



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

REDEVELOPMENT AGENCY MEMORANDUM

TO: Chairperson and Members of the Miami Beach Redevelopment Agency

FROM: Alina T. Hudak, Executive Director

DATE: November 28, 2023

SUBJECT: **A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY, ADOPTING THE SECOND AMENDMENT TO THE FISCAL YEAR 2023 OPERATING BUDGETS FOR THE CITY CENTER REDEVELOPMENT AREA, THE ANCHOR SHOPS AND PARKING GARAGE, THE PENNSYLVANIA AVENUE SHOPS AND PARKING GARAGE, AND THE COLLINS PARK PARKING GARAGE.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

STRATEGIC PLAN SUPPORTED

Organizational Innovation – Ensure strong fiscal stewardship

BACKGROUND

In accordance with Section 189.016, Florida Statutes, the governing body of the North Beach Community Redevelopment Agency, operating as a special district, is required to adopt a budget by resolution each fiscal year and may amend the budget at any time but not later than within 60 days following the end of the fiscal year. The Miami Beach Redevelopment Agency (RDA) City Center Redevelopment Area operating budget for Fiscal Year (FY) 2023 was adopted by the Chairperson and Members of the Miami Beach Redevelopment Agency on September 29, 2022, through Resolution 675-2022, and approved by the Miami-Dade County Board of County Commissioners on May 2, 2023.

The First Amendment to the RDA City Center Redevelopment Area, the Anchor Shops and Parking Garage, the Pennsylvania Avenue Shops and Parking Garage, and the Collins Park Parking Garage operating budgets for FY 2023 was adopted by the Chairperson and Members of the Miami Beach Redevelopment Agency on November 30, 2022, through Resolution No. 679-2022.

RDA CITY CENTER

RDA City Center Redevelopment Area revenue sources for FY 2023 include City and County Tax Increment funds, interest income, and use of prior year excess RDA Trust Fund revenues in accordance with the Fourth Amendment to the Interlocal Agreement between the City and Miami-Dade County.

RDA City Center Redevelopment Area expenditures for FY 2023 include community policing initiatives to provide enhanced levels of staffing and services throughout the area and capital projects maintenance for repairs and maintenance of existing capital assets in the City Center Redevelopment Area. In addition, the FY 2023 budget includes administrative expenditures that are comprised of a management fee allocated to the General Fund to pay for indirect staff support provided to the RDA, annual audit fees, and chargebacks for internal service department services provided.

The RDA City Center Redevelopment Area budget also includes the annual debt service related to the issuance of the 2015 Convention Center bonds. On December 15, 2015, the RDA issued \$286,245,000 in Tax Increment Revenue and Revenue Refunding Bonds, Series 2015A, and \$35,850,000 in Tax Increment Revenue Refunding Bonds, Taxable Series 2015B, which financed certain costs associated with the renovation and expansion of the Miami Beach Convention Center.

Other line-item expenditures budgeted in FY 2023 include items that, pursuant to the existing Bond Covenants, may only be expended once the annual debt service obligations have been met. These include a transfer to the Miami Beach Convention Center Fund, Miami-Dade County's administrative fees, which are equivalent to 1.5% of its respective tax increment financing (TIF) payment, and the corresponding contribution to the City's General Fund, which is equivalent to 1.5% of the City's share of its TIF payment.

RDA CITY CENTER OPERATING BUDGET AMENDMENT

The preliminary year-end analysis based on the proposed realignment of funding budgeted between the various departments with funding in the City Center RDA for FY 2023 reflects that the City Center Redevelopment Area revenues totaled approximately \$54.6 million while total expenditures were \$52.8 million resulting in a projected surplus of approximately \$1.8 million.

The Administration is recommending that \$60,000 be carried forward into FY 2024 to fund goods and/or services that were procured in FY 2023, but not received and/or rendered due to timing issues between fiscal years.

Similarly, the Administration is recommending that \$229,000 be carried forward into FY 2024 for projects and equipment that were originally budgeted in FY 2023, but not completed and/or received in FY 2023 due to supply chain issues.

The remaining projected FY 2023 surplus would be set aside to retire the outstanding debt issued in 2015 for the Convention Center renovation and expansion project as required pursuant to the Third Amendment to the Interlocal Agreement between the City and Miami-Dade County.

ANCHOR SHOPS AND PARKING GARAGE, PENNSYLVANIA AVENUE SHOPS AND PARKING GARAGE, AND COLLINS PARK PARKING GARAGE

The revenues and expenditures associated with the operations of the City Center Redevelopment Area Garages and Shops are presented as separate schedules in order to eliminate any perception that the proceeds from these facilities' operations are comingled with Tax Increment Financing (TIF) and other City Center Trust Fund revenues.

Anchor Shops and Parking Garage

The preliminary year-end analysis for the FY 2023 Anchor Shops operating budget reflects that there are \$55,000 of projects budgeted in FY 2023 that were not completed in FY 2023 that the Administration is recommending be carried forward into the FY 2024 Anchor Shops operating budget.

Similarly, the preliminary year-end analysis for the FY 2023 Anchor Parking Garage operating budget reflects that there are \$73,000 of encumbrances for goods and/or services that were procured, but not received, that are recommended to be carried forward into the FY 2024 Anchor Parking Garage operating budget due to timing issues between fiscal years.

Pennsylvania Avenue Shops and Parking Garage

The preliminary year-end analysis for the FY 2023 Pennsylvania Avenue Shops operating budget reflects that there are \$31,000 of projects budgeted in FY 2023 that were not completed in FY 2023 that the Administration is recommending be carried forward into the FY 2024 Pennsylvania Avenue Shops operating budget.

CONCLUSION

The Administration recommends that the Chairperson and Members of the Miami Beach Redevelopment Agency adopt the Second Amendment to the RDA City Center Redevelopment Area, the Anchor Shops and Parking Garage, the Pennsylvania Avenue Shops and Parking Garage, and Collins Park Parking Garage operating budgets for FY 2023 as described herein and further detailed in the attached Exhibit "A."

ATH/RW/JDG/TOS

Exhibit "A"

**Miami Beach Redevelopment Agency
City Center Redevelopment Area
Operating Budget**

	FY 2023 Amended Budget	2nd Budget Amendment	FY 2023 Revised Budget
Revenues and Other Sources of Income			
Tax Increment - City	\$ 31,660,000		\$ 31,660,000
Proj Adjustment to City Increment	\$ (1,487,000)		\$ (1,487,000)
Tax Increment - County	\$ 25,133,000		\$ 25,133,000
Proj Adjustment to County Increment	\$ (1,212,000)		\$ (1,212,000)
Interest Income	\$ 102,000		\$ 102,000
Fund Balance/Retained Earnings	\$ 13,647,000		\$ 13,647,000
TOTAL REVENUES	\$ 67,843,000	-	\$ 67,843,000
Admin/Operating Expenditures			
Management Fee	\$ 606,000		\$ 606,000
Audit fees	\$ 22,000		\$ 22,000
Internal Services	\$ 258,000		\$ 258,000
Total Admin/Operating Expenditures	\$ 886,000	-	\$ 886,000
Project Expenditures			
Community Policing:			
City Center RDA Police	\$ 5,168,000	(257,000)	\$ 4,911,000
City Center RDA Code Compliance	\$ 200,500	(75,500)	\$ 125,000
Capital Projects Maintenance:			
City Center RDA Property Mgmt	\$ 1,987,000	(49,000)	\$ 1,938,000
City Center RDA Sanitation	\$ 4,364,500	463,500	\$ 4,828,000
City Center RDA Greenspace	\$ 922,000	(86,000)	\$ 836,000
City Center RDA Parks Maintenance	\$ 518,000	4,000	\$ 522,000
Total Project Expenditures	\$ 13,160,000	-	\$ 13,160,000
Reserves, Debt Service and Other Obligations			
Debt Service Cost	\$ 21,732,000		\$ 21,732,000
Reserve for County Admin Fee	\$ 359,000		\$ 359,000
Reserve for CMB Contribution	\$ 453,000		\$ 453,000
Reserve for County Reimbursement:			
Transfer to County Reimbursement	\$ 4,443,000		\$ 4,443,000
Transfer to County Beach Renourishment Fund	\$ 1,500,000		\$ 1,500,000
Reserve for City Reimbursement:			
Transfer to Beach Renourishment Fund	\$ 1,500,000		\$ 1,500,000
Transfer to Fleet Management Fund	\$ 5,848,000		\$ 5,848,000
Transfer to Convention Center	\$ 4,000,000		\$ 4,000,000
Set-aside for Debt Payoff	\$ 13,962,000		\$ 13,962,000
Total Reserves, Debt Service & Other Obligations	\$ 53,797,000	-	\$ 53,797,000
TOTAL EXPENDITURES AND OBLIGATIONS	\$ 67,843,000	-	\$ 67,843,000
SURPLUS / (GAP)	\$ -	-	\$ -

Exhibit "A"

Anchor Shops and Anchor Garage Operating Budget

Anchor Parking Garage	FY 2023 Amended Budget	2nd Budget Amendment	FY 2023 Revised Budget
Revenues:			
Valet Parking	\$ 362,000		\$ 362,000
Monthly Permits	\$ 566,000		\$ 566,000
Attended Parking	\$ 1,927,000		\$ 1,927,000
Interest Income	\$ 19,000		\$ 19,000
Misc./Other	\$ 1,000		\$ 1,000
TOTAL REVENUES	\$ 2,875,000	-	\$ 2,875,000
Operating Expenditures:			
Operating Expenditures	\$ 2,316,000		\$ 2,316,000
Transfer Out to Penn Garage	\$ 123,000		\$ 123,000
Internal Services	\$ 412,000		\$ 412,000
Capital	\$ 24,000		\$ 24,000
TOTAL EXPENDITURES	\$ 2,875,000	-	\$ 2,875,000
Revenues Less Expenditures	\$ -	-	\$ -
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Anchor Shops	FY 2023 Amended Budget	2nd Budget Amendment	FY 2023 Revised Budget
Revenues:			
Retail Leasing	\$ 1,077,000		\$ 1,077,000
Capital & Maintenance	\$ 157,000		\$ 157,000
Interest Earned	\$ 19,000		\$ 19,000
TOTAL REVENUES	\$ 1,253,000	-	\$ 1,253,000
Operating Expenditures:			
Operating Expenditures	\$ 221,000		\$ 221,000
Transfer Out to Penn Shops	\$ 314,000		\$ 314,000
Internal Services	\$ 38,000		\$ 38,000
Contingency/Reserve	\$ 680,000		\$ 680,000
TOTAL EXPENDITURES	\$ 1,253,000	-	\$ 1,253,000
Revenues Less Expenditures	\$ -	-	\$ -
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COMBINED REVENUES - EXPENDITURES	\$ -	-	\$ -

Exhibit "A"

Pennsylvania Avenue Shops and Pennsylvania Avenue Garage Operating Budget

Pennsylvania Avenue Parking Garage	FY 2023 Amended Budget	2nd Budget Amendment	FY 2023 Revised Budget
Revenues:			
Transient	\$ 483,000		\$ 483,000
Monthly	\$ 336,000		\$ 336,000
Interest Income	\$ 4,000		\$ 4,000
Transfer In from RDA (Anchor Garage)	\$ 123,000		\$ 123,000
TOTAL REVENUES	\$ 946,000	-	\$ 946,000
Operating Expenses:			
Operating Expenditures	\$ 789,000		\$ 789,000
Internal Services	\$ 133,000		\$ 133,000
Capital	\$ 24,000		\$ 24,000
TOTAL EXPENDITURES	\$ 946,000	-	\$ 946,000
Revenues Less Expenditures	\$ -	-	\$ -
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Pennsylvania Avenue Shops	FY 2023 Amended Budget	2nd Budget Amendment	FY 2023 Revised Budget
Revenues:			
Transfers In from RDA (Anchor Shops)	\$ 314,000		\$ 314,000
Misc./Other	\$ 31,000		\$ 31,000
TOTAL REVENUES	\$ 345,000	-	\$ 345,000
Operating Expenses:			
Operating Expenditures	\$ 343,000		\$ 343,000
Internal Services	\$ 2,000		\$ 2,000
TOTAL EXPENDITURES	\$ 345,000	-	\$ 345,000
Revenues Less Expenditures	\$ -	-	\$ -
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COMBINED REVENUES - EXPENDITURES	\$ -	-	\$ -

Exhibit "A"

Collins Park Garage Operating Budget

Collins Park Parking Garage	FY 2023 Amended Budget	2nd Budget Amendment	FY 2023 Revised Budget
Revenues:			
Transient	\$ 1,063,000		\$ 1,063,000
Monthly	\$ 240,000		\$ 240,000
Interest Income	\$ 2,000		\$ 2,000
TOTAL REVENUES	\$ 1,305,000	-	\$ 1,305,000
Operating Expenses:			
Operating Expenditures	\$ 1,302,000		\$ 1,302,000
Internal Services	\$ 3,000		\$ 3,000
TOTAL EXPENDITURES	\$ 1,305,000	-	\$ 1,305,000
Revenues Less Expenditures	\$ -	-	\$ -