



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

**Legislative Analysis
Supplemental**

Recreation, Culture & Tourism Committee

February 8, 2010
2:00 PM
Commission Chamber

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Agenda Item: 5(A)

File Number: 100082

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

Date of Analysis: February 4, 2010

Type of Item: Resolution Approving a Master Restructuring Agreement

Summary

This resolution approves the Master Restructuring Agreement (MSA) between four entities to include the following:

- Performing Arts Center Trust, Inc. (PACT);
- Performing Arts Center Foundation of Greater Miami (PACF);
- Adrienne Arsht Center Foundation, Inc. (AACF); and
- Miami-Dade County

The purpose of this MSA is to transfer the principle fundraising and development activities for the Adrienne Arsht Center for the Performing Arts of Miami-Dade County (Center), from PACF to the PACT and to provide PACT with equal priority for scheduling and rental rates for the halls at the Center.

Background and Relevant Legislation

The MSA consists of restructuring the following documents:

- Operating Management Agreement between County and PACT;
- Cooperation Agreement between AACF and the PACT; and
- Cooperation Agreement between PACF and PACT

Pursuant to R-860-93, Miami-Dade County (County) and PACT are parties to an Operating Management Agreement which requires PACT to oversee the planning, design, construction and operation of the Performing Arts Center.

Pursuant to R-41-08, the PACT operates the Center as stated in Amendment No. 6 to the Operating Management Agreement and continues to fulfill and report to the County on its compliance

requirements of the agreement. Furthermore, under R-141-08, the County will continue to monitor the compliance by the PACT with the Operating Management Agreement.

Resolution 279-96 introduces the Cooperation Agreement between the PACT and PACF as Amendment No.1 to the Operating Management Agreement and R-480-06 extends the PACT commitment as Amendment No.5.

Policy Change and Implication

There are several elements within the Master Restructuring Agreement item that have not been explained that require further explanation to include the following:

- Details of assets and liabilities being transferred from the PACF to the PACT;
- How will the payroll and overhead of the transferred employees (from PACF to PACT) be funded?
- Pro-forma Financials of the merged entity;
- Details of Donor Pledges that are being transferred from PACF to the PACT;
- Who is the CEO of the new Resident Company Alliance, Inc.?
- How will the Resident Company Alliance, Inc. be funded?

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