

# MEMORANDUM

Agenda Item No. 8(J)(1)

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**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** July 20, 2021

**FROM:** Geri Bonzon-Keenan  
County Attorney

**SUBJECT:** Resolution authorizing County Mayor to develop and implement a Financial Relief Plan for certain cruise-only tenants at PortMiami adversely impacted by coronavirus disease 2019 (COVID-19); providing for deferral of 50 percent of rent payments from April 1, 2020 until cruise operations resume and for full payment by September 30, 2022; providing that Financial Relief Plan is subject to compliance with federal and state grants and PortMiami Bond Covenants; and directing the County Mayor to provide reports pursuant to Ordinance No. 14-65

Resolution No. R-725-21

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The accompanying resolution was prepared by the Port of Miami and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.



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Geri Bonzon-Keenan  
County Attorney

GBK/jp

# Memorandum



**Date:** July 20, 2021

**To:** Honorable Chairman Jose “Pepe” Diaz  
and Members, Board of County Commissioners

**From:** Daniella Levine Cava  
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava".

**Subject:** Resolution Authorizing County Mayor or County Mayor’s Designee to Develop and Implement Financial Relief Plan for Certain PortMiami Cruise-Only Related Tenants to Defer Fifty Percent (50%) of Rent Payments from April 1, 2020 until Cruise-Only Operations Resume; Subject to Compliance with State and Federal Grants and PortMiami Bond Covenants; and Directing County Mayor or County Mayor’s Designee to Provide Bi-Annual Reports

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## **Recommendation**

It is recommended that the Board of County Commissioners (“Board”) adopt the accompanying Resolution Authorizing the County Mayor or County Mayor’s designee to develop and implement a Financial Relief Plan for certain PortMiami cruise-only related tenants to defer fifty percent (50%) of rent payments from April 1, 2020 until cruise operations resume with all deferred rent payments to be paid in full by September 30, 2022; subject to compliance with federal and state grants and PortMiami bond covenants; and directing the County Mayor or County Mayor’s designee to provide bi-annual reports until September 30, 2022.

## **Scope**

PortMiami is located within District 5, which is represented by Commissioner Eileen Higgins. The impact of the agenda item is countywide as PortMiami is a regional asset and generates employment for residents throughout Miami-Dade County.

## **Background**

COVID-19 adversely affected not only cruise lines over the past year, but several cruise-only tenants at PortMiami as well. Many of PortMiami’s tenants who rely on cruise activity have requested deferrals in their monthly rent payments as they have received minimal, if not zero, revenue.

The proposed Financial Relief Plan (“Plan”) will apply to those cruise-only tenants who have paid a minimum of 50% of their rent due for the period between April 1, 2020 and March 31, 2021. For those companies which meet the above criteria, the Plan will then defer the remaining balance of the past due monthly rent obligations, and 50% of future rent obligations due, until cruising restarts. Commencing the month following the start of cruising, the tenant will be required to pay the deferred rent payments in equal monthly installments for the outstanding balance. Payment in full of all outstanding balances will be required by September 30, 2022. For example, if the tenant defers \$14,000 for rent payment between April 1, 2020 and July 1, 2021 (16-month timeframe), and cruising begins July 2, 2021, the tenant will be required to pay \$1,000 per month of deferred rent payment each month for 14 months (August

2021 – September 2022) in addition to the base monthly rent. If deferred payments are paid in full by September 30, 2022, all late fees and penalties will be waived. This will offer temporary financial relief to approximately 11 listed cruise-only tenants during this pandemic as follows:

| Tenant                                                       | Monthly rent (base) | Monthly Payments Required until Cruising Begins (50%) | Total Deferred Rent If Cruising Begins July 2, 2021 (16 months of deferred payment example) | Total Monthly Payments from August 2021 through September 2022 (base + deferred) |
|--------------------------------------------------------------|---------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| America's Gateway Transportation dba Cruiseport Destinations | \$ 8,528.61         | \$ 4,264.31                                           | \$ 68,228.88                                                                                | \$ 13,402.10                                                                     |
| Nice Trip Transportation, inc                                | \$ 1,046.81         | \$ 523.41                                             | \$ 8,374.48                                                                                 | \$ 1,644.99                                                                      |
| SMS International Shore Operations US                        | \$ 4,380.64         | \$ 2,190.32                                           | \$ 35,045.12                                                                                | \$ 6,883.86                                                                      |
| United Stevedoring of America/Hallmark Stevedoring Company   | \$ 5,154.95         | \$ 2,577.48                                           | \$ 41,239.60                                                                                | \$ 8,100.64                                                                      |
| Conway Tours -Big Bus Tours                                  | \$ 93.38            | \$ 46.69                                              | \$ 747.04                                                                                   | \$ 146.74                                                                        |
| Cruise & Tours Center/Admiral Tours Miami                    | \$ 1,302.76         | \$ 651.38                                             | \$ 10,422.08                                                                                | \$ 2,047.19                                                                      |
| InterCruise Shoreside                                        | \$ 370.53           | \$ 185.27                                             | \$ 2,964.24                                                                                 | \$ 582.26                                                                        |
| Universal Protection Service                                 | \$ 370.53           | \$ 185.27                                             | \$ 2,964.24                                                                                 | \$ 582.26                                                                        |
| Miami Cruise Ship Services, LLC                              | \$ 3,429.30         | \$ 1,714.65                                           | \$ 27,434.40                                                                                | \$ 5,388.90                                                                      |
| Port of Miami Seaman Center, Inc                             | \$ 4,103.18         | \$ 2,051.59                                           | \$ 32,825.44                                                                                | \$ 6,447.85                                                                      |
| NRJ Group, LLC/Port of Miami Seaman Center                   | \$ 2,101.60         | \$ 1,050.80                                           | \$ 16,812.80                                                                                | \$ 3,302.51                                                                      |
| Note: This excludes Late Fees                                |                     |                                                       |                                                                                             |                                                                                  |

\*Hypothetical as some tenants paid above the 50% example.

The Financial Relief Plan will be subject to compliance with state and federal grants and PortMiami Bond Covenants.

### **Fiscal Impact/Funding Source**

The Financial Relief Plan defers rent for certain cruise-only tenants for fiscal years 2020 and 2021, to be paid in full in by the close of fiscal year 2022. This will have an impact in rent revenues between approximately \$50,000 and \$200,000 in fiscal years 2020 and 2021 respectively, however, overall, there will not be a negative fiscal impact from this item by end of fiscal year 2022.

### **Track Record/Monitor**

The Seaport Department staff members responsible for monitoring this Agreement are Andy Hecker, Managing Port Director/CFO and Becky Hope, Assistant Director, Planning, Environment & Resiliency.

### **Delegated Authority**

In accordance with Section 2-8.3 of the Miami-Dade County Code relating to delegation of Board authority, there are no authorities beyond those specified in the resolution.



\_\_\_\_\_  
Jimmy Morales  
Chief Operations Officer



## MEMORANDUM

(Revised)

**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** July 20, 2021

**FROM:**   
Gen Bonzon-Keenan  
County Attorney

**SUBJECT:** Agenda Item No. 8(J)(1)

Please note any items checked.

- ☐ "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
- ☐ Statement of social equity required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☒ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's present \_\_\_\_, 2/3 membership \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) \_\_\_\_ to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

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

Agenda Item No. 8(J)(1)  
7-20-21

RESOLUTION NO. \_\_\_\_\_ R-725-21

RESOLUTION AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO DEVELOP AND IMPLEMENT A FINANCIAL RELIEF PLAN FOR CERTAIN CRUISE-ONLY TENANTS AT PORTMIAMI ADVERSELY IMPACTED BY CORONAVIRUS DISEASE 2019 (COVID-19); PROVIDING FOR DEFERRAL OF 50 PERCENT OF RENT PAYMENTS FROM APRIL 1, 2020 UNTIL CRUISE OPERATIONS RESUME AND FOR FULL PAYMENT BY SEPTEMBER 30, 2022; PROVIDING THAT FINANCIAL RELIEF PLAN IS SUBJECT TO COMPLIANCE WITH FEDERAL AND STATE GRANTS AND PORTMIAMI BOND COVENANTS; AND DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE REPORTS PURSUANT TO ORDINANCE NO. 14-65

**WHEREAS**, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

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

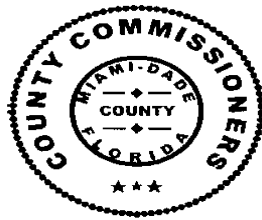
**Section 1.** Approves and authorizes the County Mayor or County Mayor's designee to develop and implement a Financial Relief Plan ("Plan") for cruise-only tenants at PortMiami due to the effects of coronavirus disease 2019 (COVID-19) until cruise operations resume. The Plan shall provide for a deferral of 50 percent of the rent payments due between April 1, 2020 until cruise operations resume with full payment by September 30, 2022. The Plan shall comply with any state and federal grants and PortMiami's Bond Covenants.

**Section 2.** Directs the County Mayor or County Mayor's designee to provide a written report to this Board pursuant to Ordinance No. 14-65 on a bi-annual basis. Each report shall, at a minimum, list the tenants and the payment schedule that participate in the Plan.

The foregoing resolution was offered by Commissioner **Sally A. Heyman**, who moved its adoption. The motion was seconded by Commissioner **Kionne L. McGhee** and upon being put to a vote, the vote was as follows:

|                                       |            |                        |            |
|---------------------------------------|------------|------------------------|------------|
| Jose "Pepe" Diaz, Chairman            | <b>aye</b> |                        |            |
| Oliver G. Gilbert, III, Vice-Chairman | <b>aye</b> |                        |            |
| Sen. René García                      | <b>aye</b> | Keon Hardemon          | <b>aye</b> |
| Sally A. Heyman                       | <b>aye</b> | Danielle Cohen Higgins | <b>aye</b> |
| Eileen Higgins                        | <b>aye</b> | Joe A. Martinez        | <b>aye</b> |
| Kionne L. McGhee                      | <b>aye</b> | Jean Monestime         | <b>aye</b> |
| Raquel A. Regalado                    | <b>aye</b> | Rebeca Sosa            | <b>aye</b> |
| Sen. Javier D. Souto                  | <b>aye</b> |                        |            |

The Chairperson thereupon declared this resolution duly passed and adopted this 20<sup>th</sup> day of July, 2021. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



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

HARVEY RUVIN, CLERK

By: **Melissa Adames**  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.

Henry N. Gillman