

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: November 20, 2024

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF MIAMI BEACH AND THE SOUTH BEACH BID PARTNERS, INC. (THE "BID"), TO CONDUCT A SPECIAL MAIL BALLOT ELECTION TO DETERMINE WHETHER A MAJORITY OF THE AFFECTED PROPERTY OWNERS APPROVE THE CREATION OF A SPECIAL ASSESSMENT DISTRICT TO BE KNOWN AS THE SOUTH BEACH BUSINESS IMPROVEMENT DISTRICT, WHICH ELECTION SHALL BE CONDUCTED BY THE OFFICE OF THE CITY CLERK AND THE OFFICE OF THE CITY ATTORNEY, AND TO PROVIDE THAT THE BID SHALL COVER THE COSTS OF CONDUCTING SUCH ELECTION.

RECOMMENDATION

The Administration recommends the Mayor and City Commission adopt the Resolution.

BACKGROUND/HISTORY

Chapter 170, Florida Statutes, authorizes any municipality, subject to approval by a majority of the affected property owners, to levy and collect special assessments against benefitted properties for the purpose of stabilizing and improving retail business districts, wholesale business districts, or nationally recognized historic districts, through promotion, management, marketing, and other similar services.

On December 17, 2014, the Mayor and City Commission adopted Resolution No. 2014-28881, initially contemplating a special assessment district for the Ocean Drive retail business district. Following this, a steering committee of property owners proposed expanding the district to include the Collins Avenue corridor, from 5th Street to 21st Street.

On September 12, 2018, the Mayor and City Commission adopted Resolution No. 2018-30487, authorizing the City Manager and City Attorney to collaborate with a steering committee of Ocean Drive and Collins Avenue property owners to establish a special assessment district under Chapter 170, Florida Statutes. The district was intended to enhance the retail business district, located within a nationally recognized historic district, through promotion, management, marketing, and other services.

On January 15, 2020, the Mayor and City Commission adopted Resolution No. 2020-31144, creating the South Beach Business Improvement District (the "District"), subject to approval by a majority of the affected property owners, for a term of ten (10) years. Pursuant to Chapter 170, Florida Statutes, creation of the District aimed to stabilize and improve the Ocean Drive and Collins Avenue retail business district, with services funded by special assessments in the amount of \$2,093,335 annually throughout the District's 10-year term. The Resolution also provided details on the levy, collection, and publication of these assessments.

On February 12, 2020, the Mayor and City Commission adopted Resolution No. 2020-31168, calling for a special mail ballot election to be held from June 1, 2020, to August 31, 2020, to determine whether a majority of affected property owners approve the District's creation. Resolution No. 2020-31169 authorized a Memorandum of Understanding (MOU) for the special election. On March 13, 2020, the City and South Beach BID Partners, Inc., a Florida not-for-profit, representing property owners in the District ("South Beach BID Partners"), executed the MOU, which outlined the special election process and funding for the City's associated costs.

On April 22, 2020, the Mayor and City Commission adopted Resolution No. 2020-31236, repealing Resolution No. 2020-31168, due to the rapidly spreading COVID-19 pandemic. The City Commission's decision to postpone the special election was made in the interest of public health, safety, and welfare.

On September 11, 2024, the Mayor and City Commission adopted Resolution No. 2024-33229, amending and restating Resolution No. 2020-31144, which created the District, subject to the approval of a majority of affected property owners. Pursuant to Chapter 170, Florida Statutes, Resolution No. 2024-33229 established the District for a term of ten (10) years, with the aim to stabilize and improve the Ocean Drive and Collins Avenue retail business district, with services funded by special assessments starting at \$2,147,242 in the first fiscal year, increasing annually based on the Consumer Price Index (CPI), but not exceeding two percent (2%) per year. The Resolution also provided details on the levy, collection, and publication of these assessments.

A separate Resolution has also been placed on the November 20, 2024 City Commission meeting agenda, calling for a special mail ballot election to be held from March 1, 2025 to April 30, 2025, to determine whether a majority of the affected property owners approve the creation of the District (the "Election").

ANALYSIS

The Resolution authorizes the City Manager to execute a Memorandum of Understanding (MOU) between the City and South Beach BID Partners, attached as Exhibit "A" to the Resolution. The MOU outlines the agreement for conducting the Election, with the City responsible for administering it according to the election procedures attached to the MOU ("Election Procedures"). South Beach BID Partners agrees to cover all City-related costs for the Election, including staffing, postage, printing, mailing, supplies, advertising, and translation, as summarized in the Cost Estimate attached to the MOU.

FISCAL IMPACT STATEMENT

If the City Commission approves the Resolution and the Election is administered by the Office of the City Clerk, the City's related costs will be fully reimbursed by South Beach BID Partners, as outlined in the MOU. A detailed summary of these costs, which is estimated at approximately \$7,858.31, is included in the Cost Estimate attached to the MOU.

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

The Cost Estimate, attached to the MOU, provides a detailed breakdown of the anticipated expenses for conducting the Election, including newspaper advertising in English and Spanish, translation services, ballot printing, stamps, supplies, and approximately 30 hours of labor. These

costs, estimated at approximately \$7,858.31, will be fully reimbursed by South Beach BID Partners and are consistent with those incurred during recent special mail ballot elections, to establish the 41st Street BID in June 2023 (approved by Resolution Nos. 2023-32565 and 2023-32566) and to renew the Lincoln Road BID, which is currently underway (approved by Resolution Nos. 2024-33230 and 2024-33231).

CONCLUSION

The proposed Resolution authorizes an Election-related Memorandum of Understanding (MOU) with South Beach BID Partners, with a scope of services including, but not limited to:

- Conducting a special mail ballot election to determine whether a majority of the affected property owners approve the creation of the South Beach Business Improvement District.
- Requiring South Beach BID Partners to cover the costs associated with conducting the Election.

If creation of the District is supported in the Election, any concerned property owners and/or members of the public will have the opportunity to address the City Commission at a duly noticed public hearing.

If approved, the collection of assessments from District members will provide funding for services that aim to enhance and sustain the Ocean Drive and Collins Avenue retail corridors, fostering a cohesive and vibrant business environment that benefits property owners, visitors, and the community alike.

For these reasons, the Administration supports the establishment of the South Beach BID and recommends adopting the Resolution as outlined above.

Applicable Area

South Beach

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

Yes

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? Yes

If so, specify the name of lobbyist(s) and principal(s): South Beach BID Partners, Inc. / Jonathan Plutzik and Ceci Velasco

Department

Economic Development

Sponsor(s)

Commissioner Joseph Magazine

Co-sponsor(s)

Mayor Steven Meiner
Commissioner Tanya K. Bhatt
Commissioner Laura Dominguez
Commissioner Alex Fernandez

Commissioner Kristen Rosen Gonzalez
Commissioner David Suarez

Condensed Title

Execute MOU, Conduct Spec Mail Ballot Election to Create SB Business Improvement Dist.
(JM/SM/TB/LD/AF/KRG/DS)