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

MEMORANDUM

Agenda Item No. 11(A)(4)

TO:	Honorable Chairman Jean Monestime and Members, Board of County Commissioners	**DATE:**	January 21, 2015
FROM:	R. A. Cuevas, Jr. County Attorney	**SUBJECT:**	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 Resolution No. R-37-15

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

R. A. Cuevas, Jr.
County Attorney

RAC/lmp

MEMORANDUM
(Revised)

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

DATE: January 21, 2015

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

SUBJECT: Agenda Item No. 11(A)(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. 11(A)(4)
1-21-15

RESOLUTION NO. R-37-15

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

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 (the "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. 124 – Economic Development Fund ("Project 124") with a project description that states "Provide infrastructure improvements to spur economic development and attract new businesses to the community in order to create jobs"; and

WHEREAS, the goal of Project 124 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, Miami Ocean Studios, LLC. submitted an application for Project 124 funding, a copy of which is attached to this resolution as Exhibit A, for funding public infrastructure costs associated with the development of a state-of-the-art and earth friendly, film

and television studio campus all as detailed in Exhibit A to be located at the County-owned Landmark site (the "Miami Ocean Studio Project"); and

WHEREAS, this Board wishes to approve an allocation of $10,000,000.00 from Project 124 to Miami Ocean Studios, LLC for the funding of public infrastructure costs for the Miami Ocean Studio Project upon certain employment and salary benchmarks being met at different intervals, among other requirements set forth in the administrative rules of the Bond Program (the "Administrative Rules"); and

WHEREAS, the individual Grant Agreement between the County and Miami Ocean Studios, LLC 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 are approved and incorporated in this Resolution.

Section 2. This Board approves an allocation of $10,000,000.00 from Project 124 to Miami Ocean Studios, LLC as a grant to fund public infrastructure costs for the Miami Ocean Studio Project.

Section 3. The County Mayor or designee is directed to negotiate the terms of a grant agreement with Miami Ocean Studios, LLC pursuant to the Administrative Rules. The County Mayor or designee shall prepare and present a grant agreement to this Board for its consideration within one hundred twenty (120) days from the effective date of this resolution, provided, however, if the County Mayor or designee is unable to successfully negotiate the terms of such grant agreement within the requisite time period, a report detailing the status of the negotiations shall be presented to this Board instead. The County Mayor or designee shall provide the report

to this Board within one hundred and twenty (120) days from the effective date of this resolution and shall place the completed report on an agenda of the Board pursuant to Ordinance No. 14-65.

The Prime Sponsor of the foregoing resolution is Commissioner Barbara J. Jordan. It was offered by Commissioner **Barbara J. Jordan**, who moved its adoption. The motion was seconded by Commissioner **Jean Monestime** and upon being put to a vote, the vote was as follows:

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

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of January, 2015. This resolution shall become effective upon the earlier of (1) ten (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: **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

Miami Ocean Studios
Project Title

Miami Ocean Studios Enterprises, LLC
Name of Business

November 20, 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

MIAMI-DADE COUNTY

ECONOMIC DEVELOPMENT, GENERAL PROJECT OVERVIEW

1. BUSINESS INFORMATION

Name of Business Unit: Miami Ocean Studios Enterprises, LLC.

Mailing Address: 4350 SABAL PALM ROAD
Street Address

Miami — *Florida* — *33137*
City — *State* — *Zip Code*

A. Primary Contact Person of Parent Company (if applicable):
RODOLFO PAIZ

B. Title: MANAGER

Mailing Address: 4350 SABAL PALM ROAD
Street Address

MIAMI — *FLORIDA* — *33137*
City — *State* — *Zip Code*

Telephone: 786-879-0494 **Fax:** 786-360-0636

Email: rp@miamioceanstudios.com **Website:** www.miamioceanstudio.com

C. Federal Employer Identification Number: _____

D. Unemployment Compensation Number: n/a

E. Florida Sales Tax Registration Number: n/a

F. What is the business's tax year? (ex: Jan 1 to Dec 31): Jan 1 to Dec 31

G. Is this business an active and duly registered for-profit Florida corporation?

Yes ☒ No ☐ If no, please explain: _____

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.) Miami-Dade property, lease pending.

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).

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?) _____

☒ Developer building new construction for business; Miami Ocean Studios, LLC that will be creating 6,000 direct and indirect jobs.

[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.

B. How many individuals are employed at all Florida locations? (FTE[2]) ___Economic impact and job creation study currently underway, report to be delivered within 45 business days.

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

Yes ☐ No ☒ If yes, how many jobs and from where? _____

Why are these jobs being transferred? _____

D. Project Location Information:

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

Landmark Property 20000 NW 47th Ave
Street Address

Miami-Dade County *Florida* *33055*
City *State* *Zip Code*

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

_____
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? _____

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

Miami Ocean Studio (MOS) is the creation of a state-of the-art and earth friendly, film and television studio campus with a technology center featuring a Digital Media Village with a provision for ancillary businesses, studio tours, educational partnerships and other revenue streams associated with the operation of a full service film, television and digital studio complex. The facility will include ten sound stages, two water stages, multiple back-lots, production offices, post production resources, support facilities for shops and storage and areas for ancillary industry-related businesses as well as partnering with local and national educational intuitions to create an industry related learning center. Additionally, MOS will offer studio and back-lot tours and an upscale hotel with retail. Total project will exceed 900,000 sq.ft. with more than $250,000,000 in capital invested.

MOS will become one of the world's most successful providers of studio and related services to the global film and television industry.

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

F. **Explain how this proposed project will spur economic development, attract new businesses to Miami-Dade County and create jobs.** MOS will make a significant contribution to the MIAMI-DADE economic growth objectives by enhancing the competitiveness of a key growth sector and maximizing the proven potential of the creative industries sector to boost investments and exports. **One-time events** (Construction and purchases) – $250 million in construction costs and start up purchases. – 6,000 jobs. – $450 million in personal income ($75,000 per job average) – $349 million in wealth as measured by value added. – At least 900,000 square feet developed. – At least $3.6 million in state retail sales and personal income taxes

• **Ongoing operations:** – $786 million in sales (output). – 3,600 jobs – $273 million in personal income. ($75,800 per job average) – $453 million in wealth – $11.2 million in state retail sales and personal income taxes and an export value of $55 million.

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.)**

Classification / Space	Description / Comments	Total Area Ft²	Total Area Acres	Cost per Ft²	Total Cost
Miami Ocean Studios					
Land Prep, Fees & Costs	Land Clearing, Studies & Other Initial Costs				$2,500,000.00
Infrastructure Costs	Roads, Water, Electric, Sewer, Water Retention, Parking	6,969,616	160	$4.02	$28,000,000.00
Construction Program Cost Phase One	10 Stages, warehouse, offices, public tour, back-lots	650,000		$225.00	$146,250,000.00
Construction Program Cost Phase Two	Hotel, Retail and other CRE Development	250,000		$300.00	$75,000,000.00
Professional Service Costs	Design, MEP & Consultants				$6,500,000.00
Equipment Program Cost	Production, Lift, Grip & Lighting Equipment				$6,000,000.00
Initial Business Costs	Operational, Legal & Marketing Costs During Build				$1,250,000.00
Total Capital Investment					**$265,500,000.00**

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.)

80% Explain, if necessary: The MOS studio and digital media village complex will become the global leader for major film and TV productions, and gain recognition as the preferred location for international media and entertainment business. MOS will represent a hub for creative industries and opportunities for the development of skills and new innovations that are critical to the competitiveness of Miami Ocean Studio and the long-term future of the MIAMI-DADE film and television industry. Based on this model, MOS expects to attract into the territory a large amount of investments and spending from outside sources.

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? *Economic Impact and Job creation study to follow in next 45 days.*

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.) Health insurance, 401k, vacation, personal and sick days.

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.) all new jobs created (Note: EDF grants cannot be used solely for the purpose of retaining existing jobs.) The project will generate in excess of 6,000 new direct and indirect jobs.

D. What is the business' principal industry classification code? (Use North American Industry Classification System – NAICS.): _____

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 ($)
Arts & Entertainment	71	25%	$Pending report
Professional, Scientific, and Technical Services	54	25%	$ Pending report
Manufacturing	31-33	50%	$ Pending report

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). Please see chart in section 2G.

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 __1__	Year _2__	Year _3___	Year _4__	Year _5___
Land	$2mm	$	$	$	$
New Construction (excl. public infrastructure)	$100mm	$46mm	$	$75mm	$
Building Renovations	$4mm	$	$	$	$
Manufacturing Equipment	$0	$6mm	$2mm	$2mm	$2mm
R & D Equipment	$0	$	$	$	$
Other Equipment (computer equipment, office furniture, etc)	$2mm	$	$	$	$
Total Capital Investment	**$104mm**	**$52mm**	**$2mm**	**$77mm**	**$2mm**

C. What is the estimated square footage of the new or expanded facility? 650,000 sq.ft. Phase one 250,000 sq.ft. phase two. Total 900,000 sq.ft. of new construction.

D. What is the deadline to make the location decision (date)? January 2015

E. What is the anticipated date that construction will begin? November 2015

F. What is the anticipated construction completion date? January 2017 Phase1 August 2019 P2
(If this project is being built in phases, then provide a commencement and completion date for each phase.)

G. What is the anticipated date that operations will commence? January 2017 August 2019 P2

H. Submit documentation demonstrating financial capacity and financial commitments using other non-County sources to complete the project. Will be sent as soon as available.

5. PUBLIC INFRASTRUCTURE NEEDS

A. Describe the type of public infrastructure investment needed. Roads, Water, Sewer, Electric, Water Retention, Parking.

B. What is the total anticipated cost of public infrastructure needed for this project?
$28,000,000 of which we are asking for $10,000,000 in EDF grant funding.

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. Projected will be funded by a combination of equity investments, construction loan and EB5 international funding.

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.

Miami Ocean Studios will not only be a game-changer for Miami-Dade County, it will fundamentally alter Florida's film and entertainment industry landscape. A studio complex of this size and scope has not been built in Florida. The components of this project are projected to increase employment in the film, television and digital media to levels not seen in Florida to date. The ancillary impact of the revitalization of the neighborhood, construction of this movie studio complex and the additional businesses that will be attracted to the area will also have a positive economic impact on property values.

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. Yes, Economic Impact and Job creation study will be released in 45 business days.

C. **Will the business operations be conducted in LEED certified (or equivalent energy efficiency rating system) buildings?** If yes, at what level of certification – Minimum level; Gold

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.**

- Please see included project summary document.

7. SIGNATURES

Application Completed By:

RODOLFO PAIZ
Signature

RODOLFO PAIZ
Name

Manager
Title

Miami Ocean Studios Enterprises, LLC
Company

Address, if different than mailing address

786-879-0494
Phone number

786-360-0636
Fax Number

rp@miamioceanstudios.com
Email Address

November 19, 2014
Date

Name of contact person, if different than above.

Phone Number

Address

Address

rp@miamioceanstudios.com
Email Address

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

RODOLFO PAIZ

Signature (Authorized Company Officer) REQUIRED

Name

Title

Company

Address, if different than mailing address

Phone number

Fax Number

Email Address

Date