

A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY ADOPTING AND APPROPRIATING THE FIRST AMENDMENT TO THE FISCAL YEAR 2011/12 OPERATING BUDGET FOR THE CITY CENTER REDEVELOPMENT AREA, THE ANCHOR SHOPS AND PARKING GARAGE AND THE PENNSYLVANIA AVENUE SHOPS AND PARKING GARAGE FOR ITEMS THAT ARE OVER-BUDGET FOR FISCAL YEAR 2011/12.

WHEREAS, the City Center Redevelopment Area Budget for Fiscal Year 2011/12 was prepared and adopted with the overall City budget by detailed line item on September 27, 2011; and

WHEREAS, the Administration had completed a preliminary analysis of revenues and expenses for the fiscal year ended September 30, 2012 for the City Center Redevelopment Area; the Anchor Shops and Parking Garage and the Pennsylvania Avenue Shops and Parking Garage (hereinafter, collectively referred to as "Budget"), reflected in Exhibit A attached hereto;

WHEREAS, certain expenditure categories in the City Center Redevelopment Area Budget for Fiscal Year 2011/12 exceed the adopted budget, requiring a budget amendment as the budget was adopted at a detailed level; and

WHEREAS, in order to address instances where actual expenditures for line items exceeding budget for the reasons described in the related commission memorandum, the Interim Executive Director recommends adopting a First Amendment to the FY 2011/12 Operating Budget for the City Center Redevelopment Area, the Anchor Shops and Parking Garage and the Pennsylvania Avenue Shops and Garage for FY 2011/12.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY, that the Chairperson and Members hereby adopt and appropriate the first amendment to the Fiscal Year 2011/12 operating budget for the City Center Redevelopment Area, the Anchor Shops and Parking Garage and the Pennsylvania Avenue Shops and Garage for the items that are over budget for Fiscal Year 2011/12 as shown on the attached schedules.

RDA OPERATING BUDGET

		FY 2011/12	
	FY 2011/12	Adjustment	FY 2011/12
	Budget	11/14/2012	Amended Budget
Revenues and Other Sources of Income			
Tax Increment - City	\$ 18,337,693	\$ -	\$ 18,337,693
Proj Adjustment to City Increment	(1,326,883)	(429,574)	(1,756,457)
Tax Increment - County	14,291,236	-	14,291,236
Proj Adjustment to County Increment	(1,262,384)	(104,773)	(1,367,157)
50% Contribution from Resort Tax	4,298,477	371,354	4,669,831
1/2 Mill Children's Trust Contribution	1,487,121	(6,117)	1,481,004
Interest Income	179,000	(170,722)	8,278
Fund Balance Renewal and Replacement	1,370,981	(399,322)	971,659
Other Income/Adjustments:		5,196	5,196
TOTAL REVENUES	\$ 37,375,241	\$ (733,958)	\$ 36,641,283
Admin/Operating Expenses			
Management fee (salaries & benefits)	\$ 1,010,901	\$ 1,589	\$ 1,012,490
Postage, printing & mailing	4,123		4,123
Office supplies & equipment	3,810		3,810
Meetings & conferences	1,351		1,351
Dues & subscriptions	1,260		1,260
Audit fees	9,000	11,260	20,260
Professional & related fees	251,000	(50,000)	201,000
Repairs and Maintenance	84,857	(50,000)	34,857
Miscellaneous expenses	105,998	(50,000)	55,998
Total Admin/Operating Expenses	\$ 1,472,300	\$ (137,151)	\$ 1,335,149
Project Expenses			
Community Policing	\$ 3,413,695	\$ -	\$ 3,413,695
Capital Projects Maintenance:	-		-
Greenspace	622,896	(74,417)	548,479
Sanitation	2,661,686	(50,000)	2,611,686
Property Management	1,061,006		1,061,006
Transfer to Penn Garage Parking	48,801	217,190	265,991
Transfer to Penn Garage Retail	347,112		347,112
Transfer to Capital/Renewal and Replacement	13,541,301		13,541,301
Total Project Expenses	\$ 21,696,497	\$ 92,773	\$ 21,789,270
Reserve and Debt Service Obligations			
Debt Service Cost - 2005 + Parity Bonds	\$ 8,393,816	\$ 120,420	\$ 8,514,236
Current Debt Service - Lincoln Rd Project	1,103,366		1,103,366
Current Debt Service - Bass Museum	502,746		502,746
Reserve for County Admin Fee	195,433		195,433
Reserve for CMB Contribution	255,162		255,162
Reserve for Children's Trust Contribution	1,487,121		1,487,121
Reserve for Collins Park Parking Garage	2,268,800	(810,000)	1,458,800
Repayment-Prior Yr Fund Balance	-		
Total Reserve and Debt Service	\$ 14,206,444	\$ (689,580)	\$ 13,516,864
TOTAL EXPENSES AND OBLIGATIONS	\$ 37,375,241	\$ (733,958)	\$ 36,641,283
REVENUES - EXPENSES	\$ 0	\$ -	\$ 0

FY 2011/12 Anchor Shops and Parking Garage (16th Street Parking Garage)

			FY 2011/12	
		FY 2011/12	Adjustment	FY 2011/12
Revenues:	Budget	11/14/2012	Amended Budget	
Parking Operations	\$ 2,885,000		\$ 2,885,000	
Retail Leasing	714,150		714,150	
Interest Pooled Cash	27,433		27,433	
TOTAL REVENUES	\$ 3,626,583	\$ -	\$ 3,626,583	
Operating Expenses:				
Parking Operations	\$ 1,773,125	\$ 101,648	\$ 1,874,773	
Garage Use Fee (To Loews)	408,800	31,442	440,242	
Retail Leasing Property Management Fee	62,720	24,879	87,599	
Retail Internal Service Charges	41,129		41,129	
Management Fee to General Fund	206,221		206,221	
Reserve for Future Capital - Parking Operations	520,435	(100,000)	420,435	
Reserve for Future Capital - Retail Operations	614,153	(57,969)	556,184	
TOTAL EXPENSES	\$ 3,626,583	\$ -	\$ 3,626,583	
REVENUES - EXPENSES	\$ -	\$ -	\$ -	

FY 2011/12 Pennsylvania Ave Shops and Garage Operating

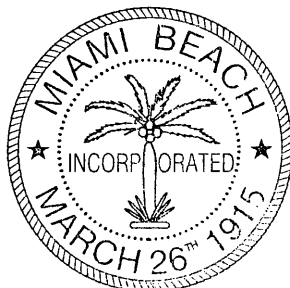
			FY 2011/12	
	FY 2011/12	Adjustment	FY 2011/12	
Revenues:	Budget	11/14/2012	Amended Budget	
Parking Operations	\$ 521,400	\$ 97,350	\$ 618,750	
Retail Leasing	292,763	(145,640)	147,123	
Parking Transfer from RDA Operations	48,801	217,190	265,991	
Retail Transfer from RDA Operations	347,112	-	347,112	
Interest Pooled Cash	-	74	74	
TOTAL REVENUES	\$ 1,210,076	\$ 168,974	\$ 1,379,050	
Operating Expenses:				
Parking Operations Expenditures	\$ 453,678	\$ 202,271	\$ 655,949	
Parking Base Fee	45,368	-	45,368	
Garage Ground Lease	23,552	-	23,552	
Garage Management Fee	47,604	-	47,604	
Retail Ground Lease	276,448	-	276,448	
Contingency	10,000	(10,000)	-	
Leasing Commissions	326,697	(23,297)	303,400	
Retail Management Fee	26,729	-	26,729	
TOTAL EXPENSES	\$ 1,210,076	\$ 168,974	\$ 1,379,050	
REVENUES - EXPENSES	\$ -	\$ -	\$ -	

PASSED AND ADOPTED THIS 14TH DAY OF NOVEMBER, 2012.


CHAIRPERSON

ATTEST:

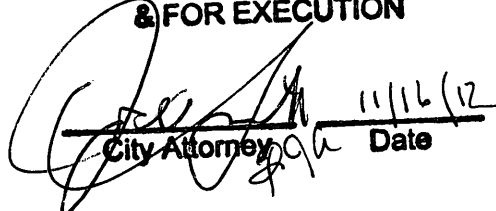

SECRETARY



KGB/MS/MP/VK/GD/KOB

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APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION


City Attorney 11/16/12
Date

MIAMI BEACH REDEVELOPMENT AGENCY ITEM SUMMARY

Condensed Title:

A Resolution of the Chairperson and Members of the Miami Beach Redevelopment Agency adopting the First Amendment to the FY 2011/12 Operating Budgets for the City Center Redevelopment Area, the Anchor Shops and Parking Garage and the Pennsylvania Avenue Shops and Garage for FY 2011/12.

Key Intended Outcome Supported:

Improve the City's overall financial health and maintain overall bond rating

Supporting Data (Surveys, Environmental Scan, etc.):

One of the City's Key Intended Outcomes is to ensure well designed and well maintained capital projects and infrastructure. In keeping with this goal, approximately 74 percent of actual expenditures in FY 2011/12 were allocated towards capital expenditures including new capital projects and renewal, maintenance and replacement of existing RDA capital infrastructure.

Issue:

Should the RDA Board adopt the proposed first amendment to the FY 2011/12 Operating Budgets for the City Center Redevelopment Area, the Anchor Shops and Parking Garage, and the Pennsylvania Avenue Shops and Garage for FY 2011/12?

Item Summary/Recommendation:

The Administration has completed a preliminary analysis of revenues and expenses for the fiscal year ended September 30, 2012, for the City Center Redevelopment Area, the Anchor Shops and Parking Garage and the Pennsylvania Avenue Shops and Parking Garage.

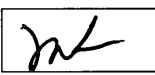
- **Redevelopment Area (RDA)** – With approval of the resolution, the adopted budget will be reduced by \$733,958 to reflect decreased revenues and changes to individual expenditure categories in excess of budget.
- **Anchor Shops and Parking Garage** – Overall the adopted budget for Anchor Garage and Shops came in under budget, however, specific categories are in excess of budget requiring a budget amendment.
- **Pennsylvania Avenue Shops and Parking Garage** – With approval of the resolution, the adopted budget will be increased by \$168,974 to fund Parking Operations Expenditures that exceeded the budget.

This requires an amendment to adjust both the revenue and expenditure budgets as shown in the attached.

Advisory Board Recommendation:

N.A.



Financial Information:

Source of Funds:		Amount	Account
	1	(\$733,958)	Redevelopment Area (RDA)
	2	-	Anchor Shops and Parking Garage
	3	\$168,974	Pennsylvania Avenue Shops and Parking Garage
OBPI			

City Clerk's Office Legislative Tracking:

Victoria Kroger, Georgette Daniels and Kathie Brooks

Sign-Offs:

RDA	Assistant Director (RDA)	Interim Executive Director (RDA)
 KOB/MP	MS	KGB 

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MIAMI BEACH

AGENDA ITEM 1C
DATE 11-14-12



MIAMI BEACH

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

REDEVELOPMENT AGENCY MEMORANDUM

TO: Chairperson and Members of the Miami Beach Redevelopment Agency

FROM: Kathie Brooks, Interim Executive Director 

DATE: November 14, 2012

SUBJECT: **A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY ADOPTING AND APPROPRIATING THE FIRST AMENDMENT TO THE OPERATING BUDGET FOR THE CITY CENTER REDEVELOPMENT AREA, THE ANCHOR SHOPS AND PARKING GARAGE AND THE PENNSYLVANIA AVENUE SHOPS AND PARKING GARAGE FOR ITEMS THAT ARE OVER-BUDGET FOR FISCAL YEAR 2011/12.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

ANALYSIS

The Fiscal Year 2011/12 year-end budget to preliminary actual comparisons is provided in the attached. It is important to note that the Finance Department is still preparing year-end accruals and adjustments through November 15, 2012, as part of the year-end accrual process. The proposed budget amendment represents the budget amendment required by state law for departments or accounts that exceed their appropriated authority.

In past years, the preliminary year-end analysis has been prepared in the early part of the next calendar year. In an effort to provide this information on a more timely basis, the analysis and recommended amendments presented herein are therefore still subject to change. However, staff in the Office of Budget and Performance Improvement and the Finance Departments has worked to identify any major adjustments that might be needed, particularly in the expenditure area that would impact the required appropriation authority. We will continue to refine the estimate and present an update once the year-end close-out process is complete, typically in the March timeframe.

Details of the preliminary estimated year-end expenditures are provided on the attached schedules, along with an explanation of major variances below.

RDA OPERATING BUDGET

With this amendment, the RDA operating budget will be reduced by \$733,958 to reflect decreased revenues and changes to individual expenditure categories in excess of budget.

Operating Budget - Revenues The budgeted revenues in the RDA will be reduced by \$733,958 to better reflect preliminary actual revenues. This is partially due to an increase in the County's adjustment for the finalization of the prior year's tax roll, resulting in a \$534,347 decrease in actual TIF revenues compared to budget. The Budget also reflected a transfer of funds from Capital Renewal and Replacement totaling \$1,370,981, to fund certain capital renewal and replacement projects scheduled in FY 2011/12. It was subsequently determined that only \$971,659 was available from the City Center Renewal and Replacement Account. Interest revenue also came in below budget by \$170,722. The shortfall was partially offset by a \$371,354 increase in contributions from the Resort Tax fund, which is based on 50% of the 1% Resort Tax revenues collected.

Operating Budget – Expenditures Based on preliminary year-end operating results and barring further final journal entries and adjustments, the total admin/operating expenditures for FY 2011/12 are estimated at \$36,445,345, or \$195,938 below the amended budget as shown on the attached schedule. However, individual categories for debt service, audit fees, and management salaries and benefits were slightly in excess of budget. Further, an additional \$217,190 had to be transferred to the Pennsylvania Avenue Shops and Parking Garage Fund to offset operating losses described further below.

ANCHOR SHOPS AND PARKING GARAGE

Overall the adopted budget for Anchor Shops and Parking Garage came in under budget primarily due to unspent reserves for capital repairs and projects in both Parking and Retail Operations, however, specific categories are in excess of budget requiring a budget amendment.

Revenues at the Anchor Shops and Parking Garage in FY 2011/12 are estimated to be \$104,721 greater than budgeted revenues, offset by increased expenditures. Garage Revenues are in excess of budget by approximately \$230,000, more than sufficient to offset the approximately \$100,000 increase in Parking Operations expenditures and \$30,000 increase in revenue-sharing obligations to the Loews. Retail revenues came in \$101,647 below forecast due to a prolonged, year-long vacancy, which has recently leased. However, the additional overall revenue is more than sufficient to cover the Retail Leasing Property Management Fee - \$24,879, which includes the amortization of brokerage fees not included in the adopted budget. In addition, Interest revenues were approximately \$23,000 below budget.

PENNSYLVANIA AVENUE SHOPS AND GARAGE

Overall the adopted budget for Pennsylvania Avenue Shops and Garage came in over budget primarily due to funding for future renewal and replacement which is recommended based on prior year depreciation levels.

Revenues at the Pennsylvania Shops and Garage in FY 2011/12 are estimated to be \$168,974 greater than budgeted revenues, offset by increased expenditures. Revenues at the recently opened Pennsylvania Avenue Garage are \$97,350 more than budgeted; however, retail revenues are \$145,640 below budget. This was due to the adoption of certain amendments to the Tenant's Lease, which adjusted and temporarily deferred three-months' lease payments to assist the Tenant in offsetting its build-out and start-up costs. The revenues reflect an additional transfer of \$217,190, as explained above to offset the increased expenditures.

November 8, 2012

Redevelopment Agency Memorandum

First Amendment to the FY 2011/12 Operating Budget for City Center Redevelopment Area, the Anchor Shops and Parking Garage and the Pennsylvania Avenue Shops and Garage for FY 2011/12

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In consideration of the fact that the Pennsylvania Avenue Shops and Garage was built by the RDA on City-owned property, the operation of the facility has been structured in the form of a ground lease between the City and the RDA, providing terms for both the garage and retail operations. Expenditures for the garage include ground lease rent payments, an administrative fee (consistent with that of the Anchor Garage) and the Parking Department's operational fee. In total, the garage and retail expenditure budgets were exceeded by \$168,974. Total expenditures for the garage operations exceeded budget by \$202,271, due to the funding for future renewal and replacement, which was not included in the FY 2011/12 adopted budget. Operating expenses for the retail area came in \$33,297 under budget.

CONCLUSION

In order to address the existing and future obligations in the Redevelopment Area, it is recommended that the Redevelopment Agency adopt the attached Resolution, which amends the FY 2011/12 budgets for the City Center Redevelopment Area, the Anchor Shops and Parking Garage and the Pennsylvania Avenue Shops and Garage.

KGB/MS/MP/VK/GD/KOB

Attachment

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Miami Beach Redevelopment Agency
FY 2011/12 Budget to Year End Actuals

	FY 2011/12 Budget	FY 2011/12 Adjustment 11/14/2012	FY 2011/12 Amended Budget	FY 2011/12 Preliminary Year-End Actuals
Revenues and Other Sources of Income				
Tax Increment - City	\$ 18,337,693	\$ -	\$ 18,337,693	\$ 18,337,693
Proj Adjustment to City Increment	(1,326,883)	(429,574)	(1,756,457)	(1,756,457)
Tax Increment - County	14,291,236	-	14,291,236	14,291,236
Proj Adjustment to County Increment	(1,262,384)	(104,773)	(1,367,157)	(1,367,157)
50% Contribution from Resort Tax	4,298,477	371,354	4,669,831	4,669,831
1/2 Mill Children's Trust Contribution	1,487,121	(6,117)	1,481,004	1,481,004
Interest Income	179,000	(170,722)	8,278	8,278
Fund Balance Renewal and Replacement	1,370,981	(399,322)	971,659	971,659
Other Income/Adjustments:		5,196	5,196	5,196
TOTAL REVENUES	\$ 37,375,241	\$ (733,958)	\$ 36,641,283	\$ 36,641,283
Admin/Operating Expenses				
Management fee (salaries & benefits)	\$ 1,010,901	\$ 1,589	\$ 1,012,490	\$ 1,012,490
Postage, printing & mailing	4,123		4,123	-
Office supplies & equipment	3,810		3,810	1,207
Meetings & conferences	1,351		1,351	-
Dues & subscriptions	1,260		1,260	795
Audit fees	9,000	11,260	20,260	20,260
Professional & related fees	251,000	(50,000)	201,000	175,373
Repairs and Maintenance	84,857	(50,000)	34,857	31,489
Miscellaneous expenses	105,998	(50,000)	55,998	44,164
Total Admin/Operating Expenses	\$ 1,472,300	\$ (137,151)	\$ 1,335,149	\$ 1,285,778
Project Expenses				
Community Policing	\$ 3,413,695	\$ -	\$ 3,413,695	\$ 3,411,726
Capital Projects Maintenance:	-		-	-
Greenspace	622,896	(74,417)	548,479	506,242
Sanitation	2,661,686	(50,000)	2,611,686	2,560,468
Property Management	1,061,006		1,061,006	1,030,973
Transfer to Penn Garage Parking	48,801	217,190	265,991	265,991
Transfer to Penn Garage Retail	347,112		347,112	347,112
Transfer to Capital/Renewal and Replacement	13,541,301		13,541,301	13,541,301
Total Project Expenses	\$ 21,696,497	\$ 92,773	\$ 21,789,270	\$ 21,663,813
Reserve and Debt Service Obligations				
Debt Service Cost - 2005 + Parity Bonds	\$ 8,393,816	\$ 120,420	\$ 8,514,236	\$ 8,514,236
Current Debt Service - Lincoln Rd Project	1,103,366		1,103,366	1,103,366
Current Debt Service - Bass Museum	502,746		502,746	502,746
Reserve for County Admin Fee	195,433		195,433	193,861
Reserve for CMB Contribution	255,162		255,162	248,718
Reserve for Children's Trust Contribution	1,487,121		1,487,121	1,481,004
Reserve for Collins Park Parking Garage	2,268,800	(810,000)	1,458,800	1,451,823
Repayment-Prior Yr Fund Balance	-		-	-
Total Reserve and Debt Service	\$ 14,206,444	\$ (689,580)	\$ 13,516,864	\$ 13,495,754
TOTAL EXPENSES AND OBLIGATIONS	\$ 37,375,241	\$ (733,958)	\$ 36,641,283	\$ 36,445,345
REVENUES - EXPENSES	\$ 0	\$ -	\$ 0	\$ 195,938

FY 2011/12 Anchor Shops and Parking Garage (16th Street Parking Garage)

	FY 2011/12 Budget	FY 2011/12 Adjustment 11/14/2012	FY 2011/12 Amended Budget	FY 2011/12 Year-End Actuals
Revenues:				
Parking Operations	\$ 2,885,000		\$ 2,885,000	\$ 3,114,778
Retail Leasing	714,150		714,150	612,503
Interest Pooled Cash	27,433		27,433	4,023
TOTAL REVENUES	\$ 3,626,583	\$ -	\$ 3,626,583	\$ 3,731,304
Operating Expenses:				
Parking Operations	\$ 1,773,125	\$ 101,648	\$ 1,874,773	\$ 1,874,773
Garage Use Fee (To Loews)	408,800	31,442	440,242	440,242
Retail Leasing Property Management Fee	62,720	24,879	87,599	87,599
Retail Internal Service Charges	41,129		41,129	41,129
Management Fee to General Fund	206,221		206,221	196,740
Reserve for Future Capital - Parking Operations	520,435	(100,000)	420,435	-
Reserve for Future Capital - Retail Operations	614,153	(57,969)	556,184	-
TOTAL EXPENSES	\$ 3,626,583	\$ -	\$ 3,626,583	\$ 2,640,483
REVENUES - EXPENSES	\$ -	\$ -	\$ -	\$ 1,090,821

FY 2011/12 Pennsylvania Ave Shops and Garage Operating

	FY 2011/12 Budget	FY 2011/12 Adjustment 11/14/2012	FY 2011/12 Amended Budget	FY 2011/12 Year-End Actuals
Revenues:				
Parking Operations	\$ 521,400	\$ 97,350	\$ 618,750	\$ 618,750
Retail Leasing	292,763	(145,640)	147,123	147,123
Parking Transfer from RDA Operations	48,801	217,190	265,991	265,991
Retail Transfer from RDA Operations	347,112	-	347,112	347,112
Interest Pooled Cash	-	74	74	74
TOTAL REVENUES	\$ 1,210,076	\$ 168,974	\$ 1,379,050	\$ 1,379,050
Operating Expenses:				
Parking Operations Expenditures	\$ 453,678	\$ 202,271	\$ 655,949	\$ 655,949
Parking Base Fee	45,368	-	45,368	45,368
Garage Ground Lease	23,552	-	23,552	23,552
Garage Management Fee	47,604	-	47,604	47,604
Retail Ground Lease	276,448	-	276,448	276,448
Contingency	10,000	(10,000)	-	-
Leasing Commissions	326,697	(23,297)	303,400	303,400
Retail Management Fee	26,729	-	26,729	26,729
TOTAL EXPENSES	\$ 1,210,076	\$ 168,974	\$ 1,379,050	\$ 1,379,050
REVENUES - EXPENSES	\$ -	\$ -	\$ -	\$ -