



MEMORANDUM
Harvey Ruvin
Clerk of the Circuit and County Courts
Clerk of the Board of County Commissioners
Miami-Dade County, Florida
(305) 375-5126
(305) 375-2484 FAX
www.miami-dadeclerk.com

TTC
Agenda Item No. 6A

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Trade and Tourism Committee

DATE: February 12, 2015

FROM: Christopher Agrippa
Director, Clerk of the Board Division

SUBJECT: Approval of Commission
Committee Minutes

The Clerk of the Board's office is submitting the following Clerk's Summary of Minutes for approval by the Trade and Tourism Committee:

December 11, 2014 Economic Development Port of Miami Committee

CA/kh
Attachment



Stephen P. Clark
Government Center
111 N.W. 1st Street
Miami, FL 33128

CLERK'S SUMMARY OF Meeting Minutes

Economic Development & Port Miami Committee

Barbara J. Jordan (1) Chair; Javier D. Souto (10) Vice Chair; Daniella Levine Cava (8),
Commissioners Jose "Pepe" Diaz (12),), and Juan C. Zapata (11)

Thursday, December 11, 2014

2:00 PM

Commission Chambers

Members Present: Daniella Levine Cava, Jose "Pepe" Diaz, Barbara J. Jordan, Juan C. Zapata.

Members Absent: Javier D. Souto.

Members Late: None.

Members Excused: None.

Members Absent County Business: None.

MINUTES PREPARED BY:

Report: *Commission Reporter Karen Harrison (305) 375-1296*

1A INVOCATION AS PROVIDED IN RULE 5.05 (H)

Report: *The following staff members were present:*

- Deputy Mayor/Director, Regulatory and Economic Resources Jack Osterholt;*
- Assistant County Attorney Jess McCarty;*
- Assistant County Attorney Monica Maldonado;*
- Deputy Clerk Jovel Shaw; and*
- Deputy Clerk Karen Harrison*

Chairwoman Jordan called the meeting to order.

1B ROLL CALL

1C PLEDGE OF ALLEGIANCE

1D REASONABLE OPPORTUNITY FOR THE PUBLIC TO BE HEARD AS PROVIDED IN RULE 6.06

2A

142516 Resolution Barbara J. Jordan

RESOLUTION APPROVING ALLOCATION OF \$10,000,000.00 FROM BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND PROGRAM PROJECT NO. 124 TO MIAMI OCEAN STUDIOS, LLC TO FUND MIAMI OCEAN STUDIO ECONOMIC DEVELOPMENT PROJECT; AND DIRECTING COUNTY MAYOR OR DESIGNEE TO NEGOTIATE TERMS OF A GRANT AGREEMENT WITH MIAMI OCEAN STUDIOS, LLC PURSUANT TO BOND PROGRAM'S ADMINISTRATIVE RULES AND PRESENT SUCH GRANT AGREEMENT TO THE BOARD

Forwarded to BCC with a favorable recommendation

Mover: Jordan

Second: Diaz

Vote: 3-1

No: Zapata

Absent: Souto

Report: *Assistant County Attorney Jess McCarty read the foregoing proposed resolution into the record.*

Chairwoman Jordan relinquished the chair to Commissioner Zapata on the foregoing item.

Chairwoman Jordan noted the time and effort of over two years that was put into the foregoing item starting with a mini Charrette to determine what the community wanted within the Landmark property. She also noted in terms of planning, the County Planning and Zoning Department and the community were involved and expressed the need to have programs or activities on the approximately 160 acres that would create jobs and to ensure that no housing development was placed there. Commissioner Jordan said the following three existing residual programs were located on the property:

- His House Academy (HHA)*
- Family and Children Enrichment Program (FCEP)*
- Art Program/Services for Severely Handicapped Children*

Chairwoman Jordan stated that although in meeting with developers, the majority expressed interest putting housing on this property, but it was not in line with what the community requested. She said she made a stipulation that based on the decision-making for this property that those three programs had to be taken care of by the development community and agree to pay for relocation if the programs needed to be moved. Chairwoman Jordan advised that the existing social service programs HHA and FCEP served more than children with severe disabilities, but also served those who have no other facility to reside in.

Chairwoman Jordan noted that there were only two projects the community supported; however, one of those projects fell out of the process. She noted Miami Ocean Studios Enterprise (MOSE) was the project presented before this committee today (12/11) and the initial request was for \$18 million, but a request was placed on the agenda five months ago for \$5 million. However, this request was pulled in order to revamp the application based on the expansion of additional features to the project, such as a hotel.

By request of Chairwoman Jordan, Deputy Mayor Jack Osterholt provided an overview of the foregoing project, noting the importance of job creators in this community and that film and entertainment businesses had contributed about \$400 million yearly to this economy. He noted the provisions of this project that would create about 6,000 jobs, water features, six sound stages, and all necessities attracting people that would strengthen this community.

Additionally, Mr. Leland Salomon, Regulatory and Economic Resources (RER), noted the length of time put into MOSE and its benefits as well as an opportunity for development of 160 acres that would create economic development opportunities throughout the county. He spoke on the features of this project which included films and television studios, technology center, and a digital village, as well as several other facilities for production. Mr. Salomon said that studio tours were expected to take place and through the developer's partnership with local universities and educational institutions there would be entertainment programs, in terms of education. Mr. Salomon noted that Phase II would consist of hotels, restaurants, retails, and movie museum that would focus on Florida entertainment. He said the size of the project was expected to be about 900,000 square feet and consisting of a capital investment amount of about \$250 million, and \$28 million worth of infrastructure work performed on the property.

Ms. Sandy Lighterman, Film and Entertainment Coordinator, RER, stated that the sound stage base required a rare type of infrastructure for Miami-Dade County and was extremely needed to attract big projects such as visiting television series converting warehouses into semi sound stages by using millions of dollars. She also said this project would be more attractive, essential

and an easy fit for them. Ms. Lighterman spoke on the impact of the water stage of this project that would be worldwide.

Discussion ensued among the EDPMC members and presenters regarding the impact and attractions of this project, which included education aspect, in terms of training and retraining, improved infrastructure, as well as retraining of the community.

Following a series of comments and questions by Commissioner Zapata regarding the land being County owned property, Mr. Salomon agreed and noted only a small portion of the property was currently being used for the three existing social service programs.

In terms of experience, Ms. Lighterman noted a management team was in process of being put together because of this large investment. She further noted there was a local consultant overseeing this transaction with 30 years of experience by the name of James Demastos (Phonic); however, she did not have his resume at hand.

Commissioner Zapata expressed his concern regarding the request to approve the foregoing item without receiving information, in terms of experience and past projects, on the person who would be overseeing the project.

Discussion ensued among the EDPMC members regarding the different phases that were projected, the type of financing and that the \$200 million was secured and verified by a letter from Miami Chinatown Investment Group (MCIG). Further discussion ensued regarding job creations and that these funds would be rewarded on the back-end based on the approval of the contractual relationship followed by updated reports submitted to the Board of County Commission.

Commissioner Zapata expressed his concern that once the foregoing item was approved, the terms of this contract may change; however, he believed this was a good project.

Following further questions by Commissioner Zapata regarding the breakdown of the estimated 6,000 job creations, Mr. Osterholt said Administration would receive an estimated number of jobs based on type and salary.

Mr. Salomon explained the criteria within the grant agreement would require an independent economic development study from the County that was run through a model.

Mr. Osterholt stated that the Remy model, which was popularly used and would be the model used in this process.

Discussion ensued among the EDPMC members regarding the economic impact study conducted by Florida International University (FIU) through the Remy model. Further discussion ensued regarding the number of permanent jobs provided and the process after meeting the criteria, which would be stipulated in the contract followed by review and approval by this committee.

Chairwoman Jordan noted that Phase I would offer basically the feature films portion that would develop 10 sound stages and Phase II would involve the retail portion such as hotel, retail and restaurants in addition to the museum. She reiterated that there would be a collaborative effort with the local universities, in terms of training and job opportunities. Chairwoman Jordan said that in terms of permanent job creation, there would be approximately 3,600 jobs increasing up to 6,000 for indirect job creation, so once the 3,600 jobs were created, a portion of the grant would be received because grant was performance based. She noted that the cost of infrastructure for this project was about \$25 million, not including some environmental issues that have to be addressed.

Chairwoman Jordan spoke on the history of this property, which was owned by the County and turned over to the State of Florida. She noted that Landmark property was used for children who were homeless; however, once it became community based, the property reverted back to the County. She stated she wanted to ensure the remaining residual programs on the Landmark property were taken care of and the terms were included in this development project.

Commissioner Zapata noted he was not supportive of the foregoing proposed resolution although he believed the projects was good because he was uncertain about the management team; however, if the formation of a management team could be presented, he would be supportive of this project.

Commissioner Levine Cava noted she agreed with

the comments made by Commissioner Zapata. She also noted, in terms of introductory remarks regarding the whole development fund process, she previously had some great concerns about this process, and expressed her anticipation in working with investment projects that would create sustainable jobs. Commissioner Levine Cava questioned what other benefits would be generated by investing in infrastructure beyond the project itself, specifically building in low investment areas, in terms of building economic opportunity.

Mr. Salomon advised that in terms of infrastructure, this funding could only be used for public infrastructure, and the larger benefit would allow it to be accessible to those who could use the funds. He mentioned the need to widen the 47th Avenue Street, and this funding would allow that to take place in addition to being more accessible to the community; therefore so all those infrastructure items that were improved for this project would be beneficial to anyone who has access to it.

Chairwoman Jordan said that in addition to 47th Avenue as part of the vision for this project, it was to also provide an exit from 57th Avenue to the Landmark property that was not currently accessible. She explained that the 47th Avenue expansion project started 18 months ago, in terms of planning and currently meeting with residents and businesses in the area to effectuate the change in widening the street.

Following an extensive discussion regarding the process of developing the two types of agreements, Mr. Salomon noted that the timeline for the project would be included in the lease agreement, and would be reviewed by the Board in addition to the grant agreement.

Responding to Commissioner Diaz' inquiry regarding the Miami Ocean Studios Enterprise (MOSE) and its experience, Chairwoman Jordan referred to an article published in Miami Today Newspaper, and one of the major investors, Mr. Rodolfo Paiz and the team of investors who were participating as well as the EB-5 Immigrant Investor Program as a resource that already raised over \$200 million to fund this project. She noted that although MOSE was a new entity, the experience of the consultant was over 30 years in studio development and operations across the country.

Commissioner Diaz stated that he wanted to ensure that the remaining allocated funds were awarded to the most valid use due to the previous issues that was pointed out. He noted the highlights of discussion regarding the entity, but the grants would not be rewarded until the project was completed, however, he wanted to know the percentage of local businesses involved in these \$85 million projects and to determine if some could operate in District 12 and countywide, primarily creating jobs. Commissioner Diaz pointed out the issue of the limited chances in implementing these projects in a limited amount of land and the need to slow down and ensure of quality.

Discussion ensued among the EDPMC members regarding the land and the providers as well as the reserved space for the existing residual programs on the property. Further discussion ensued regarding the list that indicated the project was in Phase II and the terms of the process in relocating those programs on site was at MOSE's expense, which would be indicated in the lease.

Following further discussion pertaining to the process of relocating and identifying other property for these residual programs on or off site, Commissioner Diaz expressed his concern and the need for clarity regarding the terms. He asked to meet with Administration to ensure that this decision did not create an issue for these entities and to address any other concerns he might have, such as the terms that qualify a completion point to receive the \$10 million grant, as well as the impact on the surrounding properties and community. Commissioner Diaz concluded that in moving forward, he would be supportive based on the estimated number of job creations.

Chairwoman Jordan pointed out an error in the published article of Miami Today Newspaper regarding the location of this project, which was a Miami-Dade County project in an unincorporated area, rather than located in the City of Miami Gardens

Discussion ensued among the EDPMC members regarding the condition of lease agreement and the requirement that MOSE would be pay for the relocation of those programs whether or not a new structure would be needed.

Commissioner Zapata opened the public hearing,

and seeing no one wished to speak on the foregoing proposed resolution, the public hearing was closed.

In closing, Chairwoman Jordan stated that over two years ago she had worked on this proposal to urge the State Legislature to provide the incentives that had been provided for the film industry in the past. She noted this past year Chairwoman Sosa and herself had cosponsored an item to implement the same goal, but the entity was prepared to move forward whether this happens or not, but with a continued effort. Chairwoman Jordan described Miami-Dade County as a hot commodity and this would be one way to grow the economic development in the community to work with universities to train students in this industry. She expressed appreciation that this project would be located in District 1.

Hearing no other comments or questions the Committee proceeded to vote on the foregoing proposed resolution as presented.

Commissioner Jordan resumed the chair from Commissioner Zapata.

2B

142483 Resolution

Jean Monestime

RESOLUTION WAIVING BY A TWO-THIRDS VOTE OF BOARD MEMBERSHIP RESIDENCY AND QUALIFIED ELECTOR REQUIREMENTS; AND APPOINTING JEFF LOZAMA TO INTERNATIONAL TRADE CONSORTIUM ADVISORY BOARD

*Forwarded to BCC with a favorable recommendation
Mover: Diaz
Seconder: Zapata
Vote: 4-0
Absent: Souto*

Report: Assistant County Attorney Jess McCarty read the foregoing resolution into the record.

Hearing no further comments or questions, the Committee members proceeded to vote on the foregoing proposed resolution as presented.

2C

142547 Resolution**Rebeca Sosa**

RESOLUTION APPROVING ASSIGNMENT OF CONTRACT NO. RFQ685B FOR GOVERNMENTAL REPRESENTATION AND CONSULTING SERVICES IN WASHINGTON, DC FROM PATTON BOGGS, LLP TO SQUIRE PATTON BOGGS (US) LLP DUE TO THE AGREEMENT BETWEEN THE FIRMS TO HAVE THE ATTORNEYS AND OTHER EMPLOYEES OF PATTON BOGGS LLP BE AFFILIATED WITH SQUIRE PATTON BOGGS (US) LLP; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE A SUPPLEMENTAL AGREEMENT TO THE CONTRACT FOR AND ON BEHALF OF MIAMI-DADE COUNTY TO EFFECTUATE THE ASSIGNMENT; AND APPROVING SQUIRE PATTON BOGGS (US) LLP TO REPRESENT THE COUNTY BEFORE THE FEDERAL GOVERNMENT

Forwarded to the BCC by the BCC Chairperson with a favorable recommendation

Mover: Diaz

Seconder: Zapata

Vote: 4-0

Absent: Souto

Report: *Assistant County Attorney Jess McCarty read the foregoing resolution into the record.*

It was moved by Commissioner Diaz that the foregoing proposed resolution be forwarded to the BCC with a favorable recommendation. This motion was seconded by Commissioner Zapata, and opened for discussion.

Commissioner Levine Cava noted that this contract expired some time ago and she inquired as to why it was being bided out as a new contract. She further clarified her question was regarding when would the bidding process start.

Mr. Joe Rasco, Director, Office of Intergovernmental Affairs noted this was simply an assignment of the contract and these were the applicants who were selected originally. He noted that that he had been working with Chairwoman Jordan to bring back to the Board the criteria for review so the bidding process could begin again.

In response to Mr. Rasco's comments, Chairwoman Jordan noted that generally the criterion was discussed by the County Commission before it was publicized.

Mr. Rasco clarified that he agreed with the comments made by Chairwoman Jordan and that was his intended statement.

Hearing no further comments or questions, the Committee members proceeded to vote on the

foregoing proposed resolution as presented.

Later in the meeting, Chairwoman Jordan requested that staff prepare the appropriate memorandum requesting that the Board of County Commissioners(BCC) Chairwoman Rebeca Sosa waive the BCC Rules and Procedure and allow the foregoing resolution to be forwarded to the December 16, 2014 BCC meeting for consideration.

3 DEPARTMENT

3A

142607 Resolution Economic Development & Port Miami Committee

RESOLUTION APPROVING PROFESSIONAL SERVICES AGREEMENT BETWEEN MIAMI-DADE COUNTY AND PARSONS BRINCKERHOFF, INC. FOR CIVIL INFRASTRUCTURE ENGINEERING SERVICES IN THE AMOUNT OF \$2,200,000.00, CONTRACT NO. E13-SEA-01; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THE AGREEMENT FOR AND ON BEHALF OF MIAMI-DADE COUNTY AND TO EXERCISE ANY TERMINATION AND RENEWAL PROVISIONS THEREIN (Port of Miami)

Forwarded to BCC with a favorable recommendation
Mover: Diaz
Seconder: Jordan
Vote: 3-1
No: Zapata
Absent: Souto

Report: *Assistant County Attorney Jess McCarty read the foregoing resolution into the record.*

It was moved by Commissioner Diaz that the foregoing proposed resolution be forwarded with a favorable recommendation to the BCC. This motion was seconded by Chairwoman Jordan, and opened for discussion.

Responding to Commissioner Zapata's inquiry regarding the contracts, Mr. Juan Kuryla, Director, Seaport Port of Miami, noted this was a new contract that was competitively bided and the selected firm was ranked at level one throughout the process. He explained there were different committees to address the steps within the process, such as a selection and negotiation committee. Mr. Kuryla said that these contracts were used in the event that assistance was needed during a capital project that would require the services listed under this scope, such as the small capital development division within the Port. He noted there was no obligation to spend the full amount of the contract, but it was on an as needed basis.

Discussion ensued among the EDPMC members regarding the process in determining the use of these contracts, which was based on the needs of the Port divisions. Further discussion ensued regarding the process of spending the full amount of the contracts to meet the needs of the different divisions within the Port.

Mr. Kuryla offered to provide a report that would reflect the number of times the divisions within the Port reached the full amount of these contracts.

Commissioner Zapata expressed his concern regarding departments maxing out the entire

amount of funds in contracts when it may not be necessary.

Following a series of questions by Commissioner Zapata, Mr. Kuryla noted that in terms of this proposed contract, a list reflecting specific work was not included in the packet presented in today's (12/11) EDPMC meeting.

Commissioner Zapata reiterated his concern regarding the lack of information on the detailed work needed that required approval of about \$2 million by this Board and the need to ensure this was a sound process. He noted the need for the proposal to be more precise or an assurance that the process would protect the way these dollars were spent. Commissioner Zapata noted that he would not be supportive of the foregoing proposed resolution unless he received a more detailed report with some specific expenditures, he would reconsider the item.

Mr. Kuryla stated that the Port could provide this information and he noted that the spending of revenue by the Port was carefully processed through work orders and the funds were appropriated for those projects, which was a reflection on how this department has increased its reserve budget over the past years that has reached over \$34 million.

Commissioner Diaz agreed with the concerns expressed by Commissioner Zapata and that these questions have been asked in the past as well as the process of conducting audits, which reports the status. However, he noted he said it would assist with the decision making process if more information was provided although the reason for not providing all the details was because some projects were prioritized over others.

Commissioner Diaz noted this was an issue in the past, but through the proper process, followed by audits, the project was handled properly.

Commissioner Diaz noted that he believed that in the future if Mr. Kuryla specified that these projects could change at any time, there would not be an issue in presenting these projects that require a large amount of funding.

Discussion ensued among the EDPMC members regarding the use of these funds, which was to improve the infrastructure in order to build the last portion of the cruise site at the Port.

Commissioner Diaz noted that as long as the

appropriate information was provided regarding the budget allocations of the projects, such as change orders and operations in order to make the proper decisions; he would be supportive moving forward.

Responding to Commissioner Levine Cava's question regarding whether the Port had a process in place to provide a progress report to EDPMC on the work and expenditures, Mr. Kuryla noted there was no mechanism in place to provide a quarterly report, but he would follow-up with the County Procurement Office and he could provide a report quarterly or during regular briefings with this committee.

Chairwoman Jordan noted for clarification seven entities participated in the Request for Proposal (RFP) process that was based on a scope of various activities related to civil engineering conducted, and each company bided their price based on the specifications in the RFP.

Mr. Kuryla agreed with Chairwoman Jordan's comments and said there were minimum qualifications for each company in addition to the scope that reflects a list, such as engineering design and design criteria for repairs of the existing infrastructure at the Port.

Chairwoman Jordan noted when there were contracts based on the RFP, the bidding was based on the personnel and qualification of the company, and she had not witnessed any companies returning funds to projects. She said this did not take place because the amount bided, in terms of cost was based on what the project required, and unless there was a change in the scope, there would be no a reason to expect a return of funds.

Discussion ensued among the EDPMC regarding the process allocating funds to the contracts for the different projects at the Port. Further discussion ensued regarding the process of the RFP, which consisted of setting the criteria that reflected the qualifications for entities to bid and was based by the scope of work, such as civil infrastructure, and cruise terminals.

Commissioner Zapata reiterated his concerns regarding the dynamics of the process that allowed internal maximizing of contracts of much larger scales than the foregoing proposed item. He stressed the need to identify a better way to manage this process due to the difficulty in

measuring it.

Commissioner Zapata requested that Mr. Kuryla provide a report reflecting the open-ended contracts, the approved amount, the actual net amount, and how it was managed.

Discussion ensued among the EDPMC members regarding the different ways to address this procurement process, such as an RFP or an Invitation to Bid (ITB) that could come back with change orders, and the need to possibly discuss the terms of these policies due to changes that have occurred. Further discussion ensued regarding the need to track the change orders, which would provide a certain level of transparency moving forward.

Mr. Kuryla assured the EDPMC members that due to the careful use of these contracts and the ability to refer back to the work orders on the various projects, this process has been successful and the Port has been responsive and proactive when necessary.

Hearing no further comments or questions, the Committee members proceeded to vote on the foregoing proposed resolution.

4 COUNTY MAYOR

5 COUNTY ATTORNEY

6 CLERK OF THE BOARD

6A

142555 Report

APPROVAL OF CLERK'S MEETING MINUTES FOR THE AUGUST 28, 2014 ECONOMIC DEVELOPMENT AND PORT MIAMI COMMITTEE (Clerk of the Board)

Approved
Mover: Diaz
Second: Zapata
Vote: 4-0
Absent: Souto

Report: *Hearing no comments or questions, the Committee members proceeded to vote on the August 28, 2014 Economic Development and Port Miami Committee Minutes.*

7 REPORT(S)

8 ADJOURNMENT

Report:

There being no further business to come before the Economic Development and Port Miami Committee, the meeting adjourned at 3:33 p.m.