

**MIAMI BEACH**

**City of Miami Beach - City Commission Retreat
South Beach Marriott
161 Ocean Dr. Ocean View Boardroom
Saturday, April 28, 2007**

Mayor David Dermer	Present
Vice-Mayor Michael Góngora	Present
Commissioner Matti Herrera Bower	Present
Commissioner Simon Cruz	Present
Commissioner Saul Gross	Present
Commissioner Jerry Libbin	Present
Commissioner Richard L. Steinberg	Present

City Manager Jorge M. Gonzalez	Present
City Clerk Robert E. Parcher	Present
City Attorney Jose Smith	Present

Day 2 of the two-day City Commission Retreat.

Ms. Kathie Brooks, Director of the Office of Budget and Performance Improvements, was present. Dr. Rick Jensen, Ph. D. and founder of the Performance Enhancement Center facilitated the meeting.

The meeting started at approximately 10:10 a.m.

Jorge Gonzalez, City Manager, gave an overview of the different property tax reductions being discussed in Tallahassee. See document titled: 2007 Retreat Property Tax Legislation.

Budget Considerations

Jorge Gonzalez, City Manager, asked the Mayor and Commissioners to identify areas where, if cost reductions become necessary, what areas should be evaluated first and which areas should be considered a last resort type of reduction. The Commission ranked their selections as follows::

Areas to evaluated first:

- Homeowners Dividend
- Existing Union Contracts
- Marketing & P.R.
- Communication
- Revenue Enhancements
- Alleyways
- Police

Areas of last resort:

- Sanitation/ Cleanliness
- CIP Projects
- Police
- Fire (Core Services)
- Parking (Core Services)

- Fiscal/Financial Reserves (Capital Funding, Renewal and Replacement, etc.)
- Fiscal Policies (Emergency Reserves, etc.)
- Infrastructure

At the request of the City Commission Jorge Gonzalez listed his preliminary recommendations and separated the recommendations into three phases.

Phase I Evaluation

1. Homeowners Dividend
2. Risk Management Fund and accruals
3. Funding process for the 11% reserve
4. Budget for attrition and manager vacancies accordingly
5. Organization changes
6. Reduce pay-as-you-go by one-third
7. Reduce capital upkeep by one-half
8. Reduce capital renewal and replacement

Phase II Evaluation

1. Reduce payment to the Greater Miami Convention and Visitors Bureau
2. Reduce COLA
3. Eliminate pay-as-you-go
4. Eliminate capital renewal and replacement

Phase III Evaluation

1. Investigate increasing fees (permit, sidewalk cafes, etc)
2. Investigate citywide sponsorship opportunities
3. Investigate employee health benefits
4. Investigate civilization opportunities

There was a request to provide the Commission with a analysis on the pension systems to get a better understanding of the pension impact as a percent of the budget both from a historical perspective and projections. **Kathie Brooks to handle.**

Jorge Gonzalez, City Manager, stated that if, and when, the property tax issue is finalized, it is important that the City Commission remain unified on whatever actions become necessary to balance the budget. He also talked about the major changes to the General Fund budget from FY 2000/01 to FY 2006/07. See document titled: Major Changes to the General Fund Budget from FY 2000/01 to FY 2006/07.

There was a discussion about park fees, however no consensus was reached.

The Commission agreed that the goal when setting the tentative millage rate for FY 07/08 is to try to get to the rolled-back rate. Prior to finalizing the budget it will be necessary to have a public process by scheduling a Commission Workshop. The Commission agreed that in July when the tentative millage is set not to do a budget but to wait until the state legislature has acted. The Administration was asked to look into possible revenue generators.

There was a discussion on possible ways to reduce the budget which included looking at Fire Prevention, health benefits, departmental reductions, COLA's, organizational changes, and funding of the arts. It was stressed that depending on the amount of the dollars that need to be cut, the focus would be to maintain core services but with the understanding that all departments would need to be reviewed including Police and Fire. Any actions in this area will depend on what the legislature does.

There was discussion regarding exploring the options such as privatizing the Colony and Byron Carlyle

Theaters. **Kathie Brooks to handle.**

Jose Smith, City Attorney, gave an oral report on what the Legal Department has done regarding the budget. In addition, he referenced a report provide to the City Commission as required regarding the Legal Department. Commissioner Libbin stated that it was a good report and was happy with the Legal Department. There was consensus that Mr. Smith is doing a good job.

Environmental Committee

The Commission agreed to establish an Environmental Committee which could deal with issues such as landscaping, reforestation, recycling, and to have a professional assessment study of "green" initiatives for the City, etc. The question was asked if any committee could be eliminated.

Fire Rescue Services for the Town of Surfside

Jorge Gonzalez, City Manager, reviewed the status of providing fire rescue services for the Town of Surfside. He stated that he is holding off until the legislature acts. There was also a discussion that if Surfside is serviced by Miami Beach that consideration is given that Surfside purchase the vehicle(s). See document titled: 2007 Retreat – Discussion item – Fire Rescue Services for the Town of Surfside.

2006/07 Miami-Dade County Issues

Jorge Gonzalez, City Manager, reviewed the list of County Issues:

1. Exit Strategies for Community Redevelopment Agencies
2. Extensive Audits: CDT Audit, City Center CRA Audit, South Pointe CRA Audit, PTP/CITT Audit
3. Unilateral Interlocal Revisions
4. City Center Budget Approval
5. WASD Connection Fees
6. WASD Rate Increases
7. Beach Erosion
8. Beach Cleanliness
9. Convention Center Ballroom
10. County GOB Funding
11. CDBG Disaster Recovery Funds

Jorge Gonzalez, City Manager, explained that he has stated to the County that what is good for Miami Beach is good for the County. He stated that one alternative is to hire a lobbyist to assist Miami Beach. It was decided that the Administration will provide bullet points on the issues to the Mayor and City Commission and that Commissioner Libbin was selected to be the point person to meet with the County Mayor and Manager.

Kathie Brooks to handle.

Evaluation Committees

A discussion was held regarding City Evaluation Committees. It was suggested that lay members of evaluation committees vote and city staff do not vote, however no further action was taken. Jorge Gonzalez, City Manager, stated that he would work to try to get an adequate mix of evaluation committee members.

Miami Beach Convention Center

Jorge Gonzalez, City Manager, reviewed the Convention Center item and the building of a ballroom.

There was discussion regarding the expansion and the additional operating costs associated with the expansion. There was a discussion about trying to find a joint venture partner and to build a hotel on the P-lot.

There was discussion about getting the Greater Miami Convention and Visitors Bureau to get more events like Art Basel. **Hilda Fernandez to handle.**

The Commission agreed that there was no support for a joint venture hotel on the P-lot, agreed to work with the architects on building the ballroom on the lot behind the Jackie Gleason Theater of the Performing Arts but to preserve the 555 Building (Henry Hohausser Designed building) as a possible alternative to constructing on the south west quadrant of the Convention Center, reaffirmed the decision to have Miami-Dade County fund and build the ballroom, and Commissioner Gross selected to be the point person to work with the architect on a design. See document titled: 2007 Retreat – Discussion item – Miami Beach Convention Center.

Live Nation

Jorge Gonzalez, City Manager, stated that this item will be going to the Finance and Citywide Projects Committee in early May and is scheduled to be on the May 16, 2007 Commission Agenda.

There was consensus to remove “Incredible” from the name “The Fillmore Miami Beach At The Incredible Jackie Gleason.” 2007 Retreat – Discussion item – Live Nation. **Hilda Fernandez to handle.**

Party House Ordinance

Jorge Gonzalez, City Manager, gave a status report on the party house ordinance. At this time the Administration is reviewing the parking issues.

Summary

Jorge Gonzalez, City Manager, thanked the Mayor and Commissioners for attending. These two days have been extremely helpful; a lot of information has been shared and a lot has been accomplished. Once the legislature approves the property tax issue, a lot of work will need to be done in a relatively short period of time. He thanked Kathie Brooks and her staff for preparing the materials and information which has been used over the last two days. He thanked Dr. Jensen for facilitating the meeting.

Commissioner Libbin gave a status report on the exchange program with China and stated that his recent visit to Shanghai was successful in getting an invitation to participate in a cultural exchange program this year for the International Music Festival to be held in China. A group from the New World Symphony has been invited to participate in the Festival which will be held on November 4-11, 2007. He added that he will request that the Festival also consider inviting Romero Britto, the artist. He stated that he also spoke with Mr. George Wang, US China Exchange Association, about making arrangements offering the business community an opportunity to make business contacts in China. A trip to China is scheduled for June 23 through July 2. He added that more and more U. S. Cities are focusing their attention on China and the potential business/tourism possibilities. In promoting the continual exchange of both tourism and culture, Commissioner Libbin stated that he is working on arranging a yearly three or four day cultural exchange program with China with the location alternating each year between the City of Miami Beach and the next year in a city in China where a variety of cultural activities such as art, music, dance, etc, would be exchanged. He is working with the Miami Beach Chamber of Commerce to see if they would be willing to coordinate the exchange program.

The meeting adjourned at approximately 3:25 p.m.

Handout or Reference Materials:

1. 2007 Retreat Property Tax Legislation
2. 2007 Retreat – Discussion Item Major Changes to the General Fund Budget from FY 2000/01 to FY 2006/07
3. 2007 Retreat – Discussion item – Fire Rescue Services for the Town of Surfside
4. 2007 Retreat – Discussion item – Miami Beach Convention Center.

End of Report