

MEMORANDUM

EDPC
Agenda Item No. 3B

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

DATE: October 16, 2014

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

SUBJECT: Resolution approving
allocation of funds in amount
of \$18,500,000.00 from
Economic Development Fund
Project 124 of Building Better
Communities General Obligation
Bond Program to pay cost of
beach re-nourishment

The item was amended from the original version as stated on the County Mayor's memorandum.

The accompanying resolution was prepared by the Regulatory and Economic Resources Department and placed on the agenda at the request of Co-Prime Sponsors Commissioner Sally A. Heyman, Commissioner Bruno A. Barreiro and Commissioner Xavier L. Suarez.

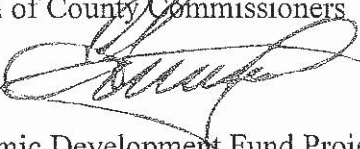


R. A. Cuevas, Jr.
County Attorney

RAC/lmp

Date: November 5, 2014

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

From: Carlos A. Gimenez 
Mayor

Subject: Allocation of Economic Development Fund Project 124 to Create a Beach
Re-nourishment Reserve Fund

This item was amended at the 7-10-14 Economic Development & Port Miami to correct the following "expenditure" in the title of the resolution was changed to read as "allocation".

Recommendation

It is recommended that the Board of County Commissioners (Board) adopt the attached resolution allocating \$18,500,000.00 of funding from the Building Better Communities General Obligation Bond (BBC GOB) Program, Economic Development Fund Project 124 to the Beach Re-nourishment Reserve Fund project (Project).

Scope

The beach coastal lines are located in District 4 (Commissioner Sally Heyman) District 5 (Commissioner Bruno Barreiro), and District 7 (Commissioner Xavier Suarez), however, the economic development impacts of this Project will have a countywide benefit.

Fiscal Impact/Funding Source

There will be no fiscal impact to the County at this time with the approval of this item, which simply sets a potential allocation for the recommended project and establishes the Beach Re-Nourishment Reserve Fund. In the event of a major storm and the Board authorizes the use of the reserve fund, there will be a fiscal impact associated with the payment of debt service and issuance costs associated with the use of BBC GOB. This fiscal impact will be identified at the time of issuance.

Track Record/Monitor

Deputy Director of Regulatory and Economic Resources Lourdes Gomez will monitor the performance measures in the grant agreement 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 \$75 million was allocated towards the Economic Development Fund (EDF) Project 124. The Administrative Rules for the BBC GOB Program that govern the Economic Development Fund were adopted by the Board under Resolution R-668-10 on June 15, 2010.

Funding from grant awards under EDF Project 124 must be used for public infrastructure improvements to spur economic development and attract new businesses to the community in order to create jobs. Public infrastructure 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 EDF Project 124 include, but are not limited to, working capital, furniture and fixtures, business equipment, and non-capital related expenses. The County's bond counsels have opined that beach sand may be considered as public infrastructure.

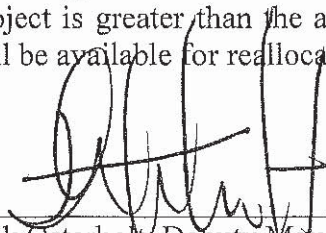
In addition to stimulating private investment and job growth, one of the primary objectives of EDF Project 124 is strengthening the economy's capacity for innovation and commercialization of scientific advancements and expanding leadership in local industry clusters such as: Aviation and Aerospace; Financial and Professional Services; Homeland Security and Defense; Information Technology; Life Sciences; and International Trade and Global Commerce. These objectives align with the Beacon Council's One Community One Goal Initiative. The Administrative Rules also recognized that industry clusters were growing or had the potential to emerge in certain strategic areas of the County: namely, the Civic Center/Medical District; Homestead Air Reserve Base; Opa-Locka Executive Airport; Port of Miami; and Kendall Tamiami Executive Airport.

Staff conducted evaluations of submitted 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 proposed by the applicant 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 rules and the IRS rules governing the tax-exempt status of the General Obligation Bond Program. In the event that IRS rules require grant funds to be disbursed before performance milestones can be met, a claw back 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.

Our beaches' significant economic benefit to Miami-Dade County cannot be understated. They protect our investment in coastal development and are a major driver in our local tourism economy. Therefore, re-nourishment of our beaches is an ongoing requirement. The cost of re-nourishment after a severe weather event can represent a large financial burden to the County even when the federal government funds 50% of the cost and the State covers 25%. The County has been working with the U.S. Army Corps of Engineers and the State to plan for future funding needs from 2014 to 2019. Those plans project the potential need for a local match of between \$20,000,000 and \$24,000,000. In order to protect Miami-Dade County's tourism industry, its beaches, which is one of the County's main attractions, must be maintained.

Board approval will be made prior to the final determination to fund this project. 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: November 5, 2014

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

SUBJECT: Agenda Item No.

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

Agenda Item No.

Veto _____

Override _____

RESOLUTION NO. _____

RESOLUTION APPROVING ALLOCATION OF FUNDS IN AMOUNT OF \$18,500,000.00 FROM ECONOMIC DEVELOPMENT FUND PROJECT 124 OF BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND PROGRAM TO PAY COST OF BEACH RE-NOUSHMENT

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 (the “BBC 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. 124 – Economic Development Fund (“Project 124”) 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, beach re-nourishment qualifies as public infrastructure and is eligible to receive funding from Project No. 124; and

WHEREAS, beaches provide significant economic benefit to the County through the attraction of tourists to our community; and

WHEREAS, beaches need to be maintained in order to continue to provide an economic impact; and

WHEREAS, this Board wishes to approve an allocation of \$18,500,000.00 from Project 124 to be used, as necessary, to restore beach erosion as more fully described in the accompanying County Mayor's Memorandum ("Mayor's Memorandum"),

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 \$18,500,000.00 from Project Fund 124 to fund beach re-nourishment by the County, when necessary, is approved.

Section 3. Each individual request for funding up to \$18,500,000.00 in the aggregate shall be approved by this Board prior to expenditure.

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

Estéban 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 5th day of November, 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.



Gerald T. Heffernan