



# MIAMIBEACH

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 *Jorge*

DATE: April 13, 2011

SUBJECT: **REPORT OF THE FINANCE AND CITYWIDE PROJECTS COMMITTEE MEETING OF February 24, 2011.**

### OLD BUSINESS

1. Discussion of Lincoln Road/Washington Collins Median

#### ACTION

The Committee recommended the item be brought to the full Commission.

Chairperson Deede Weithorn asked if an agreement had been reached on the Lincoln Road/Washington Collins median. City Manager Jorge Gonzalez stated that there is an agreement but that the details need to be finalized. The Committee recommended the item be brought to the full Commission. (see CIP Construction Report dated April 13, 2011)

### NEW BUSINESS

2. Selection of Chair for Finance and Citywide Committee

#### ACTION

The Committee elected Commissioner Deede Weithorn as Chair and Commissioner Jorge Exposito as Vice-Chair of the Finance and Citywide Projects Committee for a one year term ending January 2012.

3. Discussion regarding the Miami Beach Convention Center and Conference Facility Expansion and Enhancement Plan

#### ACTION

The Committee recommended moving forward without zoning restrictions, adding a component to address infrastructure and the impact to the surrounding neighborhoods and a cost analysis.

City Manager Jorge Gonzalez presented and gave a brief history of the item. City Manager Jorge Gonzalez then introduced John Kaatz of Convention Sports & Leisure International.

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Mr. Kaatz presented the Master Plan analysis and the long-range strategic facility needs. City Manager Jorge Gonzalez then went on to introduce Bernardo Fort-Brescia of Arquitectonica International, who is a consultant for the project. Mr. Fort-Brescia presented the Master Plan. City Manager Jorge Gonzalez then presented the cost estimates which total approximately \$640 million, with construction costs, including a parking garage, of approximately \$517 million of hard cost and approximately \$122 million in soft costs. Mr. Kaatz then presented the Economic Impact analysis for Convention Center expansion scenarios and for ongoing operations.

Commissioner Jerry Libbin stated that he felt that this was an important project and stated his concern about the design of the garage exit to Meridian Ave because it could cause heavy congestion at the Dade Boulevard and Meridian Avenue intersection. City Manager Jorge Gonzalez stated that the design is preliminary and that the traffic analysis will continue to be evaluated. John McWilliams of Kimley-Horn and Associates, Inc. stated that it was also a concern and that it will continue to be analyzed.

Commissioner Jorge Exposito expressed his concern with the mass of the building, how the additional one million square feet was arrived at and asked if it had been explored that a hotelier build the convention center hotel. City Manager Jorge Gonzalez stated that this design was done assuming no zoning changes, however should that restriction be changed the design could be taller and would appear to be less impactful. He feels that there are hoteliers and private developers who would be interested in a public private partnership. Commissioner Exposito asked what infrastructure changes are planned, the traffic impact on the surrounding neighborhoods, and the cost of these changes.

Commissioner Jonah Wolfson stated that he was also concerned with the mass of the building, the impact on the neighborhoods, the cost effectiveness and square footage, and the hotel component.

Commissioner Ed Tobin was also concerned with the traffic impact, and asked if the Basis of Design Report (BODR) could be refined. City Manager Jorge Gonzalez stated that the BODR could be refined at a later date. Commissioner Tobin stated that he felt that a convention center hotel is essential to the project and that a convention center hotel could potentially alleviate some traffic. He also stated that he was concerned with the massing of the current design but if the building was taller, a park/greenspace could be added.

Chairperson Deede Weithorn stated that massing was also a concern for her and asked if the job creation numbers presented in the analysis were full time equivalent jobs. Isaac Petit-Frere of the Washington Economics Group, Inc. stated that they are full time equivalent jobs. Chairperson Weithorn then asked if the jobs created after the building was built were also full time jobs. Mr. Kaatz stated that they were also full time jobs. Chairperson Weithorn was in favor of moving the BODR forward, that this project needs to be done, and that the design should include a hotel which could be removed from the design at a later date.

Commissioner Wolfson felt that the private sector should be contacted before moving forward with the project and was concerned that what was presented was more than just a concept.

Chairperson Weithorn opened the floor to public comment.

John Corey, President of Bayshore Home Owners Association, expressed his concern on how the Bayshore home owners would be impacted by the project, the massing of

the building, the parking garage location and the traffic impact at the Holocaust Memorial and the Botanical Garden, how the smaller buildings along Meridian Avenue would be impacted by the size of Convention Center, stated that the flaw with the BODR was that residents were not any of the committees where this project was discussed, asked for a financial analysis on the benefit for residents real estate taxes, and that he would like to know if the business community was driving the project. Resident Frank Del Vecchio stated that he felt that the BODR was constraining, traffic would not be adequately handled, and that building should be built up and not out. Robert Wennett, President of UIA Management, stated that this report was not a BODR but rather a needs study and favored moving the project forward without constraints.

The Committee recommended moving forward without zoning restrictions, adding a component to address infrastructure and the impact to the surrounding neighborhoods and a cost analysis.

**4. Discussion regarding renewal options in the management agreement with Global Spectrum for the management of the Miami Beach Convention Center, Colony Theater, and Byron Carlyle Theater.**

**ACTION**

**The Committee recommended a renewal of the two (2) one-year renewal options.**

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

On September 10, 2008, the City Commission approved Resolution No. 2008-2688 which approved an agreement between the City and Global Spectrum, L.P. for the management of the Miami Beach Convention Center, Colony Theater, and Byron Carlyle Theater. The Agreement was for an initial three (3) year term commencing on October 1, 2008, and ending on September 30, 2011, with two (2) one-year renewal options, exercisable with ninety (90) days prior written notice, at the sole and absolute discretion of the City.

Mr. Sklar stated that the Convention Center Advisory Board (CCAB) has considered the item and recommended a renewal of both one-year options. The Committee recommended a renewal of the two (2) one-year renewal options.

**5. Discussion regarding resolution of the Miami Beach Convention Center Advisory Board urging consideration for the creation of a reduced parking rate pilot program at the Preferred Lot (P-Lot) for all food and beverage social events at the Convention Center**

**ACTION**

**The Committee recommended a reduced parking rate program at the Preferred Lot (P-Lot) for all food and beverage social events at the Convention Center.**

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

Centerplate and Global Spectrum both have been charged with increasing social event business at the Convention Center. To that end, both entities have increased their efforts and have been moderately successful in booking smaller pieces of business. Parking rates have routinely been cited by potential clients as a reason for not selecting the Convention Center for the event.

On September 21, 2010, the Convention Center Advisory Board (CCAB) was reviewing recent social catering sales activity and discussed the City's ordained parking rates for the Convention Center area. The CCAB discussed the matter extensively and felt the City should consider developing a different parking rate structure for the social events in order to increase bookings. Subsequently, a resolution of the CCAB was unanimously passed to request the City to consider a parking program to incentivize social business.

The Transportation and Parking Committee met February 7, 2011 and considered this matter. The Committee unanimously recommended in favor of creating the aforementioned program to help increase social business at the Convention Center.

The Committee recommended a reduced parking rate program at the Preferred Lot (P-Lot) for all food and beverage social events at the Convention Center.

**6. Discussion regarding the expansion of the maintenance agreement between the City of Miami Beach and UIA Management, LLC for the maintenance of Lincoln Road from Lenox Avenue to Lincoln Road Street end, and the Miami Beach SoundScape Park**

**ACTION**

**The Committee approved moving forward with the expansion of UIA services to the remainder of Lincoln Road and the Miami Beach SoundScape Park. UIA is to request bids for maintenance services for Lincoln Road Mall from Collins Avenue to Lenox Avenue and the City Manager is to enter into negotiations after the bids are received by UIA followed approval of the City Commission to amend the current Agreement between the City and UIA.**

City Manager Jorge Gonzalez presented the item and gave a brief history of the item.

After the completion of the conversion of the 1100 block of Lincoln Road from a vehicular street to a pedestrian mall, the City on January 11, 2010 entered into a Maintenance Management Agreement for the 1100 block of Lincoln Road with UIA Management, LLC (UIA) for the annual amount of \$158,102. Under the agreement UIA provides complete maintenance services which include: sanitation, landscaping, hardscape, lighting and water features. Under the terms of the agreement, the City and UIA by mutual agreement can expand the type of services provided on the 1100 block of Lincoln Road to other sections of Lincoln Road and the Miami Beach SoundScape Park.

The City has been in discussions with UIA to expand the services provided on the 1100 block of Lincoln Road to the remainder of Lincoln Road from Collins Avenue to the Bay. In response to the City's request, UIA has provided a non-binding cost proposal. The cost proposal is for approximately \$2.2 million, it includes the provision of a full time Lincoln Road Mall Manager and about \$300,000 as a contingency amount. UIA's proposal also has a separate one time set up cost of about \$150,000, which includes \$100,000 for initial replanting and cleanup, uniforms, vehicle for patrolling and management, initial inventory and warehouse transfer, training and computer. Currently, the City's budget for the maintenance services provided by City staff on Lincoln Road is \$2.4 million. It was noted that the service items that are bid out will not have any UIA markup. The \$2.2 million proposal does not include the provision of maintenance services for SoundScape Park. UIA would also bid the services for the Miami Beach SoundScape Park. The bid amount can then be evaluated with current bids obtained through Hines (SoundScape project manager). All of the amounts provided by UIA have not yet been bid out, it is expected that the bid amount will be below the current \$2.2 million cost proposal. City Administration requested approval by the Committee to move

forward with the expansion of UIA services to the remainder of Lincoln Road and the Miami Beach SoundScape Park by requesting that UIA request bids for these services. It also recommended the Committee approve the City Manager to enter into negotiations after the bids are received by UIA followed by City Commission approval to an amendment to the current Agreement between the City and UIA. Chairperson Deede Weithorn asked if any City staff jobs will be lost. City Manager Jorge Gonzalez stated that staff would not be laid off.

The Committee approved moving forward with the expansion of UIA services to the remainder of Lincoln Road and the Miami Beach SoundScape Park. UIA is to request bids for maintenance services for Lincoln Road Mall from Collins Avenue to Lenox Avenue and the City Manager is to enter into negotiations after the bids are received by UIA followed by approval of the City Commission to amend the current Agreement between the City and UIA.

**7. Discussion of all fees administratively set or have been administratively set**

**ACTION**

**Item Deferred**

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