



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

REDEVELOPMENT AGENCY MEMORANDUM

TO: Chairperson and Members of the Miami Beach Redevelopment Agency

FROM: Alina T. Hudak, City Manager

DATE: April 6, 2022

SUBJECT: **A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), ADOPTING THE SECOND AMENDMENT TO THE RDA CAPITAL BUDGET FOR FISCAL YEAR 2022 AS SET FORTH IN ATTACHMENTS A, “PROJECTS”; B, “SOURCE OF FUNDS”; AND C “PROGRAMS.**

STRATEGIC PLAN SUPPORTED

Organizational Innovation – Ensure strong fiscal stewardship

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

BACKGROUND

Planning for capital improvements is an ongoing process; as needs change within the City of Miami Beach (“the City”), capital programs and priorities must be adjusted accordingly. The Capital Improvement Plan (“CIP”) serves as the primary planning tool for systematically identifying, prioritizing, and assigning funds to critical City capital development, improvements, and associated needs.

The City's CIP process begins in the spring when all departments are asked to prepare capital improvement updates and requests on the department's ongoing and proposed capital projects. Individual departments prepare submittals identifying potential funding sources and requesting commitment of funds for their respective projects.

The CIP is updated annually and submitted to the City Commission for adoption. The 2022 – 2026 RDA Capital Improvement Plan and FY 2022 RDA Capital Budget was adopted on September 30, 2021 by Resolution No. 659-2021.

The First Amendment to the FY 2022 RDA Capital Budget was adopted on February 9, 2022 by Resolution No.667-2022.

SECOND AMENDMENT TO THE FY 2022 RDA CAPITAL BUDGET

The Second Amendment to the FY 2022 RDA Capital Budget reflects an overall increase of \$27,100,000.00 and a re-alignment of \$12,920,000.00 for the following capital projects:

- 1. Convention Center Renovation:** Per Letter to Commission (LTC) 099-2022, the Fifth Amendment to the Interlocal Agreement between the Miami Beach Redevelopment Agency, the City of Miami Beach, and Miami-Dade County provides for the City to access \$27.1 million of excess RDA Trust Fund revenues (Fund 168) to fund the contractually required payments related to the Miami Beach Convention Center Project Final Settlement Agreement, which was approved by the City Commission on September 30, 2021 through Resolution No. 2021-31870.

This proposed budget amendment appropriates the \$27.1 million in excess RDA Trust Fund revenues (Fund 168) to the Convention Center Renovation project via the RDA City Center Capital Fund (Fund 365).

Prior Years' Appropriations (RDA Funds Only)	\$288,416,641.00
April 6, 2022 RDA Budget Amendment	14,200,000.00
Proposed Total Appropriations	\$2,509,057.00

- 2. Transportation Capital Initiative:** Per LTC 099-2022, the Fifth Amendment to the aforementioned Interlocal Agreement also provides for the City to access the excess RDA Trust Fund revenues (Fund 168), to also reimburse the City for payments related to the aforementioned Settlement Agreement, which was approved by the City Commission on September 30, 2021 through Resolution No. 2021-31870.

Based on the total \$33.5 million financial obligation and payment schedule, detailed in the Settlement Agreement, \$19.2 million has been paid to Clark Construction Group, LLC, from construction retainage and temporary appropriations. This proposed amendment will reappropriate funds, temporarily appropriated from the Transportation Capital Initiative project as approved by the City Commission to ensure timely payments as stipulated by the Settlement Agreement, back to the Transportation Capital Initiative project.

Funding for this amendment would come from the RDA Trust fund revenues (Fund 168) to reimburse RDA Garage (Fund 463) and RDA Anchor Shops (Fund 465) funds as detailed below:

- RDA Garage (Fund 463) - \$7,000,000.00
- RDA Anchor Shops (Fund 465) - \$5,900,000.00

Prior Years' Appropriations (RDA Funds Only)	\$0.00
April 6, 2022 RDA Budget Amendment	12,900,000.00
Proposed Total Appropriations	\$12,900,000.00

- 3. Penn Garage – HVAC Renewal:** The project is inclusive of duct work and air purification and is key for operations at the parking garage. The bids for the HVAC renewal at the Pennsylvania Garage came over the budgeted amount by \$20,000.00, for a total project cost of \$105,000.00. The Pennsylvania Garage Traffic Coating Retail project is at 90% of completion and is anticipated to be completed with savings.

Funding for this amendment, in the amount of \$20,000, would come from the funds previously appropriated through RDA Penn Garage funds (Fund 467) to the Penn Garage Traffic Coating Retail project.

Prior Years' Appropriations	\$85,000.00
April 6, 2022 RDA Budget Amendment	20,000.00
Proposed Total Appropriations	\$105,000.00

ATH/JW/TOS