

Condensed Title:

A resolution adopting the Fiscal Year (FY) 2013/14 final budgets for Special Revenue funds for Resort Tax; 7th Street Garage Operations; City's Share of the Shortfall Contribution Requirements for the 5th and Alton Parking Garage Operations; Art in Public Places (AiPP); Tourism and Hospitality Scholarship Program; Green/Sustainability Fund; Waste Hauler additional Services and Public Benefit Contribution Fund; Education Compact Fund; Red Light Camera Fund; and Emergency 911 Fund.

Key Intended Outcome Supported:

Ensure expenditure trends are sustainable over the long term; Improve the City's overall financial Health and maintain overall bond rating; Increase Community Satisfaction with City Services

Supporting Data (Surveys, Environmental Scan, etc.): Based on the 2009 community survey, quality of life in the City is rated highly, the City is seen as an 'excellent' or 'good' place to live, work, play or visit, and over ¾'s of residents would recommend it to others as a place to live. Impressively, 31 of the residential tracking questions from 2007 experienced increases in each of the areas measured by an overall average of approximately 7.0%; and 28 of 32 business tracking questions experienced increases measured by an overall average of approximately 8.8%. Relevant findings were: arts and culture was one of services identified that the city should strive not to reduce; and availability of public parking was one of the services identified as key drivers of overall satisfaction levels.

Issue:


Shall the Mayor and City Commission adopt the attached resolution which adopts the FY 2013/14 final budgets for Special Revenue funds?

Item Summary/Recommendation:

The Resort Tax Fund FY 2013/14 final budget includes funding for administrative expenses, allocation to General Fund for tourist related services, contributions to the GMCVB and VCA, special events, holiday decorations, tourism related economic enhancements, marketing etc. The 7th St. Garage Fund FY 2013/14 final budget includes funding for the operating and debt service expenses of the 7th St. Garage. The 5th and Alton Fund FY 2013/14 final budget includes funding for the operating expenses of the 5th and Alton Garage. The Art in Public Places (AiPP) Fund FY 2013/14 final budget includes funding for the administrative expenses, AiPP projects under \$25k and reserve for AiPP projects. The Tourism and Hospitality Scholarship Program Fund FY 2013/14 final budget includes funding for scholarships for Miami Beach residents or graduates of Miami Beach Senior High School in the food & hospitality industry. The Green/Sustainability Fund FY 2013/14 final budget includes funding for the operating budget for a citywide multi-family residence and commercial establishment recycling program, including a media, education and outreach recycling campaign, as well as the LEED project incentive. The Waste Hauler Additional Services & Public Benefit Fund FY 2013/14 final budget includes funding for sanitation related services. The Education Compact Fund FY 2013/14 final budget includes funding for the IB program & teacher training. The Red Light Camera Fund FY 2013/14 final budget includes funding for red light camera related operating expenses. The E-911 Fund FY 2013/14 final budget includes funding for E-911 related operating expenses.



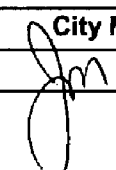
Advisory Board Recommendation:

Financial Information:

Source of Funds:	Amount	Account	Approved	
OBPI 	1	\$59,507,000	Resort Tax	
	2	2,161,000	7 th Street Garage Operations	
	3	602,000	5 th & Alton Garage Operations	
	4	729,000	Art in Public Places	
	5	142,000	Tourism and Hospitality Scholarship Program	
	6	225,000	Green/ Sustainability Fund	
	7	77,000	Waste Hauler Additional Services & Public Benefit Contribution Fund	
	8	111,000	Education Compact Fund	
	9	420,000	Red Light Camera Fund	
	10	489,000	Emergency 911 Fund	
	Total	\$64,463,000		

City Clerk's Office Legislative Tracking:

Sign-Offs:

Department Director	Assistant City Manager	City Manager
		



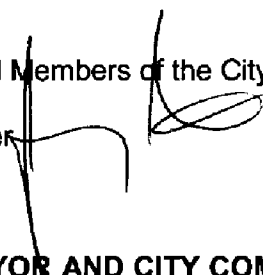


MIAMI BEACH

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

COMMISSION MEMORANDUM

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

FROM: Jimmy L. Morales, City Manager 

DATE: September 30, 2013

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING FISCAL YEAR (FY) 2013/14 FINAL BUDGETS FOR SPECIAL REVENUE FUNDS FOR RESORT TAX; THE 7th STREET PARKING GARAGE OPERATIONS; THE 5th AND ALTON PARKING GARAGE OPERATIONS; ART IN PUBLIC PLACES (AIPP), TOURISM AND HOSPITALITY SCHOLARSHIP PROGRAM, GREEN/SUSTAINABILITY FUNDS, WASTE HAULER ADDITIONAL SERVICES AND PUBLIC BENEFIT CONTRIBUTION FUNDS, EDUCATION COMPACT FUNDS, RED LIGHT CAMERA FUNDS, AND EMERGENCY 911 FUNDS.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution

ANALYSIS

The City currently offers certain programs and activities not supported through the general operating budget, but by outside agency grants and self-supporting user fee programs. Funding from these sources will be utilized as follows:

Resort Tax - \$59,507,000

This fund operates for the collection of the special tax levied citywide on food, beverage and room rents used to support tourism related activities. This function, which operates under the direction of the Finance Department and the Office of Internal Audit, is responsible for ensuring that hotels, restaurants, bars and other establishments which serve food and beverages for consumption on its premises, comply with Section 5.03 of the City Charter, as amended, as it related to the reporting, and collection of resort taxes to the City.

An allocation for "operations" provides for all collection and audit expenses associated with administering the Resort Tax function and are charged directly to this Special Revenue Fund. Included in this allocation is funding for seven (7) FTE positions and associated operating support totaling approximately \$1,141,000.

The allocation to the General Fund for Fiscal Year 2013/14 of approximately \$32.97 million pays for tourist related services and costs provided or managed by General Fund Departments. Based on an outside consultant study conducted in 2010 using FY 2007/08 actual costs, it is estimated that there are approximately \$41.7 million in eligible resort tax expenditures in the General Fund, net of South Pointe tourism eligible costs. This funding supports public safety programs including our ocean rescue, police services on Lincoln Road, Ocean Drive/Lummus Park, Collins Avenue, Washington Avenue, ATV officers, Boardwalk security, special traffic enforcement and special event staffing; and fire rescue units in tourist and visitor areas. The funding also supports code compliance services to respond to evening entertainment areas and provides for a portion of the operational costs of the Tourism and Cultural Development.

The Fiscal Year 2013/14 Resort Tax budget also includes an allocation to the Greater Miami Convention and Visitors Bureau (GMCVB) of approximately \$5.3 million, \$1.2 million for debt service, \$2.3 million to the Miami Beach Visitor and Convention Center (VCA), \$173,000 for a local Miami Beach marketing campaign to be augmented with funds from the GMCVB, the VCA, and the Cultural Arts Council (CAC); and including \$75,000 for a grant to the FIU-Wolfsonian over two years to provide a master plan for the Museum site that will be used to access \$10 million in Miami-Dade County General Obligation Bond funding for expanding and revitalizing their facilities on Washington Avenue and Lennox. Further, the 2013/14 Resort Tax Budget maintains funding for tourism-related economic development activities in North Beach that were initiated in FY 2011/12; provides \$230,000 for holiday decoration (an enhancement of \$65,000 from the FY2012/13 budget); funds \$100,000 for the sponsorship fee to help offset marketing and advertising expenses associated with the Ms. USA or equivalent event; funds \$2.8 million for enhancing the outcomes from major events such as Memorial Day, including management, Goodwill Ambassadors, and \$165,000 in Administrative Fees to the General Fund for reimbursement of support provided by General Fund administrative departments.

The proceeds of the additional one percent (1 percent) tax are used as follows. Fifty percent of the amount earned is committed to the payment of a portion of the debt service on the Miami Beach Redevelopment Agency – City Center/Historic Convention Village Bonds. These bonds were used for the development, improvement and construction of certain public areas including a portion of the Cultural Center facilities located within the City Center District.

The remaining fifty percent of the 1 percent tax budget also reflects the approved allocation method for the Quality of Life funding, which includes the 25 percent for the arts, and to fund Quality of Life capital projects in North Beach (25 percent), Middle Beach (25 percent), and South Beach (25 percent), as well as various art and cultural programs or the maintenance and enhancement of Miami Beach's tourist related areas. Please see Attachment "A" for the revenue and expenditure detail budget.

<u>Revenues</u>	
2 percent	\$47,681,000
1 percent	11,097,000
Other Revenues	729,000
Total	\$59,507,000

<u>Expenses</u>	
Administrative Operating including Administrative Fees	\$1,326,000
Allocation to General Fund for Tourist Related Services	32,965,000
Contribution to GMCVB	5,366,000
Contribution to VCA	2,289,000
Marketing	173,000
Special Events/ Goodwill Ambassadors	2,839,000
Holiday Decorations	230,000
Contingency	1,836,000
Transfers to FIU Wolfsonian and Ms. USA or Equivalent Event	175,000
Quality of Life Capital Projects & Cultural Programs	5,548,500
Debt Service	<u>6,759,500</u>
Total	\$59,507,000

7th Street Garage - \$2,161,000

The Parking Department is responsible for the collection of the revenues in this garage which will be used to pay associated operating expenses and debt service. The operating budget is required to cover operating expenses, debt service, and reserve for replacement.

<u>Revenues</u>	
Garage Operations	\$2,161,000
Retained Earnings	<u>0</u>
Total	\$2,161,000

<u>Expenses</u>	
Operating Expenses	\$1,228,000
Debt Service	787,000
Reserve - Renewal & Replacement	<u>146,000</u>
Total	\$2,161,000

5th and Alton Garage - \$602,000

The 5th and Alton Garage a.k.a. "Potamkin Garage" is a joint venture development between the City of Miami Beach (City) and EDENS (Developer) where a condominium has been established wherein the City and Developer contributes 46 percent and 54 percent, respectively, to the operating expenses of the parking garage and also shares profits and losses consistent with the aforementioned distribution. The Parking Department is responsible for the collection of the revenues in this garage. In the event of any shortfall, the City's portion shall be made up by funds from excess revenues in the Parking Fund.

<u>Revenues</u>	
Garage Operations	\$409,752
Transfer from FY 2013/14 Parking Operations Budget	<u>192,248</u>
Total	\$602,000
<u>Expenses</u>	
Operating expenses	\$602,000

Art in Public Places (AiPP) - \$729,000

The Art in Public Places (AiPP) Ordinance (Ordinance No. 95-2985) was adopted in 1995. The ordinance was created to “enhance the aesthetic environment of the City of Miami Beach by including works of art on public property within the City and in City construction projects.” The AiPP Ordinance was amended in May 2004 to clarify the definition of terms for eligible construction projects for funding as well as the policy and procedures for appropriations. The AiPP Guidelines were also adopted by the City Commission at that time.

The AiPP program is funded by 1 ½ percent of all hard costs of City projects, including new construction, additions, and costs for construction of joint private/public projects. The fund is used for the commission or acquisition of works of art; conservation and maintenance of works of art; research and evaluation of works of art; printing and distribution of related materials; and administration. The FY 2013/14 AiPP budget of \$729,000 is funded from capital budget appropriations in the amount of \$729,000.

<u>Revenues</u>	
Capital Budget Appropriations	\$729,000
 <u>Expenses</u>	
Administration	\$151,000
AiPP Projects Under \$25K	53,000
Reserve for AiPP Projects	<u>525,000</u>
Total	\$729,000

Tourism and Hospitality Scholarship Program - \$142,000

The City of Miami Beach Tourism and Hospitality Scholarship Program began in 2003 in partnership with the Greater Miami Convention and Visitors Bureau (GMCVB), SMG and Centerplate. Contributions to the City’s scholarship program were contractually required of the three (3) entities. During the GMCVB’s contract renewal in 2004, the requirement was removed from their contract. In September of 2008, the City replaced SMG with Global Spectrum. Global Spectrum and Centerplate currently partner with the City on this program and contribute \$15,000 and \$20,000 respectively annually. There is also a carry forward balance of \$107,000 available.

The scholarship program is geared toward Miami Beach residents or graduates of Miami Beach Senior High School who are enrolled or are planning to enroll in post-secondary education and have expressed interest in the food and hospitality industry (as demonstrated by coursework and extracurricular activities). Since the inception of the program, \$219,550 has been awarded to more than 44 different Miami Beach students.

<u>Revenue</u>	
Carry forward balance	\$107,000
FY 2013/14 Contribution	<u>\$35,000</u>
Total	\$142,000
 <u>Expenses</u>	
Reserve for FY 2013/14 & Future Scholarships	\$142,000

Green / Sustainability Funds - \$225,000

The Environmental Sustainability fund provides funding for the operating budget for a citywide multi-family residence and commercial establishment recycling program, including an initiation of a media, education and outreach recycling campaign.

<u>Revenues</u>	
Carry forward balance	\$225,000
<u>Expenses</u>	
Recycling/ LEED program expenses	\$225,000

Waste Hauler Additional Services & Public Benefit Funds - \$77,000

Waste Hauler Additional Services and Public Benefit Contribution funds for sanitation related services including monthly "Wasteful Weekends" bulk drop off site expenses and twice yearly hazardous waste drop-off site expenses

<u>Revenues</u>	
Carry forward balance	\$ 77,000
<u>Expenses</u>	
Sanitation-related services	\$ 77,000

Education Compact Funds - \$111,000

The Education Compact fund provides funding for teacher development programs, City's contribution for school agenda books, fees to the International Baccalaureate Organization, and other expenses to fund community education compact events.

<u>Revenues</u>	
Carry forward balance	\$ 111,000
<u>Expenses</u>	
IB Program & Training	\$ 111,000

Red Light Cameras - \$420,000

Since the City's Red Light Camera Photo Enforcement Program went into effect on April 15, 2010 crashes have decreased at the 9 intersections where the cameras have been installed. Due to the previous revisions to State law regulating red light camera photo enforcement, the number of Notice of Violations has been trending downward over the last two (2) years. However, effective July 1, 2013, the most recent change in State law regulating red light camera photo enforcement went into effect, and now requires a

complete stop before making a right turn. Since July 1, 2013, the City has experienced a marked increase in the number of Notice of Violations.

Based on the changes in State law, municipalities with red light camera programs are required to fund local hearing officers for drivers who get violation notices and want to appeal them. The FY 2013/14 expenditure budget includes \$49,000 for a Clerk position and funding for a Special Master. These additional costs are offset by new hearing appeal fee revenues.

<u>Revenues</u>	
Violation Revenue	\$420,000
<u>Expenses</u>	
Operating Expenses	\$420,000

Emergency 911 Funds - \$489,000

The Emergency 911 funds were previously budgeted in the Citywide (General Fund) accounts. Beginning with the FY 2012/13 budget, the administration has made a policy decision to create a separate fund for the E-911 budget, and remove it from the Citywide Accounts. This will allow for more discrete reconciliation of revenues and expenses.

<u>Revenues</u>	
Landline E-911 Revenue	\$248,000
Cell Phone E-911 Revenue	<u>241,000</u>
Total	\$489,000
<u>Expenses</u>	
E-911 Operating Expenses	\$489,000

CONCLUSION

The attached Resolution adopting funding for FY 2013/14 budgets from these sources is vital to the continuation of these projects and activities provided by the City.

JLM: KGB/JW



MIAMIBEACH

CITY OF MIAMI BEACH

NOTICE OF A SPECIAL CITY COMMISSION MEETING AND PUBLIC HEARINGS

NOTICE IS HEREBY given that a Special Commission Meeting regarding the Second Public Hearings to consider the adoption of the Millage Rate and Budget for FY 2013/2014 will be held by the City Commission of the City of Miami Beach, Florida, on **Monday, September 30, 2013**, commencing at **5:00 p.m.**, in the Commission Chambers, 3rd Floor, City Hall, 1700 Convention Center Drive, Miami Beach, Florida to consider the following:

5:01 p.m.

A Resolution Adopting: 1) The Final Ad Valorem Millage Of 5.8909 Mills For General Operating Purposes, Which Is Six And Eight-Tenth Percent (6.8%) More Than The "Rolled-Back" Rate Of 5.5158 Mills; And 2) The Debt Service Millage Rate Of 0.2529 Mills for Fiscal Year (FY) 2013/14.

5:01 p.m.

A Resolution Adopting Final Budgets For The General, G.O. Debt Service, RDA Ad Valorem Taxes, Enterprise, And Internal Service-Funds For Fiscal Year (FY) 2013/14.

5:02 p.m.

A Resolution Of The Board Of Directors Of The Normandy Shores Local Government Neighborhood Improvement District Adopting The Final Ad Valorem Millage Of 1.2687 Mills For Fiscal Year (FY) 2013/14 For The Normandy Shores Local Government District, Which Is Nineteen Percent (19.0%) More Than The "Rolled-Back" Rate Of 1.0664 Mills.

5:02 p.m.

A Resolution Of The Board Of Directors Of The Normandy Shores Local Government Neighborhood Improvement District Adopting The Final Operating Budget For Fiscal Year (FY) 2013/14.

5:03 p.m.

A Resolution Adopting The Final Capital Improvement Plan For Fiscal Years (FY) 2013/14-2017/18 And Adopting The Final Capital Budget For FY 2013/14.

5:03 p.m.

A Resolution Adopting Fiscal Year (FY) 2013/14 Final Budgets For Special Revenue Funds For Resort Tax; The 7th Street Parking Garage Operations; The 5th And Alton Parking Garage Operations; Art In Public Places (AIPP), Tourism And Hospitality Scholarship Program, Green/ Sustainability Funds, Waste Hauler Additional Services And Public Benefit Contribution Funds, Education Compact Funds, Red Light Camera Funds, And Emergency 911 Funds.

5:03 p.m.

A Resolution Adopting The Final Budget Of \$1,200,000 From Fiscal Year (FY) 2013/14 People's Transportation Plan (PTP) Funds And \$87,000 From (FY) 2013/14 South Beach Concurrency Mitigation Funds, To Fund The Final Operating Budget For The South Beach Local In Miami Beach; And Further Adopting The Final Budget Of \$301,000 From FY 2013/14 People's Transportation Plan Funds For Administrative And Technical Operating Expenditures, As Part Of The Five Percent (5%) Allowable For Administrative Assistance And Technical Assistance.

5:03 p.m.

A Resolution Authorizing The Adoption Of The Miami Beach Cultural Arts Council's Fiscal Year (FY) 2013/14 Final Budget In The Amount Of \$1,470,000.

5:03 p.m.

A Resolution Adopting The Fiscal Year (FY) 2013/14 Police Special Revenue Account Final Budget In The Amount Of \$75,000 For The Purchase Of Those Items Set Forth In Exhibit "A," And Such Account Funded By Unclaimed Evidence Currently Held In The Police Special Revenue Account.

5:03 p.m.

A Resolution Adopting The Police Confiscation Trust Fund Final Budget For Fiscal Year (FY) 2013/14 In The Amount Of \$724,000, To Be Funded From State Confiscated Funds In The Amount Of \$235,000 And Federal Justice Confiscated Funds In The Amount Of \$489,000, For The Appropriation And Expenditure Of Those Items Set Forth In Exhibit "A," Which Shall Be Funded Through The Police Confiscation Trust.

5:03 p.m.

A Resolution Adopting The Fiscal Year (FY) 2013/2014 Police Training & School Resources Fund Final Budget In The Amount Of \$35,000.

5:03 p.m.

Resolution Adopting The Second Amendment To The General Fund, Enterprise, Internal Service Fund, And Special Revenue Fund Budgets For Fiscal Year (FY) 2012/13.

5:03 p.m.

A Resolution Adopting And Appropriating The Fourth Amendment To The Police Confiscation Trust Budget For Fiscal Year 2012/2013 In The Amount Of \$10,000, To Be Funded From The Proceeds Of State Confiscated Funds, For The Appropriation And Expenditure Of Those Items Set Forth In Exhibit "A," Which Shall Be Funded Through The Police Confiscation Trust Fund.

5:04 p.m.

1. Ordinance Amending Chapter 50 Of The City Of Miami Beach Code, Entitled "Fire Prevention And Protection," By Amending Section 50-4 Thereof, Entitled "Enforcement By Fire Inspectors; Notice Of Violation," To Add Citations And Implement New Fine Schedule Related To Fire Code Violations; By Amending Section 50-5 Thereof, Entitled "Annual Fire Prevention And Fire Safety Inspection Permit" To Include The Night Inspection Fee Previously Adopted Under Section 102.379 Of The City Code.

2. Ordinance Amending Chapter 102 Of The Code Of The City Of Miami Beach, Entitled "Taxation," By Deleting The Nightclub Fee Set Forth In Section 102.379, Entitled "Schedule Of Taxes, Effective October 1, 2009".

5:04 p.m.

Ordinance Amending Chapter 50 Of The Code Of The City Of Miami Beach, Entitled "Fire Prevention And Protection," By Creating Section 50-8 Thereof, To Be Entitled "Fire Alarms, Regulations, Penalties, Enforcement" To Establish Requirements And Fines For False Fire Alarms.

5:04 p.m.

An Ordinance Amending Appendix A, Entitled "Fee Schedule" For Subsection (A) Of Section 110-168, Entitled "Sanitary Sewer Service Charge," Of Chapter 110 Of The Miami Beach City Code, Entitled "Utilities," Article IV, Entitled "Fees, Charges, Rates And Billing Procedures"; Division 2 Thereof, Entitled "Rates, Fees And Charges," To Increase The Sanitary Sewer Service Charge Imposed By The City.

5:04 p.m.

Ordinance Amending Part I, Subpart B, Article IX, Related Special Acts, Of The Miami Beach City Code Entitled "Pension System For Disability And Retirement Of Members Of Police And Fire Departments"; Implementing Provisions Of The 2012-2015 Collective Bargaining Agreements Between The City And Fire Fighters Of Miami Beach, IAFF Local 1510, And Miami Beach Fraternal Order Of Police, William Nichols Lodge No. 8; Amending Section 62 Entitled "Definitions"; Amending Section 63 Entitled "Source Of Monies For Fund; Computation Of Liability; Use And Investment Of Fund"; Amending Section 65 Entitled "Computation Of Creditable Service; Service Record"; Amending Section 66 Entitled "Service And Disability Benefits Generally"; Amending Section 67 Entitled "Cost Of Living Adjustment"; Amending Section 69 Entitled "Deferred Retirement Option Plan"; Amending Section 82 Entitled "Military Service"; Creating A New Section 88 Entitled "Benefits For Members Hired-On Or After September 30, 2013.

RESOLUTION TO BE SUBMITTED

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