

# MEMORANDUM

Not On  
Agenda Item No. 7(K)(2)(A)

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**TO:** Hon. Chairperson and Members  
Board of County Commissioners

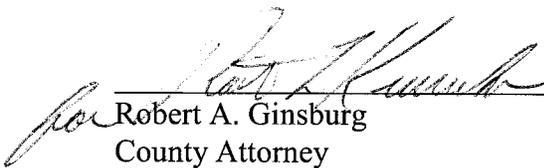
**DATE:** July 22, 2003

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

**SUBJECT:** Resolution relating to  
Tornado Relief Business  
Assistance Program

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The accompanying resolution was prepared and placed on the agenda at the request of Chairperson Dr. Barbara Carey-Shuler.

  
Robert A. Ginsburg  
County Attorney

RAG/jls



# MEMORANDUM

**TO:** Honorable Chairperson and Members  
Board of County Commissioners.

**DATE:** July 22, 2003

**FROM:**

George M. Briggs  
County Manager

**SUBJECT: Tornado Relief Business Assistance Program**

## RECOMMENDATION

It is recommended that the Board authorize the transfer of \$678,000 from a loan guarantee program operated by the Black Economic Development Coalition, Inc., d/b/a Tools For Change, to capitalize with \$500,000 (\$460,000 for the program and \$40,000 for administration) a Tornado Relief Business Assistance Program to benefit businesses impacted by the tornado of March 27, 2003, and to fund other Economic Development activities.

## BACKGROUND

On March 27, 2003, a F2 tornado struck a predominantly low-income portion of Miami-Dade County, leaving residents and local businesses with the task of rebuilding and restoring the area. The estimate of businesses affected by the tornado is approximately 25, but this number could increase. Damage estimates per business are currently not available, but are expected to be substantial, as the businesses are generally not covered by insurance. Miami-Dade County is proposing to undertake a Tornado Relief Business Assistance Program to benefit the affected businesses.

Through this Resolution, Miami-Dade County is authorizing the transfer of \$678,000 from a general revenue account with the Bank of America used to guarantee loans under the County's Commercial Development Loan Guarantee Program, which is operated by the Black Economic Development Coalition, Inc. (Tools For Change).

In 1992, Miami-Dade County initiated the Commercial Development Loan Guarantee Program (CDLGP) and funded it with \$1,832,000 to provide loan guarantees for Black-owned companies receiving loans from private lending institutions. The program has been administered by Tools for Change from its inception and currently has \$2,144,937 on account. Miami-Dade County has requested a transfer back to the County of \$1 million pursuant to BCC action during last year's budget hearings. Of the balance of \$1,144,937 in the Bank of America account, approximately \$465,957 of the funds is currently being used to guarantee 10 outstanding loans, which will not be impacted by the transfer requested through this Resolution. The CDLGP is currently not very active and has not been in the last few years. Due to the CDLGP's low level of activity, the County can reprogram some the funds for the program and activities referenced in this Resolution.

The breakdown of the \$678,000 transfer is as follows:

\$500,000 -Funds for the Tornado Relief Business Assistance Program consisting of \$460,00 for program funds and \$40,000 for administration,

\$100,000 -Administrative support for Tools For Change to assist in the implementation the Tornado Relief Program, to continue to operate a micro loan program on behalf of the County, and to meet the increased need for technical assistance of Neighbors and Neighbors Association (NANA) clients participating in the Mom & Pop Commercial Revitalization Program, and

\$78,000 -Economic Development Activities of the Office of Community and Economic Development.

An application package for the Tornado Relief Business Assistance Program has been developed and is attached to this item. The County's financial assistance to be provided through this program will complement other individual financial resources available to businesses through business insurance coverage, business property owner insurance, and private relief efforts. The County's funds will be used to close the financial gap in restoring the businesses to their pre-tornado level.

The program highlights of the Tornado Relief Business Assistance Program follow:

- 1) Business must have suffered damaged from the tornado of March 27, 2003.
- 2) County grant funds are to complement other existing resources of the businesses to bring needed repairs.
- 3) Funds are available to replace or repair equipment, inventory, vehicles and for repairing physical damages to the buildings owned by the business owners. Buildings owned by absentee owners or by anyone other than the business operator will need to apply for funds directly.
- 4) Businesses must commit to remain in the area for a three (3) year period or repay the County for the funds awarded.
- 5) Businesses receiving assistance are expected to create or retain jobs for area residents.
- 6) The purpose of the program is to return the business to its pre-tornado state.
- 7) Businesses receiving an award through this program will receive training and technical assistance.
- 8) Maximum assistance of \$20,000 per business will be provided.

Honorable Chairperson and Members

Board of County Commissioners

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- 9) Businesses are expected to be current with all County, City, State and Federal tax liabilities.
- 10) If any tax liabilities exist, the business must address them prior to receiving the County's funds.



# MEMORANDUM

(Revised)

**TO:** Honorable Chairperson and Members  
Board of County Commissioners

**DATE:** July 22, 2003

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

Not On

**SUBJECT:** Agenda Item No. 7(K)(2)(A)

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. 7(K)(2)(A)  
7-22-03

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

RESOLUTION AUTHORIZING THE TRANSFER OF \$678,000  
OF LOAN GUARANTEE FUNDS TO ESTABLISH A  
TORNADO RELIEF BUSINESS ASSISTANCE PROGRAM  
AND UNDERTAKE ECONOMIC DEVELOPMENT  
ACTIVITIES

WHEREAS, the 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 his Board authorizes the transfer of \$678,000 of Loan Guarantee Funds to establish a Tornado Relief Business Assistance Program in an amount of \$500,000 to assist the businesses affected by the tornado of March 27, 2003, and to provide \$178,000 for technical assistance for businesses and economic development activities and authorizes the County Manager to execute documents to implement the programs.

The foregoing resolution was sponsored by Chairperson Dr. Barbara Carey-Shuler and 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  
Betty T. Ferguson  
Joe A. Martinez  
Dennis C. Moss  
Natacha Seijas  
Sen. Javier D. Souto

Jose "Pepe" Diaz  
Sally A. Heyman  
Jimmy L. Morales  
Dorrin D. Rolle  
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 22<sup>nd</sup> day of July, 2003. 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

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

Approved by County Attorney as  
to form and legal sufficiency. 

Shannon D. Summerset