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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MEMORANDUM

Agenda Item No. 8(M)(4)

TO:	Honorable Chairwoman Rebeca Sosa and Members, Board of County Commissioners	**DATE:**	October 7, 2014
FROM:	R. A. Cuevas, Jr. County Attorney	**SUBJECT:**	Resolution approving allocation of $3,000,000.00 from Economic Development Fund Project 320 of Building Better Communities General Obligation Bond Program to the Regional Health and Wellness Center and the Culinary Enterprise Center to fund certain economic development project Resolution No. R-902-14

The accompanying resolution was prepared by the Regulatory and Economic Resources Department and placed on the agenda at the request of Prime Sponsor Commissioner Barbara J. Jordan.

R. A. Cuevas, Jr.
County Attorney

RAC/cp

Memorandum

MIAMI-DADE COUNTY

Date: October 7, 2014

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

From: Carlos A. Gimenez
Mayor

Subject: Allocation of Economic Development in the Targeted Urban Areas Fund Project 320 to the Regional Health and Wellness Center and the Culinary Enterprise Center through the Opa-Locka Community Development Corporation

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Recommendation

It is recommended that the Board of County Commissioners (Board) adopt the attached resolution allocating $3,000,000.00 of funding from the Building Better Communities General Obligation Bond (BBC GOB) Program, Economic Development in the Targeted Urban Areas Fund Project 320 to the Regional Health and Wellness Center and the Culinary Enterprise Center projects (Project). The resolution directs the Mayor or Mayor's designee to begin negotiating the terms of a grant agreement with the Opa-Locka Community Development Corporation that will be presented to the Board for approval at a future date.

Scope

The proposed project will be at two locations in Commission District 1 (Commissioner Barbara Jordan). The economic impact of this project primarily benefits the Opa-Locka Targeted Urban Area but indirect benefits will also occur in areas of the county outside of the Targeted Urban Area and District 1.

Fiscal Impact/Funding Source

There will be no fiscal impact to the County with the approval of this item which simply sets a potential allocation for the recommended Project and establishes the directive to begin negotiations for a grant agreement that must come back to the Board for final approval.

Track Record/Monitor

Deputy Director of Regulatory and Economic Resources, Josh Gelfman, will monitor the creation and retention of new jobs, average salaries, private investment and any other performance measures as agreed in the respective grant agreements, 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 $15 million was allocated towards the Economic Development in the Targeted Urban Areas Fund Project 320. The Administrative Rules for the BBC GOB Program that govern Fund Project 320 were adopted by the Board under Resolution No. R-668-10 on June 15, 2010.

Funding from grant awards under Project 320 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 Project 320 include, but are not limited to, working capital, furniture and fixtures, business equipment, and non-capital related expenses.

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 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 and IRS rules governing the tax-exempt status of the General Obligation Bond Program. The disbursement of grant funds is also contingent upon the developer meeting performance measures for job creation, private investment, average salaries and other measures specified in the respective grant agreements. In the event that IRS rules require grant funds to be disbursed before performance milestones can be met, a clawback 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.

The Opa-Locka Community Development Corporation is proposing to develop a children's regional health and wellness center and culinary enterprise center, and seeks Economic Development Fund funding for both the wellness center and the culinary enterprise center. The applicant's consultants estimate that both projects combined would yield 145 new jobs by the third year of operations, increasing to approximately 243 jobs by the fifth year and potentially 630 jobs by the 15th year of operation. Both facilities would serve the residents of the Opa-Locka Targeted Urban Area. The application shows that $5,785,792 is needed to develop the culinary business incubator.

The proposed culinary center will be located at 757 Ali Baba Boulevard in Opa-Locka. The Opa-Locka Community Development Corporation proposes to construct a 20,000 SF culinary business incubator (Thrive Kitchen) on land owned by the Opa-Locka Community Development Corporation. Thrive Kitchen will offer start-ups and growing food businesses with shared-use of a licensed commercial kitchen and technical assistance in growing those businesses and hiring employees. The center will partner with Miami-Dade College's Culinary Institute to provide the technical assistance and workforce training.

The Regional Health and Wellness Center will be housed in renovated space at the Hurt Building located at 490 Opa-Locka Boulevard in Opa-Locka and requires $500,000 of investment to establish the wellness center on the first floor. The wellness center will be operated by the Jessie Trice Community Health Center, expanding their patient base and thereby creating the need for eight new full-time medical staff with an average annual compensation rate of $46,200.

The Opa-Locka Targeted Urban Area has a poverty rate of 32%, and an unemployment rate of approximately 12.8%. The median household income is approximately $22,000. Just over half the adult residents do not have a high school diploma or GED.

Prior to entering into a grant agreement, a final determination as to the Project's qualification to receive the funds will be made. The grant agreement will be presented to the Board for approval at a future date. If an agreement for the Project cannot be finalized, the funding may be reallocated by the Board. 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: October 7, 2014

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

SUBJECT: Agenda Item No. 8(M)(4)

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
Veto _____
Override _____

Agenda Item No. 8(M)(4)
10-7-14

RESOLUTION NO. R-902-14

RESOLUTION APPROVING ALLOCATION OF $3,000,000.00 FROM ECONOMIC DEVELOPMENT FUND PROJECT 320 OF BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND PROGRAM TO THE REGIONAL HEALTH AND WELLNESS CENTER AND THE CULINARY ENTERPRISE CENTER TO FUND CERTAIN ECONOMIC DEVELOPMENT PROJECT

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 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. 320 – Economic Development Fund ("Project 320") 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, the goal of Project 320 is to encourage private sector development that will create jobs and cause economic development which will have long term benefits to the community; and

WHEREAS, this Board wishes to approve an allocation of $3,000,000.00 from Project 320 to the Regional Health and Wellness Center and the Culinary Enterprise Center as recommended by the Mayor upon certain employment and salary benchmarks being met at different intervals, among other requirements, as described in the Mayor's Memorandum which accompanies this Resolution; and

WHEREAS, the individual Grant Agreement between the County and the Regional Health and Wellness Center and the Culinary Enterprise Center which incorporates such conditions shall be submitted to the Board for approval in the future,

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 $3,000,000.00 from Project 320 to the Regional Health and Wellness Center and the Culinary Enterprise Center is approved.

The foregoing resolution was offered by Commissioner **Audrey Edmonson**, who moved its adoption. The motion was seconded by Commissioner **Jean Monestime** and upon being put to a vote, the vote was as follows:

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

The Chairperson thereupon declared the resolution duly passed and adopted this 7th day of October, 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: Christopher Agrippa
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Gerald T. Heffernan

Economic Development Fund
Building Better Communities
General Obligation Bond Program

EDF General Project Overview

Opa-locka Regional Health and Wellness and Culinary Enterprise Centers

Project Title

Opa-locka Community Development Corporation

Name of Business

January 27, 2014

Date Submitted

After review of this *Project Overview* the Office of Economic Development and International Trade may request additional information including a business plan containing a market assessment, financial proformas, and development site plans. The submission of this project overview does not guarantee funding.

Jack Osterholt, Director
Regulatory and Economic Resources Department
STEPHEN P. CLARK CENTER, 111 N.W. 1st STREET, SUITE 1900
MIAMI, FLORIDA 33128
Telephone (305) 375-1254 Fax (305) 679-7895
www.miamidade.gov/oedit

MIAMI-DADE COUNTY

ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW

MIAMI-DADE COUNTY

1. BUSINESS INFORMATION

A. **Name of Business Unit:** Opa-locka Community Development Corporation

B. **Mailing Address:** 490 Opa-locka Blvd. Suite 20
Street Address
Opa-Locka, Florida 33054
City *State* *Zip Code*

C. **Primary Contact Person of Parent Company (if applicable):**
Willie Logan

D. **Title:** President/CEO
Mailing Address: 490 Opa-locka Blvd. Suite 20
Street Address
Opa-Locka, Florida 33054
City *State* *Zip Code*
Telephone: (305)687-3545 **Fax:** (305) 685-9650
Email: logan@olcdc.org **Website:** www.olcdc.org

E. **Federal Employer Identification Number:** 59-2106635

F. **Unemployment Compensation Number:** N/A-OLCDC employees are leased employees of PBS of America, Inc.

G. **Florida Sales Tax Registration Number:** N/A: Nonprofit

H. **What is the business's tax year?** (ex: Jan 1 to Dec 31): January 1 to December 31

I. **Is this business an active and duly registered for-profit Florida corporation?**
Yes ☐ No ☒ If no, please explain: Nonprofit Organization

Indicate ownership status: (Note: Responding to this question is voluntary and not required. The County does not use this information as a factor in determining the award of County funds or contracts.) Check all that apply.
Minority Owned Business ☐ Woman Owned Business ☐ Privately Owned Business ☐
Publicly Owned Business ☐ None ☐

Is this business an active and duly registered not-for-profit 501(C)(3) Florida corporation?
Yes ☒ No ☐

J. **Will the business requesting grant funds own or lease the property where the project will be located?**
Own ☒ Lease ☐ (Note: Provide a copy of the deed showing ownership or a copy of the lease.)

K. **If the business will own the property, is or will the property be encumbered by any mortgage and if so provide the balance of the mortgage(s).** See Narrative, Exhibit 2.

2. PROJECT OVERVIEW

A. Which of the following best describes this business[1]:
☐ New business unit to Miami-Dade County creating jobs.
☐ Existing Miami-Dade County business creating/expanding jobs in Miami-Dade.
(If an expansion, how many jobs are currently in the expanding business unit?) _____

[1] Must be a separate business unit or reporting unit of a business unit that is or will be registered with the State of Florida for unemployment compensation purposes.

☒ Developer building new construction for business Various; See Project Description, Exhibits 1, and 8-13 for detail (name of the company) that will be creating 630 jobs.

B. How many individuals are employed at all Florida locations? (FTE[2]) Current OLCDC: 17 Fulltime Equivalent (FTE) + 2 Part time equivalent (PTE)

C. Are any jobs being transferred from other Florida locations?

Yes ☒ No ☐ If yes, how many jobs and from where? While most jobs at the Center will be newly created, some artist jobs will be transferred from other locations in Miami-Dade County.

Why are these jobs being transferred? Increasing rents in those areas make artists' space unaffordable, potentially driving the artists out of business or out of Miami-Dade, altogether.

D. Project Location Information:

(i) What is the project's proposed location address:

See Attached List, Exhibit 2

Street Address

City *State* *Zip Code*

(ii) What is the project's current location address (if different):

Same

Street Address

City *State* *Zip Code*

(iii) Is the project location within a current or proposed Brownfield site / area?

Yes ☒ No ☐ If yes, attach a copy of the official document designating the Brownfield area.

(iv) Is the project location in an Enterprise Zone, Empowerment Zone or a Targeted Urban Area as defined in Section 30A-129(2) of the Miami-Dade County, FL Code of Ordinances?

Yes ☒ No ☐ If yes, which zone? Enterprise Zone; Targeted Urban Area; See Map, Exhibit 4

E. Give a full description of this proposed project. (Not to exceed 500 words. Be specific.)

See Attached Project Description, Exhibit 1

F. Explain how this proposed project will spur economic development, attract new businesses to Miami-Dade County and create jobs. See Attached Narrative, Exhibit 2

G. Provide a complete project line item budget, including estimated cost, sources and uses of funds, a detailed description of project elements, and the portion of the project proposing to utilize Economic Development Fund grants. (EDF grants can only be used for public infrastructure.) See Exhibit 3 and Detailed Project Budgets.

H. What proportion of gross operating revenues from this project are anticipated to represent sales to customers located outside of Miami-Dade County? (If sales are not a reasonable measure, use another basis for measure and provide explanation below.)

0-10% Explain, if necessary: Project revenue is rents, so none generated from outside. However, some tenant-business revenues could be, such as sales by artists and kitchen tenants.

[2] An FTE or "full-time equivalent" job implies at least 35 hours of paid work per week per employment position.

3. JOB AND WAGE OVERVIEW

A. How many new FTE jobs are to be created as part of this project? What are the initial average wage and benefits? See jobs chart in Attached Narrative, Exhibit 2. NOTE: While OLCDC is committing to create 630 jobs, there is potential for as many as twice that amount over the 15-year period.

Occupation	Avg. Wage	Avg Benefits	Year 20__	Year 20__	Year 20__	Year 20__	Year 20__	Year 20__
Prof., Scientist	$	$						
Research Tech.								
Senior Mgmt								
Admin. Support								
Production Wrkrs								
Other								

Jobs created, continued

Occupation	Year 20__	Year 20__	Year 20__	Year 20__	Year 20__	Year 20__	Year 20__	Year 20__	Year 20__
Prof., Scientist									
Research Tech.									
Senior Mgmt									
Admin. Support									
Production Wrkrs									
Other									

B. What employee benefits are included above? (e.g. health insurance, 401(k) contributions, vacation and sick leave, etc.) Average benefits are projected to be 25% of wages and include vacation, sick leave, FICA, Unemployment Compensation, health and dental insurance and, possibly, a 401K.

C. If this is an existing business located in Miami-Dade, then how many jobs are expected to be retained as part of this project? (Jobs in jeopardy of leaving Miami-Dade should only be included here.) N/A (Note: EDF grants cannot be used solely for the purpose of retaining existing jobs.)

D. What is the business' principal industry classification code? (Use North American Industry Classification System – NAICS.): See chart behind Tab 2.

If more than one NAICS code applies, then provide a breakdown of the project's primary business activities:

Business Unit Activities	NAICS Code	% of Project Revenues (total = 100%)	Annualized Wages Total ($)
		%	$
		%	$
		%	$

4. CAPITAL INVESTMENT OVERVIEW

A. Describe the capital investment in real and personal property (Examples: construction of new facility; remodeling of facility; upg rading, replacing, or buying new equipment. Do not include the value of land purchased for construction of a new building but include architect, engineering and design costs).

$28.8 million including GOB in new construction and rehabilitation of buildings, parking, streets and streetscape.

B. **List the anticipated amount (thousands of dollars) and type of major capital investment to be made by the applicant in connection with this project:** (Attach separate schedule if investment will be made over more than five years)

	Year 2014	Year 2015	Year ____	Year ____	Year ____
Land	$120,000	$	$	$	$
New Construction (excl. public infrastructure)	$2,070,396	$2,070,396	$	$	$
Building Renovations	$500,000	$	$	$	$
Manufacturing Equipment	$	$1,525,000	$	$	$
R & D Equipment	$	$	$	$	$
Other Equipment (computer equipment, office furniture, etc)	$	$	$	$	$
Total Capital Investment	$2,690,396	$3,595,396	$	$	$

C. **What is the estimated square footage of the new or expanded facility?** 107,134 SF plus business facades, parking and 9 blocks of street improvements

D. **What is the deadline to make the location decision (date)?** Nov 2013

E. **What is the anticipated date that construction will begin?** Nov 2013 - Nov 2014

F. **What is the anticipated construction completion date?** March 2014 - January 2016
(If this project is being built in phases, then provide a commencement and completion date for each phase.) See Attached Narrative, Exhibit 2

G. **What is the anticipated date that operations will commence?** March '14 - February '16

H. **Submit documentation demonstrating financial capacity and financial commitments using other non-County sources to complete the project.** See Attached Commitments, Tab 5.

5. PUBLIC INFRASTRUCTURE NEEDS

A. **Describe the type of public infrastructure investment needed.** Building Renovation and New Construction; Streetscape

B. **What is the total anticipated cost of public infrastructure needed for this project?** $3 Million GOB of over $6.3Million Total Development Cost

C. **EDF grants will be disbursed only after the public infrastructure investments are complete and negotiated performance benchmarks are met. Describe the business's capacity to finance the public infrastructure costs.** OLCDC will bring resources to finance the non-GOB infrastructure costs.

6. ECONOMIC IMPACT AND CORPORATE RESPONSIBILITY

A. **Provide a brief synopsis of any special economic impacts/benefits the project is expected to stimulate in the community, the County, and the rest of South Florida.** See Attached Narrative, Exhibit 2

B. Will business operations being supported with an Economic Development Fund grant establish a plan for maximizing the employment of persons with family incomes less than 80% of the County's median household income, or persons living in Census Block Groups where 50% of residents live in households with income less than 80% of the median? If yes, explain how that plan will be developed and implemented. See Attached Narrative, Exhibit 2

C. Will the business operations be conducted in LEED certified (or equivalent energy efficiency rating system) buildings? If yes, at what level of certification See Attached Narrative, Exhibit 2

Yes ☒ No ☐

D. **List and explain any criminal or civil fines or penalties or ongoing investigations or debarments that have been performed/imposed upon the company, its executives, its principals or its affiliates and any bankruptcy proceedings (within the past 10 years) of the applicant or its parent company. Do not leave this question blank. If there are no issues to be identified, write "NONE." Failure to disclose this information may result in this application being denied.** None

E. **Is the company current with all its state, local and federal taxes? If no, please explain.**

Yes ☒ No ☐

F. **Provide any additional information you wish considered as part of this review of your request for incentives or items that may provide supplementary background information on your project or company.**

7. SIGNATURES

Application Completed By:

Signature

Willie Logan Ph. D.
Name

President/CEO
Title

Opa-locka Community Development Corporation
Company

Address, if different than mailing address

305-687-3545
Phone number

(305) 685-9650
Fax Number

Logan@olcdc.org
Email Address

August 14, 2013
Date

Name of contact person, if different than above

Phone Number

Address

Logan@olcdc.org
Email Address

To the best of my knowledge, the information included in this application is accurate.

Signature (Authorized Company Officer) REQUIRED

Willie Logan Ph. D.
Name

President/CEO
Title

Opa-locka Community Development Corporation
Company

Address, if different than mailing address

305-687-3545
Phone number

(305) 685-9650
Fax Number

Logan@olcdc.org
Email Address

January 27, 2014
Date