

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: June 25, 2025

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AMENDMENT NO. 1 TO THAT CERTAIN GRANT AGREEMENT (THE "AGREEMENT") DATED OCTOBER 31, 2023, BY AND BETWEEN THE CITY AND MIAMI CITY BALLET, INC. (THE "GRANTEE"), IN CONNECTION WITH THE USE OF GENERAL OBLIGATION BOND FOR ARTS & CULTURE ("GOBAC") FUNDS; SAID AMENDMENT: (I) ADDING A CAPITAL RENEWAL AND REPLACEMENT PROJECT (THE "CR&R PROJECT") TO THE SCOPE OF THE AGREEMENT, IN THE AMOUNT OF \$4,407,415, FROM PREVIOUSLY AWARDED GOBAC FUNDING; (II) INCREASING THE TOTAL GOBAC GRANT AMOUNT FROM \$7,518,000 TO \$11,925,415; AND (III) AUTHORIZING THE GRANTEE TO UNDERTAKE THE CONSTRUCTION MANAGEMENT RESPONSIBILITIES FOR THE NEW CR&R PROJECT, SUBJECT TO OVERSIGHT FROM THE CITY, TO INTEGRATE THE CR&R PROJECT WITH THE CURRENT TECHNOLOGY RELATED PROJECT AND EFFICIENTLY MANAGE THE COMBINED PROJECT UNDER THE AGREEMENT.

### **RECOMMENDATION**

It is the recommendation of the Administration that the resolution approving an amendment to the Miami City Ballet GO Bond Grant Agreement be approved.

### **BACKGROUND/HISTORY**

At the July 20, 2022 Commission meeting, the Mayor and Commission approved Resolution 2022-32261, authorizing a special election, submitting to the electorate of the City of Miami Beach the question asking whether the City shall be authorized to issue General Obligation Bonds (GOB), not exceeding \$159,000,000, to improve facilities for resiliency of arts and cultural institutions throughout the City, including museums, performance venues, artistic playgrounds, senior/cultural centers, botanical garden, aquatic sculpture park, and related artist/workforce housing.

On November 8, 2022, the voters of the City of Miami Beach approved the issuance of a General Obligation Bond for Arts & Culture in the not to exceed amount of \$159 million.

At the November 16, 2022 Commission meeting, the Mayor and Commission approved Resolution No. 2022-32405 directing the Administration and City Attorney's Office to negotiate and secure public benefits for residents of the City as part of the grant agreements with cultural arts organizations that will receive G.O. Bond for Arts & Culture funds.

On March 27, 2023, the City Commission adopted Resolution No. 2023-32523 approving the Grant Agreement Template.

On April 28, 2023, the City Commission adopted the following Resolutions related to the Arts & Culture G.O. Bond:

- Resolution No. 2023-32592 accepting the recommendations of the Finance and Economic Resiliency Committee (“FERC”) for Tranche 1 in the not-to-exceed amount of \$101,700,000 (including grant amounts for the following projects: Workforce Housing, New World Symphony, Holocaust Memorial, Miami Beach Hispanic Community Center, The Wolfsonian and the Jewish Museum of Florida).
- Resolution No. 2023-32593 approving revisions to the Grant Agreement Template.
- Resolution No. 2023-32594 approving the additional public benefits proffered by each of the cultural arts organizations or entities that will receive Arts & Culture G.O. Bond funds or that will directly benefit from capital projects paid for with bond funding.

On May 17 and June 28, 2023, the first and second public readings of the bond issuance resolution were held.

On June 28, 2023, the City Commission adopted Resolution No. 2023-32634 approving grant awards to Miami City Ballet, Miami New Drama (Colony Theater) and Rhythm Foundation (Miami Beach Bandshell) for technology related scope of work only. Accordingly, Miami City Ballet was awarded a grant in the amount of \$7,518,000.

## **ANALYSIS**

The Arts & Culture G.O. Bond allocation for the Miami City Ballet facility was \$12 million subdivided into two parts:

- \$7,518,000 was awarded to Miami City Ballet as a grant to upgrade various technologies and equipment throughout their facilities (Exhibit A).
- \$4,482,000 was budgeted for Capital Renewal and Replacement (CR&R) projects to be managed by the City’s Facilities Management Division. These projects included replacement of aging building systems, acoustical treatments, window treatments, flooring replacement, among other CR&R projects (Exhibit B).

In February of 2024, the Grantee requested that the City consider allowing them to manage the full scope of the work, citing the complexity of coordinating extensive interconnected work while keeping the school and production facilities operational. The Grantee also identified opportunities to leverage the cost savings from consolidating the construction management to possibly get more accomplished than previously contemplated. This includes enhancement that would make the facilities, and rehearsal studios in particular, more suitable for public performances.

The Administration acknowledged the challenges and complexity of coordinating invasive CR&R projects within a school that would remain in operation and determined that allowing the Grantee to undertake the work would serve the best interest of both parties, provided the scope and terms of the work could be agreed to and properly supervised by the City.

Over the subsequent 15 months, the Grantee collaborated with its design team, and the Administration to develop one comprehensive project (Exhibit C), integrating the necessary CR&R projects, the original technology upgrades, along with expanded enhancements that will allow the school to accommodate audiences more efficiently in its performance spaces and create the ability to broadcast interactive classes remotely.

To date, a total of \$74,585 has been spent from the GO Bond funds towards the CR&R projects. The Grantee has requested an amendment to the GO Bond for Arts and Culture Grant Agreement to incorporate the remaining GO Bond CR&R projects and associated \$4,407,415 in funding as additional scope to be managed by the Grantee. This will bring the total grant amount to \$11,925,415. **There is no additional cost to the City for this request.**

Should the Amendment be approved by the City Commission, the Administration will utilize the processes outlined in the existing grant agreement to track progress and supervise the execution of the additional scope in the same manner which all other GO Bond Grants are managed. The Grantee will be responsible for all costs in excess of amounts approved by the City.

On May 15, 2025, following a presentation by the Miami City Ballet, the G.O. Bond Oversight Committee made a motion to support the revision to the Miami City Ballet Grant to include the capital renewal & replacement scope of work, with City oversight.

### **FISCAL IMPACT STATEMENT**

This will consolidate City-managed project funds (\$4,407,415) and the Grantee-managed project funds (\$7,518,000) and assign the full amount (\$11,925,415) to the Grantee.

### **Does this Ordinance require a Business Impact Estimate?**

(FOR ORDINANCES ONLY)

**If applicable, the Business Impact Estimate (BIE) was published on:**

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

### **FINANCIAL INFORMATION**

### **CONCLUSION**

The Administration recommends accepting the recommendation of the G.O. Bond Oversight Committee and authorizing the City Manager to negotiate and execute Amendment No. 1 to the Grant Agreement dated October 31, 2023, by and between the City and Miami City Ballet; said Amendment: (i) adding the CR&R Project to the scope of the Agreement, in the amount of \$4,482,000, from previously awarded GOBAC funding; (ii) increasing the total GOBAC grant amount from \$7,518,000 to \$11,925,415; and (iii) authorizing the Grantee to undertake the construction management responsibilities for the new CR&R Project, subject to oversight from the City, and inclusion in the Amendment any and all additional provisions, deemed necessary by the City Administration and the City Attorney, to ensure the protection of the GOBAC grant funds.

### **Applicable Area**

South Beach

**Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?**

**Is this item related to a G.O. Bond Project?**



No

Yes

**Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s):

**Department**

Facilities and Fleet Management

**Sponsor(s)**

**Co-sponsor(s)**

**Condensed Title**

Amendment 1 to Grant Agreement for Miami City Ballet, GOB Arts & Culture. FF

**Previous Action (For City Clerk Use Only)**