

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

# COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: April 22, 2009

SUBJECT: REPORT OF THE FINANCE AND CITYWIDE PROJECTS COMMITTEE

MEETING OF March 10, 2009.

#### **OLD BUSINESS**

1. Discussion regarding status, design and budget for the New World Symphony parking garage and park.

#### **ACTION**

The Gehry Partners "key man" requirement should be waived for the Park Project.

Funds should be transferred in the amount of \$2,122,979 from the Park Project to the Garage Project.

The final proposed Garage cost by NWS/Hines is \$17,333,114 for a parking garage with approximately 500 to 550 spaces. NWS/Hines will continue to look for additional cost savings to further reduce the price of the garage.

When the Park Project Concept Plan (aka BODR) is completed, and the projected cost of the Park is identified, the City Commission should have the ability to transfer additional available funds from the Park Project to the Garage Project in order to add the architectural treatment of the stainless steel mesh and LED lighting to the east façade of the Garage. NWS should keep the ability to amend the Garage Project during the construction process should this happen.

NWS/Hines is to issue a Request for Proposal (RFP) for the selection of the architects to design the Park and bring the selection to the City Commission for final approval.

NWS/Hines and City Staff are to determine if the FPL vault is properly allocated to the Garage Budget or if it should be allocated to the Additional Improvements Budget, as each is identified in the Development Agreement(s) with the New World Symphony (NWS).

Assistant City Manager Tim Hemstreet presented the item and gave a brief history of the item.

Chairman Saul Gross asked about the Design Review Board (DRB) approval. Tim Hemstreet stated that the DRB approval calls for stainless steel mesh on three sides of the structure with the proposed LED lights. The DRB Order does not include the façade treatment on the eastern elevation but does allow for it if the funds become available to add the treatment at a future date.

Chairman Saul Gross inquired as to why this would not be bid out to everyone. Matt Barry from Hines responded that the RFP was limited to 5 bidders because Hines finds that when you limit the number, you prequalify them so that the bidders believe that they have a good chance to get the work. Also with a limited field of 5, bidders more aggressively pursue the work, produce a better design and produce a better proposal.

Chairman Saul Gross asked Bill Goldsmith if he recommends that the garage project be awarded and if the cost were in line with industry standards. Mr. Goldsmith stated that the target cost should be at \$16.5 million but understands that due to time constraints the project should be awarded. He also suggested bidding out the construction for the Park Project.

Commissioner Jerry Libbin asked Hines to explain why the budget for the Park Project was approximately \$3 million an acre? Hines replied that the construction numbers were based on a Gehry conceptual plan that contained a lot of hardscape elements which drive costs up. Commissioner Libbin also supports reallocating funds from the Park budget and moving it to the Garage budget to cover the shortfall in the Garage budget.

Commissioner Ed Tobin and Commissioner Deede Weithorn concurred with Commissioner Libbin and supported moving funds from the Park Project to the Garage Project.

The Committee also agreed that the option to add the stainless steel mesh and LED lighting to the east elevation of the Garage should be kept open to give the City Commission the flexibility to make that decision at any time. This decision should be made by the City Commission once the Park Project Concept Plan (aka BODR) is completed and the projected cost of the Park is known. At that time, the City Commission could decide whether or not to transfer additional funds from the Park budget to the Garage budget to fund the stainless steel mesh and LED lighting on the east elevation.

The Committee as well as NWS supports the idea of looking for a different designer for the Park Project.

City Manager Jorge Gonzalez suggested having Hines or the NWS conduct a design competition where the City can define the parameters of the competition while still allowing the City to make the final decision. He also suggested that as an alternative Hines could issue an RFQ.

Mr. Milton Baker from Hines said that he would issue a request for proposal (RFP) as opposed to a request for qualifications because it would require them to provide a design concept and an estimate for construction costs and fees. He also stated he would like to pre-qualify six to ten high-end park designers for this RFP.

Mr. Baker estimated that this process could be completed in approximately 30 days after the pool of potential park designers was established.

Howard Herrings form NWS noted that Frank Gehry was asked to design (do the work all in) for \$1.5M but declined; Bill Goldsmith suggested that Gehry Partners be asked to

consult on the park project.

Commission Deede Weithorn suggested that an RFP be issued so that more information is obtained rather than an issuing a RFQ where there may not be a definite design or concept given.

Mr. Goldsmith suggested having Hines in charge of the RFP process but still have the hard construction costs bid out through the normal procurement process.

The Committee recommends the removal of the Gehry Partners "key man" requirement from the Park Project; the transfer of \$2,122,979 from the Park Project to cover the projected shortage in the Garage Project; directed staff is to find out if the FPL vault is properly allocated to the Garage Project or if it belongs in the additional improvements Budget; Hines is to issue a RFP for the selection of the architects to design the park and bring the selection to the City Commission for final approval; the final proposed Garage cost by NWS/Hines is \$17,333,114 for a parking garage with approximately 500 to 550 spaces, as well as having NWS/Hines continue to look for additional cost savings to further reduce the price of the Garage; and to keep the option open to add the mesh and the LED lighting to the east elevation of the Garage when the full cost of the Park is determined at the completion of the Park Concept Plan.

2. Discussion of Flamingo Park Draft Master Plan including alternatives for a new tennis center.

## **ACTION**

The Committee directed staff as well as the architect to proceed with Option I with the following modifications:

Design a new tennis facility on a smaller scale removing the multi-purpose room making the pro shop smaller and directed the architect to see if there was any significant savings in designing the restrooms closer together.

Include in the design a community garden, a bike path that connects to Michigan Avenue, a walkway on the North side, and look into the possibility of adding the skate park next to the Boys and Girls Club as long as they have no objections along with the removal of the Boys and Girls Club Gymnasium. They also wanted to include shade trees in the dog park as well as using passive, freeform landscaping similar to the landscaping at Pine Tree Park. Also the water feature in the park is to be added if the budget allows, once all other needs are met.

Staff was directed to find out the cost of maintaining the football field to see if it is cost effective to install artificial turf. Renovate existing bathrooms in the park rather than building new ones. Also stated was that the location of the basketball court was to remain where previously situated.

When bidding out the project for the tennis facility and the courts make the demolition and construction phasing of the tennis courts an added alternate. Find a programmatic use for the historic lodge building.

The Administration recommended to withdraw the scheduled City Commission public hearing regarding the certificate of appropriateness for the demolition of the Flamingo Park tennis center and courts.

Flamingo Park project. Mr. Beckmann then went on to introduce Aris Garcia from the firm of Wolfberg Alvarez who is the consultant for the project.

Mr. Garcia presented three different options, Options H, I and J, and discussed what made up each option. Option I includes upgraded baseball box office, renovation of restrooms, upgrading the baseball field, upgrading the dog park, renovation of the Joe Rubin Handball courts, demolition of Robert Haas handball courts and construction of new handball courts, new entrances and enhanced pedestrian features, new restroom building, lodge renovation, football field/track, tennis center, tennis courts, demolition of friendship corner building, teen activity area and a new water feature. Option J includes the same as option I only with a new smaller tennis pavilion.

Option H varies from Option I only in that it calls for minor renovations to the existing tennis facility that includes one less hydro-grid court; the main issue with this option is that the Florida building code allows only for the renovation of up to 50% or 1500 SF of the tennis center.

Chairman Saul Gross commented on the primary concern of the tennis community in that they would like the construction of the new tennis courts to be phased so that it would allow for continuous play on a portion of the facility. Acting CIP Director Fred Beckmann stated that phasing in the construction would escalate the price as well as delay the overall completion of the tennis center.

Chairman Saul Gross then opened the floor for public comment.

Public comments were heard and they included the following requests, a bike path that connects to Michigan Ave, addition of a skate park, phasing of the construction of the tennis courts, adding amenities to the dog park area, adding shade trees to some of the open areas, and adding a walkway at the north side of the park.

Chairman Saul Gross would like to see if the addition of the skate park is feasible in the project.

Commissioner Weithorn stated that she would like to see if the budget could be reduced by doing the following, removal of the teen facility, building a smaller tennis facility without showers, lockers, multi-purpose room, and the removal of the water feature from the design plan.

The Committee directed staff as well as the architect to proceed with Option I with the following modifications:

- Design a new tennis facility on a smaller scale removing the multi-purpose room making the pro-shop smaller and directed the architect to see if there was any significant savings in designing the restroom closer together.
- Include in the design a community garden, a bike path that connects to Michigan Avenue, a walkway on the North side, and look into the possibility of adding the skate park next to the Boys and Girls Club as long as they have no objections along with the removal of the Boys and Girls Club Gymnasium. They also wanted to include shade trees in the dog park as well as using passive, freeform landscaping similar to the landscaping at Pine Tree Park. Also the water feature in the park is to be added if the budget allows, once all other needs are met.
- Staff was directed to find out the cost of maintaining the football field to see if it is
  cost effective to install artificial turf. Renovate existing bathroom in the park
  rather than building a new one. Also stated that the location of the basketball
  court was to remain where previously situated.

- When bidding out the project for the tennis facility and the courts make the demolition and construction phasing of the tennis courts an added alternate.
- Find a programmatic use for the historic lodge building.
- The Administration recommended to withdraw the scheduled City Commission public hearing regarding the certificate of appropriateness for the demolition of the Flamingo Park tennis center and courts.

## **NEW BUSINESS**

3. Discussion regarding the implementation of a municipal marketing (Corporate Sponsorship) program for the City.

# **ACTION**

#### **Item Deferred**

4. Update on the RFP for the Management and Operation of the Byron Carlyle Theater.

## **ACTION**

The Committee approved issuing another request for proposal (RFP) for the management and operation of the Byron Carlyle Theater.

Assistant City Manager Hilda Fernandez and Cultural Affairs Program Manager Gary Farmer presented the item and gave a brief history of the Byron Carlyle Theater request for proposal (RFP).

Chairman Saul Gross questioned why there would be a different outcome if a second RFP was issued.

Assistant City Manager Hilda Fernandez stated that the evaluation committee felt that the proposal could have been drafted differently to try to request potentially different kinds of uses for the facility.

Commissioner Jerry Libbin asked what types of guidelines would be requested and stated that he would like more programming for the theater.

Chairman Saul Gross commented that usage of the facility is about 15% for the current year.

Assistant City Manager Hilda Fernandez stated that she would change the language of the RFP to include, financial capacity, and a demonstrated capacity at the time of submission of application to sustain programming.

Commissioner Deede Weithorn agrees that we should reject the current RFP and reissue a new one.

Chairman Saul Gross commented if it would be better to split the theater in two and issue an RFP for each section.

Mayor Matti Herrera Bower stated that Global Spectrum indicated that they were interested in renting out the theater for an upcoming African American artist performance.

The Committee approved the issuing another request for proposal (RFP) for the management and operation of the Byron Carlyle Theater.

5. Little Stage Theater Complex Basis of Design Report

# **ACTION**

#### Item Deferred

6. Discussion regarding the current space utilization by, and proposed space allocation plans for City departments within City-owned facilities.

## **ACTION**

City Hall – 1700 Convention Center Drive: The Committee did not approve authorization to pursue negotiations with the Miami Beach Historical Archive for use of the 1st floor Answer Center space in the event the space becomes available in the future. Staff was directed to focus more on putting all the customer service related items on the first floor to make it more accessible to the public.

777 Building – 1701 Meridian Avenue: The Committee approved the noted proposals and recommendations relating to the leasing of the three commercial spaces on the 1st and 4th floors of the 777 Building.

Historic City Hall – 1130 Washington Avenue: The Committee approved the recommendation relating to the leasing of office and commercial space at Historic City Hall.

The Committee directed staff that once a space becomes available to treat it as a private lease and use the market rate methodology for establishing the rate.

Staff is to look at the Parks Department to see if there is any available office space for non profits as long as the non profit provides programming for the space that is beneficial to the community and rent is to be negotiated at a minimum of \$1 plus CAM.

Assistant City Manager Hilda Fernandez presented the item and gave a detailed synopsis of the memo.

City Hall — 1700 Convention Center Drive: The Miami Beach Historical Archive requested use of the 1<sup>st</sup> floor in the event it becomes available after it has been vacated by Community Services. Chairman Saul Gross and Commissioner Deede Weithorn both denied this request stating that the 1<sup>st</sup> floor should focus more on servicing the public. The 2<sup>nd</sup> floor had no proposed accommodations. On the 3<sup>rd</sup> floor the Building Department will occupy the space currently occupied by Real Estate, Housing & Community Development and noted that Community Services is moving to the 4<sup>th</sup> floor.

777 Building – 1701 Meridian Avenue: There is a request to renew the 2 expiring leases on the 1<sup>st</sup> floor which are currently on a month-to-month basis. Both Chairman Saul Gross and Commissioner Deede Weithorn support the renewal of the expired leases with a 3% increase over the current base rent. It is recommended that the 2<sup>nd</sup> floor space, which has been vacated by CIP be used to prepare for the eventual move of the Fire Department Administration & Fire Prevention Services into the space. The 3<sup>rd</sup> floor had no proposed changes. The 4<sup>th</sup> floor also has an expiring lease currently on a month-to-month basis. The Tenant would like to renew the lease but is requesting to reduce the leasable square footage. Chairman Saul Gross and Commissioner Deede

Weithorn both support the request to renew the lease at the current market rate. The Committee also approved that any future commercial leases (including renewals and/or extensions) for use of space at the 777 Building be handled as it is in the private sector and not through a competitive bid process.

Multi Purpose Parking Facility (MPPF): No action was required

555 Building - 555 17th Street: No action was required

Police Department – 1100 Washington Avenue: The first three floors remain the same. On the 4<sup>th</sup> floor the Police Department's Internal Affairs Division (IA) will relocate from its current location in the N.E.S.S. Building located at 6840 Indian Creek Drive which will be vacated by the I.T. Department's administrative staff move to the MPPF building in March 2010. The Commission approved this as well as the request for the use of vacant space by the State Representative at this location once IA moves.

Miami Beach Police (RDA) Community Sub-station  $-210\ 2^{nd}$  Street: This building is a one story structure totaling 224 SF of usable office space located within a portion of Washington Park. The current function is anticipated to relocate in March of 2010 or 2011 as space becomes available at either Police headquarters of the 777 Building. At this time no future proposed use has been determined. The Committee approved the recommendation relating to the leasing of commercial space to non-for-profit entities.

Historic City Hall – 1130 Washington Avenue: The first three floors are occupied by Miami Design Preservation League (MDPL), Miami Dade County Clerk of the Courts, and the I.T. department's training room, respectively. Currently, the balance of the floors,  $4^{th} - 8^{th}$ , is vacant. As directed at the October 21, 2008 meeting of the Finance and Citywide Projects Committee, the Administration has advertised and marketed the leasable space. The Committee approved the request to move forward and lease the office space on balance of the floors. The Committee also approved that the Administration handles any future commercial leases (including renewals and/or extensions) for use of space at Historic City Hall as it is in the private sector and not through a competitive bid process ensuring that market rates are negotiated and operating expenses included and that all leases require City Commission approval.

## Committee directives are as follows:

- City Hall 1700 Convention Center Drive: The Committee did not approve authorization to pursue negotiations with the Miami Beach Historical Archive for use of the 1st floor Answer Center space in the event the space becomes available in the future. Staff was directed to focus more on putting all the customer service related items on the first floor to make it more accessible to the public.
- 777 Building 1701 Meridian Avenue: The Committee approved the noted proposals and recommendations relating to the leasing of the three commercial spaces on the 1st and 4th floors of the 777 Building.
- Historic City Hall 1130 Washington Avenue: The Committee approved the recommendation relating to the leasing of office and commercial space at Historic City Hall.
- The Committee directed staff that once a space becomes available to treat it as a private lease and use the market rate methodology for establishing the rate.
- Staff is to look at the Parks Department to see if there is any available office space for non profits as long as the non profit provides programming for the space that is beneficial to the community and rent is to be negotiated at a minimum of \$1 plus CAM.

7. Discussion regarding a concession agreement with One Washington Avenue, Corp. for an outdoor café in South Pointe Park as an auxiliary use to the Smith & Wollensky restaurant

# **ACTION**

# **Item Deferred**

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