


TO: Honorable Mayor Dan Gelber and Members of the City Commission

FROM: Alina T. Hudak, City Manager 

DATE: October 13, 2021

SUBJECT: REPORT OF THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE (FERC) MEETING ON FRIDAY, SEPTEMBER 24, 2021

A meeting of the Finance and Economic Resiliency Committee Meeting was held on Friday, September 24, 2021 at 10:00 a.m. as a hybrid meeting. Attendance: Commissioners Ricky Arriola, David Richardson, and Mark Samuelian. Members from the Administration and the public were also attendance.

MEETING OPENED AT 10:05 A.M.

OLD BUSINESS

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

May 16, 2018 - C4 R

Sponsored by Commissioner Samuelian
Transportation & Mobility

ACTION

Commissioner Samuelian opened the item. He provided some background on the item and explained that the last time this was in front of the Committee the Administration was not happy with the progress and direction was given to further engage with the County. He asked for Jose Gonzalez to provide an update on anything new and how we advance the process in the most constructive way.

Jose Gonzalez, Transportation & Mobility Director, explained there is a long-term BERT, which the County is proposing to connect from Golden Glades interchange in Miami Dade County over to Earlington Heights Metro Rail station and east to Miami Beach. It would serve Mount Sinai, Fontainebleau, and City Center Convention Center area. The concerns Commissioner Samuelian mentioned are for the short-term service, the County anticipates starting the service either later this month or next month and they are branding it as the Tuttle Shuttle. The concern is about the route, it is too short of a route, it would only be going back and forth from Biscayne and 36th Street to Mount Sinai. The budget is limited, but the Administration asked the County if they can look at another type of service, perhaps privatizing the service to reduce the cost. With the Tuttle Shuttle demonstration service, we all wanted it to mimic the long-term BERT.

Discussion was held.

Commissioner Samuelian asked if we are prepared with our trolley system to connect at Mount Sinai.

Jose Gonzalez said we have the trolley in place, there is just a reduced service. There is \$5.1 million set aside for the long-term BERT, we have not approved any funding for the short-term Tuttle Shuttle.

Peter Haliburton, consultant for Miami-Dade County, went through a presentation regarding the Beach Express North and Tuttle Shuttle and explained how they will work and some details regarding the route,

timing, and cost.

Commissioner Samuelian asked what the best estimate it for when the service will begin.

Mr. Haliburton said the last he heard it will be in November.

Commissioner Samuelian said he would really like to get the word out and make sure residents are aware of the service.

DIRECTION: Come back with a quarterly update to the December 22, 2021 FERC Meeting.

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

December 12, 2018 - C4 E

Sponsored by Commissioner Arriola

Economic Development

ACTION

Rickelle Williams, Economic Development Director, presented the item. She explained she last presented the item in May and what is different is that they are recommending 2 applicants for the job creation incentive program, which was authorized by the City Commission on March 17th. She highlighted some of the efforts of the department. She mentioned the North Beach CRA being approved and the storefront vacancy program. In the 2 years of the existence of the storefront vacancy program, we have a participating property coming out of North Beach. There have been struggles getting participation in other areas other than South Beach, so they are very excited about having participation in North Beach. She also mentioned a few other initiatives including but not limited to, the 41st Street Streetscape project, the Zyscovich plan, and Collins Park Arts Facility lease. The Class A Office Space RFP has been on the street for approximately 3 months and have received a lot of interest. She provided some details on the process and statistics for example, on how many businesses expressed interest. She highlighted some other programs that the Department has in place. In addition, she mentioned Economic Development has collaborated with Fire, Building and Planning on the expedited plan review and permitting incentive program that was authorized in March 2021 by the City Commission. There are several companies that are currently going through the process and have expressed interest. Businesses have mentioned the amazing service they have received compared to other cities, which is very exciting.

Rickelle Williams continued on to touch on the applicants to the job creation incentive program. There are 2 companies, GMF Capital and Melvin Capital, both financial services firms. GMF Capital is an investment management firm and Melvin Capital is an investment advisory firm. Both of the firms are slated to occupy 1674 Meridian Avenue, which was recently positioned at Class A Office space. GMF is setting up headquarters with a 5-year lease and Melvin will have a regional office here with a 10-year lease. She elaborated on some details including the hiring of employees.

David Kurd, Chief Operating Officer at Melvin Capital, spoke. He mentioned he wanted to thank the City of Miami Beach and Rickelle Williams and Amber Tarrac from the Economic Development Department. The programs implemented in Miami Beach and the welcoming with open arms is completely refreshing, especially coming from New York City. They are incredibly excited to get their office open.

Commissioner Arriola expressed his excitement as well and thanked Mr. Kurd for his kind words. He asked Mr. Kurd to share his selection process as he looked at Miami Beach and other locations in South Florida and why he settled on Miami Beach with the particular space and what he found available out in the market.

Mr. Kurd explained the selection process and mentioned their founder Gabriel Plotkin was moving down to Florida near the Palm Beach area. When he first spoke about some of the people that were moving on a

temporary basis, he expected them to talk about the tax savings, but they didn't even bring it up right away. People are very happy, and it is a much more open atmosphere. They looked around in Miami Beach and they feel they found an incredible space and hoping to start construction to build it out.

Commissioner Richardson asked on suggestions of how we can improve the experience.

Mr. Kurd mentioned not at this moment, but they are going through the permitting process now so in a few weeks he may have some more comments.

Commissioner Samuelian thanked Mr. Kurd and he is excited as well to have Melvin Capital coming to Miami Beach and appreciates Mr. Kurd telling all of his friends. He asked for more detail on how Mr. Kurd felt Miami Beach was different than other locations in Miami-Dade County like Brickell or Downtown.

Mr. Kurd explained they have fairly young employees within their company and their excitement about choosing Miami Beach was higher versus another place.

Commissioner Arriola asked if they had to expand their office footprint if they have a sense of the ability to do it in Miami Beach because we have a view that we don't have enough Class A Office Space in Miami Beach.

Mr. Kurd mentioned if they need to expand it would have to be in another building, there is not a lot of availability and there is a lot of demand. He said they are in a good place probably for the next 4-5 years, but post that they might need to look for a larger space.

Rickelle Williams formally introduced the Economic Development Assistant Director Amber Tarrac. She also asked for a formal recommendation for these 2 applicants of the job creation incentive program. The incentive was described and elaborated how it is a performance-based incentive.

Commissioner Samuelian moved to approve the applicants of the job creation incentive program as recommended by the Administration.

Commissioner Richardson seconded the motion.

Jared Frydman, Managing Director of Acquisitions from GMF Capital, spoke. He extended their gratitude to the City of Miami Beach and everyone has been extremely accommodating. They are excited to move into the space and about the opportunity to expand with new hires. They are hoping to open the office close to the end of the year, there has been some delays with materials.

The Committee expressed their support and advised to reach out if they need anything help along the way. The Committee is excited to have them in Miami Beach.

Mr. Frydman explained some of the reasons why they decided on Miami Beach including demographics, find and retain talent, and growth of the business.

Commissioner Arriola asked about the communications around this. He encouraged staff to take advantage of everything that was just said and using it in clips.

Rickelle Williams explained some of what they are doing with regard to their communication strategy. She touched on the monthly newsletter and issue press releases in collaboration with the Marketing and Communications Department.

Commissioner Arriola suggested that we target the publications for the industries we are trying to reach.

Rickelle Williams elaborated on details of the digital advertisements we are posting as well as in the certain publications to target the desired demographics. We are going to be using a targeted marketing campaign.

Commissioner Arriola said he is supportive of allocating funds for this initiative. He continued with ideas and mentioned we need a comprehensive plan for marketing.

Commissioner Samuelian mentioned for the communications, he is fully supportive of the budget item that will be approved next Thursday. He requested for staff to get to the next level of detail and ask Rickelle Williams when she will have the meat of it and bring it to this Committee where they can vet and contribute to then bring it to the full Commission.

Commissioner Richardson asked if there is a plan on how we are going to roll out these stories. These are great stories, and we need to get some national attention. She invited Jennifer Seoanes from Marketing and Communications to speak more about this.

Jennifer Seoanes, Marketing Manager, explained we have been hitting our target audiences through the online publications. The same plan, a little bit broader would go toward our business attraction campaign. One of things we are doing is seeking outside Marketing and PR firms that specialize in this. They have worked with Economic Development to do the creative brief. There are about 25 agencies in the pool, and we are doing it in phases, starting with 10. There is a mix of Marketing and PR and we are receiving proposals as we speak, and they will be taking a look at them and narrow them down.

Rickelle Williams added that we are looking into firms that are currently doing business with the City and leveraging resources we currently have. She also mentioned the GMCVB will be doing an overall branding initiative for the City. Nothing that they are doing now will compete with that process. The GMCVB contract includes promoting businesses.

Commissioner Richardson asked if staff has thought about going to trade shows that are specific to financial services and putting up a booth to talk to people about the incentives we are offering.

Rickelle Williams said yes, they have been looking into that, ones that are virtual and they are also looking into participating in shows that are happening at the Convention Center to develop the ecosystem for us. They haven't been focused on trade shows because of COVID and the travel restrictions.

Commissioner Richardson mentioned he will bring an item to Commission regarding the trade shows. He asked about another program regarding encouraging the owners of vacant storefronts to allow artists and others to use the space. He has heard the program has not gone very well due to owners not wanting to be liable if something happened.

Rickelle Williams said there have been some challenges with securing storefronts from property owners. They started to see folks would rather hold out to see if they could get a tenant rather than have the space occupied by an artist for a short period of time. They had some success and notoriety with the open house program, the inability to have more property owners participate in the program is sort of positive for economic development because they are leasing up their spaces for long term tenants.

Discussion was held regarding details of the program.

Commissioner Richardson said he would like to get over the liability issue and he would like to try and refresh that idea of the pop ups. The issues around liability and maybe the incentives we may need to explore a bit more. He would like to address this issue more next month, specifically the liability and the incentives.

Rafael Paz, Acting City Attorney, explained that when they worked on the program initially, the main impediment that we can't control or address is the expectation that someone will be out in 30-60-90 days, once you have someone on your premises and refuse to leave you may have to go through an eviction process to get them out. There is some risk. There is work that maybe we can look at and share some of the risk, but that is something as a business matter we can develop further.

Commissioner Richardson suggested maybe having the City offer some guarantor to the lesser.

Commissioner Samuelian provided kudos on accomplishing the North Beach CRA. He also mentioned Ocean Drive, he said we have a challenge and an opportunity which we are addressing, he thinks there are some moving parts that could be helpful, and we really need to think creatively how we bring in those anchor tenants and incentivize the right type of uses in that area. He also agreed with Commissioner Richardson's idea of hopping on a plane to trade shows. He also understands there are other parties involved with regard to branding, but he does not want that to slow us down. He would really like to see this item back next month with the latest details on the communication strategy.

Commissioner Arriola agreed with bringing the item back with focus on the communications strategy. He would be very curious how we are targeting the financial community and high-tech community.

Commissioner Richardson inquired if the Economic Development Department has funds in the budget to attend trade shows.

Rickelle Williams said they have sufficient funds in the budget to attend one or two trade shows next fiscal year.

Commissioner Richardson suggested coming back next month and identify 4 financial services trade shows and 4 high tech trade shows and come back with a plan on where staff thinks they should go and how much they think it would cost.

The Committee agreed that they would like staff to come back with a plan regarding the trade shows.

Rickelle Williams mentioned that the technology and financial services communities are different. One of the ways they have found to be effective with the technology community is attending local events to see who is here, who wants to be here, and what their needs are.

Wayne Roberts, resident, spoke and mentioned conventions are not the way to go. He said it would make more sense to target the audience you do want by email. The first step is establishing the message and what the objectives are. He hopes we bring someone in that can really attract businesses we want to bring in and retain.

Commissioner Samuelian said the appropriate use of digital marketing should be an element of our plan. We are trying to bring the best thinking in this area. He also recently joined the board of the Beacon Council and knows Rickelle, and her team are tapped in with the County efforts and learning from them on a best practice basis on what we need to do. Given the progress and enthusiasm around this topic, if our City staff needs additional resources to complement the capabilities then he will encourage them to bring that need forward to the Committee and look at it to see what can be done to be helpful.

MOTION: Commissioner Samuelian moved to approve the applicants of the job creation incentive program as recommended by the Administration. Commissioner Richardson seconded the motion. All in favor.

DIRECTION: Come back to the October 22, 2021 FERC Meeting with the communication strategy, details on the pop-up program with regard to incentives and liability, trade show options for technology and financial services industries including cost, and any details on additional resources needed to enhance the efforts.

3. 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

DIRECTION: Defer to the October 22, 2021 FERC meeting.

4. **DISCUSS VESTED EMPLOYEES IN TIER B THAT HAVE BEEN REHIRED IN TIER C**

April 21, 2021 - C4 S

Human Resources

ACTION

Michael Smith, Human Resources Director, presented the item. He provided some background on the item. There were 6 individuals in the actuary study that would be affected by this. Human Resources is not generally involved in this type of thing, usually they are involved in recruiting and retaining employees. He is not here advocating for this. He explained there are individuals that left the City in Tier B and came back to be employed and are now in the Tier C pension plan.

One of the 6 employees is still in Tier B after arbitration hearings. There are only 5 people remaining in this situation.

Rafael Paz, Acting City Attorney, mentioned Commissioner Góngora withdrew his participation if no one was going to sponsor the item on account of him being in the pool. It was more conditional.

Commissioner Richardson said he is not supportive of this. He understands there may be a little more administrative effort in this. However, Mr. Smith mentioned we are in the business of recruiting and retaining employees, but if someone voluntarily leaves employment there are consequences to that we changed our pension plan. He doesn't want us to be perceived as incentivizing someone to leave and if they decide to come back, they will retain a prior benefit. He doesn't agree with this specifically, but there is a related issue he would support. He said let's say an employee vests under Tier B and they come back and earn years under Tier C, you have to start with a new five years, maybe he would consider not having to vest a whole new five years under the new tier.

Commissioner Samuelian said the nuance that Commissioner Richardson mentioned is worth looking at, also while it is not a huge number given the scope of our pension, it was an impact to our pension unfunded liability. Whenever he talks about our pension, he is really talking about making sure we can deliver our commitments to our employees. Given the fact this would add to the unfunded liability, he is supportive of looking at the issue more narrowly and if Commissioner Richardson was stating his idea in the form of a motion, he would second it.

Commissioner Richardson moved for the Administration to work on the other issue about how many years should be required to vest in Tier C if the employee was already vested in Tier B and to come back with a recommendation.

Commissioner Samuelian seconded it.

Commissioner Arriola said he wanted to defer to Michael Smith on this as well.

MOTION: Commissioner Richardson moved for the Administration to work on the other issue about how many years should be required to vest in Tier C if the employee was already vested in Tier B and to come back with a recommendation. Commissioner Samuelian seconded it. All in favor.

DIRECTION: Come back to the FERC after doing some research and provide a recommendation on whether any of these employees that vested in Tier B would need another 5 years of service in Tier C to vest.

5. **DISCUSS IMPLEMENTING TEN YEAR VESTING FOR ALL FUTURE EMPLOYEES**

March 17, 2021 - C4 W

Sponsored by Commissioner Arriola

Human Resources

ACTION

Michael Smith, Human Resources Director, presented the item. He said he strongly disagrees putting the vesting period back to 10 years. He said in 2010 there were a number of changes to the pension plan, including the multiplier decreased from 3 to 2.5, the retirement age increased from 55 to 62, and the amount of the annual COLA decreased. There were a lot of things that changed during that time, the good thing that happened was that the vesting period went from 10 to 5 years. As a recruitment tool, the 5-year vesting is very attractive to high level professionals.

Commissioner Arriola mentioned that he said with his business, if he listened to whatever his employees wanted, he would be out of business. He understands short term for attracting employees, but long term he is thinking about our pension plan. He also spoke about how government used to be lower paying and had the benefit of a pension, but now government is more competitive with salaries and he doesn't believe we need to worry as much about providing so many more benefits like keeping the vesting period to 5 years.

Commissioner Samuelian said he shares the goal of being able to deliver what we are promising our employees. That is a great topic and great issue. He suggested having an executive briefing regarding this as they approach the upcoming labor negotiations, so they are all clear on the issues impacting pensions. This is a great topic. His hesitation today is on this particular lever, because he wants to do what has the biggest bang and he is worried a bit about the talent piece of this because 5 years may have been an important element of the recruitment package. He thinks there are things to be discussed and he would rather first get the big picture in an executive briefing and maybe ask the Administration to bring us a menu and they can engage at that point.

Commissioner Arriola said he wasn't looking for action today, this is a big strategic decision we need to fully understand the economics and as it affects retention. We are in a difficult labor market as an employer, but it will pass. The pension obligations do not pass.

Commissioner Richardson said he is in agreement and if that was a motion from Commissioner Samuelian he'll second it. We need to do more work on this, and we are in a unique situation where our pension is not portable. He gave an example of the Florida Retirement System, where you can go to different positions and stay within that system. It may be a problem with attracting talent if we were to increase it to 10 years.

Michael Smith mentioned the actuarial study in the agenda was done recently and shows the vesting period does not make any difference financially. They also did a study in 2018 during negotiations where it showed no difference as well. He also mentioned the 5-year pension is actually a lower pension per month than it is for a 10-year pension because there are no COLAs, growth in salary, and merit increases, etc.

Commissioner Richardson said he would like to know what changed with the value of the pension when they changed it from 10 years to 5 years. He is supportive of the executive session with the full Commission.

DIRECTION: Administration to do some more research and discuss further at an executive session with the full Commission.

6. DISCUSS FUNDING BOLLARDS ALONG THE BEACHWALK

October 14, 2020 – C4 Z

Sponsored by Commissioner Arriola and Co-Sponsored by Commissioner Steinberg
Facilities and Fleet Management

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

NEW BUSINESS

7. DISCUSS THE COST ASSOCIATED WITH THE CITY'S PLAN TO REMOVE AND RELOCATED PALM TREES

DISCUSS THE ECONOMIC CONSEQUENCES ON MARKETING, BRANDING, AND PROPERTY VALUES AS A RESULT OF REDUCING THE PERCENTAGE OF PALM TREES IN MIAMI BEACH

DISCUSS THE COST OF MAINTAINING SHADE TREES, INCLUDING SANITATION AND LEAF BLOWING COST

March 17, 2021 - C4 AF, C4 AG, C4 AH
Sponsored by Commissioner Meiner
Environment & Sustainability

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

8. DISCUSSION TO IDENTIFY FUNDING SOURCES FOR UPCOMING SEAWALL NEEDS

March 17, 2021 - C4 V
Sponsored by Commissioner Samuelian and Co-Sponsored by Commissioner Steinberg
Public Works

ACTION

Commissioner Samuelian opened the item. He explained that we are taking a broad view of resiliency and keeping our streets dry is an important element of it, we have some innovative programs for private property. 90% of sea walls in Miami Beach are private and we are here talking about public sea walls. This item has been traveling through the Land Use and Sustainability Committee. We have approximately \$20 million both from the G.O. Bond and the Resiliency Fund. The Administration has done a thorough job of where to spend the money. The Administration is looking at feedback for prioritization, this would then go to the full Commission and one of the items that came out of the LUSC is the importance of communicating to the community and public. This is really a discussion for the Committee to bless the plan and move it forward.

Nelson Perez-Jerome, City Engineer, spoke. He explained there will be incremental funding required at some point in the future. We have \$21 million and the start of fiscal year 2022 will provide another \$5 million from the Resiliency Fund and expect another \$5 million from the G.O. Bond. Beyond that there is still a funding gap between the total projected budget of \$48.5 million and the \$31 million we have. Today the funding is not being requested, but down the road there will be funding needed. He said they have met internally and have been preparing communications to go out as soon as it is approved at Commission. The reason they are in front of the Committee today is to provide a report that they have the funding they need to get the program moving forward. The prioritization is what was recommended at the LUSC, which will be presented again at Commission, and they would want the flexibility to skip items as necessary. For example, the first 2 sea walls on the list are on Dade Boulevard, they want to reach out to the County to see if they will partially fund those sea walls. They may start with sea wall 3 so they can implement the program right after Commission approval. A few years down the road we will need to look at additional funds. The program is a 10-year program counting expenditures from FY 2022 forward.

John Woodruff, Chief Financial Officer, added that we do anticipate leveraging grant dollars, we just don't know how much yet. This program might be almost fully funded; we just can't commit to that at this point.

Commissioner Richardson asked if we have explored funding at the State level.

Nelson Perez-Jerome said depending on the right-of-way with the sea wall, they are exploring partial funding from the County.

Commissioner Richardson suggested putting this on the list of their legislative priorities.

Commissioner Richardson moved to take this to the Commission and have the full body consider adding the encouragement at the State level for additional funding opportunities.

Commissioner Samuelian agreed and said making sure it is high on our legislative priorities is a good thought. He asked about Parkview Island.

Nelson Perez-Jerome said those he is referencing are private, there are ones across the waterway from Parkview Island and they are in the plan.

Commissioner Samuelian seconded the motion.

Wayne Roberts, resident, spoke. He commented on a previous item regarding employees coming back to the City who were previously in Tier B and came back in Tier C and suggested anyone leaving employment for family medical act reasons should be able to come back with Tier B.

MOTION: Commissioner Richardson moved to take this to the Commission and have the full body consider adding the encouragement at the State level for additional funding opportunities. Commissioner Samuelian seconded it. All in favor.

9. **DISCUSSION OF A PROPOSED AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE MIAMI BEACH REDEVELOPMENT AGENCY, A PUBLIC BODY CORPORATE AND POLITIC (RDA) (LANDLORD) AND MR. R SPORTS, INC. (TENANT) FOR THE USE OF A SPACE, HAVING APPROXIMATELY 2,884 SQUARE FEET AT ANCHOR SHOPS AND GARAGE, LOCATED AT 100 16TH STREET, SUITES NO. 1-4, MIAMI BEACH, FLORIDA; SAID AMENDMENT REDUCING THE BASE RENT FOR THE FINAL LEASE YEAR AND FURTHER DISCUSSING THE EXECUTION OF A CONDITIONAL LEASE TERMINATION AGREEMENT**

Facilities and Fleet Management

ACTION

Elizabeth Miro, Facilities and Fleet Management Assistant Director, presented the item. She explained that Mr. R Sports is a tenant at the Anchor Garage and has been a tenant for a while. He is in his last year of his lease. He desires to stay as a tenant; however, he has been in distress for the last couple of years. Staff is proposing to enter into a conditional termination agreement. The agreement as it stands right now does not have a termination clause. This would allow us to market the space to prospective tenants and provide the City for him to move out within 60 days' notice. Also, amend his rent obligations to a percent of gross.

Rafael Paz, Acting City Attorney, said a lot of our leases have percentage gross, typically with a minimum guarantee.

We would market the space while he is still there, once we find a prospective tenant that is vetted and secured, Mr. R Sports can move out, we don't lose any revenue and we can get a tenant who pays market rent.

Commissioner Richardson moved to approve the item recommended by the Administration.

Commissioner Samuelian seconded the motion.

MOTION: Commissioner Richardson moved to approve the item recommended by the Administration. Commissioner Samuelian seconded the motion. All in favor.

10. **DISCUSSION OF A PROPOSED AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE MIAMI BEACH REDEVELOPMENT AGENCY, A PUBLIC BODY CORPORATE AND POLITIC (RDA),**

(LANDLORD) AND CUBICHE 105, LLC (TENANT), FOR LEASE DATED DECEMBER 28, 2015 FOR THE USE OF SUITE NOS. 1-3 AT THE ANCHOR SHOPS, LOCATED AT 1555 WASHINGTON AVENUE, MIAMI BEACH, FLORIDA; SAID AMENDMENT MODIFYING THE FINANCIAL TERMS FOR THE PERIOD COMMENCING JANUARY 1, 2021 AND ENDING ON MARCH 30, 2022

Facilities and Fleet Management

ACTION

Elizabeth Miro, Facilities and Fleet Management Assistant Director, presented the item. She explained when they executed their lease agreement in 2017, they were doing \$3 million of renovations, they were paying their rent obligations and weren't able to open until February 2020 for 2 weeks. They didn't really reopen really until March 2021. Staff is recommending abating January and February 2021 and the remaining months from March 2021-March 2022 to do a partial abatement and do 10% gross receipts. In year 6, April 2022, they will resume as the schedule is indicated.

Commissioner Richardson said they reached out to him and he recommended they speak with the Administration. He moved the item as recommended by the Administration.

Commissioner Samuelian seconded it.

MOTION: Commissioner Richardson moved the item as recommended by the Administration. Commissioner Samuelian seconded it. All in favor.

11. DISCUSS POSSIBLE BUSINESS RETENTION INCENTIVES FOR GROOT HOSPITALITY

September 24, 2021 – C4 C

Sponsored by Commissioner Arriola

Economic Development/Parking

ACTION

Commissioner Arriola opened the item. He explained this item is to speak specifically about Groot Hospitality, but in addition the kinds of incentives we may need to want to examine as we try to attract and retain businesses. Groot Hospitality headquarters are here in Miami Beach and there is an owner in Wynwood trying to get them to move over there. Mr. Grutman is interested in expanding his footprint to 7,600 square feet, the issue he is running into is employee parking or lack thereof. One of the things that the landlord in Wynwood is using as an inducement is free parking. His idea for this item is to talk about incentives for these businesses to stay in Miami Beach. Parking, office space, etc. are obstacles for businesses to looking at Miami Beach to open a business/office here.

Rickelle Williams, Economic Development Director, said this was brought to her attention and the Lincoln Road BID also discussed this and made a motion to recommend that the City consider these incentives. Groot Hospitality is looking for 30 parking spaces in the area of 1680 Meridian Avenue. It is her understanding that the owner of the space in Wynwood is actually part owner of Groot Hospitality, so there is some synergy there. She mentioned that she thinks Groot Hospitality would love to stay in the City of Miami Beach, they have a large footprint here in terms of venues and employees, they are also looking to hire 40 full time employees. She mentioned she has been talking to Monica Beltran, Parking Director, and they have been looking at the parking demand and parking accessibility in the area. It is very challenging, there is a waiting list and high demand, which doesn't allow us in an ad hoc fashion provide an incentive of this kind.

Discussion was held.

Commissioner Arriola mentioned that the 17 Street garage seems to be empty during the working day. He said something doesn't make sense to him when he hears the garages are empty and then there is an 800-person waitlist for parking. If we have a vacant garage, we should utilize it during the day when there is less demand.

Monica Beltran, Parking Director, said there are about 1,400 spaces in the 17 Street garage. She mentioned she wanted to talk about how we can be part of the solution. She explained the situation of parking demand and provided ideas to improve how to get more people parking. The lists and the permits are handled through the Finance Department, but she is looking at the lists and going to clean them. They will also evaluate the lists and figure out how to offset demand. She said we want to also look at prioritizing issuance and balancing the demand because we have extensive waiting lists. However, we have some facilities that have parking, but don't want to provide it to their employees who then end up on our lists. She mentioned she has worked with Integra and plans on working closely with Rickelle Williams applying all of these strategies and further looking at making this an incentive. We cannot grant free parking because Parking is an enterprise fund and we also have revenue bonds that prevent us from giving away free parking. She committed to the Committee that she will evaluate each request and if the incentive is to ensure there is sufficient parking that we accomplish that in some way. Parking is a quality of life and quality of employment issue. She commits to working on the lists and not inconvenience people that have been waiting but look at different strategies to maximize usage.

Commissioner Richardson asked about our technology. He asked if we have an accurate way to get inventory to see how many spaces are used at certain times.

Monica Beltran said we have a revenue control system which does count the ins and outs. We monitor that and we are cognizant to our commitment to access cards. She explained once we reach a certain number, we close the issuance of access cards to transient parkers. Her strategy now will be to analyze the usage and time of usage.

Commissioner Richardson said he would like a report on the 17 Street garage next month. He would like to maximize the type of information that is available. He suggested we may be able to get more capacity if we time stamp the access cards and tell people if they are not out of the garage at a certain time they could be ticketed or towed.

Monica Beltran said we can do averages and estimates, but she doesn't want to lock people out of the garage at a certain time because they may need their employees to work late or come early on certain days. Parking is coming back. She said she hopes that we can maximize and support the parking demand by doing analyses that have not been done.

The Committee would like to bring back the parking topic next month and Commissioner Richardson mentioned he will work with Monica to get a detailed report to look at.

Discussion continued regarding the increased demand for parking.

Commissioner Samuelian congratulated Monica Beltran on her appointment to Director. He said he supports Commissioner Richardson's idea of getting a detailed report. He also said now would be a nice time to step back strategically on parking utilization.

Monica Beltran brought up an idea about working with private lots and compromising on utilizing them as well.

Commissioner Samuelian circled back to the incentives and the starting point for him to engage stakeholders, listen to what they are saying. He asked Rickelle Williams and her team to talk to some of the people they are working with and get a lay of the land. Maybe see what the DDA has and what the Beacon Council sees in regard to requests. If parking is what people are looking for, we should zero in on that, but he doesn't want to prejudge, maybe there is something else they are looking for besides parking. He asked for some informal research to be done and to come back to the Committee to report what the findings were.

Commissioner Richardson said he will be bringing an item to the Commission regarding a pilot program in the City of Miami where they had some underutilized parking. It is a set up with some food truck type

businesses that only do delivery. They are creating restaurants that are delivery only. He suggested exploring the idea of having a logistics center because on any given day we have hundreds of Amazon deliveries coming into the city.

Commissioner Samuelian said where Commissioner Richardson was going is a great idea regarding creative uses and he was actually on a call with the Beacon Council and there was email correspondence about the company Reef.

Commissioner Richardson said he is also exploring doing a 6 month pop up for restaurants and utilizing parking lots for other creative purposes.

Commissioner Arriola said with respect to Groot Hospitality, he would like to get back to them about providing them parking spaces they need.

Monica Beltran said we can provide the 30 spaces they are looking for. She said we need to do this, we don't want to stand in the way of the progress that has been made, we will have to find a way.

Commissioner Arriola said we need to see how we utilize different technology or through targeting certain businesses and residential communities to see how we can maximize use of our assets 100% of the time on different day times.

Monica Beltran mentioned that we did something like that in Collins Park and looked into the demand based on the employees during the day and evening that are parking.

Commissioner Arriola said this is one of the reasons why he is so excited about the 72nd Street project, the parking garage will be greatly utilized.

Discussion regarding technology was held.

Commissioner Arriola asked if it makes sense to have permitting in Finance.

John Woodruff, Chief Financial Officer, said Finance runs the Customer Service Center, so it is one place for all residents to go to. We do work closely with Parking, if it could be better, we are open to doing things differently.

Monica Beltran said that they work very closely with Finance and they offered help if needed to clean up the lists, etc.

Rickelle Williams reiterated that their willingness to assist Groot Hospitality is really in line with the overall strategy. The job creation incentive program is really for those expanding their headquarters or moving them here and it sounds like that is what they want to do here by adding employees and expanding their footprint. Any assistance with regard to parking is really in line with the overall economic development strategy.

Commissioner Arriola clarified although a directed focus is high tech and financial services firms, that doesn't mean exclude other businesses, so he is happy that Rickelle Williams said that.

Commissioner Richardson said he is supportive of this because this will grow the pie but doesn't think that we should give an incentive to businesses if it is going to put another business out of business.

Commissioner Samuelian said in one or two months they should pick up the discussion of parking utilization. He asked if we need to take any action to put it back on the agenda.

Rafael Paz, Acting City Attorney, said the item right now talks about the incentives for Groot Hospitality, but the discussion has been general, it can be kept in Committee and we can amend the title.

Commissioner Arriola suggested including the parking update as part of item 2 regarding the business retention and attracting new businesses.

Commissioner Samuelian said he would like to always make sure that we are being consistent regarding policy in place or something that will be put in place.

Rickelle Williams said that is something that was considered as they put together the memorandum. They would want to implement some sort of policy to ensure going forward that we are able to provide these incentives in an equitable and transparent way.

Monica Beltran mentioned that this is a company that came into an existing building like Integra as well and didn't have the opportunity to build their own parking.

Commissioner Samuelian summarized what the Committee would like Administration to do, which include looking at other incentives with a specific focus on parking and use this request as a model of what that might look like and come back next month with a recommendation. He would like an initial discussion on the strategy. His motion is more related to the parking incentives, he thinks in 30 days staff can come back to discuss incentives, specifically parking that is related to this current item.

Commissioner Richardson seconded the motion.

Commissioner Richardson would like also like a report on the uses for the 17 Street garage.

Commissioner Arriola reiterated the analysis on the parking garages, parking lots, etc.

MOTION: Commissioner Samuelian moved to look into other incentives, specifically parking and come up with a policy for future businesses. Commissioner Richardson seconded it. All in favor.

DIRECTION: Develop parking report for 17 Street garage, work on overall parking strategy, and come back with policy on incentives for businesses going forward and bring these items back in conjunction with item 2 regarding the economic development update on businesses retention and attraction efforts.

DEFERRED ITEMS

12. DISCUSS IMPLEMENTING A MIAMI BEACH BASED VENDOR PREFERENCE

May 12, 2021 – C2 D

Sponsored by Commissioner Góngora
Procurement

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

13. DISCUSSION REGARDING THE STATUS AND PLAN FOR THE BARCLAY PLAZA APARTMENTS

March 17, 2021 - C4 Y

Sponsored by Commissioner Arriola
Housing and Community Services

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting, pending feasibility study.

14. DISCUSS (1) INCREASING THE CITY'S CONTRIBUTIONS TO THE TREE PRESERVATION TRUST FUND; AND (2) THE FINANCIAL FEASIBILITY OF USING THE WEST LOTS (OR A PORTION THEREOF) FOR THE CULTIVATION OF TREES THAT ARE NOT READILY AVAILABLE IN A

NURSERY SETTING, FOR FUTURE INSTALLATION THROUGHOUT THE CITY AS PART OF THE CITY'S PUBLIC PROJECTS

March 17, 2021 - C4 AB

Sponsored by Commissioner Richardson
Environment & Sustainability

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

15. DISCUSSION OF A PROPOSED MIXED-USE WORKFORCE HOUSING AND OFFICE PROJECT ON THE CITY PARKING LOT AT 1000 WASHINGTON AVENUE

June 23, 2021 – C4 N

Sponsored by Commissioner Góngora
Facilities and Fleet Management

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

16. 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 & Budget

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

17. DISCUSS THE CITY OF MIAMI BEACH ADMINISTRATIVE RULES AND REGULATIONS FOR POLICE AND PARKING TOWING PERMITS, AS REVISED; AND ALSO, TO DISCUSS COMMISSIONER RICHARDSON'S PROPOSAL REGARDING AMENDING THE CODE TO ALLOW FOR ADDITIONAL POLICE AND PARKING TOWING PERMITTEES; THE VIABILITY OF BRINGING TOWING IN-HOUSE; AND A DRAFT COMPETITIVE SOLICITATION FOR THE ISSUANCE OF TOWING PERMITS; AND ASSOCIATED INFRASTRUCTURE TO ACCOMMODATE THE SAME

March 17, 2021 - C4 S

Sponsored by Commissioner Richardson
Parking

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

18. DISCUSS THE POTENTIAL FOR PEDESTRIAN ENHANCEMENTS IN THE OCEAN DRIVE, LINCOLN ROAD, AND ESPANOLA WAY COMMERCIAL CORRIDORS

April 29, 2021 - C4 Q

Sponsored by Commissioner Samuelian
Transportation & Mobility

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

19. DISCUSSION REGARDING CITY'S HOMELESS WALK-IN CENTER

September 11, 2019 - R9 O

Sponsored by Commissioner Samuelian

Facilities and Fleet Management

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

20. DISCUSSION REGARDING ESTABLISHING A LIGHT FESTIVAL ALONG OCEAN DRIVE

September 17, 2021 – C4 A

Sponsored by Commissioner Góngora
Tourism and Culture

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

21. DISCUSS POTENTIAL COVID RELIEF FOR THE LINCOLN ROAD ANTIQUE AND COLLECTIBLE MARKET

September 17, 2021 – C4 B

Sponsored by Commissioner Samuelian
Facilities and Fleet Management

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

22. DISCUSS LAUNCHING A HEALTH AND WELLNESS INCENTIVE INITIATIVE

September 17, 2021 – C4 V

Sponsored by Commissioner Arriola
Parks and Recreation

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

23. DISCUSS FINDING ADDITIONAL FUNDING SOURCES FOR HOMELESS AND DOMESTIC VIOLENCE VICTIMS

July 28, 2021 – R7 Z

Sponsored by Commissioner Steinberg
Office of Management & Budget/Office of Housing and Community Services

ACTION

DIRECTION: Defer to the October 22, 2021 FERC Meeting.

24. DISCUSSION REGARDING CRYPTOCURRENCY IN MIAMI BEACH

May 12, 2021 – R9 T

Sponsored by Commissioner Góngora
Finance

ACTION

DIRECTION: Defer to the November 19, 2021 FERC Meeting, pending County task force creation.

ADDENDUM

27. DISCUSSION REGARDING FUNDING A CONCEPTUAL DESIGN FOR THE BYRON CARLYLE

THEATER

September 17, 2021 – R9 AJ

Sponsored by Commissioner Samuelian
Facilities and Fleet Management

ACTION

Commissioner Samuelian opened the item. He explained this was discussed at Commission and it will be discussed again at next Thursday's Commission meeting. They had a constructive dialogue around the Byron Carlyle. Right now the Byron Carlyle is not included in the budget. He has been working with the Administration to see if it is the will of the body to advance the Byron Carlyle in some way what would we do. He said he listened carefully to his colleagues especially the ones that are present today. He heard a question on vision and what might this look like. He said he heard from his colleagues that the \$500,000 is a lot of money. Right now, the Administration is prepared to support an allocation of \$400,000 if it is the will of the Commission to move forward.

Elizabeth Miro, Facilities and Fleet Management Assistant Director, said they are going to be doing a charettes for a community survey, with that input along with a conceptual design will drive what the future plans for the Byron Carlyle are. She provided some dollar figures per square feet that get them to the \$400,000.

David Martinez, Office of Capital Improvement Projects Director, explained this is a 12,000 square foot facility and we have seen in some of the other studies that have been done that the range of construction depending on what is done is somewhere north of \$15 million. He would expect to pay for a full design development on this somewhere north of \$2 million to take it to full contract documents. This effort as he envisions it would take it somewhere short to 30% of development. He explained the details of what would be needed to construct a new facility.

Discussion was held.

Commissioner Arriola commented that he remembers not that long ago when we had to close the Byron Carlyle, people were complaining that we didn't need to close it when it was an unsafe structure, then they were complaining we didn't need to spend a bunch of money on it. Now the same people want us to spend 7 times the amount. The hypocrisy is too much. It is disturbing that they are having to do what is before them.

Commissioner Richardson agreed with Commissioner Arriola's comments. The building has been condemned. Doing something at the Byron Carlyle site is a priority for him, but the 72nd Street project is a higher priority for him. He wants to keep in mind that we cannot use any future North Beach CRA (NBCRA) money for the 72nd Street project. He is not going to support anything at the Byron Carlyle if it takes money away from going to the completion of the 72nd Street project. The NBCRA passed a motion an item to support the funding of 72nd Street of about \$106 million. He is offering the same support for that funding for the 72nd Street project. A good deal for the Byron Carlyle was presented to the Commission and it was turned down. He thinks we should have a new Byron Carlyle; the structure is not worth saving. The dollar amount has gone up exponentially. He also mentioned other avenues to fund the Byron Carlyle. He is not supportive today of putting money in the budget, because we still don't have the vision. He mentioned the opportunity of it being a public private partnership. He would like to get the poll results first, do a charette, come up with a design, and then they can amend the budget.

Commissioner Arriola agreed with Commissioner Richardson's comments.

Commissioner Samuelian said his view of the situation is not the same as his colleagues' that was mentioned. He mentioned he is supportive of the use of NBCRA funds. He asked if it is not the will of the body and there will be no money added to the budget, he confirmed that there will be no steps taken by the Administration and there is no other plan.

Elizabeth Miro confirmed.

Commissioner Samuelian said that doing nothing isn't the answer. We have to start some process including the community outreach. We need to do something, and it is on the agenda again for next Thursday's meeting. He really thinks this is important. He hopes they will decide to fund the conceptual design for the Byron Carlyle.

Discussion continued.

Commissioner Richardson said it is foolish to fund the design projects before we have results of the community survey.

Commissioner Arriola said he believes P3 is the way to go here.

Commissioner Samuelian said he understands everyone has a different view. He asked about the 72nd Street project and wanted to confirm the budget. It started as a \$54 million project, then we added another \$10 million. He asked what the current estimate is for the 72nd Street project.

David Martinez said about \$103 million.

Commissioner Samuelian said we need to get our assets in line first before we earn the right to do new projects.

Rafael Paz, Acting City Attorney, said the Byron Carlyle is not habitable, it has not gone to an unsafe structures board, but it certain could.

Commissioner Richardson continued to talk about 72nd Street project and how amazing it will be. He said he is committed to finding the \$18 million gap for the 72nd Street project. He said if Commissioner Samuelian helps him find \$18 million for the 72nd Street project and he will help Commissioner Samuelian find \$18 million for the Byron Carlyle.

Commissioner Arriola mentioned that Commissioner Samuelian has the ability to lead on this initiative, but if he continues to be as difficult as he has been with the 72nd Street project, he is going to find the same difficulty with the Byron Carlyle.

Commissioner Samuelian said he appreciates the political guidance.

Wayne Roberts, resident, spoke. He expressed his appreciation for Commissioner Samuelian thinking about the people of North Beach and Miami Beach to move this project forward. He wanted to know why we don't maintain City assets better.

NO ACTION TAKEN