

# Memorandum



**Date:** November 3, 2011

**To:** Honorable Chairman Joe A. Martinez  
and members, Board of County Commissioners

**From:** Carlos A. Gimenez  
Mayor 

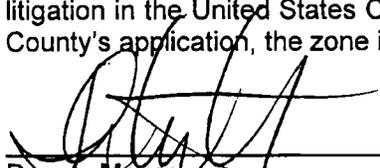
**Subject:** Supplemental Report: General Purpose Foreign Trade Zone

Supplement to  
Agenda Item No. 8K1

On September 14, 2011, the Economic Development & Social Services (EDSS) Committee passed a resolution authorizing the Mayor or his designee to file an Application with the U.S. Foreign Trade Zones Board for the purpose of establishing and administering a general purpose Foreign Trade Zone (FTZ). The proposed zone would be administered by Miami-Dade County as a public utility for the benefit of all qualifying properties north of Southwest 8<sup>th</sup> Street (U.S. 41). This Supplemental Report provides information requested by the Committee relating to the potential for expansion of the proposed FTZ to include the entire County. It also provides additional information relating to the application process and challenges thereto.

The original item was forwarded with the caveat that staff continue to work with Commissioners who were concerned that the zone as geographically defined would not provide properties south of Southwest 8<sup>th</sup> Street the same expedited FTZ processes that would become available to properties to the north. Working with staff for the national Foreign Trade Zone Board and the President/Chief Executive Officer of the Vision Council (representing the Homestead FTZ #166), we have cooperatively agreed to a two-step process for creating a single, countywide zone. We will first legally establish a County FTZ, then merge our zone with that of the Vision Council. Consequently, we are recommending an amendment to the Application to explicitly state that the County and Vision Council have as a shared goal the establishment of one countywide zone through merger. We will also recommend adding a new 'whereas' clause to the accompanying Resolution reflecting the desire to create a single zone.

Regarding the FTZ application process and the potential for challenges, once Miami-Dade County files its Application, the International Trade Commission of the United States Department of Commerce ("ITC") will publish this fact in the Federal Register. Once published, there is a sixty (60) day public comment period. Senior Counsel for ITC stated in a September 21, 2011, telephone conference with the Port Director and County Attorney's Office that the current operator of the Miami Free Zone (FTZ #32, located in Doral) may file comments opposing the Application. Although the Greater Miami Chamber of Commerce is the grantee for FTZ #32, the Miami Free Zone operator may request an administrative hearing before the ITC, which are routinely granted. Once the sixty (60) day comment period has elapsed, and any hearing is held, the ITC will then make a determination whether or not to grant the Application. If the ITC grants the Application, the grant can be challenged by the initiation of litigation in the United States Court of International Trade. However, once the FTZ Board approves the County's application, the zone is legally established and can begin operation.

  
Deputy Mayor