



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: January 19, 2011

SUBJECT: **REPORT OF THE FINANCE AND CITYWIDE PROJECTS COMMITTEE MEETING OF December 16, 2010.**

OLD BUSINESS

1. Discussion regarding recent billing of Parking Impact Fees and the possibility of a moratorium due to present economic market conditions

ACTION

The Committee approved and referred the following to the Planning Board:

- allowing a yearly fee to be paid for new construction
- accept the modifications to the map for parking districts
- reducing the percentage for the yearly fee from 3% to 2%

The Committee requested analysis on how other cities handle parking requirements and recommendations on how to reduce the parking requirement for providing valet service.

Acting Planning Director Richard Lorber presented the item and gave a synopsis of the memo.

The Committee discussed the recommendations in the memo. Commissioner Jerry Libbin asked for an analysis on how other cities handle parking requirements. Commissioner Jonah Wolfson suggested reducing the percentage for the yearly fee from 3% to 2%. The Committee discussed the ramifications of reducing the fee from 3% to 2% or 1.5% if business offers valet parking. The Committee recommended referring to the Planning Board a reduction of the fee from 3% to 2%. Commissioner Wolfson then suggested reducing the full fee from \$35,000 to \$25,000. The Committee recommended reviewing these issues again after the previously requested analysis is presented. Commissioner Wolfson also suggested a 50% credit for providing valet service. Discussion ensued. The Committee asked the Administration to bring back recommendations on how to reduce the parking requirement for businesses providing valet service.

The Committee approved and referred the following to the Planning Board:

- allowing a yearly fee to be paid for new construction

Agenda Item CGD

Date 1-19-11

- accept the modifications to the map for parking districts
- reducing the percentage for the yearly fee from 3% to 2%

The Committee requested analysis on how other cities handle parking requirements and recommendations on how to reduce the parking requirement for providing valet service.

2. Discussion regarding a Fire Services Assessment Study

ACTION

The Committee recommended not issuing the Request for Proposal (RFP) and not to bring this item back until all other items from the revenue enhancement study have been addressed.

Budget & Performance Improvement Director Kathie Brooks presented the item.

At the July 7, 2010 Finance and Citywide Projects Committee Meeting the 2010 City of Miami Beach Revenue Enhancement Study prepared by Willdan Financial Services, Inc. (Willdan) was discussed. In that study, Willdan identified a potential fire assessment fee as a revenue enhancement to fund a portion of the Fire Department's budget. As part of the discussion the Committee directed the administration to pursue a study of developing a fire protection assessment fee program.

In their Revenue Enhancement study, Willdan found that the imposition to fund fire protection services has been upheld by the Florida Supreme Court (City of North Lauderdale v. SMM Properties, 825 So.2d 343 (Fla., 2002)) and that "the adoption and levy of such an assessment for the City of Miami Beach could provide significant relief to the General Fund that currently funds all costs related to fire suppression, education and inspection" (p.47). The fire assessment would not include expenses related to fire code inspections, pre-fire planning, non-fire related rescue services and other non-emergency services. Unlike property taxes that are assessed based on value, the basis of a fire assessment fee is related to the benefit derived from fire protection services, and is typically assessed as a flat fee per residential unit, and based on square footage for non-residential units. As a result, even if the new assessment revenue is offset by a decrease in the millage rate, some properties will see a net increase in combined property taxes and special assessment fees, while others will see a net decrease. The FY 2010/11 budgeted expenditures for the Fire Department, are \$56,115,331, of which \$25,778,951 is for suppression.

The Committee recommended not issuing the Request for Proposal (RFP) and not to bring this item back until all other items from the Revenue Enhancement study have been addressed.

NEW BUSINESS

3. Discussion regarding including the "Corporate Responsibility" criterion in the Request for Proposal (RFP) to provide parking cashiers/attendants and supervisors for the City's parking garages.

ACTION

The Committee recommended the item be brought to the January 19, 2011 Commission Meeting.

The Committee asked for a Letter to Commission (LTC) to report on parking garage systems that would allow one attendant to remotely handle several garages at the same time.

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

The Committee approved the Corporate Responsibility criterion. Commissioner Jerry Libbin was concerned about the total number of hours listed in the RFP and asked if the minimum number of hours the City would buy was 80,000. Mr. Frances stated that it was. Commissioner Ed Tobin asked when all City garages would be automated and would require no parking attendants. Mr. Frances stated that he is working with the CIP Department to design some of the locations to have a central cashiering location and that there would still need to be one cashier in each facility to be able to process disabled validations. Mr. Frances also stated that the 12th Street, 13th Street, the Pennsylvania, the City Hall, and 5th and Alton garages are already automated. The balance of the garages, the 17th Street, 7th Street, Anchor and 42nd Street, still need to be automated. Commissioner Tobin asked if Mr. Frances could look for a system that would allow one person to remotely handle more than one garage at a time and submit a report by Letter to Commission (LTC) on his findings. Chairperson Deede Weithorn asked if Mr. Frances how many hours were purchased this year. Mr. Frances stated approximately 125,000 – 130,000 were purchased this year. The Committee recommended the item be brought to the January 19, 2011 Commission Meeting.

4. Discuss a resolution approving the Miami Beach Sustainability Master Plan

ACTION

The Committee recommended the item be brought to the January 19, 2011 Commission Meeting.

Public Works Director Fred Beckmann presented and gave a brief history of the item.

A sustainability plan is intended to provide a straightforward and flexible process to create a long-term plan that brings together environmental, economic, and social initiatives under one holistic vision. The objectives of the City of Miami Beach's Sustainability Plan are to assist the City in realizing the Key Intended Outcome (KIO) of enhancing environmental sustainability of the community and guide the Sustainability Committee in its mission. The Plan will provide structure and focus to existing and future green policies and initiatives in order to successfully enhance the three basic components of sustainability; environment, society, and economy. Each new initiative that the Sustainability Committee proposes will be assessed for its potential financial impact and brought before the Finance & Citywide Projects Committee for approval, if necessary. It is not the intent of the Plan to create unfunded or underfunded programs or initiatives, but rather to provide a mechanism to wisely select those initiatives that are both environmentally and economically feasible for the City.

The Committee recommended the item be brought to the January 19, 2011 Commission Meeting.

5. Discussion of drainage of the Sunset Harbor neighborhood to repair pumps

ACTION

The Committee requested a Letter to Commission (LTC) stating how much was spent in the Sunset Harbor neighborhood in the last 8 years trying to remediate the flooding, who designed the drainage solutions for that area, and what the regulations were, if any, that prohibited the City from implementing a plan that would have resolved the flooding.

Public Works Director Fred Beckmann presented and gave a brief history of the item.

Commissioner Ed Tobin asked how much was spent in the last 7 years in the neighborhood trying to remediate the flooding, who designed the drainage solutions for that area and what the regulations that prohibited the City from implementing a plan that would have remediated the flooding. Discussion ensued. The Committee requested a Letter to Commission (LTC) stating how much was spent in the Sunset Harbor neighborhood in the last 8 years trying to remediate the flooding, who designed the drainage solutions for that area, and what the regulations were, if any, that prohibited the City from implementing a plan that would have resolved the flooding.

6. Discussion regarding the issuance of a Request for Proposals (RFP) to award a concession agreement for the management and operation of a Hop-on-Hop-off city bus tour service from various locations in the City.

ACTION

The Committee asked staff to research the legal issues and bring a report back with the revenue opportunities to a future Finance & Citywide Projects Committee meeting.

Cultural Arts & Tourism Development Director Max Sklar presented the item.

Hop-on-Hop-off city tours, also often known as Loop Tours, provide a quick and convenient way to get an overview of a city. They are frequently used by visitors on their first day or two in a new city to quickly give them an overview of the area while a tour guide provides a history and interesting facts of the city. Hop-on-Hop-off tours are also used by visitors who only have a very short amount of time in an area as it enables them to cover a lot of ground in a short period of time and experience most of the major city attractions.

Gray Line Miami (Gray Line) began operating a Hop-on-Hop-off sightseeing tour in Miami-Dade County in January 2010. The service runs daily, originating from their central station at Bayfront Park in Downtown, Miami, with two loops: the Beach Loop and the City Loop. In order to start the tour service, Gray Line entered into an agreement with Miami-Dade Transit to use bus stops throughout Miami Beach and Miami-Dade County for each stop of the tour. Gray Line recently approached the City about partnering to add kiosks at key locations in Miami Beach, to increase their visibility and ridership. In other cities where Gray Line provides this service, on-street kiosks are handled through a permit or license. However, in Miami Beach the City Code doesn't

allow for the sale of goods or services from the public right-of-way. A concession agreement would be required if the City desired to offer this service. The Administration suggests the issuance of a Request for Proposal (RFP) for a concession agreement to allow for a hop-on-hop-off operator to install kiosks at various locations in the City. Chairperson Deede Weithorn was concerned about possible legal issues. The Committee asked staff to research the legal issues and bring a report back with the revenue opportunities to a future Finance & Citywide Projects Committee meeting.

7. Line of Credit

ACTION

The Committee recommended the item be brought to the January 19, 2011 Commission Meeting.

Chief Financial Officer Patricia Walker presented the item.

In 2009 the City secured a joint line of credit for \$60 million from SunTrust, Bank of America, and Wells Fargo/Wachovia split equally among the three banks, for an 18 month term to allow the City to award scheduled projects while spending existing bond proceeds on both existing projects as well as those secured by the line of credit. Ms. Walker stated that, as planned, the line was reduced to \$30 million when the Water and Sewer Bonds were sold. In anticipation of the line's expiration, Ms. Walker went back to the three banks and asked for new proposals to renew the \$30 million line of credit. Wells Fargo chose not to participate, while the other two banks replied with terms that were not reflective of the current market conditions. Ms. Walker then reached out to TD Bank and JP Morgan Chase for proposals. Ms. Walker stated that JP Morgan Chase had the best offer and asked the Committee to recommend moving ahead with the line of credit. Ms. Walker also noted that she would ask that the credit line not be specific to Water, Sewer and Storm Water projects, but to make it a general line of credit for capital projects. The Committee recommended the item be brought to the January 19, 2011 Commission Meeting.

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