

RESOLUTION NO. 470-2004

A RESOLUTION OF THE CHAIRMAN AND THE MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY AUTHORIZING THE CHAIRMAN AND SECRETARY TO EXECUTE AN INTERLOCAL AGREEMENT BY AND AMONG THE CITY OF MIAMI BEACH, THE MIAMI BEACH REDEVELOPMENT AGENCY, AND MIAMI-DADE COUNTY, FLORIDA, FOR THE PURPOSE OF ESTABLISHING THE USE OF 1.5% OF THE TAX INCREMENT REVENUES AGAINST REAL PROPERTY LOCATED WITHIN THE SOUTH POINTE REDEVELOPMENT AREA AND THE CITY CENTER/HISTORIC CONVENTION VILLAGE REDEVELOPMENT AND REVITALIZATION AREA TO BE REMITTED, RESPECTIVELY, TO THE CITY AND COUNTY AT FISCAL YEAR END.

WHEREAS, on November 16, 1993, the Miami Beach Redevelopment Agency approved an Interlocal Agreement ("Agreement") 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 derived from the imposition of a levy against real property located within the jurisdictions of the CRA (the "Tax Increment Revenues"); and

WHEREAS, Chapter 163, Part III, Florida Statutes, also known as the Community Redevelopment Act of 1969 (the "Act"), provides for the creation of community redevelopment agencies and governs the use of moneys in redevelopment trust funds created in accordance with the Act (each, a "Fund"); and

WHEREAS, 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 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, 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% 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 herein acknowledge and agree, pursuant to the Interlocal Agreement, to allocate a 1.5% administrative fee of the County's annual Tax Increment Revenue contribution to defray the County's costs in connection with its oversight of the CRA, and to be paid from legally available Tax Increment Revenues remaining at the end of the CRA's fiscal year; and

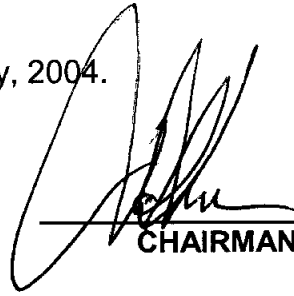
WHEREAS, the City will also allocate of the City's annual Tax Increment Revenue contribution, annually, to be paid from legally available Tax Increment Revenues remaining at the end of the CRA's fiscal year; and

WHEREAS, the CRA intends to issue refunding bonds in order to refinance all or a portion of its outstanding Tax Increment Revenue Bonds (City Center/Historic Convention Village); and

WHEREAS, accordingly, the attached Interlocal Agreement further memorializes the County's approval of the issuance of a not to exceed \$101,090,000 principal amount of such refunding bonds, maturing no later than December 31, 2022, for the purpose of refinancing all or a portion of the outstanding Tax Increment Revenue Bonds (City Center/Historic Convention Village District), funding any necessary reserves and paying costs of issuance.

NOW THEREFORE, BE IT DULY RESOLVED BY THE CHAIRMAN AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY OF THE CITY OF MIAMI BEACH, FLORIDA, that the Chairman and Secretary are hereby authorized to execute an Interlocal Agreement by and among the City of Miami Beach, the Miami Beach Redevelopment Agency, and Miami-Dade County, Florida, for the purpose of establishing the use of 1.5% of the Tax Increment Revenues Against real property located within the South Pointe Redevelopment Area and the City Center/Historic Convention Village Redevelopment and Revitalization Area, to be remitted, respectively, to the City and the County at fiscal year end.

PASSED and ADOPTED this 5th day of May, 2004.



CHAIRMAN

ATTEST:




SECRETARY

Resolution No. 470-2004

JMG/CMC/AP

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



City Attorney



Date

**CITY OF MIAMI BEACH
REDEVELOPMENT AGENCY ITEM SUMMARY**



Condensed Title:

A Resolution authorizing the execution of an Interlocal Agreement by and between the City of Miami Beach, the Miami Beach Redevelopment Agency, and Miami-Dade County for the purpose of establishing the use of 1.5% of the Tax Increment Revenues Against real property located within the South Pointe Redevelopment Area and the City Center/Historic Convention Village Redevelopment and Revitalization Area, to be remitted to the City and the County at fiscal year end.

Issue:

Should the Redevelopment Agency approve the execution of the Interlocal Agreement?

Item Summary/Recommendation:

During the course of the 2003/04 RDA budget approval process by Miami-Dade County, the County requested that each Community Redevelopment Area (CRA) include a 1.5% administrative fee to defray the County's costs in connection with its oversight of the CRAs (based on the County's annual Tax Increment Revenue (TIF) contribution in their respective budgets). Due to the fact that the existing bond covenants pledge all current and future increment for the repayment of outstanding bond obligations, the RDA can only remit the administrative fee at the end of the Fiscal Year, provided that the debt service and other obligations relating to the bonds have been met. The RDA budgets were subsequently modified to include a reserve expenditure line item for the administrative fee, which is calculated against the County's share of the TIF payment. In addition, Chapter 163.387(7)(a) Florida Statutes provides that the City and the County are eligible to share in any TIF Revenues not budgeted for a specific use and remaining at the end of the CRA's fiscal year in the Trust Fund. Based on this provision, the City was able to negotiate allocating 1.5% of the County's share of the TIF payment back to the county to defray their costs and 1.5% of the City's share of the TIF payment as a contribution back to the City. The attached Interlocal Agreement between the City of Miami Beach, the RDA and Miami-Dade County serves to document the terms by which the City and the County receive their respective 1.5% allocations. It also documents the County's acknowledgement and approval of the RDA's intention to refinance all or a portion of its outstanding TIF bonds in City Center, provided that the issuance shall not exceed \$101,090,000 and that such refinancing shall mature no later than December 31, 2022.

Advisory Board Recommendation:

Finance and Citywide Projects Committee, December 22, 2003 – Determination to pay the Administrative Fee to the County, subject to further research by City's Bond Counsel. No formal motion made.

Financial Information:

Source of Funds:		Amount	Account	Approved
<div style="border: 1px solid black; width: 50px; height: 50px; display: inline-block;"></div> Finance Dept.	1			
	2			
	3			
	4			
	Total			

City Clerk's Office Legislative Tracking:

Christina M. Cuervo/Kent O. Bonde

Sign-Offs:

Department Director	Assistant City Manager	City Manager
	<i>epc</i>	<i>Jorge</i>

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AGENDA ITEM 3A
DATE 5-5-04

CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139
www.ci.miamibeachfl.gov



REDEVELOPMENT AGENCY MEMORANDUM

To: Chairman and Members of the Board
Miami Beach Redevelopment Agency

Date: May 5, 2004

From: Jorge M. Gonzalez
Executive Director

A handwritten signature in black ink, appearing to read 'Jorge'.

Subject: **A RESOLUTION OF THE CHAIRMAN AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY AUTHORIZING THE CHAIRMAN AND SECRETARY TO EXECUTE AN INTERLOCAL AGREEMENT BY AND AMONG THE CITY OF MIAMI BEACH, THE MIAMI BEACH REDEVELOPMENT AGENCY, and MIAMI-DADE COUNTY, FLORIDA, FOR THE PURPOSE OF ESTABLISHING THE USE OF 1.5% OF THE TAX INCREMENT REVENUES AGAINST REAL PROPERTY LOCATED WITHIN THE SOUTH POINTE REDEVELOPMENT AREA AND THE CITY CENTER/HISTORIC CONVENTION VILLAGE REDEVELOPMENT AND REVITALIZATION AREA TO BE REMITTED TO THE CITY AND COUNTY AT FISCAL YEAR END.**

RECOMMENDATION:

Adopt the Resolution.

ANALYSIS:

During the course of the 2003/04 RDA budget approval process by Miami-Dade County, the County requested that each Community Redevelopment Area (CRA) include a 1.5% administrative fee (based on the County's annual Tax Increment Revenue (TIF) contribution in their respective budgets). The purpose of the fee is to defray the County's costs in connection with its oversight of the CRAs. This issue, together with the Children's Trust allocation item, was brought to the attention of the Finance and Citywide Projects on December 22, 2003. However, due to the fact that the existing bond covenants pledge all current and future increment for the repayment of outstanding bond obligations, it was determined that the RDA can only remit the administrative fee to the County at the end of the Fiscal Year, provided that the debt service and other obligations relating to the bonds have been met. Similarly, the RDA negotiated to remit a like amount to the City for its use as well.

The RDA budgets were subsequently modified to include a reserve expenditure line item for the administrative fee, which is calculated against the County's share of the TIF payment. In FY 03/04, the fee to the County paid by City Center will be \$99,055 and \$105,641 by South Pointe. As indicated in an earlier memorandum, the fees paid by the City's two redevelopment areas account for more than 75% of the fees generated by all the other redevelopment areas in Miami-Dade County. It should be noted however, that Chapter 163.387(7)(a) Florida Statutes provides that the City and the County are eligible to share in any TIF Revenues not budgeted for a specific use and remaining at the end of the CRA's fiscal year in the Trust Fund. Based on this provision, the City was able to negotiate allocating 1.5% of the County's share of the TIF payment back to defray their costs and 1.5% of the City's share of the TIF payment as a contribution back to the City. The TIF payment back to the City represents \$125,443 for City Center and \$129,807 for South Pointe.

The attached Interlocal Agreement between the City of Miami Beach, the RDA and Miami-Dade County serves to document the terms by which the City and the County receive their respective administrative fees. It also documents the County's acknowledgement and approval of the RDA's intention to refinance all or a portion of its outstanding TIF bonds in City Center, provided that the issuance shall not exceed \$101,090,000 and that such refinancing shall mature no later than December, 31 2022.

RECOMMENDATION:

It is recommended that the Redevelopment Agency adopt the attached Resolution to execute the Interlocal Agreement as proposed.

JMG/^{Call}CMC/KB

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Enclosure