

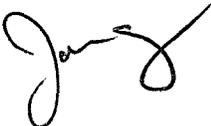


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City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

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

FROM: City Manager Jorge M. Gonzalez 

DATE: April 13, 2011

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

OLD BUSINESS

1. Discussion regarding recent billing of Parking Impact Fees and the possibility of a moratorium due to present economic market conditions, and the effect on business in North Beach

ACTION

The Committee recommended allowing staff to bifurcate the following initiatives:

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

Staff is to provide an analysis of the available parking that hotels have and the usage they have.

The Committee recommended that the item be sent to the Planning Board.

Acting Planning Director Richard Lorber presented the item and gave an update on the results of the Planning Board meeting on March 22, 2011. The Committee recommended allowing staff to bifurcate the following initiatives:

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

The Committee discussed allowing a yearly fee to be paid for new construction. Chairperson Deede Weithorn was concerned that allowing yearly fee may not be the best solution for all potential situations. Mayor Matti Herrera Bower asked for an assessment on the actual parking that hotels have now and the usage they have. Discussion ensued. The Committee recommended that the item be sent to the Planning Board.

2. Status update regarding the Convention Center Extension and Enhancement Plan

ACTION

Item Deferred

Agenda Item CGD
Date 4-13-11

NEW BUSINESS

- 3. Discussion regarding an ordinance amending Article III, Division 28 of the City Code, entitled "Capital Improvement Projects Oversight Committee;" amending Section 2-190.127, entitled "Establishment; Purpose; Membership," by adding a non-voting ex-officio**

ACTION

The Committee suggested that the Accessibility Committee recommend three nominations and that the City Commission chooses from those three nominations or they can consider any other nomination to select a non-voting ex-officio member as is also done with the CAC committee.

- 4. Discussion on the role of the Capital Improvement Projects Oversight Committee (CIPOC).**

ACTION

The Committee asked staff to discuss with the Capital Improvements Projects Committee (CIPOC) the creation of a scope of services and list of duties for construction management services; and to put out a Request for Qualifications (RFQ) for construction management services. Furthermore, the Committee requested staff to provide a list of candidate projects to the April 27, 2011 Finance & Citywide Projects Committee meeting in which construction management services could be applied.

Capital Improvements Projects Oversight Committee (CIPOC) member Saul Gross felt that committee was not doing anything meaningful and asked that the duties of the committee be defined. Mr. Gross also stated that he felt that the oversight of each individual project should be privatized and bid out to a construction manager/owners representative. Chairperson Deede Weithorn stated that she was in favor of moving to an owner's rep concept. Discussion ensued. Commissioner Ed Tobin was also in favor of moving to an owners representative. The Committee asked staff to discuss with the Capital Improvements Projects Committee (CIPOC) the creation of a scope of services and list of duties for construction management services; and to put out a Request for Qualifications (RFQ) for construction management services. Furthermore, the Committee requested staff to provide a list of candidate projects to the April 27, 2011 Finance & Citywide Projects Committee meeting in which construction management services could be applied.

- 5. Discussion regarding a proposed ordinance which will require mandatory recycling, via the establishment of a City of Miami Beach Recycling Program, for multifamily residences and commercial establishments in the City**

ACTION

Item Deferred

6. Discussion regarding a parking solution – “Parking App”

ACTION

The Committee recommended approval of the issuance of the Request for Proposal (RFP) for a “Parking App”.

On January 19, 2011, Commissioner Jerry Libbin suggested that the Administration should pursue the implementation of a “parking application” available on the internet and/or smart phones for residents, tourists, and/or visitors who are looking for a parking space, to be able to identify municipal parking facilities, including available parking spaces. This initiative was discussed and endorsed by the Transportation and Parking Committee at its meeting on March 7, 2011. Commissioner Libbin suggested that the RFP include require an add alternate for push messages that were from retailers near the parking space which was located. The Committee recommended approval of the issuance of the Request for Proposal (RFP) for a “Parking App”.

7. Discussion regarding a proposed lease agreement with Gigi’s Restaurant for use of 7,000 sf of space in the City-owned property located at 1661 Pennsylvania Avenue.

ACTION

The Committee recommended approving the Pre-Lease Due Diligence Period, and a lease agreement with Gigi’s Restaurant.

Anna Parekh, Director of Real Estate Housing and Community Development, presented the item and gave a brief synopsis of the memo.

The recently completed Pennsylvania Avenue Garage located at 1661 Pennsylvania Avenue (the Garage) was built with approximately 7,000 square feet of ground floor retail space. On February 14, 2011, Koniver Stern provided the City with a proposed Letter of Intent (LOI) from Mr. Amir Ben Zion, to lease the full 7,000 square feet of available retail space at the Garage. The prospective tenant is planning to open a second version of its highly acclaimed Gigi’s Restaurant currently operation in Miami’s Wynwood district. Based on preliminary estimates, the prospective tenant’s cost to build out the shell space is anticipated to be approximately \$2.5 million, which will include the installation of a grease trap, additional sub grade plumbing and kitchen exhaust venting, none of which were provided in the building. Typically, a build-out of this nature would command a term in excess of ten years in order to amortize the capital investment in the project. However, due to the City’s charter of governing the leases of City-owned properties, the prospective tenant has agreed to the maximum allowable term under the charter of nine (9) years and three hundred and sixty four (364) days. The prospective tenant has requested consideration of a six (6) month due diligence period to precede the actual lease commencement date, in order to allow them to reserve leasing rights while advancing design and plans development and consulting with the City’s Planning and Building Departments in order to ascertain the feasibility of obtaining a full building permit prior to the lease commencement. The prospective tenant is willing to invest the considerable sums and time necessary to develop full plans without the full benefit and security of an executed lease, while posting a \$25,000 fee with the City, which will be refundable in the event that the prospective tenant is unable to obtain a full building permit within six months in spite of reasonable and verifiable efforts to do so. During the

six month due diligence period, the City retains the right to continue to market the property and accept back-up offers to lease the site.

Commissioner Jerry Libbin was concerned that about the \$25,000 refundable deposit for the "Pre-Lease Due Diligence Period". Commissioner Jorge Exposito questioned why the rental price was \$75 per square foot rather than \$100 per square foot. Mr. Lyle Stern, Koniver Stern Group, stated that \$75 per square foot is in line with the market and that there were no comparable spaces in the area that were renting at \$100 per square foot. Commissioner Exposito then asked if there would be a parking requirement for the business. Acting Planning Director Richard Lorber stated that the property is located in Parking District 2, where there is no parking requirement for restaurants or retail. Chairperson Deede Weithorn asked what other offers have been made for the space available. Mr. Stern stated that other offers have been in the range and below the \$75 per square foot. Commissioner Exposito asked Mr. Stern if it was better to rent the full 7,000 square feet or to rent the spaces individually. Mr. Stern stated that the City would benefit from renting the full 7,000 square feet because should the renter walk away the City would be left with a built-out space. Mayor Matti Herrera Bower was concerned about the six month Pre-Lease Due Diligence Period. Discussion ensued. Chief Deputy City Attorney Raul Aguila suggested building milestones into the six month Pre-Lease Due Diligence Period. The Committee recommended approving the Pre-Lease Due Diligence Period, and a lease agreement with Gigi's Restaurant.

8. Discussion regarding renewal of agreement with Clear Channel ADSHEL, Inc. to construct, operate, and maintain bus shelters

ACTION

The Committee asked that the item be brought back to the May 19, 2011 Finance & Citywide Projects Committee Meeting and that the Administration determine what LED rates are, how other cities handle this and who Clear Channel Adshel, Inc.'s competitors are.

City Manager Jorge Gonzalez presented and gave a brief history of the item. In October 2001, an agreement between the City and Clear Channel Adshel, Inc. (Adshel) was executed for Adshel to construct, operate, and maintain bus shelter structures and other street furniture on the public Right-of-Way (ROW) throughout the City.) Under the terms of the Agreement, the initial term of ten (10) years terminates on October 1, 2011. At the end of the initial term, the Agreement shall automatically renew for a five (5) year term, provided, however, that the City, at its sole option and discretion, may, after the initial ten (10) year term, elect not to renew the Agreement by notifying Adshel of its intent not to renew, in writing 120 days prior to the expiration of the initial ten (10) year term. Commissioner Jerry Libbin asked what other cities are doing and who Clear Channel Adshel, Inc.'s competitors are. Chairperson Deede Weithorn asked what the LED rates are and what the City's other options are. Commissioner Jonah Wolfson was concerned that the contract has an automatic renewal. The Committee asked that the item be brought back to the May 19, 2011 Finance & Citywide Projects Committee Meeting and that the Administration determine what LED rates are, how other cities handle this and who Clear Channel Adshel, Inc.'s competitors are.

9. Discussion regarding casino gambling legislation

The Committee asked that the item be brought to the Committee of the Whole.

The Committee discussed the Legislature's consideration of several bills that would alter or even expand gambling in Florida. Chairperson Deede Weithorn recessed the meeting and asked that the item be brought to the Committee of the Whole.

Follow up: Discussion regarding the shift to an iPad from the printed agenda

Commissioner Jorge Exposito asked for an update regarding the shift to an iPad from the printed agendas. City Manager Jorge Gonzalez stated that there were still some Commissioners who have not tested it yet. Chairperson Deede Weithorn stated that she was in favor of moving to using an iPad. City Manager Jorge Gonzalez stated that an item regarding the iPad would be placed on the April Commission agenda.

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