



MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC # 211-2007

LETTER TO COMMISSION

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TO: Mayor David Dermer and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: September 15, 2007

SUBJECT: SoBe Music Institute - Carl Fisher Clubhouse

This Letter to Commission is intended to provide you with a status update on the use of the Carl Fisher Clubhouse (Clubhouse) by SoBe Music Institute (SoBe), and further updates the LTC issued on this subject in late August. As you may recall, SoBe provided programming to participants at free or greatly reduced fees during the summer. They expressed an interest in continuing to provide this programming to the community during the school year, as they provided during the summer. In light of the vacancy of the facility, and a review of the programming that indicated satisfaction with the programming offered, and as we advised you in the prior LTC, City staff believed that a Letter Agreement provided the best mechanism for the programming to be made available as soon as possible. Any additional use of the facility, based on the renovation schedule, would be determined through a process later this fall, once the schedule was better defined.

A meeting was held with SoBe representatives to discuss their proposed use for the facility for the nine-month period of the school year, and to advise them that a use fee would be required for continued use of the facility. A written proposal was requested, delineating programming proposed and hours of operation. The proposal was submitted the first week of September. Upon review of the proposal, it was determined that the after school program had been modified to include a fee – albeit a highly reduced fee – to the participants. Staff contacted SoBe immediately to discuss this change to their proposal, especially as this change had not been previously disclosed to staff. SoBe explained that they had not had enough time to initiate fundraising to fully subsidize the costs for the Fall term (September through December), but it was their expectation to provide the full subsidy to some participants during the Spring – after they have engaged in fundraising. They also advised us that they had already registered approximately 100 participants for the program; and the program was scheduled to begin within a few days. After staff advised SoBe that the lack of fully subsidized participants was a concern, it was determined that the letter agreement would require a goal of 10% full subsidy for the Fall term, with an increased goal of 30% full subsidy in the Spring. SoBe agreed to these requirements, and advised us that at present they have full subsidies in place for six participants (6%).

At this time, a Letter Agreement has been executed; the Letter Agreement has specific provisions for termination, should that be necessary or desired. In light of the current status of renovations, staff is preparing a competitive process to assess interest in the use of the facility by organizations for purposes of providing cultural programming to the community. The organization selected through the RFLI would be provided access to the facility beginning next summer, and until such time as the renovation project begins.

As always, please feel free to contact me should you have any questions or require additional information on this item.

JMG/HF

- c: Hilda Fernandez, Assistant City Manager
- Max A. Sklar, Tourism and Cultural Development Director
- Ana Cecilia Velasco, Asset Manager