

MIAMI BEACH

Finance and Economic Resiliency Committee Meeting

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January 22, 2021 - 11:00 AM

Commissioner Ricky Arriola, Chair
Commissioner David Richardson, Vice-Chair
Commissioner Mark Samuelian, Member
Commissioner Steven Meiner, Alternate

John Woodruff, Liaison
Morgan Goldberg, Support Staff

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A meeting of the Finance and Economic Resiliency Committee was held on Friday, January 22, 2021 at 11:00 a.m. via Zoom. Attendance: Commissioners Ricky Arriola, David Richardson, and Mark Samuelian. Members from the Administration and the public were also attendance.

Meeting began at 11:03 a.m.

OLD BUSINESS

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

April 10, 2019 – C4 D

Sponsored by Commissioner Richardson
Housing and Community Services

ACTION

Commissioner Richardson opened the item. He explained this was an item he inherited this from another Commissioner, and he said they don't need to hear this item every month, but quarterly he would like an update.

Maria Ruiz, Director of Housing and Community Services, explained that MBCDC is an agency we have been monitoring since 2013, there have been issues that have been noted regarding compliances with HUD rules. The audit report continues to show the same issues still in place that date back to 2010. She thinks if there has been progress made, we need to acknowledge the progress that has been made with the team that is there now. She explained her big concern is that HUD requires that all tenants be certified annually and the rents charges must be no greater than what HUD authorized for our region. Those problems persist, which aren't difficult to address and for some reason they have been recurring problems for several years. The County has also expressed concern regarding the fiscal position of the agency and we will continue to work with the agency to the best of our ability as we have and hope the management team certainly addresses the Jefferson and Shelbourne properties because there are major projects that have displaced tenants, which means those affordable units are not online. The hope is that the agency can reposition itself financially and continue the growth to try and stabilize their portfolio and be able to go forward, but we must continue to monitor the fact that their revenues are down and the units have been offline for a while now. This will have an impact on the agency over time unless they strengthen their financial situation.

Discussion was held.

Commissioner Samuelian said he is familiar with the issues that have been raised. He asked what the status is of the HUD certification because it is something they should be doing. He asked what their response has been for why it hasn't been done.

Maria Ruiz said the task is relatively simple, you review the income and household data for each person before you issue a lease. Their explanation has been that there have been staff changes and they switched over to Royal American last year. The agency told the City in front of the Committee last year that it would not be a finding going forward, but they haven't quite perfected that. If we can get the basic compliance piece done it would take away much of the concern that the City and the County have expressed.

Ahmed Martin, MBCDC Executive Director, said they have 4 buildings that are regulated and monitored by HUD, the rest are not, he asked for more specificity on the HUD certification.

Commissioner Samuelian asked if we are in complete compliance with HUD's regulation in terms of the tenants and the rent.

Mr. Martin said there are 4 buildings and the Shelbourne is offline. He said it is not as simple as certifying the tenants. The tenants need to bring in the sources of information. Often times there are delays with getting the information into the office. In a perfect world they do contact tenants 90 days before their lease renewals to get their documents to the office. COVID-19 has also affected the ability for the tenants get to the office to sign paperwork, etc.

Commissioner Samuelian said that sounds like an important priority, so whatever we can do to lock that in is important. That is something we should continue to hear about as we talk on this issue. He addressed the Jefferson and Shelbourne being offline, he asked if Mr. Martin can comment on the status, the plan, and when they will be back online.

Mr. Martin said for the Jefferson, there are 5 units on the first floor which are not online due to subfloor repairs that need to be made. The work will begin next week and probably take about 30 days to complete. Some of the tenants decided not to return to the portfolio. About 30-45 days the first-floor units should be able to be reoccupied. The Shelbourne is a very complicated building because it is financed with something called an 811 PRAC, it does not allow subsidy to be placed on the new property. Those tenants are being relocated with the help of HUD relocation specialists since March. They are paying the exact same rent as when they were in the Shelbourne as they are now. They are seeking co-development partners to redevelop this building. That is part of a largely transaction in order to stabilize the financial condition of the organization. He cannot say what the timeline will be today in regard to the Shelbourne.

Commissioner Samuelian said this is an issue where we keep hearing about these concerns, and he asked from a risk management standpoint what we need to do to make sure bad things don't happen. He asked if there is a recommendation from the Administration of action to be taken now to mitigate downside risk.

Maria Ruiz said the answer is close monitoring in conjunction with the County and hopefully other funders because at the end of the day those of us who have investments in these properties and are financially at risk should they fail, are the ones who have a lot to cover. She said open communication and transparency is important. We are still in the middle of fielding a lot of complaints from tenants. Transparency in regard to construction, the certification of the tenants, and financials are needed including the collection of rents and their payment of operational expenses. It would be a significant piece because we can perhaps step in and provide guidance. At the end of the day we want them to succeed, but we need to be sure they are being given clear direction that their actions are straight forward and transparent.

Commissioner Samuelian said the next time the Committee hears this item he would like to hear the status of the transparency, update on the 2 properties, and the HUD certification process.

Commissioner Richardson asked about the paperwork items. He said we all have to do things during COVID-19 that require paperwork, so he doesn't understand why a tenant can't get paperwork together if they have been reminded for 90 days. He asked if we know how many apartment units we are talking about that we don't have compliance with.

Maria Ruiz said their audit only shows samplings, she doesn't know the pervasiveness of the issue across their portfolio. She said we have 89 units that the City manages and it is key to us that we have a relationship with the clients to tell them the certification is coming, these are the documents needed, and the time table if they don't submit them by they run the risk of not having the lease renewed. She said we are getting all of the documentation on a timely basis. She thinks the relationship between staff and tenants is important, she doesn't see this problem translating to the City's properties.

Commissioner Richardson said he remembers when he went to the Jefferson almost a year ago and the sub floor was a problem then and we were just told the subfloor would be completed in 30-45 days. He asked for clarification and how this was a problem almost a year ago and it still hasn't been addressed.

Commissioner Arriola said he remembers that as well.

Mr. Martin said the organization does not have a luxury portfolio, it is an affordable housing renting portfolio and there are very low margins to make large capital improvements. Usually organizations are able to make these capital improvements all at once, so they had to go out and find financing to make these improvements. They had to find a lender to loan them the \$70,000 in funds to make such a large repair all at once.

Maria Ruiz said they have raised the issues of the condition of these buildings dating back to 2013 and including the Jefferson with 3 prior executive directors prior to Mr. Martin coming on board.

Mr. Martin said it is great that Maria Ruiz brings that up, between 1988 and 2013, the organization received an average of \$1.1 million from the City of Miami Beach in the form of CDBG, CHDO, as well as HOME funds. In 2013 he understands why the funds were taken away, that is the reason why the organization was in a better financial condition and did have the money to make these large capital improvements. He hopes moving forward they can reestablish some type of support from the City as it relates to receiving CHDO status, HOME funds. They did apply for HOME funds for the Jefferson and in February were denied. The organization has reached out to the City for funds to repair these properties.

Commissioner Richardson said what concerns him is that he hears there is a cash flow issue that they couldn't make the repairs, but if 5 apartments have been offline for a year, there is a substantial amount of money lost from rent.

Mr. Martin said they have been offline only since June and they cannot have tenants in unsafe conditions.

Commissioner Richardson said we are identifying a bigger issue here, there are repairs that need to be made and there is a cashflow issue.

Mr. Martin said that is why they are seeking co-development partners and engaging in a 4% low income housing tax credit. That will help make the necessary repairs across the portfolio.

Commissioner Richardson said at next month's meeting he would like a report for every unit that is not in compliance. He will also set up a meeting with MBCDC separately so he can dive deeper into the cash flow issue because there is something bigger at play and he doesn't want to let months go by before we deal with it. He said they are also going to have a conversation about the Jefferson and the Shelbourne.

Raul J. Aguila, Interim City Manager, added to the discussion. He said the basic question is without any disrespect to MBCDC, we need more transparency and we need to see their ongoing financial reports to know how much money they actually have to see if they can continue operating. Those have not been

provided to our satisfaction. If we can get the financials, Maria Ruiz can provide a more comprehensive report without having the same discussion before the Committee every month.

Alina Hudak, Assistant City Manager, said that the County continues to express significant concern regarding the agency, you can see in the background of the memorandum even in a letter as recent as December 2020, the Director of Housing from the County expressed concern and made reference to an audit that continues on part of the County. She suggested we invite the Director of Housing from the County to participate in this discussion as well, she thinks it is important as the parent entity that is overseeing multiple grants and relationships with this agency that we understand where the County stands with them. She said she remembers at one of her very first meetings at the City in March 2020 was regarding this exact same situation and what she is hearing today is almost exactly the same as what she heard a year ago.

Commissioner Richardson said he thinks that is a great suggestion to invite the Director for the February meeting.

Mr. Ahmed said he is not so sure of the transparency issue because before COVID-19 they had weekly meetings with the Housing Office and supplied the audit as asked.

DIRECTION: Come back to the February 19, 2021 FERC meeting with a report of every unit that is not in compliance. Invite Miami-Dade County's Director of Housing to attend the meeting.

2. **STATUS REVIEW OF THE GENERAL FUND RESERVE FUNDS ALOCATED TO SUPPORT RENT, MORTGAGE, AND UTILITIES ASSISTANCE PROGRAM(S) FOR QUALIFIED CITY RESIDENTS DUE TO THE ECONOMIC CRISIS**

May 28, 2020 – C4 A

Sponsored by Commissioner Richardson and Co-Sponsored by Commissioner Góngora
Office of Housing and Community Services

ACTION

Maria Ruiz, Director of Housing and Community Services, presented the item. she explained that this week they expended the \$330,000 that was allocated to provide rent assistance during the pandemic. She said we have now dispersed \$1.5 million in the past 6 months to help people with rent assistance, the largest amount of rent assistance that they could find in the City's history and they did it in probably the shortest period of time that the City has ever done. \$1.2 million of the \$1.5 million came from County, State, and Federal funds. She said they fought with the State to get additional money and were able to get \$95,000 that other cities were not able to expend in a timely manner. She said we are expecting \$250,000 from HUD to be loaded so we can continue with rent assistance. There are people in the pipeline, and she is hoping once we gauge the next 30 days and how that money is spent we will have a better understanding if there is greater need. She mentioned under the Biden Administration there have been discussions about a new relief package that is inclusive of rent and mortgage assistance. Based on the last round of relief, it could potentially mean about \$500,000 more for the City. As of today everything has been expended with the exception of the annual EFSP allocation which is about \$20,000 which is limited to one month per household, so we are currently using those funds and now are just waiting for the newest HUD funds to be loaded.

Discussion was held.

Commissioner Richardson asked about the \$20,000 that is available now and if there is a dollar cap.

Maria Ruiz said no, but you still have to be income eligible.

Commissioner Richardson asked where the additional money is coming from that Maria Ruiz referred to.

Maria Ruiz said that we are currently waiting for the money that was approved in November by the Commission, they haven't been given to the City yet. There is also a grant opportunity to pursue money with the State and it will be coming to the Commission in February and are going to be asking for the full amount that we are allowed to ask for and that is just about \$318,000, which would be added to the \$250,000 of HUD funds.

Commissioner Richardson asked if we know how many repeat beneficiaries we have. He asked if a few months of rent assistance is helping people get back on their feet or if it is the same people coming back that are going to need help for 6 months or a year.

Maria Ruiz said 5-7% of all of our recipients have applied more than once. In November when we received the CRF money that State allowed us to go up to 6 months at a time and after that the Federal government extended the period of its funds to 6 months as well. In November and December, we were serving the majority of the households with more than 2 months rent, as it stands right now the requests are 1-2 months.

DIRECTION: Come back to the February 19, 2021 FERC meeting to discuss how the federal money should be spent before continuing to use General Fund Reserves.

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

July 17, 2019 – C4 K

Sponsored by Commissioner Arriola
Parks and Recreation

ACTION

Barbie Hernandez, Parks and Recreation Division Director, presented the item. She provided some background on the item. She said based on previous conversations they would like to see if the Committee members would like to look into potential projects and the Parks and Recreation and Environment and Sustainability departments will go to the different community organizations to gauge their appetite for the specific projects.

John Woodruff, Chief Financial Officer suggested the Parks and Recreation staff to meet individually with each Commissioner to be able to walk through the materials on the different possible projects.

The Committee agreed.

Barbie Hernandez said she will reach out to each of the Commissioners to schedule a meeting.

DIRECTION: Staff to meet individually with Commissioners to walk through the materials regarding the different possible projects in the Blue Ways Master Plan.

4. **DISCUSSION REGARDING THE MOORING FIELD STUDY**

March 13, 2019 – C4 M

Sponsored by Commissioner Arriola
Environment & Sustainability

ACTION

Elizabeth Wheaton, Environment and Sustainability Director, presented the item. She provided background on the mooring field study that was conducted last year. She explained at the October 23, 2020 FERC meeting, they received direction to expand the boundaries further south down to 5th Street as well as explore possible opportunities with the Miami Beach Marina. Since October conversations have been initiated with Suntex, they are the management company which owns the lease for the Miami Beach Marina. They are a national company that own, operate, and develop marinas throughout the United States. They have spoken about co-locating the mooring field facilities at the Miami Beach Marina. She

requested direction from the Committee whether these conversations should continue. She noted they will be applying for the Florida inland Navigation District funding, there is a grant program that provided 50% match and we will need to identify an upland facility in order to access those funds. If this Committee is okay with that approach, they will continue conversations and also put forth a resolution to the Commission confirming this approach of the potential boundaries as well as the upland facility being in line with what the Commission would like to see. They will continue to move forward through permitting process and during that time they will develop a management plan and at that point they will return to the City Commission in order to develop an ordinance that will also need to be approved by the Commission.

Discussion was held.

Commissioner Arriola said some of the questions people had was how much this will cost and Suntex seemed confident that a lot of this could be funding from outside sources. He asked what we need to do to get more comfort on that.

Elizabeth Wheaton said the next steps would be to negotiate and continue to have discussions with Suntex because those facilities are already in place, there will definitely be a cost savings because we won't have to build a whole new facility. As it relates to FIND funding they do provide 50% match for planning and design as well as for construction. An application will be put forth for those funds, however, the City will not be a very qualified application if we have not identified an upland facility. She does feel for reasons mentioned that it is very important to continue these conversations with Suntex.

Commissioner Richardson asked if we can establish a mooring field or if we have to get permission from the State of Florida.

Elizabeth Wheaton said we will need to go to the State of Florida to receive permits and authorization to utilize the lands where the mooring field will be placed. There will be an extensive approval process with the State.

Commissioner Richardson asked if this has become more routine now.

Raul J. Aguila, Interim City Manager, said the State awarded a handful of pilot mooring fields, Miami was one of them. We lobbied and as part of our legislative priorities tried to get one established here, which we could not. Elizabeth Wheaton is now going through the cumbersome multiyear process of establishing a mooring field with the State outside of this private program, which we were never considered for.

Commissioner Richardson asked if the pilot program is continuing.

Elizabeth Wheaton said she knows there are a number of mooring fields that are about to come online in 2021 including Watson Island. The City of Miami is also working on another mooring field adjacent to the Marine Stadium, but she would have to look into the exact specifics as it relates to the pilot. She is not sure if this is part of the pilot or not.

Commissioner Richardson said since we are doing work on this he asked if anyone has raised a need for a mooring field in North Beach.

Raul J. Aguila said this has been a long-time request of the Sunset Harbour Neighborhood, so that is why we did this one first, he has not heard from North Beach if they would want us to initiate the process there.

Commissioner Samuelian thanked Elizabeth Wheaton for her hard work on this, he knows we have had some evolution, but for the public's benefit he asked if she can broadly define the geography of the mooring field because he thinks it drives the location of the upland facilities.

Elizabeth Wheaton said at the October FERC meeting, staff was directed to expand the boundaries from the Sunset Harbour neighborhood where Maurice Gibb Park is all the way south to 5th Street, which also includes the south side and pieces of the north side of Belle Isle. These are the proposed boundaries right

now, but we will need to go to the State and the Division of State Lands to get authorization for this entire area.

Commissioner Samuelian asked Elizabeth Wheaton to address pros and cons of utilizing the Marina location and asked her to mention other viable locations or whether or not we think that is the right location.

Elizabeth Wheaton said from the initial evaluation they believe that Suntex and working with the Miami Beach Marina is the ideal location based on the fact that they already have a lot of the upland facilities that are needed as part of a mooring field on site. The fact that Suntex has the experience of working with marinas and mooring fields in other parts of the State. She provided an example in Sarasota. If we were going to look at other locations along the West Avenue/Sunset Harbour neighborhood there isn't another existing facility, one would need to be created.

Commissioner Samuelian said to keep in mind the workflow around community outreach, there are potential neighborhood impacts. He said based on the fact Elizabeth Wheaton said the Marina is the right location, he is open to continuing the conversations.

Commissioner Arriola asked what direction is needed.

Elizabeth Wheaton said the direction would be that the Committee supports in concept of co-locating the mooring field upland facilities at the Miami Beach Marina pending negotiations with Suntex and they will bring forth a resolution to the Commission for approval either in February or March to be able include the resolution in the FIND grant application.

Commissioner Arriola confirmed that Commissioner Samuelian's comments were in the form of a motion.

Commissioner Samuelian confirmed.

Public comment was provided.

Bruce Backman, resident of Sunset Harbour, spoke. He said we will have boats with or without a mooring field, if we can have regulated boats not dumping sewage into Biscayne Bay with a mooring field, he supports the mooring field. He said he was concerned about building more structures in the park in the neighborhood. He supports having the upland facility at the Miami Beach Marina if it will save money and not build more structures near Maurice Gibb Park.

Commissioner Arriola said he agreed with Mr. Backman. He thinks getting the mooring field done is very important. He said it will start pushing some of the traffic away. The sooner we get ahead of this the better.

Commissioner Richardson asked if the City would pay the cost that we would negotiate with the Marina for the facilities.

Elizabeth Wheaton said they haven't gotten to that level of detail yet, there would be fees that we would collect as part of the managed mooring site. The number of mooring balls that would be in the existing area would dictate the amount of revenue we would receive. Some of the feedback given from the community was that they wanted to see the cost of the moorings be at a higher level to attract boaters that may be coming down from Canada or the Northeast. The ordinance and management plan would further detail those specifics.

Commissioner Richardson said he just wanted to confirm that there would be an offset to the cost with charging for the mooring balls.

DIRECTION: Continue negotiations with Suntex regarding the upland facilities at the Miami Beach Marina, bring resolution to the Commission and initiate the application for the FIND grant.

5. **DISCUSS THE CURRENT STATE OF AND FUTURE PLANS FOR THE CITY OF MIAMI BEACH
PARKING DEPARTMENT**

October 14, 2020 – C4 B

Sponsored by Commissioner Samuelian and Co-Sponsored by Commissioner Góngora
Parking

ACTION

Commissioner Samuelian opened the item. He explained that we had to use General Fund reserves for the shortfall in the Parking fund and also had difficult conversations about personnel. When this item was put forward the goal was to have Parking and the Administration to come forward with a plan that when we get into the budget cycle that we do not have to be subsidizing the Parking fund and have those conversations about our employees.

Monica Beltran, Interim Parking Director, explained that in the first quarter of this fiscal year, they were able to create a cushion of \$2 million generated by exceeding the projections in revenue and not filling all positions, controlling staff by growing as demand increases and as curfews change. There are no furloughed employees and they were still able to create the cushion. They were projected to generate revenues of 75% starting in January. Given the state of the pandemic and the fact they had a great first week of January and last week of December, they worked with Budget to lower the projections and even then they will be able to cover the expenses and still protect the cushion. Staffing levels are approximately 50% of what they used to be. They feel confident that if they keep the relationship between the revenues and expenses, they can meet the needs for the residents and visitors. For example, Compliance in residential permits is at 91% and you accomplish that with good enforcement. She spoke about the full time and part time employees and noted that we still have a hybrid operation. They hope to keep the \$2 million cushion for next year and carry the revenue, so they don't have to come back for any more money. They have other adjustments, they have lost quite a few on-street parking spaces, parklets, bike lanes, etc. The goal is to remain viable and successful. Employees have been very productive, and they will become even more productive once they master the new tools provided. They have been working closely with the unions and are working hard to try and meet every need that can be met is met and the high level of cooperation has contributed greatly to the success.

Discussion was held.

Commissioner Samuelian thanked Monica Beltran for the update. He is encouraged by what he has heard. He especially appreciates that we are working with all stakeholders. The goal of this item was to not have to subsidize the department and that we don't have radical changes to our employee group. He asked if we are on track to achieve those goals.

Monica Beltran said we are beyond on track.

Commissioner Samuelian said during the discussions he has heard some complaints about equipment not working.

Monica Beltran said some of our equipment comes from the County, because we are quite complex in our set up in which people can have different types of permits and can pay with different sources of payment. The County left us for last for what they offered other municipalities. They worked with IT to develop our own in-house system to be able to check for payment of tags. The actual issuance of tickets has to come from the County.

Commissioner Richardson said during COVID-19 we made a decision to shut down the pay stations because it was expensive to maintain them and do collections, he asked how that has been working and how much money we have been able to save by not having to do all of that work related to collecting cash.

Monica Beltran said we had citywide over 770 pay stations, they were abundant because if one was down, they would have another option and people wouldn't have to walk so far. She said she likes pay stations,

they give an option, but it was also costing us \$1.7 million a year to manage them. Pay stations do not make sense right now because they are not contactless. They have worked with Park Mobile to create other ways to pay like calling or going online to do if you don't want to have the app. Maybe we can downsize the number of pay stations and cut our expenses drastically and also take away cash payment and just utilize payment with credit card which will also help bring costs down.

Commissioner Richardson said he knows there is some confusion at pay stations, he said he is interested in the idea of using the pay stations for credit card only. He asked if the existing machines we have can be modified to make them credit card only.

Monica Beltran said we can modify the machines for credit card only use, we just need to state that the pay stations are for credit cards only. She is quite aware and sensitive to the fact that some people are confused. She said they have improved signage and have started removing pay stations. The machines can be stored until a future date for those we may use in the future.

Commissioner Richardson asked if there is a market where we can sell the pay stations we don't have use for anymore or if they are just obsolete.

Monica Beltran said they will try to resell them in the market at a later date when there are clear expectations. They are being stored safely.

Commissioner Richardson confirmed we would go down to about 250 and use credit only as an option.

Monica Beltran confirmed and the other thing she requested from the vendor is to provide an option at the machine so that the customer can indicate whether they are parking on-street or in the lot, so there doesn't have to be a machine for each location.

Commissioner Richardson asked if Commissioner Samuelian is okay with them asking Monica Beltran to do that research and come back maybe next month or in March. He is interested in whether or not those machines can be modified for credit card only use without just jamming something in the cash slot to make them unattractive. Also, it seems to him that if we have some certainty about not wanting to go back to 770 pay stations, we should remove the ones that we don't see as critical and try to sell them on the secondary market if we aren't going to use them.

Commissioner Samuelian said he is totally fine with that; he thinks those points fits with the theme of what we are trying to accomplish.

DIRECTION: Come back to the March 2021 FERC meeting, staff to work with vendor to see if the pay stations can be modified attractively for credit card use only and decide on machines we can remove that are not critical to try and sell them.

6. DISCUSSION ON THE CITY'S DEPENDENCE ON TOURISM REVENUES AND HOW TO MITIGATE

June 24, 2020 – C4 I

Sponsored by Commissioner Samuelian
Office of Management and Budget

ACTION

Commissioner Samuelian opened the item. He said last time this was discussed the topic of business recruitment was a focus. We have movement now to provide good office product. He said he would like to hear an update on business recruitment and his understanding was that representatives from the Beacon Council would be present today that speak for Miami-Dade County of how they can better help us.

John Woodruff, Chief Financial Officer, said that he has been working with Rickelle Williams for a few weeks on this and he is personally excited about some of the options that she is going to present here. He said there is some good information here and is looking forward to it.

Rickelle Williams, Economic Development Director, explained that at the last meeting we began the discussion regarding our business attraction strategy with the Committee noting a preference for financial services firms and tech firms as being targeted for recruitment.

Commissioner Arriola said he is not sure that the last part is an accurate statement. He said financial and tech firms are among industries we could attract, at least for him he doesn't remember saying that those are the top 2.

Rickelle Williams said that is correct, at the last meeting Commissioner Richardson and Commissioner Samuelian expressed interest in those, she said she had indicated healthcare and health and wellness industries would be ideal and there didn't seem to be a positive response to that sector.

Commissioner Richardson said he recalls they identified several different things that the Committee wanted to potentially look at and rather than come back and talk about all of those issues in one meeting and they would talk about certain topics today and then different ones next month and so on.

Rickelle Williams said the business attraction approach will not just be for tech and financial services firms. She will be presenting a few incentive programs that would be ideal in attracting those industries. She also said there is leadership from the Beacon Council present, James Kohnstamm, Executive Vice President of Economic Development for the Beacon Council. She then went through a presentation explaining the business attraction toolkit and use of incentives as a tool. She expanded on the certain incentives for businesses that come to Miami Beach. She mentioned if we can give additional incentive to be in North Beach in order to contribute to the CRA that would be ideal. She spoke about how our incentives would compare to other entities. The presentation continued and the capital investment incentive program was explained. Rickelle Williams explained how the fiscal impact and return on investment is extremely important.

Commissioner Richardson said this is a lot of information and that it would be beneficial to him to digest this and think about it and then maybe have it come back with the Beacon Council where the Committee can ask questions. He is not prepared to ask a lot of questions today because he wants to study it further.

Commissioner Arriola said he has a very firm opinion on this. He wants to be efficient going forward. He suggested since the Beacon Council is here, they can address what reception they are seeing from the market with respect from this kind of program and any specifics are welcome. He doesn't like any of this, he is a businessman and he knows what attracts him to markets and none of what was explained does. He is attracted by things like infrastructure, promises from government to cut red tap as he goes through the approval process, he has no interest in getting a few hundred dollars per employee that is brought in. The kind of employee we are seeking to attract are not going to be interested in getting \$30,000, they are more interested in infrastructure and easing the process to open the business.

Rickelle Williams highlighted that Blackstone is moving to Miami with 200 jobs are benefiting from a similar incentive program from the Miami Downtown Development Authority (DDA). The investment may not be as much for high wage type of companies, but it is something that helps to make the decision.

James Kohnstamm, Executive Vice President of Economic Development for the Beacon Council, spoke. He said he recognizes Commissioner Arriola's comments on the limitations of incentives, no company is relocating solely on an incentive deal. Talent is clearly the number 1 driver. South Florida has made great strides in the last decade. Part of the discussion does include a type of incentive; it does tip the balance in certain cases when we are being competitive with other communities. He said we are competing against others around the country for business recruitment. A toolkit of incentives and services is important in these discussions. He said they look forward to working with the City of Miami Beach in landing some of the deals to bring businesses here.

Discussion was held.

Commissioner Samuelian said as a City we need to do what we can and he agrees that incentives are not the definitive answer, but as part of an integrative program he would be open to that. He said the County has an entity that wakes up in the morning to recruit businesses and we are part of that. He asked how we can better leverage the relationship with the Beacon Council. He asked for Mr. Kohnstamm to provide information about the Beacon Council.

James Kohnstamm said the Beacon Council is 35 years old and are Miami-Dade County's Economic Development Agency. They are a public private partnership funded by business tax receipts collected by Miami-Dade County, which makes up roughly 80% of their funding and private sector investors make up the balance of that. Just over \$4 million make up the annual budget and are made up of 24 employees. Their focus is how to help companies grow in Miami and how they can tell their story externally to recruit businesses to the area. Miami-Dade County does have a targeted job incentive program, the State also has some programs at a very high level for those making serious capital investments. There is an opportunity for those municipalities to come into that discussion on incentive programs as well.

Commissioner Samuelian said his sense is that Miami Beach and the Beacon Council have come together for the good of the city. We have a lot going on here in our city. He wants to know how we can tap into the resources of the Beacon Council. He said given the size and importance of Miami if it is possible that the Beacon Council has someone on their team dedicated to working with the City of Miami Beach and Rickelle Williams. A lot of people who are coming here want to live in Miami Beach and they probably want to work here as well.

Mr. Kohnstamm said they have a very strong relationship with Rickelle Williams and they have been speaking weekly about opportunities in the marketplace and she invited them to participate in the North Beach CRA charette, which they participated in. He said they look forward to the continued work with the City of Miami Beach. He said the economic development team are a team of 8 project managers, they are organized around target industries and he will commit himself to have the direct engagement with the City of Miami Beach, but at this time he cannot commit to the City they will reorganize their team as such, but he will take the comments back to the Beacon Council.

Commissioner Richardson asked if there are any other cities that are providing ancillary or adjunct incentives or if we would be the first to do that.

Mr. Kohnstamm said within Miami-Dade County there is no precedent of municipalities providing cash incentives except for what was mentioned by Rickelle Williams regarding the DDA, he mentioned in Broward County a few cities have some similar programs.

Commissioner Richardson said he agreed with Commissioner Samuelian about having a better relationship with the Beacon Council and the City of Miami Beach. He would like to learn how we can work closer together, so we can utilize the resources of the Beacon Council. He thanked Rickelle Williams for spending the time on this and it is a good start to this conversation. He said Commissioner Arriola made some good comments regarding infrastructure and other reasons to come to our community. He wants to spend more time looking at this, but more importantly he wants to find a way to be better partners with the Beacon Council. He is happy to meet with the Beacon Council and Rickelle Williams to discuss this further.

Commissioner Samuelian said so we keep the ball moving forward, there are a number of industries that make sense. Finance and money management is the low hanging fruit and also tech. In addition, not to exclude other industries but he mentioned venture capital, which is a power vertical. He reiterated the partnership with the Beacon Council. There is a lot of information that was presented and he understands his colleagues want to wait a month, but as incentives as sort of the cherry on the cake, assuming it is not a huge financial hit, he is open to it. He doesn't think we want to lead with the incentives, it is a holistic package that is needed, that we are easy to do business with, that we can help get people open, we care, and we have an incentive. It is important we market this at tradeshow and in the media. The moment is now and we need to strike.

Commissioner Arriola said he supports everything Commissioner Samuelian said. He feels the exact same way. He thinks the messaging from at least the City of Miami Beach and with the County collectively we can be more aggressive and on point that we want to attract business that everything is on the table. It needs to be more comprehensive and aggressive when people are rethinking about where they are spending their professional lives. South Florida particularly, Miami-Dade County, particularly Miami Beach is very interested in job creation and strengthening and diversifying our local economy, needs to be the messaging to everyone. We should be talking to our universities as well of what they are going to do. This has to be comprehensive. Miami Beach is a small city and he is hoping whether it is the Beacon Council or someone from our County Mayor's office can really spearhead a group of folks that can put this message out, that all of the components that make City and County dynamic are on the table and are rolling in the same direction. We need to bring a regional plan.

Mr. Kohnstamm thanked the Committee for inviting the Beacon Council to participate in this discussion and welcome the opportunity to sit down with Commissioner Richardson and others from the City to talk through these issues so they will be following up.

Raul J. Aguila, Interim City Manager, spoke. He thanked Rickelle Williams for her presentation and said these are the types of things we need to be thinking about as it comes to the budget time. There are 2 things in his opinion that will move the dice forward. He is happy to see the enthusiasm from the members of the Committee. There has to be a unified political will to incentivize developments that are intended to bring world class A commercial real estate to Miami Beach. We had a proposal for increased height, but the point of that was to incentive class A space in Sunset Harbour, Terminal Island and parts of Alton Road. It kept getting delayed and he thinks this is something the entire Commission needs to get behind. We need to convey to the community that these types of development are the right thing to do because we can't always rely on the tourism economy as the pandemic has shown us. The pandemic has also provided us with an opportunity. As we go in to our next agreement with the GMCVB, we know their strength is tourism and booking the Convention Center, we need to see if there is an organization that could really assist the City of Miami Beach as marketing itself as a class A office destination. He asked if the Commission would consider a reduction in dollars when we revisit the contract with the GMCVB and maybe a reallocation and focus towards organizations that do this for a living. This is an opportunity to reshape Miami Beach has another type of economy that does not rely solely on tourism. If this is what the City wants to do, we need to take a unified posture in educating our residents starting with LDR incentives.

Rickelle Williams thanked the City Manager for bringing that up. We have had some discussions of how we can potentially market and advertise whether it is this incentive program or broader about Miami Beach being open for business and aggressively wanting to recruit businesses. She said they do want to participate in the rebranding initiative and have Economic Development be a strong part of that. She thinks between now and that initiatives coming to fruition we need to put out messaging that is tied to economic development, business attraction, and expansion.

Commissioner Richardson said the City Manager made a specific request to bring some of the firms or options forward and asked Rickelle Williams if she feels comfortable doing that as the dialogue is continued.

Rickelle Williams said yes and she will work with the Marketing and Communications to help identify the firms that would be appropriate.

Commissioner Samuelian said he appreciates the good comments that our City Manager made. He added that he strongly agrees that some of the movements we are making in office space are good for the community, not only for the business but to attract lower intensity uses is integral to this effort. He said he is supportive if we need additional resources in addition to the Beacon Council. While this is a longer-term strategic discussion, we need to look at short term quick wins. We can do some messaging around some things we already have in place and that we are open for business. He said we have people here, maybe get some of the folks together to give their input, their blessing, and their network like a financial advisory council. It seems like a low-cost activity. Maybe the private sector can also help.

John Woodruff confirmed that we will continue with this conversation at the next meeting and asked if it is okay push out the topics we previously had queued up like the Property Management inventory study they have been doing with CBRE.

Commissioner Arriola said that is not okay with him but asked for his colleagues' input. He did not care for the presentation today. He is not going to be excited it about it. He thinks its more important to think about marketing and getting the message out to the world that we want to work with them to bring their businesses here or coming up with some other solutions that mean something like cutting red type and expediting processes. He is interested in taking a look at our assets that we control to attract businesses. Stipends to attract business is not something that moves the needle for him.

Commissioner Richardson said he doesn't want to defer the Property Management topic. He appreciates Rickelle Williams putting this together. He thinks if we do something like this it needs to be part of a bigger package including cooperation with the Beacon Council and marketing to communicate what we have here in Miami Beach. This cannot be all that we do to incentive businesses.

Commissioner Arriola asked if we are better served to have this dialogue at the Commission level and maybe send a resolution to the County Mayor and saying we need a collective plan where we use all what we are doing in the City and the County to put it out as a worldwide message, that the whole County is going places, that the City of Miami Beach is not just a sun and fun capital of the world. We should move fast on this.

Commissioner Samuelian said that is a great thought and that we want to operate on parallel tracks. He suggested hearing both topics next month, Property Management and the next evolution of this discussion. Anything that we can to motivate and encourage the County is a great track, but he also thinks we need to do our efforts as well. He thinks we had some good content today. Incentives are a lower priority and thinks we need to see the other things first and then maybe the incentives at the end. He said to bring back both conversations next month. He said he is happy to meet with Rickelle Williams and John Woodruff on this topic as well before the next Commission meeting.

Commissioner Arriola said he would like to have this discussion at the full Commission. He said everyone is trying to do this on their own and if we can collectively spread a branded message on why businesses should relocate to Miami-Dade County, that would be stronger and more successful. He is happy to help the County formulate this plan with partnering with the Beacon Council, the DDA, and really get this done.

Commissioner Richardson said he agrees there is a lot to do at the County level, but he doesn't want to ignore that there are things that we can do locally as well that are adjunct and ancillary. He said part of the concern is that in the past the City has not insisted enough on more partnership with the County and the Beacon Council. He sees opportunity for partnership there and also sees things we can do locally as a city. That is why he wants to talk about this again next month. He agreed with Commissioner Samuelian that we don't want the incentives to be the lead on why people want to come to Miami Beach, but there is a place for it in the conversation.

Commissioner Samuelian said while he does support the Countywide efforts, but he thinks there is some low hanging fruit like partnership with the Beacon Council, messaging that the City of Miami Beach is open for business and helping our businesses in being successful.

DIRECTION: Come back to the February 19, 2021 FERC meeting with this topic and focusing on what we have to offer as a City and how to get the message out, also work on a parallel track to work on an overall plan with the County and Beacon Council. In addition, bring the Property Management asset inventory study.

7. DISCUSS THE VACATION OF THE SOUTHERN HALF OF THE 21ST STREET RIGHT-OF-WAY (ROW) ALONG THE FRONT OF THE SEAGULL HOTEL PROPERTY

November 18, 2020 – C4 J

Sponsored by Commissioner Arriola

ACTION

Rafael Paz, Acting City Attorney, presented the item. He explained that when this was last presented the appraisals were underway, the applicant had obtained their own appraisal and valued the right-of-way at \$5 million. The City has completed its own appraisal and Roy Coley can address that, which came in at \$7.4 million. This is before the Committee to receive direction on how to proceed and also at the last meeting he mentioned he needed to analyze the relevant provisions of the City Charter and the requirements and are prepared now to walk through that analysis. The conclusion is that under the City Charter this transaction would require approval by a majority of the Planning Board and the heightened requirement at the City Commission with a 6/7ths approval. He went through each provision that was analyzed. The first was under section 1.03b1 of the City Charter, this proposed application for the portion of 21st Street that is involved here does not trigger this requirement. A referendum is not a requirement. The second being section 1.03b2 of the City Charter, this 21st Street right-of-way is not part of the cultural campus and for that reason a referendum is not required. The third being section 1.03d of the City Charter, this street does not extend to an erosion control line, so this section is not implicated. The fourth being section 1.03e of the City Charter, this is not a public street end, therefore they don't believe a referendum is required. The fifth being section 1.03c of the City Charter, provides that it expressly does not apply to the aggregation of development rights on unified abutting parcels, which would be happening here. The developer would take the unified abutting parcels and pursuant to 118.5 of the City Code by a covenant in lieu of unity of title would aggregate its development rights and created a unified development site as permitted by the Code and Charter. He said he believes the heightened requirement in section 1.03b4 of the Charter applies and it is 4/7ths Planning Board and 6/7ths Commission approval. This is a legislative act within the Commission's discretion. In addition to the monetary value and consideration to the City, the applicant would simultaneously convey a perpetual easement to the city for the continuing operation of the street for pedestrian and vehicular traffic, so in no way would we diminish the rights of the public to access and use the right-of-way.

Raul J. Aguila, Interim City Manager, said basically this is a request by the owner of the Seagull Hotel in concurrence with their renovation of the hotel in order to accommodate a new hotel operator, the Bulgari Hotel chain, which is an internally renowned 5 star hotel chain. They have requested a vacation of the southern half of the 21st Street right-of-way along the front of the Seagull Hotel property, the reason for the vacation would give them ownership of that portion to create a unified development site therefore permitting them to aggregate the additional floor area for that street end into the project. He noted that the project is still subject to historic preservation review. There are two public benefits that they have proffered as a condition of the proposed vacation, which would require a 6/7ths vote at the Commission and 4/7ths vote at the Planning Board. In vacating the right-of-way, they would assume ownership, however, they have agreed to grant the City a perpetual nonrevocable easement in favor of the City for the City's continued use of the right-of-way. The City is required to obtain an appraisal of the fair market value of the property and in this case one appraisal was provided by the developer, which came in at \$5 million and one by the City which was completed on January 18, 2021, which came in as is at \$7.4 million. Prior to that the applicant proffered that the appraised value of the street end would not only be proffered as a public benefit, but as a monetary cash contribution to the City. We would receive the money and the Commission would determine how they wish to apply that. At this point the Administration is recommending accepting the public benefit that has been proffered with the City Commission move forward with recommending our appraised value of the street end at \$7.4 million versus theirs at \$5 million. Should the Committee recommend that this item move forward, then the next step would be to take it to the Commission for first reading and then secondly take it to the Planning Board so they can review it and vote on it and then it would make its way back to Commission for second reading. The Administration recommends the Committee to move the item forward accepting the Administration's recommendation to approve the proposed vacation contingent on the 2 public benefits being proffered, the perpetual easement for continued use of the right-of-way and the monetary contribution of the appraised value of \$7.4 million.

Discussion was held.

Commissioner Samuelian said he is supportive of the recommendation by the Administration. He said this is a promising project and the community should feel good about it because it will help to enhance the community and provide better services. As to the vacation, he thinks our City Attorney did a fine job of explaining it. There is no operational change from the vacation. The fact that it needs the majority of Planning Board and a 6/7ths vote at the Commission, that is compelling. To get a 6/7ths is in the context of a no brainer and thinks the project will pass that threshold. He fully supports what the City Manager said about the appraisal at \$7.4 million and the recommendation. He doesn't think it is too early, if this project were to proceed to think about what we would use the funds for. He requested that the City Administration come back with a menu of options either to the Committee or to the Commission. He thinks there are opportunities in Collins Park and also some opportunity for some citywide activity. The reserves took a little bit a hit, so that is something we might think about. He also said the Byron Carlyle could be a place to utilize the money as well. He would ask for the Administration to come back with a menu and process on what to do with the \$7.4 million. He said this is exciting and it should be moved back to the Commission.

Commissioner Richardson said Rafael Paz did a great job at summing up the legal analysis. He asked about the vacation and if it is being requested for half of the roadway.

Rafael Paz confirmed. It is the portion of the right-of-way that abuts the applicant's property. By operation of law when you vacate a street, then property would revert back to the centerline of the property, which is why the ask is for the southern half of the street.

Commissioner Richardson mentioned that someone mentioned to him a while back, that it would be great if the parking lot could be turned into a park that would extend Collins Park on the east side of Collins Avenue. He is just trying to think through all of the options. If that were ever to happen, he asked if there would be any limitation as a result of this action in turning that parking lot into a park.

Rafael Paz said there are no limitations that he knows of.

Discussion about a potential park was held.

Commissioner Richardson said the vacation is related to FAR and it would give additional height possibilities for the existing Seagull property.

Rafael Paz said correct and by creating a unified development site the FAR that is associated with the vacated parcel can be used within the property itself. He understands the Land Use and Sustainability Committee recently heard the proposed LDR amendments that would travel separately to provide a modest height increase for the rooftop design.

Commissioner Arriola said he likes where Commissioner Richardson was going with the parking lot and he will support making the parking lot into a park.

Michael Larkin, representative of the applicant, spoke. He said they do accept the City's appraisal number and the public benefit amount would be \$7.4 million. They are very excited to bring the first United States hotel to Miami Beach. He said once the vacation is granted there are certain development rights that are unlocked and traveled southward to the property, it amounts 6,700 square feet and when you multiple it by 2.0 FAR it amounts to 13,472 square feet. With regard to where it will be allocated, they would take the FAR from the vacation of the road and place it in the addition for the southern elevation of the property so the units can be turned to face eastward toward the ocean instead of the Setai garage.

Commissioner Richardson asked Mr. Larkin to address the height issue.

Mr. Larkin said the LDRs would permit them to have a rooftop addition and the rooftop addition would be no taller than the very top of the Setai parking garage. It would give them an opportunity to increase the height of the building, but it would not be in a way that would be inconsistent with the built environment. It will be much shorter than the W Hotel.

Commissioner Samuelian said he did hear the item at the Land Use and Sustainability Committee, he is prepared to move forward with this with the one addition of the menu for the money we would receive.

Kent Harrison Robbins said they look forward to this project but is concerned about some of the development in the actual dimensions. He referenced the Dempsey-Vanderbilt that was restored. The addition that is being placed on the Seagull will be blocking those units from the ocean views. It seems to be unfair to lose their ocean views. There is legislation allowing the Seagull to do the addition. He asked how the appraiser determines the comparative land sales they are using. He asked how the 6 particular sales were picked when they missed another sale.

Roy Coley said they can make the appraisal available to anyone and the appraiser is not present, but if the Committee would like the appraiser to be present, they can make them available to be at a future meeting.

Rafael Paz said the appraisal was released this week with the materials.

Mr. Harrison Robbins said they really need to look at all the properties. He is looking forward to negotiating and working out a fair deal with the Dempsey Vanderbilt, Dempsey Setai, as well as Bulgari. He thinks the City can probably get some more money than is being suggested.

Commissioner Richardson said it seems it is never too early to talk about the use of the money, he said they used significant amount of reserve account to maintain City services. His priority is restoring reserves and it is very important to him. As Commissioner Samuelian mentioned there are needs throughout the City for funds. He mentioned the cultural component for the garage in Collins Park. He knows we are talking about the Byron Carlyle and are hopeful something will happen there, and he is hoping it happens sooner rather than later. He knows there has been some interest in restricting these funds to use in Collins Park and he would not be in support of that. If this deal were to go forward, the funding would be unrestricted. He said he wants to join Commissioner Samuelian in moving this back to the Commission today, so they can have the conversation there. He reiterated that restoring funding to the reserves is a very high priority for him and if the Commission decides to move forward with this and there is no discussion of replenishing the reserves, he is not sure he will support it.

Raul J. Aguila asked if the Committee would like the list of options for the money to used for to be presented at the Committee or at the Commission.

Rafael Paz said if this goes out of Committee today, we can have first reading on February 10th for the vacation, Planning Board of the vacation and LDRs at the March meeting, and then second reading of the vacation at the April 21st Commission meeting.

Discussion was held whether they wanted to bring back the menu of options to the FERC or Commission.

Commissioner Arriola said it seems like they are all in agreement regarding the vacation, but he wants to make sure he understood Commissioner Richardson's comments regarding the reserves.

Commissioner Richardson said based on the answers to the questions he had regarding modifications, he is generally supportive of the appraisal of \$7.4 million. He thinks there needs to be a conversation about the use of the funds and restoring the reserves account is very important and should be part of the conversation. He suggested recommending the item to go to the Commission including the use of funding.

Commissioner Arriola said he is prepared to move this out of Committee, he has not thought about the use of funds and does share his prioritization of restoring the reserve account, but he is not in a position today to say what they would use the money for. He doesn't want to tie this up in the Committee, if they are not going to make further headway today or next month.

Commissioner Richardson said he is not opposed to moving it out of Committee, he wants to make sure the discussion of the use of funding is had either here or Commission.

Commissioner Samuelian said he thinks we have consensus on the project and should move it to Commission. He thinks they should request the Administration to prepare an initial menu of potential ideas including reserves, he mentioned the Byron Carlyle as an example, with ballpark numbers that they can think about. He thinks the conversation should be held at the Commission. He moved to bring the item to the Commission with a menu of options for potential ideas for allocating the funds.

Commissioner Richardson seconded it.

Rafael Paz said they will work with Mr. Larkin on additional details with how quickly we can close, etc. and bring those details to the Commission.

Raul J. Aguila confirmed whether the Committee wanted the menu of options to remain in the FERC or go to the Commission.

The Committee would like the options to go to Commission so the full Commission can discuss the menu of options.

The Committee would like the Collins Park initiatives, Byron Carlyle, and the reserves to be on the list at a minimum.

MOTION: Commissioner Samuelian moved the item as presented and directed the Administration to bring a menu of options of what the \$7.4 million in funds could be used for including reserves, Byron Carlyle, and Collins Park initiatives. Commissioner Richardson seconded it. All in favor.

NEW BUSINESS

8. DISCUSSION TO CONSIDER A PROPOSED ORDINANCE TO THE CITY'S PREVAILING WAGES ORDINANCE, SET FORTH IN CHAPTER 31 OF THE CITY CODE, TO EXTEND THE REQUIREMENTS OF THE PREVAILING WAGE ORDINANCE TO CERTAIN CONSTRUCTION PROJECTS THAT ARE DEVELOPED ON CITY-OWNED LAND BY PERSONS OR ENTITIES OTHER THAN THE CITY, PURSUANT TO DEVELOPMENT AGREEMENTS, GROUND LEASES, OR MANAGEMENT AGREEMENTS FOR THE CITY

October 14, 2020 – C4 F

Sponsored by Commissioner Richardson

Office of the City Attorney

ACTION

Rafael Paz, Acting City Attorney, presented the item. He explained the City's prevailing wages ordinance provides for certain city construction contracts to pay their laborers the prevailing wage rates that are published in the Department of Labor. As defined in the ordinance, the obligation to pay prevailing wages only applies to construction contracts in excess of \$1.5 million to which the City is a party. It does not apply to construction on City owned land where the project is built pursuant to a development agreement, a lease agreement, or a management agreement because the City is not a party to the construction project itself, the City is a party with the developer, lessee, or operator and they in turn would enter into the construction contract. What this proposed ordinance does is extend the prevailing wage requirement to construction on city owned land in excess of \$1.5 million where it is constructed pursuant to a development agreement, ground lease, or management agreement in excess of 10 years. He noted that the prevailing wages ordinance currently has exemptions, certain city projects don't have to meet the prevailing wage requirements. Because public benefits are negotiated on a case by case basis with development agreements and leases, the sponsor has proposed for the Commission to be able to waive the prevailing wage requirements on a case by case basis with the 5/7th vote. The sponsor is proposing exempting workforce and affordable housing projects altogether for the requirement because margins are thinner, and the costs could make or break a project. Since this item has been delayed a few times, there was originally a February 2021 start date, but it can be pushed back to June or July as this would require 2 readings at the City Commission.

Commissioner Richardson thanked Rafael Paz for the summary. He said this came to his attention when the Marina project was in front of the Commission, he realized that we did not have this provision and he didn't bring it up because at the time it wasn't part of our ordinance.

Commissioner Arriola asked what his colleagues would like to do with this item.

Commissioner Richardson said it would be his desire to move this to the full Commission with a favorable recommendation. He moved the item.

Commissioner Samuelian seconded it.

Commissioner Arriola said he is in support as well.

MOTION: Commissioner Richardson moved the item as described with a favorable recommendation from the Committee. Commissioner Samuelian seconded it. All in favor.

9. **DISCUSSION REGARDING RE-ALLOCATING ART DECO WEEKEND SPONSORSHIP ALREADY BUDGETED TO BE USED TOWARDS THE MUSEUM MASTER PLAN**

December 9, 2020 – C4 I

Sponsored by Commissioner Góngora and Co-Sponsored by Mayor Gelber
Property Management

ACTION

John Woodruff, Chief Financial Officer, presented the item. He explained Daniel Ciraldo approached the City and asked about the \$100,000 sponsorship that is currently budgeted for Art Deco Weekend, since the event was virtual this year, if we could reallocate that and put it towards some master plan improvements, a project that he has at the facility. He said he and Adrian Morales evaluated the request and felt the project made a lot of sense and it would help elevate the space, make it more competitive and since it is our facility, we have a vested interest. The project cost is still to be determined, probably in the \$350,000-\$400,000 range and this \$100,000 wouldn't accomplish a lot and since we need savings in this year's budget, we would potentially provide \$50,000 towards the most important enhancements in the facility and save \$50,000 at this time. We would then work with Mr. Ciraldo for the 2022 capital budget to try and split the remaining cost and they can fundraise the difference. We will know the budget of the project in a few months and we will match 50%, once they are able to demonstrate their 50%.

Discussion was held.

Commissioner Richardson asked if the \$50,000 recommendation for a specific project that can be separated from the other work in case, we decide in the future we take the additional work and spread it over 3 years due to budget constraints. He asked if the \$50,000 will complete a project or a series of projects or if they will be left open and looking for more money next year.

John Woodruff said he believes there are 1 or 2 elements of the master plan project that the \$50,000 would cover.

Adrian Morales, Property Management Director, said they have been working with Daniel Ciraldo since their new contract deliverables and trying to improve the physical space to enhance the Welcome Center and the experience of our guests as part of the reimagining of Ocean Drive. Mr. Ciraldo has been working on different elements of the museum that he feels that would elevate the program. The idea is to spread out the improvements until they achieve the full master plan that they have. This specific number will get us part of the project completed, but it won't leave an open end.

Daniel Ciraldo, Executive Director of MDPL, spoke. He summarized that they have the master plan and have the architectural drawings and it has been something they have been wanting to move forward with for quite a while. They saw this as a time to take advantage during COVID-19 to make the necessary enhancements. Once they have the 50% match from the City they will then go to their other partners to try and get the match and those include Miami-Dade County and the State of Florida. They will also reach out to the local foundations and do their own fundraising campaign. He thinks these enhancements will elevate the cultural center. The goal of the master plan is to improve the infrastructure. With the City's support he looks forward to moving this forward.

Raul J. Aguila, Interim City Manager, spoke. He clarified the recommendation of the Administration and said they are fine with the \$50,000, which was originally a \$100,000 request. He recommends we don't release the balance of our \$175,000 contribution until MDPL has demonstrated to us that they have raised their half of the funds.

Commissioner Samuelian said he is supportive of this item and accepting the recommendation as described by the City Manager. MDPL and this center is an asset to the community and plays a critical role in the new vision for the art deco cultural district and he especially likes the matching 50% funding and that we are saving \$50,000 from the actual budget allocation. He is fully supportive of this direction.

Commissioner Richardson asked if they are approving just the \$50,000 today or the 50% match in the upcoming budget.

John Woodruff said that is a policy decision, he thinks either is a decent option and he said if you ask Mr. Ciraldo, he would probably like a commitment today for both.

Commissioner Richardson said he moved the item to allocate \$50,000 and also includes the recommendation of the Administration on the \$175,000 match and put in the budget for next year, but that we don't release the funds until MDPL has raised their \$175,000 as City Manager Aguila mentioned.

Commissioner Samuelian seconded it.

Commissioner Arriola said he supports it as well.

MOTION: Commissioner Richardson moved the item to allocate \$50,000 and also include the recommendation of the Administration on the \$175,000 match and put in the budget for next year, but that the funds are not released until MDPL has raised their \$175,000. Commissioner Samuelian seconded it. All in favor.

10. **DISCUSSION ON A PROPOSAL TO DEPLOY INTERACTIVE DIGITAL KIOSKS**

September 16, 2020 – C4 M

Sponsored by Commissioner Arriola

Communications/Property Management/Procurement

ACTION

DIRECTION: Item Withdrawn.

11. **DISCUSS FUNDING NEEDS OF STORMWATER PROJECTS**

January 13, 2021 – C4 C

Office of Capital Improvement Projects

ACTION

David Martinez, CIP Director, presented the item. He explained that the Administration has been discussing the need for stormwater funding in some of the projects that we have ongoing and felt that it was necessary to bring forth a recommendation on how to move forward. There are 3 projects that are in some stage of development which include the West Avenue project, Indian Creek phase 2, and the South of Fifth stormwater project. There is going to be a need as early as next month as there is a significantly large change order that will be presented to the Commission on the West Avenue and Indian Creek projects. When we look at the funding needs that they would require including the South of Fifth project, we are looking at somewhere in the neighborhood around \$28 million for different things. The Administration's recommendation is to fund it from the Resiliency Fund.

John Woodruff, Chief Financial Officer, said when we talked about funding for stormwater, we had \$100 million in bonds and we did a second \$100 million in bonds and now this third \$100 million that we are using for these kinds of projects is coming from the Miami-Dade Interlocal Agreement/Resiliency Fund. We have used quite of bit of the money already. At this point if you include the \$11 million from next year, which is the final year that we would receive any funding, we would be at about \$68 million. This \$28.2

million ask is going to cut significantly into that fund balance. We have this money available for this purpose, but what we need to be aware of as we deplete these funds and we want to think about potentially starting any new projects, at that point we would probably need to have a rate increase discussion. We would need to look at the Jacobs Engineering sequencing and see which projects can go first and that we may need to have a hard discussion regarding rate increases at that point.

Discussion was held.

Commissioner Samuelian asked what the total budget of these projects would be.

David Martinez said the original Indian Creek project was awarded for just under \$14 million, so the ask will increase the project to well over \$20 million. For the West Avenue project, it would put us at over \$100 million when we add this amount to it. Currently there is an available \$9 million in the project budget and an addition \$24 million for other costs, so the delta would be about \$15 million which is what is represented in the memorandum.

Roy Coley, Public Works Director, spoke about the South of Fifth project. He said right now we are still at concept planning level and are estimating a range of \$25 million, but there are still some unknowns in design, so that is a very concept level budget estimate.

Commissioner Samuelian asked what other options we have, if we can simplify or do something different.

David Martinez said we would have to undo some of the direction that was received from the Commission. In regards to Indian Creek, there are 2 principal items requiring the budget change, one being the relocation of the generator from Indian Creek to the parking lot and the other one is related to the inability to construct the permanent final sea wall that is tied up with the federal permits. For the West Avenue project, there are 3 elements that create the gap, the relocation of stormwater treatment components to the parking lot, the upsizing of the stormwater collection infrastructure for the level of stormwater service from a 5 year to a 10 year storm and the third being the construction of the additional quality treatment required by DERM.

Commissioner Samuelian said he understands the Resiliency Fund has these funds available, but there are other needs besides these projects. The \$28 million is quite a sizable ask.

Commissioner Richardson said he wants to make sure he understands that staff is seeking recommendation today to send this to the Commission.

David Martinez said that is correct, there would be an individual change order request particularly for Indian Creek and West Avenue and they would have an associated capital budget amendment to go with them.

Commissioner Richardson asked if these are all ongoing projects.

David Martinez confirmed they are all ongoing projects; the South of Fifth project is in more of a planning stage. He said they are in the final stages of negotiations with these projects and the numbers provided are the upper limits, the idea is to bring the number down somewhat, but it would be minimal. The direction today would go to the February Commission meeting with a resolution accepting the recommendation from the Committee.

Commissioner Richardson said he understands this is a lot of money, but these are ongoing projects and if we don't fund them, they are going to be further delayed where there would be an unfavorable result. He moved the item based on the Administration's recommendation to bring this to the Commission.

Commissioner Samuelian said his hesitancy is the amount these projects are increasing; it makes sense to move it out of the Committee and have the discussion with the full Commission. There may not be many alternatives at this point, but \$28 million is a substantial ask and now we have projects over \$100 million. He is concerned about the money.

Commissioner Arriola said we aren't going to resolve this here and thinks it needs to go to the full Commission since it is a big item. He seconded Commissioner Richardson's motion.

Commissioner Richardson said the Administration should be ready to explain the needs for the increases. He doesn't want to delay these projects; he wants to keep everything moving.

MOTION: Commissioner Richardson moved the item to the full Commission based on the Administration's recommendation. Commissioner Arriola seconded it.

12. **DISCUSS A PROPOSED AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA, A FLORIDA MUNICIPAL CORPORATION (CITY) AND MIAMI BEACH REDEVELOPMENT AGENCY, A PUBLIC BODY CORPORATE AND POLITIC (THE "RDA") (HEREINAFTER COLLECTIVELY REFERRED TO AS "LANDLORD"), AND THE MOONLIGHTER FABLAB, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION (HEREINAFTER REFERRED TO AS "TENANT") FOR SUITE G IN THE PENNSYLVANIA GARAGE CONDOMINIUM INCLUSIVE OF THE NORTHEASTERLY 935 SQUARE FEET, LOCATED AT 1661 PENNSYLVANIA AVENUE, MIAMI BEACH, FLORIDA**
Property Management

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

13. **DISCUSS A LEASE AGREEMENT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA, A FLORIDA MUNICIPAL CORPORATION (CITY) AND MIAMI BEACH REDEVELOPMENT AGENCY, A PUBLIC BODY CORPORATE AND POLITIC (RDA), (HEREINAFTER COLLECTIVELY REFERRED TO AS LANDLORD), AND THE MIAMI BEACH CHAMBER OF COMMERCE, A FLORIDA NOT-FOR-PROFIT CORPORATION FOR APPROXIMATELY 721 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS GARAGE, LOCATED AT 100 16TH STREET, SUITE NO. 6, MIAMI BEACH, FLORIDA, FOR A PERIOD OF THREE (3) YEARS AND TWENTY-FIVE (25) DAYS RETROACTIVELY COMMENCING ON JANUARY 1, 2021 AND ENDING ON JANUARY 26, 2024**
Property Management

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

14. **DISCUSS A LEASE AGREEMENT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA, A FLORIDA MUNICIPAL CORPORATION (CITY) AND SOBE CATS SPAY & NEUTER, INC, FOR THE USE OF A CITY-OWNED PROPERTY CONTAINING A 2400 SQUARE FOOT CITY-OWNED BUILDING, LOCATED AT 8128 COLLINS AVENUE (PREMISES), TO PROVIDE TRAP, NEUTER, VACCINATE, AND RELEASE PROGRAM (TNVR) AND OTHER ANIMAL WELFARE RELATED SERVICES**
Property Management

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

DEFERRED ITEMS

15. **DISCUSS INVESTING IN PLAYGROUNDS IN LUMMUS PARK**
February 12, 2020 – C4 E
Sponsored by Commissioner Arriola
Parks and Recreation

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting, pending agreement.

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

May 16, 2018 – C4 R

Sponsored by Commissioner Samuelian
Transportation & Mobility

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

17. 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: Defer to the February 19, 2021 FERC meeting.

18. DISCUSS FUNDING BOLLARDS ALONG THE BEACHWALK

October 14, 2020 – C4 Z

Sponsored by Commissioner Arriola
CIP/Property Management

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

19. DISCUSS A PROPOSED EXTENSION OF THE CITY'S EXISTING LEASE WITH 1 WASHINGTON AVENUE CORP, THE CITY'S LONG-TERM TENANT AND OPERATOR OF THE "SMITH & WOLLENSKY" RESTAURANT FACILITY AT SOUTH POINTE PARK, WITH THE FOREGOING SUBJECT TO INDEPENDENT THIRD-PARTY APPRAISALS OF THE LEASE AND NEGOTIATION OF THE LEASE AMENDMENT TERMS, INCLUDING PROPOSED TENANT IMPROVEMENTS, WHICH WOULD BE COMPLETED BY THE LESSEE, AT NO COST OR EXPENSE TO THE CITY

October 28, 2020 – C4 A

Property Management

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

20. DISCUSS FUNDING FOR THE LAZARUS PROGRAM ADMINISTERED BY CAMILLUS HOUSE

January 13, 2021 – C4 E

Sponsored by Commissioner Góngora
Housing and Community Services

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

21. DISCUSS ADOPTING A BIKE SAFETY ORDINANCE

January 13, 2021 – C4 F

Sponsored by Commissioner Arriola

Transportation & Mobility

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

22. DISCUSS THE COST OF OBTAINING A ZONING VERIFICATION LETTER

January 13, 2021 – C4 H

Sponsored by Commissioner Arriola

Planning

ACTION

DIRECTION: Defer to the February 19, 2021 FERC meeting.

23. 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 March 2021 FERC meeting.

24. 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 March 2021 FERC meeting.

25. AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 34 OF THE CODE OF THE CITY OF MIAMI BEACH ENTITLED "COMMUNITY DEVELOPMENT," BY AMENDING ARTICLE III THEREOF, ENTITLED "SAFE NEIGHBORHOOD IMPROVEMENT DISTRICTS," BY AMENDING DIVISION 5, ENTITLED "DISTRICT 4," BY AMENDING SECTION 34-203 THEREOF, TO ELIMINATE THE AD VALOREM CAP OF \$500 PER PROPERTY PER YEAR, CONSISTENT WITH ORDINANCE NO. 2002-3380; PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION AND FOR AN EFFECTIVE DATE

October 14, 2020 – C4 C

Sponsored by Commissioner Richardson

Office of the City Attorney

ACTION

DIRECTION: Defer to the March or April 2021 FERC meeting.

26. DISCUSSION REGARDING THE LGBTQ ADVISORY COMMITTEE MOTION REGARDING FUNDING FOR LGBTQ COMMUNITY INITIATIVES

April 22, 2020 -C4 A

Sponsored by Commissioner Góngora
Office of Management and Budget

ACTION

DIRECTION: Defer to be discussed during the FY 2022 budget process.

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 be discussed during the FY 2022 budget process.

28. 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 5TH STREET AND 15TH 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: Defer until after midnight curfew as a response to COVID-19 is lifted.