

Memorandum



Date: July 14, 2020

To: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

TAPS
Agenda Item No. 3A

From: Carlos A. Gimenez
Mayor

Subject: Recommendation to Reject Proposals for RFP No. MDAD-07-06: Request for
Proposals for Public Private Investor Projects

Recommendation

It is recommended that the Board of County Commissioners (Board) reject all proposals received by the Miami-Dade Aviation Department (MDAD) for RFP No. MDAD-07-06, "Request for Proposals for Public Private Investor Projects" submitted by MDIA Associates, LLC (MDIA) for the development of certain land parcels at Miami International Airport (MIA), better known as Areas 3, 4 and 5, and by Hines Interests Limited Partnership (Hines) for the development of Area 4. In total, two proposals were received, one by MDIA for Areas 3, 4 and 5, and one by Hines for Area 4.

Scope

MIA is located primarily within District 6, which is represented by Commissioner Rebeca Sosa. However, the impact of this agenda item is countywide, as MIA is a regional asset.

Fiscal Impact/Funding Source

There is no fiscal impact to the County associated with the rejection of proposals received for Areas 3, 4 and 5 for RFP No. MDAD-07-06.

Track Record/Monitor

This section is not applicable, as this recommendation is for the rejection of proposals received for Areas 3, 4 and 5 for RFP No. MDAD-07-06.

Background

On June 5, 2007, MDAD advertised RFP No. MDAD-07-06 seeking proposals from qualified investors to finance, construct, renovate, manage and/or operate development projects at both MIA and at Miami Executive Airport (TMB). Two responsible, responsive firms submitted proposals to develop land parcels at MIA, including MDIA, which submitted a proposal for Areas 3, 4 and 5, and Hines, which submitted a proposal for Area 4.

The County's Competitive Selection Committee (CSC) reviewed each firm's proposal, technical presentation and price, and ranked MDIA as the highest ranked firm. In March 2008, the CSC's recommendation to negotiate with MDIA was approved and negotiations began. A series of complex issues required extensive negotiations such as: 1) zoning changes and land values, 2) market values (rent), 3) limitations on increases in land rent adjustments, 4) additional rent payments for improvements after passage of the amortization period, and 5) transfer fees, if the lease interest is transferred or sold.

Shortly after the negotiations began, the South Florida real estate economy collapsed along with the general economy nationwide. Even after the economy showed signs of improvement in 2012 and bank loans to construction projects were again becoming available, negotiations were delayed by a series of zoning issues that took time to resolve in order to allow development at MIA. Given the impact of these issues, MDIA advised MDAD they were no longer interested in Area 5. Moreover, due to a Federal Aviation Administration (FAA) policy change that no longer permits development within runway protection zones, MDAD and MDIA agreed to delete Area 4 from MDIA's development plans because of its proximity to Runway 27. FAA's policy change also impacted Area 3, as it is partially located inside the protection zone for Runway 27 resulting in a reduction of the acreage MDAD originally offered for Area 3. Additionally, since that time, MDAD and PortMiami have collaborated on a much needed fumigation facility to continue growth of cargo operations. After careful evaluation of Area 3 as a potential site for the fumigation facility, both departments concluded that it would be a viable location.

Due to these recent developments, it has been determined that it is in the best interest of the County to reject the proposals submitted by MDIA for Areas 3, 4 and 5, and by Hines for Area 4.



Jack Osterholt
Deputy Mayor



MEMORANDUM (Revised)

TO: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

DATE: September 1, 2020

FROM: Abigail Price-Williams
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
- ☐ Statement of social equity 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 present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ 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 REJECTING ALL PROPOSALS RECEIVED IN
CONNECTION WITH THE REQUEST FOR PROPOSALS FOR
PUBLIC PRIVATE INVESTOR PROJECTS AT MIAMI
INTERNATIONAL AIRPORT, RFP NO. MDAD-07-06

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum and documents, copies of which are incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby rejects all proposals received in connection with the Request for Proposals for Public Private Investor Projects at Miami International Airport, RFP No. MDAD-07-06.

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:

Audrey M. Edmonson, Chairwoman	
Rebeca Sosa, Vice Chairwoman	
Esteban L. Bovo, Jr.	Daniella Levine Cava
Jose “Pepe” Diaz	Sally A. Heyman
Eileen Higgins	Barbara J. Jordan
Joe A. Martinez	Jean Monestime
Dennis C. Moss	Sen. Javier D. Souto
Xavier L. Suarez	

The Chairperson thereupon declared this resolution duly passed and adopted this 1st day of September, 2020. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the 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.

DMM

David M. Murray