Memorandum

MIAMI-DADE COUNTY

Date: October 30, 2015

Agenda Item No. 14(B)1
November 3, 2015

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Response to Resolution No. R-423-15 Pertaining to Application from NKMIA, LLC for Building Better Communities General Obligation Bond Program Project No. 124 Funding

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This report is in response to Resolution No. R-423-15 sponsored by Commissioner Daniella Levine Cava and approved by the Board of County Commissioners (Board) on May 5, 2015, which directed the County Mayor or County Mayor's designee to apply the criteria in the amended Administrative Rules to all new applications received by the County for Building Better Communities General Obligation Bond Program Project No. 124 (Project No. 124 Economic Development Fund) funding and to report the findings to the Board when a new project is considered for an allocation from the Project No. 124 Economic Development Fund.

The Project

The County received an application from NKMIA, LLC (Applicant) on August 7, 2015. The Application describes the project as:

- Relocation of the company's headquarters from New York to Miami-Dade County onto a County surplus property. The facility will be a state-of-the-art manufacturing facility that will convey the aesthetic and lifestyle of the brand and will house all major functions that support business operations. The design, innovative manufacturing, and business management will be cultivated in the 30,000 square feet of studio space along the Miami River. The company will also be responsible for the repair/reconstruction of the seawall directly adjacent to the property and will convert existing FPL poles to underground connections.
- The Applicant is seeking up to $1,500,000 in Project No. 124 Economic Development Fund grant funds for this project and is stating that it will provide 50 full-time equivalent jobs by the end of 2019. The projected capital investment by the owner is estimated to be approximately $11,300,000. The projected infrastructure cost is approximately $1,337,440.

With specific regard to the eligibility requirements for projects per Board Resolution No. R-423-15:

1. *Does the project improve infrastructure for a greater area of impact that can advance economic development substantially beyond the project footprint?*

   Monies from Project No. 124 Economic Development Fund will be used to support the reconstruction or repair of the sea wall. The sea wall and river walk components certainly add to the public benefit of the area allowing for both added pedestrian enjoyment and secure passage of boat traffic on the Miami River. This property has been in substantial disrepair for some time and the continually deteriorating sea wall and underlying property pose a potential hazard in being able to navigate this important channel.

2. *Is the project a target industry identified in the May 2012 One Community One Goal Strategic Report or identified by the Beacon Council from time to time?*

   One (1) of the seven (7) targeted industries of One Community One Goal is Creative Design. Not only does the project qualify as a One Community One Goal targeted industry, but it is the new

headquarters of a business that County staff believes will stimulate others in the design industry to follow.

3. *Does it advance green technology or energy green industry?*

   The Lease between the County and the Applicant states that, "Tenant shall design the project to be consistent with Silver certification from the U.S. Green Business Council's Leadership in Energy and Environmental Design (LEED)."

4. *Does it enhance or advance transit oriented development (TOD)?*

   The Florida TOD Guidebook prepared for the Florida Department of Transportation in December 2012 defines TOD as "compact areas of development, with moderate to high intensity and density, and comprise a mix of uses occurring within a half mile of a premium transit stop or station and are expressly designed to maximize pedestrian activity, increase access to transit and provide a 'park once' environment that reduces the need for automobile circulation."

   Located at 1175 NW South River Drive, Miami, Florida 3313, this project does contain a mix of uses occurring within one-half (1/2) mile of the Culmer and Hospital/Civic Center Metrorail Stations; and within one (1) mile of the many bus stops at the Marlin's Park. While "Transit Core" projects (the inner quarter mile radius from a station) are preferred, additional consideration is given to projects within the "Transit Neighborhood" (half mile from the Station) and the "Transit Supportive Area" (one (1) mile from the Station).

5. *Would the project be vulnerable to sea level rise that would require adaptation strategies, and if so, would it contribute to any overall sea level rise adaptation goals established by the County?*

   The project is currently in Flood Zone AE 9 along the Miami River and, based on the most recent projections for sea level rise by the Southeast Florida Regional Climate Change Compact (Compact), the site will be affected in the future. However, because the project is in a Special Flood Hazard Area, the facility is required to comply with Florida Building Code standards for flooding and storms, which requires substantial measures for flood protection that can also mitigate against the vulnerability of sea level rise. The project is also required by the City of Miami to comply with the minimum elevation standard for the top of bulkhead of six (6) feet above the National Geodetic Vertical Datum (NGVD) for properties located along the Miami River. Taking the latest sea level rise projections by the Compact into consideration, this measure provides additional mitigation against future seasonal tidal flooding during the useful life of the project.

Pursuant to Ordinance 14-65, this item will be placed on the next available Board meeting agenda.

Should you have any questions concerning the above, please contact Leland Salomon, Deputy Director, Regulatory and Economic Resources, at (305) 375-4421.

c: Abigail Price-Williams, County Attorney
Office of the Mayor Senior Staff
Leland Salomon, Deputy Director, Regulatory and Economic Resources Department
Charles Anderson, Commission Auditor
Eugene Love, Agenda Coordinator