

Attachment C

COMMISSION WORKSHOP
CONVENTION DEVELOPMENT TAX
RESORT TAX
OTHER GENERAL FUND REVENUES

September 21, 2009

CONVENTION
DEVELOPMENT TAXES

CONVENTION DEVELOPMENT TAXES (CDT)

CDT receipts are collected by Miami-Dade County

Miami Beach receives CDT funds pursuant to an Interlocal Agreement with Miami-Dade County

Uses of CDT Funds are restricted by State Statute

- Expansion and improvement of the largest public Convention Center in the County
- Construction of new convention centers,, coliseums exhibition stadiums
- Maintenance of convention centers, coliseums, stadiums, exhibitions
- Acquisition/expansion /maintenance of arenas, exhibition halls, and golf courses

CONVENTION DEVELOPMENT TAXES (CDT) – REVENUES

CDT Projected Revenues	\$ 36,586,000
Shortfall Reserve	22,833,000
Performance Arts Center Repayment	1,500,000
Basketball Properties Dev. Agreement Fees	111,000
Total Revenue	\$ 61,030,000

CONVENTION DEVELOPMENT TAXES (CDT) –EXPENDITURES

Miami-Dade County FY 2009/10 CDT Expenditures	
Debt Service	\$ 20,905,000
City of Miami Beach Interlocal	4,500,000
City of Miami Interlocal	3,000,000
Museum Support*	2,975,000
Cultural Affairs Grants & South Dade Operating Subsidy	1,770,000
Tennis Center at Crandon Park	1,000,000
Performing Arts Center Trust	12,829,000
American Airlines Arena	6,400,000
Arena Management	500,000
Vizcaya	981,000
Reserve for Debt Service & Shortfall Reserve	6,170,000
Total Expenses	\$ 61,030,000

* Includes Miami Art Museum, Miami Science Museum, and Historical Association

CONVENTION DEVELOPMENT TAX (CDT) AGREEMENT

Pursuant to Interlocal with Miami Dade County, the City receives \$4.5 million in CDT funds annually

FY 2007/08 ANALYSIS					
	Countywide Earnings	Earnings Collected on Miami Beach	% of Earnings Collected on Miami Beach	Earnings Remitted to the City	
				Amount	% of Earnings
FY 2002/03	\$ 28,328,419	\$ 11,920,005	42%	\$ 4,500,000	15.89%
FY 2003/04	\$ 33,086,339	\$ 14,546,348	44%	\$ 4,500,000	13.60%
FY 2004/05	\$ 38,342,244	\$ 16,538,330	43%	\$ 4,500,000	11.74%
FY 2005/06	\$ 42,315,011	\$ 17,442,896	41%	\$ 4,500,000	10.63%
FY 2006/07	\$ 45,593,205	\$ 18,731,737	41%	\$ 4,500,000	9.87%
FY 2007/08	\$ 47,924,085	\$ 20,516,635	43%	\$ 4,500,000	9.39%

Through the CDT agreement, as amended, the City also received:

- 1996 - \$35 million for capital projects - fully appropriated
- 2001 - \$15 million for capital projects - fully appropriated
- 2003 - \$50 million for the Convention Center which became a \$55 million allocation from the County GO Bond

RESORT TAX

RESORT TAX

- Allowable uses of the municipal resort tax are related to the promotion of the tourist industry:
 - Publicity,
 - advertising,
 - news bureau,
 - promotional events,
 - convention bureau activities,
 - capital improvements
 - maintenance of all related physical assets; and
 - for the payment of the reasonable and necessary expenses of collecting, handling and processing of said tax

RESORT TAX

- The use of the proceeds of the additional one percent (1%) tax are more specifically identified:
 - 50% for payment of a portion of the debt service on the Miami Beach Redevelopment Agency – City Center/Historic Convention Village Bonds
 - 50% split equally into 4 to fund tourism-related Quality of Life Capital projects in North Beach, Middle Beach and South Beach and to fund the arts

RESORT TAX BUDGET

	FY 2008/09	FY 2009/10
2% Resort Tax		
Transfer to the general fund	\$ 21.9	22.4
GMCVB	5.6	5.0
VCA	1.5	1.5
Marketing / Super Bowl	0.4	0.2
Debt Service	1.5	1.6
Tax Collection and Processing	1.0	1.2
Contingency	0.4	0.09
Sub-Total	\$ 32.3	31.9
1% Resort Tax		
Debt Service	\$ 3.5	\$ 3.5
Quality of Life Capital and Arts	3.5	3.5
Sub-Total	\$ 7.0	\$ 6.9
Total	\$ 39.3	\$ 38.8
Resort Taxes can only be used for tourism-eligible expenses		

GENERAL FUND ELIGIBLE RESORT TAX USES

\$22.4 million is used to offset tourism-eligible expenditures in the following areas:

- Police
- Fire
- Ocean Rescue
- Memorial Day Weekend
- Other Special Events
- Code Compliance
- Cultural Arts Council
- Tourism & Cultural Department
- Citywide Accounts
- Garden Center
- Bass Museum
- Colony Theater Net Expenses
- Miami Beach Golf Course Net Expenses
- Homeless Services

GENERAL FUND RESORT TAX USES

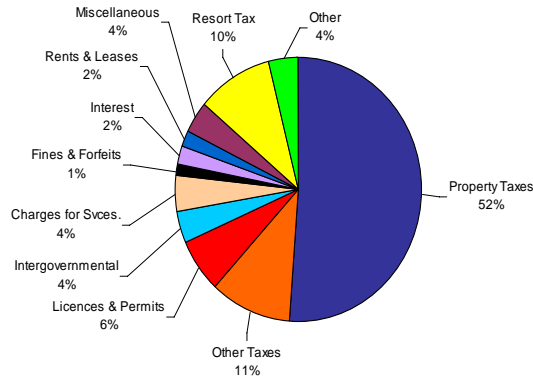
Resort Tax Transfer to the General Fund	
FY 2002/03	\$ 15,031,450
FY 2003/04	\$ 16,318,450
FY 2004/05	\$ 18,928,608
FY 2005/06	\$ 19,571,309
FY 2006/07	\$ 19,571,309
FY 2007/08	\$ 20,696,674
FY 2008/09	\$ 21,865,440
FY 2009/10 (Proposed)	\$ 22,465,440

Resort Tax transferred to the General Fund is used to pay for Resort Tax eligible expenses that are paid from the General Fund.

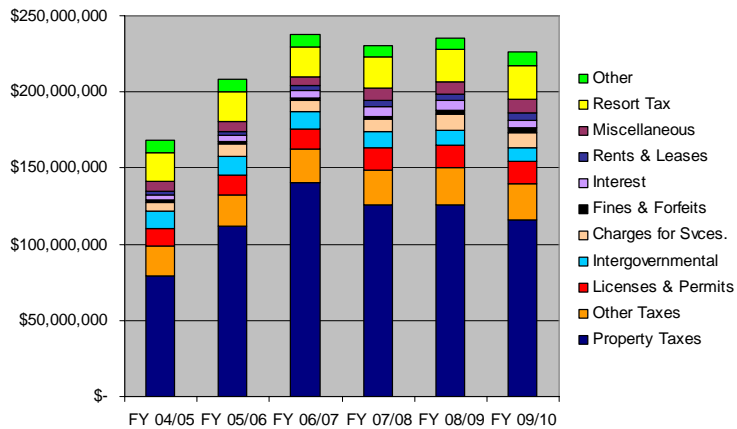
Administratively, the goal has been to transfer less than the amount of funds set aside for emergency/contingency reserves

FY 2009/10 GENERAL FUND MAJOR REVENUES

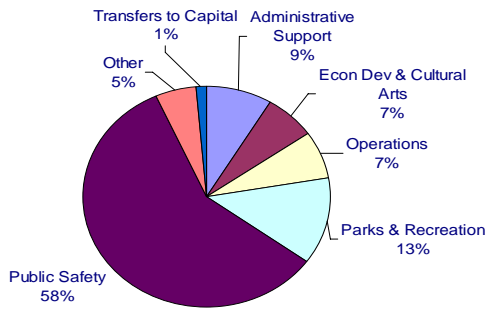
**FY 2009/10 Proposed
General Fund Revenues
\$226,336,026**



GENERAL FUND MAJOR REVENUES

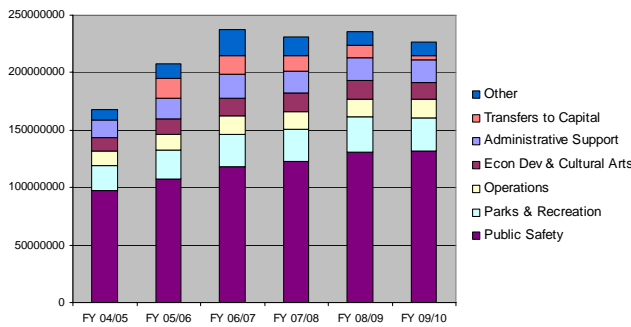


FY 2009/10 GENERAL FUND EXPENDITURES



- OTHER
 - Citywide Accounts
 - Citywide Accounts-Normandy Shores
 - Operating Contingency
- TRANSFER TO CAPITAL
- ADMINISTRATIVE SUPPORT
 - Mayor & Commission
 - City Manager
 - Communications
 - Finance
 - OBPI
 - Human Resources/Labor Relations
 - City Clerk
 - Procurement
 - City Attorney
- ECONOMIC DEVELOPMENT & CULTURAL DEVELOPMENT
 - Economic Development
 - Building
 - Planning
 - Tourism & Cultural Development
- OPERATION
 - Code Compliance
 - Community Services
 - Homeless Services
 - Public Works
 - Capital Improvement Projects
- PARKS & RECREATION
- PUBLIC SAFETY
 - Fire
 - Police

GENERAL FUND EXPENDITURES



- OTHER
 - Citywide Accounts
 - Citywide Accounts-Normandy Shores
 - Operating Contingency
- TRANSFER TO CAPITAL
- ADMINISTRATIVE SUPPORT
 - Mayor & Commission
 - City Manager
 - Communications
 - Finance
 - OBPI
 - Human Resources/Labor Relations
 - City Clerk
 - Procurement
 - City Attorney
- ECONOMIC DEVELOPMENT & CULTURAL DEVELOPMENT
 - Economic Development
 - Building
 - Planning
 - Tourism & Cultural Development
- OPERATION
 - Code Compliance
 - Community Services
 - Homeless Services
 - Public Works
 - Capital Improvement Projects
- PARKS & RECREATION
- PUBLIC SAFETY
 - Fire
 - Police