

# Memorandum



**Date:** July 24, 2007

Agenda Item No. 12(B)2

**To:** Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners

**From:** George M. Burgess  
County Manager

A handwritten signature in black ink, appearing to read "Burgess", written over the printed name of George M. Burgess.

**Subject:** Termination of Memorandum of Understanding Between Miami-Dade  
County and the Miami-Dade Empowerment Trust, Inc.

The following report informs the Board of County Commissioners (BCC) of the County Manager's action to terminate the Memorandum of Understanding (MOU) between Miami-Dade County and the Miami-Dade Empowerment Trust, Inc (the Trust).

## **Background**

The MOU, which was approved by the BCC through Resolution R-926-99, authorized the County Manager to execute an agreement between Miami-Dade County and the Trust. Furthermore, the MOU sets forth the business points that guide the fiscal and administrative responsibilities of both parties; delineates the decision making process by which the County's match will be expended; establishes a timetable for the Trust to assume responsibility for the Miami-Dade Federal Enterprise Community Strategic Plan, and sets the term of the agreement for a period of ten years (through 2009).

The Trust has never been fully funded as originally intended. In fact, from 1999 through 2002, the Trust received an increasing level of funding from local, state, and federal sources (though less than the anticipated amounts) to support implementation of the Strategic Plan. However, since 2003 the Trust has experienced significant funding reductions. The federal appropriation alone, anticipated to be \$10 million per year, was reduced to \$1.99 million in 2003, \$990,000 in 2004, \$661,000 in 2005, and zero in 2006.

Given the major concern for a lack of federal funding (a prominent element of the highly anticipated success of the Empowerment Zone Strategic Plan), and the program authorization period expiring in 2009, the phase-out of the Trust's MOU has become an issue to address. It is clear that the termination of the MOU does not abolish the Trust, but terminates certain administrative/operational support relationships with the County. The Trust was advised as early as September 2006 of the County's intent to terminate the MOU. Once again, in a meeting held on June 20, 2007 between the County Manager and the Trust Executive Director, Aundra Wallace, the relationship between the County and the Trust was discussed. The Board was advised of the intention to terminate the MOU on June 26, 2007.

Subsequently, staff from the Office of the County Manager, Office of the County Attorney, Employee Relations Department, the Trust, and other County departments began developing an action plan to close out pending issues between the County and the Trust. On July 6, 2007, a letter addressed to the Trust Board Chair, T. Willard Fair, was sent notifying of the County Manager's action to terminate the MOU effective July 10, 2007 in accordance with Section V, subsection A of the MOU.

An action plan was developed to close-out the following issues within 60 days of the effective termination date:

- Identification of all County assets held at the Trust (computers, furniture, phones, etc) and determine final disposition;
- Development of a plan to determine the feasibility of transitioning eligible county employees to other positions within the County service, to include the provision of career counseling to employees;

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- Identification of all contracts and agreements where the County is a partner with the Trust and determine their status going forward; and
- Research of any contractual obligations between the County and federal HUD Grant Agreement regarding the Empowerment Zone designation.



Cynthia W. Curry  
Senior Advisor to the County Manager