

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 Committee

FROM: Jimmy L. Morales, City Manager

DATE: March 31, 2017



This shall serve as written notice that a meeting of the Finance and Citywide Projects Committee (FCWPC) has been scheduled for March 31, 2017, at 2:30 P.M. in the City Commission Chambers.

The agenda is as follows:

OLD BUSINESS

1. **Discussion On Creation Of Economic Development Goals And Objectives And A Citywide Economic Development Strategy Plan. (December 14, 2016 Commission Item C4B)**

Jeff Oris – Economic Development Division Director

Referred by: Tourism, Culture and Economic Development

Status: Item under separate cover.

2. **Discussion Regarding Future Uses Or The Potential Sale Of Vacant City-Owned Land Located At 226 87th Terrace. (October 19, 2016 Commission Item C4A)(July 13, 2016 Commission Item C4J)**

Mark Milisits – Asset Manager

Referred by Commissioner: Michael Grieco

Status: Item under separate cover.

NEW BUSINESS

3. Discussion Regarding A Skate Park/Parking Structure At 72nd Street Parking Lot (P92). (February 8, 2017 Commission Item C4B)

Eva Silverstein – Tourism, Culture and Economic Development Director

Referred by: Tourism, Culture and Economic Development

Dual Referral: Mayor's North Beach Master Plan Steering Committee and Finance & Citywide Projects Committee

Status: Item enclosed.

4. Discuss The Key Development Parameters For The Barclay Plaza Apartments Workforce Housing Project. (March 1, 2017 Commission Item C4A)

Maria Ruiz – Housing and Community Services Director

Referred by: Housing and Community Services

Status: Item enclosed.

5. Discussion Regarding Transitioning To Non-Gas Powered Leaf Blowers For City Staff And Contractors. (March 1, 2017 Commission Item R9R)

Eric Carpenter – Assistant City Manager/ Public Works Director

John Rebar – Parks and Recreation Director

Referred by Commissioner: Michael Grieco

Dual Referral: Sustainability and Resiliency Committee and Finance & Citywide Projects Committee

Status: Item under separate cover.

6. Discussion Regarding The Maintenance Of Public Bathrooms Citywide. (February 8, 2017 Commission Item C4N)

John Rebar – Parks and Recreation Director

Adrian Morales – Property Management Director

Referred by Commissioner: Michael Grieco

Dual Referral: Neighborhood/Community Affairs Committee and Finance & Citywide Projects Committee

Status: Discussion item.

7. Discussion Regarding A One Cent (0.01) Food And Beverage Tax Supporting Public Schools Within Miami Beach City Limits. (March 1, 2017 Commission Item R9F)

Dr. Leslie Rosenfeld – Chief Learning Development Officer
Cintya Ramos – Budget and Performance Improvement Director

Referred by Commissioner: Michael Grieco

Dual Referral:

- i. Neighborhood/Community Affairs Committee to determine the allocation, governance, and methodology of expending funds.
- ii. Finance & Citywide Projects Committee to examine various funding mechanisms.

Status: Item enclosed.

8. Discuss Engaging In A Pilot Program With A Cost Reduction Consultant. (March 1, 2017 Commission Item C4N)

James Sutter – Internal Auditor
John Woodruff – Chief Financial Officer

Referred by Commissioner: Ricky Arriola

Status: Item enclosed.

9. Discussion Of The Issuance Of New Money And Refunding Water And Sewer Revenue Bonds. (March 17, 2017)

John Woodruff – Chief Financial Officer

Referred by: Finance

Status: Item under separate cover.

10. Discussion Of The Issuance Of New Stormwater Revenue Bonds. (March 17, 2017)

John Woodruff – Chief Financial Officer

Referred by: Finance

Status: Item under separate cover.

DEFERRED ITEMS

- 11. Discussion Regarding Proposed Interceptor Garage At 1623 West Avenue (Lot No. P23). (September 27, 2016 Commission Item R9E)(Continued From September 14, 2016 Commission Item R9AA)**

Saul Frances – Parking Director

Referred by: Parking

Status: Item deferred to the April 21st Finance and Citywide Projects meeting. The CIP Department received a preliminary pedestrian bridge concept design and associated cost estimate from Desman, DCP (design criteria professional). This information will be provided to Crescent Heights, developer of the private garage project contemplated for the pedestrian bridge connection for further discussion.

- 12. Discussion To Explore Placing Cameras On Every Corner Of The MXE (Mixed Use Entertainment) District And On The Beachwalk, And Installing Emergency Activation Boxes Along The Beachwalk. (March 1, 2017 Commission Item C4P)**

Eric Carpenter – Assistant City Manager/ Public Works Director

Daniel Oates – Police Chief

Referred by Vice-Mayor: Kristen Rosen Gonzalez

Dual Referral: Neighborhood/Community Affairs Committee and Finance & Citywide Projects Committee

Status: Item deferred pending completion of analysis.

- 13. Discuss An Arrangement With Sabrina Cohen Foundation For The Construction And Operation Of An Adaptive Fitness Center At A Portion Of The 53rd Street Parking Lot With Direction To Staff To Do Outreach To The Buildings Immediately Adjacent. (March 22, 2017 Commission Item C4B)**

John Rebar – Parks and Recreation Director

Referred by Commissioner: Joy Malakoff

Status: Item deferred.

Finance and Citywide Projects Committee Meetings for 2017:

April 21
May 19
June 16 – FCWP and Budget Briefing
June 30 – Budget Briefing
July 10 – Budget Briefing
July 21 – Budget Briefing
July 28
August Recess
September 8
October 13
November 3
December 8

Committee Members

Commissioner Ricky Arriola, Chair
Commissioner Joy Malakoff, Vice Chair
Commissioner John Aleman, Member
Commissioner Micky Steinberg, Alternate
John Woodruff, Committee Liaison



JW/yr

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Cc. Mayor and Members of the City Commission
Management Team

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COMMITTEE MEMORANDUM

TO: Members of the Finance and City Wide Projects Committee

FROM: Jimmy L. Morales, City Manager

A handwritten signature in blue ink, appearing to read "J. Morales", is placed over the "FROM:" line.

DATE: March 31, 2017

SUBJECT: **DISCUSSION REGARDING A SKATE PARK/ PARKING STRUCTURE AT THE 72ND STREET PARKING LOT (P92)**

The purpose of this memorandum is to update the Committee as to staff's efforts regarding the potential placement of a skate park in North Beach, as well as the Committee's request for staff to provide further information regarding additional activities the City may be looking to locate in North Beach.

BACKGROUND:

For several years, the City has had within its work plan to site and construct a skate park within the municipal limits. Multiple sites have been explored throughout the City with each location posing challenges. These challenges include resident objections to the use close to their homes that the City has been unable to mitigate to date. Nonetheless, the City has continued to pursue a site for such a park due to the demand from the local skating community and local residents who would like to have a place for skaters to enjoy their sport. Most recently, in 2016 several locations were presented to the Neighborhoods and Community Affairs Community (NCAC) for a skate park or all-wheels park concept: the 72nd Street (P92) Parking lot, the West Lots (those lots on the west side of Collins Avenue between 79th Street and 87th Street), and the south end of North Shore Open Space Park. Based on community input and NCAC review, the 72nd Street lot was selected as the preferred location, and endorsed by the City's Parks and Recreational Facilities Advisory Board.

Given the loss of parking spaces that would result from the conversion, as well as other uses recommended for the 72nd Street lot by the North Beach Master Plan (Attachment 2), the City's Parks and Recreational Facilities Advisory Board for the 72nd street lot, as well as City Departments and the Community (Attachment 3) the NCAC requested that staff evaluate programming of the entire 72nd Street Lot, including a potential replacement parking garage (See Attachment 4). The item was also referred to the Finance and Citywide Project Committee (FCWP) who recommended input from the Mayor's North Beach Committee prior to discussing the item in depth.

Additional detail on the background timeline is provided in Attachment 1.

At the February 17, 2017 NCAC meeting, the Committee recommended that prior to any review of potential site programming or design the Public Works Department needs to conduct a survey of the utilities to determine potential cost of utility relocation/replacement and how a design for the site might be created to minimize utility conflicts. Significant stormwater, water, and sewer systems are present at the site and most would require relocation to construct the parking structure. Additionally, a significant electrical transmission line crosses a portion of the property.

A SKATE PARK AT THE 72ND STREET (P92) PARKING LOT

This 72nd Street Parking lot, also known as lot P92, is an entire block bounded by 72nd Street on the South, 73rd Street on the North, Collins Avenue on the East and Harding Avenue on the West. The lot contains 320 parking spaces and it serves the general commercial uses to the south and north of the lot, as well as providing parking for the North Shore Park and Youth Center, the beach, and for events at the North Beach Bandshell. Given the uses the lot serves, it sees peak usage on the weekends, when beach use is highest, and during special events at the bandshell and at the North Shore Park and Youth Center that draw larger crowds for several hours at a time.

An all-wheels skate park placed at this site would be maximized at about 28,000 square feet in area. The park could be as small as 9,000 square feet, but it has been evaluated at the maximum size thus far. In an effort to provide conformity with the North Beach Master Plan (issues related to the North Beach Master Plan will be explored later in this memorandum) and to minimize neighborhood impact, it would be suggested that the skate park be placed on the northern side of the block that is now the 72nd Street lot. This will move the activity as far away from the heavy activity on Collins Avenue and from Burleigh House residential tower while still placing the activity near the North Shore Youth Center. This location also allows for a more direct connection of the skate park to the Beachwalk at Ocean Terrace and 73rd Street. Connection to the Beachwalk was a high priority for those that attended the May 25th public input meeting. Additionally, this location will allow for the future development of a parking structure more to the southern (72nd Street) side of the block as contemplated in the North Beach Master Plan.

If the Committee would like to move forward with investigating the creation and funding of a skate park, construction of a parking garage, and construction of other public amenities at the 72nd Street lot, several questions would need to be addressed:

- How large should the skate park be?
- How much parking needs to be located on the site?
- If a parking structure is desired, how large should it be?
- What ground floor uses should be accommodated if a parking structure is to be built?
- What activities the City should look at placing on this site?

STATUS UPDATE

The Mayor's North Beach Committee subsequently discussed the item and various components of a potential development of the 72nd Street lot at their February 24th meeting and adopted the following motion by a 6-1 vote:

MOTION: The Steering Committee requests that the City of Miami Beach engage a planner to create a cohesive vision for the 72nd Street parking lot, the Youth Center, the Bandshell, Ocean Terrace, the Altos del Mar park area, and the library location right away so the community can have input in the area parks and how they can expand and work together as one, from 72nd street to 76th Street and that the 72nd Street parking lot be designed to maximize parking, have a single building footprint, include a breezeway to or adjacent to the Youth Center, and have wide green walkways going east to west on the North and South sides to encourage pedestrian circulation.

In addition, the NCAC took this matter up at their March 17th meeting with discussion including the North Beach Committee motion as well as the anticipated completion date of a utility study to address existing utilities on site. Public works indicated that the basic utility study would be completed by April 14, 2017. Given that the utility study would be completed before a designer could be engaged because the Commission's next meeting would not be until the end of April, the Committee adopted the following motion (note: the motion is from the meeting video as minutes for the meeting had not yet been produced at the time this memo was created):

MOTION: To recommend to the full Commission that a designer be engaged to prepare a comprehensive plan to include all of the areas requested by the North Beach Committee.

CONCLUSION

The Administration recommends that the Committee seek for the City to engage a designer to prepare a more detailed site design once the review of utilities is completed. The Committee may also wish to address the NCAC and North Beach Committee's requests for a more comprehensive plan for the area. Finally, if the Committee wishes to proceed with the project, the Administration seeks direction on whether a funding request for detailed site design for the overall lot or a parking structure should be included in the FY 2017-18 budget process.

C: Kathie Brooks, Assistant City Manager
Eric Carpenter, Assistant City Manager/Public Works Director
Eva Silverstein, Tourism, Culture and Economic Development Director
John Rebar, Parks and Recreation Director
Saul Frances, Parking Director
Jeffrey Oris, Economic Development Division Director

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ATTACHMENT 1 TIMELINE OF PRIOR ACTIONS

Funding for a skate park in Miami Beach was appropriated in Fiscal Year 2011/12 in the amount of \$400,000. At that time the description for the project stated "Location TBD based on Neighborhood/Community meetings throughout the City.

In the Spring of 2015, Velosolutions USA, a locally-based company, made presentations to the Parks and Recreation Board and the Mayor's Blue Ribbon Panel on North Beach regarding a mixed use, all-wheels, pump track concept. This concept varies from a traditional skate park in that it is more of a contoured and graded track suitable for skateboards, rollerblades, bicycles and the like, and it is more suited to use by persons of all ages and skill levels. A traditional skate park, while useable by rollerbladers and certain bicyclists, is more for skateboard riding and would include steeper ramps and other elements on which to launch into various "tricks."

During the last year or so, the North Beach community has become more accepting of the location of a skate park or all wheels track within this area of the City, and the members of the Neighborhood/Community Affairs Committee (NCAC) asked for staff to seek potential locations in North Beach for the siting of one or both of these types of facilities. Several locations were presented to the NCAC at their April 15, 2016 meeting. The NCAC asked for three staff recommended sites; the 72nd Street (P92) Parking lot, the West Lots (those lots on the west side of Collins Avenue between 79th Street and 87th Street), and the south end of North Shore Open Space Park to be brought to a public workshop in North Beach for the purposes of gathering the input of the public. In addition, the NCAC also requested that input be obtained from the Parks and Recreation Facilities Advisory Board and the Mayor's North Beach Master Plan Steering Committee.

At the aforementioned public input meeting, held on May 25, 2016, the public in attendance suggested the location at the North Shore Open Space Park as their desired site. It was clear that the public actually favored the 72nd street lots location, but indicated preference for the park location due to an anticipated time lag on constructing a park on the parking lot. The Parks and Recreation Facilities Advisory Board also recommended the North Shore Open Space Park location at their May 2016 meeting. The North Beach Master Plan Steering Committee requested conceptual drawings of each of the three sites before committing to support a particular location. Unfortunately, the Committee was sunset before the drawings could be reviewed and thus it made no recommendation.

The NCAC, at the October 21, 2016, was presented with conceptual drawings of a skate park in the three locations under consideration. After a short discussion, it was clear the Committee unanimously favored the 72nd street parking lot with an understanding that the placement of a skate park at this location will cause a loss of parking spaces in the existing lot. The NCAC requested that staff return to the November meeting with more information regarding the loss of parking if a skate park is located at the site, the potential for reconfiguring the parking lot with a parking structure, the inclusion of greenspace on this block, and the inclusion of other amenities as outlined in the recently adopted North Beach Master Plan.

The City's Parks and Recreational Facilities Advisory Board adopted the following motion at their November 2, 2016 meeting:

The Parks and Recreational Facilities Advisory Board has for the past year been discussing various recreational facilities and locations. After giving a lot of

consideration and reviewing the North Beach Master Plan, it seems most efficient to the board to consolidate the following four (4) sports activities into the conceptual design of the 72nd Street Lot in order to create a recreational sports corridor: a competitive pool, batting cages, skate park and regulation size soccer field. Parking and the appropriate life safety considerations for crossing Harding Avenue should also be considered in the plan.

The uses contemplated on the site by this motion will have implications on the need for additional new parking. Additionally, the North Beach Master Plan contemplated the siting of a skate park at this site under all three scenarios illustrated for this site. One of the scenarios presented also showed the potential for an open multi-use, however, this scenario did not include any parking on the block at all. Thus, the siting of more recreational uses at this site would be incompatible with the master plan.

During the December 9, 2016 NCAC meeting, the committee members requested additional information to determine if the activities and rudimentary site plan presented by staff at the meeting consisted of "the right pieces in the right configuration" for the site. In response, staff has researched other area needs which are outlined later in this memorandum.

Additionally, at the December meeting, the members also asked for the input of the Finance and Citywide Project Committee (FCWP). It was found that this item was not dual referred to both committees and thus, the item was referred to the FCWP by the City Commission at their February 8, 2017 meeting. The item was placed on the FCWP's February 17, 2017 agenda, at which time the Committee indicated they would like to see a design and wished to hear input from the Mayor's North Beach Committee prior to discussing the item in depth.

At the FCWP meeting of February 13, 2017 meeting, this item was deferred until input from the Mayor's North Beach Committee could be obtained. The North Beach Committee subsequently took up the matter at their February 24th meeting and passed the following motion (on at 6-1 vote):

MOTION: The Steering Committee requests that the City of Miami Beach engage a planner to create a cohesive vision for the 72nd Street parking lot, the Youth Center, the Bandshell, Ocean Terrace, the Altos del Mar park area, and the library location right away so the community can have input in the area parks and how they can expand and work together as one, from 72nd street to 76th Street and that the 72nd Street parking lot be designed to maximize parking, have a single building footprint, include a breezeway to or adjacent to the Youth Center, and have wide green walkways going east to west on the North and South sides to encourage pedestrian circulation.

The North Beach Committee's motion was then taken up by the NCAC at their March 17, 2017 meeting. The Committee subsequently adopted a motion that generally recommends to the City Commission that a designer be engaged a designer to prepare a comprehensive plan to include all of the areas requested by the North Beach Committee (exact wording of the motion is not available as minutes had not be prepared as of the creation of this memo). In passing this motion, the NCAC was concerned about potential utility conflicts at the 72nd Street parking lot. Public Works indicated they would have a basic utility study completed by April 14, 2017 thus, NCAC felt it was best to not stop the item to wait for the study since any designer hired would have that information before the design efforts began.

The NCAC took this matter up at their March 17th meeting with discussion including the North Beach Committee motion as well as the anticipated completion date of a utility study to address existing utilities on site. Public works indicated that the basic utility study would be completed by April 14, 2017. Given that the utility study would be completed before a designer could be engaged because the Commission's next meeting would not be until the end of April, the Committee adopted the following motion (note: the motion is from the meeting video as minutes for the meeting had not yet been produced at the time this attachment was created):

MOTION: To recommend to the full Commission that a designer be engaged to prepare a comprehensive plan to include all of the areas requested by the North Beach Committee.

ATTACHMENT 2

RECOMMENDATIONS IN THE NORTH BEACH MASTER PLAN

The adopted North Beach Master Plan focuses on the future potential of the 72nd Street Parking lot (P-92) as anchor of greenspace/civic use. It was, however, immediately recognized during the planning process that the lot serves the parking needs of the events at the North Beach Bandshell, North Shore Park and Youth Center, and visitors to the beach and thus the greenspace/civic uses would need to be accomplished without the loss of the 320 parking spaces the lot provides. These spaces serve the area for major events at the Bandshell, North Shore Youth Center and Park, and the beach and have the potential to serve the Town Center area. It is for these reasons the Master Plan describes and includes several illustrations that show a progression of the parking from its current state to a valet lot that is significantly smaller in footprint than the current lot but with no loss of spaces, to ultimately a full parking structure (see Illustration 1). The illustrations show parking to be in the southwestern portion of the lot specifically so that it can continue to serve the aforementioned facilities, but so that it can also have some orientation and be suitable for future uses in the Town Center area as it would be located only one block from the area.

In addition to the above, residents in our public input meetings often expressed a desire for the City to keep this lot in civic use and to maintain greenspace so that it was clear that the land from the "ocean to the bay" was public domain. The illustrations also show how the lot was further designed to keep open space across the northern half of the block with an active skate park and open fields/lawns to maximize activities.

The lot's design in the Master Plan also addresses another lingering issue in the area; The curve in Collins Avenue, the open space due to Bandshell Park, and the greenspace at the eastern edge of the 72nd Street parking lot act as a barrier to pedestrians continuing to walk northward to the commercial area north of 73rd Street on Collins Avenue. The visual barrier these components present makes pedestrians feel as if they have come to the end of the commercial district and thus, they do not continue to walk towards those businesses north of 73rd Street that are not visible to them. Two smaller buildings are shown in the illustration as a way to assure pedestrians that the commercial district continues. The buildings are described as potentially cafés with outdoor seating areas or other more public types of uses such as a library or community center (see attached Map 1).

Other City requirements and desires were also outlined in the Master Plan for any parking structure placed at the site. These included the need for retail, commercial, office space on the ground floor and the potential to include residential units as part of the project or to ensure the structure was designed for easy conversion to residential if there is not sufficient need for parking in the future to warrant the structure's continuation as a parking garage. While not specifically mentioned in the Master Plan, the ground floor of a parking structure, due to its limited commercial potential and proximity to the North Shore Youth Center, could be an ideal location for a teen center or for the relocation of the library. It would also be appropriate to consider including a skywalk or other direct connection above the roadway from the parking structure to the Youth Center to increase safety for those traversing Abbott Avenue. This connection could also encourage more parking in the garage, thereby alleviating parking pressure on the parking lot at North Shore Park.

ATTACHMENT 3 NON-SKATE PARK POTENTIAL USES ON THE 72ND STREET LOT

Staff has reviewed the needs/wants of other departments and the public and has created Table 3 which shows potential uses that might be placed at this site and the area, in square feet, that they might require. Both the library and skate park could be designed to occupy a smaller area while all of the uses could be designed to take up more area.

TABLE 3 – Potential Uses and Recommended Area

Use	Area Needed
1) Library*	5,500 sq. ft.
2) Skate Park	28,000 sq. ft.
3) Teen Center*	8,600 sq. ft.
4) Batting Cages (2 Cages @ 65' x 15' each)	1,950 sq. ft.
5) Parking Structure	45,000 sq. ft. to 60,000 sq. ft.
6) Regulation Soccer Field^	64,800 sq. ft.
7) Multi-purpose Field^	79,550 sq. ft.
8) Parks and Recreation Offices*^	< 3,000 sq. ft.
9) Code Compliance Area Office*^	900 sq. ft.
10) Social Services Intake Facility*^	500 sq. ft.

*Uses noted could be located either on the ground floor of a parking structure or in a civic building

^Use dismissed by NCAC at February 17, 2017 meeting.

It is important to note that the square footage provided in the above table is for the use itself and does not include buffers or separation areas, nor does it include space for spectators. This additional square footage need will depend on configuration, available space, and other factors.

The master plan did not contemplate batting cages, a soccer field or a large multi-purpose field to be located on this site. The plan did however, suggest a skate park and parking structure (with a teen center or library as the ground floor use), along with kiosks and a civic building along the eastern side of the lot for the purpose of maintaining continuous visible use and activity along the Collins Avenue Corridor. Sizes for the kiosks and civic building are not shown in the table as they can be quite flexible and rely more on design and location to perform their function.

Several of the uses were deemed by the Neighborhood/Community Affairs Committee too large for the site or not appropriate for a more recreational oriented facility. These are marked with a “^” in the table and include: regulation soccer field, multi-purpose field, Parks and Recreation Department office, Code Compliance Office, and a social service intake facility.

A number of the uses indicated in the table (those marked with “*”) are suited for the ground floor or for a civic building and may not impact the placement of other uses but may compete with one another for available building space.

This list is not an endorsement of any of the uses, but merely a list of facilities that are continuously requested or for which the City has been seeking a location.

ATTACHMENT 4 POTENTIAL PARKING IMPACT AND PARKING GARAGE NEEDS

If the City were to maximize the size of the skate park and provide the largest contemplated footprint of 28,000 square feet, the park would occupy the area of approximately 100 parking spaces in the existing lot. With this assumption, the staff contacted Walker Parking Consultants, who had prepared a 2014 parking analysis of North Beach, and asked for a basic assessment of what the loss of these spaces would mean to the parking occupancy levels of the lot. The resulting analysis can be found in Table 1.

The calculations in Table 1 do not include additional parking that would be needed for visitors to the skate park. While many users of the park will ride skateboards to the location, the park could be a draw from a larger area and attract users arriving by car. Staff is working with Walker Parking Consultants to ascertain parking needs for the park, however, additional research is required to make a more direct correlation of parking demand from such a use due to varying types of skate parks and the limited number of such public parks locally, in the state, and across the nation.

TABLE 1 – Parking Occupancy Impact

Observed Conditions

Block/Lot	Inventory	Sat			Weekday		
		Noon	4:00 PM	9:00 PM	11:00 AM	2:00 PM	7:00 PM
13/ P92	305	156	304	204	76	81	109
	<i>Occupancy</i>	51%	100%	67%	25%	27%	36%

Potential Conditions

Block/Lot	Inventory	Sat			Weekday		
		Noon	4:00 PM	9:00 PM	11:00 AM	2:00 PM	7:00 PM
13/ P92	205	156	304	204	76	81	109
	<i>Occupancy</i>	76%	148%	100%	37%	40%	53%

*plus added demand of skate park

Table 1 (Observed Conditions) shows that without factoring in the additional parking needs of the skate park, the lot experiences full occupancy only in the late afternoon on Saturdays with the remainder of the Saturday and weekdays showing significant vacancy throughout the day. When the loss of 100 spaces (Potential Conditions) is considered, it shows that weekday parking needs could be accommodated, but Saturday usage would become even more deficient. Again, this analysis does not address the additional need for parking due to the skate park, although it is unlikely that the additional need would put occupancy over capacity during weekday periods. However, it would place even more burden on the Saturday parking need.

Additional parking needs that may come from expected development in the area, coupled with potentially successful North Beach revitalization efforts, would then mean that this lot would start to see additional demand pushing occupancy levels even higher.

ADDRESSING PARKING NEEDS

The illustration from the North Beach Master Plan shows a parking structure at the southwestern portion of the block. It further shows the structure occupying about two-thirds of the western half of the block. The City Code currently allows a majority parking structure on the site to be up to 87 feet in height. However, only the lower 50 feet of this structure could be used for parking while upper floors could be used for other residential or commercial uses, which may not be that desirable at this site. At a 50 foot height limit, the structure would be limited to four stories: ground floor retail/civic uses with some parking and three floors of parking. The structure was shown with this configuration so that it could serve all of the needs of the area and allow for a pedestrian extension of Harding Avenue from the south through the new park. This would provide an inviting view to drivers as well as allowing the road to terminate in a greenspace rather than with the side of a parking structure.

Following what is allowed in the City code, a structure configured as illustrated would provide approximately 270 spaces with 45,000 square feet of useable space for location of a civic center, teen center, retail space, or for relocation of the public library. An additional story could be added to the structure with a waiver by the City Commission, yielding 44 more spaces for a total of 360. The waiver could be appropriate as it may only be for about 5-10 feet to account for higher ceiling height on the ground floor that would be appropriate for retail and to address future sea level rise. Additionally, several more spaces could be made available if the entire ground floor were not dedicated to civic or retail space. The number of additional spaces at the ground floor would depend on the space needed for access to them and the amount of space made available.

This scenario gains approximately 40 spaces as compared to the current lot capacity, but it does not account for the approximately 150 spaces that would be required if the entire ground floor of the structure were to remain non-parking space (based on a retail use at 1 space per 300 square feet), thereby continuing to leave the area in a parking deficit compared to what exists today. It would not be required that the entire ground floor be used for non-parking uses and some parking could be located on the first level thus increasing the amount of parking and decreasing the amount required for the new uses in the structure. Additional parking would also be required to serve the skate park, though as mentioned, we do not yet have the information to determine the number required. It should be noted that the City Commission has the right to waive or reduce certain parking requirements, which would be appropriate if more civic uses such as a library or teen center were to utilize the space.

To satisfy overall area demand and increase the amount of parking available for the Town Center area's future revitalization, the parking garage could also vary from the Master Plan to occupy more of the southern half of the lot (see attached Map 2). While this may spoil the more pedestrian-friendly design, the potential to combine what is shown as a parking garage and a building for retail or civic use in the Master Plan and provide for a larger garage with ground floor civic and retail uses may also be appropriate. The southern half of the block can easily provide for a structure footprint that, with waiver for an additional floor, could provide closer to 500 spaces. If a structure were designed that utilized two-thirds of the southern half of the lot (approximately 59,000 square feet) and utilized the assumptions from the previous example of Commission waivers for an additional floor, this five-story garage would yield a minimum of 472 spaces if the entire ground floor were dedicated to non-parking uses. These ground floor uses would also generate a demand for an additional 196 spaces if the retail parking requirements are utilized. It would be more likely that some ground floor

spaces would be more appropriate than 59,000 square foot of non-parking uses in this location, which would increase the number of spaces and decrease the additional demand due to the non-parking uses.

There is significant space on the southern half of the block that can be used as described above, or another configuration could be designed that would change all of the elements around on the lot to provide for a more efficient use of the lot overall while maintaining parking, the skate park, appropriate civic uses and any other desired uses.

PARKING STRUCTURE COSTS

Basic cost estimates for building a parking structure can be determined by using the City's current parking space cost factor of \$30,000 per space for construction of parking structures + 30% of this cost added on for soft costs (design and other). Table 2 shows costs of the examples given and two sizes between the examples. It should be noted that these are just estimates and there will probably be additional costs based on the type of ground floor uses (Table 2 assumes no ground floor parking).

TABLE 2 – Estimated Parking Structure Costs

Sq. Ft Area	# of Spaces	Cost
45,000	360	\$14,400,000
50,000	400	\$16,000,000
55,000	440	\$17,600,000
59,000	472	\$18,880,000

It is estimated that there is \$2.8 million available in North Beach Impact Fees/Fees in Lieu of Parking which can be used to increase parking availability in the North Beach area. The Commission could chose to develop the program for the lot today, but implement it over time, thus allowing time to develop the funding for the garage.

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

COMMISSION MEMORANDUM

TO: Members of the Finance & Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager 

DATE: March 31, 2017

SUBJECT: **A DISCUSSION PROVIDING DIRECTION TO THE CONCOURSE GROUP FOR THE ISSUANCE OF A PUBLIC PRIVATE PARTNERSHIP REQUEST FOR PROPOSALS (RFP) TO DEVELOP THE BARCLAY PLAZA APARTMENTS AS WORKFORCE HOUSING.**

ADMINISTRATION RECOMMENDATION

The Administration recommends having the discussion.

BACKGROUND

At its January 25, 2017 Workforce/Affordable Housing Workshop, the City Commission was presented with a variety of issues associated with the Barclay Plaza Apartments workforce housing project that required greater Commission direction in order to prepare the development Request For Proposals (RFP). As a reminder, the City has retained Concourse Group as its Public/Private Partnership (P3) consultant. Concourse Group is currently undertaking a financial analysis of the site in anticipation of the RFP process. There were specific areas impacting the Barclay Plaza site that call for direction:

1. What income limits shall be served in the building: 120 to 140% Area Median Income (AMI) versus 80 to 140% AMI?
2. What rents will the project charge to its workforce tenants? This information will be critical to generate financial analyses to determine the feasibility of the project.
3. For the workforce employed in the City, what is the minimum employment tenure within the City to be used to determine eligibility?
4. What are the build-out options on the Barclay Plaza Apartments property that can be developed as additional housing, i.e. parking lot?
5. Can there be a commercial component to the site to meet the needs of the area's residents?
6. What should be the mix of units for this development; should we look to serve families (i.e. 2 and 3 bedroom-units or individuals and couples (studios/1 bedroom units)?

The Barclay Plaza Apartments property is located on a unique lot which is fronted by Park Avenue on the east and Washington Avenue on the west. The property is comprised of the historic, 66-unit main building built in 1935 that rests on the east side of the property facing the historic district. To the west of the building, lies a pool and parking lot which face the Convention Center on Washington Avenue. The lot size is approximately 26,250 square feet.

The Commission has already earmarked this property for the development of workforce housing serving persons employed in the education, public safety and municipal fields earning 120 to 140 percent Area Media Income (AMI). The Neighborhoods/Community Affairs Committee is also considering whether the units should be offered to individuals with ties to the City (e.g. grew up here, resided here formerly, has family currently residing in the City). This income range varies from \$59,640 to \$69,580 for a household of one. However, this leaves a gap of individuals earning between 80 and 120 percent AMI who are not eligible for traditional affordable housing (subsidized by federal or state funding) and those that would be served by the City.

Housing affordability is generally defined as housing costing no more than 30 percent of a household's income -- this is true for eligibility in state or federally subsidized housing or when applying for a private mortgage. Using this formula, monthly rents should be no greater than \$1,491 (for a household of one) to \$2,884 (for a household of six). In comparison, the current Fair Market Rents as posted the Department of Housing and Urban Development is valued at \$831 (one-bedroom) to \$1,728 (three-bedroom).

The restoration of the existing building will be extensive as the building has been poorly maintained, is not compliant with its 40-year recertification and suffered a fire in its historic lobby in February 2015. More so, vagrants have gutted its wiring and destroyed several windows and access points. The on-site pool is currently covered as a precaution for Zika.

Staff had undertaken a preliminary site assessment in advance of selecting Concourse Group as its P3 consultant. Below please find the very preliminary figures as requested at the Workforce/Affordable Housing Workshop to be used for conversational purposes only as we await the Concourse Group's analysis.

The initial development investment for the property is \$7,238,823 estimated at \$200 per square foot with a 20 percent premium for LEED certification. The cost increases to \$13,014,903 if the adjacent parking lot is developed as additional housing units. Adding the 10% design cost and fees, the project cost estimate becomes \$15,097,287. Adding parking in lieu of fees (\$1,140,000), the overall estimated direct development costs are \$16,237,287. (Please note that the Commission can waive the parking fees.) In addition, the City must repay HUD \$485,833 that had been previously expended in the property when it was owned by Miami Beach Community Development Corporation. The total estimated development cost to develop the Barclay Plaza Apartments as workforce housing is \$ 16,723,120.

In 2016, the City Commission established the target beneficiaries for the Barclay Plaza Apartments as educators, public safety personnel and municipal workers earning 120 to 140 percent AMI. This is a very narrow income range which would exclude a significant number municipal and public safety employees who earn at least 100 percent AMI but below 120 percent. In all, 537 City employees earn \$45,450 to \$68,160. Of these, 189 are public safety personnel. Under current income guidelines, they would be excluded from eligibility as residents at the Barclay Plaza Apartments. Staff recommends that the income eligibility for this property be increased to up to 140 percent AMI to ensure the broadest inclusion of public safety and municipal workers possible.

Given the high development cost and narrow tenant requirements, staff recommends that projected rents be established at 30% of the targeted AMI ranges and adjusted for unit size or about \$1,491 - \$1,740 for a one bedroom and \$1,917 - \$2,237 for a two-bedroom unit. These proposed minimum ranges are lower than the citywide average market rates for a one-bedroom

unit which varies from \$1,575 to \$2,300.

At its Workforce/Affordable Housing workshop, the City Commission suggested that a minimum period of tenure working in the City and/or living in the City be established for incoming tenants. However, a firm period of tenure was not provided. Staff would need to establish a firm tenure period to provide direction to Concourse Group for the fiscal analysis as well as to provide guidance, ultimately, to the site's developer. Staff recommends two years as a minimum tenure. This standard would apply for the length of employment for municipal employees and feeder pattern educators as well eligible current residents of the City seeking to relocate to the property. Please note that while broader tenant policies were referred to Committee for review once the Barclay Plaza Apartments RFP was ready for issuance, it is expected that tenants may remain eligible as long as they meet the eligibility criteria or until their lease is up for renewal.

The property has a 10-space parking lot on its west side along with a full-size pool. This lot and the adjacent pool area have the potential for development to further maximize the number of units that can be developed. Staff recommends including this area for development within the RFP would increase the project's viability while also maximizing the number and size of units that could be offered on this site. Please note that these cost projections were included in the preliminary site analysis above.

Finally, the exploration of mixed used developments was broached at the Commission meeting. This site, located across from the Convention Center and one block south of a new hotel being constructed at 21st Street and Park Avenue, can possibly house an accessory use, i.e. dry cleaner, gym, etc. to increase operational revenues. While staff is reluctant to specifically promote an accessory use, it wishes to note that certain financing resources for the rehabilitation of the historic structure may require a commercial component for funding approval. As such, staff recommends that the Commission allow for an accessory use if tied to the project's funding and only upon specific use approval by the Commission. This will enable respondents to the RFP to have broad latitude in conceptualizing the development site within the context of the surrounding neighborhood.

CONCLUSION

The Administration recommends that the City Commission do the following:

1. Amend the prior Barclay Plaza Apartments workforce housing resolution to expand the eligibility to households earning between 80 and 140 percent AMI instead of 120 to 140 percent AMI, thereby including a significant number of public safety and municipal employees who would otherwise be excluded.
2. Establish base rents for the Barclay Plaza Apartments as 30% of targeted median income adjusted for unit size;
3. Establish a minimum two-year tenure for workers within the City who wish to reside in the building;
4. Allow for the inclusion of the parking lot and pool area for development to maximize the number of units developed on site; and
5. Allow for consideration the inclusion of a commercial accessory use as part of the development proposal to strengthen its financial viability.
6. Provide guidance as to the mix of units ideally preferred for this site.

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FINANCE AND CITYWIDE PROJECTS COMMITTEE

TO: Members of the Finance and Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager
Raul Aguila, City Attorney

DATE: March 31, 2017

SUBJECT: **REFERRAL TO THE FINANCE AND CITYWIDE PROJECTS COMMITTEE
BASED ON A DISCUSSION REGARDING A ONE CENT (0.01) FOOD AND
BEVERAGE TAX SUPPORTING PUBLIC SCHOOLS WITHIN MIAMI BEACH
CITY LIMITS TO EXAMINE VARIOUS FUNDING MECHANISMS**

KEY INTENDED OUTCOME SUPPORTED

Induce Public School Accountability Mainly at Middle School
Educational (K-12) Excellence

BACKGROUND

At the March 1, 2017, City Commission meeting, the Commission referred an item to the Finance and Citywide Projects Committee (FCWPC) to examine options that may be available to the City to provide supplemental funding for enhancements and other support for public schools within the City's geographical boundaries including, but not limited to, proposing a one cent (0.01) tax on food and beverage transactions. A companion item was also referred to the Neighborhoods/Community Affairs Committee (NCAC), to hold a discussion regarding a governance structure with respect to the manner in which any such supplemental City funds to support public schools should be spent or used.

On January 8, 2008, the City entered into an Education Compact (the "Compact") with Miami-Dade County Public Schools (M-DCPS). See Attachment A. Developed with significant community input, the Compact reflects the desire of the Miami Beach community to support excellence in its schools and an investment in the overall enhancement of education for its residents. The Compact currently addresses and supports the following priority areas:

- Teacher Recruitment/Retention;
- Communication;
- Parental Involvement/Family Support/Youth and Community Engagement;
- Health and Well-Being;
- Student Achievement;
- Safety; and
- Technology.

In Resolution No. 2015-28997, the City Commission directed the Administration to expand the Compact to address the following areas: Early Learning; Extracurricular/Choice Offerings; and Afterschool Programming.

Since then, the City has entered into contracts with M-DCPS and other organizations for the following initiatives: Voluntary Pre-kindergarten (VPK) at Fienberg Fisher K-8 Center and Biscayne Elementary; Dual Enrollment Expansion through partnerships with Florida International University and Miami-Dade College at Miami Beach Senior High School and Nautilus Middle School; and Afterschool Teen Program at Nautilus Middle School.

The City supports excellence in education in the City's public schools recognizing it is an investment in the overall enhancement of education for residents. Enhanced student achievement includes a seamless curriculum of advanced studies through the International Baccalaureate (IB) Program, from Pre-Kindergarten through twelfth grade. To date, approximately \$747,000 has been expended for application fees, professional development for teachers, and other youth related activities including dual enrollment and Nurse Initiative (not including Voluntary Pre-K), for an additional \$348,000 for the first two years.¹ The following is the status of implementation for each IB program:

- Diploma Program (DP): Miami Beach Senior High is authorized to teach the IB Diploma Program as of Fall 2010. As an IB World School, approximately 82 percent of those eligible in 2012, 89 percent of those eligible in 2013, 62 percent of those eligible in 2014, 73 percent of those eligible in 2015, and 83 percent of those in 2016, received the IB Diploma. Currently, there are 115 students in the tenth grade and 100 students in ninth grade seeking the IB Diploma, a 765 percent increase since program inception.
- Middle Years Program (MYP): Nautilus Middle School and Fienberg Fisher K-8 are authorized to teach the IB MYP Program and attained authorization in 2011. Both have obtained their five-year re-authorization.
- Primary Years Program (PYP): South Pointe, North Beach, Biscayne, Fienberg Fisher, and Treasure Island Elementary are authorized IB schools as of February 2013. All schools have obtained their re-authorization.

City Education Funding

In Fiscal Year (FY) 2016/17, the City's expenditures to support and enhance educational programming in Miami Beach public schools amount to approximately \$354,000, offset by approximately \$100,000 in dedicated funding through the Education Compact Fund and contributions and \$119,000 in General Fund support (See Attachment B). In FY 2017/18, these expenditures are anticipated to increase to \$434,000, offset by approximately \$100,000 in dedicated funding through the Education Compact Fund.

As shown on Attachment B, these efforts have been supported by drawing of prior year available balances in the Education Compact Fund, an approach that is not sustainable for the long term. Based on initiatives already underway, there is a need for an

¹ The Miami Beach Chamber of Commerce's Education Foundation has also donated \$80,620 as of March 2017 to partially fund IB related expenses for the City's IB authorized public schools.

additional \$300,000 recurring annually, above the funding available for the Compact. It is also worth noting that at least 50 percent of the City's Chief Learning Officer's time is spent in implementing these initiatives, and the cost of this effort (estimated at \$92,500), is not included in these estimates.

In addition, the Pilot School Bus Transportation Program, which will start in August 2017 for one semester at two elementary schools, is estimated to cost \$50,000, funded by the Transportation Fund. If the Pilot Program is successful, and expanded year round to all public schools, the costs for a school bus transportation program could easily grow to \$500,000 per year.

Based on existing initiatives alone, the Administration has identified a need for \$400,000 to \$1 million in additional annual funding.

Quality Education Committee Action

On November 15, 2016, the City's Committee for Quality Education (QEC) submitted the following motion to the Mayor and Commission for consideration:

The Committee for Quality Education requests the Miami Beach Mayor and Commission explore the proposal of a penny sales tax on Miami Beach which will be directed solely to Miami Beach public schools within the City limits. The goal is to make a sustainable fund to provide Miami Beach students with public funds to ensure that Miami Beach public school children are given the best public school education possible and to compete with other school districts. This penny tax is not to replace, alter, or diminish any current or future funds provided by any other source including but not limited to the School Board, County, State, or Federal, but rather to provide enhancements for Miami Beach public schools.²

² The QEC also provided information to the City Commission regarding steps taken by the Sarasota County Public Schools District to improve public school education within their jurisdiction. The Sarasota County School district tax referendum was first approved by the Sarasota County voters in 2002 to provide for a **one-mill property levy** to support their public schools, and was renewed in 2006, 2010, and 2014. Approximately \$45 million has been generated each fiscal year since 2015. As a School District in the State of Florida, the Sarasota County School District had express statutory authorization, pursuant to Chapter 1011 of the Florida Statutes, for the imposition of the discretionary tax discussed above, once the tax was approved by referendum. **The Sarasota example is not an option for the City, as the City of Miami Beach does not have any statutory authority to impose a discretionary tax levy pursuant to Chapter 1011 of the Florida Statutes.** As a municipality of the State of Florida, the City is subject to separate statutes and limitations on its taxing power, discussed more fully below.

ANALYSIS

As a general matter, under Article VII of the Florida Constitution, a tax cannot be authorized by county or municipal ordinance, unless the tax is levied pursuant to a law enacted by the Florida Legislature. Accordingly, **all taxes levied by the City are subject to constitutional and statutory limitations**, including ad valorem taxes, which are subject to Florida Constitution and statutory millage ceilings, or the local business tax (levied pursuant to Fla. Stat. 205.042), or the maximum of up to 4 percent tax on transient rentals permitted by Florida law³ ("Bed Tax"), or the maximum of up to 2 percent tax on the sale of food, beverage and alcoholic beverages permitted by Florida law⁴ (the "F&B Tax") (collectively, the Bed Tax and F&B Tax referred to herein as the "Resort Tax").

The main funding options that have been identified, and which are addressed in this Memorandum, include the following:

- 1) **Increase Bed Tax or F&B Tax, including one cent F&B tax per transaction;**
- 2) **Increase transfers of Resort Taxes to General Fund, to offset General Fund Expenditures for tourism and make available General Fund revenues for education;**
- 3) **Dedicated millage for public education, including offset of decrease in debt service millage with a dedicated millage for education;**
- 4) **Surcharge or sales/excise tax on real estate transactions;**
- 5) **Educational Impact Fee on New Development;**
- 6) **Create a non-profit charitable 501(c)3 entity to raise funds for public education within the City.**

Option 1: Increase Bed Tax or Increase One Cent Per Transaction for F&B Tax

As noted above, the Florida Legislature has authorized the City to levy a Bed Tax of up to 4 percent on transient rental transactions, and an F&B Tax of up to 2 percent on the sale of food and beverages sold at retail. *See Footnotes 3 and 4, above.* Accordingly, pursuant to Section 5.03 of the City Charter, and following voter referendum approval for

3 See Chapter 67-930, Laws of Florida (authorizing 2 percent tax on transient rentals and 2 percent tax on food, beverages and alcoholic beverages for on-premises consumption in hotels and motels); as amended by Chapter 82-142, L.O.F. (authorizing increase of tax on transient rentals to the rate of 3 percent) and Chapter 82-363, L.O.F. (authorizing increase of tax on transient rentals to the rate of 4 percent); and Fla. Stat. 125.0104(3)(b) (recognizing and continuing the municipal resort tax authorizations provided in Chapter 67-930).

4 See Chapter 67-930, L.O.F.; as amended by Chapter 93-286, L.O.F. (removing exemption from the tax for beer and malt beverages); and Chapter 94-344, L.O.F. (extending the F&B authorization to apply the 2 percent tax on sale of food and beverages sold at retail (and not just sales for on-premises consumption at hotels/motels)).

the increases in the Bed Tax⁵, **the City currently levies the maximum 4 percent Bed Tax and the maximum 2 percent F&B Tax permitted by Florida law.** See Section 102-307 of the City Code (imposing the current Bed Tax and F&B Tax rates).

The Florida Legislature imposes use restrictions with respect to the Bed Tax and F&B Tax collected by the City. Specifically, the Bed Tax and F&B Tax **must only be used for the promotion of the tourist industry**, which shall include, but not be restricted to the following: publicity, advertising, news bureau, promotional events, convention bureau activities, capital improvements, and the maintenance of all physical assets in connection therewith, and any related purpose, including relief from ad valorem taxes previously levied for the above purposes. See 67-930, L.O.F.; City Charter, Section 5.03.

Conclusion Regarding Option 1: As the City currently levies the maximum Bed Tax and F&B Tax permitted by Florida law, and as the funds collected from such taxes may only be used for the promotion of the tourist industry (i.e., tourism-related purposes), this option would require the express authorization of the Florida Legislature as to both any increase in the Resort Tax and any use of the funds for public education, as the use of Resort Taxes for public education purposes is otherwise currently prohibited by law.

Option 2: Increase Transfers of Resort Taxes to General Fund, to Offset General Fund Expenditures for Tourism and Make Available General Fund Revenues for Education

All Resort Taxes collected by the City are first pledged to bondholders, in connection with the City's 2015 Series Resort Tax Revenue Bonds ("Resort Tax Bonds"), which generated proceeds to the City in the amount of \$194,920,000 (all of which is currently being used to fund the Miami Beach Convention Center Renovation and Expansion Project). After payment of the annual principal and interest obligations under the Resort Tax Bonds, and the various reserve requirements related thereto, any excess Resort Tax funds must be used for the tourism-related purposes (as outlined more fully in Option 1, above).⁶

As of 2010, using FY 2007/08 actual costs (the last time such a study was conducted), it was estimated that there were approximately \$50.5 million in tourism-eligible expenditures in the General Fund. The Resort Tax fund in FY 2016/17 is budgeted to transfer \$37,609,000 to the General Fund, which is used to support these tourism

5 See City Resolution No. 1992-20648 (certifying referendum results approving increase of the Bed Tax to the 3 percent maximum tax then-permitted by law, 50 percent of which would be used to fund debt service for certain capital projects within the City Center district, and 50 percent of which would be used for tourism-related "quality of life" purposes); and Resolution No. 2012-28004 (certifying referendum results approving increase of the Bed Tax to 4 percent for the City's Convention Center Renovation & Expansion Project).

6 As outlined in Section 5.03 of the City Charter, the first 2 percent of the Resort Tax is used for tourism-related expenditures (summarized in Chart 1 below), the additional one percent approved in 1992 is used for the tourism-related "Quality of Life" expenditures (summarized in Chart 2 below), and the fourth percent of the Resort Tax is used for construction and debt service for the Convention Center.

eligible expenditures in the General Fund. The \$37.6 million transfer to General Fund supports new and continuing tourism eligible expenditures such as code enforcement, cleanliness index, park ranger program, homelessness at Lummus Park, hurricane and disaster preparation equipment, increased support for the Miami Beach Botanical Garden and the City's cultural facilities, public safety programs such as Ocean Rescue, Police services on Lincoln Road, Ocean Drive/Lummus Park, Collins Avenue, Washington Avenue, ATVs for officers, Boardwalk security, special traffic enforcement, and special event staffing; and fire rescue units in tourist and visitor areas. The funding also supports code compliance services to respond to evening entertainment areas and provides for a portion of the operational costs of the Tourism and Cultural Development.

The above estimate of tourism-related expenditures funded by the General Fund has likely grown since the 2007/08 expenditures were analyzed, especially given the additional public safety and code enforcement resources that have been deployed in the entertainment areas since that time.

A more detailed breakdown of the uses with respect to the first 2 percent of the Resort Tax, and the "Quality of Life" component of the Resort Tax (the additional one percent Bed Tax approved in 1992), are set forth below.

Use of the First 2 Percent Resort Tax

All revenues generated by the first 2 percent of the Resort Tax Revenue Fund are fully committed in the FY 2016/17 Budget, as outlined in Chart 1. Additional transfers to the General Fund would require increases in Resort Tax revenues through growth over time or decreases in other Resort Tax expenditures. Unfortunately, FY 2016/17 Resort Tax revenues have decreased below prior years and revenue collections are currently trending below budgeted amounts. The City's ability to make additional transfers, as contemplated herein, would require decreasing funding to other uses of the 2 percent Resort Tax revenues.

Chart 1 – Use of the First 2 Percent Resort Tax

Resort Tax	FY 16/17 Adopted	Comments
2% Expenditures		
Operating Costs:		
Resort Tax - Finance, Internal Audit, Police, Code	\$3,495,000	Required for administration and collection of Resort Tax
Other Uses:		
Contribution to VCA	\$2,832,000	City Code Section 102-251 & Fla. Stat. 125.0104(3)(b)
Contribution to Bureau (GMCVB)	\$6,500,000	Contractual Agreement through January 6, 2021
Marketing/Promotion	\$350,000	Campings short term rental awareness, Respect the Scene, Parks and Recreation free services promotions
Goodwill Ambassadors	\$130,000	Payroll - admin time
Major Events	\$2,817,000	Memorial Day/Spring Break, NYE etc., including overtime for police, fire, code, parks/recreation
Holiday Decorations	\$300,000	
Sanitation-Beachfront Restroom Attendants	\$4,213,000	
Professional Services	\$381,000	\$200,000 Security Guards, \$100,000 July 4th, \$61,000 misc, \$20,000 VCA audit
Miscellaneous/Other (Centennial in FY 15)	\$0	
Contingency	\$30,000	
Sub-Total	\$17,553,000	
Transfers/Debts/ & Obligations:		
Contribution to Mt. Sinai	\$1,000,000	Contractual
General Fund Contribution	\$37,609,000	

Visitors and Convention Authority ("VCA") Funding

One of the programs that the 2 percent Resort Tax funds is the City's VCA. See Chart 1. One additional option may involve evaluation of funding for the VCA), which, for

FY2016/17, amounts to \$2,832,000. Under Section 102-251 of the City Code, 5 percent of the Resort Tax collected by the City shall be allocated to the VCA annually.

If the City desired to amend the requirements of the City Code with respect to the VCA (i.e., to make adjustments to the required level of funding for the VCA), any such amendment must either be approved by (1) affirmative vote of a majority of the members of the City Commission *and* the VCA; or (2) by the voters in a City-wide referendum. See City Code, Section 102-253. Accordingly, reallocation of VCA funding is an available option, with the approval of either (1) the VCA and the City Commission; or (2) the voters via referendum.

Use of the Tourism-Related Quality of Life 1 Percent Resort Tax

In 1992, following a City-wide referendum, the City's voters approved an increase of one percent (1 percent) in the Bed Tax (increasing the Bed tax from 2 percent to 3 percent) which, following payment of debt service for certain capital projects, is now used for tourism-related "quality of life" purposes, such as improved landscaping, cultural programming, public safety, and transportation in tourist-related areas. See Footnote 5, above. Internally, the City has referred to this one percent component of the Bed tax as the "Quality of Life" funds. The funding allocations for this 1 percent Bed Tax used for "quality of life" tourism-related expenses are as follows: ten percent (10%) for Arts; fifteen percent (15%) each for tourism-related capital projects in Mid, North, and South Beach, for a total of forty-five percent (45%) for such capital projects; and forty-five percent (45%) for Transportation. A summary of the Quality of Life Resort Tax expenditures is set forth in Chart 2 below.

Chart 2 – "Quality of Life" tourism-related expenditures

Resort Tax - 1 Percent Quality of Life	FY 16/17 Adopted
South Beach - Quality of Life Capital (15%)	\$2,110,000
Middle Beach - Quality of Life Capital (15%)	\$2,110,000
North Beach - Quality of Life Capital (15%)	\$2,110,000
Arts (10%)	\$1,406,000
Transportation (45%)	\$6,329,000
Total 1% Quality of Life Expenditures	\$14,065,000
Resort Tax - 1 Percent Convention Center Debt Service	FY 16/17 Adopted
Debit Issuance Costs	\$0
Debt Service Costs	\$0
Transfer to Debt Service	\$14,065,000
Total 1% Convention Center Expenditures	\$14,065,000

Examples of Quality of Life expenditures (budgeted and planned) include the following:

- Arts (Transfer to Cultural Arts Council): Grants to organizations \$850,000, education initiative for Arts for Learning \$75,000, grants subscription \$4,450, supplement Arts in the Parks program \$46,500, marketing \$55,000, 256,000 personnel expenses, \$18,000 internal charges, \$94,000 for reserves, conferences \$7,000.
- Quality of Life/Tourism-related capital projects: examples of projects previously budgeted or programmed to be budgeted in the future are as follows:

- South Beach: Lifeguard stands replacement, Ocean Drive extended sidewalk, street lighting improvements, pedestrian priority zones, Lummus Park Muscle Beach upgrades, Maurice Gibb Park floating dock, Bass Museum Café furniture & fixtures, lighting at the Botanical Garden, standardized trash receptacles, picnic tables, and bench replacement, public safety radio & viper system, fountain Alton 20th improvements, World War Memorial, Flamingo Park, beach access control gates, beach walk II, West Avenue Bridge, Bay Walk Phase I, beach shower drainage improvements, Lummus Park playground replacement, lighting and sound system at Collins Park, Flamingo Park softball and soccer fields, Tree Well restoration at Washington Avenue, Bass Museum emergency generator replacement, dune restoration.
- Mid Beach: Recreation Corridor phase III, Muss Park, lifeguard stand replacement, Indian Beach playground replacement, MB Golf Cart staging enhancement, MB golf course front loader purchase, park bench, trash receptacles and picnic tables replacement, radio & viper system, MB tee renovation, 28th Street Obelisk stabilization, Collins Park Medians, MB Golf Club cart path/curb, beach access control gates, street lighting, beach shower drainage improvements, access ramp boardwalk at 41st Street, Beachwalk at Seville, MB golf parking lot renovation, Collins Ave boardwalk replacement, Beachview Park improvements, and citywide dune restoration.
- North Beach: Rue Vendome Public Plaza, Allison Park redesign, North Shore Tennis Center expansion, street lighting improvements, kayak launch docks, lifeguard stand replacement, North Beach streetscape pilot program, 81st Street pedestrian bridge, Tent at North Shore Bandshell, Bandshell sound system, public safety radio & viper system, Bonita Drive street end improvements, Collins/Harding alleyway, painting & lighting bridges, North Shore park playground safety surface, North Shore sound mitigation, park bench, picnic table and trash receptacle replacement, 71st Eastern Street end improvement, 7300 Dickens Avenue landscaping, North Beach Streetscape, Altos Del Mar Park development, beach access control gates, Bandshell Master Plan Improvement, beach shower drainage improvements, 71st fountain renovation, North Shore restroom addition and renovation, Skate Park, Domino Park, restrooms, entrance signs to North Beach, park security, NSGC landscaping, and dune restoration.
- Transportation - Primarily used for trolley operating expenditures, expansion of bike lanes, traffic and traffic calming studies, etc.

Conclusion Regarding Resort Tax: All Resort Tax funds are fully committed to specific programs in the FY 2016/17 Budget. In order to increase the Resort Tax transfer to cover tourism-related expenses in the General Fund, the Commission would need to identify reductions to programs currently funded by the Resort Tax. If such reductions are made, and the Resort Tax transfer was increased to match Resort Tax expenses in the General Fund, there could be approximately \$12 million in other General Fund revenues available for other uses, including education. Given that the last

study of eligible tourism expenditures in the General Fund was based on FY 2007/08 expenditures, this estimate would need to be updated prior to making any changes to the transfer. In addition, determination of amounts that may be available is subject to further analysis of Resort Tax revenue projections, in view of the recent decline in collections.⁷

Option 3: Dedicated Millage for Public Education, Including Offset of Decrease in Debt Service Millage, with Dedicated Millage for Education

The City currently has a portion of the operating millage that is dedicated for facility renewal and replacement needs. See City Resolution Nos. 2004-25697 and 2005-25832). Establishing a similar fixed millage for education would allow this funding source to grow as property values grow in the future. The City could establish a dedicated millage for education using one of the following options:

- **Offsetting any decrease in the debt service millage with a dedicated millage for education.** The renewal and replacement dedicated millage was originally established in the FY 2004/05 budget by offsetting the decrease of 0.126 in the debt service millage that year with a dedicated 0.126 mills for renewal and replacement. As of FY 2016/17, the dedicated millage for renewal and replacement is 0.0235, estimated to generate \$662,000. As an example, in FY 2016/17, the debt service millage decreased by 0.0235 in FY 2016/17, had this decrease been recaptured as education millage, it would have generated \$662,000.
- **Capturing a portion of growth in taxable property values, and establishing a millage related to those additional revenues.** It is anticipated that property values as of January 1, 2017 (the basis of FY 2016/17 property taxes) will have increased over January 1, 2016. A portion of the resulting increased revenues could be captured and expressed as a dedicated millage rate, without increasing the millage rate over the prior year. Typically, the resulting revenues from growth in property values is used to offset growth due to inflation as well as fund new initiatives. To the extent some of the growth is diverted to education funding, it could limit the amount of funding available for new initiatives.
- **Increasing the millage rate.**

Pursuant to the Florida Constitution and Chapter 200 of the Florida Statutes, there are limitations in increasing the City's operating millage. Pursuant to recently enacted State legislation, the City may elect to approve operating millage rates above the roll-back rate. The roll-back rate is defined as the millage rate sufficient to generate the same level of revenues as the previous year, taking into account the change in property values. As property values grow, the roll-back rate decreases each year. The City may increase the operating millage rate above the roll-back rate up to the constitutional cap of 10 mills subject to the following votes by the City Commission or referendum:

⁷ By way of comparison, in FY 2016/17 one mill of property tax value generates \$28.2 million in property tax revenues for the General Fund.

- Option I: A majority vote of the City Commission is required to approve a millage that generates an increase in property tax revenues up to the percent increase that is the state per capita personal income gain for the prior calendar year.
- Option II: A two-thirds approval (5/7th vote) of the Commission is required to approve a millage that generates an increase in property tax revenues up to a 10 percent increase in the ad valorem revenues above Option I.
- Option III: A unanimous approval of the Commission or referendum is required to approve a millage above Option II, up to the 10 mill cap.

Conclusion Regarding Millage: Subject to statutory millage limitations and funding considerations, the foregoing millage-related options are potentially available should the City Commission desire to increase funding for City projects to improve public education within the City.

Option 4: Surcharge or Sales/Excise Tax on Real Estate Transactions

All sales taxes, use taxes, or excise taxes on transactions, including real estate transactions, are authorized pursuant to Chapter 212 of the Florida Statutes. Documentary stamp taxes on all real estate documents (such as mortgages and deeds), are authorized pursuant to Chapter 201 of the Florida Statutes. **Chapter 212 and Chapter 201 do not authorize municipalities to impose any taxes or surcharges on real estate transactions or documents.**

If the City desires to establish a surcharge on real estate sales transactions within the City of Miami Beach, the Florida Legislature would need to amend either Chapter 212 or Chapter 201 of the Florida Statutes to authorize the City to impose any such surcharge. Although it may be possible to justify a logical nexus between the type of tax and the use of the funds, since better schools are often associated with higher property values, the City would need to consult with its lobbyists and with members of the Miami-Dade County delegation to determine whether, and to what extent, any such legislative action is feasible in the current environment.

In view of the approximately \$2-3 billion per year in real estate sales that would be subject to a tax (based on data the City has received from the Property Appraiser), any such tax, if authorized, could serve as a significant source of potential funding.

Conclusion Regarding Sales/Excise Tax on Real Estate Transactions: This option would require the express authorization of the Florida Legislature.

Option 5: Education Impact Fee on New Development

One option that the City Commission asked the Administration to consider relates to whether the City may impose an education-related impact fee on new development.

As a general matter, the underlying public purpose for regulatory impact fees is to impose upon new development, rather than the general public, the cost of the capital facilities required to accommodate the growth to be generated by the new development.

First, for an impact fee to be valid, the City must establish a nexus between the fee amount imposed on the new development and the anticipated need for additional capital facilities resulting from a projected growth in population. Second, impact fees are valid when there is a rational nexus between the expenditure of the impact fee proceeds and the benefits accruing to new development.

Conclusion Regarding Educational Impact Fee: As a threshold matter, it is unlikely that any proposed impact fee would be available as a funding source for programming or operational enhancements, or for any purpose other than the cost of capital facilities. In addition, additional work would need to be undertaken to determine if the relevant nexus requirements are met, in view of the manner in which students are assigned to schools and the fact that assignments do not uniformly correspond to the neighborhood where a student resides. If the City Commission desires to pursue an educational impact fee, the Administration recommends that the City retain a consultant to evaluate these issues further.

Option 6: Creation of Not-for-Profit 501(c)(3) to Support Public Education

Currently, various community groups in the City of Miami Beach have organized and established non-profits, such as the Friends of North Beach Elementary and Friends of South Pointe Elementary, to enhance the educational experience of each child by funding additional teachers, support staff, innovative technology programs, security personnel, and the like.

If the City desires to participate in promotion of such efforts, the City Commission has the ability to create a not-for-profit organization, similar to its prior efforts with respect to creating One Miami Beach, Inc. This option would permit the City to engage in fund-raising, collaborate with existing groups, and provide comparable support to areas of the City that do not benefit from the work of local neighborhood organizations.

Additional Policy Considerations Identified At City Commission Meeting

One policy concern that has been raised, and worth noting herein, is that if the City identifies funding for public education, the School District may be less inclined to allocate District funds for schools in Miami Beach. As noted above, the City Commission referred to the Neighborhoods Committee a companion item to recommend a governance structure for determining how any funds would be used. As part of the Neighborhoods Committee discussion, the Committee may desire to mitigate any such concerns by limiting any City funding to "enhancements" and City projects that will be directly implemented by the City or through agreements between the City and the School Board (as opposed to fund transfers to the School Board).

CONCLUSION

This item is being presented to the Finance and Citywide Projects Committee for discussion and further direction.

Attachments

Attachment A – Education Compact

Attachment B – Education Compact Funding Analysis through FY18


KGB/LDR

AN EDUCATION COMPACT BETWEEN MIAMI-DADE COUNTY PUBLIC SCHOOLS AND THE CITY OF MIAMI BEACH

Following the blueprint established by the formation of the Education Compacts between Miami-Dade County Public Schools (District), and other local general purpose governments, the District and the City of Miami Beach (City), will now partner to bring together each organization's collective resources for the greater benefit of both the students and the citizens of Miami Beach. Located on a barrier island in Miami-Dade County, the City, incorporated in 1915, encompasses approximately 7.1 square miles and is home to 6 District facilities including South Pointe Elementary, Fienberg Fisher Elementary, North Beach Elementary, and Biscayne Elementary, Nautilus Middle, and Miami Beach Senior High. With a population of over 93,000, it is the destination of over 7 million tourists annually and the hub of the County's hospitality and tourism industry.

In recognition of the fact that *It Takes...* the commitment of the District and the City to raise academic achievement, and recognizing the importance placed on education by the residents of Miami Beach, the District and City seek to codify an Education Compact to build on existing programs and innovative ideas which will enhance the lifelong educational opportunities for the entire community. Therefore, through this agreement we will strive to meet the educational needs of each child and enhance the learning opportunities for all. This Compact was developed with significant community input and reflects the desire of the Miami-Beach community to support excellence in their schools and an investment in the overall enhancement of education for its residents. It is recognized by the District and the City that this Compact represents goals and objectives which are consistent with the long term strategic plans of each entity and it is understood that as such goals and objectives evolve the terms of this Compact may also be modified over time.

The areas of focus in this collaboration include: teacher recruitment and retention; enhanced communication of educational and community events; family/parental involvement in education; community/business engagement, enhanced student health and well-being; improved student achievement; school safety; and technology access. The initial major activities, intended outcomes, and measures associated with each of these major focus areas are outlined below.

Teacher Recruitment/Retention

Activities:

- The District and the City will collaborate to develop a supplemental incentive program for teacher recruitment/retention in Miami Beach schools. The City component of the program will focus on encouraging incentives which may include discounts, mentoring, training, and tickets to public events. Mentoring and training opportunities will be least disruptive to school staffing needs, with schools providing coverage (as applicable) for staff to participate. The District will provide support for the City program which may include but not be limited to invitations to participate in District recruitment events and posting of City sponsored incentives on the District's recruitment webpage.

- The District will make available to the City all instructional staff recruitment and retention statistics and data for Miami Beach schools and districtwide which is considered public information.
- The District will make available to the City all survey data pertaining to teacher satisfaction levels (in particular key drivers for recruitment and retention) on a regular basis, segregated by each Miami Beach school where possible.
- The City will support the District's efforts, those of other stakeholder groups and districtwide initiatives that address the housing needs of teachers and non-instructional staff. In the event the City develops a program to provide workforce housing and/or housing support for "essential personnel," the inclusion of public school teachers and/or other public educational personnel will be explored.

Key Intended Outcomes:

- Maintain teacher recruitment and retention at or above districtwide levels.
- Increase teacher satisfaction rates for City of Miami Beach schools.
- Enhance access to workforce and affordable housing.

Measures:

- Number and percent of Miami Beach school staff participating in various incentive programs provided by the City;
- Number and percent of Miami Beach school staff participating in mentoring and training opportunities sponsored by the City;
- Percent of Miami Beach school and District school personnel that indicate they agree or strongly agree that they like working at their 'Miami Beach' school;
- Miami Beach school instructional personnel retention rate compared to districtwide retention rate; and
- Miami Beach school instructional personnel vacancy rate compared to districtwide vacancy rate.
- Number of instructional personnel utilizing workforce housing options available through the City

Communication

Activities:

- The City will work with the District to disseminate information related to educational opportunities and activities by placing information in strategically located kiosks.
- Collaborate to enhance education-related communication to the City's residents by developing an education page to be included in City's website with links to the Beach schools, providing access to the City's cable TV programming, and space in the City's newsletters and magazines in order to disseminate information on Miami Beach's schools.
- The City will work with the District to support a Student Expo that will highlight Beach school offerings and student achievements.
- The City and the District will endeavor to collaborate on legislative agendas in support of public education.
- Provide regular briefings of the School Board and City Commission regarding the status of the implementation of this Compact and other issues of interest.

Key Intended Outcome:

- Increase community access to Miami Beach school and District information.

Measures:

- Number of District legislative priorities supported by the City; and
- Number of educationally-related articles/ads disseminated through City- sponsored communication methods (magazines, newspaper, television).

Parental Involvement/Family Support/Youth and Community Engagement

Activities:

- The District will make available to the City all parent satisfaction survey data on a regular basis, segregated by Miami Beach schools where possible, and the City may conduct similar surveys with the assistance of the District, including findings on key drivers for satisfaction, subject to any approvals which may be required from the District's Research Review Committee.

- The City will work with the District to foster local business support for education, including the implementation of employee programs which encourage parent participation in schools. As an example, the City will encourage local businesses to model the City's commitment to parental involvement by developing an employee policy that would allow for employee release time to participate in designated early release day parent/teacher conferences (max. 3 per year) and would provide access to computers for employees for the purpose of accessing the District's Parent Portal to obtain information regarding the employees' children's academic progress. The District will provide confirmation form for employee participation in parent/teacher conferences.
- Through The Parent Academy (TPA), interested City personnel will be provided with training by the District regarding use of the District's newly launched Parent Portal and other electronic resources available through the District .
- The District will focus on Miami Beach parents by creating a City-based model of TPA using City facilities and other community sites.
- The District will support the City's Service Partnership (service program that partners community agencies) via participation in the governing board, provision of referrals to the program as appropriate, recruitment of students for employment opportunities, and assistance in the collection of qualitative data to measure success, subject to parental consent.

Key Intended Outcomes:

- Ensure Community access to educational information.
- Increase accessibility to family/individual support services.

Measures:

- Parent satisfaction rates for each Miami Beach school;
- Number of hours provided by City for City employees to attend teacher conferences, etc.;
- Number of parents from Miami Beach schools attending Parent Academy programs; and
- Percent of students referred by school personnel to the Service Partnership that obtain employment.

Health and Well-Being

Activities:

- The District will maintain health clinics (nurse practitioners and/or registered nurses) at Fienberg Fisher Elementary, Biscayne Elementary, Nautilus Middle School and Miami Beach Senior High School, subject to continued available funding, and will work with all Miami Beach schools to coordinate visits from the Health Connect on Wheels service (as available) or similar service to schools and/or Miami Beach recreation centers.
- The District and the City will collaborate to deliver information regarding health and wellness education, prevention and intervention strategies regarding nutrition, physical activity levels, and health maintenance in accordance with the District's Wellness Initiative.
- The City will explore the development of a middle school-level afterschool program. The District will collaborate with the City by assisting with the recruitment of students, including providing space within District-owned facilities as needed, and exploring expanded transportation options for participating students.
- District will explore the expansion of full-time nurse practitioners and/or registered nurses at schools without health clinics, subject to available funding.

Key Intended Outcome:

- Increased health and well-being of students.

Measures:

- Percent of Miami Beach schools scheduled for Health Connect Mobile provider (or similar service) August through June;
- Number of Health Connect on Wheels mobile unit visits (or similar service) to non-clinic Beach schools and recreation centers; and
- Number of schools with health clinics (Nurse practitioners and/or registered nurses) through School Health Connect and/or equivalent

Student Achievement

Activities:

- The District will make available to the City all student survey data on a regular basis, segregated by Miami Beach schools where possible, and the City may conduct similar surveys with the assistance of a District Educational Evaluation single point of contact, including findings on student ratings of self-esteem and sense of community. All research is subject to approval by the M-DCPS Research Review Committee.

- The District will identify and pursue implementation of best practice strategies to increase the graduation rate at Miami Beach Senior High School (MBSHS).
- The City will work with the District toward the creation of an internship initiative with Miami Beach City government to provide internship opportunities (as appropriate) to MBSHS students based on parameters within the District's Secondary School Reform plan.
- The City will work with the District to support the creation of a speaker's bureau for Miami Beach schools to provide teachers with access to speakers on specialized topics.
- The District will encourage the greater use of school facilities after-hours to support community based programming for youth.
- The District will explore avenues to enhance counseling and teacher-to-student ratios.
- The City will negotiate where possible culture/arts contracts to include access to programs by schools. The District will provide a dedicated Curriculum Coordinator staffed to the feeder pattern to arrange for arts/culture utilization during school hours and after-school hours and alignment to curriculum. Currently available City cultural offerings for students include access to programs at the Bass Museum, Botanical Garden, Byron Carlyle, Colony Theater, Fillmore at the Jackie Gleason, Wolfsonian, Convention Center, Jewish Museum, 10th Street Auditorium, Little Acorn Theater, Arts in Public Places, New World Symphony Campus (TBD), and various festivals/events.
- The City will support the small learning academies at the Miami Beach Senior High School by providing City advisory board participants no more than once a month and the District will provide training to City staff related to interdisciplinary teaching/learning teams, relevant curriculum/instruction, inclusive programs/practices, continuous program improvement, and building community support. Anticipated academies at Miami Beach Senior High School may include, but not be limited to Business, Management, and Administration, Hospitality and Tourism, Information Technology, Public Service and Security, Visual and Performing Arts, Communication and Digital Media, Marine and Environmental Science, Foreign Language and Humanities, International Baccalaureate, Scholars Academy, and Education and Training Services.

- The City and District will collaborate to implement an International Baccalaureate (IB) program within the Miami Beach feeder pattern. The City agrees that it will provide funding for the implementation at Miami Beach Senior High School and Nautilus Middle School in an amount not to exceed \$155,000, and for Fienberg-Fisher Middle Years Program in an amount not to exceed \$ 68,000. The implementation of the IB program with the Miami Beach feeder pattern is as follows:
 - The District will immediately initiate the application process for the International Baccalaureate Program (IBO Diploma Program) at Miami Beach Senior High School (MBSHS) by submitting the Interested Schools Form (October 2007), Consultant Request Form (if applicable by November 2007), Application A (March 1, 2008), Application B (June 1, 2008), Site Visit (Fall 2008), and Authorization (Spring 2009).
 - The City will assist the District in discussing funding or other support from the Miami Beach Chamber of Commerce or other appropriate organizations for annual fees, teacher training, Diploma Program (DP) Coordinator supplement, exam registration (per student), per subject exam fee/shipping, and books .
 - The City will provide resources for the IBO Diploma program rollouts including funding for the feasibility study (if applicable), application A, application B, and professional development costs including registration, travel and expenses for instructional staff as applicable prior to full implementation of the program at MBSHS.
 - The District will immediately initiate the application process for the International Baccalaureate Middle Years Program (IBO Middle Years Program) at Nautilus Middle School (NMS) by submitting the Interested Schools Form (October 2007), Application A (May 1, 2008), Application B (June 1, 2009), Authorization (Fall 2010), and Evaluation (Spring 2014).
 - The City will assist the District in discussing funding or other support from the Miami Beach Chamber or other appropriate organizations for annual fees, teacher training, Area of Interaction (AOI) Leaders supplements, Middle Years Program (MYP) Coordinator supplement, books, and extra teaching periods supplements (as applicable).
 - The City will provide resources for the IBO Middle Years program rollouts including funding for the feasibility study (if applicable), Application A, Application B, and professional development costs including registration, travel and expenses for instructional staff as applicable prior to full implementation of the program at NMS.
 - The District will immediately initiate the application process for the International Baccalaureate Middle Years Program (IBO Middle Years Program) at Fienberg Fisher grades 6-8 by submitting the Interested Schools Form, Application A, Application B, Authorization, and Evaluation.

- The City will provide resources for the IBO Middle Years program rollouts at Fienberg Fisher 6-8 including funding for the feasibility study (if applicable), Application A, Application B, and professional development costs including registration and travel expenses for instructional staff as applicable prior to full implementation of the program at Fienberg Fisher grades 6-8.
- The District and City will pursue the development of an IB program at the elementary school levels over the next 2 years, including development of implementation funding requirements. Funding requirements will be presented to the City Commission for approval. Further, as part of the feasibility review for the implementation of a Primary Years IB program, the District and the City will reach out to its neighboring cities including the Town of North Bay Village and Bay Harbor Islands in consideration of the location of the schools within their borders.
- The City and District will seek to collaborate on grant development opportunities in order to maximize the pool of available resources to serve the City's schools and residents. Types of grants pursued will include, but not be limited to those supporting student academic achievement, literacy, physical activity and fitness, social skills building, family involvement, and health and well-being.

Key Intended Outcomes:

- Increased academic support and achievement.
- Increase academic enrichment. Pursue collaborative grants to support youth academic needs and academic support citywide. Increased number of graduates exposed to external experiential activities including meaningful mentorships and/or internships.

Measures:

- Percent of high school students graduating who entered Miami Beach High in the 9th grade year;
- Number and percent of high school target population participating in City-sponsored internship program;
- Number of high quality internship opportunities made available to the Miami Beach students by the City;
- Number of City employees that are registered mentors and providing services to Miami Beach students;
- Number of speaker hours provided by City 'experts' to schools on specialized topics in support of the speaker's bureau;
- Allocation per fulltime equivalent student;
- Number of students enrolled in the IB program by school;
- Number of Miami Beach schools receiving a state accountability grade of A or B;
- Number of attendees by school to City-sponsored/supported cultural activities during school hours and after-school hours;

- Number of City management staff actively participating in School of Business and Technical Arts, School of Creative Arts, and School of Liberal Arts smaller learning academies in advisory board roles;
- Number of grants and amount of funding secured through collaborative efforts to obtain grants supporting youth and public education; and
- Number of students completing a City-sponsored internship.

Safety

Activities:

- The District and City each will designate a Police Department liaison to coordinate security and safety related activities for Miami Beach schools and to explore joint training opportunities for personnel involved with safety issues at all Miami Beach schools.

Key Intended Outcome:

- Improve safety and/perceptions of safety at schools in City.

Measures:

- Parent, student and District perception ratings for school safety.

Technology

Activities:

- To the extent the City maintains a free WiFi network Citywide; the City will provide free WiFi access to support home access throughout the community and will provide access to discounted computer equipment to all residents; helping to reduce the digital divide.
- The District and City will collaborate to identify additional avenues for student access to technology and the District will provide opportunities for technology training at school sites for parent(s)/guardian(s).

Key Intended Outcome:

- Improve youth and parent access to technology.

Measures:

- Number of Miami Beach homes with technology enabling youth to access WiFi; and
- Number of opportunities for technology training at school sites for parent(s)/guardian(s).

The adoption of this Education Compact between the City of Miami Beach and M-DCPS establishes a pact to continually strive to promote excellence and relevance in education in the City's schools and community at large by joining forces for the greater benefit of both the students and the citizens of Miami Beach.

The City and the District agreed that any more favorable position provided in any other District Education compact will be offered to the City of Miami Beach for consideration.

IN WITNESS WHEREOF, the Parties have caused this Education Compact to be executed in their names by their duly authorized officers and the corporate seals to be affixed all as of the day and year first above written.

WITNESSETH we have set our hands and seals hereto on this 16th of January, 2008.

THE SCHOOL BOARD OF MIAMI-
DADE COUNTY, FLORIDA

BY: [Signature]

Name: Rudolph F. Crew

Title: Superintendent/Designee
THE SCHOOL BOARD OF MIAMI-
DADE COUNTY, FLORIDA

BY: [Signature]

Name: Agustin J. Barrera

Title: Chair, School Board

ATTEST: [Signature]

BY: [Signature]

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

BY: [Signature]

Name: JULIE ANN RICO

Title: School Board Attorney

BY: [Signature]

Name: Perla Tabares Hantman

Title: Vice Chair, School Board

CITY OF MIAMI BEACH, FLORIDA

BY: [Signature]

Name: Jorge Gonzalez

Title: City Manager

BY: [Signature]

Name: Matti H. Bower

Title: Mayor

ATTEST: [Signature]

BY: [Signature]

Title: City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

BY: [Signature]

Name: Jose Smith

Title: City Attorney



MIAMI BEACH

Education Compact Fund	
Estimated Fund Balance at end of FY16	\$299,301
FY17 Adopted Revenues	
Contributions - Int'l Baccalaureate (IB)	\$15,000
Contributions - Education Support (Waste Haulers)	\$75,000
Contributions - Chamber Donation for IB	\$10,000
Total Revenues	\$100,000
FY17 Adopted Expenses	
VPK - Year 2 School Year 2017-2018	\$141,000
IB Teacher Development and Support	\$15,000
Miami-Dade Public Schools Agenda Planners	\$10,000
Nurse Initiative w/ Sufside, Bal Harbour, Bay Harbor, North Bay Village, Miami Beach Chamber	\$16,000
Miami-Dade College (MDC) Dual Enrollment Program Expansion	\$13,000
Substitute Teacher Incentive Program	\$0
Florida International University (FIU) Dual Enrollment Program	\$40,000
Total Expenditures	\$235,000
FY17 Revenues vs. Expenditures	(\$135,000)
Additional Education Compact Expenditures Funded by the General Fund in FY17	
Balance of IB expenses IB	\$35,000
Miami-Dade Public Schools Agenda Planners - Additional Expense	\$8,000
Nurse Initiative Enhancement -Behavioral Health	\$54,000
Substitute Teacher Incentive Program	\$3,000
Common Threads Pilot Program (Budget Amendment) (Note 1)	\$19,000
Total Expenditures	\$119,000
Total Education Compact Related Expenditures	\$354,000
Projected Fund Balance at end of FY17	\$164,301
FY18 Projected Revenues	
Contributions - Int'l Baccalaureate (IB)	\$15,000
Contributions - Education Support (Waste Haulers)	\$75,000
Contributions - Chamber Donation for IB (No contractual commitment but annually recurring)	\$10,000
Total Revenues	\$100,000
FY18 Projected Expenses	
IB	\$50,000
Miami-Dade Public Schools Agenda Planners	\$18,000
Nurse Initiative w/ Sufside, Bal Harbour, Bay Harbor, North Bay Village, Miami Beach Chamber (Per Reso # 2016-29345)	\$16,000
MDC Dual Enrollment Program	\$13,000
Substitute Teacher Incentive Program	\$3,000
FIU Dual Enrollment Program	\$40,000
Total Expenditures	\$140,000
FY18 Proposed Revenues vs. CSL Expenditures	(\$40,000)
FY18 Budget Development Enhancement Requests	
VPK - Year 3 School Year 2018-2019	\$141,000
Nurse Initiative - Behavioral Health (Note 2)	\$54,000
FIU Dual Enrollment Program Expansion	\$22,000
Common Threads (Note 1)	\$19,000
Miami Dade College Dual Enrollment Program Expansion	\$15,000
Education Compact Expanded Clerical Support (Note 3)	\$39,000
Anti-Defamation League - No Place For Hate	\$4,000
Total FY18 Enhancement Requests	\$294,000
Total Education Compact Related Expenditures	\$434,000
FY18 Proposed Revenues vs. CSL Expenditures with Enhancements	(\$334,000)
Projected Fund Balance at end of FY18	(\$169,699)
Note 1: Per FY17 2nd Operating Budget Amendment; \$19,000 was approved through General Fund - Reso # 2017-29745. (Program assumes 40% Match). During discussion, approved as a pilot program for FY17 only.	
Note 2: CMB Schools Only; approved as part of FY17 Budget Process as one time expense.	
Note 3: Subject to implementation of new funding source for education.	

I T E M E I G H T



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

COMMITTEE MEMORANDUM

TO: Finance and City Wide Projects Committee

FROM: Jimmy L. Morales, City Manager

A handwritten signature in blue ink, appearing to read "JL Morales", is written over the "FROM:" line.

DATE: March 31, 2017

SUBJECT: **DISCUSS ENGAGING IN A PILOT PROGRAM WITH A COST REDUCTION CONSULTANT**

HISTORY

On March 1, 2017, the City Commission referred the subject discussion item to the Finance and City Wide Projects Committee (Item C4N).

BACKGROUND

ECS Business Services (cost reduction consultant) performs audits of water, sewer, gas, electric, trash, telecom, and other service contracts' (air conditioning/elevators) invoices searching to find errors in billing and overcharges. Once these errors are identified, the consultant works to obtain refund checks, negotiates best rates and reduces monthly operational costs for their clients moving forward. This consultant does not charge any up-front fees or costs as they are compensated by receiving a percentage of refunds/savings.

There are other service providers which provide these services as ECS Business Services is not a sole source provider.

The City has utilized the following consultants in the past:

- In 2007, the City selected through an RFP process, Research Enhancement Services to review the City's water, sewer, and storm water utility for unread, misread, and unmetered services. Their review completed in April of 2009, identified an estimated annual lost revenues of \$550,000.
- In 2015, Eric Ryan Corporation (ERC) was selected through an RFP process to perform an audit of the telecommunication services. This included telephone lines and network circuits. After an extensive audit, ERC made recommendations to discontinue many services. Their recommendations fell into the following three distinct categories.
 - The first category of recommendations was not feasible as there was a need for the services that ERC was not aware of.
 - The second category of recommendations was implemented and upon disconnect, the true need for the services was discovered and they had to be restored.
 - The third and final type of recommendations was the actual verified disconnects that did not interrupt any viable service. Of this third type of

recommendation, there are already \$100,552 confirmed annual savings and \$778,241 pending disconnects to verify if valid.

- The City is currently engaging ERC to perform the audit on the FPL bills for utilities and on the AT&T, Verizon and Sprint bills for cellular services.

ANALYSIS

The City can review any other areas not previously covered and if needed an RFQ can be issued since there are other service providers available which can perform these services.

CONCLUSION

The Administration recommends that the Finance and City Wide Projects Committee discuss the matter further and provide appropriate policy direction.

JLM/JW/JS

