



**MEMORANDUM** Not On

Agenda Item No. 4(HH)

**TO:** Honorable Chairperson Barbara Carey-Shuler, Ed.D. and Members, Board of County Commissioners **DATE:** July 27, 2004

**FROM:** George M. Burgess  
County Manager

**SUBJECT:** Agreement with City of Miami Beach and Miami Beach Redevelopment Agency on Administrative Charge Reimbursement and Issuance of Bonds by CRA and/or City

RECOMMENDATION

It is recommended that the Board of County Commissioners adopt the accompanying resolution that approves the form of the attached interlocal agreement (“Agreement”) with the Miami Beach Redevelopment Agency (“CRA”) and the City of Miami Beach (“City”) and authorizes its execution by the County Manager. This Agreement provides for the assessment of an annual administrative charge by the County and the City for their oversight of the two community redevelopment districts under the jurisdiction of the CRA and approves the issuance of certain refunding bonds by the CRA and/or City.

BACKGROUND

The CRA administers the South Point Tax Increment District (created in 1973) and the City Center/Historic Convention Tax Increment District (created in 1992) established under provisions of the Florida Statutes, Chapter 163, part III. In FY 2003-04 budget, the Board of County Commissioners (the “BCC”) adopted a new 1.5% administrative fee to be charged to all Community Redevelopment Agencies (the “Agencies”) in the County for the oversight and processing of Agency related items by the County. The fee is necessary to recover the increasing cost of providing the work of the County’s Tax Increment Financing and Coordinating Committee members and support staff who process, review and recommend the budgets and all other proposals of the Agencies coming before the BCC. Furthermore, the BCC authorized the County Manager to negotiate and execute interlocal agreements in order to ensure the implementation of this fee. The Florida Statutes allow Agencies to expend funds for administrative and overhead expenses necessary or incidental to the implementation of community redevelopment plans. The same Statutes also provide that the City and County are eligible to share in any Tax Increment Revenues not budgeted for a particular use and remaining at the end of an Agency’s fiscal year. The proposed interlocal agreement relies on the latter provision as the mechanism to pay the fee to the County.

The City, by agreeing to pay the County fee, has required the County to also approve that the City shall also receive a 1.5% reimbursement on the City’s tax increment distributions to the CRA. This provision allows the City to recover a greater fee than the County, in that the City’s share of tax increment revenues exceeds the County’s.

Hon. Chairperson Barbara Carey-Shuler, Ed.D.  
and Members, Board of County Commissioners  
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Furthermore, for cooperating with the County's fee on the CRA, the City and the CRA, in turn, require the County to approve the issuance by the CRA of not to exceed \$101,090,000 principal amount of refunding bonds for the purpose of refinancing the revenue bonds for the City Center/Historic Convention Village Community Redevelopment District while providing such bonds mature no later than the outstanding bonds. This enables the CRA to lock in more advantageous interest rates, while having no financial impact on the County.

The Fiscal Impact to the County of the CRA administrative fee being established by the proposed interlocal agreement is that of receiving approximate annual payments of \$200,000, or a 1.5% reimbursement on the approximately \$14 million of Tax Increment Payments made by the County to the CRA. The additional payment by the CRA to the City, and the issuance of refunding bonds, will have no impact on the County, as the Tax Increment payments by the County are pre-determined as 95% of ad valorem taxes revenues generated from incremental property tax rolls in the tax increment districts.

Attachment

  
Assistant County Manager



# MEMORANDUM

(Revised)

**TO:** Hon. Chairperson Barbara Carey-Shuler, Ed.D.  
and Members, Board of County Commissioners

**DATE:** July 27, 2004

**FROM:** Robert A. Ginsburg  
County Attorney

Not On

**SUBJECT:** Agenda Item No. 4(HH)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised**
- 6 weeks required between first reading and public hearing**
- 4 weeks notification to municipal officials required prior to public hearing**
- Decreases revenues or increases expenditures without balancing budget**
- Budget required**
- Statement of fiscal impact required**
- Bid waiver requiring County Manager's written recommendation**
- Ordinance creating a new board requires detailed County Manager's report for public hearing**
- Housekeeping item (no policy decision required)**
- No committee review**

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Not On  
Agenda Item No. 4 (HH)  
7-27-04

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING TERMS AND EXECUTION OF INTERLOCAL AGREEMENT BETWEEN MIAMI-DADE COUNTY, CITY OF MIAMI BEACH AND MIAMI BEACH REDEVELOPMENT AGENCY TO PROVIDE FOR ANNUAL ADMINISTRATIVE FEE TO BE PAID TO COUNTY AND CITY FROM TAX INCREMENT REVENUES DERIVED FROM SOUTH POINTE REDEVELOPMENT AREA AND CITY CENTER/HISTORIC CONVENTION VILLAGE REDEVELOPMENT AND REVITALIZATION AREA AND TO PROVIDE APPROVAL FOR ISSUANCE BY MIAMI BEACH REDEVELOPMENT AGENCY OF CERTAIN REFUNDING BONDS

**WHEREAS**, the Miami Beach Community Redevelopment Agency (“CRA”) has jurisdiction over two community redevelopment districts located in the City of Miami Beach (“City”) known as City Center/Historic Convention Village and South Pointe (“CRA Districts”); and

**WHEREAS**, the CRA has various series of community redevelopment revenue bonds currently outstanding in the aggregate principal amount of \$94,890,000 (the “Bonds”) issued under certain bond resolutions (the “Bond Resolutions”) to which the CRA has pledged all current and future tax increment revenues the CRA is entitled to receive pursuant to the Act from all non-exempt taxing authorities, like the Trust, created subsequent to the issuance of the Bonds; and

**WHEREAS**, the CRA wishes to refinance the Bonds to lower the interest cost without extending the maturity on the Bonds that requires the prior approval of the County; and

**WHEREAS**, during the 2003-2004 County budget hearing, the Board approved an administrative charge of 11/2 % of tax increment revenues collected within a community redevelopment district to be payable by all community redevelopment agencies in the County to recover costs associated with overseeing community redevelopment agency activities and for processing related items by County staff; and

**WHEREAS**, the CRA and the City agree to the assessment by the County of the administrative charge with respect to the CRA Districts upon the conditions described in the County Manager's memorandum which is incorporated in the resolution by reference; and

**WHEREAS**, the CRA, the County and the City wish to memorialize their understanding regarding the refunding bonds and the administrative fees by entering into an Interlocal Agreement in the form attached as Exhibit "A" to this resolution ("Interlocal Agreement") pursuant to Chapter 163, Part I, Florida Statutes; and

**WHEREAS**, this Board wishes to approve the form of the Interlocal Agreement and authorize its execution by the County Manager after review by the County Attorney's Office,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:**

Section 1. The matters contained in the foregoing recitals are incorporated in this resolution by reference.

Section 2. The Board approves the terms of and authorizes the County Manager to execute the Interlocal Agreement in substantially the form attached to this resolution as Exhibit "A" after review by the County Attorney's Office.

Section 3. The provisions of Resolution No. 377-04 pertaining to the effective date of County contracts is waived with respect to the Interlocal Agreement.

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The foregoing resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

Dr. Barbara Carey-Shuler, Chairperson	
Katy Sorenson, Vice-Chairperson	
Bruno A. Barreiro	Jose "Pepe" Diaz
Betty T. Ferguson	Sally A. Heyman
Joe A. Martinez	Jimmy L. Morales
Dennis C. Moss	Dorrin D. Rolle
Natacha Seijas	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 27th day of July, 2004. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF COUNTY  
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as  
to form and legal sufficiency.



By: \_\_\_\_\_  
Deputy Clerk

Gerald T. Heffernan

**INTERLOCAL AGREEMENT  
AMONG CITY OF MIAMI BEACH,  
MIAMI BEACH REDEVELOPMENT AGENCY,  
&  
MIAMI-DADE COUNTY, FLORIDA**

This Interlocal Agreement (“Agreement”) is among the City of Miami Beach, Florida (the “City”), the Miami Beach Redevelopment Agency (the “CRA”), and Miami-Dade County, Florida (the “County”) for the purpose of establishing the use of a portion of the tax increment revenues collected and paid annually by the Miami-Dade County Tax Collector to the CRA with respect to the tax increment districts within the jurisdiction of the CRA (the “Tax Increment Revenues”),

WHEREAS, pursuant to Chapter 163, Part III, Florida Statutes, also known as the Community Redevelopment Act of 1969 (the “Act”), the City Commission accepted a delegation of powers from the Miami-Dade County Board of County Commissioners (the “Board”), found a need for and created the CRA to have jurisdiction over all of its community redevelopment districts, declared members of the City Commission to be the members of the CRA, granted the CRA the power to exercise certain powers permitted by the Act to the extent delegated by the Board to the CRA and directed the initiation, preparation and adoption of community redevelopment plans by the CRA for its two community redevelopment districts known as City Center/Historic Convention Village and South Pointe (“CRA Districts”); and

WHEREAS, the CRA has various series of community redevelopment revenue bonds currently outstanding in the aggregate principal amount of \$94,890,000 (the “Bonds”) issued under certain bond resolutions (the “Bond Resolutions”) to which the CRA has pledged all current and future Tax Increment Revenues the CRA is entitled to receive from the CRA Districts to which the Bonds relate pursuant to the Act from all non-exempt taxing authorities, including Tax Increment Revenues from any additional tax levies created subsequent to the issuance of bonds under the Bond Resolutions; and

WHEREAS, the annual budget of the CRA is approved by the City and the County pursuant to the Act in which the Tax Increment Revenues are appropriated for purposes consistent with the Bond Resolutions and the CRA’s redevelopment plans for the CRA Districts;

WHEREAS, as set forth in F.S. 163.387(7)(a), the City and the County are eligible to share in any Tax Increment Revenues not budgeted for a particular use and remaining at the end of the CRA’s fiscal year in the Fund established for the respective CRA Districts; and

WHEREAS, during the 2003-2004 budget hearing, the Board requested and approved an administrative charge fee payable by all community redevelopment agencies in the County, establishing a 1.5 percent administrative reimbursement charge to recover costs for County staff time associated with overseeing community redevelopment agency activities and for processing related items; and

WHEREAS, the City, the CRA and the County wish to acknowledge and agree, by this Interlocal Agreement, to allocate in the annual budget, a 1.5% administrative fee to be paid to the County to defray the County's costs in connection with its oversight of the CRA and a 1.5% fee to be paid to the City; both to be paid after the debt service and other obligations on the Bonds and any future bonds (or loans) issued by the CRA and approved by the County have been satisfied from Tax Increment Revenues; and

NOW THEREFORE, the parties agree as follows:

Section 1. The recitals above are incorporated by reference in this Section 1.

Section 2. The City, the CRA and the County agree that on the last day of the CRA's fiscal year, the CRA shall remit 1.5% of the Tax Increment Revenues paid to the CRA for that Fiscal Year to the County and 1.5% of the Tax Increment Revenues paid to the CRA for that Fiscal Year to the City, provided, as to both remittances, the debt service and all other obligations relating to the Bonds and any future bonds (or loans) issued by the CRA and approved by the County have been satisfied for that fiscal year.

Section 3. The County approves the issuance by the CRA of not to exceed \$101,090,000 principal amount of refunding bonds for the purpose of refinancing all or a portion of the outstanding principal amount of the Bonds issued with respect to the City Center/Historic Convention Village Community Redevelopment district), funding any necessary reserves and paying the cost of issuance, provided such refunding bonds mature no later than the maturity date for the Bonds.

Section 4. This Agreement shall be effective upon execution by all parties and shall continue for as long as the CRA is in existence.

Section 5. This Agreement shall be binding upon and shall inure to the benefit of the City, the County, the CRA and their respective successors.

Section 6. Any amendment to or waiver of any provision of this Agreement must be in writing and mutually agreed to by the CRA, the City and the County.

Section 7. This Agreement and its provisions shall be governed by and construed in accordance with the laws of the State of Florida. In any action, in equity or law, with respect to the enforcement or interpretation of this Agreement, venue shall be in the County.



Section 8. This Agreement contains all the terms and conditions agreed upon by the parties. No other Agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind any of the parties. If any part of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable, such invalid, illegal or unenforceable part shall be deemed severable and the remaining parts of this Agreement shall continue in full force and effect provided that the rights and obligations of the parties are not materially prejudiced and the intentions of the parties can continue to be effected.

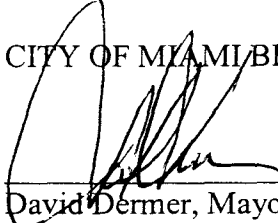
Section 9. This Agreement is signed in three (3) counterparts, and each counterpart shall constitute an original of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective and duly authorized officers as of the day and year first above written.

ATTEST:

  
\_\_\_\_\_  
Robert Parcher, City Clerk

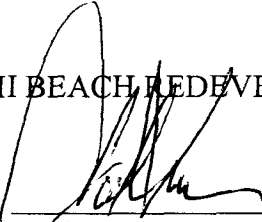
CITY OF MIAMI/BEACH, FLORIDA

  
\_\_\_\_\_  
David Dermer, Mayor

ATTEST:

  
\_\_\_\_\_  
Secretary

MIAMI BEACH REDEVELOPMENT AGENCY

  
\_\_\_\_\_  
Chairman

ATTEST:

MIAMI-DADE COUNTY, FLORIDA

\_\_\_\_\_  
County Clerk


\_\_\_\_\_  
County Manager


Print Name and Title

Approved as to form and legal  
sufficiency by:

\_\_\_\_\_  
Asst. Miami-Dade County, Attorney

**APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION**

  
\_\_\_\_\_  
City Attorney

  
\_\_\_\_\_  
Date