

R9 A DISCUSS/TAKE ACTION: PROPOSED FUNDING FOR MIAMI-DADE COUNTY FROM MIAMI BEACH REDEVELOPMENT AGENCY SURPLUS REVENUES AND MIAMI BEACH CONVENTION CENTER HEADQUARTER HOTEL BED TAXES.
Applicable Area:

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Commissioner Joseph Magazine

DATE: November 14, 2024

TITLE: DISCUSS/TAKE ACTION: PROPOSED FUNDING FOR MIAMI-DADE COUNTY FROM MIAMI BEACH REDEVELOPMENT AGENCY SURPLUS REVENUES AND MIAMI BEACH CONVENTION CENTER HEADQUARTER HOTEL BED TAXES.

RECOMMENDATION

BACKGROUND/HISTORY

The City of Miami Beach and the Miami Beach Redevelopment Agency ("Agency") recognize the critical need to address homelessness and provide support to victims of domestic violence within our region. In addition to sustaining the current level of homeless services and support for victims of domestic violence, the City of Miami Beach is dedicated to making a significant contribution toward addressing these critical issues by funding comprehensive services that provide shelter, food, clothing, medical care, mental health treatment, and opportunities for training and education to individuals experiencing homelessness, as well as to victims of domestic violence.

ANALYSIS

I would like to discuss the distribution to Miami-Dade County (the "County") RDA funds and a certain portion of bed tax revenues to be generated by the Miami Beach Convention Center Headquarter Hotel to assist those experiencing homelessness and victims of domestic violence within the County. These funds are intended to support a broad range of services aimed at improving the quality of life for vulnerable populations, including those in need of shelter, medical care, mental health treatment, and social services. The goal is to provide the necessary resources to help homeless individuals regain their independence and assist victims of domestic violence in finding safety and rebuilding their lives.

The proposed funding structure below, if approved for recommendation by the Mayor and City Commission, shall be subject to the approval of the Agency Board and the Miami-Dade County Board of County Commissioners and, if necessary, a Seventh Amendment to the Interlocal Agreement. By leveraging the RDA surplus revenues and a portion of the bed tax generated by the MBCC Hotel to fund these essential services, we can ensure that our local businesses remain unaffected by the potential imposition of a 1% tax on food and beverages.

- Commencing in FY 2025 and continuing until the opening of the MBCC Hotel, the Miami Beach Redevelopment Agency (the "Agency") shall make a distribution of \$4,000,000 of surplus revenues annually to Miami-Dade County. These funds will be used for the construction, operation, and provision of services for housing for homeless persons and domestic violence centers. The funds will also support services for persons experiencing homelessness and victims of domestic violence, including shelter, food, clothing, medical care, mental health treatment, training, and education (the "Public Purpose").
- From the opening of the MBCC Hotel through the end of FY 2034, the City of Miami Beach shall contribute the 4% bed tax generated by the MBCC Hotel up to a maximum

amount of \$5,000,000 per fiscal year. This maximum amount shall escalate beginning in FY 2025 by the lesser of the Consumer Price Index (CPI) or 2%. The County shall use these funds for the Public Purpose.

FISCAL IMPACT STATEMENT

Commencing in FY 2025 and continuing until the opening of the MBCC Hotel, the Miami Beach Redevelopment Agency (the "Agency") shall make a distribution of \$4,000,000 of surplus revenues annually to Miami-Dade County. These funds will be used for the construction, operation, and provision of services for housing for homeless persons and domestic violence centers. The funds will also support services for persons experiencing homelessness and victims of domestic violence, including shelter, food, clothing, medical care, mental health treatment, training, and education (the "Public Purpose").

From the opening of the MBCC Hotel through the end of FY 2034, the City of Miami Beach shall contribute the 4% bed tax generated by the MBCC Hotel up to a maximum amount of \$5,000,000 per fiscal year. This maximum amount shall escalate beginning in FY 2025 by the lesser of the Consumer Price Index (CPI) or 2%. The County shall use these funds for the Public Purpose.

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

N/A

CONCLUSION

Applicable Area

Citywide

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

No

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

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): N/A

Department

Office of Commissioner Joseph Magazine

Sponsor(s)

Commissioner Joseph Magazine

Co-sponsor(s)

Condensed Title

Discuss/Action, Proposed Funding for MDC from RDA Surplus Revenues & MBCC Hotel Taxes.
(Magazine)