



MIAMI BEACH

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

COMMITTEE MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: September 24, 2014

This shall serve as written notice that a joint meeting of the Finance and Citywide Projects Committee and the Neighborhoods/Community Affairs Committee has been scheduled for September 24, 2014, at 9:00 A.M. in the Commission Chambers.

The agenda is as follows:

OLD BUSINESS

1. Discussion regarding bicycle safety campaign with the Miami Beach police department, Decobike and local bicycle rental (*December 11, 2013 Commission Item R9H*)(182)

Jose Gonzalez – Transportation Director

2. A. Discussion regarding Financial Impact of the Proposed Roadway Closure Applications for 87 Street and 87 Terrace Filed by 8701 Collins Development (*March 5, 2014 Commission Item C4D*)(187)

B. Discussion regarding A Resolution Approving The Vacation And Abandonment Of That Portion Of 87th Terrace East Of Collins Avenue, Consisting Of A 50 Foot Right-Of-Way (ROW) Containing Approximately 18,042 Square Feet In Total Lot Area, As Shown On The Plat Of Altos Del Mar Subdivision No. 2, Recorded In Plat Book 4, Page 162 Of The Public Records Of Miami-Dade County, In Favor Of 8701 Collins Development, LLC (The "Applicant"); With Such Vacation Subject To And Contingent Upon The City's Approval, And The City And Applicant's Execution, Of A Development Agreement Which, Among Other Terms And Conditions (1) Grants To The City A Perpetual Pedestrian Access Easement Across A Portion Of The Vacated City Row, And (2) Ensures Applicant's Payment Of A Voluntary Monetary Contribution, In The Amount Of \$10.5 Million Dollars, To Be Used By The City For Public Purposes; And With Such

Vacation Further Subject To And Contingent Upon Applicant's Satisfaction Of The Conditions Set Forth In This Resolution
(September 10, 2014 Commission Item R7E)(218)

Eric Carpenter – Public Works Director

3. **Discussion regarding South Shore Community Center, 833 6th Street, Miami Beach, Florida, regarding whether the City should: 1) Renew Certain Existing Agreements, including various expansions, downsizes and relocations; 2) Execute a new Lease Agreement with South Florida Workforce Investment Board; and 3) Increase the additional rent** *(March 5, 2014 Commission Item C4C)(186)*

Max Sklar – Tourism, Cultural and Economic Development Director

NEW BUSINESS

4. **Discussion regarding Exploring Issues brought up in an Internal Audit of the Miami Beach Police Athletic League (PAL), specifically regarding utility fees that are past due** *(July 23, 2014 Commission Item C4O)(210)*

James Sutter – Internal Auditor

5. **Discussion To Permit The Vacation Of A Right-Of-Way Parcel On The North Side Of 5860 North Bay Road And Approve A Storm Water Utility Easement, To Facilitate The City's Storm Water Improvements On The South Side Of The Same Property** *(September 10, 2014 Commission Item C4M)(216)*

Eric Carpenter – Public Works Director

6. **Discussion regarding Potential Purchase Of Air Rights For 6940 Abbott Avenue From AT&T For Future Development Of A Parking Garage In The North Beach Town Center** *(September 10, 2014 Commission Item C4B)(220)*

Max Sklar – Tourism, Cultural and Economic Development Director

7. **Discussion regarding Police and Parking Department Towing Permit Requirements** *(April 23, 2014 Commission Item C4G)(192)*

Saul Frances – Parking Director

8. **Discussion To Consider A Request for Rent Relief From Penn 17, LLC., Regarding The Retail Space At The Pennsylvania Avenue Parking Garage**

Max Sklar – Tourism, Cultural and Economic Development Director

9. Discussion regarding A New Program For Expedited Lien Searches With A Turn-Around Time Of One To Two Business Days; Charging Customers \$250.00 For An Expedited Certified Lien Search And \$300.00 For An Expedited Certified Condominium Lien Search Including Common Areas ([September 10, 2014 Commission Item C4M\)\(217\)](#))

Patricia Walker – Chief Financial Officer

JOINT ITEM

10. Discussion regarding the Future Location of 21st Street Teen Center in the Vicinity of Miami Beach Senior High School ([July 30, 2014 Commission Item C4C\)\(213\)](#))

John Rebar – Parks Director

Finance and Citywide Projects Committee Meetings for 2014:

October 17, 2014

November 12, 2014

December 12, 2014

PENDING ITEMS: REFER TO ATTACHMENT 1

PDW/rs/kd

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Cc. Mayor and Members of the City Commission
Management Team

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COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager

DATE: September 24, 2014

SUBJECT: **DISCUSSION REGARDING UPDATE ON THE BICYCLE SAFETY CAMPAIGN WITH THE MIAMI BEACH POLICE DEPARTMENT, DECOBIKE AND LOCAL BICYCLE RENTAL COMPANIES.**

This item was requested by Commissioner Edward L. Tobin. This item was referred to the Finance and Citywide Projects Committee at the December 11, 2013 City Commission meeting and has subsequently been discussed at prior Finance and Citywide Projects Committee meetings and at Neighborhood/Community Affairs Committee meetings.

BACKGROUND

This purpose of this item is to provide the Finance & Citywide Projects Committee (FCWPC) with an update on the City's Bicycle/Pedestrian Safety Campaign. The safety campaign consists of both educational and enforcement efforts and commenced in March 2014 as a joint effort between the City and the Florida Department of Transportation (FDOT). The enforcement aspect of the campaign was spearheaded by the Miami Beach Police Department with grant funding provided by FDOT and terminated in August 2014 while the educational component will continue throughout next fiscal year. The City's Transportation Department has requested \$10,000 as part of the Fiscal Year 2014/15 budget process to be allocated for the purpose of continuing with the initial efforts related to the safety campaign and is working with the Police Department to apply for additional state grant monies for continued enforcement next fiscal year.

EDUCATION AND OUTREACH

Regarding the FCWPC's prior recommendation to seek advertising opportunities in Regal movie theaters, the City has been advised that it would be required to pay to advertise in the theatres. Regal is able to give the City discounted pricing for ads; however, free ads are not an option. As an example, the City has previously aired Recycling Public Service Announcements (PSA) and Cultural Arts campaign ads for a discounted price. The cost for advertising in the theaters will vary depending on length of contract, total number of theatres, etc. Based on information provided by the City's Tourism, Culture and Economic Development Department, it is anticipated that the purchase of 18 screens at the South Beach Regal Cinema for a 21-week period would cost approximately \$7,500. This cost has been included as an optional item in the updated budget (Attachment A).

For purpose of the proposed \$10,000 budget for Fiscal Year 2014/15, staff anticipates allocating \$7,500 for advertising and the balance of \$2,500 for printing and dissemination of miscellaneous public outreach materials such as brochures and other informational materials. This promotional material would include printing of 1,000 additional bike safety cards for distribution.

In addition to the above initiatives, staff has identified other short-term and long-term strategies to promote bicycle safety through a phased approach and employing various media outlets.

Some examples are tactics related to co-op advertisement, outdoor signage, community outreach and events to raise awareness of bicycle and pedestrian safety on roadways. These tactics will be further developed as part of the Bicycle/Pedestrian Master Plan Update effort and coordinated with the City's Communications Department, DecoBike, and local bicycle rental companies.

ENFORCEMENT

At the December 11, 2013 City Commission meeting, the Commission approved an agreement with the University of South Florida (USF) Board of Trustees for the USF's Center for Urban Transportation Research (CUTR) to fund a Pedestrian and Bicycle Safety High Visibility Enforcement (HVE) Campaign in the amount of \$88,920 provided by FDOT to fund police overtime for extra enforcement details. The purpose of the Pedestrian and Bicycle Safety (HVE) Program is to improve pedestrian and bicyclist safety. The goal of this program is to reduce the incidence of crashes involving pedestrians and bicyclists and the resulting fatalities and injuries throughout the City of Miami Beach.

The contract was executed on March 18, 2014 and the campaign was launched by the Miami Beach Police Department. The enforcement terminated upon expiration of the FDOT grant on August 2014 and resulted in 1,316 warnings and 2,539 citations issued. Attachment B depicts the enforcement detail statistics from April 7, 2014 through August 10, 2014.

CONCLUSION

This year, the enforcement campaign concluded on August 15, 2014 coinciding with the end of the grant awarded to the Miami Beach Police Department. The data gathered during this year's Bicycle/Pedestrian Safety Campaign will be evaluated by the Police Department, FDOT, and CUTR to determine how to best plan and deploy a future enforcement campaign. The goal of any future enforcement effort associated with a bicycle-pedestrian safety campaign will be to address specific solutions to improve the safety of bicyclists and pedestrians in the City.

The Miami Beach Police Department is in the process of pursuing a grant in the amount of \$144,000 for Fiscal Year 2014/15 in order to continue the efforts of the Bicycle/Pedestrian Safety Campaign that started on April 7 of this year. As the various strategies of the Bicycle/Pedestrian Safety Campaign are launched, the City will continue to monitor accident reports and violations as a means to determine the effectiveness of the campaign and to provide updates to the Finance and Citywide Projects Committee and the Neighborhood/Community Affairs Committee.

This item is being presented to the FCWPC for discussion and further direction.

Attachments:

A: Cost Spreadsheet

B: Enforcement Detail Documentation


KGB/JRG/XRF

Bicycle Safety

Start Date: 10/1/14

End Date: 9/31/15

Total Proposed Plan Cash

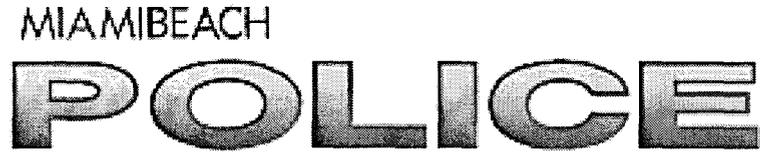
Cost: \$9,760

Total Budget: \$10,000

Remainder: \$240

Media Plan

Company	Cash	In-Kind	Impressions	Details
Cinemia	\$7,560		210,485	South Beach Stadium 18 Screens - 7,560 spots total for 3 months
MB Magazine	\$2,200			2 issues - 1/2 pg ads
Atlantic Broadband	\$0	\$24,300	43,740	650-30 sec spots running per month on A&E, AMC, ANIMAL, BET, BRAVO, COMEDY, CNBC, CNN, Discovery, ESPN, ESPN2, E!, Family, FOOD, FSFL, FX, Fox News, GOLF, Hallmark, HGTV, History, HLN, Lifetime, MSNBC, MTV, NICK, SCI FI, SPIKE, SUN, TBS, TLC, TNT, Toon, TRAVEL, TRU, TVLAND, TWC, USA, VH1
Totals:	\$9,760	\$24,300	254,225	
Media Plan total Value	\$34,060			
Total Elapse Time:	12	Months		



HVE Pedestrian Bicyclist Safety Program - Traffic Enforcement - Final Report

(Monday, April 7, 2014 through Sunday, August 10, 2014)

Total Number of Warnings Issued

1,316

Total Number of Citations Issued

2,539

Ped Viol. 316.130 (1) Warned	333	Ped Viol. 316.130 (1) Cited	81
Ped Viol. 316.130 (3) Warned	51	Ped Viol. 316.130 (3) Cited	37
Ped Viol. 316.130 (8) Warned	92	Ped Viol. 316.130 (8) Cited	11
Ped Viol. 316.130 (10) Warned	121	Ped Viol. 316.130 (10) Cited	186
Ped Obstr. Traf 316.2045 (1) Warned	11	Ped Obstr. Traf 316.2045 (1) Cited	3
Ped Obstr. Traf 316.2045 (2) Warned	2	Ped Obstr Traf 316.2045 (2) Cited	0
Motor Viol. 316.13 (7A) Warned	247	Motor Viol. 316.13 (7A) Cited	220
Motor Viol. 316.13 (7B) Warned	235	Motor Viol. 316.13 (7B) Cited	650
Motor Viol. 316.13 (7C) Warned	12	Motor Viol. 316.13 (7C) Cited	78
Motor Viol. 316.13 (9) Warned	5	Motor Viol. 316.13 (9) Cited	16
Motor Viol. 316.13 (15) Warned	2	Motor Viol. 316.13 (15) Cited	2
Bicyclist Viol. 316.2065 (3B) Warned	1	Bicyclist Viol. 316.2065 (3B) Cited	1
Bicyclist Viol. 316.2065 (3D) Warned	6	Bicyclist Viol. 316.2065 (3D) Cited	5
Bicyclist Viol. 316.2065 (7) Warned	47	Bicyclist Viol. 316.2065 (7) Cited	17
Bicyclist Viol. 316.2065 (10) Warned	3	Bicyclist Viol. 316.2065 (10) Cited	2
Bicyclist Viol. 316.2065 (11) Warned	16	Bicyclist Viol. 316.2065 (11) Cited	5
Signs/Signals Traffic Control Dev. 316.074 (1) Warned	4	Signs/Signals Traffic Control Dev. 316.074 (1) Cited	15
Signs/Signals Traffic Cntrl Devices 316.075 (1C1) Warned	3	Signs/Signals Traffic Cntrl Devices 316.075 (1C1) Cited	8
Signs/Signals Traffic Cntrl Devices 316.123 (2A) Warned	5	Signs/Signals Traffic Cntrl Devices 316.123 (2A) Cited	8
Speed 316.183 (1) Too Fast for Cond. Warned	1	Speed 316.183 (1) Too Fast for Cond. Cited	1
Speed 316.187 (2C) State Road Warned	73	Speed 316.187 (2C) State Road Cited	159
Speed 316.189 (1) Municipal Road Warned	1	Speed 316.189 (1) Municipal Road Cited	2
Speed 316.189 (2) County Rd (Venetian Cswy) Warned	0	Speed 316.189 (2) County Rd (Venetian Cswy) Cited	0
Additional (Other) Warned	45	Additional (Other) Cited	1,032

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COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager

DATE: September 25, 2014

SUBJECT: **DISCUSSION REGARDING FINANCIAL IMPACT OF THE PROPOSED ROADWAY CLOSURE APPLICATIONS FOR 87 STREET AND 87 TERRACE FILED BY 8701 COLLINS DEVELOPMENT**

(March 5, 2014 Commission Item C4D
Commissioner Weithorn)

DISCUSSION REGARDING A RESOLUTION APPROVING THE VACATION AND ABANDONMENT OF THAT PORTION OF 87TH TERRACE EAST OF COLLINS AVENUE, CONSISTING OF A 50 FOOT RIGHT-OF-WAY (ROW) CONTAINING APPROXIMATELY 18,042 SQUARE FEET IN TOTAL LOT AREA, AS SHOWN ON THE PLAT OF ALTOS DEL MAR SUBDIVISION NO. 2, RECORDED IN PLAT BOOK 4, PAGE 162 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, IN FAVOR OF 8701 COLLINS DEVELOPMENT, LLC (THE "APPLICANT"); WITH SUCH VACATION SUBJECT TO AND CONTINGENT UPON THE CITY'S APPROVAL, AND THE CITY AND APPLICANT'S EXECUTION, OF A DEVELOPMENT AGREEMENT WHICH, AMONG OTHER TERMS AND CONDITIONS (1) GRANTS TO THE CITY A PERPETUAL PEDESTRIAN ACCESS EASEMENT ACROSS A PORTION OF THE VACATED CITY ROW, AND (2) ENSURES APPLICANT'S PAYMENT OF A VOLUNTARY MONETARY CONTRIBUTION, IN THE AMOUNT OF \$10.5 MILLION DOLLARS, TO BE USED BY THE CITY FOR PUBLIC PURPOSES; AND WITH SUCH VACATION FURTHER SUBJECT TO AND CONTINGENT UPON APPLICANT'S SATISFACTION OF THE CONDITIONS SET FORTH IN THIS RESOLUTION

(September 10, 2014 Commission Item R7E
City Attorney)

BACKGROUND

The City of Miami Beach holds a right-of-way (ROW) dedication to a 50 foot wide road, running East of Collins Avenue, known as 87th Terrace.

On September 17, 2014, the City adopted a Resolution to vacate the City's ROW in favor of 8701 Collins Avenue, LLC, contingent upon the execution of a Development Agreement, and the payment of a voluntary contribution of \$10.5 million dollars. Should the vacation proceed as contemplated in the resolution, with the final execution of a development agreement, as to be approved by the City Commission, 8701 Collins Avenue, LLC, would pay, based upon a series of deadlines contemplated by the parties, the City the voluntary contribution of 10.5 million dollars. The material terms for the vacation and development agreement are contained in the

Term Sheet (ATTACHMENT). The Term Sheet was accepted by the City Commission on September 10, 2014, and became the basis for final approval of the vacation resolution approved, after public hearing on second reading on September 17, 2014.

The Finance Committee has requested that the voluntary contribution of 10.5 million dollars be brought before the Committee in order to determine how best to utilize the voluntary contribution in the best interest of the City.

CONCLUSION

The following is presented to the members of the FCWPC Committee for discussion and further direction.


JLM/MT/ETC/BAM/EB

ATTACHMENT

Purchase and Sale Agreement - 226 87th Terrace Term Sheet

1. Parties.

The City of Miami Beach (the "City") and 8701 Collins Development, LLC ("8701") intend to enter into a purchase and sale agreement ("PSA") for 8701's purchase of Parcel D (as hereinafter defined) from the City, and for the development of the Property (as hereinafter defined).

2. Property.

- a. 8701 is owner of that certain parcel of land located at 7925 Collins Avenue, Miami Beach, Florida (Folio # 02-3202-006-0420), which is approximately 15,312 sq. ft. in size ("Parcel C").
- b. City is owner of that certain parcel of land located at 226 87th Terrace, Miami Beach, Florida (Folio # 02-3202-006-0430), which is approximately 15,313 Sq. Ft. in size ("Parcel D").
- c. Parcel D is north of and adjacent to Parcel C. Parcel C and Parcel D are herein referred to collectively as the "Property."

3. Scope of Project.

City and 8701 intend to enter into the PSA for 8701's purchase of Parcel D from the City. The PSA shall also prescribe certain terms and conditions for the development of the Property. The Property shall be developed and constructed as a main use parking garage, which garage will include the City's Municipal Parking Spaces Condominium Unit (as defined in subsection 4(e), below), and other uses to include (i) a retail/commercial use component on the first floor; (ii) one or more levels of parking garage directly above the first floor; and (iii) a hotel or residential component above the garage levels (collectively, such development shall be hereinafter referred to as the "Project").

4. Key Terms & Provisions.

- a. City will convey fee simple interest in Parcel D to 8701 upon closing.
- b. The closing will occur within thirty (30) business days following the issuance of all necessary final, non-appealable development approvals for the Project, but not later than one year following execution of the PSA (unless extended by mutual written approval/agreement of the parties).

- c. 8701 will be responsible for the design, permitting and construction of the Project. 8701 will design and construct all improvements on the Property, including the City's Municipal Parking Spaces Condominium Unit, provided, however, that the City shall have review over, and final approval of, the design and construction plans and specifications for the City's Municipal Parking Spaces Condominium Unit to ensure that each space is designed to meet the City's needs and construction standards. 8701 shall deliver to the City, prior to construction, a per-parking space cost allocation in order for the City to determine whether the price per space of the City's Municipal Parking Spaces Condominium Unit is commercially reasonable and acceptable.
- d. Final completion of the Project will occur within three (3) years following the issuance of a Full Building Permit.
- e. The Project will be subject to a Declaration of Condominium delineating the City's Municipal Parking Spaces Condominium Unit from the rest of the Project. No later than 90 days after issuance of a temporary certificate of occupancy (TCO) or certificate of occupancy (CO) for the Project, (whichever occurs first), 8701 will deliver the Municipal Parking Spaces Condominium Unit, consisting of 120 parking spaces, to the City.
- f. The PSA will describe the Municipal Parking Spaces Condominium Unit in narrative text, and will incorporate as exhibits to the agreement conceptual sketches showing the location and dimensions of the Municipal Parking Spaces Condominium Unit. After the Project receives design review approval, and no later than application for a building permit, 8701 will provide City with a legal description of the Municipal Parking Spaces Condominium Unit.
- g. Upon issuance of a TCO or CO for the Project, (whichever comes first), there will be an accounting of the final construction costs for the City's Municipal Parking Spaces Condominium Unit. The total of such costs, to include cost of construction materials, labor and soft costs, shall be compared to the appraised value of Parcel D of \$2.7 million (adjusted for inflation), in order to determine whether any additional amounts are due from 8701. In the event that the appraised value of Parcel D (adjusted for inflation) exceeds the final construction costs for the City's Municipal Parking Spaces Condominium Unit, 8701 shall promptly pay the City the difference. In no event, however, shall the City be responsible for any additional payment to 8701 for the development and construction of the City's Municipal Parking Spaces Condominium Unit.
- h. 8701 and City will work cooperatively to seek approval of the design and development of the Project. 8701 will be responsible for submitting any required applications for development approvals, with City as co-applicant, if and as necessary, for the Project (i.e., Design Review Board, Planning Board, and/or Board of Adjustment approvals).

- i. 8701 shall not be entitled to assign or transfer its rights under the PSA until after the issuance of a Certificate of Occupancy (CO) for the Project.
- j. 8701 shall pay for the attorney's fees incurred by the City for outside counsel's (which counsel shall be selected and approved by the City Attorney) review and negotiation of the PSA, and any related agreements, if any, not to exceed reasonable amounts, as mutually agreed upon by the Parties.
- k. 8701 will install, at its sole cost and expense, a "Welcome to Miami Beach" sign at the northwest corner of the building, the design of which shall be approved by the City.

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COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager

DATE: September 24, 2014

SUBJECT: **DISCUSSION REGARDING EXPLORING ISSUES BROUGHT UP IN AN INTERNAL AUDIT OF THE MIAMI BEACH POLICE ATHLETIC LEAGUE (PAL)**

An operational audit of the Miami Beach Police Athletic League between June 1, 2009 and February 28, 2014 was conducted at the request of the City Manager's Office. The audit period commences with the ending of the last internal audit performed in 2009. The primary focus of this audit was to follow-up on previously reported findings as well as to review the effectiveness of the organization's internal control structure, the completeness of revenues, the legitimacy of expenditures and to report on the primary child programming offered to City youth.

This audit is presented for discussion with the Finance and Citywide Projects Committee as referred by the City Commission at its July 23, 2014 meeting.

JJS

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MIAMIBEACH

BUDGET AND PERFORMANCE IMPROVEMENT
Internal Audit Division

INTERNAL AUDIT REPORT

TO: Jimmy L. Morales, City Manager
VIA: John Woodruff, Budget and Performance Improvement Director 
FROM: James J. Sutter, Internal Auditor 

DATE: September 19, 2014
AUDIT: Miami Beach Police Athletic League Operational Audit
PERIOD: June 1, 2009 to February 28, 2014

This report is the result of an operational audit of the Miami Beach Police Athletic League between June 1, 2009 and February 28, 2014 conducted at the request of the City Manager's Office. This lengthy 57 month audit period commences with the ending of the last internal audit performed. The primary focus of this audit was to follow-up on previously reported findings as well as to review the effectiveness of the organization's internal control structure, the completeness of revenues, the legitimacy of expenditures and to report on the primary child programming offered to City youth.

INTRODUCTION

The Miami Beach Police Athletic League (PAL) was founded in 1958 and is the oldest in the state of Florida. This non-profit 501(c)3 organization offers the community's youth an array of recreational, athletic and educational activities. However, its primary focus is educational due to the shortage of nearby available outdoor field space.

Resolution No. 73-13924 authorized a five year lease agreement between PAL and the City on February 21, 1973 for the use of a parcel of land on Flamingo Park for the benefit of the youth of the community and to also enable them to participate in healthful sports and recreational activities. This lease agreement's terms were extended with the adoption of Resolution No. 77-15471A and then again until June 30, 1996 with the passage of Resolution No. 93-20868.

Next, the terms were extended for a five year period ending June 30, 2001 through the passage of Resolution No. 96-21987. However, PAL raised monies in 1997 through donations, grants, etc. with the City's assistance to construct a new facility in Flamingo Park on City owned land. Accordingly, Resolution No. 98-22741 was passed granting PAL a twenty-five year lease to operate on the premises through June 30, 2023. Compliance with the stated lease terms is monitored by the City's Leasing Specialist in the Office of Real Estate.

PAL is located at 999 11th Street in Flamingo Park where it is visited by hundreds of children and adults daily Monday through Sunday. The 13,000 square foot facility opened in January 2001 and contains a computer lab; offices; classrooms; fitness center; and meeting rooms. Its programs are designed to create better relations between law enforcement officers and youth, as well as to help prevent juvenile delinquency. Examples of offered programs include Police Explorers, Youth Director's Council, Kindergarten Cops and the Summer Work Program.

PAL operates under the leadership of an Executive Director, who is a full-time active Miami Beach police officer in accordance with City Resolution No. 11022. Per PAL's by-laws, monthly Executive Board meetings are to be held while the larger General Board of Directors is to meet

We are committed to providing excellent public service and safety to all who live, work, and play in our vibrant, tropical, historic community.

Internal Audit Report
 Miami Beach Police Athletic League Operational Audit
 September 19, 2014

six times a year. The Executive Board and the General Board of Directors are composed primarily of volunteer citizens and law enforcement officers, who together help plan PAL's future. In addition the agency's by-laws specify the responsibilities of its officers and the Executive Director as to spending authority, oversight of operations, fund raising, public relations and check signing authorities.

Although PAL and the City are separate entities, they are closely intertwined and benefit from each other's existence. For example, the City fully pays the Executive Director's salary, allows food and beverage concessions to operate on City property during the Miami International Boat Show, permits PAL to operate on City owned land, etc. In return, the City utilizes the PAL building for programs whereby local children are supervised in a structured learning environment, several Parks & Recreation Department employees' offices are located on the premises, etc.

PAL created a wholly owned subsidiary in 2012 called the Miami Beach Police Athletic League Fitness Center, Inc. (the Fitness Center) which is a Florida for-profit corporation to separate its fitness operations from its non-profit operations. The Fitness Center operates the gymnasium located on the property which is shared with PAL, and in return PAL helps to manage the Fitness Center. The PAL and Fitness Center's consolidated financial data presented below has been audited by an independent external accounting firm:

	01/01/09 – 12/31/09	01/01/10 – 09/30/10 *	10/01/10 – 09/30/11	10/01/11 – 09/30/12	10/01/12 - 09/30/13
Beginning Net Assets	\$775,243	\$810,386	\$847,046	\$794,265	\$700,425
PAL Generated Revenues	\$427,423	\$327,359	\$413,347	\$451,444	\$558,588
Law Enforcement Trust Fund	\$12,500	\$12,500	\$12,500	\$0	\$0
Executive Director's Salary **	\$104,738	\$69,545	\$103,248	\$106,092	\$106,261
Off-Duty Surcharge	\$81,001	\$54,625	\$20,245	\$0	\$0
Total City Contributions	\$198,239	\$136,670	\$135,993	\$106,092	\$106,261
Total Revenues	\$625,662	\$464,029	\$549,340	\$557,536	\$664,849
Total Expenditures **	(\$590,519)	(\$427,369)	(\$602,121)	(\$651,376)	(\$626,139)
Change in Net Assets	\$35,143	\$36,660	(\$52,781)	(\$93,840)	\$38,710
Ending Net Assets	\$810,386	\$847,046	\$794,265	\$700,425	\$739,135

* PAL changed its year end from December 31st to September 30th in 2010 in order to coincide with the City's fiscal year end so this column's reported figures represent only nine months of activity.

** In accordance with FASB ASC 958 Not-For-Profit Entities – Presentation of Financial Statements, the fair market values of the salary of the full-time police officer acting as Executive Director was recorded as a contribution by the City and a payroll expense of PAL (included in the total expenditures amount) which would not affect reported ending net assets.

Exhibit A attached to this report provides a categorized summary graphical breakdown of the revenues generated and expenses incurred for each year during the audit period as copied directly from the provided annual financial statements audited by an independent external accounting firm. Finally, the 2012/13 fiscal year figures reported in both the table above and in Exhibit A were based on a draft copy of the audited financial statements completed by their

external auditor on June 3, 2014 as it was assumed that these numbers would not subsequently change.

OVERALL OPINION

Despite improvements made to correct many of the previous internal audit report's findings, the non-profit Miami Beach Police Athletic League, Inc. (PAL) and its for profit subsidiary, Miami Beach Athletic League Fitness Center, Inc. (Fitness Center) has experienced several shortcomings in their operational internal controls which are detailed below. The creation of new documented internal controls and closer oversight by the Executive Board of Directors and management will better enhance operations necessary to meet the agency's objectives. In addition, the existing lease agreement terms should be revised to clarify the building's space usage and the responsibilities of each party. Finally, the City's involvement with PAL should be assessed and a decision reached on its level of commitment and interaction.

The following shortcomings were noted during the audit period that are in need of corrective action:

1. Various building security and internal control deficiencies relating to Fitness Center software, maintained documentation and subsequent analyses, the verification of collections, the monitoring of fixed assets, etc. were noted that could potentially result in assets being damaged or misappropriated.
2. The terms in the signed Memorandum of Understanding dated November 5, 2007 were no longer applied after September 2010 thereby creating confusion as to the responsibilities of each party concerning utilities and police off-duty administrative surcharge payments.
3. The separation of the non-profit PAL from the for-profit Fitness Center was not always distinct in relation to purchases, shared expenses and management fees.
4. The City and PAL both claim ownership of the building located at 999 11th Street which has created uncertainty as to each's responsibilities. Meanwhile, property taxes may be due for the portion of the facility utilized by such non-exempt organizations as the Fitness Center and PAL's subtenants, the Fraternal Order of Police and the Miami Beach Policeman's Relief and Pension fund.
5. Tracing of forty sampled individuals' extended Fitness Center memberships to the supporting payment receipts found that two or 5% did not remit the correct amount of monies and that 12 identified City employees received free membership in contradiction to the City's gift policy.
6. Observed inadequacies in the maintained accounting records are listed which hinder the audit trail.
7. The Executive Director reports simultaneously to both the Chief of Police and PAL's Board of Directors which could potentially result in conflicts of interest.
8. PAL funds were used to pay an individual's funeral expenses; charitable donations; City incurred costs; and for adult programming that do not necessarily adhere to the organization's mission statement.
9. None of the building's tenants obtained business tax receipts during the audit period.
10. The building's roof leaks caused interior water damage, several electrical outlets are uncovered and an exterior door does not securely fasten which are all in need of repair before someone is inadvertently injured.

11. Needed workers' compensation insurance was not obtained by PAL and the Fitness Center during the audit period.
12. Standard operating procedures were not maintained.
13. Detailed participation records were not always retained for PAL's programs.

PURPOSE

The purpose of this audit was to determine whether the Miami Beach Police Athletic League complied with tested requirements in their signed lease agreement; whether maintained accounting records and supporting documentation are organized, complete and sufficient; whether internal controls were soundly developed and a proper segregation of duties existed; whether monies received from various sources were appropriately safeguarded and deposited intact; whether eligible sampled expenditures were properly approved, paid timely and were for legitimate business purposes; and whether sampled permits, business tax receipts and utility payments were current.

SCOPE

1. Confirm that standard operating procedures exist, are current and are followed by staff.
2. Confirm that maintained accounting records and supporting documentation are organized, complete and sufficient.
3. Confirm that the internal control process is adequate and that a proper segregation of duties exists.
4. Confirm that tested monies collected from various revenue sources were deposited intact and were correctly recorded.
5. Confirm that sampled expenditures were properly approved, paid timely and were for legitimate business purposes.
6. Confirm that City employees are not working concurrently for the Miami Beach Police Athletic League, Inc.
7. Confirm that the Miami Beach Police Athletic League, Inc. and Miami Beach Police Athletic League Fitness Center, Inc. maintained the appropriate insurance coverage.
8. Confirm that the Miami Beach Police Athletic League and Miami Beach Athletic League Fitness Center, Inc. are current with their business taxes, permits, utilities, etc.
9. Confirm the number of programs offered annually, the associated costs incurred and the number of active participants.

FINDINGS, RECOMMENDATIONS AND MANAGEMENT RESPONSES

1. Finding – *Various PAL and Fitness Center Building Security and Internal Control Deficiencies are Noted*

A review of Miami Beach Police Athletic League, Inc. (PAL) and the Miami Beach Police Athletic League Fitness Center, Inc.'s (Fitness Center) building security and internal control system identified the following deficiencies:

Building Security:

- a. PAL's Executive Director stated that the building's security alarm is not set daily because the northernmost building doors do not secure properly thereby making the facility more vulnerable to unauthorized access.

Internal Controls:

- b. The Keyscan Access Control Software System (Keyscan) only has one password that is known and used by all Fitness Center employees thereby giving each user the same ability to make entries, changes, etc. besides making it difficult to identify the transaction's creator. Additionally, the password has not been changed for at least the past six years so it is known by all terminated and active individuals employed during that time period.

KeyScan was not necessarily developed to operate a fitness center as it is an access control system whereby ingress to the facility is controlled by programmable key fobs so it does not have sufficient internal controls designed into the system. For example, it is not interfaced with the cash register so membership transactions have to be separately entered in each, it does not allow the Fitness Center Manager to generate supervisory reports to help reconcile system entries with the corresponding payments, etc. On a positive note, the Fitness Center Manager stated that he compares the daily completed receipts (see finding c below) with system entries but this practice will not help identify someone whose membership is extended without the submittal of a receipt providing evidence of payment. Finally, inquiries found that management is actively researching purchasing a new fitness center specific software.

- c. The Fitness Center uses a pre-numbered sequential three part receipt form containing their logo with the white copy given to the customer, the yellow copy is used to provide support for the bank deposit and the pink copy is retained in the receipt book. Testing of completed receipt books found that all the reviewed pink copies were present but that the books were not always issued and used in sequential order which can lead to confusion and reconciliation challenges.

It was also found that the voided white and yellow copies of these manually prepared receipts were occasionally missing (some examples include receipt numbers 8131, 8206, 8207, 9021 and 9122). Furthermore, prepared receipt amounts were changed and processed without being initialed by the appropriate employee indicating the reason for the change and the documented approval of a supervisor. It is possible in both of these instances that dishonest employees could charge customers one amount and then either void or change the corresponding receipts to a lesser amount while misappropriating the difference if

their work was not closely scrutinized.

- d. In addition to memberships, the Fitness Center also receives monies through the sale of apparel, drinks, protein bars, supplements, gloves and weight belts. All membership payments are to be recorded both on the aforementioned receipts and in the cash register. Meanwhile, the other saleable items processing varied as some were recorded only through the preparation of a receipt while others were recorded through both the receipt and then were entered into the cash register. Although the simplistic cash register allows the employee to record purchases in any of four categories (1 = memberships, 2 = drinks and supplements, 3 = t-shirts and apparel, and 4 = gloves and straps), no supporting detail was maintained to help verify the amount of total revenues for each category. Lastly, there were no daily count sheets used to help identify the amount of inventory shrinkage and/or when it occurred.
- e. Each Fitness Center employee generates and reconciles a Z tape (cash register generated summaries totaling all amounts entered during the day) to the cash, checks, credit cards and receipts present. The credit card transactions are processed by their Heartland Credit Card System and are deposited intact directly into the Fitness Center's Regions Bank operating account with separate withdrawals made by the vendor for any associated fees. At the conclusion of each day, the designated Fitness Center employee reconciles the day's total revenues and prepared receipts to the supporting Z tapes before securing these items in a locked box for safekeeping until readied for deposit.

The Fitness Center Manager reconciles all cash, checks and supporting documentation at the end of the week before giving the items to PAL's Executive Director for examination prior to being deposited into their Regions Bank operating account. Again, the lack of maintained daily detail transaction register tapes adversely affects the effectiveness and reliability of the deposit reconciliation.

Even though the Fitness Center Manager does not have the ability to access the bank account to verify that the deposits were made intact, he does manually prepare and maintain a document listing the amount of cash and checks given to the Executive Director for deposit. Testing was performed on ten of these randomly sampled documents to ensure that the corresponding monies were deposited intact into the Fitness Center's operating account.

It was subsequently found that the Executive Director splits each Fitness Center deposit into two with one being solely for membership revenues and one for everything else (apparel, drinks, protein bars, gloves, etc.) thereby complicating the reconciliation process. Cash was occasionally removed from deposits to purchase needed items as neither PAL nor the Fitness Center had a petty cash fund. For example, the sampled Regions Bank \$606 deposit made on November 15, 2013 was found to be reduced by \$45. PAL's Executive Director subsequently provided a \$44.97 Staples receipt dated October 24, 2013 as support for the reduced deposit, but Internal Audit has no means to confirm the validity of this statement. Another deposit reviewed on November 9, 2012 was

reduced by \$11 but no receipts were presented to explain this difference.

Lastly, no one is reconciling the daily credit card settlement reports with the amounts deposited into the Regions Bank operating account by their Heartland Credit Card System. Fortunately, testing of eight weeks' credit card transactions did not reveal any discrepancies but they need to be routinely checked for accuracy by designated staff members to quickly identify any differences.

- f. Neither PAL's Executive Director nor the Fitness Center Manager perform any analysis to ensure that all completed non-voided receipts were included in the received deposits. Failure to perform this testing under the current scenario could result in received cash being misappropriated by a dishonest employee who either does not submit the completed receipt or by falsely checking the box indicating that payment was received via credit card.

Internal Audit unsuccessfully tried reconciling eight weeks' bank deposits with the corresponding yellow receipts but differences were repeatedly found indicating that either receipts were missing, they were miscoded as cash or credit card, the wrong dates were listed or present, the records were not adequately safeguarded to help prevent unauthorized access, etc. so no conclusions were reached other than the need to revise the current process.

- g. PAL does not attach tags to fixed assets (items such as televisions, computers, etc. whose cost is above a designated threshold) to facilitate identification.

Recommendation(s)

The implementation of the following recommendations should help better safeguard building assets and improve the established internal control structure:

Building Security

- a. Although all questioned PAL and Fitness Center employees stated that the building has not knowingly been vandalized, all access points should be properly secured with any needed repairs promptly made. Once completed, the alarm should be set nightly with specific passwords given to each employee to help identify anyone who disables it.

Internal Controls

- b. As PAL and Fitness Center management begin their search to replace their outdated KeyScan System, they should strongly consider any potential new systems inherent internal controls and supervisory reports into their purchase decisions.
- c. PAL's Executive Director should distribute the receipt books in sequential order for usage by Fitness Center staff. All three copies of voided receipts should be present in the receipt book. Also, any changes to the listed dollar amounts received or other material information should be initialed by the employee/supervisor accompanied by the reason for the change.
- d. The daily detailed cash register tapes should be maintained to help determine

the amount of revenues for each sales category. In addition, Fitness Center management should create a count sheet for staff to list the amount of inventory on display at the end of each day and to record any drinks consumed by employees. This form should be completed daily and included as part of staff's closing duties to support listed sales revenues' figures and to help alert management as to the periods that any inventory was missing. Finally, receipts should be prepared for each purchase in lieu of the potential purchase of the new software system which should be interfaced with the cash register.

- e. Whenever possible, bank deposits should be done more frequently to help reduce the organization's potential risk exposure to theft. Both PAL's Executive Director and the Fitness Center Manager should sign a daily revenue control sheet indicating the total amount of cash and checks received for the reconciled period. An independent person should routinely verify that each bank deposit properly reconciles to the aforementioned signed documents with any differences immediately investigated.

Fitness Center bank deposits should also not be split between memberships and all other categories as it is recommended that only one deposit be made for each designated period. Furthermore, all monies should be deposited intact into the checking account. Finally, PAL's Executive Director or his designee should be tasked with reconciling the daily credit card settlement reports with the amounts deposited into the Regions Bank operating account by their Heartland Credit Card System.

- f. PAL's Executive Director should routinely perform analysis to ensure that all completed non-voided receipts were included in the received deposits. Also, all deposits' supporting yellow receipts should be properly safeguarded and stored together to facilitate reconciliation.
- g. Unique tags should be attached to all fixed assets over a certain dollar threshold designated by the Executive Committee and/or Board of Directors to facilitate identification.

PAL's Management Response

Building Security 1(a)- The City should be responsible for reimbursing PAL for the cost of the security alarm repair. PAL's position is based on the fact that the damage is as a result of the City's usage. PAL agrees the building should be secure.

Internal Controls 1(b)-(g)- PAL Board of Directors will review, analyze and consider the City's suggested recommendations.

- 2. Finding – *The Terms in the Signed Memorandum of Understanding Dated November 5, 2007 Stopped being Applied after September 2010 Thereby Creating Confusion as to the Responsibilities of Each Party Concerning Utilities and Off-Duty Administrative Surcharge Payments*
Resolution No. 96-21987 requires PAL to maintain the facility and pay all utilities throughout the term of the lease agreement. Meanwhile, section 2 of PAL's corresponding

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lease agreement states "*Lessor {City} agrees to pay for all utilities used within the premises including, but not limited to, electric, water, gas, telephone and garbage disposal.*" These two statements are contradictory resulting in uncertainty as to which organization is responsible for paying for the building's utilities. The City's Legal Department previously opined that a scrivener's error occurred and that PAL has always been responsible for the utilities of the building. In reality, the City paid the water and sewer charges totaling \$18,924 between October 1, 2006 and May 31, 2009 while PAL paid the electric and telephone invoices.

In an attempt to resolve this issue and others, the previous City Manager and PAL Board President signed a Memorandum of Understanding on November 15, 2007 which contained a paragraph stating "*The Parties have also discussed the payment of utility bills associated with the operation of the Building. The City of Miami Beach has agreed on a one-time payment of \$50,000 to assist with previous utility bills associated with the property. This payment is with the understanding that in the future the Police Athletic League may utilize an Off-Duty Police Surcharge Fund created to assist the Police Athletic League for whatever portion of future utility bills the Police Athletic League determines is necessary. The fund has been created to assist in the eligible operational expenses of the Police Athletic League by adding one dollar per hour to the off duty police rate. This amount shall be forwarded to the Police Athletic League upon receipt of a quarterly request from the Police Athletic League. In the event the surcharge rate is altered in the future, the parties agree to meet and discuss alternate funding mechanisms as necessary. The City will have no future responsibility to pay utility bills beyond this one-time payment per terms indicated in the Lease Agreement.*"

The City made the \$50,000 payment with the issuance of check number 251711 dated July 27, 2007 but the City has continued paying for the building's water and sewer charges to date. As a result, PAL would owe the City for water and sewer charges incurred assuming that the building's direct consumption could be calculated.

Furthermore, PAL pays all electrical charges incurred at the building. However, PAL management claims that the City's recent installation of new air conditioners has resulted in less control over building temperatures as unoccupied rooms may be very cold while other occupied areas can be very hot as the building thermostats do not function properly. They stated that they have to contact the City's Air Conditioning Supervisor to make the necessary cooling and heating adjustments while complaining that their Florida Power & Light bills have increased accordingly.

Additionally, the City's Finance Department made quarterly wire transfers to PAL totaling \$329,175.93 between December 2007 and October 2010 for the off-duty administrative surcharge payments with \$214,127.43 paid prior to June 2009 and \$115,048.50 paid during the audit period. For unknown reasons, this Memorandum of Understanding was not brought before the City Commission for approval before being implemented. The Finance Department stopped remitting these off-duty administrative surcharge payments as of the quarter ending September 2010.

All the received off-duty administrative surcharge payments received are entered into general ledger revenue account number 156-8000-342900 on the City's Financial System whereby any resulting surcharge payments to PAL were incorrectly treated as a reduction

in revenues. Upon request, the City's Finance Department calculated that the amount of off-duty administrative surcharge payments that would have been due to PAL for the period of October 1, 2010 through January 31, 2014 equaled \$271,558.37 if the Memorandum of Understanding's terms were applied.

Recommendation(s)

The City's Public Works and Finance Departments should calculate the amount of water and sewer charges for the PAL building during the audit period so that reimbursement can be sought. An amicable resolution should also be negotiated concerning the building's new air conditioning system shortcomings resulting in higher Florida Power & Light monthly bills paid solely by PAL. Additionally, the City Administration should determine whether PAL is owed the police off-duty administrative surcharge monies collected since October 2010. Finally, the City and PAL should negotiate and sign an agreement detailing the terms upon which any disbursed off-duty administrative surcharge monies are to be spent.

City Manager's Office Response

It is our understanding that the surcharge was implemented in 2007 without Commission approval and then ended at the Commission's request in 2010. We would like to meet and discuss with the PAL a comprehensive restructuring of our relationship that would be mutually beneficial and address all of the findings and concerns.

PAL's Management Response

PAL reserves all its legal rights and remedies pursuant to the Memorandum of Understanding and any and all agreements entered into with the City of Miami Beach. The PAL looks forward to sitting down with the City Manager as soon as possible and discussing amicable resolutions to all the aforementioned issues.

3. Finding – *The Separation of Non-Profit PAL from the For-Profit Fitness Center was not Always Consistent in reference to Purchases, Shared Expenses and Management Fees*
PAL is a 501(c)3 organization while the Fitness Center spun off in 2012 is a Florida for-profit corporation. The Fitness Center operates the gymnasium which is shared with PAL, and in return the PAL helps to manage the Fitness Center but no management agreement exists specifying the terms for both parties. Their independent accountant stated that the Fitness Center was spun off for liability purposes and to avoid potentially jeopardizing PAL's non-profit status as the Fitness Center is their main revenue source.

The following concerns related to this separation and related party transactions were noted during testing:

- Fitness Center purchases need to be kept separate from PAL because they are required to pay 7% state sales taxes while PAL is considered exempt. However, instances were found whereby this did not always hold true as shown by check numbers 518 and 522 and a debit card purchase from Johnson Health Tech NA Inc. to name a few examples.
- Shared expenses (utilities, cleaning, building repairs, etc.) were not allocated between the Fitness Center and PAL which could have federal income tax implications.
- Monies are transferred from the Fitness Center as needed to fund PAL

operations at the discretion of the Executive Board. It was also found that PAL's Executive Board had approved larger monetary transfers from the Fitness Center to PAL at the end of the fiscal year.

Recommendation(s)

A management agreement should be drafted and signed outlining the terms of PAL and the Fitness Center's relationship. Purchases for each entity should be kept separate with any shared expenses properly allocated in a reasonable manner such as by square footage due to possible state or federal tax implications. Lastly, monies should be consistently transferred from the Fitness Center to PAL in an equitable manner designated in the approved management agreement.

PAL's Management Response

PAL Board of Directors will review, analyze and consider the City's suggested recommendations.

4. Finding – *Both Parties Claim Ownership of the Building which once Resolved could Impact Future Operations plus Property Taxes are not being Billed or Paid on the Portion utilized by Non-Exempt Organizations*

Both PAL and the City claim ownership of the building located at 999 11th Street which could impact the lease agreement's terms once resolved. Assuming that PAL was deemed to own the building, they could require the City to pay rent and/or a greater proportion of the building costs. Conversely, the City could charge building subtenants (Fraternal Order of Police and the Miami Beach Policeman's Relief and Pension fund) higher rents, use more of the building for Parks & Recreation programming, etc. if they owned the building.

For now, the City is recorded as the owner of the PAL building according to the Miami-Dade County Property Tax Appraiser's records. No property taxes have been billed or paid since the building's inception in January 2001; however, they may be due on the proportional share of the building used by the Fitness Center, the Fraternal Order of Police and Miami Beach Policeman's Relief and Pension fund (commonly known as the 1% fund) as they are not exempt organizations.

Recommendation(s)

PAL and the City should resolve the building ownership issue and amend the lease agreement as needed with City Commission approval to help clarify each party's responsibilities. Furthermore, it should be promptly determined if property taxes should be paid by any of the building's current occupants. If so, the Miami-Dade Property Tax Appraiser's Office should be notified of the building's non-exempt occupants so that the applicable amount of property taxes can be billed and remitted.

City Manager's Office Response

The City Attorney's office has taken the position that the City owns the building. Furthermore, the City has continued to perform all capital repairs to the building. We would like to meet and discuss with the PAL a comprehensive restructuring of our relationship that would be mutually beneficial and address this issue.

PAL's Management Response

PAL reserves all its legal rights and remedies as it relates to the ownership of the building. PAL looks forward to discussing amicable resolutions with the City of Miami Beach to the above referenced matters.

5. Finding – *Tracing of Forty Sampled Individuals' Extended Fitness Center Memberships to the Supporting Receipts found that Two or 5% did not Remit the Correct Amount of Monies and 12 Identified City Employees Received Free Memberships in Contradiction to the City's Gift Policy*

Upon request, the Fitness Center provided a KeyScan system report listing all active members, their membership classification (1 = regular, 2 = PAL and Fitness Center management, etc.), the corresponding membership periods associated with their most recent fee payments, etc. A random sample of thirty active non-City employee memberships were reviewed and traced to the corresponding receipt books to confirm whether proper payments were received.

Testing found that one individual's membership was extended through March 16, 2015 but no receipts were found indicating any monies were received. After additional inquiries were held with Fitness Center staff members, it was learned that the individual apparently worked for Mango's which has an arrangement whereby all their employees receive free memberships in return for a negotiated price paid entirely by the business owner.

The Fitness Center employee that initiated this transaction stated that he extended the individual's membership at no charge for one year which contradicts the Fitness Center Manager's policy of extending Mango's employees memberships for up to three months at a time due to turnover. The individual supposedly stopped working for Mango's after a couple of weeks but his membership was not adjusted accordingly.

Similar testing performed on ten City employees who pay to be active Fitness Center members found that a Code Compliance Officer I's membership was renewed for a year through March 7, 2014 despite the fact that no monies were received. A review of the KeyScan system found that her file contained a notation stating not to extend her membership unless payment is made because she no longer worked inside the building for the Parks & Recreation Department as the Fitness Center opts to give these City employees free memberships (membership classification 3 = Parks & Recreation staff). He continued to state that the PAL Executive Director instructed him to disregard the notation and to extend her membership but no documentation was maintained verifying this statement. Although it's a benevolent gesture that may or may not be used by the twelve identified City employees, the issuance of free gym memberships contradicts the City's gift policy as it is not universally offered to all City employees.

Recommendation(s)

The implementation of stronger internal controls such as those listed in finding #1's recommendations should help to curb instances where memberships are extended but proper payments are not received. In addition, Mango's Fitness Center memberships should be routinely reviewed for any changes in employment so that they can be revised as necessary. Written documentation should be maintained for any instances whereby standard procedures are not followed and stated instructions are overridden. Lastly, free

or reduced gym memberships given to City employees should immediately be discontinued unless offered universally to all staff members.

PAL's Management Response

PAL's Board of Directors will address the above mentioned internal controls. As to City employees, the issues have already been addressed and resolved.

6. Finding – *Observed Documentation Shortcomings are Listed which Hinder the Audit Trail*

Annual audits performed by an independent accounting firm were completed with PAL and the Fitness Center receiving unqualified opinions indicating their compliance with FASB accounting pronouncements for not-for-profit companies reporting on a modified cash basis. In order to avoid duplication of work, Internal Audit focused on testing PAL's documentation and accounting records which have continued to improve from our past internal audits; however, the following shortcomings were noted that are still in need of improvement:

- a. PAL typically does not maintain information concerning sponsored trips and meals as to the names of the attendees, what was the business purpose, etc. Similarly, PAL did not always have their recipients sign documents attesting to the receipt of Thanksgiving baskets, bicycles, etc.
- b. The Miami Beach Policeman's Relief and Pension fund provided lease agreement requires the remittance of \$300 in rent per month (includes state sales tax) which has remained unchanged since at least October 1, 2006. Similarly, the Fraternal Order of Police's monthly rental payments of \$500 rent plus 7% state sales taxes has not been increased during the same period.
- c. Especially in the earlier years tested, supporting documentation for canceled checks was occasionally missing as only the check remittance was present in the provided files. Examples include but are not limited to check numbers 8664 (June 2009), 8890 (September 2009), 9334 (June 2010) and 9402 (July 2010).
- d. All Fitness Center credit card sales are entered into QuickBooks as having occurred from memberships even though they may have been payment for apparel, supplements, etc. As a result, membership revenues are overstated while the other revenue reported categories are understated.
- e. A draft copy of PAL and the Fitness Center's 2012/13 fiscal year audited financial statements was completed on June 3, 2014 which is 246 days after their September 30, 2013 year end. The timelier receipt of the annual external audit would enable the City to quicker review and analyze their financial position.

Recommendation(s)

The implementation of the following recommendations should help ensure the existence and completeness of maintained documentation and help provide a proper audit trail:

- a. PAL should maintain detailed information concerning sponsored trips and meals as to the names of attendees, the business purpose, etc. Similarly, PAL should

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always maintain sufficient detailed information indicating who received their support and have someone attest to taking receipt of the delivered goods, monies, services, etc.

- b. The Executive Board should consider periodically raising their tenants' rents by having escalator clauses tied to the Consumer Price Index in their signed negotiated lease agreements.
- c. No further action is necessary as PAL has been correctly attaching all tested supporting documentation to the check remittances since July 2010.
- d. Detailed documentation should be maintained of each reportable categories credit card revenues so that they can be accurately reported in QuickBooks and on the Fitness Center's financial statements.
- e. Annual September 30th fiscal year end audits should be completed within a reasonable time after the close of the year (180 days or March 31st).

PAL's Management Response

PAL's Board of Directors will take the above referenced recommendations under advisement.

7. Finding – *The Executive Director Reports Simultaneously to both the City's Chief of Police and PAL's Board of Directors which could Potentially Result in Conflicts of Interest*

The Chief of Police appoints a full-time Miami Beach police officer as coordinator of PAL's activities (Executive Director) on a year round basis in accordance with City Resolution No. 11022. Therefore, PAL's Executive Director reports directly to the Chief of Police who ultimately determines his/her salary and position. Yet, Section 3 of PAL's approved by-laws details the Executive Director's job duties based on approval of the Board of Directors. As a result, situations could arise whereby the Executive Director receives conflicting instructions from the Chief of Police and PAL's Board of Directors prompting confusion as to the appropriate response.

Recommendation(s)

The City Administration should closer scrutinize the relationship between the Police Chief's Office and PAL to determine the optimal working environment. Internal Audit recommends that the City Commission consider amending Resolution No. 11022 to have a non-City employee work as Executive Director that only reports to PAL's Board of Directors to help eliminate potential conflicts. If desired, the amended City Resolution could also require the City to provide an annual contribution to PAL which could be used to fund this Executive Director's position.

City Manager's Office Response

This has been addressed as PAL Executive Director Arthur Martineau now directly reports to Wendy Rich-Goldschmidt, Chief Oates Chief of Staff.

PAL's Management Response

PAL is opposed to a non-City employee (non-police officer) working as Executive

Director. The very essence of PAL's mission and success is to offer the community the ability to interact with a direct liaison of the police department. Further, this person's presence serves as a deterrent to any misconduct at the building and ensures safety to our PAL children.

8. Finding – *Non-Business Expenditures are Listed that do not Necessarily Satisfy the Non-Profit Organization's Mission Statement*

PAL's mission statement reads "To provide a safe environment for juveniles, offer programs that emphasize education, promote self-esteem, deal with those underlying conditions that threaten the future of our youth and continue our dual mission of 'Filling Playgrounds, Not Prisons – Success Through Education' through involvement of parents, police officers and citizens of our community." Testing performed on expenditures in the general ledger provided by their independent accounting firm identified the following items that do not appear to satisfy PAL's mission statement and therefore may have been better suited to have been paid by the benefiting individuals rather than the organization:

- a. PAL donated \$1,200 to a volunteer on June 3, 2009 for funeral expenses in times of hardship. Additional payments were noted to such worthwhile organizations as the March of Dimes, Nautilus Middle School Band, American Leukemia Society, Police Olympics, etc.
- b. PAL purchased \$1,674 of shirts for Take Your Child To Work Day on April 16, 2010 and spent \$48.42 in drinks for the Chief of Police's Christmas Party on December 20, 2010.
- c. Adult and senior oriented programming funded by PAL such as Art In The Park, Yoga, etc. does not benefit juveniles in adherence to their mission statement.

Recommendation(s)

Any payments to an organization, individual, etc. that does not satisfy PAL's mission statement should be first approved by the Executive Board of Directors. Also, PAL should not be making purchases on behalf of the City as they are a separate entity. Greatly improved since 2010, PAL management should ensure that all issued checks satisfy their business purpose.

A revision to the agency's by-laws should be considered limiting expenditures to only those which directly relate to the mission of the agency. Finally, PAL should consider changing its mission statement to aiding juveniles and their families.

PAL's Management Response

PAL Board of Directors will review, analyze and consider the City's suggested recommendations for possible implementation.

9. Finding – *Neither the Fitness Center nor the Building's Other Tenants Obtained Business Tax Receipts During the Audit Period*

Neither the Fitness Center nor the building's other tenants (the Fraternal Order of Police and Miami Beach Policeman's Relief and Pension fund) obtained business tax receipts during the audit period which (if applicable) are due and payable annually on October 1st

according to City Code Section 102-357.

Recommendation(s)

The building's occupants should meet with the Finance Department's Customer Service Center to determine whether business tax receipts need to be obtained. If so, they should promptly provide the necessary documentation and monies to be in compliance with City Code Section 102-357.

PAL's Management Response

PAL is willing to meet and discuss the issue of business tax receipts with the Finance Department.

Finance Department's Management Response

Once submitted, the Finance Department will process and route the Fitness Center, Fraternal Order of Police and Miami Beach Policeman's Relief and Pension Fund applications for their respective Business Tax Receipt, Certificate of Use and/or Annual Fire Fee. Applications will be routed to the appropriate regulatory departments including, but not limited to: Building, Planning and Zoning, and Fire. If any of the aforementioned entities are registered not-for-profits, they will be exempt from the Business Tax portion of their application.

10. Finding – *Observed Interior Water Damage, Uncovered Electrical Outlets, Etc. Need to be Repaired as Soon as Possible to Better Protect the Building's Inhabitants*
Section 3 of PAL's lease agreement states "*The Lessee {PAL} accepts the premises in their present 'as is' condition, and is responsible for all interior modifications and maintenance.*" A building walkthrough on April 24, 2014 identified such needed repairs as leaks in the roof that apparently has resulted in interior water damage, uncovered electrical outlets, small holes in the walls and unsecured exterior doors which if not completed timely could result in injury to the building's inhabitants.

Recommendation(s)

Although the facilities are costly to maintain as time progresses and the resident children are hard on the building, the inhabitants' safety should be a top priority and the listed above repairs plus any others known should be completed as soon as possible. In adherence to section 3, the City's Property Management Division should promptly repair the roof and the corresponding interior water damage while PAL should be responsible for all other interior repairs not directly attributed to the roof leaks.

PAL's Management Response

PAL recommends a meeting take place with the City Manager to discuss and resolve the above issues as soon as possible.

City Manager's Office Response

This will be addressed immediately.

11. Finding – *Workers' Compensation Insurance was not Obtained by PAL and the Fitness Center During the Audit Period*
Florida Statute Chapter 440 requires that any non-construction organization of four or more part time or full time employees have workers' compensation insurance in order to

protect its workers in case of an injury occurring while on the job. It was determined that both PAL and the Fitness Center satisfy this requirement as they have currently four and nine combined part and full time employees respectively but neither maintained workers' compensation insurance during the audit period.

Recommendation(s)

Both PAL and the Fitness Center should immediately purchase workers' compensation insurance to comply with Florida Statute Chapter 440.

PAL's Management Response

PAL is in the process of complying with F.S.S. Chapter 440.

12. Finding – *Standard Operating Procedures were not Drafted and Followed that Accurately Depict Staff's Current Practices*

Standard operating procedures are beneficial as they serve as a benchmark to measure individuals' performance and as an instruction manual in the event employees are out of the office for whatever reason. In fact, the Executive Director claimed that their omission made his learning process more difficult when he began working at PAL in August 2010. PAL's standard operating procedures were still in the process of being finalized as of the completion of testing. However, the Fitness Center Manager did provide guidelines used to inform his staff of their daily duties which are displayed inside the office but they need updating and more detail.

Recommendation(s)

Both PAL and the Fitness Center's standard operating procedures should be completed as soon as possible and they should adequately depict current operations.

PAL's Management Response

PAL currently has a drafted copy of its standard operating procedures and is in the process of finalizing them.

13. Finding – *Detailed Participation Records were not always Maintained for PAL's Programs*

Exhibits B-1 and B-2 presented at the end of this report provide a summary of PAL's primary children programming offered along with a brief description of the program, the actual costs incurred for each year sponsored based on the provided general ledgers effective through February 28, 2014 and the number of program participants as of April 1, 2014. Participation totals were also requested for earlier periods but were not maintained by PAL management. These exhibits are provided solely for informational purposes as no conclusions were drawn from the facts presented other than PAL's continuous need to keep detailed attendance records to help justify the program's existence and any external funding received.

Recommendation(s)

PAL management should maintain sufficient documentation for at least the previous three fiscal years detailing the actual number of annual program participants, the funding sources, the associated expenditures, the activities performed, etc.

Internal Audit Report
Miami Beach Police Athletic League Operational Audit
September 19, 2014

PAL's Management Response

PAL Board of Directors will review, analyze and consider the City's suggested recommendations for possible implementation.

EXIT CONFERENCE

An exit conference was held on July 15, 2014 to discuss Internal Audit's preliminary findings and the participants included City Manager Jimmy Morales, Assistant City Manager Mark Taxis, Chief of Police Daniel Oates, Assistant Chief of Police John Buhrmaster, Captain Mildred Pfrogner, Parks and Recreation Director John Rebar, and Internal Auditor James Sutter. A second exit conference was held on July 17, 2014 with PAL President Robert Jenkins, FOP President Alejandro Bello, PAL Executive Director Arthur Martineau, Internal Auditor James Sutter, Senior Auditor Mark Coolidge and Auditor Fidel Miranda. Management responses were solicited and were received thereafter and are included in this report.

JJS:MC:FM

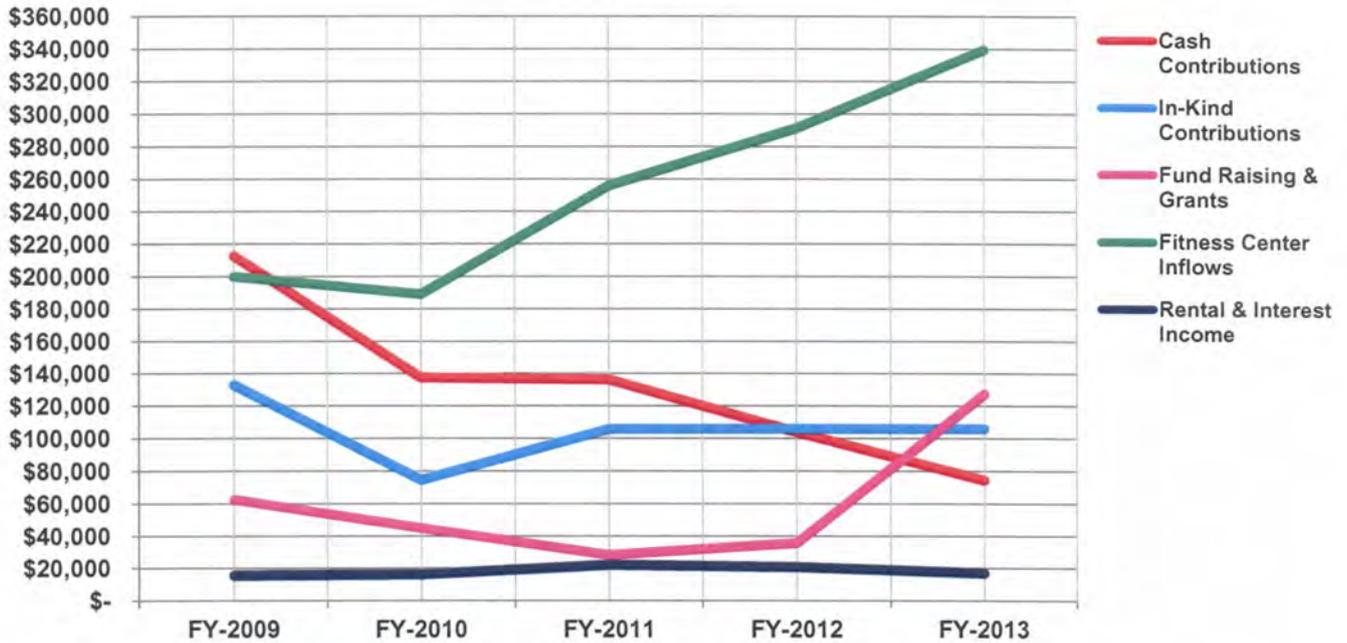
Audit performed by Senior Auditor Mark Coolidge and Auditor Fidel Miranda

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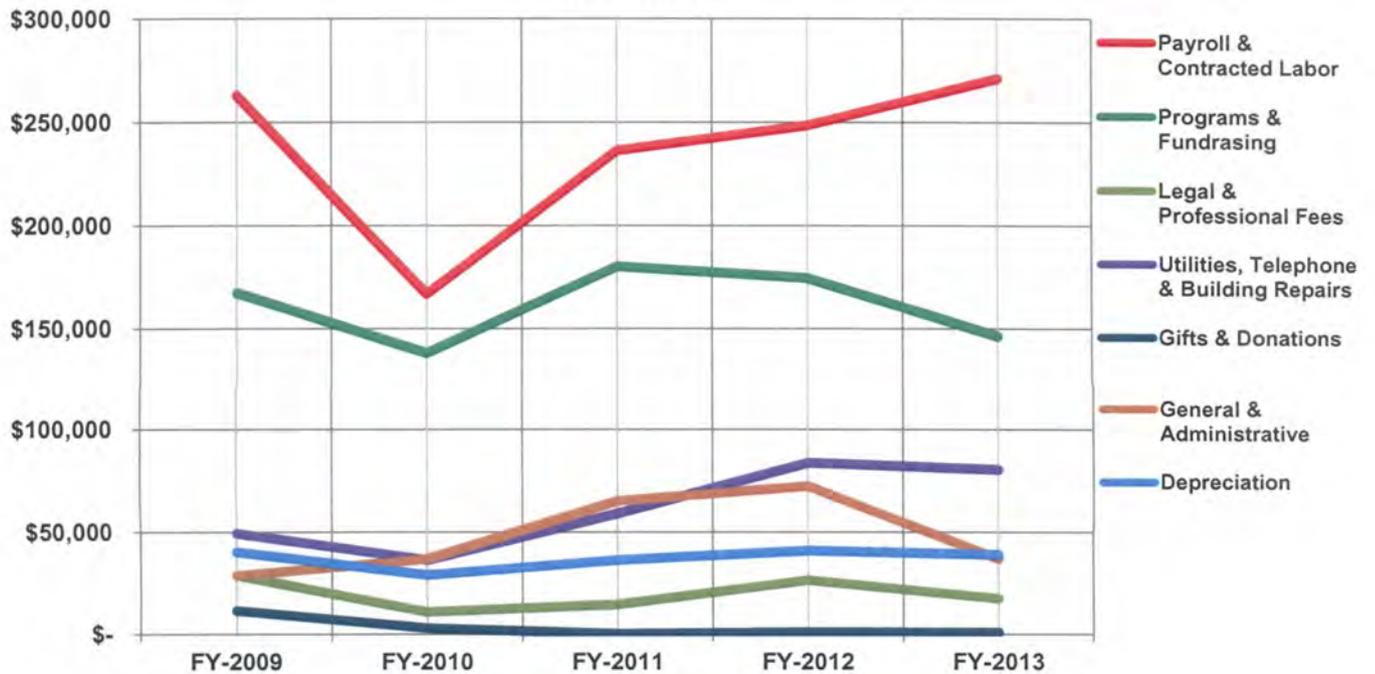
cc Kathie G. Brooks, Assistant City Manager
Mark Taxis, Assistant City Manager
Daniel Oates, Chief of Police
Patricia Walker, Chief Financial Officer
John Rebar, Parks and Recreation Director
Max Sklar, Tourism, Cultural and Economic Development Director
Anthony Kaniewski, Property Management Division Director
Hernan Cardeno, Code Compliance Division Director
Arthur Martineau, PAL Executive Director
Robert Jenkins, PAL President
Alejandro Bello, FOP President

Exhibit A: Revenues and Expenses

Revenues



Expenses



Internal Audit Report
 Miami Beach Police Athletic League Operational Audit
 September 19, 2014

EXHIBIT B – 1: Program Summary Listing

PROGRAM NAME	PROGRAM DESCRIPTION	NUMBER OF PARTICIPANTS	
		Average Per Program (1)	FY14 as of 4/1/2014 (2)
Another Chance	Serves Miami Beach tweens & teens who are engaging in unhealthy behaviors by working intensively with these young people and their parents for six weeks and follow up with them afterwards by the MBPD and by peer mentors.	9	0
Baseball	Team sponsorship with PAL paying for the uniforms. Program keeps youngsters off the street and out of trouble during after school hours. Helps in the fight against obesity in our children.	180	0
Basketball	Athletic program same benefits as the baseball.	0	0
Book bag Giveaway	Provide new book bags and school supplies to needy students of Miami Beach. This program ensures students begin the school year on equal footing to those who can afford the supplies.	500	0
Boxing Program	Program keeps youngsters off the street and out of trouble during after school hours. Helps in the fight against obesity in our children.	75	63
Boy Scouts	Program sponsorship.	20	24
Football	Athletic program same benefits as the baseball.	0	0
Kindergarten Cop	Once a month, a police officer visits a Miami Beach kindergarten classroom and provides reinforcement of core values, along with citizenship, respect, etc.	390	369
Lacrosse	Athletic program same benefits as the baseball.	80	0
PAL Summer Work	Provide wages to youngster adults who also donate one hour service for each paid hour during summer camp, instilling a good work ethic and community service program.	13	0
Police Explorers	Program for boys and girls aged 14-21 who are interested in a career in law enforcement. Participants provide hundreds of volunteer hours including traffic	23	12
Soccer	Athletic program same benefits as the baseball.	0	0
Thanksgiving Basket Giveaway	Provide baskets overflowing with canned goods, fresh produce, dessert and a turkey at no cost to recipients.	500	500
Track Club	Athletic program same benefits as the baseball.	0	0
Tutorial	Aid boys and girls in the completion of their schoolwork.	130	0
Youth Director Council / Youth Leadership Program (YDC)	Boys and girls aged 11-18 who commit to being drug, alcohol and tobacco free and volunteer for community service events at least monthly. Also, includes	43	42

- (1) Number of Participants (Average per program) was provided by PAL Administration and represents the average number of participants for the last two years. This amount could not be verified for the previous years listed in Exhibit B-2 due to the lack of participant records.
- (2) Number of Participants (FY14 as of 4/1/14) was determined from PAL provided rosters. Zero may indicate that program has not occurred as of 4/1/2014 for the current fiscal year or has been discontinued.

Internal Audit Report
 Miami Beach Police Athletic League Operational Audit
 September 19, 2014

Exhibit B-2: Program Cost Summary

PROGRAM NAME	FUNDING SOURCE	ACTUAL PROGRAM COSTS						TOTALS
		6/1/2009 TO 12/31/2009 (7 Months)	1/1/2010 TO 9/30/2010	10/1/2010 TO 9/30/2011	10/1/2011 TO 9/30/2012	10/1/2012 TO 9/30/2013	10/1/2013 TO 2/28/2014 (5 Months)	
Another Chance	MBC Grants	\$0.00	\$0.00	\$126.39	\$3,883.77	\$7,198.16	\$0.00	\$11,208.32
Baseball	PAL	0.00	1,165.40	1,383.55	137.50	137.50	18.00	2,841.95
Basketball	PAL	0.00	2,745.00	(231.00)	0.00	0.00	0.00	2,514.00
Bookbag Giveaway	Donations and PAL	349.00	12,812.47	10,160.64	8,219.24	12,488.47	0.00	44,029.82
Boxing Program	LETF monies from MBPD	0.00	0.00	0.00	14,637.00	36,320.25	28,699.70	79,656.95
Boy Scouts	PAL	0.00	819.17	4,080.90	2,102.83	1,429.72	1,013.41	9,446.03
Football	PAL	0.00	61.90	1,435.20	0.00	0.00	0.00	1,497.10
Kindergarten Cop	PAL	590.00	3,858.18	4,788.63	5,442.74	4,129.56	0.00	18,809.11
Lacrosse	PAL	0.00	4,526.95	20,210.32	15,469.00	3,115.00	0.00	43,321.27
PAL Summer Work	PAL and LETF monies from MBPD	0.00	12,500.00	12,500.00	13,000.00	12,000.00	0.00	50,000.00
Police Explorers	Fundraising and PAL	109.87	17,315.58	8,190.77	16,815.03	9,592.76	1,626.89	53,650.90
Soccer	PAL	0.00	0.00	6,000.00	0.00	0.00	0.00	6,000.00
Thanksgiving Basket Giveaway	Donations and PAL	14,188.09	206.84	15,689.26	15,497.55	16,680.64	15,559.03	77,821.41
Track Club	PAL	0.00	19,098.29	13,780.18	73.97	0.00	0.00	32,952.44
Tutorial	PAL	26,938.94	15,510.00	21,003.37	18,860.00	0.00	0.00	82,312.31
Youth Director Council/Youth Leadership Program (YDC)	Fundraising, Grants and PAL	0.00	9,390.70	41,784.39	45,709.21	32,042.99	6,313.28	135,240.57
Total for Periods		\$42,175.90	\$100,010.48	\$160,776.21	\$155,964.07	\$127,936.89	\$53,230.31	\$640,093.86

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MIAMI BEACH

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

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager

DATE: September 25, 2014

SUBJECT: **DISCUSSION TO PERMIT THE VACATION OF A RIGHT-OF-WAY PARCEL ON THE NORTH SIDE OF 5860 NORTH BAY ROAD AND APPROVE A STORM WATER UTILITY EASEMENT, TO FACILITATE THE CITY'S STORM WATER IMPROVEMENTS ON THE SOUTH SIDE OF THE SAME PROPERTY**

The following discussion item was referred by Commissioner Grieco at the September 10, 2014 City Commission.

BACKGROUND

West 59th Street End (located westerly of North Bay Road) is a 50-foot wide City owned right of way (ROW), per the Recorded Subdivision Plat of La Gorce-Golf Subdivision, dated April 8, 1925 by Miami Beach Bay Shore Co..

On said Subdivision Plat, westerly of and adjacent to the westerly end of West 59th Street, there is an unnumbered parcel shown, approximately 30 feet by 50 feet. Mr. Robert J. Schidler is listed as a previous owner of the unnumbered parcel, as well as previous owner of the southerly and adjacent Lot 25 (the unnumbered parcel is subject to a utility easement from subdivision developer Miami Beach Bay Shore Co., to the City of Miami Beach, dated June 29, 1925).

At its December 18, 1991 meeting, the City Commission approved Resolution No. 91-20423, granting Mr. Schindler a revocable permit to construct a wrought iron fence and automatic gate, across the City owned West 59th Street ROW.

Ambassa Holdings, Inc. c/o Christian Berdoure, current owner of said parcels, is requesting that the City vacate its ROW, located at the westerly end of West 59th Street (ATTACHMENT A), in exchange for a ROW over the Southerly Portion of Lot 25. The property owner will compensate the City for the differential cost and the cost of relocating the stormwater outfall.

Pursuant to the City's existing administrative policies and procedures to consider the vacation of the City streets, alleys, and/or rights-of-way, which also require compliance with Article II, Sections 82-36 through 82-40 of the City Code (which establish procedures governing the sale or lease of public property), in addition to the previously mentioned application, prior to considering a request for vacation, the following requirements must be satisfied:

- 1) The title of the Resolution approving the proposed vacation shall be heard by the City Commission on two separate meeting dates, with the second reading to be accompanied by a duly noticed public hearing, in order to obtain citizen input into the proposed vacation;
- 2) The proposed vacation shall be transmitted to the Finance and Citywide Projects Committee for its review;
- 3) In order for the City Commission and the public to be fully appraised of all conditions relating to the proposed vacation, the City's Planning Department shall prepare a written planning analysis, to be submitted to the City Commission concurrent with its consideration of the proposed vacation; and
- 4) The City shall obtain an independent appraisal of the fair market value of the property proposed to be vacated.

On June 20, 2014, the City's Public Works Department obtained an independent appraisal from Lee H. Waronker, MAI, SRA (ATTACHMENT B) of the fair market value of the proposed parcel to be vacated.

Although the City's procedures for the lease of sale or sale of public property also require an advertised public bidding process, the requirement may also be waived by 5/7th vote of the City Commission.

The vacation of this City ROW and replacement with a new ROW to the south serves a public purpose, by providing direct access to the water as the current ROW stops 30 feet short of waters' edge.

CONCLUSION

The following is presented to the members of the FCWPC Committee for discussion and further direction.

- Attachment: A. Sketch of proposed vacation.
B. West 59th Street appraisal


JLM/MT/ETC/BAM/BB

Summary of Pertinent Data

Location: Along the west side of North Bay Road, between West 58th and West 59th Streets, Miami Beach, Miami-Dade FL

Address (main parcel): 5860 North Bay Road
Miami Beach, FL 33154

Type of Use: Single-family residential land

Zoning: RS-2, Single Family Residence District by the city of Miami Beach, FL

Flood Zone: AE (Map 12086C0309L)

Land Area:

Main Parcel	24,425 sq. ft.
South Tract	5,870 sq. ft.*
North Tract	10,215 sq. ft.*

Value by Cost Approach: Not applicable

Value by Income Capitalization Approach: Not applicable

Value by Sales Comparison Approach:

Main Parcel	\$9,800,000	(\$400 per sq. ft.)
South Tract	\$2,350,000	(\$400 per sq. ft.)
North Tract	\$2,550,000	(\$250 per sq. ft.)

Value Estimates:

Main Parcel	\$9,800,000	(\$400 per sq. ft.)
South Tract	\$2,350,000	(\$400 per sq. ft.)
North Tract	\$2,550,000	(\$250 per sq. ft.)

Date of Valuation: May 31, 2014

Date of Report: June 20, 2014

4,086,000 @ \$400/ft
2,550,000
1,536,000

*Estimated by the appraisers based on measurements provided in draft site plan

Appraisal Report

Prepared for

Mr. Bruce A. Mowry, Ph.D., P.E.
City Engineer, Public Works Department
City of Miami Beach

Property Appraised

Valuation for Potential Land Swap
5860 North Bay Road
Miami Beach, FL 33154

Client File # 024445

Date of Valuation

May 31, 2014

Prepared by

Waronker & Rosen, Inc.
5730 SW 74th Street, Suite 200
South Miami, Florida 33143

LEE H. WARONKER, MAI, SRA

CARLOS A. DIEZ, APPRAISER

File # 7766

Waronker & Rosen, Inc.
Real Estate Appraisers and Consultants

Miami-Dade County Office
5730 SW 74th Street, Suite 200
South Miami, Florida 33143

Broward / Palm Beach County Office
10242 NW 47th Street, Suite 40
Sunrise, Florida 33351

Lee H. Waronker, MAI, SRA Phone: (305) 665-8890 / Fax: (305) 665-5188
lee@waronkerandrosen.com www.waronkerandrosen.com

Josh L. Rosen, MAI
josh@waronkerandrosen.com

June 20, 2014

Mr. Bruce A. Mowry, Ph.D., P.E.
City Engineer, Public Works Department
City of Miami Beach
1700 Convention Ctr Drive, 4th Floor
Miami Beach, FL 33139

Re: Valuation for Potential Land Swap
5860 North Bay Road
Miami Beach, FL 33154
WRI File No. 7766
Client File No. 024445

Dear Mr. Mowry:

We have prepared an appraisal report of the above referenced property for the purpose of estimating the market value of the main parcel (5820 North Bay Road), the across the fence value of the "south tract" (contained within the main parcel) and the across the fence value of the "north tract" (adjacent to the main parcel), as of May 31, 2014. The across the fence value of each tract is based on an estimate of the market value of the fee simple interest of the main parcel as though vacant, and considers any appropriate adjustments. The location of the north and south tracts, and the terms market value, across the fence value and fee simple interest, are defined in the pages of this report. This report has been prepared based on the scope of work which is detailed on a following page. The reader of the appraisal is strongly advised to read the scope of work so as to understand the scope of this appraisal.

This report is intended for use only by the client and intended users as noted herein. No additional intended users are identified or intended. Use of this report by others is not intended by the appraiser. No one else, or any other entities, should rely on this appraisal other than those noted herein.

The main parcel is located along the west side of North Bay Road, between West 58th and West 59th Streets, Miami Beach, Miami-Dade County, FL. Zoning on these sites is RS-2, Single Family Residence District by the city of Miami Beach, FL.

Mr. Bruce A. Mowry, Ph.D., P.E., City Engineer
City of Miami Beach
Public Works
June 20, 2014

In order to prepare the analysis, we were supplied with a draft of a site plan indicating the location of the main parcel and the north and south tracts. It should be noted that the aerial photograph in the Miami-Dade County Property Appraiser's records indicate a parcel outline for the main parcel (5860 North Bay Road) that does not correspond to the legal description in the most recent recorded deed, and based on measurements taken from the aerial photograph indicate a lot size larger than the 24,425 sq. ft. indicated in the Miami-Dade County records. No survey was provided. For purposes of the analysis, the lot size indicated in the County records (24,425 sq. ft.) is used in the analysis. The sizes for the north and south tracts have been calculated based upon the draft site plan provided. **Any deviation from the assumptions or the draft site plan used herein would likely result in a change in the value conclusion.**

The south tract consists of a 5,870 sq. ft. portion of the main parcel extending along the southwest property line from North Bay Road to the water's edge. The north tract consists of a City-owned parcel adjacent to the main parcel extending along the northeast property line from North Bay Road to a point approximately 30 feet from the water's edge. The City has underground water/sewer facilities on the north tract. The owner of the main parcel has proposed to the City of Miami Beach to swap the south tract in exchange for the north tract.

This valuation is based on an across the fence methodology, in which the value estimates for the north and south tracts are based on the market value of the fee simple interest of main parcel as though vacant. This method has been used as neither tract (north or south) would be a buildable site by itself. Based on this approach, the valuation of the north and south tracts is based on the market value of the main parcel with appropriate adjustments for location, but without consideration of any loss in value due to the construction of water/sewer facilities by the City above or below ground on the land being swapped. It also does not consider any change in the market value per sq. ft. of the main parcel occurring as a result of the proposed land swap (as a result of any advantages gained or lost). In the valuation of the south tract, which is contained within the main parcel and contains both street frontage and water frontage, no adjustments are indicated. In the valuation of the north tract, which is adjacent to the main parcel along the north side but lacks water frontage, an adjustment was considered in recognition of the tract's non-waterfront location.

It should be noted that this valuation does not consider the net impact of the proposed land swap on the market value of the main parcel. As a result of the land swap, the main parcel would gain a more desirable shape, a slight improvement in the quality of its water views, and an increase in size, but it would lose a small portion of its water frontage. The net impact of these factors is likely to be neutral to slightly positive, and could potentially affect the values of the north and south tracts *to the owner of the main parcel*, but the influence of these factors was not considered in the valuation, which was based on the across the fence value.

Mr. Bruce A. Mowry, Ph.D., P.E., City Engineer
City of Miami Beach
Public Works
June 20, 2014

As a result of our investigation, the across the fence value of the south tract, as of May 31, 2014, is estimated at:

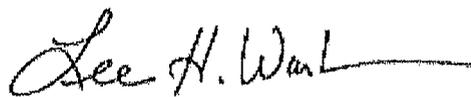
TWO MILLION THREE HUNDRED FIFTY THOUSAND DOLLARS
(\$2,350,000)

As a result of our investigation, the across the fence value of the north tract, as of May 31, 2014, is estimated at:

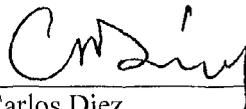
TWO MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS
(\$2,350,000)

Following the table of contents is the scope of work and the certification. The reader is advised to review the assumptions and conditions which follow the certification to understand the limitations applicable to this appraisal.

Very truly yours,



Lee H. Waronker, MAI, SRA
State-Certified General Real Estate Appraiser
License No. RZ162



Carlos Diez
State-Certified General Real Estate Appraiser
License No. RZ3420

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Scope of Work

The appraisal problem herein is to estimate the value of the south tract and the north tract. The methodology used is to estimate the across the fence value of each tract based on the market value of the fee simple interest in the main parcel land as though vacant. The market value estimate employs the sales comparison approach to estimate market value of the main parcel based on analysis of comparable sales. For the across the fence value estimate of the south tract, no adjustment to the market value indication of the main parcel is indicated because the south tract is contained within the main parcel and is representative of the main parcel because it contains both street frontage and water frontage. For the across the fence value estimate of the north tract, an adjustment is required for location because the north tract lacks water frontage. In order to estimate the magnitude of this adjustment, additional sales of waterfront and non-waterfront sites were considered in the analysis.

All appraisals begin by identifying the appraisal problem. Data on the subject property can be derived from various sources including but not limited to, the property owner, the county property appraiser's office, recorded plats and surveys. When possible, more than one source is utilized to confirm data and the data sources are acknowledged. Land size is based on surveys (when available), public records and recorded plats. Land measurements are not performed. Valued herein is vacant land which can be valued by the following methods:

1. Sales Comparison Approach
2. Market Extraction
3. Allocation
4. Land Residual
5. Ground Rent Capitalization
6. Subdivision Analysis

The sales comparison approach was used herein and was considered the most applicable method in the valuation of the main parcel. A search was performed for the sale of properties considered comparable to the subject property. Research of comparable sales and market data include, but is not limited to using the following data sources:

CoStar
Imapp
Newspaper clippings
Board of Realtors' Multiple Listing Service
Tri County Clippings Services (FREDI)
National Multiple Listing Service
Loopnet.com

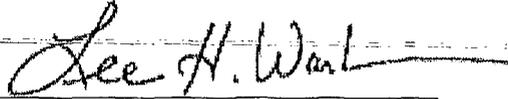
Comparable sales are inspected and the transactional information is reported. Sale prices are from public records and are typically confirmed with a party to the transaction, i.e. buyer, seller, real estate agent, or closing attorney. All information is analyzed in processing the appraisal report and as support for the estimated value. The scope of work for this assignment has been described above and is to be typical for an assignment of the nature of the subject appraisal problem.

Certification

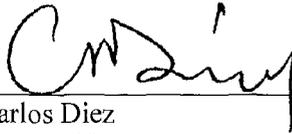
The undersigned does hereby certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the following requirements.
 - Uniform Standards of Professional Appraisal Practice (USPAP)
 - The Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute
 - The State of Florida requirements for state-certified appraisers
8. I have complied with the USPAP Competency Rule.
9. This appraisal report sets forth all of the limiting conditions imposed by the terms of this assignment or by the undersigned affecting the analyses, opinions and conclusions contained in this report.
10. No one provided significant real property appraisal assistance to the person signing this certification.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. Additionally, it is subject to review by the state of Florida relating to review by the real estate appraisal subcommittee of the Florida Real Estate Commission.
12. As of the date of this report Lee H. Waronker, MAI, SRA, has completed the continuing education program of the Appraisal Institute.
13. I, Lee H. Waronker, MAI, SRA, have made a personal inspection of the property that is the subject of this report.
14. I, Carlos Diez have made a personal inspection of the property that is the subject of this report.

15. Acknowledgement is given to Josh L. Rosen, MAI, in the review of this report.
16. Neither the undersigned, nor Waronker & Rosen, Inc. have performed any valuation or professional services involving the subject property in any capacity, nor have we been involved with the management, leasing, disposition, nor any similar service regarding the subject property in the past three years.



Lee H. Waronker, MAI, SRA
State-Certified General Real Estate Appraiser
License No. RZ162



Carlos Diez
State-Certified General Real Estate Appraiser
License No. RZ3420

Date of Report June 20, 2014

General Assumptions and Limiting Conditions

This appraisal report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable but, no warranty is given for its accuracy.
5. All engineering studies are assumed to be correct. Any plot plans or illustrative material in this report are included only to help the reader visualize the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering that may be required to discover them. The values estimated herein are subject to typical inspections such as roof, structural, and termite, if applicable.
7. It is assumed that the property is in full compliance with all applicable federal, state and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal.
8. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a non-conformity has been identified, described and considered in the appraisal.
9. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.
10. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and considered in the appraisal.
11. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presences of substances such as asbestos, ureaformaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field, if desired.

12. The physical condition of the improvements, if any, described herein was based on visual inspection. No liability is assumed for the soundness of structural members, since no engineering tests were made of same.
13. Neither all nor any part of this appraisal report shall be disseminated to the general public using the appraiser's name or appraisal designation, without prior written consent of the appraisers signing this appraisal report.
14. Authorization is not allowed for the out-of-context quoting from, or partial reprinting of, this appraisal report.
15. By reason of the report, there is no requirement to testify with reference to the property herein appraised, unless arrangements have been previously made.
16. The reader should be advised that our employment was not contingent on the appraisal providing a minimum valuation, a specific calculation or the approval of a loan. Additionally, we have complied with the USPAP Competency Rule.

Limiting Conditions:

1. The allocation of total value between land and improvements applies only under the described utilization. The separate valuations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
2. The Americans with Disability Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the requirements of the ADA. It is possible that a compliance survey of the property and a detailed analyses of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.

Summary of Pertinent Data

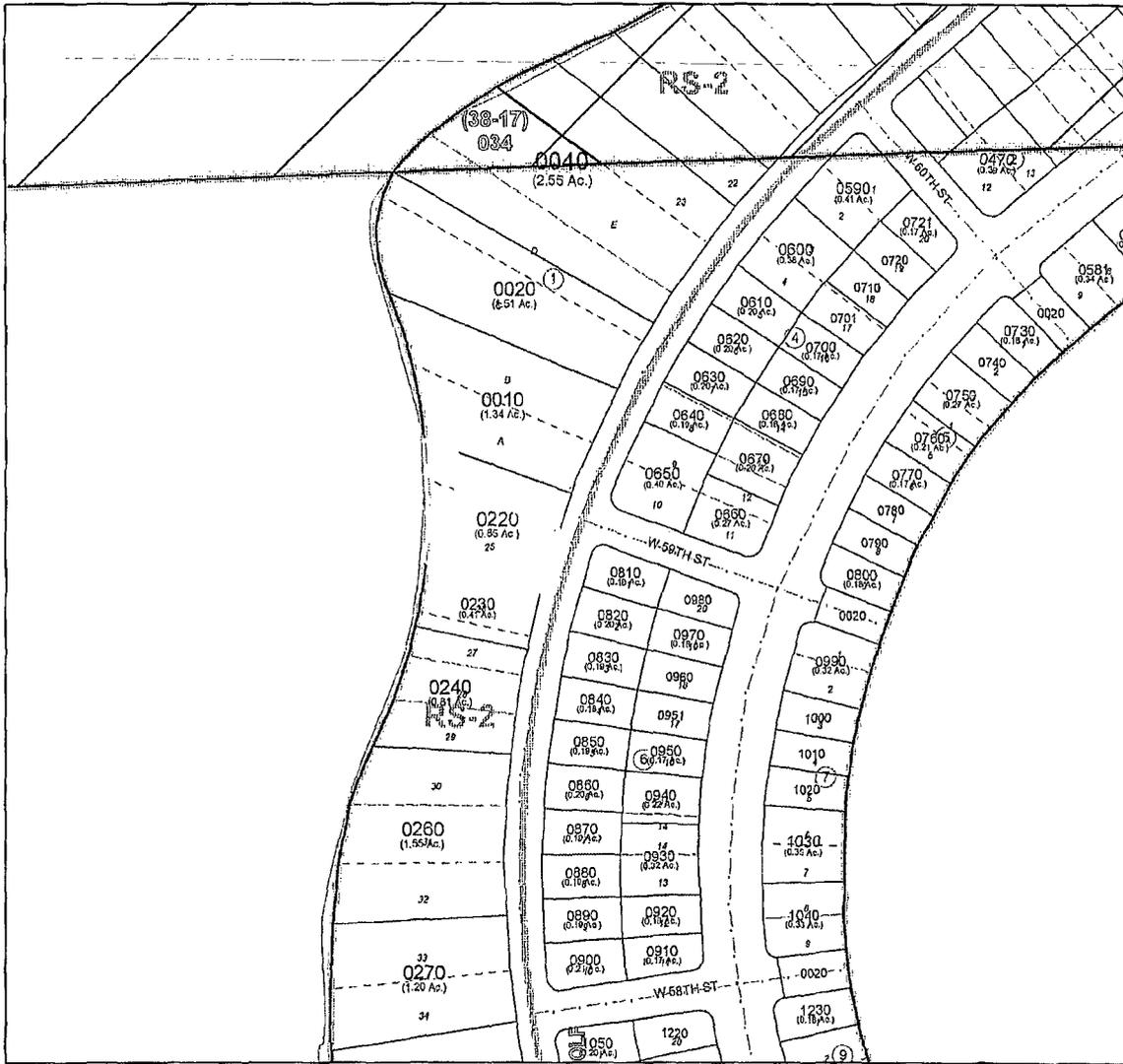
Location:	Along the west side of North Bay Road, between West 58th and West 59th Streets, Miami Beach, Miami-Dade FL	
Address (main parcel):	5860 North Bay Road Miami Beach, FL 33154	
Type of Use:	Single-family residential land	
Zoning:	RS-2, Single Family Residence District by the city of Miami Beach, FL	
Flood Zone:	AE (Map 12086C0309L)	
Land Area:		
	Main Parcel	24,425 sq. ft.
	South Tract	5,870 sq. ft.*
	North Tract	10,215 sq. ft.*
Value by Cost Approach:	Not applicable	
Value by Income Capitalization Approach:	Not applicable	
Value by Sales Comparison Approach:		
	Main Parcel	\$9,800,000 (\$400 per sq. ft.)
	South Tract	\$2,350,000 (\$400 per sq. ft.)
	North Tract	\$2,550,000 (\$250 per sq. ft.)
Value Estimates:		
	Main Parcel	\$9,800,000 (\$400 per sq. ft.)
	South Tract	\$2,350,000 (\$400 per sq. ft.)
	North Tract	\$2,550,000 (\$250 per sq. ft.)
Date of Valuation:	May 31, 2014	
Date of Report:	June 20, 2014	

*Estimated by the appraisers based on measurements provided in draft site plan

Miami-Dade County Map

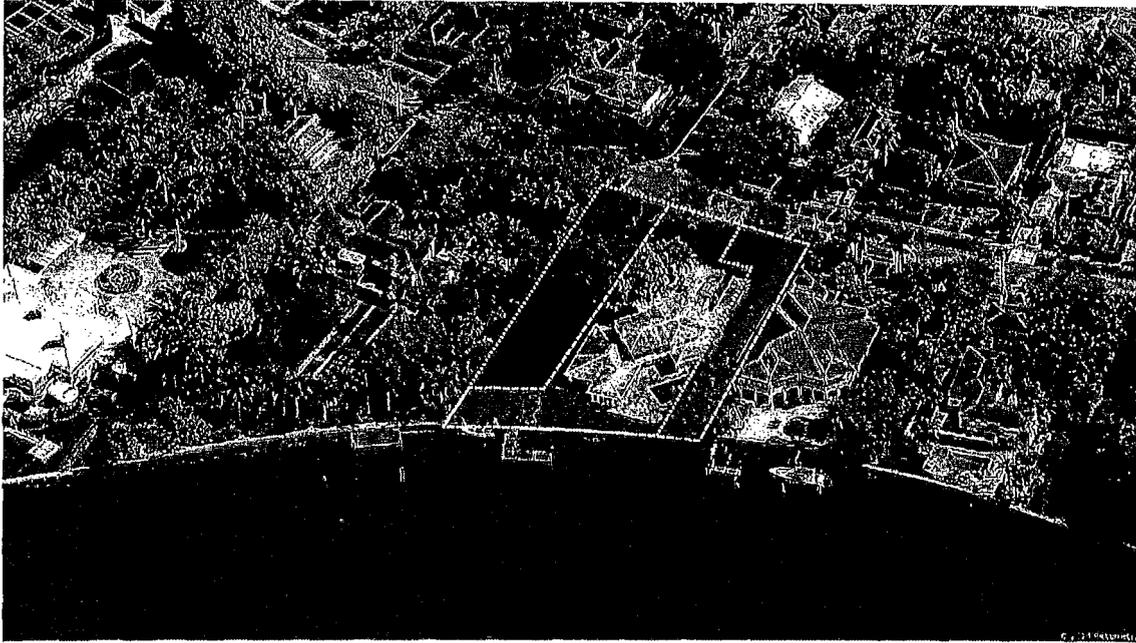


Plat Map



Note: the yellow outline denotes the boundaries of the main parcel

Aerial Photograph



Legend:

- Yellow dashed line denotes current boundary of main parcel (main parcel), shaded in yellow
- Red shaded area on the right denotes south tract, to be removed from main parcel in the proposed land swap
- Blue shaded area on left denotes north tract, to be added to main parcel in the proposed land swap
- White dotted line denotes modified boundary of main parcel after the proposed land swap

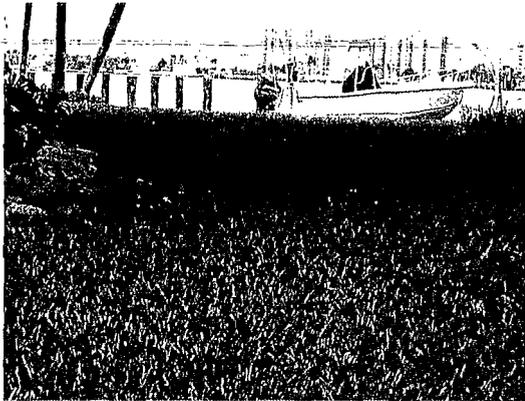
Subject Photographs



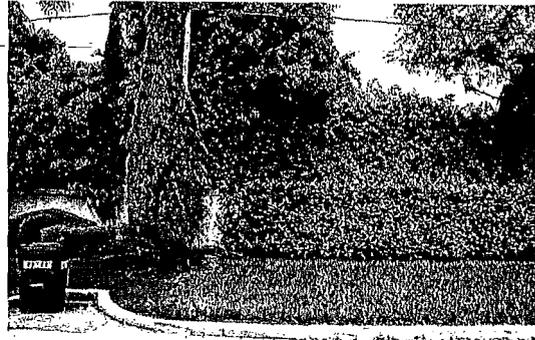
View of main parcel looking southwest from current location of driveway
at east end of north tract



View looking northwest from same location as above, down the length of the north tract



Zoomed-in view of west end of north tract,
looking northwest from driveway



Southeast corner of main parcel (east end of
proposed south tract)



East end of north tract, looking northwest
from west end of 59th Street



Street view: North Bay Road looking south
(main parcel on right)



Street view: North Bay Road looking north
(main parcel on left)



Street view: West 59th Street, looking east
from current driveway at east end
of north tract

Appraiser Qualifications

LEE H. WARONKER, MAI, SRA

Education: Master of Science in Management, School of Business and Organizational Science, Florida-International University, -1981 (Major – Real Estate)

Bachelor of Science Degree, The Florida State University, Tallahassee, Florida 1976 (Major – Real Estate)

Affiliations: MAI Designation (No. 6738) awarded by the Appraisal Institute in 1983.
SRA (SRPA) Designation awarded by the Appraisal Institute in 1981.
State Certified General Appraiser, State of Florida, License Number RZ162, May 1990.
Registered Real Estate Broker, State of Florida, License #BK0152877 (1978)

Experience: Appraised various types of properties, including:

Industrial Buildings	Restaurants	Warehouses
Office Buildings	Hotels and Motels	Hospitals
Service Stations	Retail Stores	Marinas
Churches & Synagogues	U.S. Post Offices	Historical Buildings
Residences	Condominiums	Special Purpose Properties

President, *Waronker & Rosen, Inc.*, (formerly Waronker & Associates, Inc.) Miami, Florida, from 1987 to present. Vice President, *Property Consultants, Inc.* from 1979 to 1986. Appraiser, The Keyes Company, 1978 to 1979. Appraiser, Miami-Dade County Department of Right-of-Way, 1977 to 1978.

Instructor: Appraisal Institute. Taught Courses 1A-1, 1A-2, 8-2, 1B-A, 1B-B, 110, 120, 210, 310, 320, 410, 420, 430, 510, 550, 600, 610 and 620, et al

Author: Seminars entitled “*Dynamics of Office Building Valuation*”, “*Why the Capitalization Rate is Always 10*” and the “*Appraisal of Real Estate 10th vs. 11th Edition*”.

Other: Special Master for the Dade County Valuation Adjustment Board, 1989 to 1996. Assisted in the editing of *The Appraisal of Real Estate, 11th Edition and 13th Edition*.

President of the Miami Chapter of the Appraisal Institute, 1990 to 1991.

Appraiser Qualifications

CARLOS A. DIEZ

Education: University of Florida (Gainesville, FL)
Bachelor of Arts. Major: Economics
Stevens Institute of Technology (Hoboken, NJ)
Substantial progress towards the degree of Master of Engineering

Affiliations: State-certified general real estate appraiser, State of Florida, RZ3420
The Appraisal Institute, Candidate for Designation
CCIM Institute, Candidate Member

Appraisal Experience: Waronker & Rosen, Inc. September, 2007 to Present

Appraised a wide variety of property types, including:

Vacant land	Office buildings
Restaurants	Shopping centers
Hotels	Free-standing retail properties
Industrial properties	Apartment buildings
Residential and Commercial Condominiums	Condominium Units
Land leases (leased fee and leasehold interests)	Fractured Condominium Interests
Easements (including aerial and sub-surface)	Special Purpose Properties

Appraisal, Investment Analysis and General Real Estate Education:

The Appraisal Institute

100, 101: *Basic Appraisal Principles and Procedures*
202: *Residential Sales Comparison and Income Approaches*
300: *Real Estate Finance, Statistics and Valuation Modeling*
400: *General Market Analysis and Highest & Best Use*
402: *General Appraiser Site Valuation and Cost Approach*
403, 404: *General Appraiser Income Approach (Parts 1 and 2)*
405: *General Appraiser Report Writing and Case Studies*
420: *Business Practices and Ethics*
510: *Advanced Income Capitalization*
550: *Advanced Applications*
530: *Advanced Sales Comparison and Cost Approaches*
Seminar: *Hotel Appraising – New Techniques for Today's Uncertain Times*
500: *Advanced Market Analysis and Highest & Best Use*
833: *Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets*
Seminar: *Marketability Studies: Advanced Considerations and Applications*

CCIM Institute

CI 101: *Financial Analysis for Commercial Investment Real Estate*
CI 102: *Market Analysis for Commercial Investment Real Estate*
CI 103: *User Decision Analysis for Commercial Investment Real Estate*
CI 104: *Investment Analysis for Commercial Investment Real Estate*
FANSC: *Feasibility Analysis for Retail Properties*
MIMK: *Advanced Market Analysis for Commercial Real Estate*

Baruch College (CUNY) / Steven L. Newman Real Estate Institute

NCP2000: *Urban Land Economics*
NCP9000: *Real Estate Development*

Partial Client List

LENDERS		GOVERNMENT AGENCIES
1 st United Bank	TD Bank, N.A.	Broward County School Board
Amerasia Bank	Totalbank	Broward County Public Works Dept.
Apollo Bank	U.S. Century Bank	City of Coral Gables
BAC Bank	Wells Fargo Bank	City of Miami Beach
BNY Mellon Bank	Western Bank – Puerto Rico	City of Miami General Services Administration
BankUnited	Zions First National Bank	Federal Deposit Insurance Corp. (FDIC)
Bank of America		Federal Home Loan Mortgage Corp. (FHLMC)
Bank of Coral Gables	LIFE INSURANCE COMPANIES	Florida Dept. of Environmental Protection
Bank Leumi	Allstate Insurance Company	Florida Department of Transportation
Branch Banking and Trust (BB&T)	American General Life Insurance Co.	Florida Keys Aqueduct Authority
BridgeInvest, LLC	Equitrust Life Insurance Co.	Miami-Dade Water and Sewer Authority
Broward Bank of Commerce	Fortis Capital Corp. & Life Insurance Company	Miami-Dade Co. - Aviation Authority
C1 Bank	Franklin Life Insurance Company	Miami-Dade Co. - County Attorney's Office
CNL Bank	General American Life Insurance Co.	Miami-Dade Co. - General Serv. Admin.
Capital Bank	Independent Order of Foresters	Miami-Dade Co. - Housing & Urban Dev.
Cigna Investments, Inc.	John Alden Life Insurance Company	Miami-Dade Co. - Public Works Dept.
Citibank and Citicorp	Kansas City Life Insurance Company	Miami-Dade Co. - School Board
City National Bank of Florida	Lumberman's Life Insurance Company	Miami Parking Authority
Coconut Grove Bank	Omaha Woodmen Life Ins. Society	Nature Conservancy, Florida Chapter
Comerica Bank	Standard Life Insurance Company	South Florida Water Management District
Credit Suisse First Boston Mortgage Capital, LLC	State Farm Insurance Company	United States Department of Justice
Enterprise Bank of Florida	Sun Life Insurance Co. of America	United States General Serv. Admin.
Espirito Santo Bank of Florida	CORPORATIONS	United States Postal Services
Executive National Bank	Church of Jesus Christ of the Latter-Day Saints	Village of Pinecrest
Fifth Third Bank	Florida Power and Light Corp. (FPL)	
First Bank of Miami	JC Penny Corporation	LAW FIRMS
First National Bank of South Miami	The Wendy's Company	Akerman, Senterfitt & Eidson
FirstBank Florida	Chevron U.S.A., Inc.	Arnstein & Lehr, LLP
Florida Community Bank	Johnson and Johnson Company	Barranco & Associates, P.A.
Gibraltar Private Bank and Trust		Berger Singerman
Great Florida Bank	DEVELOPERS AND INVESTORS	Berman, Wolfe Rennart Vogel & Mandler, P.A.
HSBC Bank, N.A.	Berkowitz Development Group	Carlton Fields
Holliday Fenoglio Fowler, LP	Bristol Group, Inc.	Colson Hicks Eidson, P.A.
International Finance Bank	Franklin Street Properties	Greenberg Traurig, P.A.
Israel Discount Bank of New York	Flagler Development Corporation	Holland & Knight
JP Morgan Chase Bank	Goldman Properties	Kirkpatrick and Lockhart
Lloyds Int'l. Bank (Lloyds of London)	Hampshire Real Estate Companies	Kutner and Associates
Lutheran Brotherhood	Lennar Corporation	Richman Greer
Marquis Bank	MDM Development, Inc.	Shutts & Bowen, LLP
Morgan Stanley Mortgage Capital	Napolitano Realty and Harnap Corp.	Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson, P.A.
Northern Trust Bank	Noble House Resorts and Hotels	Steel Hector and Davis
Ocean Bank	Ocean Properties, Ltd.	Tabas, Freedman, Soloff, Brown & Rigali, P.A.
OptimumBank	Panther Real Estate	Tripp Scott
Popular Community Bank	PLC Investments, LLC	Weiss Serota Helfman Pastoriza Cole & Boniske, P.A.
Professional Bank	R.K. Associates, Inc.	
Regions Bank	The Scott Robins Companies	
Sabadell United Bank	Wometco Enterprises, Inc.	
Space Coast Credit Union		
SunTrust Bank		
Terrabank, N.A.		

Notable Properties Appraised

Miami-Dade County

Miami Seaquarium	Virginia Key	Miami Free Zone – Global Trade Cntr	Miami
Miami International Airport	Miami	Metropolitan Hospital of Miami	Miami
City of Miami Correctional Facility	Miami	Spinnaker Marina	North Miami
Country Club of Miami Golf Course	Miami	Virginia Key & Rickenbacker Marinas	Key Biscayne
Mel Reese Golf Course	Miami	Waterways Yacht Basin	Miami
Burger King Headquarters – Waterford	Miami	Porto Vita Club and Spa	Aventura
Doctors Hospital	Coral Gables	Ocean Steps Entertainment Center	S. Miami Beach
Beacon Centre Development	Miami	Indian Creek Country Club	Indian Creek
FBI Headquarters	Miami	BIV Tower	Miami
Gables Waterway Executive Center	Coral Gables	Courthouse Tower	Miami
Joe's Stone Crab restaurant	Miami Beach	South Shore Hospital	Miami Beach
Doral Ocean Beach Resort (formerly)	Miami Beach	SouthCom Headquarters	Miami
Metro-Dade Bus Facility	Miami		

Fort Lauderdale/Broward County

Florida Medical Center (Hospital)	Ft. Lauderdale
Jackson Marine Center	Ft. Lauderdale
Las Olas Centre Office Building	Ft. Lauderdale
Martha's Restaurant	Hollywood
Various Luxury Single Family Homes	Fort Lauderdale
Seneca Industrial Park	Pembroke Park

Monroe County/Florida Keys

Marriott Key Largo Bay Beach Resort	Key Largo
Islander Resort	Islamorada
Hawk's Cay Resort, Marina and DRI	Duck Key
Westin, formerly Hilton Resort and Sunset Key Island	Key West
Little Palm Island	Little Torch Key
Louis' Backyard Restaurant	Key West
Ocean Key Resort	Key West
Sloppy Joe's Bar	Key West
Truman Annex - Navy Base	Key West

Other Florida Counties

Jupiter Beach Resort	Jupiter, Palm Beach County
La Playa Beach Resort	Naples, Collier County
Sheraton Four Points	Orlando, Orange County
Spring Hill Suites	Tampa, Hillsborough County
Hilton Carillon Park	St. Petersburg, Pinellas County

Outside of the United States

Various Single Family Homes	Cat Cay, Bahamas
Single Family Home	Casa de Campo, Dominican Republic
Sapphire Beach Resort	St. Thomas, U.S. Virgin Islands
Hotel Site	Grand Turks and Caicos Islands
Montego Beach Resort	Montego Bay, Jamaica
Botany Bay Subdivision (400 acres)	St. Thomas, U.S. Virgin Islands
Ocean Club Resort	Grand Turks and Caicos Islands
Land lease under Ritz Carlton	San Juan, Puerto Rico
Various Land Holdings	St. Croix, U.S. Virgin Islands
Vacant Land	West End, Grand Bahama Island
Buccaneer Hotel and Golf Course	St. Croix, U.S. Virgin Islands

DESCRIPTION & ANALYSES



Purpose of the Appraisal

The purpose of this appraisal is to estimate the across the fence value of the fee simple interest in the north tract and the south tract, as of May 31, 2014 for a potential land swap. The terms across the fence value and fee simple interest are defined below, and the term market value is defined on the following page.

Client, Intended User and Use of the Appraisal

The intended user of this appraisal is City of Miami Beach (client). The intended use of this appraisal is for valuation in connection with a possible land swap involving a portion of the main parcel (the south tract) and an adjacent City-owned parcel (the north tract). No additional intended users are identified or intended.

Definition of Across the Fence Value

The values estimated herein are across the fence values, defined as follows:

Across the Fence Value: In corridor valuation, a value opinion based on comparison with adjacent lands including consideration of adjustment factors such as market conditions, real property rights conveyed, and location.¹

Definition of Real Property Interest Appraised

The real property interest appraised herein is that of the fee simple interest, defined as follows:

Fee Simple Interest: an absolute fee without limitations to any particular class of heirs, but subject to the limitations of eminent domain, escheat, police power and taxation. An inheritable estate.

¹ *The Dictionary of Real Estate Appraisal*, 5th ed., p. 3

Definition of Market Value

Market Value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined.¹ The Uniform Standards of Professional Appraisal Practice (USPAP) states Market Value is “a type of value, stated as an opinion, that presumes the transfer of property (i.e., a right of ownership or a bundle of such rights); as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in the appraisal”.² This requires the appraiser to identify the definition of market value and its authority. The definition that follows is the basis of the valuation in this appraisal and the source is the Federal Register.

“For example, the following definition of Market Value is used by agencies that regulate federally insured financial institutions in the U.S.:

Market Value is defined as “the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what he or she considers his or her own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”³

This market value definition is referenced within the appraisal regulations of the following governmental agencies;

- Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989
- Department of the Treasury
- The Federal Reserve System (FRS)
- Federal Deposit Insurance Corporation (FDIC)
- Office of Thrift Supervision (OTS)
- Office of Comptroller of the Currency (OCC)

¹ *Appraisal of Real Estate*, 14th Edition, page 58

² USPAP 2014-2015, page U-3

³ *Appraisal of Real Estate*, 14th Edition, page 55

Location and Address

The main parcel, south tract and north tracts are located along the west side of North Bay Road, between West 58th and West 59th Streets, Miami Beach, FL.

Address (main parcel): 5860 North Bay Road
Miami Beach, FL 33154

Legal Description

The legal description of the main tract is lengthy. A copy reproduced from the most recent recorded deed is shown in Addendum B. No separate legal description was provided for either the south tract or the north tract.

Source: www.miamidade.gov

Owner of Record

(main parcel)

Ambassa Holdings, Inc.
c/o Christian De Berdourare
10800 Biscayne Boulevard, Suite 820
North Miami, FL 33161

Source: www.miamidade.gov

History of the Subject Property

The main parcel was last sold on May 6, 2014 for \$9,650,000 (\$395 per sq. ft.). This sale was recorded in the Public Records of Miami-Dade County at Official Records Book 29153, Page 2934. According to various real estate services the subject property is not under contract or listed for sale.

Source: www.miamidade.gov

Site Data

The main parcel is irregular in shape. No survey was provided. Based on the legal description in the most recent recorded deed and the recorded plat, the appraisers estimate that there is street frontage of approximately 101 feet along the west side of North Bay Road, and water frontage of approximately 150 feet on Biscayne Bay. The Miami-Dade County Property Appraiser's records indicate a parcel size of 24,425 sq. ft. Note that the aerial photograph in the County records indicates an incorrect boundary for the subject property, based on the legal description. The site is level and at approximate street grade. Utilities available to the site are:

Electric:	Florida Power and Light
Telephone:	AT&T
Water:	Municipal
Sewer Disposal:	Municipal

Based on the draft site plan provided, the south tract runs the length of the south perimeter of the main tract and has an irregular shape, with frontage of 50 feet along the west side of North Bay Road and water frontage of 25 feet on Biscayne Bay. The north tract runs along a portion of the north perimeter of the main tract (from North Bay Road to a point 30 feet from the waterfront), is trapezoidal in shape and has frontage of 50 feet along the west side of North Bay Road (with no water frontage).

Zoning

The main tract is zoned RS-2, Single Family Residence District by the city of Miami Beach, FL. For a detailed listing of allowable uses and restrictions, refer to the zoning code of Miami Beach, FL.

Flood Zone

The subject sites are within Flood Zone AE, areas subject to a one percent or greater annual chance of flooding in any given year. Base flood elevations are shown as derived from detailed hydraulic analyses. This flood zone requires mandatory purchase of flood insurance in participating communities. This identification was located on Flood Insurance Rate Map, Community Panel No. 12086C0309L, revised September 11, 2009. **For insurance purposes, a surveyor should be contacted to verify the exact zone by a flood elevation certificate, as well as its impact on insurance.**

Source: www.interflood.com

Real Estate Assessment and Taxes

Taxing Authority: Miami-Dade County
 Assessment Year: 2013
 Millage Rate: 20.3368
 Folio Number: 02-3215-003-0220 (main tract)

The following is a summary of the assessment:

TAX ASSESSMENT ANALYSIS	TOTAL ASSESSMENT	SQ.FT. SIZE*	ASSESSMENT PER SQ.FT.
Assessed Land Value	\$5,949,548	24,425	\$243.58
Assessed Value of Improvements	704,004	6,326	\$111.29
Total Assessed Value	\$6,653,552	6,326	\$1,051.78

*This is the size per the Miami-Dade County Property Appraiser's records.

The real estate taxes are estimated as follows:

TAX CALCULATION	TAXES	PER SQ.FT.
Millage Rate (Millage Rate ÷ 1,000)	0.0203368	
Times Total Assessed Value	x \$6,653,552	\$1,051.78
Estimated Real Estate Taxes	\$135,312	\$21.39

There is a 4% discount given for early (November) payment of taxes which would reduce the estimated real estate taxes to \$129,900, (\$135,312 minus 4%).

Florida Statutes require assessments to be at 100% of just value (market value) with an allowable adjustment to indicate net proceeds that would be derived from a sale. This adjustment varies dependent on the taxing authority with the Miami-Dade County Property Appraiser's office typically designating in the range of 15%. Based upon the market value estimated herein the assessment is below what is appropriate.

Description of the Site Improvements

The existing improvements consist of a single family residence originally built in 1948, but the structure is likely to be demolished by the owner who recently purchased the property with the intent to build a new residence.

Neighborhood Overview

General Neighborhood Data

Location:	Suburban
Built Up:	80% to 90%
Growth Rate:	Stable
Property Values:	Increasing
Demand/Supply:	In balance
Present Land Use:	Residential
Change in Present Land Use:	Not likely
Predominant Use:	Residential
Property Compatibility:	Very good
General Appearance of Properties:	Very good
Appeal to Market:	Very good

Adjacent Uses

East:	Single family residential (across the street)
West:	Biscayne Bay
South:	Single family residential
North:	Single family residential

Linkages

Distance

Access

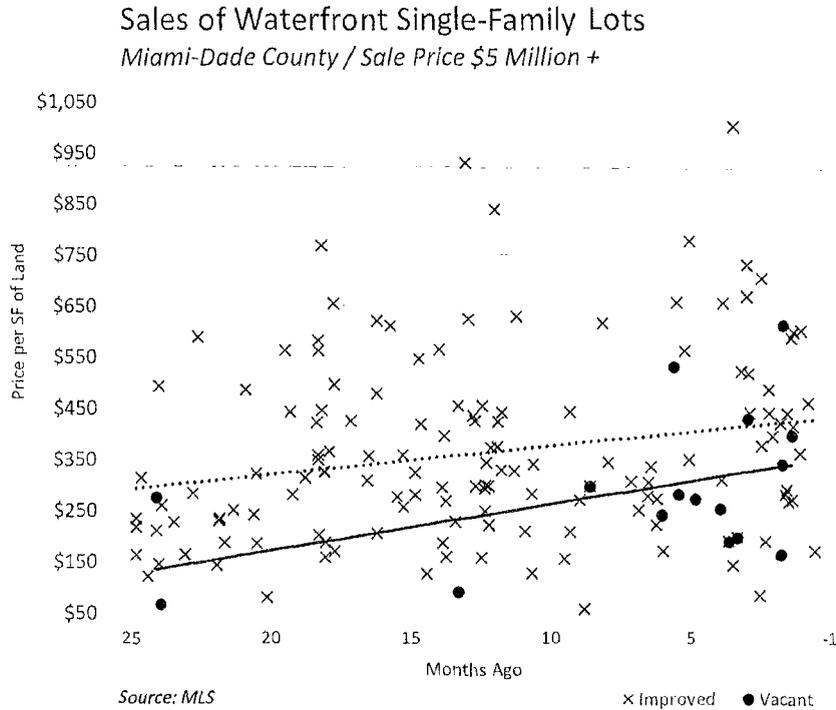
Public Transportation:	Within a few blocks	Very good
Employment Centers:	Three to five miles	Good
Expressway Access:	Five to seven miles	Average
Miami International Airport:	Ten to fifteen miles	Average

Supply and Demand

Market conditions for residential real estate in Miami-Dade County have shown substantial improvement since the sharp declines that followed the recent recession and financial crisis, with properties at the most desirable locations seeing very significant improvement during the past year. Demand for larger single-family parcels on the waterfront is currently very strong, and due to the relative scarcity of vacant waterfront land many of the most recent sales have been of parcels improved with single-family residences (in a number of cases structures in good condition that were marketed for sale as luxury residences), but which were purchased with the intent to demolish and build new. Note that, because many of these properties were originally marketed as luxury homes, their record in the Multiple Listing System (MLS) registers the sale as an improved property, not as vacant land.

The scatter plot shown on the following page is based on data from the MLS for sales of single-family waterfront (ocean, bay or Intracoastal Waterway) residential lots since June 1, 2012 with sales prices of \$5,000,000 and above. The horizontal axis is the number of months elapsed since the sale occurred. Two series are shown: sales of improved sites (recorded in the MLS as sales of luxury homes), and sales of vacant land. The vertical axis indicates the price per sq. ft. of land (for both series). The vacant land series includes the recent sale of the main parcel and all of the comparable sales considered in the sales comparison approach, among others. The improved series is believed to include some (though an unknown number of) properties that were actually purchased for land (with the intent to demolish and build new). The trend lines shown are based on linear regression analysis of each series, and provide an indication of the change in values over time. The slope of the "improved" series indicates an increase of \$5.59 per sq. ft. per month and the slope of the "vacant" series indicates an increase of \$9.00 per sq. ft. per month. The vertical difference between the trend lines is attributed to the fact that most of the sales in the improved series were purchased with improvements that had value above the land value.

The analysis described above and shown in the chart is useful because it provides support for two general observations. First, values overall for luxury single-family waterfront properties have increased rapidly over the past two years. For example, the slopes of the trend lines represent percentage increases of 16% per year for the "improved" series and 31% per year for the "vacant" series, based on the trend line values at time period 0 (the valuation date). These levels are well above the increases observed for the single-family market in general. Second, the faster rate of growth in the vacant land series as compared to improved series supports the conclusion that demand for vacant waterfront sites above \$5,000,000 suitable for construction of new ultra-luxury residences is currently very strong. This also helps explain the increasing number of sales of improved sites in which the buyer intends to demolish instead of occupy or renovate the existing structure.



Note: red marker indicates most recent sale of main parcel

Based on the analysis, if the main parcel were marketed for sale as a development site suitable for construction of a new ultra-luxury residence, demand would be very strong and there would likely be an abundance of potential buyers.

Exposure Time

Exposure time is the “estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market”¹.

This analysis considers the exposure time at a market related price such as the estimated market value herein. In estimating exposure time, sales are analyzed, real estate brokers and property owners are interviewed and statistics from published surveys are considered. Based on data obtained from the MLS, the median number of days on the market for waterfront single-family residential lots selling for \$5,000,000 and up in Miami-Dade County since January 1, 2013 was 250, based on a sample of 11 sales. Lower priced waterfront lots tended to sell in less time. The analysis also indicates that market conditions are on an improving trend, with demand gaining strength.

The exposure time for the subject is estimated at six to nine months. This estimate considers that the property would have been properly marketed and priced. If the property were not to have been priced correctly or marketed through proper channels, then it is not likely that neither the estimated market value nor the estimated exposure time would have been achieved.

¹ Uniform Standards of Professional Appraisal Practice (USPAP) 2014-2015 Edition, Page U-3

Marketing Time

Marketing time differs from exposure time which is presumed to precede the effective date of appraisal. It is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. The main parcel is a large waterfront lot in a very desirable location with limited available product. There is significant demand for such product with marketing times decreasing. The marketing time is estimated at six to nine months. This assumes that the property is properly marketed and priced correctly. ^[1]

Typical Purchaser of the Subject

The main parcel is a large waterfront residential lot. There is significant demand for such properties in Miami Beach, and a relative scarcity of vacant lots, which has prompted many buyers to purchase improved sites for demolition and new construction. The typical purchaser would be a wealthy individual or family.

^[1] *The Dictionary of Real Estate Appraisal*, 5th edition, page 121

Highest and Best Use

The site is valued for its highest and best use, which may be defined as follows:

That reasonable and probable use that will support value
as defined as of the effective date of the appraisal.

In analyzing the highest and best use, the following four questions are answered:

1. **Legally Permissible.** What uses are legally permitted on the subject site with respect to zoning ordinances and deed restrictions?
2. **Physically Possible.** What uses of those legally allowed are physically possible on the subject site?
3. **Financially Feasible.** Of those uses determined to be physically possible and legally permissible, which ones will produce a positive return?
4. **Maximally Productive.** Of those that are feasible, legally permissible, and physically possible, which will produce the highest rate of return or value?

As Vacant

The zoning on the main parcel is RS-2, Single Family Residence District by the city of Miami Beach, FL. The subject location is desirable. The market continues to strengthen and values are high enough to feasibly construct on the site. Therefore, the highest and best use as though vacant, would be to construct a luxury single-family residence on the site.

As Improved

The subject properties are being valued as vacant land and therefore an analysis of the highest and best use as improved is not applicable.

Appraisal Process

An analysis of three separate approaches to value; sales comparison approach, cost approach, and income capitalization approach, will be considered to estimate the value of the main parcel. Although these three approaches to value are considered within every appraisal report, they may not be applicable to each and every property being appraised.

The cost approach is based on the principle of substitution which states that an informed purchaser would not pay more for a property than the cost of reproducing a property with the same utility. The cost approach can often yield reliable estimates of value for new construction. This approach entails estimating the cost of producing the improvements, deducting an estimate of depreciation, then adding the value of the site as if vacant. To this value an entrepreneurial incentive is added to arrive at the estimated value by the cost approach.

The income capitalization approach is based on the concept that value is created by the expectations of future benefits and higher earnings should result in higher values. Income producing real estate is purchased for the right to receive future income. The income capitalization approach consists of methods to analyze a property's capacity to generate income, and a reversion, and convert these monetary benefits into an estimate of value.

The sales comparison approach is based on the principle of substitution which suggests that, within competitive markets, similar products will realize similar prices. Inherent in this concept is the premise that a purchaser would not pay more for a property than the cost to acquire another property with the same amenities and utility.

The final steps in the appraisal process are review and reconciliation of the data and conclusions. In reaching a final conclusion of value, the entire process involving the approaches that were estimated must be reviewed for accuracy, completeness and consistency. After analysis, evaluation and reconciliation of the indications a value is estimated. The essence of this final reconciliation should be a defensible and rational conclusion of value.

The only approach used in this appraisal is the sales comparison approach. The income capitalization approach and the cost approach are not applicable to the valuation of the main parcel.

Cost Approach

The basis of the cost approach is the principle of substitution. This principle suggests that a prudent buyer would not pay more for a property than the cost to acquire a similar site and construct comparable improvements.

Following are the procedures for preparing the cost approach.

1. Estimate the value of the land as though vacant and available to be developed to its highest and best use.
2. Determine which cost basis is most applicable to the assignment: reproduction cost or replacement cost.
3. Estimate the direct (hard) and indirect (soft) costs of the improvements as of the effective appraisal date.
4. Estimate an appropriate entrepreneurial profit or incentive from analysis of the market.
5. Add estimated direct costs, indirect costs, and the entrepreneurial profit or incentive to arrive at the total cost of the improvements.
6. Estimate the amount of depreciation in the structure and, if necessary, allocate it among the three major categories: physical deterioration, functional obsolescence, and external obsolescence.
7. Deduct the estimated depreciation from the total cost of the improvements to derive an estimate of their depreciated cost.
8. Estimate the contributory value of any site improvements that have not already been considered. (Site improvements are often appraised at their contributory value - i.e., directly on a depreciated-cost basis - but may be included in the overall cost calculated in Step 3 and depreciated, if necessary).
9. Add land value to the total depreciated cost of all the improvements to develop the market value of the property.
10. Adjust for personal property (e.g., furniture, fixtures, and equipment) or intangible assets that are included in the appraisal.
11. Adjust the value conclusion, which reflects the value of the fee simple estate, for the property interest being appraised to arrive at the indicated value of the specified interest in the property.¹

As the main parcel is being valued as vacant land, the cost approach is not applicable.

¹ *The Appraisal of Real Estate*, 14th Edition, 2013, Pages 568 and 569

Income Capitalization Approach

Income producing real estate is typically purchased as an investment, and from an investor's point of view earning power is the critical element affecting property value. One basic investment premise holds that the higher the earnings, the higher value, provided the amount of the risk remains constant. An investor who purchases income-producing real estate is essentially trading present dollars for the expectation of receiving future dollars. The income capitalization approach to value consists of methods, techniques, and mathematical procedures that an appraiser uses to analyze a property's capacity to generate benefits (i.e., usually the monetary benefits of income and reversion) and convert these benefits into an indication of present value.¹

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to the approach.²

An income capitalization approach was not applied as it was not within the scope of this appraisal. Since this approach is typically not considered by purchasers of this property type, not using it does not limit the reliability of the value estimated herein.

¹ Appraisal of Real Estate, 14th Edition, 2013, Page 439

² Ibid., 439

Sales Comparison Approach

The *sales comparison approach* is based on the principle of substitution. *The principle of substitution holds that the value of property tends to be set by the cost of acquiring a substitute or alternative property of similar utility and desirability within a reasonable amount of time.*¹

In the Sales Comparison Approach, an opinion of market value is developed by comparing properties similar to the main parcel that have recently sold, are listed for sale, or are under contract (i.e., for which purchase offers and a deposit have been recently submitted). A major premise of the sales comparison approach is that an opinion of the market value of a property can be supported by studying the market's reaction to comparable and competitive properties.

Qualitative analysis is a relative comparison process without mathematics. Sales are ranked based upon their desirability as compared to the subject. Comparisons can be expressed as plus or minus as opposed to dollar or percentage adjustments.

Quantitative analysis is the process of applying mathematical techniques. Sales are adjusted to the main parcel on a dollar or a percentage basis. One method of supporting adjustments is through *paired data analysis*. This method analyzes two sales and attributes the difference in their sales prices to the characteristic which is different. This analysis requires an abundance of sales data which is frequently not available.

Qualitative analysis is used herein to estimate a value by the *sales comparison approach*. Characteristics of the sales considered superior to the subject are given a minus (-) adjustment. Those characteristics of the sales considered inferior to the subject are given a plus (+) adjustment. Each sale is given an overall adjustment indicating how it compares to the subject.

On the following page is a grid of the sales used for comparison to the main parcel.

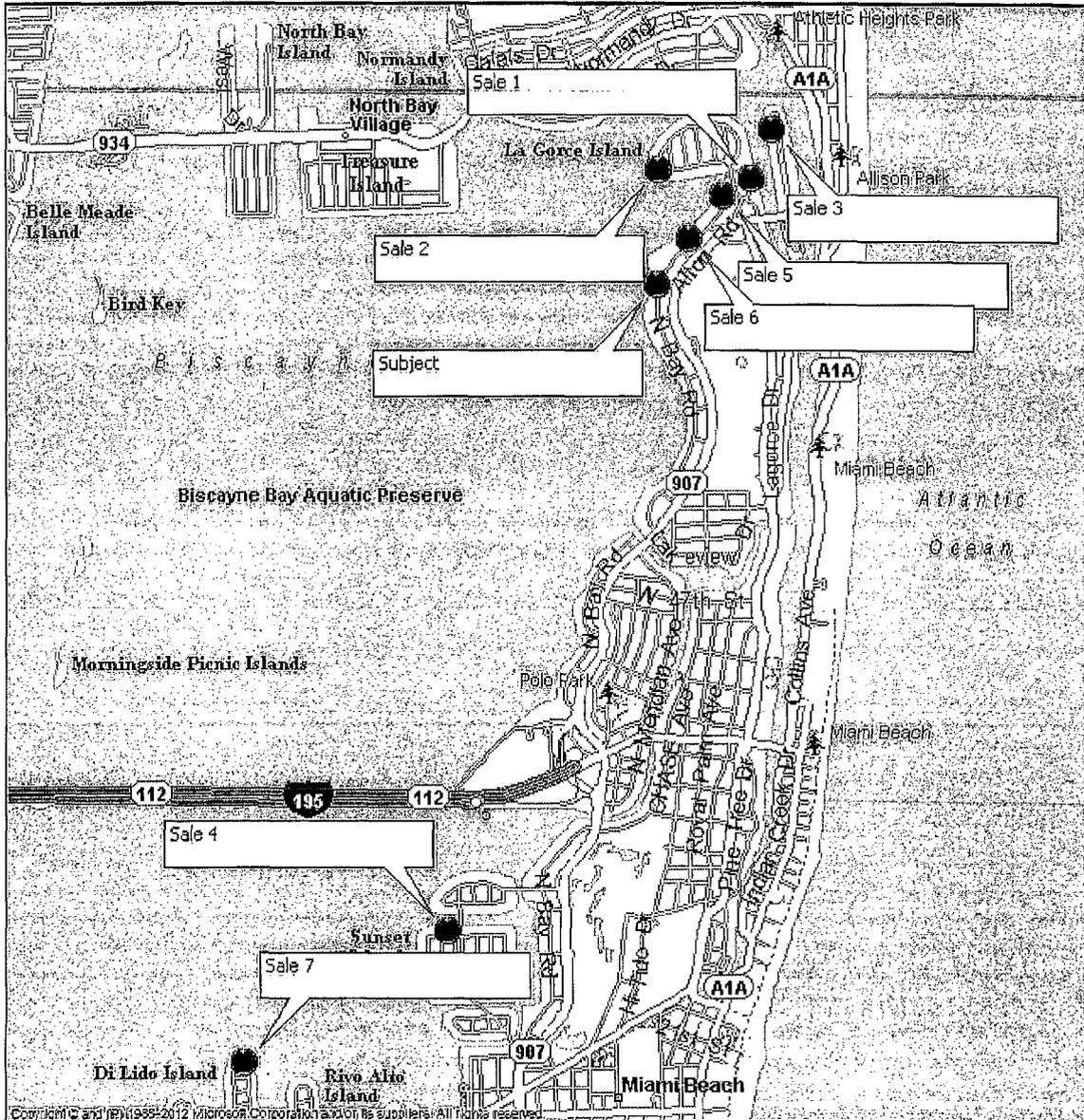
¹ The Appraisal of Real Estate 14th Edition, 2013, page 379

Vacant Land Sales Grid

Following is a grid of the comparable sale properties used for comparison to the main parcel.

Sale No.	Sale Date	Location	Water Frontage	View	Sale Price	Sq. Ft. Size	Price/ Sq. Ft.
1	February 2014	6455 Pine Tree Drive Circle Miami Beach	360'	Waterways	\$7,000,000	27,860	\$251
2	April 2014	34 La Gorce Drive Miami Beach	136'	Bay	\$14,000,000	22,912	\$611
3	January 2014	6596 Allison Road Miami Beach	200'	Waterway	\$11,700,000	43,200	\$271
4	April 2014	1757 West 27th Street Miami Beach	100'	Waterway, Partial Bay View	\$6,775,000	20,000	\$339
5	December 2013	6440 North Bay Road Miami Beach	100'	Waterway and Bay View	\$6,600,000	27,577	\$239
6	September 2013	6010 North Bay Road Miami Beach	75'	Portion of Bay	\$6,250,000	21,228	\$294
7	March 2014	845 E Di Lido Drive Miami Beach	92'	Bay	\$5,700,000	13,353	\$427
Subject	May 2014	5860 North Bay Road Miami Beach	150'	Bay	\$9,650,000	24,425	\$395

Vacant Land Sales Map



Comparable Land Sale 1

Location

6455 Pine Tree Drive Circle
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

27,860

Price/Sq.Ft.

\$251.26

WAR No.

303615



Recording Information

Sale Price:	\$7,000,000
Sale Date:	February 2014
ORB/Page:	29036/1238
Grantor:	Georges Levy and Valerie Levy
Grantee:	Brickview 3114, LLC
Legal Description:	Lengthy legal description. Refer to the recording instrument.
Folio No.:	02-3211-013-0050

Financing & Prior Sale

Financing:	All cash to the seller
Prior Sale:	None in the past five years

Property Description

Zoning:	RS-3, Single Family Residence District by the city of Miami Beach, FL
Shape:	Irregular
Topography:	Grade level

Comments

This is a "tip" lot located on the northeast side of Pine Tree Drive Circle, a small street that loops between La Gorce Drive and Pine Tree Drive. It benefits from wide water views facing north toward La Gorce Island and east toward Allison Island. Total water frontage is approximately 360 feet. It was improved with a 7,565 sf residence built in 1950, but the buyer is demolishing it to make way for a new residence.

Comparable Land Sale 2

Location

34 La Gorce Drive
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

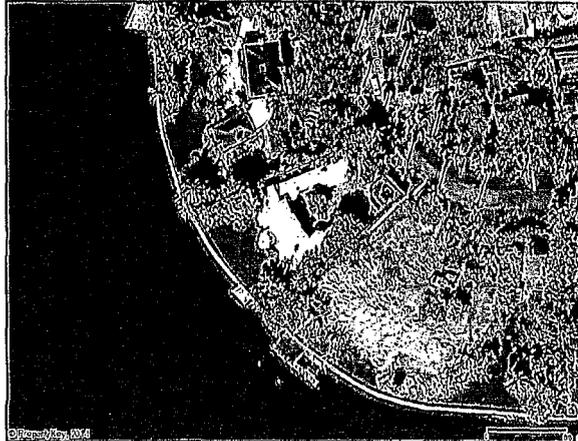
22,912

Price/Sq.Ft.

\$611.03

WAR No.

303616



Recording Information

Sale Price: \$14,000,000
Sale Date: April 2014
ORB/Page: 29140/3016
Grantor: Joseph Z. Fleming and Betty C. Fleming
Grantee: 34 La Gorce Circle Partners, LLC
Legal Description: Lot 17, Block 1, LA GORCE ISLAND, according to the Plat thereof, as recorded in Plat Book 34, Page 83 of the Public Records of Miami-Dade County, Florida
Folio No.: 02-3210-003-0140

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: RS-2, Single Family Residence District by the city of Miami Beach, FL
Shape: Irregular
Topography: Grade level

Comments

This lot is located on the southwest side of La Gorce Island, an exclusive guard-gated residential community. It benefits from wide open bay views facing southwest. Total water frontage is estimated at 136 feet. It was improved with a 4,846 sq. ft. residence built in 1941 that the buyer is demolishing to make way for a new residence.

Comparable Land Sale 3

Location

6596 Allison Road
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

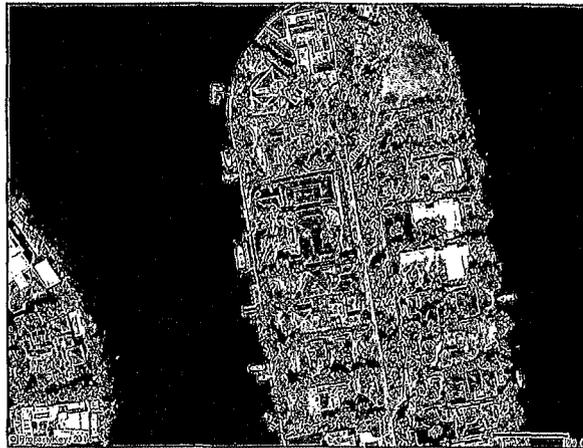
43,200

Price/Sq.Ft.

\$270.83

WAR No.

303617



Recording Information

Sale Price: \$11,700,000
Sale Date: January 2014
ORB/Page: 28999/1584
Grantor: Frank Bramson and Phyllis G. Bramson
Grantee: Michael Burke and Brigitte Burke
Legal Description: Lots 30, 31 and the North 25 feet of Lot 32, Block , INDIAN CREEK, according to the Plat thereof, as recorded in Plat Book 31, Page 75 of the Public Records of Miami-Dade County, Florida
Folio No.: 02-3211-003-0300

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: RS-2, Single Family Residence District by the city of Miami Beach, FL
Shape: Square
Topography: Grade level

Comments

This lot is located on the west side of Allison Island, with 200 feet of water frontage and views of the waterway facing west toward La Gorce Island. It is a large lot, most lots on the island being about half the size. The seller was in the process of demolishing an older residence and splitting the lot into two equal size lots. It was marketed for sale as either one larger lot or two smaller lots and was on the market for about six months when it sold as a single lot.

Comparable Land Sale 4

Location

1757 West 27th Street
Miami Beach, FL 33140

Property Type

Vacant Residential Lot

Square Feet

20,000

Price/Sq.Ft.

\$338.75

WAR No.

303618



Recording Information

Sale Price: \$6,775,000
Sale Date: April 2014
ORB/Page: 29127/2276
Grantor: Campbell Avery Smith, as trustee
Grantee: 1757 W 27th Street, LLC
Legal Description: Lot 22, Block 2H, ISLAND NO. 2, 3RD REVISED PLAT OF SUNSET ISLANDS, according to the Plat thereof, as recorded in Plat Book 40, Page 8 of the Public Records of Miami-Dade County, Florida
Folio No.: 02-3228-001-1260

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: RS-2, Single Family Residence District by the city of Miami Beach, FL
Shape: Rectangular
Topography: Grade level

Comments

This lot is located on the north side of one of the Sunset Islands, with 100 feet of water frontage facing north, with views facing north toward another of the Sunset Islands, and partial bay views facing northwest.

Comparable Land Sale 5

Location

6440 North Bay Road
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

27,577

Price/Sq.Ft.

\$239.33

WAR No.

303619



Recording Information

Sale Price: \$6,600,000
Sale Date: December 2013
ORB/Page: 28955/2075
Grantor: Versel Overseas Limited
Grantee: 6440 NBR, LLC
Legal Description: Lengthy legal description. Refer to the recording instrument.
Folio No.: 02-3215-003-0020

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: RS-2, Single Family Residence District by the city of Miami Beach, FL
Shape: Irregular
Topography: Grade level

Comments

This lot has about 100 feet of water frontage facing northwest toward La Gorce Island and Normandy Isle. Based on a reading of the legal description and the recorded plat, the parcel boundary shown in the county's aerial photograph incorrectly shows 200 feet of water frontage.

Comparable Land Sale 6

Location

6010 North Bay Road
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

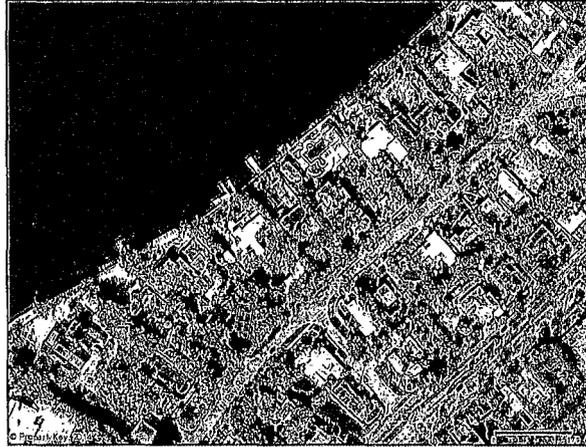
21,228

Price/Sq.Ft.

\$294.42

WAR No.

303620



Recording Information

Sale Price:	\$6,250,000
Sale Date:	September 2013
ORB/Page:	28846/3885
Grantor:	FCI Miami Beach Two, LLC
Grantee:	6010 NBR, LLC
Legal Description:	Lot 18, Block 1, LAGORCE GOLF SUBDIVISION, according to the Plat thereof, as recorded in Plat Book 14, Page 43 of the Public Records of Miami-Dade County, Florida
Folio No.:	02-3215-003-0170

Financing & Prior Sale

Financing:	All cash to the seller
Prior Sale:	June 2012 for \$5,500,000

Property Description

Zoning:	RS-2, Single Family Residence District by the city of Miami Beach, FL
Shape:	Rectangular
Topography:	Grade level

Comments

This is an elongated lot with a depth of about 280 feet and about 75 feet of water frontage with open views facing northwest toward Normandy Isle and North Bay Village in the distance.

Comparable Land Sale 7

Location

845 E Di Lido Drive
Miami Beach, FL 33139

Property Type

Vacant Residential Lot

Square Feet

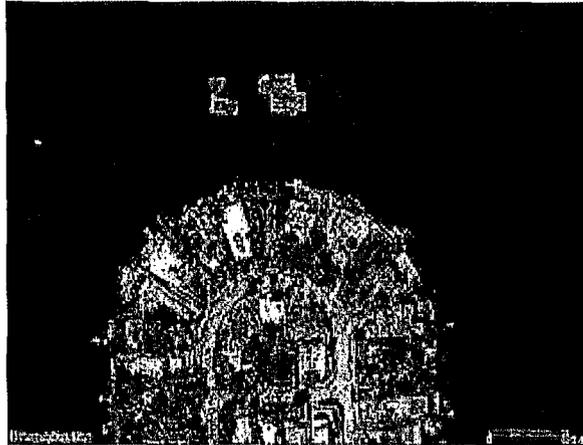
13,353

Price/Sq.Ft.

\$426.87

WAR No.

303623



Recording Information

Sale Price:

\$5,700,000

Sale Date:

March 2014

ORB/Page:

29077/3233

Grantor:

Sunrise Ventures Holdings, Inc.

Grantee:

Mark Lyn

Legal Description:

Lot 27, Block 4, DI LIDO, together with a strip of land contiguous to the northern boundary line of Lot 27, Block 4, DI LIDO, lying between the northerly extension of the West boundary line of said Lot 27 and the northerly extension of the East boundary line of Lot 27, as recorded in Plat Book 8, Page 36, of the public records of Miami-Dade County, Florida.

Folio No.:

02-3232-011-0780

Financing & Prior Sale

Financing:

All cash to the seller

Prior Sale:

April 2010 for \$2,450,000

Property Description

Zoning:

RS-3, Single Family Residence District by the city of Miami Beach, FL

Shape:

Irregular

Topography:

Grade level

Comments

This waterfront lot is located at the north end of Di Lido Island. It has approximately 92 feet of water frontage and wide open bay views facing north.

Adjustment Grid

Below is a grid which illustrates qualitative adjustments used to compare the comparable sales to the main parcel. Percentage adjustments were not utilized. In order to utilize percentage adjustments it would be necessary to pair (compare) sales to extract value differences. This is difficult as there is normally insufficient data to provide pairings for all value differences. Below is a grid which illustrates the adjustments made. A plus (+) sign indicates the unit of comparison of the sale must be adjusted upward as that characteristic is inferior to the subject. A minus (-) sign indicates the unit of comparison of the sale must be adjusted downward since the characteristic is superior to the subject. An equal (=) sign indicates the comparable sale characteristic is similar to the subject.

Sale No.	Price/Sq. Ft.	Market Conditions	Location	Water Frontage/Views	Size/Shape	Overall Adjustment
1	\$251	=	+	+	= / -	++
2	\$611	=	- -	=	= / -	- - -
3	\$271	=	=	++	+ / -	++
4	\$339	=	+	++	= / -	++
5	\$239	+	=	++	= / -	++
6	\$294	+	=	+	= / =	++
7	\$427	=	+	-	- / =	-

After considering the individual differences, either a plus (+), minus (-) or equal (=) sign has been placed in the "Overall" column. This indicates the overall adjustment that the sale would require as compared to the main parcel.

Conclusion of Land Value by the Sales Comparison Approach

The sales comparison approach compared similar properties to the main parcel and adjustments were made for the pertinent characteristics. Based on these comparisons a value was estimated for the main parcel. Sale prices per square foot range from \$239.33 to \$611.03 with a mean of \$348 per square foot and a median of \$294 per square foot.

Comparative analysis indicates that adjustments are required for market conditions, location, water frontage/views, and size/shape. No adjustment is required for conditions of sale or zoning. Market conditions adjustments consider the improvement in overall market conditions during the period since the oldest sale occurred. Location adjustments consider general characteristics of the site and overall desirability of the area. Water frontage/views consider the quality and desirability of water views, the extent of water frontage, and the ratio of water frontage to lot size. Size/shape adjustments consider the tendency for larger lots to sell for a lower price per sq. ft., based on the diminishing value of additional land area above a minimum threshold amount needed to support construction of a residence suitable for the property. They also consider the greater desirability of more square-like and rectangular shapes in comparison to highly irregular and elongated shapes which tend to constrain design choices and raise construction costs.

The adjustments indicate that the main parcel should achieve a sale price per sq. ft. above Sales 1, 3, 4, 5 and 6 (a range of \$239 to \$339), below Sale 2 at \$611, and slightly below Sale 7 at \$427. Consideration was also given to the recent sale in May 2014 of the main parcel for \$395 per sq. ft. A value of \$400 per sq. ft. is supported by the analysis.

Also considered are the following current listings:

Current Listings of Vacant Waterfront Single-Family Sites

Address	City	List Price	Lot Size (sq. ft.)	Price per sq. ft.
2 INDIAN CREEK DR	Indian Creek	\$26,000,000	80,000	\$325.00
4 INDIAN CREEK DR	Indian Creek	\$25,000,000	80,000	\$312.50
5840 N BAY RD	Miami Beach	\$15,900,000	37,895	\$419.58
6455 PINETREE DR	Miami Beach	\$11,900,000	27,860	\$427.14
266 S HIBISCUS DR	Miami Beach	\$11,400,000	21,000	\$542.86
28 S TARISLAND DR	Miami Beach	\$10,500,000	40,000	\$262.50
1460 W 28 ST	Miami Beach	\$7,499,000	20,000	\$374.95
3080 N BAY RD	Miami Beach	\$6,299,000	20,500	\$307.27
420 W 51 ST	Miami Beach	\$5,500,000	28,650	\$191.97
861 N VENETIAN DR	Miami	\$5,300,000	15,000	\$353.33
Median		\$10,950,000	28,255	\$339.17

The listings range from \$192 per sq. ft. to \$543 per sq. ft. with a median of \$339.17. The listing at 5840 N Bay Road is located two lots south of the main parcel, is similar in size and shape and is listed for \$419.58 per sq. ft. The listings represent the subject's main competition if it were to be offered for sale at this time, and do not contradict the value indication by analysis of the comparable sales.

Based on the analysis, the market value of the land as though vacant is estimated at \$400 per sq. ft., times 24,425 sq. ft., or \$9,800,000 (rounded).

Valuation of the South Tract

The south tract is contained within the main parcel, containing 24% of its total land area, 50% of its street frontage and 17% of its water frontage, it is fairly representative of the main parcel as a whole. As a result, no adjustment is indicated to the market value estimated for the main parcel for the across the fence value estimate of the south tract. Therefore, based on the main parcel market value of \$400 per sq. ft., the across the fence value of the south tract is estimated at \$400 times 5,870 sq. ft., or \$2,350,000 (rounded).

Valuation of the North Tract

The north tract is adjacent to the main parcel along its north side, and has the same amount of street frontage as the south tract, but lacks water frontage, as it extends to a point 30 feet from the water's edge. Anything constructed on it would however benefit from water views looking west and northwest over the 30 feet at the northwest corner of the main parcel. An adjustment to the market value estimated for the main parcel is indicated, but note that the north tract is a City-owned parcel unlike any other parcel based on its location. Therefore, only a general comparison to other parcels can be made.

Generally, the north tract is inferior to the main parcel because it lacks water frontage. At the subject location, where large single-family parcels with substantial water frontage are among the most valuable in the region, this is a significant factor. It is also superior to otherwise similar non-waterfront parcels (including those on the east side of N Bay Road) because land on the west side of N Bay Road benefits from proximity to the water. Based on this, an appropriate location adjustment to the market value estimate for the main parcel would put the across the fence value of the north tract somewhere well below \$400 per sq. ft. but above values observed for non-waterfront parcels. On the following page is a summary grid of several sales of non-waterfront parcels in the area, along with two sales of single-family lots that benefit from ocean frontage but which are disadvantaged by an undesirable shape. The summary grid is followed by detailed descriptions of each sale.

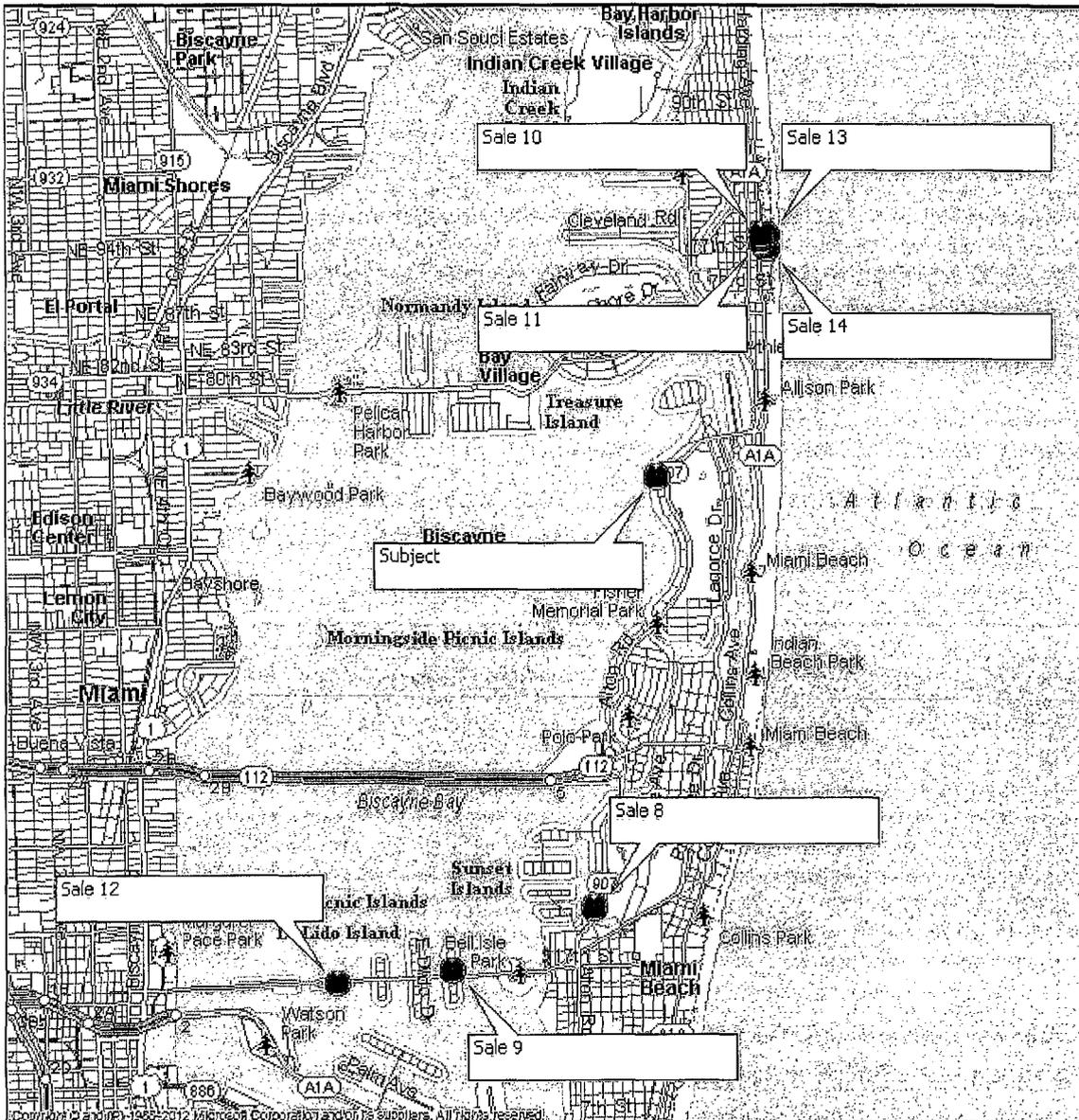
Vacant Land Sales Grid

Following is a grid of the comparable sale properties used for comparison to the main parcel.

Sale No.	Sale Date	Location	Sale Price	Sq. Ft. Size	Price/ Sq. Ft.
8	April 2013	2057 N Bay Road Miami Beach	\$650,000	6,063	\$107.21
9	December 2013	116 3rd Rivo Alto Terrace Miami Beach	\$1,160,000	7,500	\$154.67
10	February 2013	7830 Atlantic Way Miami Beach	\$1,025,000	6,250	\$164.00
11	May 2014	7801 Collins Avenue Miami Beach	\$962,500	6,500	\$148.08
12	May 2014	1351 S Venetian Way Miami	\$830,000	7,500	\$110.67
13	August 2013	7833 Atlantic Way Miami Beach	\$3,200,000	13,000	\$246.15
14	July 2013	7709 Atlantic Way Miami Beach	\$3,875,000	13,000	\$298.08

Vacant Land Sales Map

(For Analysis of North Tract)



Comparable Land Sale 8

Location

2057 N Bay Road
Miami Beach, FL 33140

Property Type

Vacant Residential Lot

Square Feet

6,063

Price/Sq.Ft.

\$107.21

WAR No.

303636



Recording Information

Sale Price: \$650,000
Sale Date: April 2013
ORB/Page: 28625/2128
Grantor: Sam Kvitko
Grantee: Giusi Properties, Inc.
Legal Description: Lot 25, Block 16, SUNSET LAKE SUBDIVISION, according to the Plat thereof, as recorded in Plat Book 8, Page 52 of the Public Records of Miami-Dade County, Florida
Folio No.: 02-3227-008-1610
Verification: Recorded deed, MLS

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: RS-3, Single Family Residence District by the city of Miami Beach, FL
Shape: Rectangular
Topography: Grade level

Comments

This single-family lot is located on the east side of N Bay Road, with 49 feet of frontage between N Michigan Avenue and W 21st Street. The location is across the street from the waterfront parcels.

Comparable Land Sale 9

Location

116 3rd Rivo Alto Terrace
Miami Beach, FL 33139

Property Type

Vacant Residential Lot

Square Feet

7,500

Price/Sq.Ft.

\$154.67

WAR No.

303635



Recording Information

Sale Price: \$1,160,000
Sale Date: December 2013
ORB/Page: 28979/575
Grantor: Union Mexico Money Support, Inc.
Grantee: Eight Venetian, Inc.
Legal Description: Lot 2, Block 8, RIVO ALTO, according to the Plat thereof, as recorded in Plat Book 7, Page 74 of the Public Records of Miami-Dade County, Florida
Folio No.: 02-3233-001-0910
Verification: Recorded deed, MLS

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: February 2013 for \$1,050,000

Property Description

Zoning: RS-3, Single Family Residence District by the city of Miami Beach, FL
Shape: Rectangular
Topography: Grade level

Comments

This single-family lot is an interior parcel located on 3rd Rivo Alto Terrace, between East and West Rivo Alto Drives, on Rivo Alto Island (one of the Venetian Islands).

Comparable Land Sale 10

Location

7830 Atlantic Way
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

6,250

Price/Sq.Ft.

\$164.00

WAR No.

303633



Recording Information

Sale Price: \$1,025,000
Sale Date: February 2013
ORB/Page: 28499/3636
Grantor: Altos del Mar, Ltd.
Grantee: Macanao Entertainment, LLC
Legal Description: Lot 3, Block 12, CORRECTED PLAT OF ALTOS DEL MAR NO. 1, according to the Plat thereof, as recorded in Plat Book 31, Page 40 of the Public Records of Miami-Dade County, Florida
Folio No.: 02-3202-004-0540
Verification: Recorded deed, MLS

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: RS-3, Single Family Residence District by the city of Miami Beach, FL
Shape: Rectangular
Topography: Grade level

Comments

This single-family lot is located on Atlantic Way with 50 feet of frontage between 78th and 79th Streets, and additional frontage of 50 feet at the rear along the east side of Collins Avenue, in a gated residential community. The location is one block from the ocean and just south of North Shore Park.

Comparable Land Sale 11

Location

7801 Collins Avenue
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

6,500

Price/Sq.Ft.

\$148.08

WAR No.

303634



Recording Information

Sale Price: \$962,500
Sale Date: May 2014
ORB/Page: 29140/4116
Grantor: Altos del Mar, Ltd.
Grantee: Henry Ahn and Raye Dube
Legal Description: The West 65 feet of Lots 5 and 6, Block 12, ALTOS DEL MAR, according to the Plat thereof, as recorded in Plat Book 31, Page 40 of the Public Records of Miami-Dade County, Florida
Folio No.: 02-3202-004-0560
Verification: Recorded deed, MLS

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: RS-3, Single Family Residence District by the city of Miami Beach, FL
Shape: Rectangular
Topography: Grade level

Comments

This is a single-family lot located at the northeast corner of Collins Avenue and 78th Street in a gated residential community. The location is one block from the ocean.

Comparable Land Sale 12

Location

1351 S Venetian Way
Miami, FL 33139

Property Type

Vacant Residential Lot

Square Feet

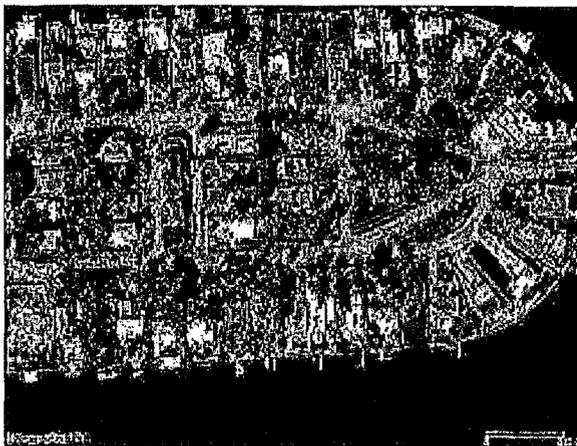
7,500

Price/Sq.Ft.

\$110.67

WAR No.

303637



Recording Information

Sale Price: \$830,000
Sale Date: May 2014
ORB/Page: 29162/2924
Grantor: Mario Jaile and Mercedes Jaile
Grantee: Domingo Pardo, as Trustee
Legal Description: Lot 8, Block 7, SAN MARCO, according to the Plat thereof, as recorded in Plat Book 9, Page 21 of the Public Records of Miami-Dade County, Florida
Folio No.: 01-3232-001-0610
Verification: Recorded deed, MLS

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: T3-R, Single Family Residence by the city of Miami, FL
Shape: Rectangular
Topography: Grade level

Comments

This single-family lot is located at the northwest corner of S Venetian Way and NE 13th Place on San Marco Island, one of the Venetian Islands.

Comparable Land Sale 13

Location

7833 Atlantic Way
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

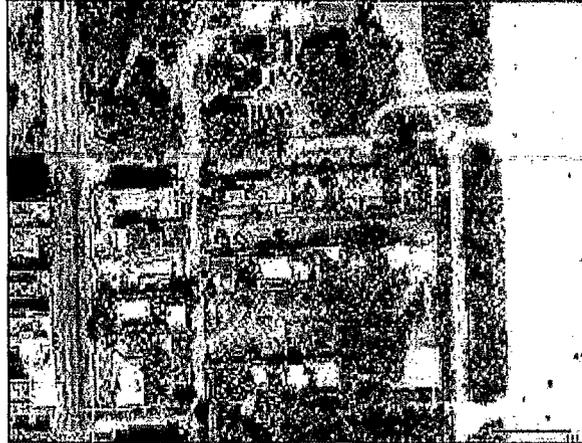
13,000

Price/Sq.Ft.

\$246.15

WAR No.

303638



Recording Information

Sale Price: \$3,200,000
Sale Date: August 2013
ORB/Page: 28783/1184
Grantor: Bank of America, N.A.
Grantee: Loxodonta Ventures, LLC
Legal Description: Lot 2, Block 5, CORRECTED PLAT OF ALTOS DEL MAR, according to the Plat thereof, as recorded in Plat Book 31, Page 40 of the Public Records of Miami-Dade County, Florida

Folio No.: 02-3202-004-0190
Verification: Recorded deed, MLS

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: None in the past five years

Property Description

Zoning: RS-3, Single Family Residence District by the city of Miami Beach, FL
Shape: Rectangular
Topography: Grade level

Comments

This single-family lot is located on the east side of Atlantic Way, between 78th and 79th Streets, with frontage of 50 feet on Atlantic Way and on the beach. The location is a gated residential community. This is an interior parcel with a depth of 260 feet. This was a bank sale by the lender that foreclosed on the previous owner's loan.

Comparable Land Sale 14

Location

7709 Atlantic Way
Miami Beach, FL 33141

Property Type

Vacant Residential Lot

Square Feet

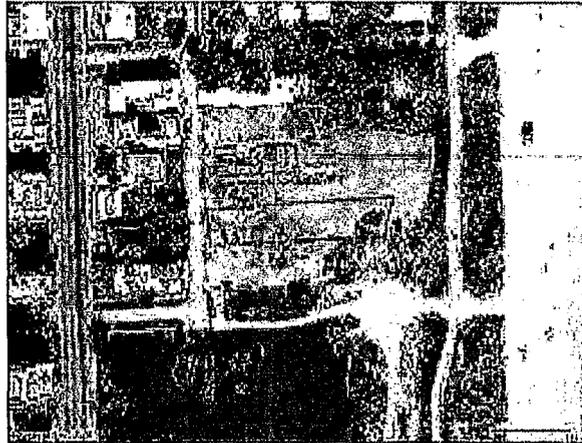
13,000

Price/Sq.Ft.

\$298.08

WAR No.

303639



Recording Information

Sale Price: \$3,875,000
Sale Date: July 2013
ORB/Page: 28757/623
Grantor: 1037 Orlando, LLC
Grantee: Kadey Family Beach, LP
Legal Description: Lot 5, Block 6, CORRECTED PLAT OF ALTOS DEL MAR, according to the Plat thereof, as recorded in Plat Book 31, Page 40 of the Public Records of Miami-Dade County, Florida
Folio No.: 02-3202-004-0280
Verification: Recorded deed, MLS

Financing & Prior Sale

Financing: All cash to the seller
Prior Sale: May 2012 for \$3,500,000

Property Description

Zoning: RS-3, Single Family Residence District by the city of Miami Beach, FL
Shape: Rectangular
Topography: Grade level

Comments

This single-family lot is located on the east side of Atlantic Way, between 77th and 78th Streets, in a gated residential community. It is an interior lot with frontage of 50 feet along both Atlantic Way and the beach, and a depth of 260 feet.

Analysis

Sales 8, 9 and 12 are smaller non-waterfront sites that sold in the range of \$107 to \$155 per sq. ft. Sales 10, 11, 13 and 14 are all located in Altos del Mar, a small single-family subdivision and gated community located between Collins Avenue and the ocean. Sales 10 and 11 are smaller non-waterfront lots with partial frontage on Collins Avenue that sold at \$164 and \$148 per sq. ft., whereas Sales 13 and 14 are larger lots with ocean frontage and views, selling for \$246 and \$298 per sq. ft. Note that Sale 13 at \$246 per sq. ft. was a bank sale of a foreclosed property and likely reflects distressed or liquidation sale conditions. After adjusting for this, this sale indicates a value near that of Sale 14, which is identical in size and shape and has a very similar location. Note also that Sales 13 and 14 are disadvantaged by a very narrow shape (both have a depth of 260 feet but a width of only 50 feet), which would severely constrain development and design possibilities. It should also be noted that though these have ocean frontage, they are set back from the beach some distance, slightly diminishing the quality of the views. The shape and view factors help explain why these properties achieved a lower price per sq. ft. than the market value estimated for the main parcel, in spite of the fact that they are a very scarce type of property in the local market (single-family lots with ocean frontage).

Conclusion

The inferior non-waterfront sales ranged from \$107 to \$164 per sq. ft. The two waterfront sales are at \$246 and \$298 per sq. ft., with the lower figure requiring a positive adjustment for conditions of sale. The two waterfront sales are inferior to the main parcel, mainly due to severe shape disadvantages, and achieved values per sq. ft. within the range of all but the two highest sales considered in the main parcel valuation. The sales indicate the following ranges;

Non-waterfront sales (Sales 8 to 12)	\$107 to \$164 per square foot
Atlantic Way (Sales 13 & 14)	\$246 and \$298 per square foot
Main parcel sales (Sales 1 to 7)	\$271 to \$611 per square foot

The analysis indicates that a large negative adjustment to the market value estimated for the main parcel would be appropriate. This would put the value below the range of the main parcel sales (Sales 1 to 7), above the range of the non-waterfront sales (Sales 8 to 12), below Sale 14 (which is severely disadvantaged by shape but which benefits from ocean frontage), and near Sale 13 (which is very similar to Sale 14 but which was also a distressed sale). Based on this, an across the fence value of \$250 per sq. ft. is indicated. At 10,215 sq. ft., this equates to a value of \$2,550,000 (rounded).

Potential Impact on the Market Value of the Main Parcel

Based on the across the fence values estimated above, the net value of the proposed land swap is \$200,000 (the amount by which the value of the north tract exceeds the value of the south tract). The reader should note that the across the fence values estimated above do not consider the potential impact of the proposed land swap on the market value of the main parcel. In other words, they ignore the possibility that the value of the land swap *to the owner of the main parcel* may be higher or lower than the net value based on the across the fence values of the north and south tracts. As a result of the proposed swap, the main parcel would be impacted by the following changes:

- Water frontage would be reduced from 150 feet to 125 feet
- An enhancement of the utility of the north 30 feet of the existing water frontage as a result of the annexation of the north tract, which would make possible better quality views from that portion of the water frontage.
- An enhancement in the overall shape of the parcel, which is currently disadvantaged by having a 1,647 sq. ft. semi-“orphaned” segment at the northwest end on the waterfront. The boundary at the southeast end would become irregular, but this occurs at the street frontage where it has much less impact than on the waterfront.
- The overall size of the parcel would increase from 24,425 to 28,770 sq. ft.

The net impact of these changes is likely to be neutral to slightly positive, making it possible that *to the owner of the main parcel* the value of the proposed land swap could be greater than the net value based on the across the fence values. However, these factors were not considered and are not reflected in the across the fence values estimated which are based on market value and not a value to an adjoining owner.

Reconciliation of Value

The reconciliation process considers the approaches which were utilized in this report. Each approach to value is analyzed as to its reliability and applicability. These approaches indicated the following values:

Cost Approach	Not applicable
Income Capitalization Approach	Not applicable
Sales Comparison Approach	
<i>Main Parcel</i>	<i>\$9,800,000</i>
<i>South Tract</i>	<i>\$2,350,000</i>
<i>North Tract</i>	<i>\$2,550,000</i>

The cost approach estimates the land value and adds the depreciated value of the improvements. As the land being appraised is vacant, this approach is not applicable and was not applied herein.

The income capitalization approach analyzes the projected income and expenses of a property and capitalizes the net income into a value estimate. Typically vacant land is not purchased based on its ability to generate income. This method is not applicable and was not applied herein.

The sales comparison approach compares sales of similar properties to the main parcel and is the only applicable approach to value. These sales were analyzed for differences such as conditions of sale, financing, market conditions, location, zoning, shape/size, and other characteristics. The strength of this approach relies on the quality of the comparable sales. Sales which closely resemble and can be compared easily with the subject are most desirable. The sales utilized were considered comparable and make the sales comparison approach the only reliable indication of value. It was used to estimate the market value of the main parcel, and also the adjustment needed for the across the fence value estimate of the north tract. The across the fence value of the south tract is equivalent to the market value per sq. ft. of the main parcel.

As the main parcel and the north and south tracts are valued as vacant land, total reliance was placed on the sales comparison approach. Based on the analysis, the market value of the main parcel as though vacant as of May 31, 2014 is estimated at \$9,800,000, the across the fence value of the south tract as of May 31, 2014 is estimated at \$2,350,000, and the across the fence value of the north tract as of May 31, 2014 is estimated at \$2,550,000.

ADDENDA



ADDENDUM A
COUNTY AREA DESCRIPTION

Miami-Dade County and Area Description

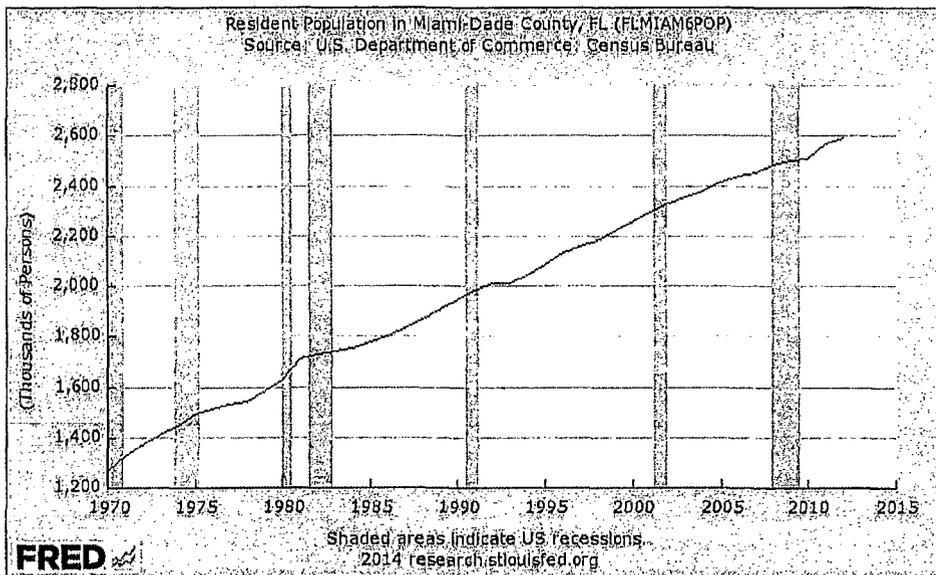
General Overview

Miami-Dade County, often referred to as “Miami” is known internationally for its weather, beaches, banking, fine art, shopping, and Latin culture. While many pass through the Cruise Capital of the World, 2.5 million people call it home.

Miami-Dade County is at the southeastern tip of Florida and is the south-easternmost state in the continental United States. Its land area is approximately 1,946 square miles and is bordered by Broward, Collier, and Monroe Counties to the north, southwest, and south, respectively. The county is bordered by the Atlantic Ocean to the East and Everglades National Park to the West.

Demographics

As of the 2013 Census report, Miami-Dade County has 2,496,435 residents. Over half of those were born outside the United States; 70 percent fall between the ages of 25 and 55. As depicted in the following graph, the county’s population has risen steadily since 1970.



Miami-Dade County Population Projections			
2015 Projection based on 2011 Estimate	Percentage change 2011 to 2015	2020 Projection based on 2011 Estimate	Percentage change 2011 to 2020
2,591,790	3.8%	2,717,631	4.9%

Miami has a positive reputation for international business, and developers are marketing their new projects to those individuals. Therefore, the county’s population is expected to increase at an even greater rate approaching the year 2020.

Miami is the largest city in the County. Other populous municipalities include Hialeah, Miami Gardens, Miami Beach, and unincorporated land. Actively growing are some new cities since 2000 such as Cutler Bay and Doral.

Brief History

Miami was founded in 1866 after the end of Spanish rule in Florida. Before the turn of the century, prominent figures such as William and Mary Brickell and Henry Flagler established a community and connected the young city to the rest of the United States. Island people moved here for work.

In 1910, John Collins discovered fresh water on Miami Beach, and within a decade, the population soared, and businessmen bought up the land. The city quickly became a popular spot for tourists, but it crumbled under the hurricane of 1926. During the decades of war, parts of Miami-Dade County became training grounds for military. Residents then slowly built back up the tourism industry.

The early 1960's marked the beginning of the arrival of large numbers of Cuban Refugees into Miami-Dade County and South Florida. In the years following, significant numbers of immigrants have come from Haiti, Cuba and other Latin American countries.

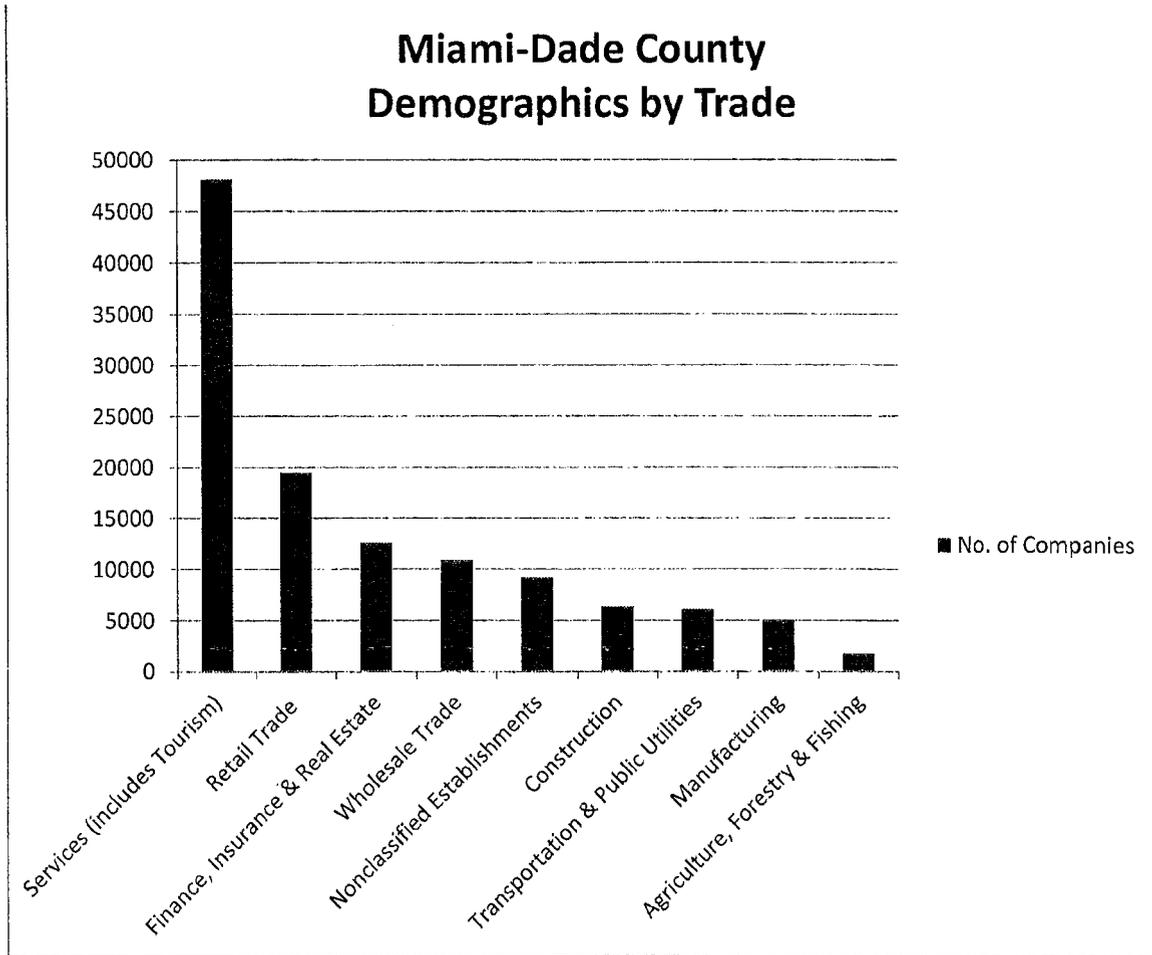
Government

Miami-Dade County has a strong mayor form of government, with nine elected individuals (one mayor and eight commissioners) making up the Miami-Dade County Board of Commissioners. The mayor appoints a professional administrator to manage the daily activities of the county government and a county attorney to handle its legal matters.

Some governmental activities, services and functions previously handled by individual municipalities are now handled by the county. Among these are real property assessment and valuation, health and welfare, most water and sewers, traffic engineering, public libraries, public transportation, public housing, urban renewal, seaport, airport, regional parks and air and water pollution control. In addition to these, Miami-Dade County provides services to the unincorporated areas of the county such as: police and fire protection, building and zoning regulation, trash and garbage collection and disposal, parks and recreation, consumer protection and corrections and rehabilitation of adults and youth offenders.

Economic Base

The primary industries that support Miami-Dade County's economy through employment are trade, transportation and utilities, followed by education/health services and government. The most known is tourism, a major industry for Miami-Dade County. The following chart reflects the county's demographics by trade, with tourism ranking the highest number of companies, followed by retail and finance, insurance and real estate.



Source: The Beacon Council

A year-round growing season allows the agricultural industry to be the top vegetable supplier and producer in the country. The industry employs more than 20,000 people and produces more than \$2.7 billion in economic benefits each year. As a result, agritourism has sprouted an industry throughout the agricultural area where visitors can sample and purchase locally grown products.

Transportation

Miami International Airport (MIA) and its linkages are considered to be the driving force for growth behind its surrounding area. Airport traffic in 2013 included over 40 million passengers, 2 million tons of freight, and 2 million tons of cargo. Other airports within the county include Kendall-Tamiami Airport and Opa-locka Executive Airport. The aviation industry directly and indirectly contributes \$26.7 billion and 282,043 jobs to the local economy.

PortMiami annual activity includes 4.3 million cruise passengers and 7.4 millions of tons of cargo. The port contributes more than \$27 billion annually to the South Florida economy and helps provide direct and indirect employment for more than 207,000 individuals. It is currently undergoing construction for a two-way underwater tunnel between the port and downtown Miami. Scheduled to be completed in 2015 is the Deep Dredge Project, set to deepen the channel from its current 42-foot depth to minus 50 feet in order to accommodate super cargo ships now being constructed.

Within Miami-Dade County, major roads include the *Palmetto Expressway* (State Road No. 826), a major north/south expressway; the *Dolphin Expressway* (State Road No. 836), a major east/west expressway; *Interstate 95* and the *Florida Turnpike*. All of these represent Miami's expressway network and make almost any destination in Miami-Dade County within 30 to 45 minutes driving time.

Transportation systems include a Busway in south Miami-Dade County linking to Metrorail, an elevated rail rapid transit system connecting portions of Miami-Dade County. In July 2012, a new Metrorail station in MIA links south Miami-Dade County, downtown Miami and the entire elevated rail line. The enables seamless connections to the Metromover systems and to a web of transportation arteries in neighboring counties leading to the rest of Florida.

The Miami Intermodal Center (MIC) links the airport, East/West Rail, Amtrack, Tri-Rail, Airport/Seaport Connector and Metrorail mainline rail. Located near the State Road No. 836/State Road 112 Connector, it presently contains the bulk of the rental car agencies. East of the airport in the future it will contain retail, commercial, residential and tourist-designed development.

The Metromover automated people mover system is located in downtown Miami and is an off-shoot of the Metrorail system. There are also Metrobus buses, most of which are in service daily throughout the county. The Metromover system includes the Brickell Avenue financial district and also runs north to the Omni area. Other transportation services in Miami-Dade County include Tri-Rail, railroads and taxicabs. Railroad service by Amtrak is accessible in northwest Miami-Dade. Tri-Rail is South Florida's commuter train system which services Miami-Dade, Broward and Palm Beach Counties.

Education

Based upon student population, the Miami-Dade County School system is the fourth largest public school system in the nation with 415 institutions including elementary, middle, high, K-8, charter, alternative and magnet schools. Many private institutions exist as well.

Several colleges and universities located in the county are University of Miami, Barry University, Florida International University, Miami-Dade Community College, St. Thomas University, Florida Memorial College and Johnson & Wales University.

Medical

Miami-Dade County has the largest concentration of medical facilities in Florida. The largest institution is Jackson Memorial Medical Center, the second largest public hospital in the nation which shares many teaching, treatment and research capacities with the University of Miami. Private hospitals include Baptist Health System, Mercy, Miami Children's, and Mount Sinai.

Sports

Professional, college and even local neighborhood sports draw spectators, participants and investors to a high degree and create a positive atmosphere. Professional football (Miami Dolphins), basketball (Miami Heat), baseball (Miami Marlins) and ice hockey (Florida Panthers) are continual draws. As of January 2014, business negotiations are currently underway to bring Major League Soccer to Miami. There are two horse tracks and a dog track. Several of these tracks have been approved for slot gambling or table gambling, depending upon location in a municipality or Indian reservation. Also offered are golf, tennis, as well as the numerous water sports, given the significant bodies of water.

Arts and Culture

Known for the wealth of ethnic diversity and heritage, Miami-Dade County has a cultural mix of festivals, concerts, theater, and dance performances. Adrienne Arsht for the Performing Arts of Miami-Dade County opened in 2006 and is home to the Concert Association of Florida, Florida Grand Opera, Miami City Ballet, and the New World Symphony. The county is also home to several museums and wildlife attractions.

Summary

During its history, Miami-Dade County and the Greater Miami area have experienced significant changes and growth. Trends indicate that the growth will continue with Miami-Dade County rapidly becoming an international city with a diverse culture. The economic base and the bilingual population should continue to attract new residents and businesses into Greater Miami.

Sources including, but not limited to:

United States Census Bureau (Jan. 2014). <http://quickfacts.census.gov/qfd/states/12/12086.html>

Miami-Dade County Portal (Jan. 2014). www.miamidade.gov

The Beacon Council (Jan. 2014). www.beaconcouncil.com

Federal Reserve Economic Data (Jan. 2014). <http://research.stlouisfed.org/fred2/>

Miami Herald (various articles). <http://www.miamiherald.com/>

ADDENDUM B
LEGAL DESCRIPTION

Parcel A:

Lot 25, in Block 1-A or LA GORCE GOLF SUBDIVISION, according to the plat thereof, recorded in Plat Book 14, at Page 43, of the Public Records of Miami-Dade County, Florida.

Parcel B:

Commence at the Northeast corner of Lot 25, Block 1-A, LA GORCE GOLF SUBDIVISION, according to the Plat thereof, recorded in Plat Book 14, at Page 43, or the Public Records of Miami-Dade County, Florida; thence Northwesterly along the Northeasterly line of the aforesaid Lot 25, a distance of 193.5 feet to a point of beginning of tract of land hereinafter described; thence Northerly 54.9 feet more or less to a point on the Southwesterly line of Tract A of Subdivision of Lot 24, Block 1, LA GORCE GOLF SUBDIVISION, according to the Plat thereof recorded in Plat Book 38, at Page 67 of the Public Records of Miami-Dade County, Florida, said point being 215.1 feet Northwesterly from the Southeast corner of the aforesaid Tract A; thence Northwesterly along the Southwesterly line of aforesaid Tract A, a distance of 30 feet more or less to the water's edge of Biscayne Bay; thence Southerly meandering the water's edge of Biscayne 54.9 feet more or less to point of intersection with the Northeasterly line of Lot 25, Block 1-A, LA GORCE GOLF SUBDIVISION, according to the Plat thereof, recorded in Plat Book 14, at Page 43, of the Public Records of Miami-Dade County, Florida; thence Southeasterly along the Northeasterly line of aforesaid Lot 25, a distance of 30 feet more or less to the point of beginning.

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MIAMI BEACH

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

COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: September 10, 2014

SUBJECT: **REFERRAL TO THE FINANCE AND CITYWIDE PROJECTS COMMITTEE A DISCUSSION REGARDING POTENTIAL PURCHASE OF AIR RIGHTS FOR 6940 ABBOTT AVENUE FROM AT&T FOR FUTURE DEVELOPMENT OF A PARKING GARAGE IN THE NORTH BEACH TOWN CENTER.**

BACKGROUND AND ANALYSIS

On December 10, 2008, the Mayor and City Commission adopted Resolution No. 2008-26960 approving the scope and authorizing the issuance of a Request for Letters of Interest (RFLI) for the development of public parking to serve two neighborhoods in North Beach, said areas generally defined as the North Beach Town Center from 69 to 72 Street between Collins Avenue and Indian Creek Drive/Dickens Avenue, and the Collins Avenue Commercial District between 63 and 69 Street.

The Finance and Citywide Projects Committee, at its November 18, 2008 meeting, authorized the Administration to once again approach City National Bank to explore a joint development agreement or a land swap for one of the preferred parking garage sites identified in the North Beach Town Center Plan (adopted July, 2007). In addition, the Committee recommended that the Administration should issue a Request for Letters of Interest to identify alternative sites and/or developers who may be interested in the construction of a parking garage project in the area bounded by 72 Street, Collins Avenue, 63 Street and Indian Creek Drive/Dickens Avenue.

The Administration subsequently held numerous discussions with representatives from City National Bank and the real estate broker who represents the bank. The talks ended because City National was engaged in developing numerous new branch bank locations in new market areas and were not ready to consider development proposals for the 71 Street properties.

BACKGROUND

On July 11, 2007, Mayor and City Commission adopted Resolution No. 2007-26600, adopting the North Beach Town Center Plan as the official Neighborhood Plan for the area bounded by 73rd Street, the Atlantic Ocean, 69th Street and Indian Creek; and authorizing the Administration to prepare draft legislation and capital improvement projects, as appropriate, to promote implementation of the Plan. This was the culmination of a lengthy planning process that included the following steps:

The concept for encouraging development of a "Town Center" for North Beach originated in a three-day charrette in July 2001, which included visioning sessions for the 71 Street commercial corridor and the 72nd Street parking lot. The residents' priorities for a successful Town Center included a variety of cultural activities, outdoor gathering places and expanded retail offerings.

Agenda Item C4B
Date 9-10-14

In a follow-up workshop in December 2003, participants strongly supported the idea of providing parking as an incentive to attract development to the Town Center.

The City of Miami Beach Parking Study, completed by Walker Parking Associates, Inc. in 2004, identified a demand for up to 964 for additional parking spaces by 2008 and 1,312 spaces by 2013 in the North Beach Town Center area, and confirmed the feasibility of a city-owned parking structure on one of several alternative sites in the Town Center area. The highest ranking sites each included land owned by the City and land owned by City National Bank. Subsequently, the Administration and the consultant conducted further analysis of potential sites for a parking garage and added a site located at 6600 Collins Avenue, which is outside of the Town Center. It is important to note that the City has retained Walker Parking Associates again to update the 2004 parking study and the City anticipates having the updated data in time for the Committee discussion.

On June 8, 2005, the Mayor and City Commission accepted the report of the Finance and Citywide Projects Commission Committee concerning the Parking System Proposed Capital Budget, instructing the Administration to hold discussions with City National Bank to swap land for a parking structure in the North Beach Town Center. The Administration held several meetings with representatives from City National Bank, who expressed some limited interest in the project, but negotiations stalled.

The Planning Department presented the 2007 update of the North Beach Town Center Plan at a community workshop on April 25, 2007, attended by nearly 100 persons. On May 22, 2007, the Planning Board held a public hearing and unanimously adopted a resolution recommending to the Mayor and City Commission that they adopt the North Beach Town Center Plan as the official Neighborhood Plan for the area bounded by 73rd Street, the Atlantic Ocean, 69th Street and Indian Creek; and that they authorize the Administration to prepare draft legislation and capital improvement projects as appropriate to promote implementation of the Plan.

On June 11, 2007, the Land Use and Development Committee held a public discussion of the North Beach Town Center Plan and voted 2-0 to recommend the Plan to the full Commission, with the understanding that any amendments to the Land Development Regulations will be reviewed by the Committee and the Commission prior to referral to the Planning Board. The Committee stipulated that proposed amendments to the parking regulations, intended to provide incentives for new private sector development in the Town Center, should be contingent on construction of sufficient public parking.

Again in 2010, the City issued an RFLI seeking letters of interest for a mixed-use project with parking, retail and office space that would act as a catalyst for further redevelopment in North Beach. The City received eleven (11) responses to the RFLI and several were specifically for Town Center, but chose not to proceed with the RFLI.

ANALYSIS

As previously stated, the 2004 Walker Parking study identified a demand for up to 964 additional parking spaces by 2008 and 1,312 spaces by 2013 in the North Beach Town Center area. Again, the Walker Parking Study is currently being updated, but it will be important for the City to seek opportunities to construct significant parking structures in this area. The best opportunities for such construction will be for the City to partner with property owners adjacent to existing City parking lots. Such partnership would provide sufficient space for parking

structures given the area needs of such facilities and will allow retail or other activation of the ground floor. Such retail activation will insure an unobstructed visual experience for pedestrians and passing motorists.

The highest likelihood for a partnership would be in the Town Center/71st Street Corridor area. The potential is high here as City National Bank owns a number of developable/redevelopable lots in this area, many of which are adjacent to existing city surface parking lots. If and when these lots are sold, the buyer(s) will want to maximize the development potential of each lot. If they can partner with the City to provide parking for their projects in a new parking structure rather than on-site, and if the City can realize a net gain in public parking spaces after accounting for additional need due to the new development, such partnerships will make sense and will most likely come to fruition.

The City was recently approached by a representative of AT&T regarding their interest in selling the air rights to the property they own located at 6940 Abbot Avenue and staff has had preliminary discussions. AT&T has expressed an interest in working with the City to use/re-use of the subject property. Attached is a property detail report from the Property Appraiser's website. The lot size is approximately 25,000 square feet with a listed market value of \$1,993,002, however an appraisal would need to be procured if directed to proceed with negotiations. This property is located between Abbott Avenue and Byron Avenue south of City Lot P-80 (lot adjacent to Prima Pasta) and City National Bank also owns seven (7) parcels adjacent to this property.

If the City were to proceed with AT&T, the following is a list of general requirements, subject to AT&T approval and prior to any negotiation between the City and AT&T:

- ±1,000 sq. ft. of office space containing bathrooms, lounge area, and inside storage.
- ±500 sq. ft. of outside storage.
- Secured perimeter with a fence height of no less than 6' - 0".
- 50 parking spaces (10' x 20').
- Ingress and egress from Abbott Avenue and Byron Avenue; likely to maintain one-way in and one-way out of the site as presently used.
- Clear height above drive areas to be a minimum of 13' - 10" to permit company vehicles of various types.
- 24-hour access for deliveries to the facility by outside vendors having AT&T security access.
- Ice machine and water for the technicians.
- Approved location for an above ground concrete pad mounted small Nitrogen tank
- AT&T's future use cannot be changed, modified, curtailed, or hindered in any way to that which exists now.
- AT&T's Service Operations Center (SOC) operation would have to be moved to a Temporary Location owned or controlled by the City of Miami Beach in close proximity to the Subject property in order to continue uninterrupted service to its customers.
- A Term sheet would need to include language detailing the construction schedule (Time-In/Time Out), conditions of the use of the Temporary Location, and restoration/construction of the SOC improvements to their original and/or agreed to condition before construction activities commenced.
- The value of AT&T's property/air rights and sale price to the City would be established by MAI appraisal(s) as established and agreed to between the parties.

- The City of Miami Beach would be responsible for the cost of legal, hearings, variances, permits, surveys, and construction costs, related to the City's new project and costs to restore the SOC.
- AT&T would have to approve the use contemplated by the City above the SOC.
- Finally, AT&T would need to have a separate folio # and separate tax bill for the unencumbered ground floor area with little to no maintenance responsibilities for the construction contemplated above the SOC.

CONCLUSION

The Administration is seeking direction from the City Commission before proceeding with negotiations with AT&T and, therefore, recommends referral of this item to the Finance and Citywide Projects Committee for discussion and input.

JLM:KGB:MAS

T:\AGENDA\2014\September\TCED\referral ATT nORTH bEACH IOT MEMO.docx

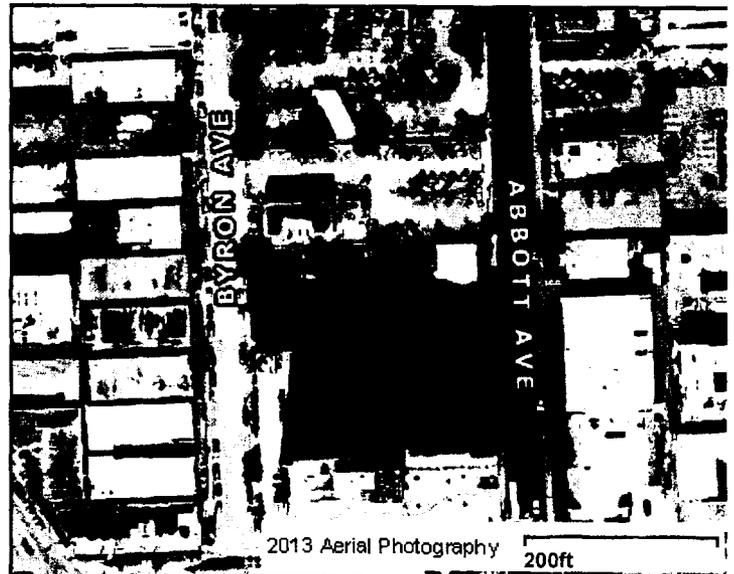


OFFICE OF THE PROPERTY APPRAISER

Detailed Report

Generated On : 8/28/2014

Property Information	
Folio:	02-3211-001-0590
Property Address:	6940 ABBOTT AVE
Owner	SOUTHERN BELL TEL & TEL CO TAX ADM OFFICE <i>AT3T</i>
Mailing Address	PO BOX 7207 BEDMINSTER, NJ 07921
Primary Zone	3900 MULTI-FAMILY - 38-62 U/A
Primary Land Use	9163 UTILITY : UTILITY
Beds / Baths / Half	0 / 0 / 0
Floors	1
Living Units	0
Actual Area	Sq.Ft
Living Area	Sq.Ft
Adjusted Area	1,733 Sq.Ft
Lot Size	25,000 Sq.Ft
Year Built	1967



Assessment Information			
Year	2014	2013	2012
Land Value	\$1,875,000	\$1,212,500	\$1,125,000
Building Value	\$74,184	\$75,508	\$87,405
XF Value	\$43,818	\$44,597	\$57,048
Market Value	\$1,993,002	\$1,332,605	\$1,269,453
Assessed Value	\$1,465,865	\$1,332,605	\$1,269,453

Benefits Information				
Benefit	Type	2014	2013	2012
Non-Homestead Cap	Assessment Reduction	\$527,137		

Note: Not all benefits are applicable to all Taxable Values (i.e. County, School Board, City, Regional).

Taxable Value Information			
	2014	2013	2012
County			
Exemption Value	\$0	\$0	\$0
Taxable Value	\$1,465,865	\$1,332,605	\$1,269,453
School Board			
Exemption Value	\$0	\$0	\$0
Taxable Value	\$1,993,002	\$1,332,605	\$1,269,453
City			
Exemption Value	\$0	\$0	\$0
Taxable Value	\$1,465,865	\$1,332,605	\$1,269,453
Regional			
Exemption Value	\$0	\$0	\$0
Taxable Value	\$1,465,865	\$1,332,605	\$1,269,453

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Property Information

Folio: 02-3211-001-0590

Property Address: 6940 ABBOTT AVE

Roll Year 2014 Land, Building and Extra-Feature Details

Land Information					
Land Use	Muni Zone	PA Zone	Unit Type	Units	Calc Value
GENERAL	RM-1	3900	Square Ft.	25,000.00	\$1,875,000

Building Information						
Building Number	Sub Area	Year Built	Actual Sq.Ft.	Living Sq.Ft.	Adj Sq.Ft.	Calc Value
1	1	1967			1,733	\$74,184

Extra Features			
Description	Year Built	Units	Calc Value
Chain-link Fence 6-7 ft high	1973	50	\$341
Paving - Asphalt	1968	12,500	\$10,688
Concrete Louver Fence	1968	350	\$1,197
Cent A/C - Comm (Aprox 300 sqft/Ton)	1967	7.5	\$6,300
Concrete Louver Fence	1967	675	\$2,268
Concrete Louver Fence	1967	1,720	\$5,779
Paving - Asphalt	1967	20,530	\$17,245

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Property Information

Folio: 02-3211-001-0590

Property Address: 6940 ABBOTT AVE

Roll Year 2013 Land, Building and Extra-Feature Details

Land Information					
Land Use	Muni Zone	PA Zone	Unit Type	Units	Calc Value
GENERAL	RM-1	3900	Square Ft.	25,000.00	\$1,875,000

Building Information						
Building Number	Sub Area	Year Built	Actual Sq.Ft.	Living Sq.Ft.	Adj Sq.Ft.	Calc Value
1	1	1967			1,733	\$75,508

Extra Features			
Description	Year Built	Units	Calc Value
Chain-link Fence 6-7 ft high	1973	50	\$341
Paving - Asphalt	1968	12,500	\$10,688
Concrete Louver Fence	1968	350	\$1,197
Cent A/C - Comm (Aprox 300 sqft/Ton)	1967	7.5	\$6,300
Concrete Louver Fence	1967	675	\$2,268
Concrete Louver Fence	1967	1,720	\$5,779
Paving - Asphalt	1967	20,530	\$17,245

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Version:



OFFICE OF THE PROPERTY APPRAISER

Generated On : 8/28/2014

Property Information

Folio: 02-3211-001-0590

Property Address: 6940 ABBOTT AVE

Roll Year 2012 Land, Building and Extra-Feature Details

Land Information					
Land Use	Muni Zone	PA Zone	Unit Type	Units	Calc Value
GENERAL	RM-1	3900	Square Ft.	25,000.00	\$1,875,000

Building Information						
Building Number	Sub Area	Year Built	Actual Sq.Ft.	Living Sq.Ft.	Adj Sq.Ft.	Calc Value
1	1	1967			1,733	\$87,405

Extra Features			
Description	Year Built	Units	Calc Value
Chain-link Fence 6-7 ft high	1973	50	\$435
Paving - Asphalt	1968	12,500	\$13,875
Concrete Louver Fence	1968	350	\$1,554
Concrete Louver Fence	1967	675	\$2,957
Concrete Louver Fence	1967	1,720	\$7,534
Cent A/C - Comm (Aprox 300 sqft/Ton)	1967	7.5	\$8,213
Paving - Asphalt	1967	20,530	\$22,480

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Version:



OFFICE OF THE PROPERTY APPRAISER

Generated On : 8/28/2014

Property Information

Folio: 02-3211-001-0590

Property Address: 6940 ABBOTT AVE

Full Legal Description
ATLANTIC HGTS PB 9-14
LOTS 1-2-11 & 12 BLK H
LOT SIZE 200.000 X 125

Sales Information			
Previous Sale	Price	OR Book-Page	Qualification Description

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Version:

71st Street Existing Conditions



Existing commercial use



Existing institutional use



Planned commercial use



Preferred parking site

Land Ownership



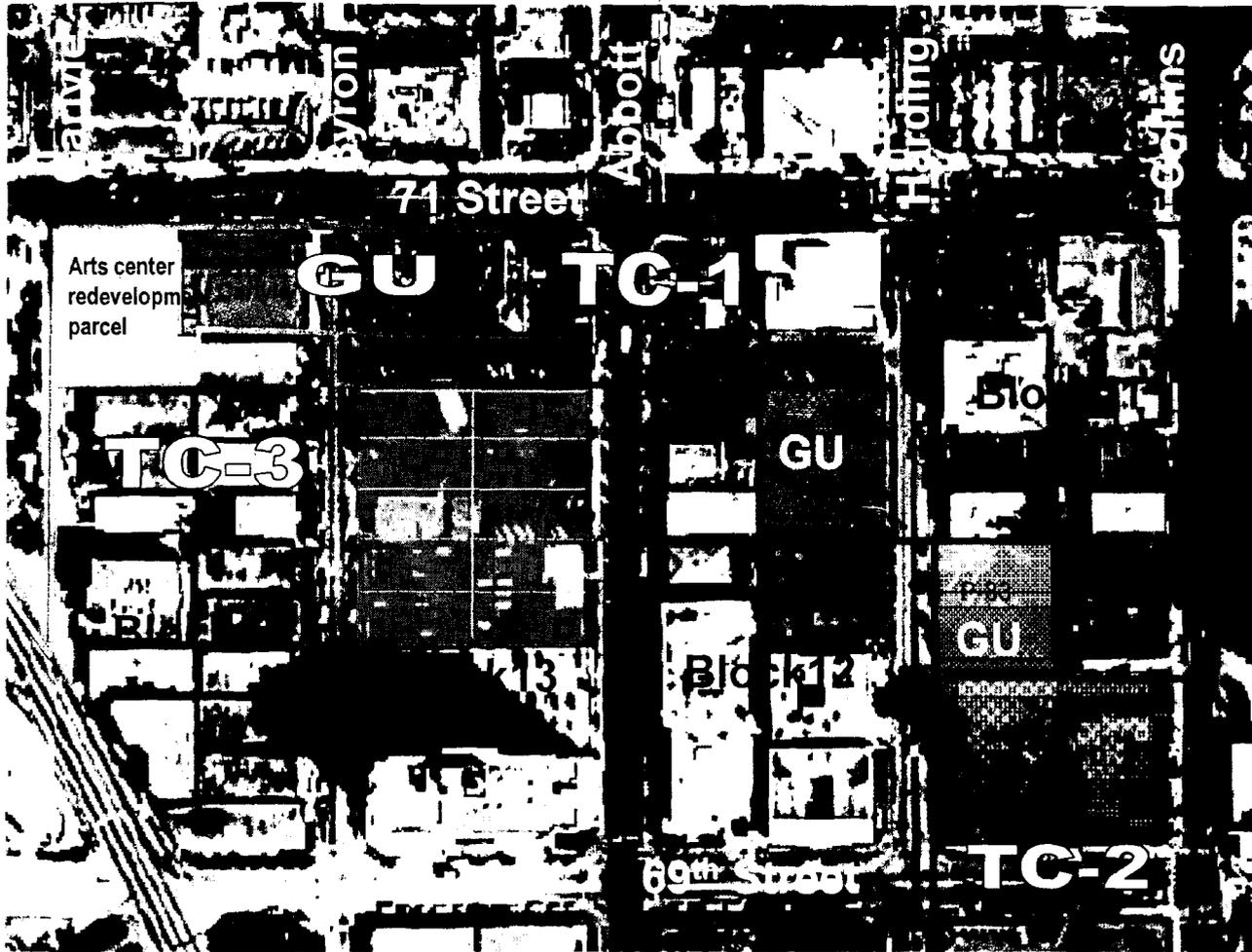
Block 11	
City Lot P-83	12,500 s.f.
IHOP parking	6,250 s.f.
City Lot P-84	6,250 s.f.

Block 12	
City Lot P-84	18,750 s.f.
CNB parking	18,250 s.f.

Block 13	
City Lot P-80	12,625 s.f.
CNB parking + tellers	49,820 s.f.
Prima Pasta	5,050 s.f.
BellSouth/AT&T	25,000 s.f.

Block 14	
Byron Carlyle Theater	25,250 s.f.
City Lot P-85	6,250 s.f.

Redevelopment Opportunities



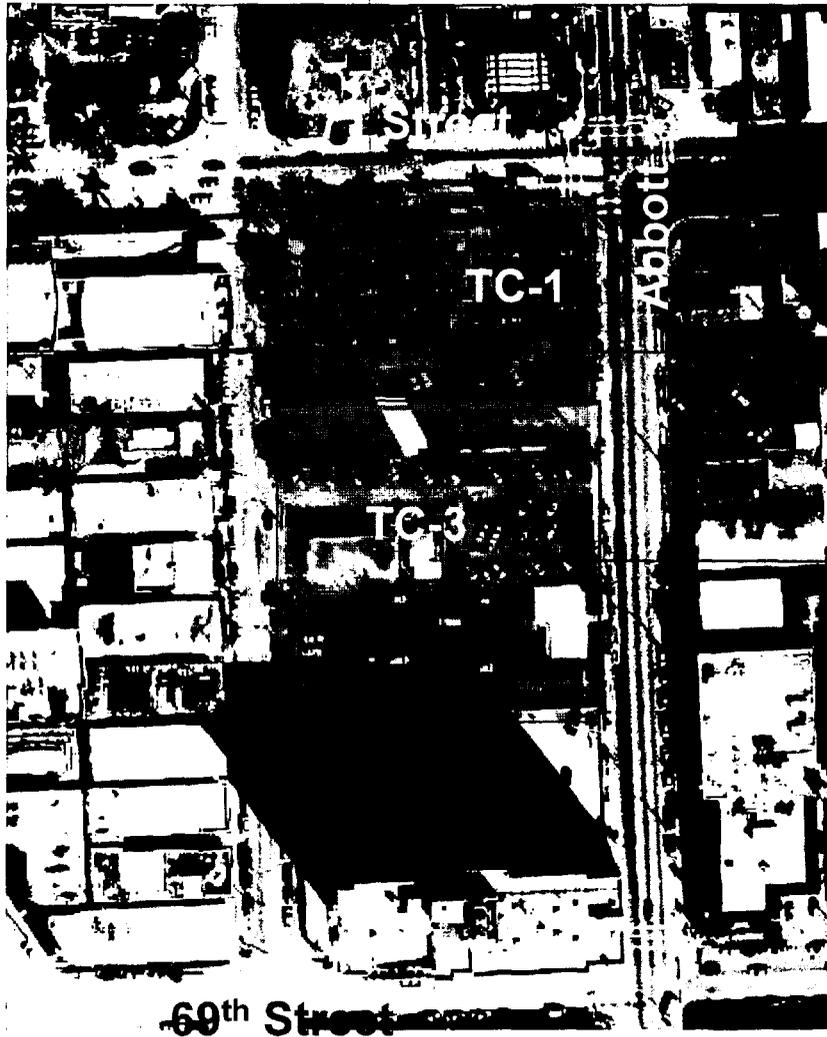
Block 11
 City Lot P-83 and IHOP parking lot
 18,750 s.f. 150' x 125'

Block 12
 City Lot P-84
 18,750 s.f. 150' x 125'
 Combined with CNBank parking lots
 Total = 37,000 s.f.

Block 13
 CNBank parking lots & drive thru
 8-unit apartment
 BellSouth service lot (31 spaces)
 Total = 62,500 s.f.

Block 14
 New parking garage on
 Block 13 would support the Byron
 Carlyle Theater.

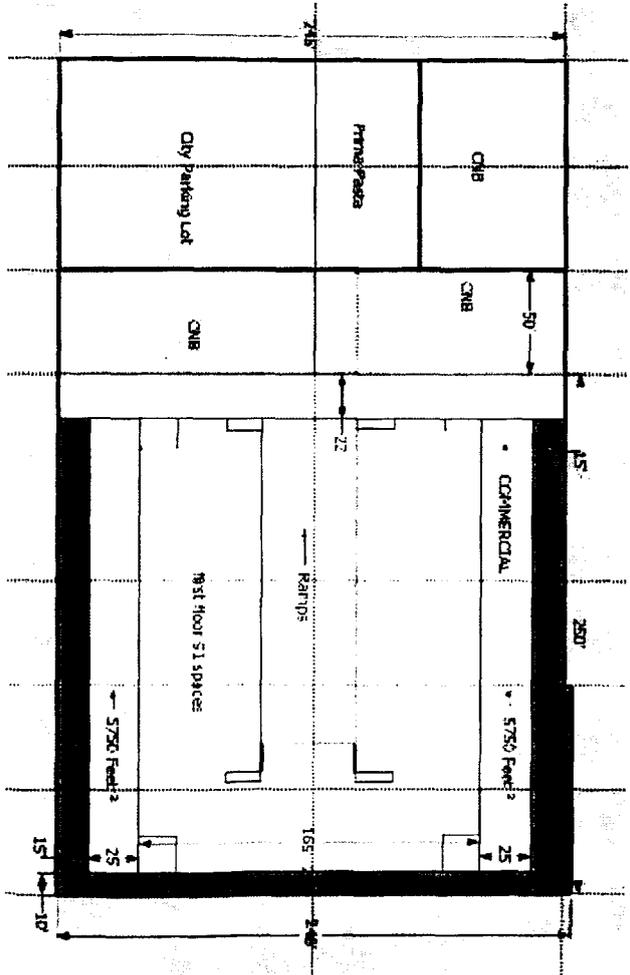
City Parking Garage Block 13



Commercial
redevelopment site
36,995 sq. ft.

Preferred parking site
62,500 sq. ft.

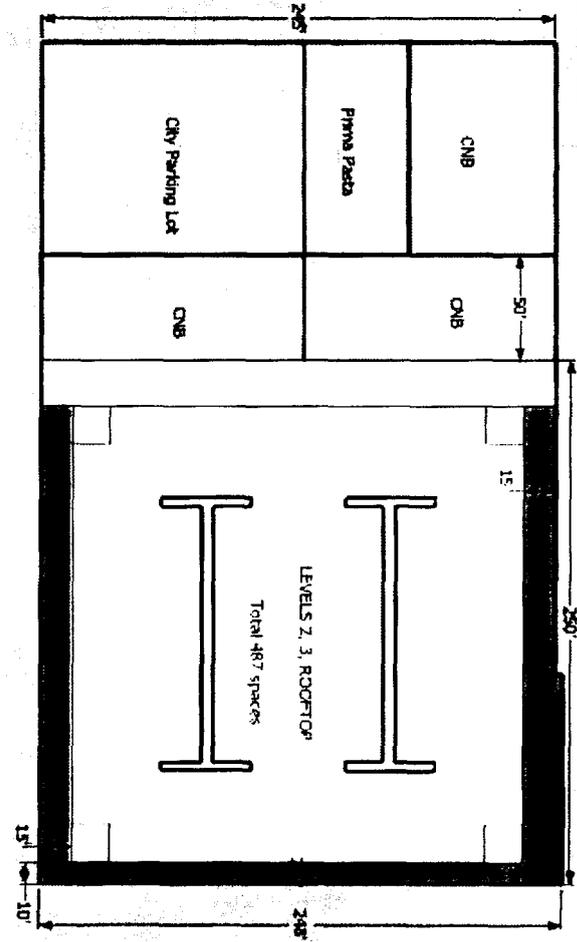
City Parking Garage Block 13



TC-1 Lots
 36,995 s.f. land area
 83,238 s.f. max.
 building TBD

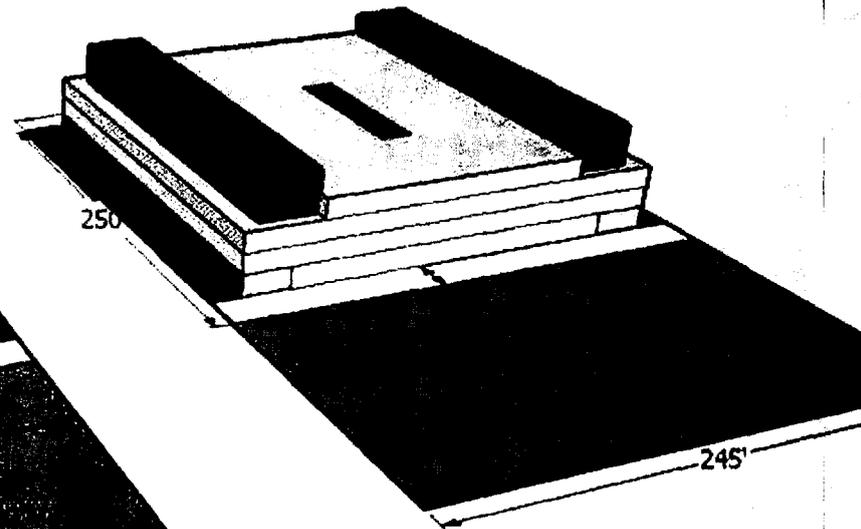
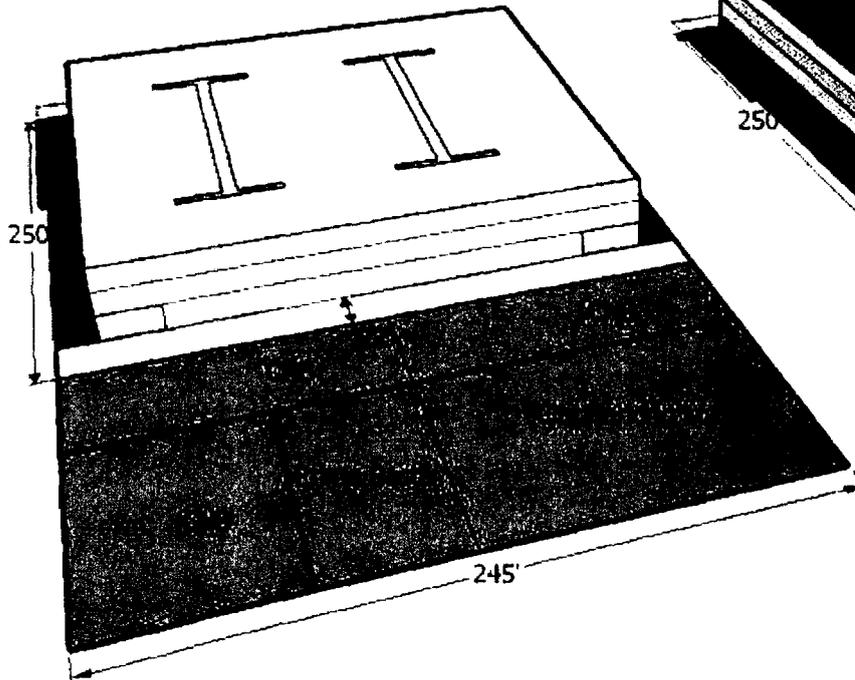
**Ground Level
 Parking Structure**
 11,500 s.f. commercial
 ~ 91 parking spaces
 22 ft wide access alley

**Levels 2, 3, & rooftop
 Parking Structure**
 ~ 487 parking spaces
 Total 578 parking spaces



City Parking Garage Block 13

3 story + rooftop City parking garage with 578 spaces and 11,500 s.f. commercial



Optional 23,650 s.f. residential and additional parking floor

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OFFICE OF THE CITY MANAGER

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager

DATE: September 24, 2014

SUBJECT: **POLICE DEPARTMENT AND PARKING DEPARTMENT TOWING PERMIT REQUIREMENTS - UPDATE**

On May 20, 2014, Finance and Citywide Projects Committee (FCWPC) discussed Item No. 6, entitled, "Discussion regarding Police and Parking Department Towing Permit Requirements" and the Committee recommended no action and directed staff to follow up on potential technology enhancements and provide an update at the September FCWPC.

BACKGROUND

On November 14, 2012, the Mayor and Commission approved the Police and Parking Department Towing Permits with Beach Towing and Tremont Towing, respectively for a three year term, commencing on December 1, 2012 and expiring on November 30, 2015.

Both towing service providers have complied with the requirements stipulated in the permit, including providing uniforms for their employees, driver's license screening, drug test screening, and GPS tracking devices.

There are other technology enhancements referenced in the Towing Permit. Section 11.E.(2), entitled "Equipment" states the following: "*Effective December 1, 2012, and in addition to the requirement in subsection 11.E.(1) above, at any time following the end of the first Permit year, the City Commission may, in its sole option and discretion, review and, following such review, require Permittee to implement the following additional technological improvements; one (1) each during the second and third Permit years, respectively:*

- (a) *Towing software (which includes a point of sale and dispatch tracking system); and*
- (b) *In-vehicle cameras to monitor and record tows in real time.*

ANALYSIS

Pursuant to the direction given by the FCWPC to conduct research and provide an update at the September meeting, the following are the results:

In- Vehicle Cameras:

In-Vehicle Cameras (audio/video recording) to monitor and record tows in real time is specifically referenced in the City's Towing Permit as one of the enhancement options available. Vehicle mounted cameras are now common place in a number of industries; however, it provides limited audio/video angles and range. Technology enhancements have led to the next progression of audio/video recordings and body cameras are now considered the most effective way to capture audio/video.

As you know, the Mayor and Commission approved an award to Taser, a leading provider of body cameras and related technology for both sworn and civilian city personnel. The use of body cameras by towing service employees when engaged in a City authorized tow would be advantageous in discerning through "he said/she said" situations. The annual cost for body cameras is estimated at \$900 per employee, including all equipment, maintenance, and data storage. This cost may be lower contingent upon the type of body camera (cap/shoulder/eyewear mounted or chest mounted), volume of data, and length of time for data storage. It is important to note, public records requests for stored data is expected to increase, leading to increased labor for both the service provider and the City's Police and Parking Departments. However, this may be offset by a reduction in complaints due to the studied and proven change in human behavior when being recorded.

Towing Software:

Currently, both Permittees process all towing service transactions manually. Towing software, including a point of sale module, would automate this process and provide greater accountability. The Police and Parking Departments have conducted research for such systems and found limited software options locally. From a broader perspective, several jurisdictions in California utilize Dispatch and Tracking Services (DTS), a third party provider of towing software. Their business model provides electronic data interchange technology for the towing industry. All parties to a tow can be interconnected through an online system that manages the towing and impounding process start to finish and applications are delivered over the internet on a subscription basis. Service fees are on a per tow basis and are approximately \$9.00 per tow and may be assessed as a "service fee" (pass through) to the customer.

CONCLUSION

The Administration is seeking direction from the Finance and Citywide Projects Committee regarding the additional requirements provision of the towing permit.


JLM/KGB/SF

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COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: September 24, 2014

SUBJECT: **A DISCUSSION TO CONSIDER A REQUEST FOR RENT RELIEF FROM PENN 17, LLC, REGARDING THE RETAIL SPACE AT THE PENNSYLVANIA AVENUE PARKING GARAGE**

BACKGROUND

On April 13, 2011, the Mayor and City Commission approved a Lease Agreement (which was subsequently amended on February 8, 2012, and again on June 6, 2012), having a term of nine (9) years and 364 days, between the City, the RDA (collectively, the Lessor or Landlord) and Penn 17, LLC. (Lessee or Tenant), for use of approximately 7,655 square feet of ground level retail space at the Pennsylvania Avenue Garage, 1661 Pennsylvania Avenue, Miami Beach, Florida (Premises), for a restaurant (primary use), with ancillary uses for a bakery, a bar/cafe, and a book and gift shop (the initial lease and all amendments thereto are hereinafter referred to as the Lease). The Tenant opened Cooper Avenue Restaurant on the Premises on September 24, 2012. After putting the Tenant on notice of certain compliance-related issues, including nonpayment of rent, the City received a letter in response to its November 15, 2012 letter from Tenant's legal counsel requesting rent relief in connection with operational complications resulting from the failure of the air conditioning system on the Premises. The Tenant alleged that the current location of the air conditioning compressors, located between the first and second floor of the garage alongside the entrance ramp, was inadequate to support the size units required to cool a restaurant operation of the scale involved in Cooper Avenue. As a solution, Tenant requested permission to relocate all eight compressors to the roof of the garage, (which relocation, if accomplished, will occupy five roof-top parking spaces).

On December 12, 2012, the City Commission referred the Tenant's request for rent relief to the City's Finance and Citywide Projects Committee (FCWPC) for discussion, subject to the Tenant remitting all outstanding rent amounts due for October, November and December. Subsequent to the City Commission meeting, the Tenant informed staff that it wasn't in a position to remit rent for the three-month period, and instead remitted a wire transfer for the October, 2012 rent.

On December 17, 2012, the Tenant informed staff that it had closed Cooper Avenue Restaurant, with the intent of re-opening in February 2013 under a new name and concept. The

Administration requested review of the matter by the FCWPC at its December 2012 meeting, at which Tenant presented its request to reduce its rent payments by 50% over the next twelve (12) months; apply two months of the three-month security deposit it had paid at Lease execution towards the back rent due for November and December's rent; and have the City share in the cost of relocating the compressors to the roof of the garage, the cost of which was estimated to be approximately \$65,000. The Tenant also indicated that it would prefer to address the relocation of the compressors as well as the kitchen exhaust venting (as was requested by the New World Symphony) at the same time and under one engineering contract.

On June 5, 2013, the Mayor and City Commission approved and authorized the Mayor and City Clerk to execute Amendment No. 3 to the Lease Agreement which approved the transfer of 100% controlling ownership interest in Penn 17, LLC from the current managers/members, Amir Ben-Zion and Ramon Cherstov (transferors), to the proposed purchasers of Penn 17, LLC, Roman Cherstov and OBK Project LLC (Transferees); with approval of such transfer subject to and contingent upon the parties' execution of Amendment No. 3 to the Lease, and further satisfaction by Transferees of the following conditions (to be satisfied prior to and as a condition of Landlord's execution of Amendment No. 3:

- 1) Payment of outstanding rent for the months of May and June, 2013;
- 2) Satisfaction of any and all liens against the Leased Premises including, without limitation, liens and/or claims filed by A & P Air Conditioning and Cors-Air;
- 3) Dismissal, with prejudice, of the lawsuit filed by A & P against the City to collect the A & P lien;
- 4) Re-payment of the remaining balance of Rent and CAM for November and December 2012, in the amount of \$120,519.98, from the Security Deposit, and replenishing said disbursement over a period of six (6) months, commencing on October 1, 2013, and ending March 1, 2014;
- 5) Replacement of the required \$50,000 minimum balance into the Tenant construction fund;
- 6) Re-location at Transferees' sole cost, of the Leased Premises a/c units to the roof of the Pennsylvania Garage; and
- 7) Execution of a General unconditional release in favor of the City and RDA; and further waive, by a 5/7ths vote, the formal competitive bidding requirements, finding such waiver to be in the best interest of the City, and authorize the City Manager, or his designee, to negotiate and execute an agreement with Halloran Construction, Inc., in an amount not to exceed \$250,000, to address the relocation of the kitchen exhaust venting system installed by Penn 17, LLC.

Since the June 5, 2013 action by the City Commission, Penn 17 completed plans for the new restaurant, obtained permits, commenced and completed interior renovations and finalized the restaurant concept. The restaurant named Oolite, opened on June 15th, 2014 and is open daily for lunch and dinner service.

During the July 30th, 2014 Commission meeting Steve Polisar, representing Oolite Restaurant, explained that the tenant has made a large financial commitment to have professional management, but they believe the rent is too high and they cannot afford it. Mr. Polisar stated that Oolite has approximately 7,800 square feet of space and are paying \$65,000 a month in rent. He went on to further state that they would have to do \$650,000 a year, which is over \$21,000 a day.

Ultimately the City Commission passed a motion to:

- 1) Authorize the Administration to have discretion to negotiate, including abatement of the rent;
- 2) Refer the item to the September Finance and Citywide Projects Committee meeting, and
- 3) Bring back for final approval at the October 22, 2014 Commission Meeting;

City staff has been meeting with the principles and respective counsel of Oolite to discuss their proposal for rent reduction terms and amendment to the existing lease agreement. The Administration also requested current financials and the current plans in place to generate future revenues.

Roman Cherstovov, MGRM of Oolite, provided the firm's most recent P & L statements. Mr. Kris Wessel elaborated on future marketing campaigns and the hiring of the marketing firm Powerhaus. Please refer to the attached documents, which were provided by Oolite.

ANALYSIS

In preparation of the upcoming September 2014 Finance and Citywide Projects Committee meeting, the Tenant submitted a letter requesting a two-year rent reduction plan; a copy of which is attached as Exhibit "A" to this memorandum.

To summarize, the Tenant is proposing a monthly MG rent in the amount of \$16,000.00 per month for a term of two years, beginning October 2014 through September 2017. In addition, payment of monthly CAM expenses in the amount of \$8,474.00.

In addition, the Tenant is proposing a PG of 8% to be calculated on the sum of monthly revenues greater than \$200,000.00.

The Tenant provided a schedule of revenue projections (see attached Exhibit "B") for the following terms:

October 2014 through September 2015

October 2015 through September 2016

For the term 2014/2015 Oolite's projected gross revenue is \$3,910,000.00, thus, the annual rent expense would equal \$416,888.00. This sum would include monthly MG rent of \$16,000, PG of

8% on the sum of gross revenues greater than \$200,000.00, and monthly CAM expense of \$8,474.00.

For the term 2015/2016 Oolite's projected gross revenue is \$4,692,000.00, thus, the annual rent expense would equal \$477,048.00. This sum would include monthly MG rent of \$16,000, PG of 8% on the sum of gross revenues greater than \$200,000.00, and monthly CAM expense of \$8,474.00.

The Tenant has also requested that the rent be abated for the months of October and November 2014.

Current Conditions

Base Rent for years 1-2= \$75 PSF, (\$574,125.00) annual minimum, (\$47,844.00 + tax \$3,349.08= \$51,193.08) monthly minimum; 3% annual escalation of Minimum Rent, commencing year 3.

- Monthly MG rent of \$47,844.00
- Monthly CAM payment of \$8474.00

CAM for years 1-2= \$101,690.00 annually; \$8,474.00 monthly; Cam adjusts starting year 3 based upon actual property taxes and estimated self-insurance amounts by City, adjustable on yearly basis.

Annual Percentage Rent:

Sales in excess of \$8,000,000 or 3% of gross sales if sales exceeds \$9,000,000. Payable w/ 60 days from end of year

Property Taxes/Insurance: Landlord pays and pass-through to Tenant as CAM
Comprehensive General Liability (\$1,000,000).

Finance Summary

The financial impact on the City as a result of the proposed rent reduction schedule would be as follows:

Memo	Current Annual MG	Proposed Annual MG Base	Net Loss/Gain
	Base Rent	Rent	
	\$574,128.00	\$192,000.00	(\$382,128.00)
(1) Repayment of July 2012 and August 2012 Rent (\$95,688.00) per Amend. No. 2, paid years 3-5			(\$39,870.00)
Tenant Arrearages - (July, August, and September 2014 rent)			(\$170,130.06)
October and November 2014 Proposed Rent Abatement			(\$95,688.00)
Total Net Loss to the City			(\$687,816.06)

Under the Tenant's proposal, the City's MG is equal to \$16,000.00 monthly, \$192,000.00 annually, and a MG PSF rate of \$25.08 versus the current MG rental rate of \$47,844.00 monthly, \$574,128.00 annually, and MG PSF of \$75.00.

Both the 2014/2015 and 2015/2016 proposed annual rent expense amounts of \$416,888.00 and \$477,048.00, respectively, are inclusive of monthly projected revenues that, at certain periods, are forecasted to exceed the monthly PG threshold of \$200,000.00 (See Exhibit "B"). The aforementioned proposed rent payments are only estimates of what the Tenant is forecasting in the way of revenue, thus, the City may only realize rent expense payments equal to the MG of \$16,000.00 monthly.

As of October 1, 2013, the Tenant would be entering year 4 of the lease agreement, thus, the balance of the repayment of July 2012 and August 2012 rent, per Amend No. 2, of \$95,688.00, scheduled to be repaid in years 4 and 5 of the lease agreement, would remain partially unpaid, with current balance due of \$39,870.00. This is due to the current Tenant rent arrears in the amount of \$170,130.06 for rent expense payments due for the months of July, August, and September 2014.

In addition, the Tenant is requesting a rent abatement for the rent expenses due for the months of October and November, 2014, which sum represents a loss to the City in the amount of \$95,688.00.

In conclusion, under the Tenant proposed rent schedule, the City is positioned to realize a possible total loss of \$687,816.05, as reflected above.

CONCLUSION AND RECOMMENDATION

Prior to, and as a condition to, approving the Tenant's request for rent relief regarding the retail space at the Pennsylvania Avenue Parking Garage, the Committee (FCWPC) should consider the following:

- Requiring rent securitization in the form of either a personal guaranty, or bank letter of credit.
- Consider the potential overall loss to the City, under the Tenant proposed rent relief schedule, versus the losses realized by initiating default proceedings under the lease agreement, re-marketing and awarding of tenant improvement credits that may be required to secure new viable tenants.
- Consider the implications for the City with regard to other existing tenants currently experiencing similar financial difficulties that have been currently placed in default of their lease agreement for non-payment of rent expense.
- Consider that comparable rental space located at 1000 17th Street, Miami Beach, Florida 33139 is currently listed at \$50.00 - \$85.00 PSF. Operating expenses are in addition to the aforementioned PSF rates.

The City has amended the Tenant's current lease agreement on three separate occasions within the first four (4) years of the lease term; however, the Tenant continues to solicit the City's assistance in meeting their financial obligations under the lease agreement.

In contrast, it appears that the Tenant is implementing and executing viable marketing initiatives to facilitate the overall growth and success of the business (See Attached Exhibit "C").

The Administration seeks a recommendation from the Finance and Citywide Projects Committee.

JLM/KAB/MAS//MCF

Exhibits:

A – Rent Reduction Plan Request Letter

B – Oolite (Tenant) 2014/2015 – 2015/2016 Revenue Forecast

C – Oolite (Tenant) Marketing Plan Initiatives

EXHIBIT "A"
Rent Reduction Plan Request Letter



September 19, 2014

Max Sklar
City of Miami Beach

Sent via E-mail

Dear Mr. Sklar,

We are asking you to find attached, the most recent version of our proposal accompanied by our projected budget for two years 2014-2016. For the rent we are asking for a guarantee of \$16,000 per month if our gross revenue is under \$200,000 per month. If our gross revenue is over \$200,000 we are asking for \$16,000 per month plus 8% of sales exceeding \$200,000 per month. In researching the industry standard 8% seems to be the norm for same type businesses in Miami Beach. Our attached budget includes rent calculations based on sales projections.

As you are aware, we had a very slow start in June and July. Fortunately, for the months of August and September which are considered the slowest months for businesses in Miami Beach, we have experienced steady growth. Nevertheless, we continue to deal with losses that are very costly. With that said we ask that you consider suspending our rent payment for the months of October and November as we want so much to stay afloat. We want to continue growing Oolite and working with City to the point that the City is proud to have a successful establishment as a tenant.

We continue to thank you for your assistance and willingness to work with us.

Sincerely,

A handwritten signature in black ink, appearing to read "Kris Wessel", written in a cursive style.

Kris Wessel
Chef / Partner

A handwritten signature in black ink, appearing to read "Roman Cherstov", written in a cursive style.

Roman Cherstov
MGRM

EXHIBIT "B"

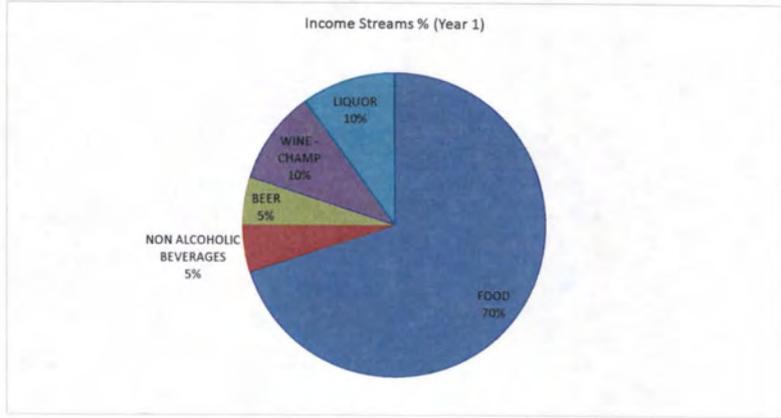
Oolite (Tenant) 2014/2015 – 2015/2016 Revenue Forecast

Penn 17 LLC		1ST YEAR FORECAST													
MONTHLY GROSS REVENUE		170,000	200,000	370,000	370,000	420,000	450,000	450,000	400,000	300,000	300,000	280,000	200,000	Year 1	
		Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	TOTALS	
SALES & INCOME		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL		
FOOD	70%	119,000	140,000	259,000	259,000	294,000	315,000	315,000	280,000	210,000	210,000	196,000	140,000	2,737,000	70%
NON ALCOHOLIC BEVERAGES	5%	8,500	10,000	18,500	18,500	21,000	22,500	22,500	20,000	15,000	15,000	14,000	10,000	195,500	5%
BEER	5%	8,500	10,000	18,500	18,500	21,000	22,500	22,500	20,000	15,000	15,000	14,000	10,000	195,500	5%
WINE - CHAMP	10%	17,000	20,000	37,000	37,000	42,000	45,000	45,000	40,000	30,000	30,000	28,000	20,000	391,000	10%
LIQUOR	10%	17,000	20,000	37,000	37,000	42,000	45,000	45,000	40,000	30,000	30,000	28,000	20,000	391,000	10%
GROSS OPERATING REVENUE		170,000	200,000	370,000	370,000	420,000	450,000	450,000	400,000	300,000	300,000	280,000	200,000	3,910,000	100%
COST OF GOODS SOLD															
FOOD	35%	41,650	49,000	90,650	90,650	102,900	110,250	110,250	98,000	73,500	73,500	68,600	49,000	957,950	35%
NON-ALCOHOLIC BEV	15%	1,275	1,500	2,775	2,775	3,150	3,375	3,375	3,000	2,250	2,250	2,100	1,500	29,325	15%
BEER	25%	2,125	2,500	4,625	4,625	5,250	5,625	5,625	5,000	3,750	3,750	3,500	2,500	48,875	25%
WINE - CHAMPAGNE	25%	4,250	5,000	9,250	9,250	10,500	11,250	11,250	10,000	7,500	7,500	7,000	5,000	97,750	25%
LIQUOR	20%	3,400	4,000	7,400	7,400	8,400	9,000	9,000	8,000	6,000	6,000	5,600	4,000	78,200	20%
TOTAL COST OF GOODS SOLD		52,700	62,000	114,700	114,700	130,200	139,500	139,500	124,000	93,000	93,000	86,800	62,000	1,212,100	31%
NET OPERATING REVENUES		117,300	138,000	255,300	255,300	289,800	310,500	310,500	276,000	207,000	207,000	193,200	138,000	2,697,900	69%
PAYROLL															
TOTAL PAYROLL		59,500	70,000	129,500	129,500	147,000	157,500	157,500	140,000	105,000	105,000	98,000	70,000	1,300,750	33%
6950 Worker's Compensation		1,369	1,610	2,979	2,979	3,381	3,623	3,623	3,220	2,415	2,415	2,254	1,610	31,476	1%
OTHER EXPENSES															
7110 Cleaning Supplies		900	1,000	1,200	1,200	1,300	1,400	1,400	1,400	1,300	1,200	1,200	1,000	14,500	0%
7120 Paper / Disposable Products		400	400	400	400	400	400	400	400	400	400	400	400	4,800	0%
7125 Printing / Menus		400	400	400	400	400	400	400	400	400	400	400	400	4,800	0%
7130 Office Supplies		350	350	350	350	350	350	350	350	350	350	350	350	4,200	0%
7140 Restaurant Supplies		0	1,500	0	0	1,500	0	0	1,500	0	0	1,500	0	6,000	0%
7150 Bar Supplies		0	500	0	0	500	0	0	500	0	0	500	0	2,000	0%
7170 Dues & Subscriptions		300	400	400	400	400	400	400	400	400	400	400	400	4,700	0%
7210 Linens- 7180 uniforms		1,300	1,300	1,300	1,500	1,500	1,800	1,800	1,500	1,300	1,300	1,300	1,300	17,200	0%
7210 Uniform Cleaning		300	300	300	350	350	350	400	400	400	450	450	450	4,500	0%
7220 Contract Cleaning		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	1%
7240 Flowers and Decorations		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
7250 Musicians and Entertainment		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	2%
7260 Pest control		250	250	250	250	250	250	250	250	250	250	250	250	3,000	0%
7270 Cable internet subscriptions		300	300	300	300	300	300	300	300	300	300	300	300	3,600	0%
7280 IT Services		300	300	300	300	300	300	300	300	300	300	300	300	3,600	0%
7285 Open Table Hosting		600	600	700	700	800	800	800	700	700	600	600	600	8,200	0%
7310 Electrical / Mechanical Repair		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
7310 Floor Repair		0	0	0	0	0	0	0	1,500	0	0	0	0	1,500	0%
7310 Furniture repair		100	100	100	100	100	100	100	100	100	100	100	100	1,200	0%
7310 Lights Bulbs		100	100	100	100	100	100	100	100	100	100	100	100	1,200	0%
7310 Locks and keys		75	75	75	75	75	75	75	75	75	75	75	75	900	0%
7310 Painting and decorations		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
7310 Repair Building		500	500	500	500	500	500	500	500	500	500	500	500	6,000	0%
7310 Repairs Plumbing		0	0	500	0	0	500	0	0	500	0	0	500	2,000	0%
7350 R&M Maintenance Contracts		960	960	960	960	960	960	960	960	960	960	960	960	11,520	0%
7410 China		0	2,500	0	0	2,500	0	0	2,500	0	0	2,500	0	10,000	0%
7410 Glassware		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	0%
7410 Silverware		0	600	0	0	600	0	0	600	0	0	600	0	2,400	0%
7540 Trash/Recycling		458	458	458	458	458	458	458	458	458	458	458	458	5,490	0%
7550 Telephone/Internet		700	700	700	700	700	700	700	700	700	700	700	700	8,400	0%
7610 Meals and Entertainment		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
7620 Auto Related		100	100	100	100	100	100	100	100	100	100	100	100	1,200	0%
7630 Travel		100	100	100	100	100	100	100	100	100	100	100	100	1,200	0%
7690 Cash over/Short		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
8050 Advertising / Social Media		5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	64,800	2%
8055 Marketing/PR		10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	127,200	3%

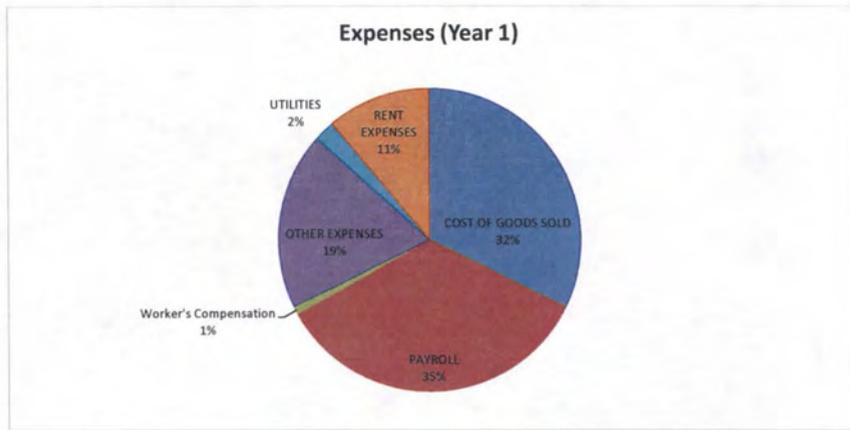
Penn 17 LLC							1ST YEAR FORECAST								
MONTHLY GROSS REVENUE	170,000	200,000	370,000	370,000	420,000	450,000	450,000	400,000	300,000	300,000	280,000	200,000	Year 1		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	TOTALS		
8110 Merchant Fees	3,400	4,000	7,400	7,400	8,400	9,000	9,000	8,000	6,000	6,000	5,600	4,000	78,200	2%	
8120 Payroll Admin Fee	417	490	907	907	1,029	1,103	1,103	980	735	735	686	490	9,580	0%	
8130 Bank Fees	200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%	
8225 Accounting Fees	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	0%	
8235 Management Fee	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000	2%	
8250 Security	700	700	700	700	700	700	700	700	700	700	700	700	8,400	0%	
8270 Employee Recruiting	100	100	100	100	100	100	100	100	100	100	100	100	1,200	0%	
8515 Equipment rental/lease	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	16,800	0%	
8560 General Liability Insurance	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006	12,072	0%	
8570 Business Tax / Licenses	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	1%	
TOTAL OTHER EXPENSES	52,715	58,689	58,205	57,955	64,378	60,851	60,401	63,979	58,334	56,184	60,835	54,239	706,762	18%	
UTILITIES															
ELECTRIC	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000	2%	
GAS	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000	0%	
TOTAL UTILITIES	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000	2%	
INCOME BEFORE FIXED EXPENSES	-1,915	2,311	60,595	60,845	71,422	85,149	85,599	65,021	36,666	38,816	27,365	6,761	606,388	16%	
RENT EXPENSES															
RENT EXPENSE	16,000	16,000	29,600	29,600	33,600	36,000	36,000	32,000	24,000	24,000	22,400	16,000	315,200	8%	
CAM	8,474	8,474	8,474	8,474	8,474	8,474	8,474	8,474	8,474	8,474	8,474	8,474	101,688	3%	
ADDITIONAL RENT													0	0%	
TOTAL RENT EXPENSES	24,474	24,474	38,074	38,074	42,074	44,474	44,474	40,474	32,474	32,474	30,874	24,474	416,888	11%	
NET OPERATING INCOME	-26,389	-22,163	22,521	22,771	29,348	40,675	41,125	24,547	4,192	6,342	-3,509	-17,713	189,500	5%	

Penn 17 LLC		2ND YEAR FORECAST													
MONTHLY GROSS REVENUE		204,000	240,000	444,000	444,000	504,000	540,000	540,000	480,000	360,000	360,000	336,000	240,000	Year 2	
		Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	TOTALS	
SALES & INCOME		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL		
FOOD	70%	142,800	168,000	310,800	310,800	352,800	378,000	378,000	336,000	252,000	252,000	235,200	168,000	3,284,400	70%
NON ALCOHOLIC BEVERAGES	5%	10,200	12,000	22,200	22,200	25,200	27,000	27,000	24,000	18,000	18,000	16,800	12,000	234,600	5%
BEER	5%	10,200	12,000	22,200	22,200	25,200	27,000	27,000	24,000	18,000	18,000	16,800	12,000	234,600	5%
WINE - CHAMP	10%	20,400	24,000	44,400	44,400	50,400	54,000	54,000	48,000	36,000	36,000	33,600	24,000	469,200	10%
LIQUOR	10%	20,400	24,000	44,400	44,400	50,400	54,000	54,000	48,000	36,000	36,000	33,600	24,000	469,200	10%
GROSS OPERATING REVENUE		204,000	240,000	444,000	444,000	504,000	540,000	540,000	480,000	360,000	360,000	336,000	240,000	4,692,000	100%
COST OF GOODS SOLD															
FOOD	35%	49,980	58,800	108,780	108,780	123,480	132,300	132,300	117,600	88,200	88,200	82,320	58,800	1,149,540	35%
NON-ALCOHOLIC BEV	15%	1,530	1,800	3,330	3,330	3,780	4,050	4,050	3,600	2,700	2,700	2,520	1,800	35,190	15%
BEER	25%	2,550	3,000	5,550	5,550	6,300	6,750	6,750	6,000	4,500	4,500	4,200	3,000	58,650	25%
WINE - CHAMPAGNE	25%	5,100	6,000	11,100	11,100	12,600	13,500	13,500	12,000	9,000	9,000	8,400	6,000	117,300	25%
LIQUOR	20%	4,080	4,800	8,880	8,880	10,080	10,800	10,800	9,600	7,200	7,200	6,720	4,800	93,840	20%
TOTAL COST OF GOODS SOLD		63,240	74,400	137,640	137,640	156,240	167,400	167,400	148,800	111,600	111,600	104,160	74,400	1,454,520	31%
NET OPERATING REVENUES		140,760	165,600	306,360	306,360	347,760	372,600	372,600	331,200	248,400	248,400	231,840	165,600	3,237,480	69%
PAYROLL															
TOTAL PAYROLL		71,400	84,000	155,400	155,400	176,400	189,000	189,000	168,000	126,000	126,000	117,600	84,000	1,560,900	33%
6950 Worker's Compensation		1,642	1,932	3,574	3,574	4,057	4,347	4,347	3,864	2,898	2,898	2,705	1,932	37,771	1%
OTHER EXPENSES															
7110 Cleaning Supplies		1,080	1,200	1,440	1,440	1,560	1,680	1,680	1,680	1,560	1,440	1,440	1,200	17,400	0%
7120 Paper / Disposable Products		400	400	400	400	400	400	400	400	400	400	400	400	4,800	0%
7125 Printing / Menus		400	400	400	400	400	400	400	400	400	400	400	400	4,800	0%
7130 Office Supplies		350	350	350	350	350	350	350	350	350	350	350	350	4,200	0%
7140 Restaurant Supplies		0	1,500	0	0	1,500	0	0	1,500	0	0	1,500	0	6,000	0%
7150 Bar Supplies		0	500	0	0	500	0	0	500	0	0	500	0	2,000	0%
7170 Dues & Subscriptions		300	400	400	400	400	400	400	400	400	400	400	400	4,700	0%
7210 Linens- 7 180 uniforms		1,560	1,560	1,560	1,800	1,800	2,160	2,160	1,800	1,560	1,560	1,560	1,560	20,640	0%
7210 Uniform Cleaning		300	300	300	350	350	350	400	400	400	450	450	450	4,500	0%
7220 Contract Cleaning		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	1%
7240 Flowers and Decorations		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
7250 Musicians and Entertainment		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	1%
7260 Pest control		250	250	250	250	250	250	250	250	250	250	250	250	3,000	0%
7270 Cable internet subscriptions		300	300	300	300	300	300	300	300	300	300	300	300	3,600	0%
7280 IT Services		300	300	300	300	300	300	300	300	300	300	300	300	3,600	0%
7285 Open Table Hosting		600	600	700	700	800	800	800	700	700	600	600	600	8,200	0%
7310 Electrical / Mechanical Repair		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
7310 Floor Repair		0	0	0	0	0	0	0	0	1,500	0	0	0	1,500	0%
7310 Furniture repair		100	100	100	100	100	100	100	100	100	100	100	100	1,200	0%
7310 Lights Bulbs		100	100	100	100	100	100	100	100	100	100	100	100	1,200	0%
7310 Locks and keys		75	75	75	75	75	75	75	75	75	75	75	75	900	0%
7310 Painting and decorations		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
7310 Repair Building		500	500	500	500	500	500	500	500	500	500	500	500	6,000	0%
7310 Repairs Plumbing		0	0	500	0	0	500	0	0	500	0	0	500	2,000	0%
7350 R&M Maintenance Contracts		960	960	960	960	960	960	960	960	960	960	960	960	11,520	0%
7410 China		0	2,500	0	0	2,500	0	0	2,500	0	0	2,500	0	10,000	0%
7410 Glassware		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	0%
7410 Silverware		0	600	0	0	600	0	0	600	0	0	600	0	2,400	0%
7540 Trash/Recycling		458	458	458	458	458	458	458	458	458	458	458	458	5,490	0%
7550 Telephone/Internet		700	700	700	700	700	700	700	700	700	700	700	700	8,400	0%
7610 Meals and Entertainment		200	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
7620 Auto Related		100	100	100	100	100	100	100	100	100	100	100	100	1,200	0%

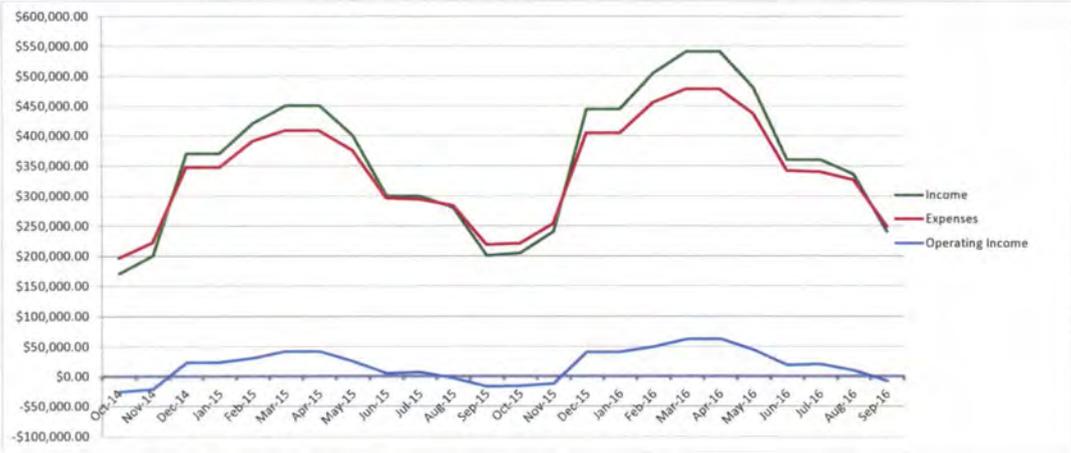
SALES & INCOME	Total	%
FOOD	\$2,737,000.00	70.00%
NON ALCOHOLIC BEVERAGES	\$195,500.00	5.00%
BEER	\$195,500.00	5.00%
WINE - CHAMP	\$391,000.00	10.00%
LIQUOR	\$391,000.00	10.00%



Expenses	Total	%
COST OF GOODS SOLD	\$1,212,100.00	32.31%
PAYROLL	\$1,300,750.00	34.67%
Worker's Compensation	\$31,475.50	0.84%
OTHER EXPENSES	\$706,761.98	18.84%
UTILITIES	\$84,000.00	2.24%
RENT EXPENSES	\$416,888.00	11.11%



Date	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
Income	\$170,000.00	\$200,000.00	\$370,000.00	\$370,000.00	\$420,000.00	\$450,000.00	\$450,000.00	\$400,000.00	\$300,000.00	\$300,000.00	\$280,000.00	\$200,000.00
Expenses	\$196,389.04	\$222,162.54	\$347,479.04	\$347,229.04	\$390,651.54	\$409,325.04	\$408,875.04	\$375,452.54	\$295,807.54	\$293,657.54	\$283,508.54	\$217,712.54
Operating Income	-\$26,389.04	-\$22,162.54	\$22,520.96	\$22,770.96	\$29,348.46	\$40,674.96	\$41,124.96	\$24,547.46	\$4,192.46	\$6,342.46	-\$3,508.54	-\$17,712.54
Running Total	-\$26,389.04	-\$48,551.58	-\$26,030.62	-\$3,259.66	\$26,088.80	\$66,763.76	\$107,888.72	\$132,436.18	\$136,628.64	\$142,971.10	\$139,462.56	\$121,750.02



Max A. Sklar
Director
Miami Beach
Tourism, Culture, Economic Development Department
1755 Meridian Avenue
Suite #500
Miami Beach, FL 33139

RE: Oolite Restaurant & Bar, Penn 17 et al 12 month through 36 month Marketing Plan, Strategy and Activation, with a comprehensive Integrated Marketing Image & Awareness Campaign

September 16, 2014

Dear Mr. Sklar:

We regret to inform you by way of this writing that the comprehensive document that we believe you expected to receive could not be completed in your deadline.

Attached you will find:

[a] A Media Kit for Oolite Restaurant & Bar, inclusive of press hits, bios, menus and releases

[b] As a reference only, a sample of the components of our Q3 and Q4 Marketing Activation Plan for the Penn 17 enterprise(s). These documents are the working mapping for each quarter and explain an assortment of potential or actual activation or implementation.

This is not a complete representation and it does not address the core question of revenue generation and growth over a 12 – 24 - 36 month period in a planned model.

However, that comprehensive document of Differentiated Marketing Strategy and Integrated Marketing Practices, as we outlined, will be completed prior to the actual September 25th, 2014, Commissioner's Finance Meeting. The other positive benchmark to note is the build for an actual Oolite website has started and launch is scheduled for October 1, 2014 and Partnerships to augment marketing and add value while mitigating costs have begun to evolve into contracting.

Powerhaus will submit digitally and in hard copy and we realize you do not want Powerhaus to present.

Please feel free to reach me through Penn 17 et al or directly at the contacts listed.

Truly,



FRANK FLYNN
for: Powerhaus
954 732 6383
frank@power-haus.com
www.power-haus.com

cc: Roman Cherstov
Kris Wessel
Oleg Krasutskiy



Penn 17

Oolite | A.I.R.

Marketing Schedule
09.19.2014

SEP'14

TIME & ACTION

Digital Media Kit

Backgrounder
Fact Sheet
Bio(s)
Menus
Hi Res / Lo Res Images
Press Releases

**Miami Beach Visitors &
Convention**

OBJECTIVES

Completed. Placement email issued for content on site.

Miami Home Design & Remodeling Show Fall 2014

Event Sponsor: Home Show Management Corp.
Fri, Aug 29, 2014 through Tue, Sep 2, 2014
Event Type: Public Event
Contact: 305-667-9299

Website: <http://www.home-shows.com/>

Miami New Construction Show

Event Sponsor: New Construction Show, LLC
Fri, Aug 29, 2014 through Sun, Aug 31, 2014
Event Type: Tradeshow
Contact: 305-209-9880

Asia America Trade Show 2014

Event Sponsor: Americas Technology Platform
Tradeshow, Inc.
Mon, Sep 8, 2014 through Wed, Sep 10, 2014
Event Type: Tradeshow
Contact: 305-262-3200

Website: <http://www.acsshow.org/>

HD Americas 2014

Event Sponsor: Niesen Business Media, Inc.
Tue, Sep 16, 2014 through Wed, Sep 17, 2014
Event Type: Tradeshow
Contact: 770-569-1540

Website: <http://www.hdamericasexpo.com/hdb/>

JUMP Dance Convention

Event Sponsor: Break the Floor Productions
Sat, Sep 27, 2014 and Sun, Sep 28, 2014
Event Type: Special Event
Contact: 212-397-3600

Website: <http://www.jumptour.com/>

(This should be discussed)

Miami Spa Aesthetic and Wellness Expo

Event Sponsor: Miami Spa Aesthetic and Wellness
Expo, LLC
Sat, Sep 27, 2014 and Sun, Sep 28, 2014
Event Type: Consumer Show

Contact: 786-558-5234
Website: <http://www.sawexpo.com/>

SEP'14 –
OCT'15

Facebook

“Conversation” elements
Use as a Blog

Twitter

Social Media marketing

Website

OCT'14

**Miami Beach Visitors &
Convention**

Brand Message
Posting Frequency
Post Content, Mix, and Ratios
Audience engagement by creating:
-Contests
-Coupons/Offers
-Facebook Advertising

There was an increase of followers on week of August 4th, 2014, but that is attributed to the first 3.5 Food Review in nearly 2 years in Miami. The key objective is Coordination and a clear plan on how Social agent will capture more Followers, absent presently. Continuing to be reactive and using the NRF of Kris will have a tipping point. Ongoing.

Landing page is up and running.
Currently we gathered design elements and photography and researched for SEO and most impactful content. Wireframe and Site Architecture as well as functionality with “Anchor” type look and feel was completed.

2014 Fall Condo & HOA Expo

Event Sponsor: L & L Exhibition Management, Inc.
When: Thu, Oct 2, 2014
Event Type: Tradeshow
Contact: 952-881-5030
Website: <http://www.condohoaexpo.com/>

Solefest

Event Sponsor: Solefest, LLC
When: Sat, Oct 4, 2014
Event Type: Consumer Show
Contact: 954-512-4187
Website: <http://solefest.com/tickets/>

Jeweler's International Showcase Fall 2014

Event Sponsor: Jeweler's International Showcase, Inc.
When: Thu, Oct 9 / Fri, Oct 10 / Sat, Oct 11 and Sun, Oct 12, 2014
Event Type: Tradeshow
Contact: 561-998-0205
Website: <http://www.jisshow.com/>

Showbiz Xtreme Dance Competition

Event Sponsor: Showbiz Xtreme
When: Sun, Oct 12, 2014
Event Type: Consumer Show
Contact: 972-681-7177
Website:
<http://www.showbizxtreme.com/faculty/faculty.html>

OCT'14

**Miami Beach Visitors &
Convention (cont.)**

The International Surface Event 2014

Event Sponsor: Hanley-Wood, LLC
When: Mon, Oct 20, 2014 / Tue, Oct 21, 2014 / Wed, Oct 22, 2014
Event Type: Tradeshow
Website: <http://www-surfaces.com/>

International Jewish Tradeshow

Event Sponsor: The Global Jewish Business Link, LLC
When: Sun, Oct 26 and Mon, Oct 27, 2014
Event Type: Tradeshow
Contact: 305-460-2264 or 347-802-7899

Coastal Volleyball

Event Sponsor: Coastal Volleyball
When: Sun, Oct 26 and Mon, Oct 27, 2014
Event Type: Consumer Show
Contact: 805-701-3166
Website: <http://www-coastalvolleyball.com/>

18th Americas Food & Beverage Show

Event Sponsor: World Trade Center Miami
When: Mon, Oct 27 and Tue, Oct 28, 2014
Event Type: Tradeshow
Contact: 305-871-7910
Website:
<http://www-americasfoodandbeverage.com/>

Pursuing a nomination for Kris by beginning with an Awareness Campaign among voters and influential, leading to October nominations and an ongoing campaign. This would include a dinner --
- SOON -- which leads up to candidate nominations and May announcements and awards.

James Beard Foundation

OCT'14

Private Dining / Corporate Program

Promotion on "Private Dining" on Open table
-Direct communication with Miami's Destination Management Companies
Marketing materials are being created.

Concierge Program

- Direct communication with concierges around Miami
- Partnership with South Florida Concierge Association
- Partnership with "Concierge connect"

NOW'14

Alcohol & Entertainment strategy

Dining, alcohol, networking, Vendor driven/promotion/event / Outline and implement immediate objectives/action

Soliciting and requesting Promotional opportunity with vendors to create marketing opportunities, based on Value of assets. This includes but is not limited to the following:

- Marketing & Product support
- Wine / Vintner events
- Happy Hour
- Chef's Door (higher price point opportunity)
- Florida Regional Concept / Vision
- Beard Dinner
- Scholarship dinners
- Community / Cause Campaign(s)
- Endorsement and Product placement opportunity

The elements of an opening campaign were refined (See attached Brown Forman.) Critical negotiating points were credit from various spirit suppliers and support and interest in the website and or James Beard campaign.

NOW'14

Miami Beach Visitors & Convention

Miami Dance Movement

Event Sponsor: Miami Dance Movement, LLC

When: Sat, Nov 1 and Sun, Nov 2, 2014

Event Type: Special Event

Contact: 786-280-9979

44th Annual South Florida International Auto Show 2014

Event Sponsor: South Florida Auto-Truck Dealers Association

When: Fri, Nov 7, 2014 - Sun, Nov 16, 2014

Event Type: Consumer Show

Contact: 305-947-5950

Website: <http://www.sfliautoshow.com/>

Adrenaline Dance Convention & Competition

Event Sponsor: Adrenaline Dance, Inc.

When: Fri, Nov 7 - Sun, Nov 9, 2014

Event Type: Special Event

Contact: 214-750-9229

Website: <http://www.adrenalinedance.com/>

Mama Gena's School of Womanly Arts

Event Sponsor: Mama Gena's School of the Womanly Arts

When: Thu, Nov 13 - Sun, Nov 16, 2014

Event Type: Special Event

Contact: 646-682-0422

Website: <http://www.mamagenas.com/>

Titans of Dance Workshop

Event Sponsor: Titans of Dance

When: Sat, Nov 15, 2014

Event Type: Special Event

Contact: 443-798-1056

Website: <http://titansofdance.com/>

<p>NOW'14 -DEC'14</p>	<p><u>Initial National press</u> Solicitation/distribution (Storylines are being determined on basis of Concept and 3.5 Star review)</p>	<p>Food Arts Forbes Fodor's Wall Street Journal NY Times LA Times Food & Wine Chef Magazine Travel & Leisure Additional "Feeder Market" Santé Magazine Nation's Restaurant News Restaurant Hospitality Various Blogs</p>
<p></p>	<p><u>Sponsorship and or underwriting</u> A portion of this or finding for other brand expansion is possible. Here are the areas we will be pursuing underwriting and or partnership.</p>	<p>Presentation and solicitation of Food products who may be interested in supporting campaign elements, personality or events. Pork, Water, Gluten Free space, Destination Services and Agencies, others contained in separate memo.</p>
<p></p>	<p>Miami Beach Visitors & Convention</p>	<p><u>Art Basel Miami Beach 2014</u> Event Sponsor: MCH Swiss Exhibition (Basel) Ltd. When: Wed, Dec 3, 2014 - Sun, Dec 7, 2014 Event Type: Consumer Show Contact: 305-674-1292 Website: https://www.artbasel.com/miami-beach</p>
<p>DEC'14- JAN'15</p>	<p><u>Marketing</u> (Conference to create the exact positioning with these and other candidates and a separate timeline to result is needed)</p>	<p>Art Basel Art driven publications Fashion integration Lincoln Road Mall Retail integration Intern & Apprentice program Cause Partner schools (independent of Powerhaus submit) Partnerships and endorsements</p>
<p>JAN'15</p>	<p><u>Local Media meetings</u> <i>(Storylines developing to be pitched)</i> <i>Gluten Free</i> <i>Regional . Regional sourcing</i> <i>Healthy Fare</i> <i>Culinary Cocktails (opposing Mixology)</i> <i>Independent Chefs</i> <i>Miami Beach investment</i> <i>Business Section (local)</i> <i>Travel Section (national)</i> <i>Coffee and chef roasting on site with healthy sweet</i></p>	<p>Jen Karetnick Lee Klein Lydia Martin Enrique Fernandez (Food Culture) Trina Sargalski Editor, Tasting Table Miami / Miami Dish Laine Doss Ana Hereitou Galena Mosovich Lisa Petrillo Belkys Nary</p>

JAN'15

Television

(Begin solicitation and date blocking with potential storylines)
One set apart is the long lead potential of a Florida Regional coverage / profile on

WFOR
WTVJ
WSVN (after a pause)
CBS Saturday Morning
Fox & Friends

JAN'15

**Miami Beach Visitors &
Convention**

Discover the Dinosaurs 2015

Event Sponsor: Blue Star Productions
When: Fri, Jan 2 - Sun, Jan 4, 2015
Event Type: Consumer Show
Contact: 651-766-2800
Website: <http://www.discoverthedinosaurs.com/>

Miami Beach Blast 2015

Event Sponsor: Epic Spirit Ventures
When: Sat, Jan 10, 2015
Event Type: Special Event
Contact: 877-322-2310
Website: <http://theepicbrands.com/>

Small Business Expo 2015

Event Sponsor: Film, Stage & Showbiz Expo, LLC
When: Thu, Jan 15, 2015
Event Type: Tradeshow
Contact: 212-404-2345
Website: <http://www.smallbusinessexpo.com/>

Progressive International Motorcycle Show

Event Sponsor: Advanstar Communications, Inc.
When: Fri, Jan 16 - Sun, Jan 18, 2015
Event Type: Consumer Show
Contact: 310-857-7500
Website: <http://www.motorcycleshows.com/>

Nissan Total Health & Fitness Expo

Event Sponsor: Life Time Triathlon Series, LLC
When: Fri, Jan 23 - Sat, Jan 24, 2015
Event Type: Consumer Show
Contact: 305-278-8668
Website:
<http://www.usroadsports.com/Signature/Miami/>

Jeweler's International Showcase Jan 2015

Event Sponsor: Jeweler's International Showcase, Inc.
When: Sat, Jan 24 - Mon, Jan 26, 2015
Event Type: Tradeshow
Contact: 561-998-0205
Website: <http://www.jisshow.com/>

Original Miami Beach Antique Show 2015

Event Sponsor: George Little Management, LLC
When: Fri, Jan 30 - Tue, Feb 3, 2015
Event Type: Consumer Show
Contact: 239-732-6642
Website:
<http://www.originalmiamibeachantiqueshow.com/>

FEB'15

Programs review and modification (if needed)

External

- Partnership /Endorsement
- Marketing Tools

Internal

- Client email capture distribution
- Web Letter
- Destination marketing
- Miami Beach influential / political integration
- Formal Influential /Media relations event

Check presenter contain feedback card
Wine tasting as well
Assess and determine level of Events manageable in
Social media promotional plan
SEO & Key words
Discuss / decide on concierge drops and messaging -
Ongoing Pre-Fixe Menu offers for rotation
Culinary driven Signature Cocktails Program
Yelp and Opentable / maximize integration with their
services
All online imagery and copy regularly scouted and
reviewed

FEB'15

Trends Analysis

(Ranked as researched. How can we best integrate these items and particularly for possible sponsorship and or support of new restaurant. Percentages will be explained)

Enumeration sequence:

Trend / Overdone / Perennial

- 1 Locally sourced meats and seafood 86% 5% 9%
- 2 Locally grown produce 86% 3% 11%
- 3 Sustainability 82% 6% 12%
- 4 Nutrition balance children's dishes 79% 6% 15%
- 5 Hyper-local (e.g. restaurant gardens,) 79% 13% 9%
- 6 Children's nutrition 79% 5% 16%
- 7 Sustainable seafood 79% 8% 13%
- 8 Gluten-free/food allergy conscious 78% 12% 10%
- 9 Simplicity/back to basics 77% 6% 17%
- 10 Farm/estate-branded ingredients 76% 14% 10%
- 11 Micro-distilled/artisan liquor 74% 17% 8%
- 12 Locally-produced wine and beer 73% 12% 15%
- 13 Half-portions/small for a smaller price 72% 15% 13%
- 14 Organic produce 72% 15% 13%
- 15 Nutrition/health 72% 6% 22%
- 16 Culinary cocktails (savory, fresh ingredients) 71% 21% 8%
- 17 Newly fabricated cuts of meat (e.g. Denver steak, pork flat iron, Petite Tender) 69% 21% 10%
- 18 Fruit/vegetable children's side items 69% 11% 20%

FACT SHEET

Name: Oolite Restaurant & Bar / o•o•lite (\\o-?-?lit) n.

Definition: particles composing limestone and coral, the Bedrock of the Florida Peninsula

Address: 1661 Pennsylvania Ave
Miami Beach, FL 33139
at 17th Street
Just two steps off Lincoln Road

Chef Partner: Kris Wessel

Manager: Frank Scottolini

Reservation: (305) 907-5535 or OpenTable
www.ooliterestaurant.com

Dining Style: Casual Elegant
Cuisine: American (Regional)

Price: \$30 and under at Lunch
\$50 at Dinner

Operation: Lunch Daily: 12pm - 3:00pm

Dinner:
Tuesday - Thursday: 6:00pm - 11:00pm
Friday and Saturday: 6:00pm - Midnight
Sunday: 6:00pm - 11:00pm

Ambience: Design is Modern Craftsman, Mid Century references, wood, glass and Oolite stone
Designer: Jeff Vaughan, Kris Wessel and Teresa Estevez (collectively)

Parking: Public Lot self parking garages are located on 17th Street between Meridian and Pennsylvania, and at the New World Center on Lincoln Road Lane, just off Pennsylvania Avenue for \$1 per hour.

Payment: Visa, MasterCard, AMEX
Dress Code: Casual
Walk-Ins: Yes

Amenities: Wine and Spirits Beer, Full Bar, Personal wines welcome (corkage fee applies), Takeout, Weekend Brunch, Wheelchair Access, Banquet, Chef's Table, Non-Smoking Area (Patio/Outdoor) Alfresco Dining

Smoking: Patio only

Private Room: 140 seat dining room available for buyouts
Large Private room up to 40 guests
Small Private room up to 10 guests
A.V. capabilities

Bar: 60 seat Bar, Bar Dining, Bar Lounge
Happy Hour: Everyday - 4pm to 7pm





FOR IMMEDIATE RELEASE

KRIS WESSEL OPENS OOLITE RESTAURANT & BAR
Florida Regional Cooking 3.0 from the Native Son

South Beach Florida, July 1, 2014_Kris Wessel has opened Oolite Restaurant & Bar, a complex and ambitious South Beach Hospitality project.

Oolite (pronounced ooo-light) Restaurant & Bar, is located just two steps off Lincoln Road at 1661 Pennsylvania Avenue, and is named for the Florida bedrock, limestone and coral rock foundation that composes the bedrock of Florida.

The James Beard nominated chef, is partners with Roman Cherstvov in the grandly scoped project composed of an expansive 200 seat space, 60 person Bar and two Private Dining rooms. Oolite will feature healthful dining.

“I am showcasing what I love,” said Wessel, “regional, local cuisine concentrated in simplified plating of land and sea protein-driven offerings”.

The kitchen will produce true locavore cuisine that uses natural flavors instead of chemical enhancements. There will be strict adherence to limited or no use of processed ingredients, gluten, and saturated fats.

“This is Regional Florida cooking 3.0 and the evolution is healthy components.” said Wessel, referring to his stint as chef owner of the beloved Red Light Little River, a funky but cherished space with a loyal following for its fresh, regional food prepared every night by Wessel; and thereafter (2012), Wessel opened Florida Cookery at the James Royal Palm Hotel, based on recipes from Esther Wessel’s kitchen and the Wessel family’s 90 year history in South Florida.

==MORE==



Wessel fans are relieved however with the fact that within the healthy framework Wessel has found room to continue with his signature dishes including BBQ shrimp, gumbo and rabbit crepes. The latter cooked as his *fait accompli* for the win on Chopped.

“This commitment is thought through,” Wessel explained. “I look at my beautiful daughters and I only want them to eat the finest healthiest ingredients. This is the direction all food is evolving.”

Oolite, he went on, is the natural progression of where food choice is trending, even recognizing such menus at fine dining at the very highest level.

“With Oolite, we bring a healthy, gluten free, processed free concept on a local favorite restaurant platform.”

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Page 2 of 2

Contacts

Oolite Restaurant & Bar
Manager Frank Scottolini
1661 Pennsylvania Avenue
(305) 907-5535

Media

Frank Flynn
Powerhaus
954 732 6383
frank@power-haus.com



BACKGROUNDER
Kris Wessel and Oolite Restaurant & Bar
The path to Florida Cooking 3.0

Kris Wessel Miami native son has applied his craft for twenty years as a local Florida Chef and Restaurateur. Kris has created one of the most important dialogues between the bounty of the Southeast region's resources, culture and cuisine. Wessel was born in Florida, but has a culinary DNA formed in New Orleans. As a teenager Kris stalked the kitchens of tourist crowded, French style restaurants; gaining skills by running, prepping and cooking.

Wessel completed his Bachelor's degree in Hotel Restaurant Management at Florida International University (Miami) and an apprentice tour in Europe, staging at Michelin starred restaurants in Austria, Spain, France and Italy. His working career began with Mark Militello at Mark's Place. Over the course of three years, he trained up from Sous Chef to Executive Chef.

His first Owner – Operator concept, Paninoteca a Eurostyle sandwich shop, opened on Lincoln Road (1996). Paninoteca was a commercial success and more importantly, introduced the craftsmanship and personality of Kris Wessel to the community. His blue collar ethics were noticed and embraced by his consumer, the media and the community.

Wessel followed with Liaison. Wessel sculpted and cultivated the artful Florida – Louisiana culinary based restaurant into his signature culinary statement and destination. Guests and media flocked to the restaurant housed in a landmark deco era building just off hipster Espanola Way. Guests entered in the sea breeze through the restored hand carved wooden bi-fold doors, and floor to ceiling swaying white cotton curtains. Then past the metal bar and transported into an environment cloned from the Quarter. Wessel's prescient vision and nearly perfect pitch with Liaison gave him the credibility to Brand a cuisine direction. He created New Mediterranean Cuisine at Elia (2003) in Bal Harbour Shops. This bold statement of a comprehensive branded culinary direction from a young chef placed Wessel onto the national stage. In the very brief period of 18 months he established the imprimatur of the cuisine, received a "Rising Star of American Cuisine" notice from Star Chefs, and sowed additional seeds with national media including the New York Times, Food & Wine, The Washington Post and NBC. Wessel staged and hosted a dinner with Patricia Quintana to underpin his philosophy that Regional cooking is not only geography but creativity in texturing flavor from indigenous resources. His New Mediterranean James Beard Foundation Dinner was extremely successful and introducing him to the New York food world.

Most followers considered Liaison Wessel's masterpiece until he opened Red Light Little River (2006). Wessel turned the funky riverside spot with a polluted river that was killing the Manatee migration and the Manatees, into a funky nationally recognized food destination. In a whirlwind one man renovation the derelict building was reclaimed and the Little River clean-up campaign was born. The Manatees returned and Wessel redefined Florida Regional Cooking.



The range in the menu was uncharacteristically limited but driven by the fact that Wessel would have changes daily in certain fish items because he drove to the docks to meet the boats or fishmongers before dawn, returning the fish for storage at Red Light then swinging back to pick up his daughters for school, then returning for a masterful one man kitchen performance for each diner. The Red Light appeal resided in the determination and Blue Collar work ethic of Kris Wessel. A dozen imitators have used the Biscayne Boulevard "neighborhood eatery" template. But the magic and demand was created with the original, a born and bred Miami native son who grew up to become possibly the most original of all Miami chefs who match local ingredients and certainly the most adventurous in creating cuisine.

Red Light was a hip Road House dining experience offering diversity, from rich ethnic items to the kitschy American Florida comfort food. His focus was noticed by a James Beard Foundation nomination for "Best Chef – South Region," (2010). Red Light was featured prominently in Bon Appétit and the New York Times, the latter stating his 100 seat "regional dining" concept was one of the "Top 5" destination restaurants in Miami. Red light became a victim of the success it created on Biscayne Boulevard. Real estate prices rose and the attaching building sold. Wessel was pushed out of his concept masterpiece.

Wessel moved on (2012) with Florida Cookery of the James Royal Palm hotel. Here, his focus was on authenticating Red Light's Regional approach. He deepened his commitment and Florida Cookery was not only influenced by Red Light it was given breath by a cookbook dating back to 1943 found in his grandmother Esther's kitchen on Miami Beach. In June 2014, Wessel announced the opening of Oolite Restaurant & Bar.

Oolite received 3.5 stars from the Miami Herald for Chef Partner Kris Wessel's original Healthy Regional Fare concept inspired by the food culture of the Florida region, the American South, the Caribbean and South America. The menu of healthy based cuisine is gluten free and protein specific. Oolite's diverse kitchen technique uses modern and traditional approaches to production including slow cooking, poaching, steaming, smoking, grilling, dehydrating and preserving. The creative seasonal menu identifies with locals on favorite food use and recipes. Oolite is two steps off Lincoln Road, adjacent to the Convention Center and the Fillmore Theater. Oolite's Craftsman interior references mid century American with hand crafted wood tables, wainscoting, glass tile and pure Oolite limestone. The Artisanal wine and beer program was singled out for originality.

###



Contact

**Oolite Restaurant & Bar
Manager Frank Scottolini
1661 Pennsylvania Avenue
(305) 907-5535**

Media Contact

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**Page 2 of 2
901 words in backgrounder
946 total words**

KRIS WESSEL
Long Bio
Miami Native Son - Child of the Rising Sun
Local Florida Chef/ Restaurateur

For twenty years, Kris Wessel has created one of the most important dialogues between the bounty of the Southeast region's resources, culture and cuisine.

Wessel, born in Florida, has a culinary DNA formed in the great food city of New Orleans. Early and throughout his teenage years, he had a love affair with the kitchens of tourist crowded, French style restaurants; gaining skills by running, prepping and cooking. At 21, Wessel completed his Bachelor's degree in Hotel Restaurant Management at Florida International University in Miami. Wessel followed this with an immeasurably valuable nine month apprentice tour in Europe, where he staged at Michelin starred restaurants in Austria, Spain, France and Italy.

Wessel began his working career in earnest under the tutelage of founding Mango Gang pioneer, Mark Militello at Mark's Place. Over the course of three years, he trained up from Sous Chef to Executive Chef. This experience and his ambition motivated the launch his first Owner – Operator concept. Paninoteca a Eurostyle sandwich shop, opened on Lincoln Road in 1996, Paninoteca was a commercial success and more importantly, introduced the craftsmanship and personality of Kris Wessel to the community. His blue collar ethics and workmanship were noticed and embraced by his consumer, the media and the community.

In three years time, Wessel followed with Liaison. He built Liaison with his own two hands. Wessel sculpted and cultivated the artful Florida – Louisiana culinary based restaurant in a chef driven concept. Liaison became his signature culinary statement and destination. Guests and media flocked to the restaurant housed in a landmark deco era building just off hipster Espanola Way. Guests entered through the restored hand carved wooden bifold doors, and floor to ceiling white cotton curtains swaying in the sea breeze. Then past the metal bar and transported into an environment cloned from the Quarter.

The ambience shrouded you in palpable, perfectly balanced lighting. Sconce and fixtures threw sufficient light to find your way but cloaked you in an atmosphere of another time. Recovered wood floors sometimes spoke to you in creaks explaining the vintage stories of its past. Wessel was encased in a partially visible kitchen only slightly larger than a New York City Galley kitchen occasionally jetting by in the open space, sometimes stationary while he contemplated over the finish of a plate about to be picked up and other times looking out at his fans and friends and flashing that famous smile. But always producing a dining experience so unique it demanded and deserved all the attention it received.

Wessel's prescient vision and nearly perfect pitch with Liaison gave him the credibility to Brand a cuisine direction. He created New Mediterranean Cuisine at Elia (2003) in Bal Harbour Shops. This bold statement of a comprehensive branded culinary direction from a young chef placed Wessel onto the national stage. In the very brief period of 18 months he established the imprimatur of the cuisine, received a "Rising Star of American Cuisine" notice from the James Beard Foundation and Star Chefs, and sowed additional seeds with national media including the New York Times, Food & Wine, The Washington Post and NBC. Wessel staged and hosted a dinner with Patricia Quintana to underpin his philosophy that Regional cooking is not only geography but creativity in texturing flavor from indigenous resources. His New Mediterranean James Beard Foundation Dinner was among the most successful ever presented.

The matching and layering of flavors using regional foods that touched upon the Mediterranean yielded the unexpected and potent results of a 1953 52nd Street after hours Bop session.

While most followers considered Liaison Wessel's masterpiece he opened Red Light Little River in 2006. Wessel turned the funky riverside spot with a polluted river that was killing the Manatee migration and the Manatees, into a funky nationally recognized food destination. In a whirlwind one man show he renovated the derelict building with his own hands, organized and then led a Little River clean-up campaign. The Manatees returned and Wessel redefined Florida Regional Cooking. The range in the menu was uncharacteristically limited but driven by the fact that Wessel would have changes daily in certain fish items because he drove to the docks to meet the boats or fishmongers before dawn, return the fish for storage at Red Light and swing back to pick up his daughters for school, returning for a masterful one man kitchen performance through Lunch and Dinner.

The Red Light appeal resided in the determination and Blue Collar ethics and work ethic of Kris Wessel. A dozen imitators have used the Biscayne Boulevard "neighborhood eatery" template. But the magic and demand was created with the original, a born and bred Miami native son who grew up to become possibly the most original of all Miami chefs who match local ingredients and certainly the most adventurous in creating cuisine.

Red Light was a hip Road House dining experience offering diversity, from rich ethnic items in the Haitian Style to the kitschy American comfort food of Florida. His concentration and focus was noticed by a James Beard Foundation nomination for "Best Chef – South Region," (2010). The media noticed as well. Red Light featured prominently in publications such as Bon Appétit and the New York Times, the latter stating his 100 seat "regional dining" concept was one of the "Top 5" destination restaurants in Miami. Red light became a victim of the very success it created on Biscayne Boulevard. With the real estate prices rising and the attaching building selling, Wessel was pushed out of his concept masterpiece.

Wessel moved on in 2012 with Florida Cookery of the James Royal Palm hotel property. Here, he began his vision with the work he had focused on authenticating Red Light. He deepened his commitment to Regional fare and the accessible approach. The concept would evolve and be centered in the Wessel DNA. Florida Cookery was not only influenced by Red Light it was given breath by a cookbook dating back to 1943 found in his grandmother's kitchen and the Wessel family's 90 years on Miami Beach.

By June 2014, Wessel announced the opening of Oolite Restaurant & Bar. Oolite is the foundation baserock of the Florida peninsula, beaches and in the coral bedrock of surrounding shores. Ambitious, robust and accessible, Oolite, a casual contemporary restaurant, is foremost a healthy dining concept constructed with the signature flavors and culture of the Region. Located in the heart of Miami's South Beach just two steps off Lincoln Road, Oolite is housed in a Frank Gehry Building and neighbor to the New World Symphony; an emerging Arts District; Oolite is adjacent to the Convention Center and the Fillmore. There is no other 200 seat fine dining establishment with such destination assets.

The focus of menu items is on healthy aspects of Plant, Land and Sea Protein are influenced by the cuisine and product of the Region; Florida, the Gulf, the Caribbean, and the American eastern seaboard. The goal is a fresh and flavorful menu of healthy benefit. A "new" way of dining that incorporates almost zero processed ingredients, gluten or saturated fats. Wessel's authentic, progressive Healthy Regional cuisine is framed in a 3.0 version, the evolution being Red Light, Florida Cookery and now Oolite Restaurant & Bar amplifies Wessel's credibility to create original Regional concepts.

Wessel's community involvement is unquestionable. He applies himself intensely to causes for Children, Hunger and the Environment. He is a leader by his example and has earned a true respect of his peers as a leading culinary figure. When he is not answering to "Chef!" he is answers to "Papa". Wessel is father to two beautiful girls, Natasha 15 and Anais 10.

###

LUNCH MENU

EAT NOW

Fried green tomato Arepa & romesco sauce	9	In rightful hands Wessel's BBQ shrimp	14	Grilled "safe Chicken," mango & lime	11
Goat cheese, malbar brussel pops	9	Smoked Yellow Jack & salty key lime zucchini	12		

SALADS

Spinach salad, Poached Egg, Creole Mustard Vinaigrette	12
Extra <i>Bacon protein +3</i>	
Savory 3 Grain 3 Flavor Salad Platter	14
Florida Summer salad, Avocado, cucumber, iceberg, lemon & cilantro	11
Super protein, lemon quinoa salad and wheatgrass vichyssoise	7

VEGETABLE PROTEIN

3 Squash Hash, Dehydrated Vidalias & Flax	7	Black beans (vegetable)	7
Green of Day Plate Thank G.O.D.	10	non gluten-really cheesy Mac n Cheese	7
crunchy asparagus, spinach & G.O.D.		steel corn grits, chicken stock, cheddar	7
Cauliflower	7		
Kale chevre gratinee			
Basmati rice or Brown Rice	7		

SANDWICHES

(Base flat or roll bread) served with tomato chips or green onion

Fresh Fish	16	Ground Protein Burgers: Veg-Quinoa-Lentil or Turkey	11
Lime fennel greens, spicy hummus		W/ cheese or avocado butter	
Grilled "Safe Chicken"	11	<i>Extra + 3.5</i>	
Mango & Lime			
Extra			
<i>Bacon +3</i>			
Jessica'S #5 Portobello Mushroom	12		
House dried tomatoes, mozzarella & fun green mix			

SOUP N' BROTHS

Coconut-Conch, Salsify* &- Corn Chowder	11
Brown rice-crab stuffed chayote & shellfish broth	12

SEA PROTEIN

Fl. White Water Clams, Lentil Roti, Tumeric Aioli	14
Freshest Seafood Dream today (ask server)	24
Hemisphere Corvina curry peppers & calaloo	22

ANIMAL PROTEIN (COMES WITH CHOICE OF SQUASH HASH, BLACK BEANS, BROWN OR BASMATI RICE.

Palomilla Steak "Hialeah" Style	22
Lechon (Pork) Sour Orange &. Onions	19
Ropavieja (Hand Torn Beef)	20

Sour Orange Rotisserie "small farm" Chicken

Size
Half 17 *Whole* 30

SWEET FINISH

Summer Mango Pie 7

Sour Orange Flan & Masa tuile 7

DINNER MENU

The foundation bed rock limestone of Miami Beach and the southern tip of Florida. Colite's cuisine points to the cultural influences of Miami in flavor, while maintaining a "healthy" direction in dining. Enjoy

QUICK EATS

Litchi, Sour Ginger, Snapper Crudo Y Pepitas	14	Brussel Sprouts, Creole Goat Cheese Pops	8	Lime grilled Chicken & mango	11
Soup N' Broths Lime Grilled Chicken & Mango	11	In Rightful Hands Wessel'S BBQ Shrimp	14		
Fried Green Tomato Arepa & Romesco Sauce	9	Fl. White Water Clams, Lentil Roti, Tumeric Aioli	16		

SOUP N' BROTHS

Coconut-Conch Salsify & Corn Chowder	11
Just Green Vichysoisse & Super Protein, Quinoa	9

SALADS

Avocados Limes Y Tostones.(Fried Plantains)	8
Spinach Salad, Poached Egg, Creole Mustard Vinaigrette	12
Meat Bacon protein + 3	
Savory 3 Grain 3 Flavor Salad Platter	11
Mushrooms, Wild Onions, Greens & Morbier	10

SEA PROTEIN

Jack Fruit Grilled Swordfish Pea Shoots & Almonds	27	Maine Lobster (1.5Lbs.Key Lime Broiled)	3	“Surf N Surf” Platter Crab Crisp, Fl. Fish Sear stuffed mussels &old sour	38
Sauteed Corvina Curry Peppers & Calaloo	26	Whole Grilled Fish! (Chef’S Prep)	Market	Meat Bacon protein + 3	

ANIMAL PROTEIN

Palomilla Steak “Hialeah” Style	20	Char Grilled Ribeye	44	Curry Goat& Guava	24
Grass Fed Flank Steak Broiled Tomatoes	24	Joyce Farms Key Lime Chicken Rotisserie		Fl. Orange-Tamarind Rotisserie Duck & Brazil Nuts	
Lechon (Pork) Sour Orange & Onions	19	Dryrub, Smoke, Braiseguanabana Ribs		Size (½) 24 Whole 42	
Creole Roasted Oxtail	26	Size			
Ropa Vieja (Hand torn beef)	18	Small 14 Large 26			

VEGETABLE PROTEIN

Green of Day Plate Thank G.O.D.	10
Corn-Rice Spaghetti, Tomato, Basil, Garlic, Parm	18
Cauliflower - Kale Chevre Gratinee	8
3 Squash Hash Dehydrated Vidalias & Flax	11

PROTEIN SIDES

Steel Corn Grits, Chicken Stock, Cheddar	7	Organic Chicken Stock Poached Vegetables	7	Bazmati Rice/Brown Rice	7
Non Gluten-Really Cheesy Mac N Cheese	7	Coconut Milk Salted Potato Mash	7	Black Beans (Vegetable)	7

FLAT BREAD

Made in house

Rice Flour Sesame Crispy Flats	7	Masa Tart: Onion, Spinach & Cheese	7
		Size	
		Slice 7 Whole 17	

SWEET FINISH

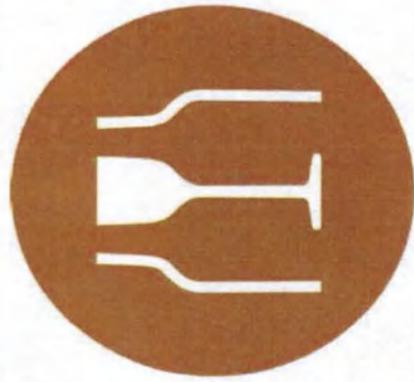
Wessel'S Mango Pie, House Jam & Almond Crust_	8	Fl. Honey Roasted Fruit Du Jour with Hot Cheese Fondue and Chia Granola.	10
Chocolate Dance Fruit of the season paired with chocolate and chef's technique of choice	12	Sour Orange, Dulce Flan with White Masa Tuile.	8
Seasonal Avocado Cheesecake, Honey Yogurt & Green Pumpkin Seed Crust_	8		

SNACK PLATES

Combo of 3	21
Cookies	7
Chocolate	7

Partnership Collaboration Support Results

The power of the brand



BROWN-FORMAN

We align with the values

ENRICHING LIFE

PURPOSE WE ENRICH THE EXPERIENCE OF LIFE BY RESPONSIBLY BUILDING BEVERAGE ALCOHOL BRANDS THAT THRIVE AND ENDURE FOR GENERATIONS

INTEGRITY
RESPECT
TRUST
TEAMWORK
EXCELLENCE

BE
CURIOUS

BE
COURAGEOUS

BE
COLLABORATIVE

BE
CREATIVE

BE
A CHAMPION



We align with the quality



Powerhaus
ALCOHOL & BEVERAGES

The power of the venue

Oolite

restaurant & bar

- Hospitality & Culinary Destination
- Craftsman Interior
- Referencing Mid Century American Design
- 200 seat dining room
- James Beard Nominated Best Chef South
- Original Regional Culinary Concept
- 60 Seats of Private Dining
- 60 Seats of Bar
- 40 Specialty VIP Area Seats
- 2 Steps off Lincoln Road
- Across the Street From Convention Center
- Across the Street From the Fillmore
- In the building with New World Symphony



Every chef dreams of a physical space designed to match the creative power of the concept and with sufficient promise and identity to evolve into a Brand.



The power of the personality



KRIS WESSEL

- James Beard Best Chef SE Nominee
- Owner Operator of 4 Iconic Florida Restaurants
- Originator of 3 original Regional Cuisines
- Community and Eco- Activist
- Progenitor combining indigenous foods nutritiously

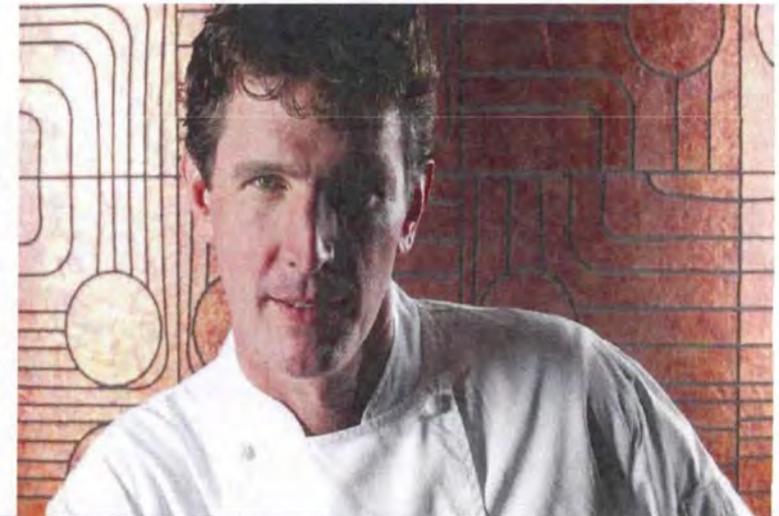
Oolite is one of ten best new restaurants in Miami
Zagat

Oolite one of the best so far in 2014
Miami New Times

Oolite on HEATMAP – Places to go right now!
EATER Miami

Personality and Reputation

- Hailed in Bon Appétit
- ABC's "Good Morning America"
- The New York Times
- Consistently in top 10 chefs of Miami
- Food Network's "Chopped," 2012 winner



An asset prime for development

COMMUNICATION: Character

Kris has a rare ability to connect with his publics and constituent as a friend. When diners go to his establishment they feel they are going to his house and kitchen. This quality drives positive reputation and financial value in any enterprise. The consistent results in Kris' enterprises and his commitment to the community, project capability and character. These are the qualities a premium brand can find common ground to collaborate with.

MAXIMIZE BRAND & CHARACTER



An ethical, socially responsible, and sustainable company
Innovative enterprise
Brilliant culinary concept
An original story
Capable of capture of share
Capable to support revenue driven objectives
Creative opportunities
A variety of brand application and extension

Passion

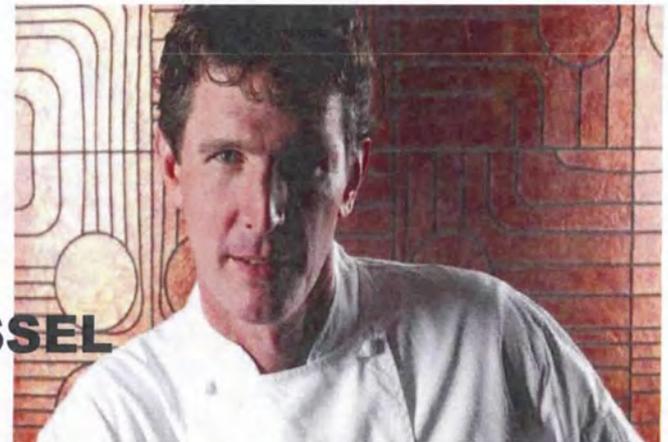
You cannot hire passion or enthusiasm.
The ideas and innovation driving Kris Wessel and Oolite are
the invitation to create growth and future opportunities.



BROWN-FORMAN

Oolite the concept and Chef Wessel's philosophy align perfectly with strong Branding, an ethical and responsible market approach, quality, value and proactive collaboration.

Oolite
restaurant & bar



KRIS WESSEL

Our mission

Successfully establish the connectivity of Brown Forman Brands, Oolite and Kris Wessel's talent and concepts to create value and recognition with a participating public.

Oolite presents a unique storytelling and content creation opportunity made up of original creative ideas with a commitment to make an impact.

Objectives

- Establish a value basis
 - Expert, Spokesperson
- Manage Personality & Reputation
 - Appearances for mutual benefits
 - Opportunities enhancing Identity
- Help create brand equity & value premium
 - Convert Media opportunities
- Integrate with corporate branding programs
- Roll Out Oolite enterprise to Las Vegas and L.A.
- Naming, Endorsement, Sponsorship opportunity

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Powerhaus
SERVING THE MARKET SINCE 1988



FOR IMMEDIATE RELEASE

KRIS WESSEL'S BRUNCH AT OOLITE RESTAURANT & BAR
Ultra Cool and High value

South Beach Florida, September 10, 2014 _ Brunch, the great national dining pastime for Americans young and old recovering from their weekend or preparing for the week ahead has begun at Oolite Restaurant & Bar. (<https://twitter.com/OoliteMiami>;
<https://www.facebook.com/OoliteMiami?ref=hl>; www.ooliterestaurant.com;
<https://twitter.com/1chef1river>)

The Oolite Brunch kicks off this Sunday, September 14th, 2014 and will run from 11 a.m. to 5 p.m.

BlueJay(<https://www.facebook.com/bluejaymusic>), Miami's own ultra cool, indie alternative folk pop trio of cello, guitar and harmonies will perform throughout.

The real star of the day, Kris Wessel's Gluten Free, Healthy Regional Fare will be offered in two (2) value packages. The Beach Package (\$26.99) includes a gluten-free a la carte item (Huevos Rancheros, Eggs Sardou, Key Lime & Garlic Rotisserie Chicken, Roasted Banana French Toast [shown]), house-baked confections, fresh fruit bar, and soft beverages. The Beach Party Package (\$39.99) includes the Beach Package – plus -- bottomless Mimosas and Bloody Marys.

About Oolite

Oolite recently received 3.5 stars from the Miami Herald for Chef Partner Kris Wessel's unique, original concept of Healthy Regional Fare inspired by the food culture and the bounty of product in the region of Florida, the American South, the Caribbean and South America. Created as a healthy based cuisine, the entire menu is gluten free and protein specific. Oolite's kitchen is diverse in technique using modern and time tested approaches to production including slow cooking, poaching, steaming, smoking, grilling, dehydrating and preserving. The seasonal menu allows for a continual creative approach while always identifying with locals on favorite food use and recipes. Destined to become an icon and housed in a Frank Gehry building, Oolite is just two steps off Lincoln Road, adjacent to the Convention Center and the Fillmore Theater. Oolite's Craftsman interior design references mid century American with lush wood hand crafted tables and wainscoting, glass and pure Oolite limestone rock. The Artisanal wine and beer program was singled out for originality. Total capacity is 284, with two private rooms for groups; Outdoor Dining; Reservations required; Lunch and Dinner. Call (305) 907-5535 or go to Open Table.

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**Page 2 of 2
158 words in release
410 words total**



FOR IMMEDIATE RELEASE

**KOMBUCHA: THE RISING STAR ON OOLITE BAR
THE BAR AT OOLITE RESTAURANT IS HYPERACTIVE**

South Beach Florida, August 20, 2014 _ Kombucha has arrived at the Oolite Restaurant Bar. Kombucha, originated in Asia and migrated through Western Europe at the turn of the last century. Kombucha tea has a unique fermentation process creating a symbiotic colony of bacteria and yeast, or SCOBY, which propagates itself. When added to sweetened black tea, the colony ferments into Kombucha tea.

“I have been drinking Kombucha for 17 years,” explained Chef Partner Kris Wessel, “My ex wife always had a jar fermenting in our refrigerator. Since she is a top researcher in Biologics at the University of Miami, I agreed with the logic.”

The mother culture used to ferment the Oolite Bar Kombucha was given to Kris Wessel by Susan Byner, a friend, a competitive body builder and a health enthusiast. Kombucha, popular as a probiotic food, saw 29 percent combined growth across all channels from February 2013 to February 2014, according to market research firm SPINS. Or about \$125 million dollars generated from scanned sales.

“Part of the Kombucha attraction is being able to brew it at home,” said Wessel. “Aside from the naturally occurring probiotic benefits, I see a trend much like Craft Beer, where Bars like Oolite make an exceptional, healthy, revitalizing, effervescent beverage with a range of nourishing organic acids.”

While the wide ranging Kombucha benefits have been contested, a Cornell University study attributes the positive anti-microbial activity of Kombucha to its acetic acid content concluding Kombucha may be a healthful beverage in view of its anti-microbial activity against a range of pathogenic bacteria, which may promote immunity and general well being.

So much for the science, the Oolite Bar, which is going hyperactive with a new Happy Hour, Culinary Cocktails and a series of branded specialty cocktails now has a set of Kombucha beverage options, including Iced Green Kombucha Tea (\$7.) Kombucha Kamikaze (\$11.) and Kombucha Shots (\$7.)

===MORE===



“We have an 825% dilution on this tea,” said Wessel, “but we want our guests to know that there could be adverse effects with anyone suffering from a lactic acid condition.

Tangy, effervescent and tasty, it’s easy to leave the debate on probiotic benefits when the beverage is this delicious.

About Oolite

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###

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Page 2 of 2

364 words in Release

607 words total



FOR INFORMATION AND RELEASE

**OOLITE RESTAURANT & BAR
BOILERPLATE MESSAGING
Florida Regional Cooking**

South Beach Florida, August 2014

About Oolite

Oolite recently received 3.5 stars from the Miami Herald for Chef Partner Kris Wessel's unique, original concept of Healthy Regional Fare inspired by the food culture and the bounty of product in the region of Florida, the American South, the Caribbean and South America. Created as a healthy based cuisine, the entire menu is gluten free and protein specific. Wessel was nominated for Best Chef South (2010) by the James Beard Foundation. Oolite's kitchen is diverse in technique using modern and time tested approaches to production including slow cooking, poaching, steaming, smoking, grilling, dehydrating and preserving. The seasonal menu allows for a continual creative approach while always identifying with locals on favorite food use and recipes. Destined to become an icon and housed in a Frank Gehry building, Oolite is just two steps off Lincoln Road, adjacent to the Convention Center and the Fillmore Theater. Oolite's Craftsman interior design references mid century American with lush wood hand crafted tables and wainscoting, glass and pure Oolite limestone rock. The Artisanal wine and beer program was singled out for originality. Total capacity is 284, with two private rooms for groups; Outdoor Dining; Reservations required; Lunch and Dinner. Call (305) 907-5535 or go to Open Table.

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192 words in Boilerplate

231 words total



FOR IMMEDIATE RELEASE

**KRIS WESSEL RECEIVES 3.5 STARS FOR OOLITE RESTAURANT & BAR
RUN DON'T WALK TO OOLITE
Florida Regional Cooking Is Praised by Miami Herald**

South Beach Florida, August 7, 2014 _ Kris Wessel received a glowing 3.5 star review from the Miami Herald today providing absolute credibility to the James Beard nominated chef's complex and ambitious South Beach project.

Oolite (pronounced ooo-light) Restaurant & Bar, is located just two steps off Lincoln Road at 1661 Pennsylvania Avenue, and adjacent to the Miami Beach Convention Center, is named for the Florida bedrock, limestone and coral rock foundation that composes the bedrock of Florida.

"At **Kris Wessel's** new **Oolite**, steps off Miami Beach's Lincoln Road," writes Miami Herald Food Critic Evan Benn, "succulent, glistening slices of roasted duck combine with Florida oranges and tamarind in a sweet-sour flourish that's *l'Miami* in the best possible way. Oolite's commitment to **gluten-free ingredients cooked with regional flavors** does not limit its ability to impress."

The expansive 200 seat space, 60 person Bar and two Private Dining rooms has a diverse set of dining options and experiences, but all are steeped in the healthy concept.

"This is the evolution in food composition," explained Wessel, "Oolite, is a natural progression of where food choices are trending. Oolite delivers a healthy, gluten free, processed foods free concept on a local, favorite restaurant platform."

Wessel fans are relieved however with the fact that within the healthy framework Wessel has found room to continue with his signature dishes including BBQ shrimp, gumbo and rabbit crepes. The latter cooked as his *fait accompli* for the win on Chopped.

"This is a thoughtful commitment," Wessel added. "I look at my beautiful daughters and I only want them to eat the finest healthiest ingredients."



About Oolite

Oolite recently received 3.5 stars from the Miami Herald for Chef Partner Kris Wessel's unique, original concept of Healthy Regional Fare inspired by the food culture and the bounty of product in the region of Florida, the American South, the Caribbean and South America. Created as a healthy based cuisine, the entire menu is gluten free and protein specific. Oolite's kitchen is diverse in technique using modern and time tested approaches to production including slow cooking, poaching, steaming, smoking, grilling, dehydrating and preserving. The seasonal menu allows for a continual creative approach while always identifying with locals on favorite food use and recipes. Destined to become an icon and housed in a Frank Gehry building, Oolite is just two steps off Lincoln Road, adjacent to the Convention Center and the Fillmore Theater. Oolite's Craftsman interior design references mid century American with lush wood hand crafted tables and wainscoting, glass and pure Oolite limestone rock. The Artisanal wine and beer program was singled out for originality. Total capacity is 284, with two private rooms for groups; Outdoor Dining; Reservations required; Lunch and Dinner. Call (305) 907-5535 or go to Open Table.

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266 words in release
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MIAMI BEACH

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

COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: September 10, 2014

SUBJECT: **REFERRAL TO FINANCE AND CITY-WIDE PROJECTS COMMITTEE (FCWPC) – A DISCUSSION ON A NEW PROGRAM FOR EXPEDITED LIEN SEARCHES WITH A TURN-AROUND TIME OF ONE TO TWO BUSINESS DAYS; CHARGING CUSTOMERS \$250.00 FOR AN EXPEDITED CERTIFIED LIEN SEARCH AND \$300.00 FOR AN EXPEDITED CERTIFIED CONDOMINIUM LIEN SEARCH INCLUDING COMMON AREAS.**

ADMINISTRATION RECOMMENDATION

Refer the item to the Finance and Citywide Projects Committee for discussion.

BACKGROUND

The City of Miami Beach processes approximately 1,600 certified lien searches annually. Current fees for certified lien searches range from \$100 to \$150, with approximate revenues at \$227,500.

In September 2009, the City of Miami Beach established the current fee structure for lien searches. When conducting a certified lien search, City staff research open building permits, code violations, building violations, in addition to unpaid amounts for City charges (i.e. water, sewer, stormwater, waste, resort tax, special assessments, business tax, and miscellaneous City bills).

On July 2, 2014, City staff conducted an industry meeting for title companies to discuss the City's current lien processes. The top 25 title search lien customers were invited to attend this meeting. During this meeting, the industry suggested the City establish an expedited 24-48 hour certified lien service for an additional fee.

Currently, the City publishes a turn-around time of ten business days for certified lien searches. The actual average turn-around time for these lien searches is approximately five business days.

CONCLUSION

The Administration recommends that the Mayor and City Commission refer this item to the Finance and Citywide Projects Committee for a discussion and recommendation on a new program for expedited lien searches.

JLM/PDW/MM

Agenda Item C4M
Date 9-10-14

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MIAMI BEACH

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

COMMITTEE MEMORANDUM

TO: Members of the Finance and Citywide Projects and Neighborhood/Community Affairs Committees

FROM: Jimmy L. Morales, City Manager

DATE: September 24, 2014

SUBJECT: **Discussion Regarding the Relocation of the 21st Street Teen Center**

BACKGROUND

The City's Teen Club offers after-school and summer programming for Miami Beach youth. The program fosters personal growth and encourages teens to become well-rounded individuals through its curriculum which consists of community service, education and recreational outings. These components engage and capture the interests of teens and also provide a positive interaction with others beyond parents and teachers, which has proven to benefit youth in this age group. Together, the programming and guidance help to prevent and/or reduce negative behaviors by offering the students a positive environment. The City currently offers its Teen Program at three locations, Fairway Park, Nautilus Middle School and the 21st Street Teen Center located at 2100 Washington Avenue.

The City is progressively moving forward with the revitalization of the Miami Beach Convention Center. The scope of work for the Miami Beach Convention Center Master Plan includes the demolition of the 21st Street Teen Center which is located on the north side of the Convention Center. Based on the timeline for the Convention Center project, the City anticipates the vacation of the 21st Street Teen Center from its current location by the beginning of the 2015/2016 school year. Given that the 21st Street Teen Center program is such a success, the City needs to identify an alternative location to house this program.

While contemplating the relocation of the Teen Center the following priorities should be considered:

- Identify a location that is in close proximity (walking distance) to/from Miami Beach Senior High School
- Ability to provide adequate parking
- Ensuring to provide a unique location where the teens could call their own
- Ensuring to provide similar types of amenities currently provided at the existing location

During the July 17, 2014 City Commission meeting, Commissioner Malakoff placed a referral item to a joint meeting of the Finance and Citywide Projects Committee (FCWPC) and the Neighborhood/Community Affairs Committee (NCAC) to discuss an alternative location for the 21st Street Teen Center. Commissioner Malakoff would like the Committee to discuss the

potential of constructing a new building to house the Teen Program on the surface lot located south of the Scott Rakow Youth Center (SRYC). The SRYC offers a number of attractive amenities for the teen program participants to utilize. Some of these amenities include an indoor gymnasium for basketball and volleyball, a state of the art fitness center, bowling alley, swimming pool, and an ice skating rink. SRYC also offers an open space, grassy area for outdoor, fitness activities. In addition, the City is currently redesigning the Par 3 Golf Course which is being designed as a passive park and will provide many additional features such as, tennis courts, open play areas, nature walks, exercise courses and a splash pad.

It is important to note that the current conditions concerning parking at the SRYC are challenging, to say the least. Any construction of a new building in this location would need to include additional parking and to also provide a solution which offers a method for parents to drop off and pick up their children instead of having to park and come inside the building. The SRYC currently has 75 regular parking spaces and 4 handicap spaces, for a total of 79 parking spaces. The surface lot is approximately 32,000 square feet. The square footage of the 21st Street Teen Center is approximately 8,600 square feet. The following provides two options for the construction of a new Teen Center that also seeks to address the parking needs.

Option 1

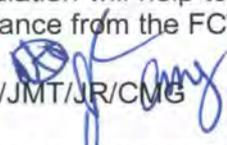
Design the new teen center as a two-story building which would provide ground level parking underneath the teen center. Should this be determined as a viable option, a feasibility study would need to be conducted in order to determine the allowable square footage, number of parking spaces and maximum height requirements pursuant to the requirements of the City's Code.

Option 2

Construct a one story building and provide alternative parking by reconfiguring the traffic flow from Sheridan Avenue. The City's 5 Year Capital Improvement Plan (2013-2017) included a project to maximize the availability of parking for the SRYC via a road closure along Sheridan Avenue, between 28th Street and Pine Tree Drive. In addition, if the existing bus stop located on the east side of 28th Street, opposite of SRYC could be relocated; approximately nine (9) additional parking spaces could also be added. This scope of work would first require a traffic study; however, funding for this project in the amount of \$203,948 isn't programmed until future years.

CONCLUSION

Pursuant to the current design plan for the Miami Beach Convention Center, the 21st Street Teen Center will need to be relocated. Providing an alternative location for the City's teen population will help to ensure that this program remains successful. The Administration seeks guidance from the FCWPC and the NCAC on how they wish to proceed.

JLM/JMT/JR/CMG 

F&CWP Pending Items - Commission Referrals

Attachment 1

Item #	Title	Referred By	Date Referred	Handled By	Date Expiring per Reso # 2013-28147	Note
1	Status update on Business Tax Process Improvement.	Jorge R. Exposito		Patricia Walker Kathie Brooks	7/30/2014	Awaiting new business tax system 9/20/13 The Committee recommended leaving this item on the agenda since the new ACCELA process is still pending. 1/30/14 Commissioner Weithorn is working with P. Walker on this item that is still awaiting ACCELA implementation 3/21/14 Item expiration extended from when the item was reheard
182	Discussion regarding bicycle safety campaign with the Miami Beach police department, Decobike and local bicycle rental companies.	Edward L. Tobin	December 11, 2013 Commission Item R9H	Jose Gonzalez	12/21/2014	2/21/14 The Committee recommended moving forward with the Bicycle Safety Campaign focusing on the importance of bicycle and driver awareness when sharing the streets of Miami Beach. The Committee also agreed to a partnership with local bicycle advocate Mr. Richard Cahlin involving the sale of cycling clothing to help raise funds for bicycle programs. The Committee requested that someone speak to the movie theater to do an in kind video advertisement spot. The source of funding will be looked into and approved later as a separate item along with the items in the preliminary cost breakdown. 6/20/14 The Committee recommended staff work with FDOT to organize events and practical workshops that focus on providing bike safety information and to bring the cost breakdown to budget for the funds that will be needed to implement these programs.
183	Discussion regarding the Washington Avenue pump station for funding allocation	Edward L. Tobin	December 11, 2013 Commission Item R9H	Eric Carpenter	8/21/2014	2/21/14 The Committee recommended referring this item to the Planning Department that would recommend ideas for staining the concrete and how to construct the wall that contains the electrical panel and power meter in the same finishes. Finance will approve the cost options in 2 months with the proposal to be sent by LTC of the different sketches. DRB will way in after receipt of this recommendation.
186	Discussion regarding South Shore Community Center Discussion regarding South Shore Community Center, 833 6th Street, Miami Beach, Florida, regarding whether the City should: 1) Renew Certain Existing Agreements, including various expansions, downsizes and relocations; 2) Execute a new Lease Agreement with South Florida Workforce Investment Board; and 3) Increase the additional rent	Tourism, Culture and Economic Development	March 5, 2014 Commission Item C4C	Max Sklar	9/5/2014	5/20/14 The Committee recommended ninety (90) days prior to the expiration of the Term, re-negotiate a reasonable increase in the operating expenses up to \$11.06 per square foot.
187	Discussion regarding Financial Impact of the Proposed Roadway Closure Applications for 87 Street and 87 Terrace Filed by 8701 Collins Development	Deede Weithorn	March 5, 2014 Commission Item C4D	Eric Carpenter	11/20/2014	5/20/14 The Committee recommended referring this item to Land Use and the appraisal re-evaluated. The item is to be brought back to the June Finance Committee meeting. 7/18/14 The Committee moved to continue the discussion of this item at the July 30, 2014 Commission meeting with no recommendation. 7/30/14 A. The Committee recommended 8701 Collins Development work with staff to further develop a term sheet that is agreeable and brought back to the September 10, 2014 Commission Meeting. B. The Committee recommended

Item #	Title	Referred By	Date Referred	Handled By	Date Expiring per Reso # 2013-28147	Note
188	Discussion regarding The Greater Miami Convention and Visitors Bureau Interlocal Agreement	Tourism, Culture and Economic Development	March 5, 2014 Commission Item C4F	Max Sklar	2/5/2015	7/18/2014 The Committee recommended moving this item to the August 13, 2014 Budget meeting and then finalized at the September 10, 2014 Commission meeting with no recommendation. 8/13/14 The Committee recommended moving forward on a month to month extension under the current contracted terms not to exceed one (1) year. The intent is for staff to re-negotiate an incentive base plan that establishes a base fee and an incentive fee to be paid based on the overall achievement of annual performance goals. Budget is to also add a line item for an owner's representative that is not to exceed \$161,000 at the City Manager's discretion. Staff is to bring back the item to Committee once negotiations are completed.
189	Discussion regarding the Miami Beach Police Athletic League (PAL)	Joy Malakoff	March 5, 2014 Commission Item R9N	Arthur Martineau	9/21/2014	3/21/2014 Item to be brought back when their audit is complete
192	Discussion regarding Police and Parking Department Towing Permit Requirements	Parking	April 23, 2014 Commission Item C4G	Saul Frances	11/20/2014	5/20/14 The Committee recommended no action and that Saul Frances Parking Director follow up on the implementation of the technology enhancements. This item is to be brought back to the September Finance Committee Meeting.
196	Discussion regarding creating a Property Assessed Clean Energy (PACE) Program by resolution and joining the existing Interlocal Agreement between by Harbor Islands, Biscayne Park, and Surfside	Jonah Wolfson	May 21, 2014 Commission Item R9N	Betsy Wheaton Patricia Walker	11/21/2014	
202	Discussion regarding the Purchase and Sale Agreement for 226-87th Terrace to permit the Development of a Parking Garage to include at least 100 Public Parking Spaces	Deede Weithorn	June 11, 2014 Commission Item C4I	Eric Carpenter Joe Jimenez	12/11/2014	7/18/14 The Committee moved to continue the discussion of this item at the July 30, 2014 Commission meeting with no recommendation.
204	Discussion regarding rebuilding of the Sunset 1 and 2 Guard Houses	Joy Malakoff Neighborhoods	May 21, 2014 Commission Item C4A	Eric Carpenter	11/21/2014	
205	Discussion on the Proposed Terminal Island Residential Project	Deede Weithorn	July 23, 2014 Commission Item R9U	Joe Jimenez	1/23/2015	7/30/14 The Committee recommended that the term sheet be further reviewed in the areas of the appraisal, legal sign off with additional term of unanimous consent, no assignment of project to another developer, parking needs, cost of project and new specifications of the building with special events added to the comprehensive Development Agreement language negotiations without a motion. The item is to be brought back to the September 10, 2014 Commission Meeting.
208	Discussion regarding Parking Demand Analysis/Walker Parking Consultants	Parking	July 23, 2014 Commission Item C4I	Saul Frances	1/23/2015	
210	Discussion regarding Exploring Issues brought up in an Internal Audit of the Miami Beach Police Athletic League (PAL), specifically regarding utility fees that are past due	Michael Grieco	July 23, 2014 Commission Item C4O	James Sutter	1/23/2015	
211	Discussion regarding Congestion Parking Rates	Edward L. Tobin	July 23, 2014 Commission Item C4Q	Saul Frances	1/23/2015	
213	Discussion regarding the Future Location of 21st Street Teen Center in the Vicinity of Miami Beach Senior High School	Joy Malakoff Neighborhoods	July 30, 2014 Commission Item C4C	John Rebar	1/30/2015	
214	Discussion Regarding The Loans-At-Work Program.			Sylvia Crespo-Tabak		
215	Discussion regarding Flooding and Sea Rise Regarding The 2015-2016 Storm Water Utilities Methodology	Michael Grieco Mayor's Blue Ribbon Panel	September 10, 2014 Commission Item C4G	Patricia Walker	3/10/2015	
216	Discussion To Permit The Vacation Of A Right-Of-Way Parcel On The North Side Of 5860 North Bay Road And Approve A Storm Water Utility Easement, To Facilitate The City's Storm Water Improvements On The South Side Of The Same Property	Michael Grieco	September 10, 2014 Commission Item C4J	Eric Carpenter	3/10/2015	

Item #	Title	Referred By	Date Referred	Handled By	Date Expiring per Reso # 2013-28147	Note
217	Discussion regarding A New Program For Expedited Lien Searches With A Turn-Around Time Of One To Two Business Days; Charging Customers \$250.00 For An Expedited Certified Lien Search And \$300.00 For An Expedited Certified Condominium Lien Search Including Common Areas	Finance	September 10, 2014 Commission Item C4M	Patricia Walker	3/10/2015	
218	Discussion regarding A Resolution Approving The Vacation And Abandonment Of That Portion Of 87th Terrace East Of Collins Avenue, Consisting Of A 50 Foot Right-Of-Way (ROW) Containing Approximately 18,042 Square Feet In Total Lot Area, As Shown On The Plat Of Altos Del Mar Subdivision No. 2, Recorded In Plat Book 4, Page 162 Of The Public Records Of Miami-Dade County, In Favor Of 8701 Collins Development, LLC (The "Applicant"); With Such Vacation Subject To And Contingent Upon The City's Approval, And The City And Applicant's Execution, Of A Development Agreement Which, Among Other Terms And Conditions (1) Grants To The City A Perpetual Pedestrian Access Easement Across A Portion Of The Vacated City Row, And (2) Ensures Applicant's Payment Of A Voluntary Monetary Contribution, In The Amount Of \$10.5 Million Dollars, To Be Used By The City For Public Purposes; And With Such Vacation Further Subject To And Contingent Upon Applicant's Satisfaction Of The Conditions Set Forth In This Resolution	Public Works City Attorney	September 10, 2014 Commission Item R7E	Eric Carpenter City Attorney Joe Jimenez	3/10/2015	
219	Discussion regarding City's Sidewalk café Fee Schedule	Philip Levine	September 10, 2014 Commission Item R9T	Joe Jimenez	3/10/2015	
220	Discussion regarding Potential Purchase Of Air Rights For 6940 Abbott Avenue From AT&T For Future Development Of A Parking Garage In The North Beach Town Center	Tourism, Culture and Economic Development	September 10, 2014 Commission Item C4B	Max Sklar	3/10/2015	
221	A Discussion To Consider A Request for Rent Relief From Penn 17, LLC., Regarding The Retail Space At The Pennsylvania Avenue Parking Garage			Max Sklar		