L. Morales said we have been putting priority on the health and safety services. He said we will come back next Friday to continue the conversation.

Commissioner Arriola reiterated the great work done on this plan, it is very impressive. They just wanted to provide additional input.

Commissioner Richardson agreed.

**DIRECTION:** Come back with an update next Friday, April 24<sup>th</sup> at 10 a.m.

2. **DISCUSS A PROPOSED MARINA REDEVELOPMENT PROJECT TO UPGRADE AND IMPROVE THE CITY'S MIAMI BEACH MARINA AND RELATED FACILITIES, VIA A PROPOSED AMENDMENT TO, AND EXTENSION OF, THE CITY'S MIAMI BEACH MARINA LEASE WITH MIAMI BEACH MARINA ASSOCIATES, LTD., AS WELL AS A PROPOSED SALE OF THE AIR RIGHTS ABOVE THE UPLAND PORTION OF THE MARINA LEASED PREMISES AT 300 ALTON ROAD, FOR THE DEVELOPMENT OF A MIXED USE PROJECT, WITH RESIDENTIAL, RETAIL AND COMMERCIAL USES, AND WITH THE FOREGOING SUBJECT TO AN INDEPENDENT THIRD-PARTY APPRAISAL OF THE VARIOUS COMPONENTS OF THE TRANSACTION, AND NEGOTIATION OF ADDITIONAL REVENUES AND OTHER PUBLIC BENEFITS TO BE PROVIDED TO THE CITY AS PART OF THE TRANSACTION**

March 18, 2020 - C4 Q

Sponsored by Commissioner Arriola

Office of the City Attorney/Office of the City Manager

### **ACTION**

Eric Carpenter, Assistant City Manager, presented the item. He explained we were approached by a team of folks that have put together an interesting proposal that would include an extension to the lease at the Miami Beach Marina. Right now, it is proposed as a 99-year extension to a lease and also redevelopment of the upland portion adjacent to the lease. What is interesting about the proposal is that it brings several capital improvements to the Marina to keep it relevant and also brings substantial improvement to the highest and best use of the upland property which will result in significant tax increases. It will also give us some other economic benefits, job production and other things. The concept here is whether we want to entertain a potential deal regarding the Marina and upland property at 300 Alton Road. We are very early on in the process now, we received the term sheet from the development team approximately 2 weeks ago, which is attached to the agenda item. Our team at the City has engaged some appraisers, but that work has really just started and obviously we are in some interesting times, which could create some challenges to meeting some of the deadlines that have been talked about as far as putting this on a referendum. We wanted to hear from the development team and take the temperature of the elected body. He introduced David Martin to walk everyone through the project.

Commissioner Arriola asked the City Attorney to talk about why it is important that we are hearing this today. We are sensitive to the crisis that is happening, but because this would have to go to voter referendum, there is a timeline we need to be observant of.

Raul Aguila, City Attorney, spoke. The reason we are before the Committee today is because this is the first step. This transaction not only involves the extension of the Marina lease and other terms that we hope to renegotiate within the lease as well as the sale of air rights above the Marina for the development of the residential retail component that Mr. Martin is also developing. Those two issues require referendums under our charter. The next referendum we have is in August, which we were not aiming for, but after August the next regularly scheduled referendum is the presidential election in November. Those are the reasons this transaction is subject to referendum. There may be a third issue, which we will be trying to work out that may involve a requested increase in FAR that is necessary for the project. That may be a third ballot question. We are talking about 3 ballot questions. More than anything the wants the Committee to concentrate on now is that this is a very significant transaction for the City in as much as we have not been able to take a look at and negotiate in the Marina lease that we would like to negotiate more in favor of the City for over 25 years. From that point of view this is something that we want to consider thoughtfully

and carefully so the City can make a better deal. In addition, as part of this transaction is the developer obviously agree to renegotiate terms in the Marina lease by way of getting a 99 year lease term, but there are also air rights involved, which means there is a project that is going to be developed on top of the Marina, that adds an additional layer of complexity to this. There are also various designs, which set forth more green space and other issues. He wants to be conscious of the referendum and ballot deadlines, but he really wants input from the Committee on terms, obviously today is day one and Mr. Martin had a powerpoint present hat he wants to present for the project. We are very excited about the project, but he doesn't want the Committee to feel pressed about the November referendum deadline because there is a lot to cover here and a lot of outstanding issues, some of which were outlined already prepared in the agenda item, which is in reaction to the initial term sheet provided by the developer. He asked Rafael Paz if he wanted to add anything.

Rafael Paz, Deputy City Attorney, said the timeline that is going to be shown is targeting a November referendum and the deadline would be July 31<sup>st</sup> to submit the ballot questions, which means we would need to go through our entire approval process for the negotiation, drafting, and finalizing all of the agreements under the robust process we have in the City Code we have for public outreach and input. We would need to get that done by the July 29th Commission meeting in order to meet that deadline. We have gotten started and identified in the issues list everything that we want to sit down with the developer to commence discussions. There is a lot of work to do and we look forward to doing that.

Commissioner Arriola said there is about 4 months to deliberate and discuss financial terms and everything else related to land use with the developer, but ultimately we have through November and this developer will have to go and present to the public and get public support for the project, because ultimately the residents are going to be the ones voting for this or not. He doesn't want the City to be the reason we don't put something forward to the public.

David Martin, developer, spoke. He said he hopes everyone is safe and healthy and thanked them for the opportunity to briefly discuss this proposal with the Committee today. He introduced himself and said he is representing his firm Terra and his partner. The challenge and opportunity before the community is to make sure we understand and deal with the immediate needs of the community, but at the same time balance what the future recovery is going to look like so our City can rebound vigorously and unified. He explained he is here to talk about the Marina, the proposed lease, and mixed-use redevelopment. The agenda package includes a term sheet, powerpoint presentation that includes terms as well as fiscal and economic benefits. He said he wants to talk about how they envision the Marina for tomorrow's Miami Beach. He provided background on the Marina and how it was built to stimulate the South of Fifth area as part of the redevelopment plan. The improvements in the Marina will address sea level rise, resiliency, and maintain our competitive edge as a world class facility as well as a community amenity and economic engine. They have begun community outreach to stakeholders in the area including the South of Fifth neighborhood. He mentioned the COVID-19 crisis and how it is threatening our economy and the City coffers. They met with opinion leaders on a one on one basis, but with the onset of COVID-19 they were forced to cancel several planned meetings. They are committed to continue these meetings before the Commission makes its decision. He explained the burden is on them and without community support the project won't move forward. The plan is centered around the community including benefits to them, needs, and what the community will support. He went through the powerpoint presentation. He explained the lease and showed a table comparing the current lease and the proposed lease. They proposed to increase the minimal guaranteed rent to \$1 million from \$320,000 with inflation increments. He also touched on other details of the lease including a lump sum payment. He summarized the proposed program for the Marina improvement and the Mixed-Use Upland development. He mentioned one of the most important things with this project is the jobs it will create especially during this time with the pandemic. He continued on with additional economic and fiscal benefits. He also summarized the community benefits that were shown in the presentation.

Mr. Martin said when we emerge from the public health crisis and we will. The City of Miami Beach will need ways to stimulate economic recovery, restore our tourism industry and create new revenue streams to replace the millions of dollars in lost tax revenue. Community outreach has been the driving force for their planning efforts from project inception and that is why they will vigorously resume the outreach to the

stakeholders before the City Commission is asked to put this matter on the ballot for the voters to make the ultimate decision. Through every channel available to them they know without community support the project will not proceed and they appreciate the opportunity to share their vision and earn support. He mentioned they received the City's comments on the term sheet about 48 hours ago and wanted to say they appreciate the thoughtfulness and attention. Very good questions were asked. They believe they have some answers to the questions, but others they will work through with City staff, they would like the opportunity to address the questions with them. They are going to take the Marina and collaborate with the City and the residents to really make the Marina first class, to enhance the baywalk, enhance the upland into a neighborhood with retail and offices, improve the financial terms that they are going to commit to the Marina and also create the jobs that the community needs. This is an opportunity to rise and lead to plan for a recovery. They are asking the Committee to vote not to a final deal, but to vote to proceed to allow them to collaborate with the City staff, the Committee and the residents in the community. It is important that they address the immediate needs of the community, but also ensure future recovery so the City can rebound.

Discussion was held.

Commissioner Arriola thanked David Martin for the presentation.

Commissioner Richardson asked what the process will be if the Committee moves this today. He thinks it is going to Land Use and Sustainability Committee in early May, he asked if it would come back to this Committee or Commission.

Raul Aguila said his feeling would be that the Committee authorize them to continue to negotiate with David Martin's team, but he would like this to stay in the Finance Committee for now. He said what is going to the Land Use Committee are the accompanying LDR amendments that are necessary to allow this project. Ultimately, this is a financial deal. The components that we are looking at are much the same as with 500 Alton Road. It has financial components and land use components, it will be in both committees. He wants it to stay in this Committee because Eric Carpenter will speak about what is already done and what is pending for the appraisals which is something very important that this Committee needs to review. Mr. Martin is talking about a \$50 million purchase price for the air rights and he thinks that is great for a minimums required thresholds, but we really need to see what the appraisals are going to bode the sale of the air rights and rent. He would like the Finance Committee to authorize them to negotiate and keep this in the Committee.

Commissioner Richardson said he is happy Raul Aguila said that. He thinks they will have to structure what will be a fair deal with Mr. Martin based on the appraisals. He is going to be interested to hear what the Land Use Committee has to say because they could have a bearing on the terms of structuring the deal. He thanked Mr. Martin for the presentation, he mentioned a question popped into his head on sustainability and sea level rise. He wanted to hear a little more about that. He asked if they were to take the air rights if the City would still have responsibility on sea level rise mitigation.

Mr. Martin said that sea level rise and water resiliency is an important part of South Florida's DNA long term. In all of the projects today they are trying to enhance the amount of greenspace that they have on all properties. Today, the property isn't really contributing to the stormwater management infrastructure or the water storage needs of the neighborhood. A large portion of the property is a parking lot and 5 story building. They are looking to enhance the greenspace and supply water storage initiatives as well as the Marina through the upgrades of floating docks to be able to handle the sea level rise condition that is coming ahead of us in the future. The idea of this project and the responsibility of the development and today is that they would develop the sea level rise mitigation at their cost. They would provide the greenspace which will provide the residents a community asset as well. The property is approximately 3 acres and they are looking to expand and sue the entire property so it can become a community asset and the residents can use it and enjoy. The idea is water resiliency is an important part of this project, they have design consultants they have engaged that are experts in this field. This project even post referendum if they had the opportunity it would still have to go through design review boards and planning

review boards even after that process. They are prepared today to have that discussion and present those ideas.

Rafael Paz said the term sheet included capital improvements of \$30 million that would be spread out over 5 years. One of their questions is what are the capital improvements, and can we get more specificity? If resiliency projects are something that Commission wants to prioritize, they can make sure the documents will reflect that and work with Mr. Martin to develop the plan.

Commissioner Richardson asked if we know when the appraisals will be back.

Eric Carpenter said we have engaged with the appraisers; we are trying to collect basic data from the Marine facility that the appraisers would need to help generate their numbers. We will also need some information from the developers. As soon as we get all of the information it will take approximately 4 weeks. We are looking at about Mid-May.

Commissioner Richardson said he wants to support this today with the understanding it will come back to the Finance Committee to discuss all the detailed terms. He thinks having the appraisals will be important for structuring a deal. He is also interested to hear what the Land Use Committee will have to say about the use of the property. In moving the project forward, he would like to specifically address sustainability and sea level rise issues as part of the structured deal. He thinks it is important they are having the conversation. He thinks they should authorize the City to continue having these discussions.

Commissioner Samuelian said he is also supportive of continuing the discussion and keeping it at the Finance Committee. He said the developer's reputation gives him confidence it is worth spending this time. He highlighted 3 priorities. One is community engagement; we need to continue to push on that. He will be listening closely to the Administration on community impacts. Second, he put emphasis on sea level rise and resiliency, this should be a marquee project that the world looks at in terms of what we did for sea level rise, this should be a game changing event. Third was regarding the appraisal and he referenced the resolution from June 2019, when we go through the appraisals and analysis that we are looking at the value conferred to the private part so we can ensure that the public benefit is commensurate.

Commissioner Góngora said he is interested in learning more and he supports the direction of the City Attorney and he curious to hear what the Committee comes back with. This is not a deal we were looking for but is a deal that was brought to us. He agreed with the comments that were made. Obviously, David Martin has a wonderful reputation and has worked on many projects in our City. As Commissioner Samuelian said it is going to be important to him to know the public benefits and to really understand how we are going to do the public outreach in this time of COVID-19. He is going to want to have at least some public input before he puts something on the ballot. He is interested in moving forward.

Commissioner Meiner said he agrees with the comments and thanked the developer for the presentation. It is well thought out, he knows the Administration had some questions and he sure Mr. Martin will get back to them. He agrees that the South of Fifth neighborhood association wants to follow up and certainly all residents, since this will be a referendum. He is excited about the project at least as it is laid out initially.

Commissioner Arriola said that there is a lot he likes about the project. The current facility is outdated. He doesn't think it is appropriate for the neighborhood it is in. Having the Marina brought up to world class standards is appealing to him. The economic benefit to the City is very attractive especially in this time. Additional greenspace park being built, and a resilient project is very attractive to him. He asked where Mr. Martin is in his communications with the South of Fifth neighborhood, who will be most impacted by this. He doesn't want to spend a lot the City to spend a lot of their time if there is strong opposition for the project.

Mr. Martin said there has been some discussion with the leadership, some of the complications with the stay at home order have been an issue as well as how we are going to restart the economy and society post pandemic. His goal is to use any and all means necessary whether it is electronic video, but he is going to take the queues from the leaders from the neighborhood association and the president's council.



There are several active community leaders that he respects and admires. His goal is to continue the dialogue through COVID-19 try to get as much of this project to everyone. He does think that it has a lot of attractive benefits not only financially, but also to the residents based on a lot of the design from a greenspace perspective. He does agree during this COVID-19 stay at home order, it is not easy. He wanted to plan a SOFNA meeting for April, but it is not possible. He is hopeful over the next 45-60 days he can work with the leadership in the community to get this message out. His goal is that we don't put our City and lives on pause. We need to deal with the challenges. His goal is to try to minimize the sacrifices during the outreach, whether it is zoom, websites, video, or social distanced in person meetings. His goal is to communicate with anyone and everyone. He thinks they put together a project that meets a lot of what the community wants.

Commissioner Arriola encouraged Mr. Martin to get the outreach going right away. If there is going to be opposition, we would like to know as soon as possible. From what he has heard from the South of Fifth folks he thinks they have a good shot for this project. He asked Commissioner Samuelian if he has heard from any of his friends in the South of Fifth Neighborhood and if there is an appetite for this.

Commissioner Samuelian said he doesn't know; he is very curious as to what is on the minds of the community and has yet to hear from them.

Commissioner Richardson said he has learned with these types of projects that you hear opposition more than you hear support. He has not heard any opposition to date on this. He curious to hear the comments from the South of Fifth neighborhood.

Commissioner Meiner said he has had a couple of initial discussions with the South of Fifth neighborhood about this and he knows they certainly want to continue the dialogue and have a discussion about it. They are intrigued by it and there are positive aspects. They want to make sure they have a seat at the table, which Mr. Martin had expressed in this call. He looks forward to hearing about those discussions.

Daniel Ciraldo, resident, spoke. He said he loves the zoom meetings, but he thinks it would be helpful if all members of the public would be able to participate via the video feature as Mr. Martin was. He hopes for the future meetings they can all have the same view. As far as this project, personally he had not heard much about it. He appreciates the outreach being done to the local neighborhood. If the community likes it, it will eventually go on the ballot, all voters of Miami Beach will have to vote on whether this is a project they would support. There have been quite a few massive projects approved lately and he named a few. He said the residents will probably want to see how the timelines been going with those. He said as part of resiliency, sea level rise is important, but it would be good to expand and think about things like affordable housing, workforce housing, so that our model in Miami Beach with resiliency is not just a park with a high rise, but something more than that. We are a progressive place and we should try to push for the most resiliency possible. He sees the height increase is contemplated and he would like to review all the details.

Ron Starkman, resident and Chairman of the Budget Advisory Committee, spoke. He said he wanted to focus mainly on the financial asset. He is a South of Fifth resident and he knows Mr. Martin will do a good job at reaching out to the neighborhood. He said the it is going to affect surrounding buildings but may have different effects on the neighborhood as a whole. In terms of the financial side, he doesn't think they should overengineer and overspend on the site and maybe it could make sense to take some of the money and put it into a different project elsewhere. The air rights belong to the whole City. He wants there to be benefits to the City as a whole.

Commissioner Samuelian said he wanted to comment on some of the things Mr. Starkman said. He said it was the Budget Advisory Committee that had a resolution on which we build really assessing the value conferred to the developer. In addition, he said we should think about how these significant funds for the City would best be used for the best and high use of the dollars, but also that this does go to referendum. He thinks some real thoughts on where the money gets spent and how it benefits the community. One thing we did well with the Convention Center was dedicating those funds to high value causes such as resiliency and education. That is a branch of thinking that warrants some thought.

Commissioner Arriola said there is a lot for them to tackle in the months ahead. If there isn't a ton of opposition, they should move it forward and bring to the Committee as soon as the appraisals come in.

Mr. Martin confirmed. He also thanked Commissioner Arriola, the City staff, and the City Attorney's Office because they are stretched and stressed, they have done an amazing job at being able to focus on this and their other responsibilities. He looks forward to continuing subsequent discussions prior to the next Finance Committee.

Eric Carpenter said they will proceed forward, and they found out just yesterday there will need to be another referral to both the Land Use Committee and Planning Board regarding the height of the building. The current zoning allows for 150 feet, if they are going to go to 225 feet, they will need another referral and probably put something on the agenda for next Wednesday's Commission meeting.

Commissioner Arriola said to put it on the agenda and the height is definitely something the community is going to want to weigh in on.

**DIRECTION:** Continue negotiating terms on the project and come back to the Committee when the appraisals are available.

### **DEFERRED ITEMS**

3. **DISCUSSION REGARDING THE CITY OF MIAMI BEACH EFFORTS TO COMMUNICATE THE DANGERS OF E-CIGARETTES AND VAPING AMONG YOUTH IN MIAMI BEACH**

December 11, 2019 – R9 H  
Sponsored by Mayor Gelber  
Organizational Development

#### **ACTION**

**DIRECTION:** Update to be provided at the May 22, 2020 FERC meeting.

4. **DISCUSSION REGARDING THE BEST USES FOR THE COLLINS PARK GARAGE RETAIL SPACE**

January 15, 2020 – C4 B  
Sponsored by Commissioner Arriola  
Economic Development

#### **ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

5. **DISCUSSION REGARDING THE REVIEW OF THE JULIA TUTTLE BUS RAPID TRANSIT DEMONSTRATION PROJECT-QUARTERLY UPDATE**

May 16, 2018 – C4 R  
Sponsored by Commissioner Samuelian  
Transportation

#### **ACTION**

**DIRECTION:** Update to be provided at the May 22, 2020 FERC meeting.

6. **DISCUSSION REGARDING A FINANCIAL PLAN FOR THE WATER AND SEWER SYSTEM MASTER PLAN**

January 15, 2020 – C4 A  
Public Works

#### **ACTION**

**DIRECTION:** Update to be provided at the May 22, 2020 FERC meeting.

7. **UPDATE FROM THE ECONOMIC DEVELOPMENT DEPARTMENT REGARDING STEPS TAKEN TO STREAMLINE THE BUSINESS PERMITTING PROCESS, IMPROVE BUSINESS RETENTION, AND ATTRACT NEW BUSINESSES**

December 12, 2018 – C4 E

Sponsored by Commissioner Arriola

Economic Development

**ACTION**

**DIRECTION:** Update to be provided at the May 22, 2020 FERC meeting.

8. **DISCUSSION REGARDING MIAMI BEACH COMMUNITY DEVELOPMENT CORPORATION AND ITS FINANCIAL CONDITION**

April 10, 2019 – C4 D

Sponsored by Commissioner Richardson

Office of Housing and Community Services

**ACTION**

**DIRECTION:** Update to be provided at the May 22, 2020 FERC meeting.

9. **REVIEW THE ECONOMIC IMPACT OF SUPER BOWL 2020 AND THE MIAMI HERALD ARTICLE REGARDING TALKS OF A FREE CONCERT**

February 12, 2020 – R9 R

Sponsored by Commissioner Meiner and Co-sponsored by Commissioner Góngora

Tourism and Culture/Finance

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting, pending economic impact analysis.

10. **DISCUSSION REGARDING STORMWATER CONNECTION FEES FOR COMMERCIAL PROPERTIES**

July 17, 2019 – C4 E

Sponsored by Commissioner Arriola and Commissioner Samuelian

Public Works

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

11. **DISCUSSION REGARDING THE JUNE 18, 2019 ANIMAL WELFARE COMMITTEE MOTIONS ON EXTENDING THE CAT FEEDER AND WATER PROGRAM AS WELL AS INCREASING THE FUNDING FOR THE TRAP, NEUTER, AND RELEASE (TNR) PROGRAMS**

September 11, 2019 – C4 C

Sponsored by Commissioner Samuelian

Public Works

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

12. **DISCUSSION REGARDING THE ANIMAL WELFARE COMMITTEE'S RECOMMENDATION TO FUND A PET ADOPTION FACILITY**

July 17, 2019 – C4 N

Sponsored by Commissioner Arriola and Co-Sponsored by Commissioner Samuelian  
Public Works

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**13. DISCUSSION TO EXPLORE IMPROVING CAPITAL ASSET CONDITIONS (E.G., STREETS, SIDEWALKS, BUILDINGS) BY INCREASING ANNUAL FUNDING FOR PAY-AS-YOU-GO (PAYGO) FUND**

July 31, 2019 – C4 B

Sponsored by Commissioner Samuelian  
Office of Management and Budget

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**14. 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 May 22, 2020 FERC meeting, pending discussions with North Bay Village.

**15. 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 Commissioner Góngora  
Office of the City Attorney

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting, pending discussions with City of Miami.

**16. UPDATE ON THE CITY'S BLUEWAYS MASTER PLAN**

July 17, 2019 – C4 K

Sponsored by Commissioner Arriola  
Parks and Recreation

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting, pending staff briefing.

**17. DISCUSSION REGARDING THE BIGBELLY PROGRAM**

October 16, 2019 – R7 H

Public Works

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**18. DISCUSS THE LIVING WAGE RATES FOR FISCAL YEAR 2020/2021 IN ACCORDANCE WITH CHAPTER 2, ARTICLE IV, DIVISION 6, SECTION 2-4, OF THE CITY CODE**

February 12, 2020 – C4 B  
Procurement

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**19. DISCUSS MODIFYING COMPONENTS OF THE COLLABORATION, FUNDING, AND MANAGEMENT AGREEMENT BETWEEN THE CITY AND THE SABRINA COHEN FOUNDATION, INC. FOR AN ADAPTIVE RECREATION CENTER**

October 16, 2019 – C4 I  
Sponsored by Commissioner Arriola  
Parks and Recreation

**ACTION**

**DIRECTION:** Defer to the Summer 2020, pending additional fundraising updates.

**20. DISCUSSION REGARDING EARLY CHILDHOOD FUNDING**

January 15, 2020- C4 C  
Sponsored by Commissioner Arriola  
Organizational Development

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

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

April 11, 2018 – C4 O  
Sponsored by Commissioner Arriola  
Planning

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**22. DISCUSSION REGARDING SPONSORSHIP OF THE AMERICAN BLACK FILM FESTIVAL**

September 11, 2019 – C4 E  
Sponsored by Commissioner Arriola  
Tourism and Culture

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**23. DISCUSSION REGARDING CITY'S HOMELESS WALK-IN CENTER**

September 11, 2019 – R9 O  
Sponsored by Commissioner Samuelian  
Office of Housing and Community Services

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**24. DISCUSSION ONE-TIME FUNDING IN THE AMOUNT OF \$200,000 FOR A MIAMI BEACH SENIOR HIGH SCHOOL BEAUTIFICATION PROJECT, AT THE REQUEST OF THE MIAMI BEACH SENIOR HIGH SCHOOL PARENT TEACHER STUDENT ASSOCIATION (PTSA)**

February 12, 2020 – C4 G  
Sponsored by Mayor Gelber  
Organizational Development

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**25. DISCUSSION ON A HOTEL ROOM BLOCK ATTRITION POLICY TO SECURE INCREASED MIAMI BEACH CONVENTION CENTER BOOKINGS**

September 11, 2019 – R9 M  
Tourism and Culture

**ACTION**

**DIRECTION:** Defer to the September 18, 2020 FERC meeting.

**26. UPDATE ON NEGOTIATIONS PURSUANT TO RFP 2019-100-KB FOR THE DEVELOPMENT OF A MIXED-USE PROJECT WITH CULTURAL COMPONENT (BYRON CARLYLE THEATER), WITH PACIFIC STAR CAPITAL, LLC, THE TOP RANKED PROPOSER, AND MENIN HOSPITALITY AND KGTC, LLC, THE SECOND RANKED PROPOSER**

October 16, 2019 – R7 D  
Economic Development/Procurement

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**27. REVIEW OF ALL CITY DEPARTMENTS FOR JUSTIFICATION AND EFFICIENCY**

October 16, 2019 – C4 U  
Sponsored by Commissioner Góngora  
Office of Management and Budget

**ACTION**

**DIRECTION:** Defer to the June 19, 2020 FERC budget briefing meeting.

**28. DISCUSS FUNDING THE DESIGN WORK FOR THE NORTH BEACH SKATEPARK EXPANSION**

February 12, 2020 – C4 D  
Sponsored by Commissioner Arriola  
Parks and Recreation

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**29. AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 6 OF THE CODE OF THE CITY OF MIAMI BEACH, FLORIDA, ENTITLED "ALCOHOLIC BEVERAGES," BY AMENDING ARTICLE I, ENTITLED "IN GENERAL," BY AMENDING SECTION 6-3 THEREOF, ENTITLED "HOURS OF SALE/VIOLATIONS," BY REQUIRING THOSE ALCOHOLIC BEVERAGE ESTABLISHMENTS LOCATED ON OCEAN DRIVE, BETWEEN 5<sup>TH</sup> STREET AND 15<sup>TH</sup> STREET, POSSESSING A 5 A.M. ALCOHOL LICENSE AND SELLING OR**



**SERVING ALCOHOLIC BEVERAGE(S) LATER THAN 12 A.M., TO RETAIN THE SERVICES OF AN OFF-DUTY POLICE OFFICER, FROM 12 A.M. UNTIL THIRTY (30) MINUTES PAST THE CLOSING TIME OF THE ALCOHOLIC BEVERAGE ESTABLISHMENT, FOR ALL SATURDAYS AND SUNDAYS (AND ALL SATURDAYS, SUNDAYS AND MONDAYS FOR THOSE HOLIDAY WEEKENDS OR CITY-SPONSORED EVENTS) DURING WHICH ALCOHOLIC BEVERAGES ARE SOLD OR SERVED BEYOND 12 A.M.; ESTABLISHING EXCEPTIONS; AND PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE**

December 11, 2019 – R5 J  
Sponsored by Mayor Gelber  
Office of the City Attorney

**ACTION**

**DIRECTION:** Update to be provided at the May 22, 2020 FERC meeting.

**30. DISCUSS INVESTING IN PLAYGROUNDS IN LUMMUS PARK**

February 12, 2020 – C4 E  
Sponsored by Commissioner Arriola  
Parks and Recreation

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**31. DISCUSSION REGARDING EXPANSION OF EQUIPMENT AND LIGHTING AT MUSCLE BEACH**

February 12, 2020 – C4 AA  
Sponsored by Commissioner Góngora  
Parks and Recreation

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**32. DISCUSS INCREASING THE BUDGET OF THE CULTURAL ARTS COUNCIL**

February 12, 2020 – C4 AB  
Sponsored by Mayor Gelber and Co-sponsored by Commissioner Góngora  
Tourism and Culture

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**33. DISCUSS IMPLEMENTING THE PRODUCTION INDUSTRY COUNCIL'S DECEMBER 12, 2019 MOTION**

February 12, 2020 – C4 C  
Sponsored by Commissioner Samuelian  
Tourism and Culture

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

**34. DISCUSSION REGARDING NEGOTIATIONS PURSUANT TO ITN 2019-099-KB COLLINS PARK ARTIST WORKFORCE HOUSING PROJECT**

March 18, 2020 – C4 B  
Economic Development

## **ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting

### **35. DISCUSS THE RENEWAL OF THE \$60 MILLION LINE OF CREDIT**

March 18, 2020 – C4 M  
Finance

## **ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

### **36. DISCUSS FUNDING ARTISTIC PAINTING OF THE MID BEACH WATER TANKS**

March 18, 2020 – C4 N  
Sponsored by Commissioner Arriola  
Tourism and Culture

## **ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

### **37. REVIEW OF A PROPOSED TRANSACTION WITH THE GREATER MIAMI JEWISH FEDERATION, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION (THE “FEDERATION”), THE CITY’S LONG-TERM LESSEE AND OPERATOR OF THE HOLOCAUST MEMORIAL SITE LOCATED AT 1933-1945 MERIDIAN AVENUE (THE “MEMORIAL”), FOR THE CONVEYANCE OF THE MEMORIAL AND ADJACENT MUNICIPAL PARKING LOT AT 775 19TH STREET TO THE FEDERATION, TO PERMIT THE FEDERATION, AT ITS SOLE COST AND EXPENSE, TO DEVELOP, CONSTRUCT, OPERATE AND MAINTAIN A STATE-OF-THE-ART HOLOCAUST MEMORIAL COMMUNITY LEARNING CENTER, FOR THE PRESENTATION OF EXHIBITS, LECTURES AND OTHER INTERACTIVE PROGRAMMING THAT CONNECTS THE HOLOCAUST EXPERIENCE TO CONTEMPORARY CIVIC LIFE AND PROMOTES TOLERANCE, REMEMBRANCE AND GLOBAL HUMAN RIGHTS**

March 18, 2020 – C4 O  
Sponsored by Mayor Gelber  
Office of the City Manager/Office of the City Attorney

## **ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

### **38. DISCUSS A PILOT PROGRAM WITH CURBFLOW, INC. FOR REALTIME CURB ACCESS MANAGEMENT OF COMMERCIAL AND ON-DEMAND OPERATORS AT NO COST TO THE CITY OF MIAMI BEACH**

March 18, 2020 C4 P  
Sponsored by Mayor Gelber  
Parking

## **ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.

### **39. DISCUSS WHETHER THERE ARE OPPORTUNITIES TO REFINANCE CERTAIN DEBT OBLIGATIONS DUE TO THE RECENT DROP IN INTEREST RATES**

March 18, 2020 – C4 R  
Sponsored by Commissioner Meiner

Finance

**ACTION**

**DIRECTION:** Defer to the May 22, 2020 FERC meeting.