

RESOLUTION NO. 2005-26007

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ESTABLISHING A CITY OF MIAMI BEACH HOMEOWNERS DIVIDEND FUND; ESTABLISHING A PROCEDURE FOR ANNUAL APPROPRIATION OF FUNDS; ESTABLISHING A PROCEDURE FOR THEIR USE; AND ADOPTING THE FISCAL YEAR (FY) 2005/06 BUDGET FOR THE FUND, IN THE AMOUNT OF \$3,269,120.

WHEREAS, public policy considerations favor government actions protecting and encouraging permanent residences as promoting the stability and welfare of a City; and

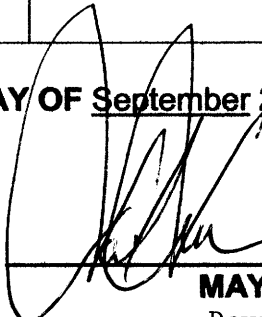
WHEREAS, the Mayor and City Commission of the City of Miami Beach thus recognize and find the public purpose served in establishing the upcoming budget year a return-on-investment to property owners with permanent residences, in the City of Miami Beach: and

WHEREAS, in order to fund this return-on-investment, the FY 2005/06 General Fund Operating Budget thus incorporates funding for a \$200 return for each homeowner who otherwise qualifies for homestead exemption (threshold for assessing whether an affected property qualifies for the return), said return to be funded from non ad-valorem revenues such as franchise fees, utility taxes, occupational licenses, interest earnings from non ad-valorem sources, etc.


NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the City of Miami Beach hereby adopts the City of Miami Beach Homeowners Dividend Fund Budget for FY 2005/06 as listed below:

REVENUES: Transfer from General Fund	\$3,269,120
APPROPRIATIONS: Return Payments to Qualified Property Owners in the City of Miami Beach	\$3,269,120

PASSED AND ADOPTED THIS 21st DAY OF September 2005.

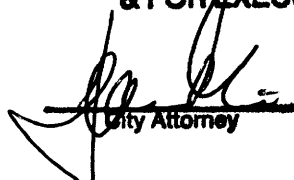


MAYOR
David Dermer

Attest:


CITY CLERK
Robert Parcher

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



City Attorney

9-16-05
Date

**CITY OF MIAMI BEACH
COMMISSION ITEM SUMMARY**



Condensed Title:

Resolution establishing a City of Miami Beach Homeowners Dividend Fund; establishing a procedure for annual appropriation of funds; establishing a procedure for their use; and adopting the Fiscal Year 2005/06 budget for the fund, in the amount of \$3,269,120.

Issue:

Shall the Mayor and City Commission adopt the attached resolution establishing a procedure for annual appropriation of funds; establishing a procedure for their use; and adopting the Fiscal Year 2005/06 budget for the fund?


Item Summary/Recommendation:

Adopt the Resolution.

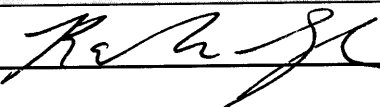
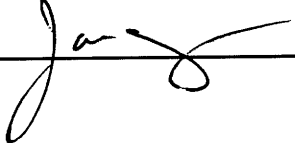
Advisory Board Recommendation:

Financial Information:

Amount to be expended:

Source of Funds:	Amount	Account	Approved
 Finance Dept.	1	\$3,269,120	FY 2005/06 Non ad-valorem general fund revenues
	2		
	3		
	4		
	Total		

Sign-Offs:

Department Director	Assistant City Manager	City Manager
		

AGENDA ITEM R7C

DATE 9-21-05

CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139
<http://ci.miami-beach.fl.us>



COMMISSION MEMORANDUM

TO: Mayor David Dermer and
Members of the City Commission

DATE: September 21, 2005

FROM: Jorge M. Gonzalez
City Manager

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

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ESTABLISHING A CITY OF MIAMI BEACH HOMEOWNERS DIVIDEND FUND; ESTABLISHING A PROCEDURE FOR ANNUAL APPROPRIATION OF FUNDS; ESTABLISHING A PROCEDURE FOR THEIR USE; AND ADOPTING THE FISCAL YEAR (FY) 2005/06 BUDGET FOR THE FUND, IN THE AMOUNT OF \$3,269,120.

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

BACKGROUND

At the April 20, 2005 City of Miami Beach City Commission Meeting a discussion was held regarding a return-on-investment to year-round property owners that reside in the City of Miami Beach as proposed by Mayor David Dermer during his 2005 State of the City address. During the discussion, the basic concepts of a limited proposed fund were outlined and the item was referred to the Finance and Citywide Projects Committee for further discussion of details.

The basic concepts outlined were as follows:

- The eligibility criteria to determine year-round property owners that reside in the City of Miami Beach is to track them through the homestead exemption information; although the return is not a tax rebate, yet will be funded only via non ad-valorem revenues, the homestead exemption information, maintained in the Miami-Dade County Property Appraiser's database, will be used for the limited purpose of confirming whether a particular property qualifies for the return;
- The item would be included as a line item in the City Manager's Proposed Operating Budget for FY 2005/06, subject to the approval of the Finance and Citywide Committee and ultimately the City Commission;
- The City would return funds back to eligible residents in FY 2005/06, after all their outstanding taxes and fees have been paid; and
- The amount returned to residents would be phased-in.

The item was reviewed by the Finance and Citywide Projects Committee on May 24, 2005 and was recommended for inclusion as part of the Manager's Proposed Operating Budget for Fiscal Year 2005/06. To that end, the Proposed Operating Budget for FY 2005/06 incorporated a \$200 return of funds back to eligible residents in FY 2005/06, after all their outstanding taxes and fees have been paid, to be paid from a Miami Beach Homeowners Dividend Fund.

The program will be administered through an on-line application form or a form completed manually and returned to the City's Finance Department. These on-line and manual forms will include an option to use the funds to support certain City programs (Park and Recreation Scholarship programs, Homeless Services, etc.) and would be made available after April 2, 2006. Subject to verification, checks will be mailed directly to the qualified property owner.

The amount of return will be reviewed and approved each year by the City Commission as part of the budget process.

ANALYSIS

A \$200 return for each qualified property owner has been incorporated into the Operating Budget for FY 2005/06. By way of calculating the return, there are approximately 16,000 homesteaded properties in the City of Miami Beach resulting in total required funding of \$3.3 million, funded from non ad valorem revenues such as franchise fees, utility taxes, occupational licenses, interest earnings, fines, etc.

Approximate Number of Qualified Households (exempt homesteaded properties)	16,000
Impact to the City (estimated # of qualified households X \$200 Return Paid to Each Household)	\$3,200,000
Contingency	\$69,280
	\$3,269,120

JMG