

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Commissioner Alex Fernandez
DATE: November 14, 2024
TITLE: DISCUSS/TAKE ACTION: PROVIDE FUNDING TO MIAMI-DADE COUNTY FOR HOMELESS TRUST AND DOMESTIC VIOLENCE CENTERS.

RECOMMENDATION

BACKGROUND/HISTORY

The City of Miami Beach is committed to addressing the critical issues of homelessness and domestic violence within our city and the broader. To advance this goal, the City proposes allocating funding to Miami-Dade County to support the construction, operation, and provision of services for housing for homeless persons, domestic violence shelters, and essential services such as food, clothing, medical care, mental health support, and training and education (the "Purpose"). To ensure the sustainability of these efforts, the City proposes distributing these funds through the Miami Beach Redevelopment Agency (the "Agency") to Miami-Dade County.

ANALYSIS

If items R7A and RDA-1 from today's agenda are not adopted, I would like to discuss the proposal below with my colleagues at the November 14, 2024 Special Meeting of the City Commission.

- **Initial Payment of \$2.6 million above the County's share of RDA surplus and Modification to Grant Agreement:** After execution of the 6th Amendment to the RDA Interlocal, the RDA will distribute to the County:
 - \$2.6 million, representing the City's 13% proportionate share of the County's \$20,000,000 funding gap for homelessness, based on its share of the total homeless population; and
 - \$4.4 million, representing the County's 44% share of the surplus
 - Totaling an initial lump sum payment of \$10 Million from surplus RDA funds for use by the County for homeless and domestic violence initiatives and programming over the next two years.
 - The County shall modify the Grant Agreement so that both the Annual Fee and the Transfer Fee shall be shared 50% to the County and 50% to the City.

- **City to Place 1% Local Option Tax on 2026 General Election Ballot:** The Mayor and City Commission of the City of Miami Beach shall adopt a resolution to place a referendum question, pursuant to Section 212.0306(2)(d), on the 2026 general election ballot asking Miami Beach residents to consider approval of a 1% tax on the sale of food, beverages, or alcoholic beverages in establishments licensed to

sell alcohol for consumption on the premises, excluding hotels and motels, and excluding establishments with gross annual revenues of \$400,000 or less in the previous calendar year (the "1% Local Option Tax Question").

- **Annual Payments if 1% Tax Question not Placed on Ballot in November 2026 General Election or if Measure Fails in November 2026 General Election:** If the 1% Local Option Tax Question does not appear on the November 2026 general election ballot, or if the measure fails, then commencing in FY 2027, and until the completion of the Convention Center Hotel, the RDA will distribute to the County \$5M per year in surplus funds for use by the County for homeless and domestic violence initiatives and programming. Commencing the first fiscal year after completion of the Convention Center Hotel, and until the earlier of the termination of the RDA or the end of FY 2044, the City of Miami Beach RDA will distribute to the County, from the City Resort Tax or other legally available City funds, an amount equal to the 4% bed tax generated by the Convention Center Hotel that fiscal year, subject to a floor of \$4.5 Million per year and a ceiling of \$6 Million per year. These funds shall be used by the County for homeless and domestic violence initiatives and programming. Both the floor and the ceiling will be adjusted each year by CPI.
- **Annual Recommendations:** As part of the agreement, the City or RDA can provide an annual list of recommendations to Miami-Dade County on ongoing programming needs to address homelessness, unhoused individuals and domestic violence services.
- **Cessation of Payments:** The annual payments will cease in the event that the 1% food and beverage tax is imposed within the boundaries of the City of Miami Beach, whether through voter approved referendum or otherwise in accordance with applicable law.

FISCAL IMPACT STATEMENT

N/A

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

Applicable Area

Citywide

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

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

Office of Commissioner Alex Fernandez

Sponsor(s)

Commissioner Alex Fernandez

Co-sponsor(s)

Condensed Title

Discuss/Action, Provide Funding to M-DC for Homeless Trust/Domestic Violence Centers.
(Fernandez)