



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

Recreation & Culture Affairs Committee

June 13, 2011

2:00 PM

Commission Chamber

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**Miami-Dade County Board of County Commissioners
Office of the Commission Auditor**

**Legislative Analysis
Recreation & Cultural Affairs Committee
Meeting Agenda**

June 13, 2011

Written legislative analyses for the below listed items are attached for your consideration in this Legislative Analysis.

Item Number(s)

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| 2(A) |
| 3(B) |
| 3(C) |

Acknowledgements:

Bia Marsellos, Legislative Supervisor
Michael Amador-Gil, Senior Legislative Analyst
Elizabeth Owens, Legislative Analyst
Mia Marin, Legislative Analyst

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 2(A)

File Number: 111155

Committee(s) of Reference: Recreation and Cultural Affairs Committee

Date of Analysis: June 8, 2011

Prime Sponsor: Commissioner Jean Monestime

Type of Item: Significant Modification to Building Better Communities General Obligation Bond Program

Summary

This item approves a Significant Modification to Building Better Communities General Obligation Bond Program (BBC-GOB) Project No. 19 to include:

- Change Project Description to read as follows: "Construct an aquatic facility and recreational facility, including basketball courts, a multipurpose field, playground, shelter and parking.";
- Add street address 13760 N.E. 5th Avenue;
- Approve the addition of Project No. 19 to Exhibit A to R-134-11; and
- Accelerate \$500,000 of BBC-GOB Program funding for Project No. 19 to fund the design and engineering phase of the project.

The original project description for BBC-GOB Project No. 19 included the following:

- GOB funds to compliment other funding sources to construct a recreational facility to house an Olympic sized pool, martial arts facilities and fencing facilities;
- Street address: to be determined; and
- BBC GOB allocation of \$5,000,000.

On March 1, 2011, the Board of County Commissioners (BCC) approved R-134-11, authorizing the issuance of up to \$200,000,000 in BBC-GOB for Series 2011A Bonds to be used to pay all or portion of various capital projects in the BBC-GOB Program Projects List in Exhibit A which was attached to R-134-11.

Development of BBC-GOB Program Projects List

On July 11, 2010, the County Manager issued a memo on the BBC-GOB Program Project List. The Memo provided three scenarios that illustrated the choices for the BBC-GOB bond sales in the next two fiscal years. In every scenario, the upcoming two sales are followed by a gap of nearly 24 months in which the County will not sell new bonds.

Furthermore, the Memo states that uncertainty surrounding our millage rates and property-tax roll have made useful projections almost impossible. The list of projects for the next two (2) bond sales was developed by the Office of Capital Improvements and the Office of Strategic Business Management in consultation with the County Executive Office, user departments and external stakeholders.

On December 23, 2010, the County Manager issued a Memo outlining the BBC-GOB Bond Program for the next 45 months and recommended the implementation of a commercial paper program in order to provide an additional financing vehicle to complete a list of BBC-GOB projects. Subsequently, on March 1, 2011, the BCC approved R-134-11, authorizing the issuance of up to \$200,000,000 in BBC-GOB for Series 2011A Bonds to be used to pay for various capital projects in the BBC-GOB Program Projects List identified in the December 23, 2010 County Manager BBC-GOB Bond Program Memo.

Questions

In response to questions posed by the Office of Commission Auditor (OCA), the Office of Capital Improvements (OCI) staff provided the following responses:

- If BBC GOB Project No. 19 is added to Appendix A to R-134-11, how will this affect the other projects already on the list? If BBC GOB Project No. 19 is added will another BBC GOB Project be removed? ***Since we have not yet encumbered the \$200 million covered under Series 2011A and there is sufficient flexibility in the program to accommodate this request for acceleration, we have not identified donor projects at this time.***

Prepared by: Mia B. Marin

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 3(B) and 3(C)

File Number: 111063 and 111070

**Committee(s)
of Reference:** Recreation, Culture & Tourism

Date of Analysis: June 9, 2011

Type of Item: Resolution

Summary

These resolutions approve the following:

- Legislative Item No. 111063/Agenda Item 3B - Ratifying decision of the County Mayor or County Mayor's designee to reject the unsolicited proposal from Eventus Marketing, Inc. (Eventus) for a long term facility management agreement for the Dade County Auditorium (DCA); and
- Legislative Item No. 111070/Agenda Item 3C - Authorizing the County Mayor or County Mayor's designee to reject the proposal received for the request for proposals to lease, operate and manage Dade County Auditorium RFP No. 718.

Background

On September 13, 2010, the County Manager issued a Memo on the Dade County Auditorium's proposed level of funding for FY2010-2011 that would reduce staffing and operation levels to allow for the currently contracted revenue generated events and rentals to occur. Additionally, the memo further explains the decreasing revenues being earned by DCA along with the escalating costs of operating the facility, have required these efficiencies in response to the reduced amount of subsidy available.

Furthermore, the Memo mentions that the Dade County Auditorium will continue to be open for all groups that have held events there, there will be no change in cost to the community art groups for booking events, and any proposed changes to the rates would have to be presented to the Board of County Commissioners (BCC) for approval.

Finally, the Memo details the County's plan for DCA in FY2010-2011 to include information on an unsolicited proposal it received from Eventus to manage DCA and a subsequent RFP (RFP No. 718) issued by the County for the lease, operation and management of DCA.

Unsolicited Proposal –Legislative Item No. 111063- Item 3B

According to the Manager's Memo for Legislative Item No. 111063, On March 5, 2009, the County received an unsolicited proposal from Eventus to manage the DCA which included the following elements:

- Create an exhibit space within the facility to showcase Hispanic/Latin cultural contributions;
- Renovate and reconfigure the DCA; and
- Design and build a restaurant, black-box theatre and recording studio
- County would continue to maintain supporting service levels for maintenance, custodial and landscaping service for five years

The proposed resolution ratifies the rejection of the unsolicited proposal and requires the County to return a monetary deposit to Eventus (deposit retained by the County upon submittal of the unsolicited proposal) minus any direct costs associated with evaluating the proposal.

RFP 718-Legislative Item No. 111070 – Item 3C

According to the Manager's Memo, on April 20, 2010, the County issued a Request for Proposals for the Lease, Operation and Management of the Auditorium (RFP No. 718). Subsequently, the County notified Eventus of RFP No. 718 and Eventus was the only respondent.

However, at the September 13, 2010, Recreation and Cultural Affairs Committee meeting, discussion ensued regarding options that would allow the County to continue operating the DCA. Subsequently, on October 19, 2010, the former Mayor of Miami-Dade County, held a press conference to announce that the County would continue to operate DCA.

Consequently, County administration has been working with community arts promoters and producers, to increase revenues of the facility and therefore recommending to reject the proposal received under RFP No. 718.

Recent legislation

On June 3, 2010, the BCC approved Resolution R-589-10, approving a significant modification to General Obligation Bond (GOB) Program Project No. 292-Dade County Auditorium, decreasing the allocation from \$8 million to \$4 million in order transfer the Hispanic Black Box Theatre from Miami-Dade County Auditorium to GOB Project No. 286 - Construction of the Westchester Community Arts Center.

Budgetary Impact

In FY2009-2010, DCA was budgeted at \$1.009 million in expenses with projected revenues of \$561,000 requiring the subsidy of \$447,600. The FY2010-2011 adopted budget includes the subsidy of \$220,500 in expenses.

Comments

The following questions were posed to MDPR relating to MDC; however responses were not received at the time of printing:

- What is the budget for DCA for the last 3 years?
- How much has the County subsidized to DCA in the last three years?
- How many shows are needed to increase revenues for DCA to operate within budget?
- What is included in the DCA subsidy needs plan being developed by OSBM?
- What has been the attendance for DCA in the last 3 years.

Additionally, the following questions were posed to MDPR staff followed by their responses:

- What was the amount of the deposit retained by the County upon submittal of the unsolicited proposal by Eventus? \$25,000
- Were there any direct costs incurred by the County associated with evaluating the proposal? No direct costs.

Prepared by: Mia B. Marin