

MEMORANDUM

Agenda Item No. 8(M)(7)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: October 7, 2014

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution approving allocation
of \$3,000,000.00 from Economic
Development Fund Project 320
of Building Better Communities
General Obligation Bond
Program to Grove Village on
Grand to fund certain economic
development projects

The accompanying resolution was prepared by the Regulatory and Economic Resources Department and placed on the agenda at the request of Prime Sponsor Commissioner Xavier L. Suarez.

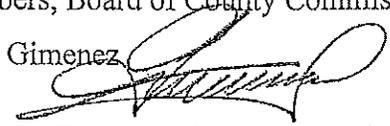


R. A. Cuevas, Jr.
County Attorney

RAC/Imp

Date: October 7, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Allocation of Economic Development in the Targeted Urban Areas Fund Project 320 to Grove Village on Grand

Recommendation

It is recommended that the Board of County Commissioners (Board) approve the attached resolution allocating \$3,000,000.00 of funding from the Building Better Communities General Obligation Bond (BBC GOB) Program, Economic Development in the Targeted Urban Areas Fund - Project 320 to the Grove Village on Grand project. The resolution directs the Mayor or the Mayor's designee to begin negotiating the terms of a grant agreement that will be presented to the Board for their approval at a future date.

Scope

The proposed project is located on six city blocks along Grand Avenue, Coconut Grove, in Commission District 7 (Commissioner Suarez). While the economic impact of this project may primarily benefit District 7, additional benefits are expected Countywide.

Fiscal Impact/Funding Source

There will be no fiscal impact to the County with the approval of this item which simply sets a potential allocation for the recommended project and establishes the directive to begin negotiations for a grant agreement that would come before the Board for final approval.

Track Record/Monitor

Deputy Director of Regulatory and Economic Resources Josh Gelfman will monitor the creation and retention of new jobs, average salaries, private investment and any other performance measures as agreed in the respective grant agreements which would be approved by the Board.

Background

In November 2004, Miami-Dade County voters approved the issuance of \$352.182 million in general obligation bonds to, among other things, construct and improve bridges, public infrastructure, and neighborhood improvements as part of the BBC GOB Program. A total of \$15 million was allocated towards the Economic Development in the Targeted Urban Areas Fund - Project 320. The Administrative Rules for the BBC GOB Program that govern Project 320 were adopted by the Board under Resolution No. R-668-10 on June 15, 2010.

Funding from grant awards under Project 320 must be used for public infrastructure, which includes road improvements, water and sewer networks, public parking structures, public facilities and other improvements subject to certain limitations and evaluated on a case-by-case basis. Ineligible uses of the grant awards from Project 320 include, but are not limited to, working capital, furniture and fixtures, business equipment, and non-capital related expenses.

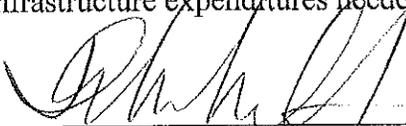
Staff conducted evaluations of proposed projects taking into consideration the requirements and objectives of the Administrative Rules, the language in the BBC GOB bond question approved by the voters in 2004, and the information submitted on the BBC GOB application.

The grant awards are disbursed as reimbursements of eligible expenditures paid by the grantees and approved by the Mayor or the Mayor's designee in accordance with established administrative and IRS rules governing the tax-exempt status of the General Obligation Bond Program. The disbursement of grant funds are also contingent upon the developer meeting performance measures for job creation, private investment, average salaries and other measures in the respective grant agreements. In the event that IRS rules require grant funds to be disbursed before performance milestones can be met, a clawback provision will be included in the grant agreement that allows the County to recover part or all of the grant funds disbursed when performance milestones are not achieved.

Grove Village on Grand proposes to construct six (6) city blocks (three on each side of Grand Avenue) of urban in-fill development consisting of housing, retail, office and parking to be developed in two phases on Grand Avenue in Coconut Grove. The mixed-use urban village development proposed by Pointe Group Advisors, LLC on Grand Avenue offers ground floor retail, structured parking, and either office, big-box retail, or multi-family apartments and potentially a hotel on two floors of one of the buildings. BBC GOB Grant funds will be used for offsite water main extension, electrical duct bank extensions, gas main extension, and telephone/cable duct bank extension.

It is expected that the Grove Village on Grand project will generate significant economic development opportunities, bringing new jobs to an area characterized by unemployment rates of approximately 15%, a poverty rate of approximately 25%, and a median household income of about \$39,000. The development of the entire site will be constructed over a five year period, but Phase I is projected to generate 288 direct, new jobs to the Coconut Grove Targeted Urban Area. Although many of these jobs will be in the retail and food service industries that have relatively low average wages, these employment positions will require skill levels that are available in the Targeted Urban Area, providing significant job opportunities for residents. The project also represents an estimated \$160,000,000 private investment that will have a significant positive impact on the local tax base.

Prior to entering into a grant agreement, a final determination as to the project's qualification to receive the funds will be made. The grant agreement will be presented to the Board for approval at a future date. If an agreement for the Grove Village on Grand project cannot be finalized, the funding may be reallocated by the Board. If the allocation to this project is greater than the amount of eligible public infrastructure expenditures needed, the difference will be available for reallocation by the Board.



Jack Osterholt, Deputy Mayor



MEMORANDUM
(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: October 7, 2014

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(M)(7)

Please note any items checked.

- "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
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(M)(7)
10-7-14

RESOLUTION NO. _____

RESOLUTION APPROVING ALLOCATION OF
\$3,000,000.00 FROM ECONOMIC DEVELOPMENT FUND
PROJECT 320 OF BUILDING BETTER COMMUNITIES
GENERAL OBLIGATION BOND PROGRAM TO GROVE
VILLAGE ON GRAND TO FUND CERTAIN ECONOMIC
DEVELOPMENT PROJECTS

WHEREAS, Appendix A to Resolution No. R-914-04 (the “Public Infrastructure Resolution”), lists projects eligible for funding from the Building Better Communities General Obligation Bond Program by project number, municipal project location, commission district, project description, street address, and project funding allocation; and

WHEREAS, one of the projects listed in Appendix A to the Public Infrastructure Resolution and approved by the voters for funding is Project No. 320 – Economic Development Fund (“Project 320”) with a project description that states “Provide infrastructure improvements to spur economic development and attract new businesses to the community and to create jobs”; and

WHEREAS, the goal of Project 320 is to encourage private sector development that will create jobs and cause economic development which will have long term benefits to the community; and

WHEREAS, this Board wishes to approve an allocation of \$3,000,000.00 from Project 320 to Grove Village on Grand as recommended by the Mayor upon certain employment and salary benchmarks being met at different intervals, among other requirements, as described in the Mayor’s Memorandum which accompanies this Resolution; and

WHEREAS, the individual Grant Agreement between the County and Grove Village on Grand which incorporates such conditions shall be submitted to the Board for approval in the future;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA that:

Section 1. The foregoing recitals and the Mayor's Memorandum are approved and incorporated in this Resolution.

Section 2. The allocation of \$3,000,000.00 from Project 320 to Grove Village on Grand is approved.

The foregoing resolution 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:

Rebeca Sosa, Chairwoman
Lynda Bell, Vice Chair

Bruno A. Barreiro
Jose "Pepe" Diaz
Sally A. Heyman
Jean Monestime
Sen. Javier D. Souto
Juan C. Zapata

Esteban L. Bovo, Jr.
Audrey M. Edmonson
Barbara J. Jordan
Dennis C. Moss
Xavier L. Suarez

The Chairperson thereupon declared the resolution duly passed and adopted this 7th day of October, 2014. 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

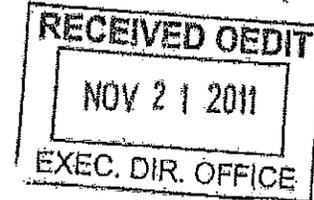
Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in black ink, appearing to be "GTH", is written over a horizontal line.

Gerald T. Heffernan



11-11-21-170



Economic Development Fund
Building Better Communities
General Obligation Bond Program

EDF General Project Overview

Groye Village on Grand

Project Title

Pointe Group Advisors, LLC.

Name of Business

11/18/11

Date Submitted

After review of this *Project Overview* the Office of Economic Development and International Trade may request additional information including a business plan containing a market assessment, financial proformas, and development site plans. The submission of this project overview does not guarantee funding.

J.A. Ojeda, Jr.,
 Executive Director
 Office of Economic Development & International Trade
 STEPHEN P. CLARK CENTER, 111 N.W. 1ST STREET, SUITE 2200
 MIAMI, FLORIDA 33128
 Telephone (305) 376-1254 Fax (305) 679-7895
www.miamidade.gov/oedit





ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW



1. BUSINESS INFORMATION

A. Name of Business Unit: Grove Village on Grand, LLC

B. Mailing Address: 3250 Mary St, Suite 302

Street Address: Miami FL 33133

City: State: Zip Code:

C. Primary Contact Person of Parent Company (If applicable):

Peter Gardner

D. Title: Manager

Mailing Address: c/o Pointe Group Advisors, LLC 3250 Mary St, Suite 302

Street Address

Miami FL 33133

City: State: Zip Code:

Telephone: 305-869-8915

Fax: N/A

Email: pgardner@pointegroupadvisors.com

Website: www.pointegroupadvisors.com

E. Federal Employer Identification Number: 88-086-7279

F. Unemployment Compensation Number: -

G. Florida Sales Tax Registration Number: 23-80151312440

H. What is the business's tax year? (ex: Jan 1 to Dec 31): December 31, 2011

I. Is this business an active and duly registered for-profit Florida corporation?

Yes [checked] No []

If no, please explain:

Indicate ownership status: Check all that apply.

(Note: Responding to this question is voluntary and not required. The County does not use this information as a factor in determining the award of County funds or contracts.)

Minority Owned Business [] Woman Owned Business [] Privately Owned Business [checked] Publicly Owned Business [] None []

Is this business an active and duly registered not-for-profit 501(C)(3) Florida corporation?

Yes [] No [checked]

J. Will the business requesting grant funds own or lease the property where the project will be located?

Own [checked] Lease []

(Note: Provide a copy of the deed showing ownership or a copy of the lease.)

K. If the business will own the property, is or will the property be encumbered by any mortgage and if so provide the balance of the mortgage(s).

There could be a mortgage on one of the blocks. Two will be owned without a mortgage.



A. Which of the following best describes this business?

- New business unit to Miami-Dade County creating jobs.
- Existing Miami-Dade County business creating/expanding jobs in Miami-Dade.
(If an expansion, how many jobs are currently in the expanding business unit?) _____
- Developer building new construction for business Grove Village LLC (name of the company) that will be creating 525 jobs.

B. How many individuals are employed at all Florida locations? (FTE²)

38

C. Are any jobs being transferred from other Florida locations?

Yes No

If yes, how many jobs and from where? _____

Why are these jobs being transferred? _____

D. Project Location Information:

(i) What is the project's proposed location address:

The city block located at approximately 3364, 3428 and 3520 Grand Avenue.

Street Address _____

City _____ State _____ Zip Code _____

(ii) What is the project's current location address (if different):

Street Address _____

City _____ State _____ Zip Code _____

(iii) Is the project location within a current or proposed Brownfield site / area?

Yes No If yes, attach a copy of the official document designating the Brownfield area.

(iv) Is the project location in an Enterprise Zone, Empowerment Zone or a Targeted Urban Area as defined in Section 30A-129(2) of the Miami-Dade County, FL Code of Ordinances?

Yes No If yes, which zone? Targeted Urban Area

E. Give a full description of this proposed project. (Not to exceed 500 words. Be specific.)

Please see attached page titled Question E

¹ Must be a separate business unit or reporting unit of a business unit that is or will be registered with the State of Florida for unemployment compensation purposes.

² An FTE or "full-time equivalent" job implies at least 35 hours of paid work per week per employment position.



ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW



F. Explain how this proposed project will spur economic development, attract new businesses to Miami-Dade County and create jobs.
 Please see attached page titled Question F

G. Provide a complete project line item budget, including estimated cost, sources and uses of funds, a detailed description of project elements, and the portion of the project proposing to utilize Economic Development Fund grants. (EDF grants can only be used for public infrastructure.)
 Please see attached page titled Question G

H. What proportion of gross operating revenues from this project are anticipated to represent sales to customers located outside of Miami-Dade County? (if sales are not a reasonable measure, use another basis for measure and provide explanation below.)
 ___% Explain, if necessary: _____
 Please see attached page titled Question H

3. JOB AND WAGE OVERVIEW

A. How many new FTE jobs are to be created as part of this project? What are the initial average wage and benefits?

Occupation	Avg. Wage	Avg. Benefits	2011	2012	2013	2014	2015	2016
Prof., Scientist	\$	\$						
Research Tech.								
Senior Mgmt	85,000	12% of salary	85,000	87,550	TBD	TBD	TBD	TBD
Admin. Support	45,000	12% of salary	45,000	46,350	TBD	TBD	TBD	TBD
Production Wrkrs								
Other	40,000	12% salary	40,000	41,200	TBD	TBD	TBD	TBD

Jobs created, continued

Occupation	2017	2018	2019	2020	2021	2022	2023	2024	2025
Prof., Scientist									
Research Tech.									
Senior Mgmt									
Admin. Support									
Production Wrkrs									
Other									

B. What employee benefits are included above? (e.g. health insurance, 401(k) contributions, vacation and sick leave, etc.)
 Developer provides employer paid health insurance, a 401k plan, paid time off, employer paid short and long term disability insurance, employer paid life insurance.

C. If this is an existing business located in Miami-Dade, then how many jobs are expected to be retained as part of this project? (Jobs in jeopardy of leaving Miami-Dade should only be included here.) N/A (Note: EDF grants cannot be used solely for the purpose of retaining existing jobs.)

D. What is the business' principal industry classification code? (Use North American Industry Classification System - NAICS.): 53



ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW



If more than one NAICS code applies, then provide a breakdown of the project's primary business activities:

Business Unit Activities	NAICS Code	% of Project Revenues (total = 100%)	Annualized Wages Total (\$)
		%	\$
		%	\$
		%	\$

4. CAPITAL INVESTMENT OVERVIEW

A. Describe the capital investment in real and personal property (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment. Do not include the value of land purchased for construction of a new building but include architect, engineering and design costs):

Please see attached page titled 4, Capital Investment Overview

B. List the anticipated amount (thousands of dollars) and type of major capital investment to be made by the applicant in connection with this project. (Attach separate schedule if investment will be made over more than five years)

	Year 1	Year 2	Year 3	Year	Year
Land	\$8MM	\$4MM	\$0	\$	\$
New Construction (excl. public infrastructure)	\$34,917MM	\$23,069MM	\$30MM	\$	\$
Building Renovations	\$300,000k	\$500,000k	\$500,000k	\$	\$
Manufacturing Equipment	\$	\$	\$	\$	\$
R & D Equipment	\$	\$	\$	\$	\$
Other Equipment (computer equipment, office furniture, etc)	\$	\$	\$	\$	\$
Total Capital Investment	\$43,300MM	\$34,500MM	\$30,500MM	\$	\$

- C. What is the estimated square footage of the new or expanded facility? Attached
- D. What is the deadline to make the location decision (date)? 1/15/12
- E. What is the anticipated date that construction will begin? Attached
- F. What is the anticipated construction completion date? Attached
(If this project is being built in phases, then provide a commencement and completion date for each phase.)
- G. What is the anticipated date that operations will commence? Attached
- H. Submit documentation demonstrating financial capacity and financial commitments using other non-County sources to complete the project.



5. PUBLIC INFRASTRUCTURE NEEDS

- A. Describe the type of public infrastructure investment needed.
Offsite Water Main Extension, FPL Duct Bank Extension, Gas Main Extension, ATT/Comcast Duct Bank Extension.
- B. What is the total anticipated cost of public infrastructure needed for this project? \$ 6M
- C. EDF grants will be disbursed only after the public infrastructure investments are complete and negotiated performance benchmarks are met. Describe the business's capacity to finance the public infrastructure costs.
The developer has a private real estate investment trust that will finance the construction of the first phase of the project, including the infrastructure costs.

6. ECONOMIC IMPACT AND CORPORATE RESPONSIBILITY

- A. Provide a brief synopsis of any special economic impacts/benefits the project is expected to stimulate in the community, the County, and the rest of South Florida. Include the impacts on indicators such as unemployment rate, poverty rate, and per capita income, if these have been estimated.
See attached report from Sharpton Brunson.
- B. Will business operations being supported with an Economic Development Fund grant establish a plan for maximizing the employment of persons with family incomes less than 80% of the County's median household income, or persons living in Community Development Block Grant eligible Census areas? If yes, explain how that plan will be developed and implemented.
The developer has provided an community benefits program to the City of Miami in conjunction with their Major Use Special Permit application which reaches underserved communities and populations
- C. Will the business operations be conducted in LEED certified (or equivalent energy efficiency rating system) buildings? If yes, at what level of certification.
 Yes No
LEED Accredited at the minimum with a goal of silver.
- D. List and explain any criminal or civil fines or penalties or ongoing investigations or debarments that have been performed/imposed upon the company, its executives, its principals or its affiliates and any recent bankruptcy proceedings of the applicant or its parent company.
None.
- E. Is the company current with all its state, local and federal taxes? If no, please explain.
 Yes No
- F. Provide any additional information you wish considered as part of this review of your request for incentives or items that may provide supplementary background information on your project or company.
See attached titled, Economic Impact and Corporate Responsibility, Question F