

Date: November 15, 2011

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Resolution Approving Issuance by Miami-Dade County Industrial Development Authority of Empowerment Zone Revenue Bonds in Aggregate Principal Amount not to exceed \$89,500,000 for Wexford Science & Technology, LLC

Agenda Item No. 10(A)(1)

Resolution No. R-1003-11

Recommendation

The accompanying Resolution is being placed on the agenda for consideration by the Board of County Commissioners (Board) at the request of the Miami-Dade County Industrial Development Authority (Authority).

This item approves (i) the issuance of empowerment zone revenue bonds by the Authority in the aggregate principal amount not to exceed \$89,500,000 (Bonds) for Wexford Science & Technology, LLC (Company) for purposes of the Tax Equity and Fiscal Responsibility Act (TEFRA), Section 147(f) of the Internal Revenue Code of 1986, as amended (Code); and (ii) designates the Bonds as empowerment zone bonds pursuant to Section 1394(g) of the Code.

Details about Wexford, the Bonds and the capital project to be financed are included in the accompanying memorandum from the Chairman of the Authority and the report from the Executive Director of the Authority which is an exhibit to the resolution.

Scope

The proposed project, which is the second building of the University of Miami Life Science & Technology Park (Park), will be located immediately south of, and abutting, the recently completed first building of the Park located at 1951 NW 7 Avenue. This site is within Commission District 3.

Fiscal Impact/Funding Source

Neither the Authority nor Miami-Dade County has any liability with respect to the repayment of the Bonds.

Track Record/Monitor

Issuance of the Bonds will be conducted and monitored by the Executive Director of the Authority.

Background

TEFRA requires that the Board approve the issuance of revenue bonds such as the Bonds by the Authority after a public hearing has been held either by the Authority or by the Board. For efficiency, the Board has allowed the Authority to conduct the public hearing subject to review and ratification by the Board. In addition, the Bonds must be designated as empowerment bonds by the County prior to their issuance by the Authority.

The Authority previously issued Recovery Zone Bonds on behalf of Wexford in December 2010 to finance the first building in the Park. Those bonds were authorized under the federal stimulus plan which expired at the end of 2010. Empowerment zone bonds are authorized under a different federal statute for projects located in a federally designated empowerment zone. Both programs are designed to stimulate development in order to create jobs in the community.

Attachments

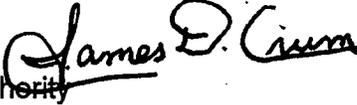
Deputy Mayor

Memorandum



Date: November 15, 2011

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: James D. Crum, Chairman
Miami-Dade County
Industrial Development Authority 

Subject: Resolution Approving Issuance of Miami-Dade County Industrial Development Empowerment Zone Bonds in amount not to exceed \$89,500,000 for Wexford Science & Technology, LLC Project

RECOMMENDATION:

It is recommended that the Board adopt the accompanying resolution that (i) for purposes of Section 147(f) of the Internal Revenue Code of 1989, as amended ("Code"), approves the issuance by the Miami-Dade Industrial Development Authority (the "Authority") of its Empowerment Zone Revenue Bonds in one or more tax exempt or taxable series in an aggregate principal amount not to exceed \$89,500,000 ("Bonds") on behalf of Wexford Science & Technology, LLC and affiliates ("Wexford"); and (ii) designates the Bonds as empowerment zone bonds pursuant to Section 1394(g) of the Code. The Bonds shall fund the capital projects described in the report of the Authority's executive director which is attached to the resolution as Exhibit A ("Project").

BACKGROUND:

The Authority adopted a resolution on August 23, 2011 ("Authority Resolution") approving the issuance of the Bonds to finance the Project and authorizing staff to conduct a public hearing and present the results to the Board of County Commissioners for Miami-Dade County (the "Board") as required by Section 147(f) of the Code. On September 23, 2011, the Authority held the public hearing pursuant to a notice published on September 9, 2011 in The Miami Herald for the purpose of giving all interested persons an opportunity to express their views in connection with the issuance of the Bonds and the nature and location of the Project as set forth in the report attached to the resolution as Exhibit C.

A portion of Miami-Dade County has been designated by the United States Secretary of Housing and Urban Development as an empowerment zone (the "Miami-Dade County Empowerment Zone") pursuant to Section 1391(g) of the Internal Revenue Code of 1986, as amended (the "Code") which affords the opportunity to non-governmental entities such as Wexford that meet certain criteria to finance capital projects located in an empowerment zone through the issuance of bonds by a governmental entity like the Authority. The County has been awarded an allocation of \$130,000,000 million. The program expires on December 31, 2011. To date, the County has not designated nor issued any empowerment zone bonds.

The Authority Resolution also authorized the issuance of the Bonds as empowerment zone bonds subject to (i) designation by the Board of the Bonds as Empowerment Zone Bonds; and (ii) final approval by the Authority of the financing documents for the Project which should take

Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners
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place at the December meeting of the Authority. The Bonds will come out of the County's \$130,000,000 allocation.

Review and analysis of the Project has been completed by the Authority, Miami-Dade County Attorney's Office, and the County's bond counsel.



MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: November 15, 2011

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

SUBJECT: Agenda Item No. 10(A)(1)

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 Manager'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. 10(A)(1)
11-15-11

RESOLUTION NO. R-1003-11

RESOLUTION APPROVING ISSUANCE BY MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF ITS EMPOWERMENT ZONE REVENUE BONDS (WEXFORD/UNIVERSITY OF MIAMI LIFE SCIENCE & TECHNOLOGY PARK PROJECT) IN ONE OR MORE TAX-EXEMPT OR TAXABLE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$89,500,000, TO FINANCE CERTAIN CAPITAL PROJECTS AT REQUEST OF WEXFORD SCIENCE & TECHNOLOGY, LLC FOR PURPOSES OF SECTION 147(F) OF INTERNAL REVENUE CODE OF 1986, AS AMENDED; AND DESIGNATING SUCH BONDS AS EMPOWERMENT ZONE BONDS UNDER SECTION 1394(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

WHEREAS, Wexford Science & Technology, LLC, a Maryland limited liability company (the “Wexford”), has requested that the Miami-Dade County Industrial Development Authority (the “Authority”) issue its Empowerment Zone Revenue Bonds in one or more tax-exempt or taxable series in an aggregate principal not to exceed \$89,500,000 (Wexford/University of Miami Life Science & Technology Park Project) (the “Bonds”) for the purpose of financing all, or a part of, the cost of the construction, installation and equipping of an approximately 297,000 square foot, multi-story building to be located in the University of Miami Life Science & Technology Park (the “Park”) for the purposes described in the report prepared by the Executive Director of the Authority which is incorporated herein by reference and attached to this resolution as Exhibit A (the “Project”); and

WHEREAS, the Authority adopted a resolution on August 23, 2011 approving the issuance of the Bonds and authorizing staff to conduct a public hearing and present the results to the Board

of County Commissioners for Miami-Dade County (the "Board") as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, on September 23, 2011, the Authority held a public hearing as required by Section 147(f) of the Code pursuant to a notice published on September 9, 2011, in The Miami Herald in the form attached to this resolution as Exhibit B for the purpose of giving all interested persons an opportunity to express their views in connection with the issuance of the Bonds and the nature and location of the Project; and

WHEREAS, after reviewing a copy of the transcript attached to this resolution as Exhibit C of the Authority's public hearing held on September 23, 2011 with respect to the Bonds and finding that the Project will inure to the benefit of the citizens of Miami-Dade County, this Board desires to approve the issuance of the Bonds for the purposes of complying with Section 147(f) of the Code; and

WHEREAS, a portion of Miami-Dade County has been designated by the United States Secretary of Housing and Urban Development as an empowerment zone (the "Miami-Dade County Empowerment Zone") pursuant to Section 1391(g) of the Internal Revenue Code of 1986, as amended (the "Code") which affords the opportunity to non-governmental entities such as Wexford that meet certain criteria to finance capital projects located in an empowerment zone through the issuance of bonds by a governmental entity like the Authority; and

WHEREAS, pursuant to Section 1391(g) of the Code, the County has until December 31, 2011 to designate up to \$130,000,000 principal amount of bonds as empowerment zone facility bonds ("Empowerment Zone Bonds") for capital projects located in the Miami-Dade County

Empowerment Zone and as of the date of this resolution, the County has not approved the issuance of any Empowerment Zone Bonds; and

WHEREAS, Wexford has represented to the Authority and to the County that the Project will be located within the Miami-Dade County Empowerment Zone; and

WHEREAS, the Authority authorized the issuance of the Bonds as Empowerment Zone Bonds pursuant to the Authority Resolution subject to (i) designation by the Board of the Bonds as Empowerment Zone Bonds; and (ii) final approval by the Authority of the financing documents for the Project; and

WHEREAS, pursuant to a request from the Authority on behalf of Wexford, this Board wishes to designate the Bonds in the aggregate principal amount of \$89,500,000 (or such lesser amount of Bonds as shall actually be issued by the Authority) as Empowerment Zone Bonds pursuant to Section 1319(g) of the Code,

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

Section 1. The issuance of the Bonds for the purpose of financing all or a part of the costs of the Project, as previously described, is approved for purposes of Section 147(f) of the Code.

Section 2. The Board designates the Bonds in an aggregate principal amount of \$89,500,000 (or such lesser principal amount of Bonds as shall actually be issued by the Authority) as Empowerment Zone Bonds pursuant to Section 1319(g) of the Code.

Section 3. The Bonds and the interest on the Bonds shall not constitute a debt, liability or general obligation of the Authority, the County or of the State of Florida (the "State") or of any

political subdivision of each, but shall be payable solely from the revenues or other moneys specifically provided by Wexford for the payment of the Bonds and neither the faith and credit nor any taxing power of the Authority, the County or of the State, as the case may be, or of any political subdivision of each, is pledged to the payment of the principal of, or interest on, the Bonds.

The foregoing resolution was offered by Commissioner **Rebeca Sosa**, who moved its adoption. The motion was seconded by Commissioner **Sally A. Heyman** and upon being put to a vote, the vote was as follows:

	Joe A. Martinez, Chairman	aye
	Audrey M. Edmonson, Vice Chairwoman	absent
Bruno A. Barreiro	aye	Lynda Bell aye
Esteban L. Bovo, Jr.	aye	Jose "Pepe" Diaz aye
Sally A. Heyman	aye	Barbara J. Jordan aye
Jean Monestime	aye	Dennis C. Moss aye
Rebeca Sosa	aye	Sen. Javier D. Souto aye
Xavier L. Suarez	absent	

The Chairperson thereupon declared the resolution duly passed and adopted this 15th day of November, 2011. 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: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Gerald T. Heffernan

WEXFORD SCIENCE & TECHNOLOGY, LLC

THE COMPANY

Wexford Science & Technology, LLC (the "Company"), created in 2005, is a privately held Maryland limited liability company with a primary address at 801 West Baltimore Street, Suite 505, Baltimore, Maryland. The Company's principals are James R. Berens, Chairman, and James C. Davis and Steven J. Bisciotti, through their investment company, Redwood Capital Investments, LLC, a Maryland limited liability company. The Company is applying on behalf of itself and its affiliates.

The Company and its affiliates were, and will be, created specifically to meet the growing and specialized needs of for-profit and non-profit institutions, including universities, university-related research parks, healthcare systems and other research institutions that are experiencing demand for facilities that outpaces their internal ability to supply such facilities. Since its inception, the Company reports it has leveraged its experience in the university marketplace to successfully meet clients' needs, as the market is considered a highly specialized, niche business which takes a unique approach to operate successfully. The Company has established strategic alliances with the industry's leading architects, engineers, general contractors and specialty consultants. The Company chooses its partners for their outstanding reputations and experience in serving all aspects of higher education, major research institutions and companies.

The Company and its affiliates report they have planned, developed/redeveloped, financed, constructed, and leased over 1,500,000 square feet of commercial space, a majority of which is highly specialized life science and support office space for major universities and research institutions. Additionally, the Company reports it has 6,000,000 square feet of remaining development potential in client research parks, encompassing the full life cycle of real estate projects including master planning, market and feasibility studies, financing, development, construction, marketing and leasing.

THE PROJECT

The Company and its affiliates report they have been selected by the University of Miami (the "University") to develop and construct the second phase of the University of Miami Life Science & Technology Park (the "Park") located on approximately 8 acres of land within the Miami Health District adjacent to the University's Miller School of Medicine. The entire Park is expected to contain 1.4 to 2 million square feet of laboratory, office and retail space in five research and development buildings, with a potential for proton therapy and other program components.

The proposed project, which is the second phase of the Park, consists of the construction of the second building in the Park ("Building 2") on the building site containing approximately 1.15 acres and located immediately south of, and abutting, the building site known as 1951 NW 7th Avenue in the City of Miami on which Building 1 in the Park was recently completed. Building 2 will include (1) a 225-room, 18 story hotel and conference center containing approximately 184,000 gross square feet,

including approximately 7,000 rentable square feet of retail and restaurant space (collectively, the "Hotel"), (2) a clinical/lab/office facility containing approximately 97,000 gross square feet, including approximately 91,000 rentable square feet of clinical/lab/office space (the "Clinical Facility"), and (3) an indoor/outdoor "rain garden" containing approximately 16,000 gross square feet, which will connect Building 2 with the recently completed Building 1 in the Park (the "Rain Garden"). Total gross square footage of Building 2, including the Hotel, the Clinical Facility and the Rain Garden, is estimated to be a minimum of 297,000 gross square feet. An architect's rendering of Building 2 is attached hereto.

The Company is requesting tax-exempt and/or taxable Empowerment Zone Revenue bond financing in an amount not to exceed \$89,500,000 to be combined with additional funds in the amount of \$22,400,000 for a total investment of approximately \$111,900,000 to facilitate construction of the project. The project is to be constructed within a Federally Designated Empowerment Zone. The Company is requesting that the Authority issue tax-exempt Empowerment Zone bonds in an amount not exceed \$89,500,000. Taxable bonds will be issued only if an element or elements of the project do not qualify for the Empowerment Zone tax-exempt financing. Also, the Company is aware that under current federal law Empowerment Zone bonds must be issued by December 31, 2011 and reports they are prepared to meet that deadline.

The Company reports it will form one or more affiliated limited liability companies, which will be owned and controlled, directly or indirectly by the Company, for the sole purpose of developing, constructing, owning and operating Building 2. Building 2 may be constructed and owned by a single affiliate of the Company, or Building 2 may be constructed and owned as a "vertical subdivision" or "condominium regime" pursuant to which the Hotel will be owned by one affiliate of the Company and the Clinical Facility will be owned by a second affiliate of the Company.

Elements of the proposed project include:

1. Land – approx. (2.44) acres:-----Leased or purchased from the University of Miami
2. Building 2 Construction – approx. (297,000) gross sq. ft., 18-story building:-----\$108,340,000

- Approximately 184,000 gross sq. ft. 225 room hotel, including: ----- \$63,940,000 conference center and approximately 7,000 rentable square feet of retail and restaurant space.
- Approximately 97,000 gross sq. ft. Clinical Facility, containing: ----- \$35,200,000 approximately 91,000 rentable sq. ft. of clinical/lab/office space.
- Approximately 16,000 gross sq. ft. indoor/outdoor Rain Garden: ----- \$ 9,200,000 which will connect Building 2 with the recently completed Building 1 in the Park.

FINANCIAL SUFFICIENCY

The Company has provided audited financial statements for the fiscal years ended December 31, 2010, 2009 and 2008.

A review of the submitted financial and related information indicates:

<u>SOURCE OF FUNDS</u>		<u>USE OF FUNDS</u>	
Bond Proceeds (1)	\$89,500,000	Building 2 Construction	\$103,840,000
		Architectural and Engineering	4,500,000
Company Equity Contribution	22,400,000	Capitalized Interest	2,360,000
		Bond Issuance Expense	1,200,000
TOTAL	<u>\$111,900,000</u>	TOTAL	<u>\$111,900,000</u>

1. Any costs related to the bond issue and development of the project which cannot be paid out of bond proceeds will be borne by the Company. Bond proceeds may include proceeds of tax-exempt Empowerment Zone bonds and/or taxable bonds.

Information relative to the proposed financial structure includes:

- Security: First mortgage fee simple or leasehold lien on assets financed with bond proceeds will secure the obligations of the owner of the project to the financial institution that issues the letter of credit described below.
- Guarantee: Letter of credit from a rated financial institution acceptable to the Authority in the full amount of the bond issue or similar credit enhancement.
- Marketing: Private placement, limited public offering or public offering in accordance with Authority's Assignment of Co-Underwriter's Policy. Co-Underwriters to be selected from qualified small business firms approved by Miami-Dade County to serve as co-managers in accordance with Authority guidelines.

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LEGAL

Since the project consists of the construction of a new building in a Federally Designated Empowerment Zone which provides services that are consistent with the intended uses of the Miami Health District, all or a portion of the project should qualify for Tax-Exempt Empowerment Zone Bond financing. Subject to Board of County Commission approval, it is anticipated any tax-exempt Empowerment Zone bonds issued by the Authority for this project would use a portion of the \$130 million issuance allocation allotted to Miami-Dade County for Empowerment Zone Bond financed projects, which under current federal law, must be utilized by December 31, 2011.

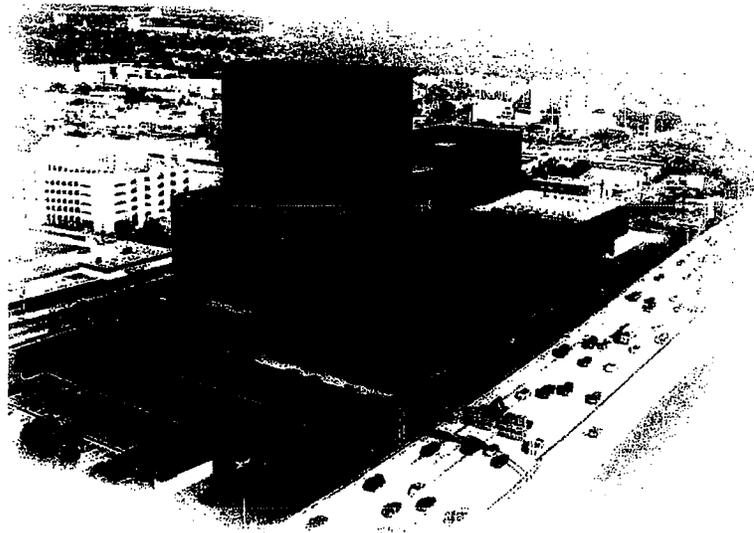
If accepted for processing by the Authority, the project will be referred to the County Attorney's Office and Bond Counsel for review and comment.

ECONOMIC IMPACT

The Company estimates that during the construction phase of Building 2, the project will generate approximately 877 direct construction and related jobs with average annual earnings of \$46,843. Within a year following completion of the project, the Company estimates that approximately 434 new direct job opportunities will be created in Building 2 with an average annual salary of \$54,781. A comprehensive analysis of projected job opportunities, including indirect and induced jobs, will be available from the Company for review.

In addition to the new job opportunities, other economic benefits will include support of local efforts to increase development and investment in the Federally Designated Empowerment Zone, and added support to the local construction industry.

UNIVERSITY OF MIAMI
LIFE SCIENCE &
TECHNOLOGY PARK



UM LSTP
R&D BUILDING 2
AERIAL VIEW – OPTION TWO

 **MIAMI-DADE COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY
TEFRA/PUBLIC HEARING**

The Miami-Dade County Industrial Development Authority (the "Authority") has been requested to issue its Empowerment Zone Revenue Bonds (Wexford/University of Miami Life Science & Technology Park Project), in one or more tax-exempt and/or taxable series in an aggregate principal amount not exceeding \$89,500,000 (the "Bonds"), the proceeds of which will be used to make a loan or loans to Wexford Science & Technology, LLC, a Maryland limited liability company (the "Company") and/or one or more affiliates thereof, for the purpose of financing all or a part of the costs of the construction, installation and equipping of an approximately 297,000 square foot, 18-story building, which will provide space for: (1) a clinical, laboratory and office facility containing approximately 97,000 square feet, including approximately 91,000 square feet of rentable clinical, laboratory and office space (the "Clinical Facility"); (2) a 225-room hotel and conference center containing approximately 184,000 square feet, including approximately 7,000 rentable square feet of retail and restaurant space (the "Hotel Facility"); and/or (3) related and appurtenant facilities containing approximately 16,000 square feet, including a connector which will connect the Project to Building 1 described below (collectively, the "Project"); to be located on a site containing approximately 1.15 acres and located immediately south of, and abutting, the building located at 1951 NW 7th Avenue, Miami, Florida ("Building 1"), within the University of Miami Life Science & Technology Park (the "Park"). The Park includes approximately eight acres of land within the Miami Health District adjacent to the University of Miami's Miller School of Medicine and is expected to contain between 1.4 and 2 million square feet of laboratory, office and retail space in approximately five research and development buildings. The Project will be the second building in the Park.

The Company will form one or more affiliated limited liability companies, which will be owned and controlled, directly or indirectly, by the Company, for the sole purpose of developing, constructing, owning and operating the Project. The Project may be constructed and owned by a single affiliate of the Company, or the Project may be constructed and owned as a "vertical subdivision" or "condominium regime" pursuant to which the Hotel Facility will be owned initially by one affiliate of the Company and the Clinical Facility will be owned by a second affiliate of the Company.

The Bonds shall not be a debt, liability or obligation of the Authority or of Miami-Dade County, Florida, or of the State of Florida, or of any political subdivision thereof, but shall be payable solely from the proceeds derived from the repayment of the related loan or loans, or from any security pledged therefor.

Please take note that the Authority will hold a public hearing concerning the issuance of the Bonds and the nature and location of the Project, at the Bickel/ BayView Center, 80 SW 8th Street, Suite 2801, Miami, Florida, on Friday, September 23, 2011 commencing at 10:00 a.m. or shortly thereafter, at which time any person may be heard regarding the proposed issuance of the Bonds and the nature and location of the Project. The Authority will submit a transcript of the statements at the hearing to the Board of County Commissioners, Miami-Dade County, Florida, which must approve or disapprove the issuance of the Bonds.

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MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

TRANSCRIPT OF PUBLIC HEARING

FRIDAY, SEPTEMBER 23, 2011

At 10:00 a.m., the Executive Director of the Miami-Dade County Industrial Development Authority announced that the Authority would proceed to hold a public hearing on the issuance of Empowerment Zone Revenue Bonds. The following is a substantially verbatim account of the proceedings of this hearing.

The following persons were present:

James D. Wagner Jr. <i>Executive Director</i>	Miami-Dade County Industrial Development Authority	80 SW 8 th Street, Ste. 2801 Miami, Florida 33130
Cynthia Castillo <i>Assistant to Executive Director</i>	Miami-Dade County Industrial Development Authority	80 SW 8 th Street, Ste. 2801 Miami, Florida 33130
Amanda Llovet <i>Chief Financial Officer</i>	Miami-Dade County Industrial Development Authority	80 SW 8 th Street, Ste. 2801 Miami, Florida 33130
Grady Muhammad <i>CEO</i>	Miami-Dade First, Inc.	5800 NW 7 th Avenue, Ste. 212 Miami, Florida 33127

Executive Director

We will now conduct the public hearing on the proposed issuance of Empowerment Zone Revenue Bonds for the capital project located in Miami-Dade County.

This public hearing is being conducted pursuant to requirements of the Federal Tax Equity and Fiscal Responsibility Act of 1982. The Act requires that in order for the interest on Empowerment Zone Revenue Bonds to be exempt from Federal Income Tax, such proposed bonds must be approved by either a voter referendum or by an applicable elected legislative body after a public hearing following reasonable public notice.

We have received a copy of a notice advising that the Industrial Development Authority will hold a public hearing on the proposed issuance of Empowerment Zone Revenue Bonds to finance all or a portion of the capital costs associated with the project mentioned in that notice. The notice appeared in The Miami Herald on Friday, September 9, 2011, page 5B.

We will now commence the public hearing. The hearing will be conducted in the following format: First, a brief synopsis of the proposed bonds and the project will be provided. Second, testimony from anyone desiring to speak will be heard. Anyone wishing to speak should give their name and address for the record.

The project for consideration is an Empowerment Zone Revenue Bond issue for Wexford/University of Miami Life Science & Technology Park project, in one or more series, from time to time, in an aggregate principal amount not to exceed \$89,500,000, the proceeds of which will be used to make a loan or loans to Wexford Science & Technology, LLC, a Maryland limited liability company and/or one or more affiliates thereof, for the purpose of financing all or a part of the costs of the construction, installation and equipping of an approximately 297,000 square foot, 18-story building, which will provide space for: (1) a clinical, laboratory and office facility containing approximately 97,000 square feet, including approximately 91,000 square feet of rentable clinical, laboratory and office space; (2) a 225-room hotel and conference center containing approximately 184,000 square feet, including approximately 7,000 rentable square feet of retail and restaurant space; and/or (3) related and appurtenant facilities containing approximately 16,000 square feet, including a connector which will connect the Project to Building 1 described below; to be located on a site containing approximately 1.15 acres and located immediately south of, and abutting, the building located at 1951 NW 7th Avenue, Miami, Florida, within the University of Miami Life Science & Technology Park. The Park includes approximately eight acres of land within the Miami Health District adjacent to the University of Miami's Miller School of Medicine and is expected to contain between 1.4 and 2 million square feet of laboratory, office and retail space in approximately five research and development buildings. The Project will be the second building in the Park.

Executive Director

The Company will form one or more affiliated limited liability companies, which will be owned and controlled, directly or indirectly, by the Company, for the sole purpose of developing, constructing, owning and operating the Project. The Project may be constructed and owned by a single affiliate of the Company, or the Project may be constructed and owned as a "vertical subdivision" or "condominium regime" pursuant to which the Hotel Facility will be owned initially by one affiliate of the Company and the Clinical Facility will be owned by a second affiliate of the Company.

Action taken by the Authority to date includes a review of the project in accordance with Authority Guidelines and Procedures and the adoption of a Memorandum of Agreement which specifies the terms of the proposed bond issue. Testimony will now be heard by anyone desiring to speak.

Grady Muhammad

Let the record reflect that Grady Muhammad, with Miami-Dade First, Inc., is in attendance. Mr. Muhammad, is there anything you would like to add?

Good Morning, My name is Grady Muhammad, President and CEO of Miami-Dade First, an 11 year old Florida non-profit corporation, advocating on behalf of business residents and organizations of Miami-Dade County. We think this is a great project. Our concerns as always will be jobs. Since this is about Empowerment Zone bond financing, we think one of the criteria the government has wanted in low income areas (empowerment zone areas) was to create jobs. Since jobs were not a great factor in the first building our concerns to the Board of County Commissioners is how would this reflect if we approve this. If we are in favor of approving it, we just want to ensure jobs are coming to the residents, direct training, contracting opportunities and potentially even community benefit trust funds. If there is a 25% ratio that must be met, which is in the contract and if it's not we have to have some kind of penalties to ensure that Wexford meets their contracted obligations.

Executive Director

Generally, this would be done by the Internal Revenue Service. If the Internal Revenue Service would determine they were not meeting those requirements, they would potentially make the company pay off the tax-exempt bonds. There is a built in criteria in that respect.

Grady Muhammad

How would the Internal Revenue Service investigate? First, someone would have to file a complaint.

Executive Director

No, the Internal Revenue Service does monitor, especially projects like this one. Sometimes they randomly select projects but since there are so few of these projects done the company is making a special effort to make sure they can attain this requirement. Wexford has been working with independent consultants. We've had a number of applicants that have filed applications trying to use the Empowerment Zone bond allocation but because of the 25%

resident requirement they have been afraid to move forward. This Company has done a lot of preparation to make sure they can meet that criteria.

This concludes the public hearing scheduled for today. This project, together with a transcript of today's public hearing, will be forwarded to the Miami-Dade County Board of County Commissioners at a regular meeting, at which time the Commission will approve or disapprove the proposed issuance of Bonds by the Miami-Dade County Industrial Development Authority.

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