

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF MIAMI BEACH, FLORIDA AND
THE 41ST ST. BUSINESS IMPROVEMENT DISTRICT, INC.**

This Memorandum of Understanding (“MOU”) is hereby entered into as of the _____ day of _____, 2023, by and between the **CITY OF MIAMI BEACH, FLORIDA**, a municipal corporation organized and existing under Florida law, with principal offices at 1700 Convention Center Drive, Miami Beach, Florida 33139 (the “City”), and the **41ST ST. BUSINESS IMPROVEMENT DISTRICT, INC.**, a Florida not-for-profit corporation with principal offices at 975 Arthur Godfrey Road, Suite 600, Miami Beach, Florida 33140 (the “41ST Street BID” or “BID”) (collectively, the City and the 41ST Street BID may hereinafter be referred to as the “Parties”).

RECITALS

WHEREAS, on March 27, 2023, the Mayor and City Commission adopted Resolution No. 2023-32544, which created, pursuant to Chapter 170, Florida Statutes, and subject to the approval of a majority of the affected property owners, a special assessment district to be known as the 41ST Street Business Improvement District (the "District"), for a term of ten (10) years, to stabilize and improve that certain area of the City, through promotion, management, marketing, and other similar services; and which provides for the levy and collection of special assessments, which shall increase by five (5%) percent every two (2) years; and

WHEREAS, the District shall consist of those commercial properties abutting 41ST Street/ Arthur Godfrey Road, and which are generally bounded on the west by Alton Road, and on the east by Indian Creek Canal; provided, however, that the following types of properties shall be excluded and exempted from the District: (1) residential properties; (2) any property owned by a City, County, State, or Federal governmental entity or school district; and (3) any property owned or occupied by a religious institution and used as a place of worship or education (as defined in Section 170. 201(2), Florida Statutes); and

WHEREAS, on April 28, 2023, the Mayor and City Commission adopted Resolution No. 2023-32566, which called for a special mail ballot election to be held from June 5, 2023 to June 27, 2023, to determine whether a majority of the affected property owners approved the creation of the District (the "Election"); and

WHEREAS, on May 17, 2023, pursuant to Chapter 170, Florida Statutes, the Mayor and City Commission adopted Resolution No. 2023-32601, setting a public hearing for July 26, 2023, subject to approval of creation of the District by a majority of the affected property owners in the Election, for owners of the property to be assessed, or any other interested persons, to appear before the City Commission and be heard as to the propriety and advisability of making such improvements and providing such services (and funding them with special assessments on property), as to the cost thereof, as to the manner of payment therefor, and as to the amount thereof to be assessed against each property so improved; and

WHEREAS, pursuant to the Election, a majority of the affected property owners approved the creation of the District, as follows: thirty-four (34) ballots were cast in favor of creation of the District, nine (9) ballots were cast in opposition, one (1) ballot was rejected as improperly cast, and eighteen (18) ballots were not returned; and

WHEREAS, on June 28, 2023, the Mayor and City Commission approved Resolution No. 2023-32630, adopting the Official Election Certificate of the Canvassing Board for the Election (**Exhibit “A”**); and

WHEREAS, following the duly noticed public hearing on July 26, 2023, the Mayor and City Commission voted to levy the special assessments upon the affected property owners; and

WHEREAS, immediately thereafter, pursuant to Section 170.08, Florida Statutes, the Mayor and City Commission met, as an equalizing board, to hear and consider any and all complaints as to the special assessments, and to adjust and equalize the assessments on a basis of justice and right, following which, the Mayor and City Commission approved Resolution No. 2023-32715, approving the final assessment roll for the District; and

WHEREAS, the 41st Street BID shall apply for a tax exemption under the pertinent section(s) of the Internal Revenue Code; and

WHEREAS, the City and the 41st Street BID desire to enter into this MOU to set forth the obligations of the Parties with respect to the administration of the District.

NOW, THEREFORE, in consideration of the foregoing, the Parties agree as follows:

1. Recitals. The foregoing Recitals are true and correct and are hereby incorporated into and made a part of this MOU.
2. Purpose. The purpose of the 41st Street BID is to foster the growth and vitality of the 41st Street retail corridor, a vital thoroughfare that connects people and businesses in Miami Beach, through promotion, management, marketing, and other similar services, as specifically authorized under Section 170.01, Florida Statutes.
3. Mission. In furtherance of its purpose, the 41st Street BID will encourage a spirit of cooperation and the maintenance of high standards among its property owners and tenants and will work toward increasing commercial and community activity within the District. The 41st Street BID will pursue these goals by:
 - a. supporting the growth and vitality of the 41st Street corridor, including economic development and advocacy initiatives (including, but not limited to making advisory recommendations regarding private development projects, master planning exercises, and/or public improvement projects, including projects funded through the City’s General Obligation Bond Program);
 - b. transforming 41st Street into a thriving commercial hub that attracts a diverse mix of businesses and amenities which serves the needs of visitors and the surrounding community; and

- c. prioritizing business needs and creating a synergy among property owners and tenants that caters to everyone; and
 - d. advancing the 41st Street BID's vision for the future, which combines merchants and uses, to ensure a vibrant and pedestrian-friendly 41st Street, and enhances the area's commercial, cultural, and social fabric.
4. Corporate Documents. The Articles of Incorporation filed with the State of Florida, and a draft of the proposed Bylaws that will be presented for adoption by the inaugural Board of Directors of the 41st Street BID (the "Board of Directors"), are attached hereto and incorporated herein as **Composite Exhibit "B"**. The Articles of Incorporation, and Bylaws that are adopted and/or amended by the 41st Street BID, shall be the same as, or substantially the same as, those attached in Composite Exhibit "B".

The 41st Street BID shall provide the City with advanced notice in writing of any proposed change to the Articles of Incorporation or Bylaws, as well as the date, time, and location of the noticed meeting at which the Board of Directors shall consider such proposed change. The City shall be afforded an opportunity to provide written comments and/or address the Board of Directors regarding any such change.

5. Term and Expiration Date. This MOU and the Parties' obligations hereunder shall commence upon the full execution of this MOU ("Execution Date") and shall terminate on the earlier of the expiration of the District, the dissolution of the 41st Street BID, the exercise of any of the provisions in Section 18 of this MOU, or upon mutual written agreement of the Parties.
6. Scope of Services. In consideration of the revenue generated by the District from collection of special assessments, the 41st Street BID shall provide, at a minimum, the services set forth in the Budget, Budget Narrative, and Summary of Services, attached hereto and incorporated herein as **Composite Exhibit "C."** In addition to the Services described in Composite Exhibit C, the BID shall provide the following:
- a. District Website. Commencing in Budget Year 1, the BID shall maintain an official District website which shall include, at a minimum: a BID Board of Directors roster (including names, business affiliations, and email addresses); all BID meeting agendas and approved minutes; a current copy of the BID Bylaws; all annual reporting and financial statements provided to the City; a calendar of events; and contact information for the President and Executive Director. All information required to be posted on the official District website shall be maintained on the website for a minimum of five (5) years.
 - b. Newsletter. Commencing in Budget Year 1 (i.e. commencing on the Execution Date and extending through September 30, 2024), the BID shall distribute a newsletter (in electronic or print media format) to every Member and tenant of a Member, at least every three months, that includes, but is not limited to, a directory of the current Board of Directors, staff, contact information,

promotional strategy efforts, and information related to City affairs, public projects, programs and events, and business revitalization activities.

- c. Business Community Impact. The Annual Budget shall reflect the evolving needs of the District. It shall contain dedicated funding for business impact efforts to attract new businesses and promote, assist and improve existing businesses; elements may include, but are not limited to, advocacy, supplemental services to promote security/safety and sanitation/maintenance of public spaces, and implementing programs to ensure the District remains prosperous and provides for the well-being of stakeholders.
7. City's Authorized Representative. As provided for in the Bylaws, the City's Authorized Representative shall serve as a non-voting, *ex-officio* member of the Board of Directors. The City Manager shall have the sole and final authority to select the City appointee.
 8. Collection of Assessments. The City shall be responsible for the collection of special assessments levied to fund the District, in accordance with the following procedure:
 - a. Invoicing. The City shall invoice each affected property owner for payment of the assessments levied to fund the District on or before January 1st of each year ("Invoice Date").
 - b. Payment. The assessment shall be payable in one (1) annual installment on or before February 1st of each year. Payments shall be made payable to the Finance Director of the City, or designee, 1700 Convention Center Drive, 3rd Floor, Miami Beach, FL, 33139.
 - c. Remittance by City. The City shall, on a monthly basis, electronically remit the assessments collected to the 41st Street BID.
 - d. Liens. Assessments not paid when due shall become due and payable in accordance with statutory provisions and shall remain liens, coequal with the lien of all state, county, district, and municipal taxes, superior in dignity to all other liens, titles, and claims until paid, and shall bear interest, at such rates as specified in Section 170.09, Florida Statutes.
 - e. Authority to Collect. Notwithstanding the provisions of this Section, the 41st Street BID may elect to transfer the responsibility to collect the assessments from the City to the Miami-Dade County Property Appraiser, provided that the 41st Street BID must first notify the City in writing of such election on or before April 1 of the preceding fiscal year.
 - f. Biannual Assessment Survey & Report. The Parties agree and acknowledge that Resolution 2023-32544 provides for a 5% increase, every two years, to the amount of the District's annual assessments (the "Biannual Increase"). Twelve (12) months prior to the Invoice Date for each Biannual Increase, the BID shall provide the City with a report detailing the current status of all affected properties, identifying any vacant properties, and stating whether any change to

the use of a property requires the City to revise the property's annual assessment amount as set forth in the final assessment roll approved by City Commission Resolution No. 2023-32715. In preparation of this report, the BID shall conduct a comprehensive survey of then-existing businesses and vacant storefronts.

9. City Administrative Fee. The service of billing property owners for the BID assessment and the processing of those funds is a key role in the implementation and continuation of the 41st Street BID. The City shall charge, and the 41st Street BID shall pay to the City, no later than January 31st of each year, an annual administrative fee for the City's administration of the District and its assessment collection process (the "City Administrative Fee"). This City Administrative Fee shall be in an amount equal to one percent (1.0%) of the assessments remitted to the 41st Street BID by the City in the previous fiscal year.
10. Reimbursement of City's Expenses. Notwithstanding the City Administrative Fee, the 41st Street BID shall reimburse the City for actual costs and out-of-pocket expenses incurred ("Reimbursable Expenses"). Examples of Reimbursable Expenses include, but are not limited to, bank transfer fees, postage, mailing supplies for invoices and any other notices required by law, and expenses incurred by the City in the course of remitting the assessments to the BID and collecting unpaid assessments, including, without limitation, the cost of recording liens, court costs, and filing fees. The City shall deduct any such Reimbursable Expenses from the City's remittances to the 41st Street BID, and concurrently deliver an invoice detailing the Reimbursable Expenses deducted from the remittance.
11. Budget Preparation. The 41st Street BID shall not have the power to expend assessment funds in excess of that which is provided for in the Budget for the current fiscal year, except the 41st Street BID may enter into contractual commitments scheduled in years following the then current fiscal year. Any such commitment shall be binding upon the 41st Street BID and shall be included in the budget of the 41st Street BID in any and all fiscal years in which any payments required to be made thereunder shall become due and payable.

Furthermore, any proposed budget which includes an increase in an amount equal to or greater than twenty (20%) percent of the budget for the then-current fiscal year must be provided to the City's Authorized Representative and the City Manager, or designee, no less than thirty (30) days prior to a meeting at which the BID's Board of Directors shall consider the proposed budget. Notwithstanding the foregoing, for proposed budgets prepared every two years, when the special assessments levied upon affected properties within the District increase by five (5%) percent, if the proposed budget increases in an amount equal to or greater than twenty-five (25%) percent of the budget for the current fiscal year, the proposed budget must be provided to the City's Authorized Representative and the City Manager, or designee, at least thirty (30) days before consideration by the BID Board of Directors.

12. Reporting to Mayor, City Commission and City Manager. On an annual basis, the 41st Street BID shall prepare and submit to the Mayor, City Commission and City Manager, the

following documents. Timely submission of these reports is a material obligation of the BID pursuant to this MOU.

- a. Annual Budget. An annual budget accurately itemizing all estimated revenue and expenses for the succeeding fiscal year beginning October 1st. The City Commission's review of the 41st Street BID's budget shall be limited solely to a determination of the legality of the expenditures. Each draft and final Annual Budget shall include: (a) budgeted amounts; (b) narrative describing the proposed activities conducted within the District during the fiscal year; (c) the estimated costs, by category, of performing all activities planned for the fiscal year; (d) any estimated amount of surplus or deficit in assessments to be carried over from the then current fiscal year into the immediately following fiscal year; and (e) any anticipated other revenue and/or expenses to be received by the BID in the immediately following fiscal year that will be expended on activities. The Annual Budget is due to the City on August 1st of each year.
 - b. Annual Report. An annual report detailing BID activities during the preceding fiscal year, including detailed information documenting the accomplishment of the programming and activities outlined in the preceding year's Annual Budget. The Annual Report shall report the following data (the "Performance Metrics"): (i) gain or loss (including net gain or loss) in number of businesses; (ii) ground floor vacancy inventory and rate; (iii) average rental rate per square foot; (iv) current contact information for District Member ownership, representatives, tenants and staff. The Annual Report is due to the City on August 1st of each year.
 - c. Quarterly Report. A quarterly report detailing the Performance Metrics, as described in Section 12 (b) will be due to the City on or before the last day of each quarter of the fiscal year.
13. Competence and Training. As members of the Board of the Corporation, which will expend and oversee the use of special assessments levied by the City of Miami Beach, the Board of Directors shall be required to maintain a level of competence and remain reasonably up to date on Federal and State laws and regulations applicable to nonprofit corporations and special assessment districts organized under Florida law. Such level of competence shall be similar to other similar not-for-profit business improvement districts in South Florida. This shall include, without limitation, attending orientations (upon election to the Board) and regular training seminars. Such training shall include, but not be limited to, Chapter 189, Florida Statutes, known as the Uniform Special District Accountability Act; Florida's Government-in-the-Sunshine Law, set forth in Chapter 286, Florida Statutes; the Public Records Act, set forth in Chapter 119, Florida Statutes; and any other state requirement governing accountability and oversight of special taxing or special assessment districts.
14. Uniform Special District Accountability Act. The Parties acknowledge and agree that the 41st Street BID is an independent special district as defined in the Uniform Special District Accountability Act, which is set forth in Chapter 189, Florida Statutes. As such, the 41st

Street BID shall fulfill and comply with all applicable requirements of Chapter 189, Florida Statutes, as may be amended from time to time. The 41st Street BID's compliance with Chapter 189 is a material term of this MOU.

15. Sunshine Law. All meetings of the Board of Directors, Executive Committee, or general membership of the 41st Street BID shall be publicly noticed and open to the public, and minutes shall be taken, pursuant to Chapter 286, Florida Statutes, as may be amended from time to time.
16. Public Records Law. The 41st Street BID shall be subject to Florida Public Records Law including, without limitation, Chapter 119, Florida Statutes, as may be amended from time to time.
17. Conflict of Interest. The 41st Street BID herein agrees to adhere to and be governed by all applicable laws as it relates to conflicts of interest including, without limitation, Section 2-11.1 of the Code of Miami-Dade County (the County's Conflict of Interest and Code of Ethics Ordinance), as may be amended from time to time, and by Chapter 2, Article VII of the City Code, as may be amended from time to time (collectively, the "Conflict Statutes"), both of which are incorporated by reference as if fully set forth herein. The 41st Street BID covenants that, in connection with its performance of this MOU, it presently has no interest and shall not acquire any interest, directly or indirectly, which could constitute a conflict of interest, as described under the Conflict Statutes. The 41st Street BID further covenants that in the performance of this MOU, the BID shall not employ any person having any such conflict of interest.
18. Termination for Cause. If the 41st Street BID shall fail to fulfill in a timely manner, or otherwise violates, any of the covenants, agreements, or stipulations material to this MOU, the City, through its City Manager, shall thereupon have the right to terminate this MOU for cause. Prior to exercising its option to terminate for cause, the City shall notify in writing the 41st Street BID of its violation of the particular term(s) of this MOU, and shall grant 41st Street BID thirty (30) days to cure such default, provided however that if the default cannot be reasonably cured within such time period, the 41st Street BID shall not be in breach of this MOU if the 41st Street BID commences to cure the breach within such time period and in good faith continues to cure the breach, but in no event shall such time period for cure be extended beyond ninety (90) days.

If such default remains uncured after the time period set forth above, the City may terminate this MOU without further notice to 41st Street BID. Upon termination, the City shall be fully discharged from any and all liabilities, duties, and terms arising out of, or by virtue of, this MOU. In the event that the City terminates this MOU for cause, and once the 41st Street BID's outstanding financial obligations have been satisfied, all remaining unexpended special assessments shall be returned to the owners of property within the District on a *pro rata* basis, based on each property owner's proportionate share of the total annual special assessments due to the District.

Notwithstanding the above, the 41st Street BID shall not be relieved of liability to the City for damages sustained by the City by any breach of the MOU by the 41st Street BID. The

City, at its sole option and discretion, shall be entitled to bring any and all legal/equitable actions that it deems to be in its best interest in order to enforce the City's rights and remedies against the 41st Street BID. The City shall be entitled to recover all costs of such actions, including reasonable attorneys' fees.

19. Indemnification. The 41st Street BID agrees to indemnify and hold harmless the City, and its officers, employees, agents, and contractors, from and against any and all actions (whether at law or in equity), claims, liabilities, losses, and expenses, including, but not limited to, attorneys' fees and costs, for personal, economic, or bodily injury, wrongful death, or loss of or damage to property, which may arise or be alleged to have arisen from the negligent acts, errors, omissions or other wrongful conduct of the 41st Street BID, its officers, employees, agents, contractors, or any other person or entity acting under the 41st Street BID's control or supervision, in connection with, related to, or as a result of the 41st Street BID's performance of the services pursuant to this MOU. To that extent, the 41st Street BID shall pay all such claims and losses and shall pay all such costs and judgments which may issue from any lawsuit arising from such claims and losses and shall pay all costs and attorneys' fees expended by the City in the defense of such claims and losses, including appeals. The provisions of this Section and of this indemnification shall survive termination or expiration of this MOU. The 41st Street BID's obligation to indemnify the City, as set forth in this paragraph, shall be limited to the 41st Street BID only, and shall not extend to its individual officers or directors.
20. Choice of Law, Venue, and Waiver of Jury Trial. This MOU shall be construed in accordance with the laws of the State of Florida. This MOU shall be enforceable in Miami-Dade County, Florida, and if legal action is necessary by either party with respect to the enforcement of any or all of the terms or conditions herein, exclusive venue for the enforcement of this MOU shall lie in Miami-Dade County, Florida. By entering into this MOU, the 41st Street BID and the City expressly waive any rights either party may have to a trial by jury of any civil litigation related to or arising out of this MOU.
21. Limitation of Liability. The City desires to enter into this MOU only if in so doing, the City can place a limit on the City's liability for any cause of action, for money damages due to an alleged breach by the City of this MOU, such that its liability for any such breach shall never exceed \$200,000. The 41st Street BID expressly acknowledges its willingness to enter into this MOU with a limitation on recovery from the City for any damages and/or action for breach of contract in an amount not to exceed \$200,000.

Accordingly, and notwithstanding any other term or condition of this MOU, the 41st Street BID hereby agrees that the City shall not be liable to the BID for damages in an amount in excess of \$200,000, for any action or claim for breach of contract arising out of the performance or non-performance of any obligations imposed upon the City by this MOU. Nothing contained in this section or elsewhere in this MOU is in any way intended to be a waiver of the limitation placed upon the City's liability, as set forth in Section 768.28, Florida Statutes.

22. Audit and Inspections. Upon reasonable written notice to the 41st Street BID, and at any time during normal business hours (i.e., 9:00 am – 5:00 pm, Monday through Friday,

excluding nationally recognized holidays), and as often as the City Manager may, in his/her reasonable discretion and judgment, deem necessary, the 41st Street BID shall make available to the City Manager, and/or such representatives as the City Manager may deem to act on the City's behalf, to audit, examine, and/or inspect, any and all other documents and/or records relating to all matters covered by this MOU. The 41st Street BID shall maintain any and all such records at its place of business at the address set forth in section 24 (Notices) herein. In addition to the provisions in this section, the 41st Street BID shall also comply with the audit and reporting requirements set forth in Chapter 189, Florida Statutes.

23. Inspector General.

- a. Pursuant to Section 2-256 of the Code of the City of Miami Beach, the City has established the Office of the Inspector General which may, on a random basis, perform reviews, audits, inspections, and investigations on all City contracts, throughout the duration of said contracts. This random audit is separate and distinct from any other audit performed by or on behalf of the City.
- b. The Office of the Inspector General is authorized to investigate City affairs and empowered to review past, present, and proposed City programs, accounts, records, contracts and transactions. In addition, the Inspector General has the power to subpoena witnesses, administer oaths, require the production of witnesses and monitor City projects and programs. Monitoring of an existing City project or program may include a report concerning whether the project is on time, within budget and in conformance with the contract documents and applicable law. The Inspector General shall have the power to audit, investigate, monitor, oversee, inspect, and review operations, activities, performance and procurement process including but not limited to project design, bid specifications, (bid/proposal) submittals, activities of the BID, its officers, agents and employees, lobbyists, City staff and elected officials to ensure compliance with the contract documents and to detect fraud and corruption. Pursuant to Section 2-378 of the City Code, the City is allocating a percentage of its overall annual contract expenditures to fund the activities and operations of the Office of Inspector General.
- c. Upon ten (10) days written notice to the BID, the BID shall make all requested records and documents available to the Inspector General for inspection and copying. The Inspector General is empowered to retain the services of independent private sector auditors to audit, investigate, monitor, oversee, inspect and review operations activities, performance and procurement process including but not limited to project design, bid specifications, (bid/proposal) submittals, activities of the BID, its officers, agents and employees, lobbyists, City staff and elected officials to ensure compliance with the contract documents and to detect fraud and corruption.
- d. The Inspector General shall have the right to inspect and copy all documents and records in the BID's possession, custody or control which in the Inspector

General's sole judgment, pertain to performance of the contract, including, but not limited to original estimate files, change order estimate files, worksheets, proposals and agreements from and with successful subcontractors and suppliers, all project-related correspondence, memoranda, instructions, financial documents, construction documents, (bid/proposal) and contract documents, back-change documents, all documents and records which involve cash, trade or volume discounts, insurance proceeds, rebates, or dividends received, payroll and personnel records and supporting documentation for the aforesaid documents and records.

- e. The BID shall make available at its office at all reasonable times the records, materials, and other evidence regarding the acquisition (bid preparation) and performance of this MOU, for examination, audit, or reproduction, until three (3) years after final payment under this MOU or for any longer period required by statute or by other clauses of this MOU. In addition:
 - i. If this MOU is completely or partially terminated, the BID shall make available records relating to the work terminated until three (3) years after any resulting final termination settlement; and
 - ii. The BID shall make available records relating to appeals or to litigation or the settlement of claims arising under or relating to this MOU until such appeals, litigation, or claims are finally resolved.
 - iii. The provisions in this section shall apply to the BID, its officers, agents, employees, subcontractors, and suppliers. The BID shall incorporate the provisions in this section in all subcontracts and all other agreements executed by the BID in connection with the performance of this MOU.
- f. Nothing in this section shall impair any independent right to the City to conduct audits or investigative activities. The provisions of this section are neither intended nor shall they be construed to impose any liability on the City by the BID or third parties.

- 24. Independent Contractor/No Joint Venture. This MOU shall not constitute or make the Parties a partnership or joint venture. For the purposes of this MOU, the 41st Street BID shall be deemed to be an independent contractor, and not a partner, agent, agency, department, or ad hoc committee of the City. No agent or employee of 41st Street BID shall attain any rights or benefits under the Civil Service or Pension Ordinance of the City, or any right generally afforded classified or unclassified employees, including annual leave and sick day accrual. Further, no agent or employee of the 41st Street BID shall be deemed entitled to Florida Worker's Compensation Benefits as an employee of the City or accumulation of sick or annual leave.
- 25. Notices. All notices and communications in writing required or permitted hereunder, shall be delivered personally to the representatives of the 41st Street BID and the City listed

below, or may be mailed by U.S. Certified Mail, return receipt requested, postage prepaid, or by a nationally recognized overnight delivery service.

Unless changed by notice in writing, all such notices and communications shall be addressed as follows:

To the BID: President
41st ST. Business Improvement District, Inc.
975 Arthur Godfrey Road, Suite 600
Miami Beach, Florida 33140

With a copy to: Executive Director
41st ST. Business Improvement District, Inc.
975 Arthur Godfrey Road, Suite 600
Miami Beach, Florida 33140

To the City: City Manager
City of Miami Beach
1700 Convention Center Drive
Miami Beach, Florida 33139

With a copy to Economic Development Department Director
City of Miami Beach
1700 Convention Center Drive
Miami Beach, Florida 33139

Notice may also be provided to any other address designated by the party to receive notice if such alternate address is provided via U.S. certified mail, return receipt requested, hand delivered, or by overnight delivery. In the event an alternate notice address is properly provided, notice shall be sent to such alternate address in addition to any other address which notice would otherwise be sent, unless other delivery instruction is specifically provided for by the party entitled to notice. Notice shall be deemed given on the day on which personally served, or the day of receipt by either U.S. certified mail or overnight delivery.

26. Changes and Additions. This MOU cannot be modified or amended without the express written consent of the Parties. No modification, amendment, or alteration of the terms or conditions contained herein shall be effective unless contained in a written document executed with the same formality and of equal dignity herewith.
27. Severability. If any term or provision of this MOU is held invalid or unenforceable, the remainder of this MOU shall not be affected, and every other term and provision of this MOU shall be deemed valid and enforceable to the fullest extent permitted by law.
28. Entirety of Agreement. The City and 41st Street BID agree that this MOU constitutes the entire agreement between the Parties. This MOU supersedes all prior negotiations, correspondence, conversations, agreements or understandings applicable to the matters

contained herein, and there are no commitments, agreements or understandings concerning the subject matter of this MOU that are not contained in this document. Title and paragraph headings are for convenient reference and are not intended to confer any rights or obligations upon the Parties to this MOU.

[Signature Pages to Follow]

DRAFT

IN WITNESS WHEREOF, the Parties hereto have affixed their signatures, effective on the day first above written.

CITY OF MIAMI BEACH, FLORIDA

ATTEST:

By: _____
Rafael Granado
City Clerk

By: _____
Alina T. Hudak
City Manager

Date

Date

DRAFT

41st ST. BUSINESS IMPROVEMENT DISTRICT, INC., a Florida Not for Profit Corporation

ATTEST:

Signature

Print Name

Signature

Print Name

By: _____

Ira Giller
President

Date

DRAFT

EXHIBIT A

MIAMI BEACH

**SPECIAL MAIL BALLOT ELECTION HELD IN THE CITY OF MIAMI BEACH
FROM JUNE 5, 2023 TO JUNE 27, 2023,
TO DETERMINE WHETHER A MAJORITY OF THE AFFECTED PROPERTY OWNERS
APPROVE THE CREATION OF A SPECIAL ASSESSMENT DISTRICT
TO BE KNOWN AS THE 41ST STREET BUSINESS IMPROVEMENT DISTRICT**

****OFFICIAL ELECTION CERTIFICATION OF THE CANVASSING BOARD****

**STATE OF FLORIDA
COUNTY OF MIAMI-DADE**

We, the undersigned, Rafael E. Granado, City Clerk; Faroat Andasheva, Senior Assistant City Attorney; and Rogelio A. Madan, Development & Resiliency Officer, Planning Department, constituting the Canvassing Board for the Special Mail Ballot Election to approve the creation of the 41ST Street Business Improvement District, do hereby certify that we met on the 27th day of June 2023, and proceeded to publicly count the votes cast.

We do hereby certify the results as follows:

Shall 41st Street Business Improvement District be created for a term of 10 years, with estimated annual budget of \$195,246, to stabilize and improve properties abutting West 41st Street/Arthur Godfrey Road, between Alton Road on the west and Indian Creek Canal on the east, through promotion, management, marketing, and other similar services, which District shall be funded by special assessments against benefited properties, with assessments increasing by 5% every two (2) years?

<u>34</u>	YES VOTES
<u>9</u>	NO VOTES
<u>18</u>	UNRETURNED BALLOTS
<u>1</u>	REJECTED BALLOTS ¹

Duplicates of the same ballot have been counted as one rejected ballot.

CANVASSING BOARD



Rafael E. Granado
City Clerk



Faroat Andasheva
Senior Assistant City Attorney



Rogelio A. Madan
Development & Resiliency Officer
Planning Department

EXHIBIT B

ARTICLES OF INCORPORATION OF THE 41ST ST. BUSINESS IMPROVEMENT DISTRICT, INC.

(A Florida Not for Profit Corporation)

The undersigned, a natural person over the age of 18, hereby files these Articles of Incorporation of 41st St. Business Improvement District, Inc. (hereafter referred to as the "Corporation"), in compliance with Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act (the "Act").

ARTICLE 1 – NAME

The name of the corporation shall be **41ST ST. BUSINESS IMPROVEMENT DISTRICT, INC.**

ARTICLE 2 – PLACE OF BUSINESS

The principal place of business of the corporation shall be 975 41st St. Suite #600, Miami Beach, FL 33140 or such other place as the Board of Directors may designate from time to time.

ARTICLE 3 – PURPOSES

The general purpose of the Corporation is to foster economic development and community revitalization in the geographic area designated as the 41st St. Business Improvement District (BID). The Corporation shall provide funding for services that will support the growth and vitality of the 41st Street Corridor, including economic development, advocacy initiatives, and monitoring of the General Obligation Bond improvements and master planning for the district. The Corporation shall be controlled by the property owners abutting 41st St. (also known as Arthur Godfrey Rd.) as designated in the 41st St. Business Improvement District Assessment Roll by the City of Miami Beach provided, however, that the following properties are exempted and excluded from the District (1) residential properties, (2) properties owned or occupied by a religious institution and used as a place of worship or education (as defined in Section 170.201(2), Florida Statutes), (3) public property, and (3) common areas owned by condominium associations. The District is a special assessment district created by the Mayor and City Commission of the City of Miami Beach, pursuant to Chapter 170,

Florida Statutes, and approved by majority vote of the affected property owners in the special mail ballot election held pursuant from June 5, 2023 through June 27, 2023.

ARTICLE 4 – TAX EXEMPT STATUS

4.1 The Corporation is a not-for-profit corporation organized to provide a broad source of support for businesses in the District. It is the express purpose of these Articles of Incorporation to limit the authority, powers and purposes of the Corporation and to require the Corporation to conform to the limitations set forth in the Code with reference to organizations which are exempt front tax under section 501(c)(6) of the Code, and nothing herein shall be construed to grant to the Corporation any powers or purposes not contemplated and authorized under the Code. No substantial part of the assets or the net earnings of the Corporation shall inure to the benefit of, nor be distributed to, any officer, director or member of the Corporation, or to any other private person, in such a fashion as to constitute an application of funds not within the purpose of exempt organizations described in the Code. However, reimbursement for expenditures or the payment of reasonable compensation for services rendered to the Corporation shall not be deemed to be a distribution of earnings or assets.

4.2 In the event of the complete or partial liquidation or dissolution of the Corporation, whether voluntary or involuntary, the balance of all money and other property received by the Corporation from any source, after the payment of all debts and obligations of the Corporation, shall be distributed to the City of Miami Beach, Florida. The Corporation will distribute its income for each tax year at a time and in a manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code; the Corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Code; the Corporation will not retain any excess business holdings as defined in Section 4943(e) of the Code; the Corporation will not make any investments in a manner as to subject it to tax under Section 4944 of the Code; and the Corporation will not make any taxable expenditures as defined in section 4945 of the Code.

ARTICLE 5 – MEMBERSHIP AND CORPORATE EXISTENCE

The Corporation shall have members the qualification for which shall be set forth in the By Laws of the Corporation. The Corporation shall have perpetual existence.

ARTICLE 6 - BY-LAWS

The initial By-Laws of the Corporation shall be adopted by the first elected Board of Directors of the Corporation. Thereafter, the power to amend, alter or repeal any part or all of the By-Laws of the Corporation shall be vested in the Board of Directors of the Corporation unless otherwise provided in the By-Laws of the Corporation.

ARTICLE 7- DIRECTORS

The qualifications, manner of election, duties, terms and other matters relating to the Board of Directors of the Corporation shall be provided in the By-Laws of the Corporation as amended from time to time in accordance therewith. The first Board of Directors shall be elected by the Incorporator.

ARTICLE 8 - INDEMNIFICATION OF OFFICERS AND DIRECTORS

Each person who acts as director or officer of the Corporation shall be indemnified as and to the extent provided in the By-Laws of the Corporation.

ARTICLE 9 – REGISTERED AGENT AND REGISTERED OFFICE

The Registered Agent for the Corporation shall be Amy Mehu and the registered office shall be located at 975 41st St. Suite #600, Miami Beach, FL 33140; or such other person or other place that the Board of Directors shall from time to time direct, within the appropriate notice to the Secretary of State in accordance with law.

ARTICLE 10 - INITIAL INCORPORATOR

The Initial Incorporator of the Corporation who is executing these Articles of Incorporation is Ira Giller, whose address is 975 Arthur Godfrey Rd. #600, Miami Beach, Florida 33140.

IN WITNESS WHEREOF, the undersigned has hereunto set their hand and seal hereon, this 6th day of July, 2023.



Ira Giller, Incorporator

DRAFT (September 19, 2023)

BY-LAWS

of

41ST ST. BUSINESS IMPROVEMENT DISTRICT, INC.,

a Florida Not-for-Profit Corporation

Section 1. Definitions, Purposes and Powers.

1.1 Name. The name of this Corporation shall be **41st ST. BUSINESS IMPROVEMENT DISTRICT, INC.** or **“41st ST. BID”**. It is a not-for-profit corporation organized and existing under the laws of the State of Florida.

1.2 Definitions. The quoted terms set forth below will have the following meanings unless otherwise required by the context in which they may be used:

1.2.1 “Act” means the Florida Not for Profit Corporation Act, Chapter 617, *Florida Statutes*.

1.2.2 “Authorized Owner Representative” means, at any time, a natural person who at such time has been designated in writing to the Corporation by a Member as the person who is authorized to represent such Member in all matters either relating to or affecting the Corporation, including but not limited to voting; *provided* that such person is an executive officer, shareholder, partner or manager with direct operational responsibility for the business of the Member conducted on such property.

1.2.3 “Authorized Tenant Representative” means, at any time, a natural person who at such time has been designated in writing to the Corporation by a ground floor tenant of a Member in the District as the person who is authorized to represent such tenant in all matters either relating to or affecting the Corporation; *provided* such person is an executive officer, shareholder, partner or manager with direct operational responsibility for the business of such tenant conducted in the District.

1.2.4 “Articles of Incorporation” means the Articles of Incorporation of the Corporation filed with the Department of State of Florida and any amendments thereto.

1.2.5 “Board” or “Board of Directors” means the Board of Directors of the Corporation elected as provided in these By-Laws.

1.2.6 “City” means the City of Miami Beach, a municipal corporation organized under Florida law.

1.2.7 “City’s Authorized Representative” means an individual who shall be appointed by the City Manager, in his or her sole discretion and authority, after consultation with the Executive Committee and the Board of Directors. The City’s Authorized Representative shall be a

non-voting, *ex-officio* member of both the Board of Directors and Executive Committee of the Corporation.

1.2.8 “Code” means the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue Law.

1.2.9 “Corporation” means 41st ST. BUSINESS IMPROVEMENT DISTRICT, INC, a Florida not-for-profit corporation.

1.2.10 “Director” means an individual who is a member of the Board as described in Section 4.

1.2.11 “District” has the meaning specified in the Articles of Incorporation.

1.2.12 “Entire Board” means, at any time, the total number of then authorized Directors, assuming no vacancies.

1.2.13 “Executive Director” means an individual employed by the Corporation upon the approval of the Board as described in Section 7.6.

1.2.14 “Executive Committee” means the committee of the Board constituted as provided in Section 5.1.

1.2.15 “Majority” means in excess of 50 percent of the applicable total number.

1.2.16 “Member” means an individual or entity who/which qualifies as a Member in accordance with Section 3.

1.2.17 “Officer” means one or more of the positions described in Section 7.

1.2.18 “President” means the President of the Corporation or as set forth in Section 7.5.1.

1.2.19 “Proxy” means one who is authorized to vote on behalf of a Member, but in no case may a Proxy vote at a meeting of the Board of Directors.

1.2.20 “State” means the State of Florida.

1.2.21 “Tenant” means any person or entity entitled to occupy property in the District under a lease or rental agreement.

The above definitions shall be equally applicable to the singular and plural forms thereof. References in these By-Laws to “Section” means a section of these By-Laws unless otherwise indicated.

1.3 Statement of Purpose. The Corporation is organized and to be operated as a business league within the meaning of Section 501(c)(6) of the Code. The purposes of the Corporation shall be to foster the growth and vitality of the 41st Street retail corridor, a vital thoroughfare that

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connects people and businesses in Miami Beach, through promotion, management, marketing, and other similar services, as specifically authorized under Section 170.01, Florida Statutes. The Corporation will pursue these goals by (i) supporting the growth and vitality of the 41st Street Corridor, including economic development and advocacy initiatives (for example, by making advisory recommendations regarding private development projects, master planning exercises, and/or public improvement projects, including projects funded through the City's General Obligation Bond Program); (ii) transforming 41st Street into a thriving commercial hub that serves the needs of the surrounding community and visitors by creating a synergy among Members and Tenants that attracts a diverse mix of businesses and amenities; (iii) prioritizing business needs, thereby creating a dynamic setting that caters to everyone, enhancing the commercial, cultural, and social fabric of the area; and (iv) working towards the 41ST ST BID's vision for the future, one that combines various merchants and uses to ensure a vibrant and pedestrian-friendly 41st Street environment. In furtherance of this purpose, the Corporation will encourage a spirit of cooperation and maintenance of high standards among its Members and Tenants and will work toward increasing commercial and community activity within the District.

1.4 Powers of the Corporation. Except as limited by the Articles of Incorporation and these By-Laws, the Corporation shall have and exercise all rights and powers in furtherance of its purposes as are now or may hereafter be conferred on not-for-profit corporations pursuant to the Act and in accordance with other applicable law.

1.5 Limitations on Activities.

(a) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to any Member, Director or Officer or any other private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation in effectuating one or more of its purposes), and no Member, Director or Officer, or any other private individual, will be entitled to share in the distribution of any of the corporate assets upon dissolution of the Corporation.

(b) Notwithstanding any other provision of the Articles of Incorporation or these By-Laws, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(6) of the Code.

(c) Upon dissolution of the Corporation, the Board, after paying or making provisions for the payment of all of the liabilities of the Corporation out of the assets thereof, shall distribute all residual assets of the Corporation to the affected Members, as defined in Section 3.1, on a *pro rata* basis; provided, however, that any residual assets of the Corporation that are proceeds from special assessments levied by the City of Miami Beach shall be returned and remitted to the City for distribution, on a *pro rata* basis, to affected Members.

Section 2. Offices and Registered Agent.

The Corporation shall have and continuously maintain, in the State, a registered office and registered agent (whose office will be identical with such registered office) and may have such other offices within or outside the State as the Board may from time to time determine.

Section 3. Membership.

3.1 Qualification. Members shall consist of the owners of any parcel of real property located within the District, except for owners of: (i) residential property; (ii) property owned by a City, County, State, or Federal governmental entity or school district; and (iii) properties owned or occupied by a religious institution and used as a place of worship or education (as defined in Section 170.201(2), *Florida Statutes*).

3.2 Voting Rights. Each voting Member shall have one vote for each tax folio for each property it owns in the District. In the case of a Member which is not a natural person, such Member shall designate an Authorized Owner Representative who shall exercise such Member's right to vote as a Member. Only owners of real property located within the District, who are current in payment of their District assessments, shall be entitled to vote. Only an Authorized Owner Representative or designated Proxy shall be permitted to vote by proxy on behalf of a Member. Voting by proxy or by absentee ballot shall be permissible for any election of Directors or on any other matter to be voted upon by Members entitled to vote. However, Directors may NOT vote by proxy or absentee ballot on Board matters.

3.3 Meetings of Members. The annual meeting of the Members shall be held at a time and place to be determined by the Executive Committee within sixty (60) days of the end of each fiscal year.(as defined in 8.8) The Secretary of the Corporation shall send notice of the time and place of each annual meeting of the Corporation to each voting Member at least thirty (30) days prior to the date set for the meeting. In lieu of mailing such notice, the Executive Committee may authorize electronic mail delivery as provided in Section 8.10.1. At the annual meeting, the Members shall: (i) hear reports from the Board, the President and the Executive Director, (ii) elect Directors for the ensuing year, and (iii) transact such other business as may lawfully come before the meeting. In addition, special meetings of the Members, for any purpose, may be called at any time upon written notice mailed or emailed at least ten (10) days in advance of such meeting. Such special meetings shall be called at the instance of a majority of the Executive Committee, a majority of the Board or upon written request of twenty percent (20%) or more of the voting Members. A quorum for the conduct of business at any meeting of the Members shall consist of a minimum of fifty percent (50%) plus one of the total number of voting Members. Any measure requiring a vote of the Members shall require approval by a majority of the Members present at the meeting, except that the approval of a majority of the total number of voting Members shall be required to approve the Corporation's annual budget.

3.4 Telephonic (or Virtual) Member Participation in a Meeting of the Members. One or more Members (including Authorized Owner and/or Tenant Representatives) may participate in a meeting of Members by means of a conference telephone or similar internet (virtual)

communications equipment by means of which all persons participating in the meeting can communicate with each other at the same time. Participation in a meeting pursuant to the foregoing sentence shall constitute presence in person at such meeting. Notwithstanding the foregoing, the provisions of this section shall not apply to meetings of the Board of Directors or Executive Committee.

Section 4. Board of Directors.

4.1 General Powers. All of the business and affairs of the Corporation shall be managed by, and under the direction of, the Board in a manner consistent with the Act, these By-Laws and other applicable laws and regulations. The Board shall make appropriate delegations of authority to the Officers.

4.2 Qualifications of Directors. Directors need not be residents of the State or Members; *provided* that each Director shall be at least eighteen (18) years of age at the time of election.

4.3 Number and Classification of Directors. The Board shall consist of nine (9) voting Directors and up to four (4) *ex officio*, non-voting Directors, including the City's Authorized Representative. At least seven (7) Directors must be Members or Authorized Owner Representatives, and up to two (2) Directors may be ground floor tenants of Members in the District or Authorized Tenant Representatives. The total number of Directors, including those who vote and those who do not vote, shall be determined from time to time by a majority vote of the Entire Board upon the recommendation of the Executive Committee. No reduction in the number of voting Directors shall shorten the term of any incumbent voting Director. The voting Directors shall be classified with respect to their terms of office by dividing them into three classes consisting, as nearly as possible, of an equal number of the voting Directors. Each voting Director shall hold office until the Director's successor shall have been elected and qualified or until the Director's earlier resignation, removal from office or death. At each annual election, the successors to the class of Directors whose terms shall expire that year shall be elected to hold office for a term of three (3) years, so that the term of office of one class of Directors shall expire in each year. Each *ex-officio* Director, except the City's Authorized Representative, shall serve at the pleasure of the Board but in no event longer than such person holds the position that result in the person becoming an *ex-officio* Director. For example, if the City's Authorized Representative's employment with the City terminates for any reason whatsoever, then that person shall cease being an *ex officio* Director.

Composition of Board of Directors. Each voting Director shall be a person who is either (i) a Member, (ii) an Authorized Owner Representative, (iii) a ground floor tenant of a Member in the District or (iv) an Authorized Tenant Representative. The non-voting *ex officio* Directors shall be composed of:

- (a) The City's Authorized Representative; and
- (b) Up to three (3) other persons appointed by the Executive Committee.

4.4 Election of Directors.

4.4.1 Nominating. There shall be a Nominating Committee (the “*Nominating Committee*”) consisting of three (3) members of the Executive Committee chosen by the President and approved by the Executive Committee plus one (1) Director who is not a member of the Executive Committee plus one (1) Member who is not a Director. The Nominating Committee shall nominate individuals to serve on the Board.

4.4.2 Inspectors of Election. The President shall appoint three (3) individuals, who may be Members, Directors, Officers or Corporation staff personnel, chosen by the President and approved by the Executive Committee (collectively, the “*Inspectors of Election*”). The same persons who serve on the Nominating Committee may also be Inspectors of Election; however, no nominee for any office shall be eligible to serve as an inspector of election in connection with any election in which such nominee is a candidate for office.

4.4.3 Procedure. No later than forty-five (45) days prior to the annual meeting of Members, the Nominating Committee shall meet and consider nominations for the position of Director. No person shall be nominated by the Nominating Committee unless the Nominating Committee shall have first obtained that person's consent in writing to run, if nominated and to serve if elected.

(a) Nominations for Directors may be made by a petition of the Members delivered to the Secretary/Treasurer of the Corporation, not later than thirty (30) days prior to the annual meeting and signed by fifteen (15) Members. Such a petition shall bear the written acceptance of the person so nominated. The nominations contained in such petition shall be included in the ballot for the annual meeting.

(b) No later than twenty (20) days prior to the annual meeting, the Secretary of the Corporation or the Inspectors of Election shall cause to be prepared for mailing to all Members entitled to vote, ballots listing the number of Director positions to be filled at the election, with the names of all candidates. The ballots shall also allow for a voting Member to write in additional candidates for Director on the ballot and to cast a vote for the additional candidate or candidates so written in.

(c) In addition to the ballots, the Secretary shall mail to each Member, entitled to vote, (i) a blank envelope in which said Member's marked ballot shall be enclosed and (ii) a return addressed envelope that the Member shall sign and put said Member's name and return address so that each envelope can be checked to determine that the ballot has been returned by a Member who is eligible to vote. All such envelopes which shall be received by the Corporation not later than the commencement of the annual meeting, including those delivered by hand, shall be turned over to the Inspectors of Election. The Inspectors of Election shall verify the eligibility of the senders, open the mailing envelopes and cause the ballots contained therein to be tabulated. In addition, any Member may receive a ballot and vote in person at the annual meeting. The Inspectors of Election shall maintain a list of those Members who shall have voted as evidenced by the receipt of their ballot envelopes. The Inspectors of Election shall tabulate the ballots at the annual meeting

and the candidates receiving the greatest number of votes, up to the number of Directors to be elected, shall be the Directors and declared duly elected effective at the time that the ballots are tabulated. The results of the balloting shall be formally announced by the President at the annual meeting of Members.

4.5 Competence and Training. As members of the Board of the Corporation, which will expend and oversee the use of special assessments levied by the City of Miami Beach, the Board of Directors shall be required to maintain a level of competence and remain up to date on Federal and State laws and regulations applicable to nonprofit corporations and special assessment districts organized under Florida law. Such level of competence shall be similar to other similar not-for-profit business improvement districts in South Florida. This shall include, without limitation, attending orientations (upon election to the Board) and regular training seminars. Such training shall include, but not be limited to, Chapter 189, Florida Statutes, known as the Uniform Special District Accountability Act; Florida's Government-in-the-Sunshine Law, set forth in Chapter 286, Florida Statutes; the Public Records Act, set forth in Chapter 119, Florida Statutes; and any other state requirement governing accountability and oversight of special taxing or special assessment districts.

4.6 Term of Office for Directors. Each Director shall serve for a term of three (3) years except as otherwise provided in Section 4.3. Directors may serve a maximum of two (2) consecutive terms (for an aggregate term of six (6) years), unless such limitation is waived by a majority of the members of the Executive Committee; *provided, however*, that, subject to the limitation in Section 4.14, a person who is elected by the Board to fill a vacancy on the Board, who will serve to the next annual meeting may serve for up to two (2) consecutive three-year terms thereafter. After being off the Board for one (1) year, a former Director shall again be eligible for nomination and election to the Board. The provisions of this paragraph shall not apply to the City's Authorized Representative.

4.7 Regular Meetings. Regular meetings of the Board shall be held not less than four (4) times a year (with at least one (1) meeting in each quarter-annual period), at such times and places in Miami Beach, Florida as the Executive Committee may determine. The first regular meeting of the Board shall be held within sixty (60) days after the election of Directors.

4.8 Special Meetings. Special meetings of the Board may be called by or at the direction of either the President, Vice-President or upon the written request of six (6) Directors, such meeting to be held at such time and place as will be designated in the notice thereof, provided that the place of special meetings of the Board shall be in Miami Beach, Florida.

4.9 Notice and Conduct of Meetings. All meetings of the Executive Committee; the Board of Directors; any committee, task force, or council; and/or general membership of the Corporation shall be subject to the requirements of Florida's Government-in-the-Sunshine Law, set forth in Section 286.011, Florida Statutes (e.g., such meetings shall be publicly noticed and open to the public, and minutes of each meeting shall be promptly recorded and subject to public inspection). Except as otherwise provided herein, notice of the time and place of any regular or special meeting of the Board shall be provided to each Member and Director at least three (3) days prior to such meeting in writing, by facsimile/telefax, electronic mail or posting to the Corporation's internet website/social media, or by telephone, electronically, or word of mouth, *provided* that the giving of any oral notice shall be recorded in the minutes of the meeting by statement of the Officer, Director or employee giving such

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notice. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting by that Director, except where the Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meetings of the Board need be specified in the waiver of notice of such meeting. Notice shall also be posted in a conspicuous place in the office of the Corporation.

4.10 Quorum. The greater of (i) six (6) or (ii) a majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board, unless otherwise specifically provided by law, the Articles of Incorporation or these By-Laws. Attendance shall be in person. If less than a majority of the Directors are present at such meeting, one-third (1/3) of the Directors actually present may adjourn the meeting from time to time without further notice, until a quorum is present.

4.11 Manner of Acting.

4.11.1 Formal Action by Board. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by the Act, the Articles of Incorporation or these By-Laws.

4.11.2 Action by Board. No action of the Board shall be valid unless taken at a meeting at which a quorum is present.

4.12 Resignations and Removal. Any Director may resign from the Board at any time by giving written notice to the President or the Secretary and, unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective. Any Director, except the City's Authorized Representative, may be removed from office at any time with or without cause by a vote of two-thirds (2/3) of the Entire Board at a meeting called for that specific purpose. If a Director, other than the City's Authorized Representative, is absent without adequate reason, as determined by the President, from thirty-three percent (33%) of the regular meetings scheduled for the fiscal year, such Director may be removed from office by a majority vote of the Entire Board

4.13 Proxies. At Member meetings, a Member may vote by proxy executed in writing by the Member or by its duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting. A Director may not vote by proxy. Directors must be present at the time of voting on any action of the Board.

4.14 Vacancies. Any vacancy occurring in the membership of the Board will be filled by a majority vote of the Board, and such appointee shall serve as Director until the next annual meeting at which time the Members shall elect a new Director to fill the remaining unexpired term of such Director's predecessor in office.

4.15 Compensation. Directors, as such, will not receive any stated salaries or compensation for their services; *provided, however*, that subject to the provisions herein concerning self-dealing, nothing herein contained will be construed to preclude any Director from

serving the Corporation in any other capacity and receiving compensation therefor subject to the requirements set forth in Section 8.1.

Section 5. Executive Committee.

5.1 Composition and Election. There shall be an Executive Committee consisting of the President, Vice President, Secretary and Treasurer of the Corporation, the City's Authorized Representative, and one non-officer Director to be elected annually by the Board at its annual meeting; *provided, however*, that each voting member of the Executive Committee shall either be a property owner within the District or a principal owner of an entity which is a property owner within the District. The City's Authorized Representative shall serve as an *ex officio* (non-voting) member of the Executive Committee.

5.2 Authority and Restriction. The Executive Committee shall be responsible for carrying out the overall program of the Corporation within the policy as set forth by the Board and shall appoint all committees (other than the Executive Committee) of the Corporation. The Executive Committee shall exercise the full powers of the Board in the management of the Corporation during periods between meetings of the Board, except for those actions prohibited to such committee by these By-Laws or the Act. The Executive Committee shall not have the power to amend these By-Laws or the Articles of Incorporation or appoint Officers of the Corporation. Any powers authorized herein to be exercised by the Executive Committee may be also exercised by the Board at a duly constituted meeting. All significant actions taken by the Executive Committee shall be brought to the attention of the Board at the next succeeding meeting of the Board.

5.3 Term and Vacancies. Members of the Executive Committee, except for the City's Authorized Representative, shall hold office for a period of one (1) year or until their successors are duly elected and qualified. Vacancies on the Executive Committee may be filled by the Board at any meeting, or in the interim between meetings of the Board, may be filled temporarily by the President until the next regularly scheduled meeting of the Board.

5.4 Quorum and Voting. A majority of the total number of members of the Executive Committee shall constitute a quorum at any duly called meeting of the Executive Committee. The majority vote, but in no event less than three (3), of those members of the Executive Committee present at a meeting at which a quorum is participating shall constitute the act of the Committee. The Executive Committee shall establish its own rules and procedures for matters not covered by these By-Laws; however, such rules shall not conflict with these By-Laws.

5.5 Meetings. Regular meetings of the Executive Committee shall be held monthly or as often as is necessary to conduct the affairs of the Corporation at such times and places as the President may determine; special meetings may be called at any time by the President or any three (3) other members of the Executive Committee.

Section 6. Committees, Task Forces and Councils.

The Executive Committee by resolution may form from time to time such other committees, task forces or councils as may be deemed desirable in forwarding the program of the Corporation, and each of such committees shall exercise and perform such duties as may be prescribed by the Executive Committee in such resolution. Members shall be appointed by the Executive Committee by resolution. Members of each such committee shall be composed of Directors, if the committee is authorized to perform duties normally considered duties of the Board or the Executive Committee. Other committees may be composed of persons who are not Directors, but shall be composed of representatives of Members. No such committee shall have the authority to take actions prohibited to such committee by the Act. Each committee shall have two (2) or more members, and shall serve at the pleasure of the Executive Committee. The term of service of each member of a committee shall be determined by the Executive Committee.

Section 7. Officers.

7.1 Officers. The Officers of the Corporation shall be a President, a Vice-President(s), a Secretary, and a Treasurer who shall also be Directors. The Corporation may, at the discretion of the Executive Committee, provide for different categories of Officers and may have additional Officers to those enumerated above. No person may simultaneously hold more than one (1) office of the Corporation. The duties of the principal executive Officers are set forth herein. When the incumbent of an office is unable to perform the duties thereof or when there is no incumbent of an office (both such situations referred to thereafter as the “absence” of the Officer), the duties of the office will, unless otherwise provided by the Executive Committee or these By-Laws, be performed by the next Officer set forth in the following sequence: President, Vice President, Secretary and Treasurer.

7.2 Appointment and Tenure. All Officers shall be elected each year by the Board at a meeting to be held immediately following the annual meeting of the Members, but not later than thirty (30) days following such annual meeting. Each such Officer shall hold office beginning with the adjournment of such meeting of the Board and until the Officer’s successor has been duly elected and qualified, or until the Officer’s earlier death, resignation or removal from office. Officers may be elected to serve one or more successive terms by the Board; *provided, however*, that the term of the President shall be limited to three (3) consecutive years. After not serving as President for one (1) year, a former President shall again be eligible for nomination and election to the Office of President.

7.3 Resignations and Removal. Any Officer may resign at any time by giving written notice to the President, and, unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective. Any Officer may be removed with or without cause by the Board whenever, in its judgment, the best interest of the Corporation would be served thereby, by majority vote of the Entire Board.

7.4 Vacancies. A vacancy in any office may be filled by the Executive Committee for the unexpired portion of the term.

7.5 Duties of Officers.

7.5.1 President / (Chair of Board of Directors). The President shall be the chief executive officer of the Corporation, a voting Director and a voting member of the Executive Committee. Subject to the directions of the Board and the Executive Committee, the President shall, in general, supervise and control all the business and affairs of the Corporation. The President shall have the power to preside at, and shall be responsible for chairing, all meetings of the Board and all Executive Committee meetings. The President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board or the Executive Committee from time to time.

7.5.2 Vice President / (Vice Chair of the Board of Directors). In the absence of the President, or in the event of the President's death, resignation or refusal or inability to act, the Vice President shall perform the duties of the President and, when so acting, shall have all the powers and be subject to all restrictions upon the President. The Vice President shall be a voting Director and a voting member of the Executive Committee. The Vice President shall perform such duties and have such other powers as the Board shall prescribe or as the President may from time to time delegate.

7.5.3 Secretary. The Secretary shall have custody of and maintain all of the corporate records, except the financial records, shall record the minutes of all meetings of the Members and the Board, shall send all notices of meetings out and shall perform such other duties as may be prescribed by the Board or the President. The Secretary shall be a voting Director and a voting member of the Executive Committee.

7.5.4 Treasurer. The Treasurer shall supervise the Executive Director in the performance of duties as custodian of corporate funds and financial records. The Treasurer shall be a voting Director and a voting member of the Executive Committee.

7.6 Executive Director. Employment of the Executive Director will be subject to approval of the Board and will serve at the pleasure of the Board. The Executive Director will serve as the chief administrative officer of the Corporation and as such, will devote time, attention, skills and efforts to the affairs of the Corporation as shall be determined by the Board. The Executive Director's compensation shall be set from time to time by the Executive Committee. The performance of the Executive Director shall be evaluated by the Executive Committee on an annual basis. The Executive Director shall be responsible for the administration of the affairs of the Corporation and execution of policy as directed by the Board, subject to the supervision and control of the President. The Executive Director will have the following responsibilities:

7.6.1 Serve as staff to the Executive Committee and the Board.

7.6.2 Serve as staff to all other committees, task forces and councils.

7.6.3 Serve as a professional consultant and facilitator to the Officers, the Board, the Executive Committee, task forces, councils and committees of the Corporation in formulating objectives, programs, policies and in planning, coordinating and executing programs of the Corporation.

7.6.4 Represent and serve as an advocate for the Corporation before the City of Miami Beach and throughout Miami-Dade County.

7.6.5 Have custody of all corporate funds and financial records subject to the supervision and control of the Treasurer, keep full and accurate accounts of receipts and disbursements and render accounts thereof at the annual meetings of the Board, all in accordance with the policies and procedures to be adopted by the Board regarding the custody, disbursement and accounting of corporate funds.

7.6.6 Serve as the chief administrative officer of the Corporation, including, without limitation, performance of the following duties: (a) have responsibility for the employment, supervision and termination of employment of the Corporation's staff; (b) keep or causing to be kept all official records of the organization, including the maintenance and control of the budget; (c) present budget recommendations to the Board; (d) act as one of the individuals designated by resolution of the Board to co-sign checks up to an established dollar amount on accounts of the Corporation, and approve disbursements as provided by resolution of the Board; and (e) perform such other duties as are ordinarily incident to the position of chief operating officer or as may be assigned by the Board or President.

7.7 Compensation. The balance of the Officers shall serve without compensation.

7.8 Bonds of Officers. The Board may secure the fidelity of any or all of its Officers, employees and/or agents by bond or otherwise, on such terms and with such surety or sureties, conditions, penalties or securities as are required by the Executive Committee. The premium or premiums for such bond or bonds shall be paid out of the corporate funds of the Corporation.

7.9 Delegation. The President may delegate temporarily the powers and duties of any Officer, in case of such Officer's absence or for any other reason, to any other Officer. In addition, the Executive Committee may authorize the delegation by any Officer of any of such Officer's powers and duties to any agent or employee, subject to the general supervision of such Officer.

Section 8. Miscellaneous.

8.1 Interest of Directors and Officers in Contracts. Any contract or other transaction between the Corporation and (a) any Director, (b) any Officer, or (c) any corporation, limited liability company, unincorporated association, business trust, estate, partnership, trust, joint venture, individual or other legal entity (each, a "**Legal Entity**") (i) in which any Director or Officer has a material direct or indirect financial interest or is a shareholder, partner, member, manager or other equity owner, or (ii) of which any Director or Officer is a director, officer, managing partner, managing member, manager or trustee (collectively a "**Conflict Transaction**"), shall be valid for all purposes if the material facts of the Conflict Transaction and the Director's or Officer's interest are disclosed or known to the Board, a committee with authority to act thereon, or the Members entitled to vote thereon, and the Board, such committee, or such Members authorized, approved or ratified the Conflict Transaction, *provided* that such Director or Officer shall not participate in the discussion, vote or be counted in a quorum regarding the matter.

Moreover, any such Director or Officer is precluded from exercising any function of office with respect to a matter in which such individual has a financial interest.

8.2 Contracts. The Executive Committee may authorize the Executive Director or in the absence or unavailability of the Executive Director, any Officer of the Corporation, in addition to the Officers so authorized by these By-Laws, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

8.3 Checks, Drafts, Electronic Transfers, Etc. All checks, drafts or other orders for the payment of money, and all notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as, from time to time, may be determined by resolution of the Executive Committee. In the absence of such determination by the Executive Committee, such instruments shall be signed by either the President, the Secretary or the Treasurer and countersigned by the Executive Director.

8.4 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in one or more such banks, trust companies, securities firms, or other depositories as the Executive Committee from time to time designate, upon the terms and conditions determined by the Executive Committee. The Executive Committee may, from time to time, authorize the opening and keeping, with any such depository as it designates, of general and special bank accounts or other forms of account and may make such special rules and regulations with respect thereto, not inconsistent with the provisions of these By-Laws, as it deems necessary.

8.5 Grants and Gifts. The Corporation may accept any grants, contributions, gifts, bequests, or devises for and consistent with the general purposes, or for and consistent with any specific purposes, of the Corporation. The Corporation shall comply with any applicable conflict of interest requirements with respect to any grants that it may receive.

8.6 Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep records of the actions of the Corporation, which records shall be "public records" and open to inspection to the public, pursuant to Chapter 119, *Florida Statutes*.

8.7 Custody of Corporate Funds; Financial Records. The Board shall periodically adopt formal policies and procedures regarding the custody, use, disbursement and accounting of corporate funds. The Executive Director shall strictly abide by such policies and procedures in the performance of his duties as custodian of corporate funds and shall render periodic accountings to the Board confirming the Executive Director's compliance with such policies and procedures. The Treasurer shall be responsible for ensuring that the Executive Director is at all times in compliance with said policies and procedures.

8.8 Fiscal Year; Accounting Election. The fiscal year of the Corporation shall begin on October 1st and end on September 30th of each year, and methods of accounting for the Corporation will be as the Board determines from time to time.

8.9 Seal. The corporate seal of the Corporation shall be circular in form with the words “41st ST. Business Improvement District, Inc., a corporation not for profit” in the outer edge thereof and the year of incorporation.

8.10 Notice.

8.10.1 Effective Date of Notices. Unless otherwise specified herein, any notice required or permitted to be given pursuant to the provisions of the Articles of Incorporation, these By-Laws or applicable law shall be in writing, shall be sufficient and effective as of the date published, transmitted by facsimile or electronic mail, personally delivered, or, if sent by mail three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at such recipient's last known address as shown in the records of the Corporation. If the Board authorizes the use of electronic mail, the same shall be effective when sent to the email address of the recipient on file with the Corporation.

8.10.2 Waiver of Notice. Whenever any notice is required to be given under the provisions of the Act, or under the provisions of the Articles of Incorporation, these By-Laws or other applicable law, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the time stated therein, will be deemed equivalent to the giving of such notice to such person. The attendance of a Member or Director at any meeting will constitute a waiver of notice of such meeting, except where a Member or Director attends a meeting for the express purposes of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

8.11 Loans to Officers and Directors and Members Prohibited. No loans shall be made by the Corporation to any Officer, Director or Member. Any Director who, in violation of this section, votes for or assents to the making of a loan, and any Director or Officer participating in the making of such loan, shall be jointly and severally liable to the Corporation for the amount of such loan until the repayment thereof.

8.12 Indemnification of Directors, Officers and Others.

(a) The Corporation shall defend and indemnify any Director or Officer made a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding:

(i) Whether civil, criminal, administrative or investigative, other than an action, suit or proceeding by or in the right of the Corporation, by reason of the fact that such person is or was a Director or Officer or is or was serving as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise at the request of the Corporation, against judgments, fines, amounts paid in settlement and expenses, including attorneys' fees, actually and reasonably incurred as a result of such action, suit or proceeding or any appeal thereof, if such person acted in good faith and in a manner such person

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reasonably believed to be in, or not opposed to, the best interest of the Corporation, and in criminal actions or proceedings, without reasonable cause for belief that such conduct was unlawful. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not in itself create a presumption that any such Director or Officer did not act in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Corporation or, with respect to any criminal action or proceeding, that such Director or Officer had reasonable cause to believe that such conduct was unlawful.

(ii) By or in the right of the Corporation to procure a judgment in its favor by reason of such person's being or having been a Director or Officer, or by reason of such person's serving or having served at the request of the Corporation as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise, against any expenses, including attorneys' fees, actually and reasonably incurred by such person in connection with the defense or settlement of such action, or in connection with an appeal therein, if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Corporation. Such person shall not be entitled to indemnification in relation to matters as to which such person has been adjudged to be liable for gross negligence or willful or wanton misconduct in the performance of such person's duties to the Corporation unless, and only to the extent that, the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court will deem proper.

(b) Any indemnification under paragraph (a), unless pursuant to a determination by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that amounts for which a Director or Officer seeks indemnification were properly incurred and that such Director or Officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and that, with respect to any criminal action or proceeding, he or she had no reasonable ground for belief that such action was unlawful. Such determination shall be made either (1) by the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) by a seventy five percent (75%) super-majority vote of a quorum consisting of Executive Committee Members who were not parties to such action, suit or proceedings.

(c) The foregoing rights of indemnification shall not be deemed to limit in any way the power of the Corporation to indemnify under any applicable law.

8.13 Revocability of Authorizations. No authorization, assignment, referral or delegation of authority by the Board, the Executive Committee or the President to any committee, Officer, agent, or other official of the Corporation, or any other organization which is associated or affiliated with, or conducted under the auspices of the Corporation shall preclude the Board from exercising the authority required to meet its responsibility. The Board shall retain the right to rescind any such authorization, assignment, referral, or delegation in its sole discretion.

8.14 Employees and Agents of the Corporation. Consistent with and within the limitation set forth in Section 5.2, the Executive Committee may employ such personnel and/or enter into agreements with such independent contractors as it deems necessary or desirable for the efficient operation of the Corporation.

8.15 Rules. The Board may adopt, amend or repeal rules (not inconsistent with these By-Laws) for the management of the internal affairs of the Corporation and governance of its Officers, agents, committees and employees. Unless the Board adopts rules of procedure which shall not be inconsistent with the Articles of Incorporation, these By-Laws or applicable law, the conduct of all meetings of the Members, Directors and members of Committees shall be in accordance with the provisions of Robert's Rules of Order.

8.16 Vote by Presiding Officer. The person acting as presiding officer at any meeting held pursuant to these By-Laws, if a voting member thereof, shall be entitled to vote on the same basis as if not acting as presiding officer.

8.17 Gender and Number. Whenever the context requires, the gender of all words used herein shall include the masculine, feminine and non-binary, and the number of all words will include the singular and plural thereof.

8.18 Section and Other Headings. The Section and other headings contained in these By-Laws are for reference purposes only and shall not affect the meaning or interpretation of these By-Laws.

8.19 Severability. Should any of the conditions, terms or covenants herein imposed, or contained be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall nevertheless be and remain in full force and effect.

Section 9. Amendments to By-Laws.

The power to make, alter, amend or repeal these By-Laws is vested in the Board; *provided, however,* that (i) any vote of the Board to take such action shall be composed of not less than five (5) Directors, and (ii) the Members entitled to vote may alter, amend or repeal these By-Laws at any duly constituted annual or special meeting of the Members by a vote of not less than two-thirds (2/3) of all the voting Members, *provided* that a detailed description thereof is included in the notice of such meeting. Any such action taken by the Members shall not be subject to alteration, amendment or repeal by the Board.

41st Street Business Improvement District

Methodology and Services

The 41st Street retail corridor in Miami Beach is a vital thoroughfare that connects people and businesses throughout the area. As the community continues to evolve, it has become clear that there is a need to create a Business Improvement District (BID or District) to transform 41st Street into a thriving commercial hub that better serves the surrounding community and visitors. The BID's purpose is to provide funding for services that will support the growth and vitality of the 41st Street Corridor, including economic development, advocacy initiatives, and monitoring of the General Obligation Bond and master planning for the District.

The BID's vision for the future is one that prioritizes both residential and business needs, creating a diverse mix of businesses and amenities that cater to everyone. The goal is to create a synergy among tenants that attracts a variety of merchants and uses.

The 41st Street BID encompasses 62 properties, generally bounded on the west by Alton Road, on the east by Indian Creek Canal, and consisting of properties abutting West 41st Street/Arthur Godfrey Road. Of these 62 properties, 42 properties have a Lot Size Ground Floor Retail Use of 50% or more of "≥ 50% Retail", while 20 properties have a Lot Size Ground Floor Retail Use of less than 50% "< 50% Retail". The BID recognizes that a diverse mix of businesses and amenities is necessary to cater to the needs of the community and attract a variety of merchants and uses. Therefore, the BID will work to provide services and resources that benefit all properties within the District, in a manner that is proportionate to the special assessments levied.

Assessment Methodology

To ensure fairness and equity, the proposed special assessments will be levied upon properties in a manner that is proportionate to the special benefit derived by each property, based on its ground floor use. The assessment rate for each property is determined based on the property's primary ground floor use. Retail establishments, which are defined as properties used for marketing and selling consumer goods and services, as well as restaurants, will derive a greater special benefit from the BID's services and, as such, will be assessed at a higher rate. The term "retail" shall exclude offices and medical uses, which will derive a reduced special benefit from the BID's services.

- **≥ 50% Retail:** Properties with 50% or more of Lot Size Ground Floor Retail Use will be assessed at the rate of \$.50/SF of Lot Size
- **< 50% Retail:** Properties with less than 50% of Lot Size Ground Floor Retail Use will be assessed at the rate of \$.25/SF of Lot Size.

Biennial Increase

To ensure that the BID's budget can grow during crucial impact periods expected over the BID's 10-year lifespan, the special assessments will increase biennially by 5%. This will allow the BID to continue to provide valuable services to the District and promote economic growth and vitality.

41st Street Business Improvement District

Methodology and Services

Services to be Provided

In year one, the 41st Street BID will prioritize the development of a strong foundation for the future of the District. This includes the creation of a website and marketing plan to promote and enhance economic vitality in the area. Additionally, the BID is committed to advocating for the interests of businesses and property owners within the District by working in a unified voice to establish positive and productive relationships with the City of Miami Beach.

To achieve our goal of advocating for the interests of businesses and property owners within the District, the BID is committed to working in a unified voice to establish positive and productive relationships with our municipal stakeholders. This includes efforts as they pertain to the General Obligation Bond and master planning for the 41st Street Corridor. Expenses related to advocacy will be allocated towards promoting and advocating for the district's interests, including attending meetings, and hiring consultants or lobbyists. Additionally, expenses may be allocated towards media and advertising campaigns to increase awareness.

As the district evolves and changes over the 10-year lifespan of the BID, services will adapt to meet the evolving needs of the District. This may include expanding marketing efforts to attract new businesses, implementing new programs to improve the district's safety, walkability, and accessibility, and advocating for new policies that benefit the district. The 41st Street BID is dedicated to ensuring that the District remains a vibrant and thriving hub for the community, now and into the future.

41st Street Business Improvement District Corridor
Estimated Budget

ESTIMATED REVENUE

1. Assessment Revenue **\$195,246.25**

ESTIMATED EXPENSES

1. Administrative Expenses

Executive Director, including benefits \$90,000.00

2. Office Expenses

Internet	\$1,000.00
Liability insurance	\$5,000.00
Office supplies	\$1,500.00
Postage	\$1,000.00
Printing	\$1,000.00
Equipment lease and/or purchase	\$1,500.00
Cell phone	\$1,000.00
Accounting fees	\$4,000.00
Audit fees	\$3,000.00
Legal fees	\$1,000.00
Officers/directors insurance	\$1,000.00
Occ. License	\$400.00
Meeting expenses	<u>\$600.00</u>

Total Administrative & Office Expenses: **\$112,000.00**

3. BID Services

Branding and Marketing	\$20,000.00
Advocacy	<u>\$11,246.25</u>

Total Marketing Expenses **\$31,246.25**

4. General Expenses

BID Steering Reimbursement \$52,000.00

Total General Expenses **\$52,000.00**

Year One BID Expenses **\$195,246.25**

41st Street Business Improvement District Corridor
Estimated Budget

The revenues in the proposed budget (\$ 195,246.25) represent the total amount of the special assessments to be collected in the first year of the special assessment district, as detailed in the Preliminary Assessment Roll.

Administrative and Office Expenses **\$112,000.00**

Administrative and office expenses for the first year of the special assessment district shall total \$112,000.00.

- Staffing costs, including employment benefits, for an Executive Director, \$90,000.00.
- Office expenses for liability insurance, supplies, postage, printing, equipment lease(s), annual report, audit, cell phone, accounting, and directors and officers liability insurance shall total \$22,000.00.

Branding and Marketing **\$20,000.00**

The 41st Street BID will develop a website and a marketing plan to promote and enhance the economic vitality of the district. The website will serve as a platform for promoting businesses within the BID, while the marketing plan will outline the strategies and tactics that will be used to achieve this goal.

Advocacy **\$11,246.25**

Expenses related to advocacy initiatives will be allocated towards promoting and advocating for the district's interests, including engaging officials, attending meetings, hiring consultants or lobbyists, and advocating for policies or legislation that would benefit businesses and property owners within the BID. Additionally, expenses may be allocated towards media and advertising campaigns to increase awareness.

Other Expenses **\$52,000.00**

During the first year of the 41st Street BID's operation, the property owners who contributed to the costs of the BID's formation will be reimbursed their contributions.

Total District Expenses: \$195,246.25