



MIAMI BEACH

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

COMMITTEE MEMORANDUM

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

FROM: City Manager Jorge M. Gonzalez 

DATE: December 9, 2009

SUBJECT: **REPORT OF THE FINANCE AND CITYWIDE PROJECTS COMMITTEE MEETING OF October 29, 2009.**

OLD BUSINESS

NEW BUSINESS

1. Discussion regarding the potential garage project and joint venture in the Collins Park Neighborhood.

ACTION

The Committee recommended doing an appraisal.

The Committee recommended this item be brought back on or before the January 2010 Finance and Citywide Projects Committee meeting.

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

At the September 3, 2009 meeting of the Finance and Citywide Projects Committee, the Administration provided a status update on the negotiations with American Riviera Real Estate Company (ARRE), for the development of a joint venture garage in the Collins Park neighborhood. The parties have agreed on an appraiser and the Administration has provided the Developer with a draft of appraisal instructions, and the City has begun the process of hiring Kroll to perform the financial due diligence of ARRE. However, as of October 23, 2009 the Administration has not received comments or changes to the draft appraiser instructions, or authorization from the Developer to proceed with financial due diligence.

Chairman Saul Gross asked who is paying for the appraisal. City Manager Jorge Gonzalez stated that the City is paying for it. Chairman Gross then asked which is more expensive, the appraisal or the due diligence. City Manager Jorge Gonzalez stated the due diligence is more expensive. The Committee recommended doing the appraisal. Discussion ensued. The Committee recommended this item be brought back on or before the January 2010 Finance and Citywide Projects Committee meeting.

Agenda Item CGC

Date 12-9-09

- 2. Discussion regarding the implementation of a Municipal Marketing (Corporate Sponsorship) program for the City.**

ACTION

Item Deferred

- 3. Discussion regarding authorizing the City Manager, on behalf of the City, to enter into certain independent contractor agreements over \$25,000.**

ACTION

The Committee recommended that a review of contract employees be added to the July Budget Briefings.

The Committee recommended that this item be brought to the Commission.

Human Resources Director Ramiro Inguanzo presented the item.

City Manager Jorge Gonzalez stated that these positions are funded/budgeted, vacant positions where the contractor would be hired at the current rate for the position. The purpose of this item was not to replace those employees currently in a position, or to eliminate a position and layoff an employee to then hire an independent contractor to perform the same functions. Chairman Saul Gross asked what the maximum amount that would be paid is. City Manager Jorge Gonzalez stated that the maximum amount paid would be the maximum of the salary range for the position and the contract would not exceed the fiscal year. Discussion ensued. Commission Deede Weithorn asked that this be monitored. The Administration agreed to monitor the use of the independent contractors contracted under this Resolution and report back to the City Commission via the budget preparation meetings in July 2010.

The second part of the item also pertains to independent contractors who will be providing certain specific services and/or work and which were otherwise budgeted in each of the respective departmental budgets.

The Committee recommended that this item be brought to the Commission.

- 4. Recommendation to approve a Management and Operation Agreement with Miami Design Preservation League (MDPL) for the Miami Beach Ocean Front Auditorium at 1000 Ocean Drive in Lummus Park.**

ACTION

The Committee approved the Management and Operation Agreement between the City and Miami Design Preservation League (MDPL) for an initial term of five (5) years, commencing on January 1, 2010, and ending on December 31, 2014, with an automatic renewal for a second five (5) year term providing that the museum is completed along with long term benchmarks, and an option to renew for one (1) additional five (5) year term, at the City's sole discretion.

The Committee recommended the following:

- The third party license agreement for The Art Deco Visitors Center is subject to the City's approval.**
- The Policies and Procedures regarding catering are clarified.**

- **MDPL continues to build membership**
- **MDPL's Board includes a member who is appointed by the City.**

The Committee recommended the item be brought to the December 9, 2009 Commission Meeting.

Assistant City Manager Hilda Fernandez presented the item and gave a brief history of the item.

At the September 3, 2009 meeting of the Finance & Citywide Projects Committee (F&CWPC) staff was asked to develop measurable and determinable benchmarks for MDPL. The Administration recommended the approval of a Management and Operation Agreement for 9,086 SF within the Miami Beach Ocean Front Auditorium as a public multi-purpose community resource centered on an outstanding cultural and historic exhibition and house the archive and educational center, MDPL's administrative offices, and an Art Deco Welcome Center, for an initial term of five (5) years, commencing on January 1, 2010, and ending on December 31, 2014, with an option to renew for two (2) additional five (5) year terms, at the City's sole discretion.

The Committee reviewed the proposed benchmarks listed in the MDPL/Art Deco Welcome Center Business Plan. Discussion ensued. The Committee approved the Management and Operation Agreement between the City and Miami Design Preservation League (MDPL) for an initial term of five (5) years, commencing on January 1, 2010, and ending on December 31, 2014, with an automatic renewal for a second five (5) year term providing that the museum is completed along with long term benchmarks, and an option to renew for one (1) additional five (5) year term, at the City's sole discretion.

Commissioner Deede Weithorn asked that the MDPL Policies and Procedures for the Art Deco Welcome Center Facility Rental on catering be clarified. Ms. Fernandez stated that the idea was that a professional caterer of your choice be used.

Chairman Gross asked how MDPL would build their membership base. Amy Tancig, Director of Development, stated that MDPL currently has 216 members. Marie Hernandez, MDPL Interim Executive Director, stated that those who rent the space will be required to become members. Ms. Hernandez also stated that the space will be offered free to neighborhood associations and that MDPL would ask residents to become members. Chairman Gross asked a component be added that encourages MDPL to continue to build membership. The Committee recommended that MDPL's Board include a member who is appointed by the City.

The Committee recommended the item be brought to the December 9, 2009 Commission Meeting.

- 5. Update on the City's offer to purchase an easement from the Housing Authority of the City of Miami Beach (HACMB) for the proposed West Avenue Bridge**

ACTION

The Committee recommended that Staff investigate condemnation, the item be brought to the Commission, and asked HACMB representatives to encourage the HACMB Board to make a counter-offer.

Assistant City Manager Tim Hemstreet presented the item.

At the June 25, 2009 Finance Committee meeting, Housing Authority staff informed the Committee that while the letter submitted to the City indicated that the HACMB would proceed with development of the site, the HACMB Board desired a written offer from the City. On September 8, 2009, the HACMB Board met to consider the offer of June 30, 2009, for the purchase of the easement. The HACMB Board voted to reject the offer and directed the Housing Authority Administration to continue with plans to develop the entire property.

Chairman Saul Gross asked Miguell Del Campillo, Executive Director HACMB, what the plan for the site was. Mr. Del Campillo stated that an architect has been hired to work on an affordable housing design for the entire property. Discussion ensued.

Chairman Gross asked Mr. Del Campillo why the HACMB rejected the offer made by the City. Mr. Del Campillo stated that Housing Authority Board discussed the proposal and deemed the price not to be acceptable. General Counsel for HACMB, Eve Boutsis stated that the Board rejected the offer made but may still be willing to negotiate further however the cost to the Housing Authority if the lot is split increases exponentially.

Chairman Gross asked if the City could condemn for an easement. Discussion ensued.

The Committee recommended that Staff investigate condemnation, the item be brought to a Commission Meeting, and asked HACMB representatives to encourage the HACMB Board to make a counter-offer.

6. A discussion regarding a new lease agreement with SoBe Music Institute for the Carl Fisher Clubhouse and Little Stage Theater

ACTION

The Committee approved the proposed measures/benchmarks/public benefits being proposed for the lease agreement between the City and SoBe Arts and recommended that the lease be brought to the December 9, 2009 Commission Meeting.

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

On June 25, 2009, the Finance Committee directed staff to negotiate a new lease for a five (5) year term involving both the Carl Fisher Clubhouse and the Little Stage Theater. Staff was directed to work with SoBe Arts on developing performance measures/benchmarks and public benefits for inclusion in the new Lease Agreement. Staff has discussed proposed performance measures, benchmarks and public benefits with SoBe Arts to ensure that the free use of this public facility continues to provide a benefit to the community. The performance measures for the Carl Fisher Clubhouse are consistent with those submitted and offered by SoBe Arts through the competitive process. The proposed measures/benchmarks/public benefits for the Theater have been developed with the interest of ensuring that SoBe Arts continue to use the facility to support its programming, while making available the theater to other organizations, and to the City. The issue of parking for staff and participants continues to be discussed and options will be presented at a later date. Conversation ensued.

The Committee approved the proposed measures/benchmarks/public benefits being proposed for the lease agreement between the City and SoBe Arts and recommended that the lease be brought to the December 9, 2009 Commission Meeting.

7. Review and Discussion of the agreement for shared car service with the Hertz Corp - Update

ACTION

The Committee approved the proposed terms of the Agreement.

Parking Director Saul Frances presented the item and gave a brief synopsis of the memo.

On June 25, 2009, the Finance Committee directed the Administration to : (1) further negotiate the financial return to the City which at the time was \$107,825 over a five year term and (2) Hertz was directed to pursue potential shared car locations at privately owned and/or operated parking garages in the City.

Initially Hertz, proposed that the parking spaces contemplated for Shared Car use in the City's garages be placed on the ground level in high traffic areas. The City's position is that these are the most convenient parking spaces and highest utilized. Hertz has since agreed to utilize the parking spaces at the rooftop or one level below the rooftop for the Shared Car Program at all City garages.

The City has expected some level of subsidy may be necessary to support the Shared Car Program. The newly negotiated terms and financial return to the City are more in line with the expected subsidy. The Committee approved the proposed terms of the Agreement, including the City's annual subsidy of \$75,000 or \$375,000 over the five (5) year term of the agreement.

8. Discussion on the changes to the Artist Vendor and Street Performers (rates)

ACTION

The Committee recommended the cost to apply for the lottery is changed to \$50 and the cost to process a permit be changed to \$100.

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

The current Artist Vendor/Street Performer ordinance allows fees to be set administratively. The recent review of the costs associated with managing the applications and processing of permits for artist vendors/street performers indicates that current processes create costs that are high and would be an issue for most vendors/performers to pay. The proposed changes to the process would streamline the process, and provide for an application and permit processing fee that is sufficient to cover the City's costs, while representing a reasonable amount for potential applicants – thus providing opportunities for artist vendors/street performers to engage in this activity in our community. Chairman Saul Gross asked what the current charge is. Ms. Fernandez stated that currently it is \$15. Discussion ensued.

Chairman Gross asked if an online application could be created for Artist Vendors/Street Performers to apply for the lottery. Ms. Fernandez stated that if applications could be taken electronically online, the cost to apply for the lottery would be reduced. Discussion ensued. The Committee recommended the cost to apply for the lottery is changed to

\$50 and the cost to process a permit is changed to \$100.

Chairman Gross opened the floor to public comment. Public comment included concerns about the fee for applying for the lottery being increased, support for creating an online application for Artist Vendors/Street Performers to apply for the lottery, and getting Artist Vendors/Street Performers input on how to improve the program.