

# Miami Economic Associates, Inc.

December 14, 2015

Mr. Jack Osterholt  
Director  
Department of Regulatory and Economic Resources  
Miami-Dade County  
Miami, Florida

**Re: Application to Amend the Miami-Dade County CDMP  
Filed by International Atlantic, LLC  
November 2015 Cycle**

Dear Mr. Osterholt:

Miami Economic Associates, Inc. (MEAI) has analyzed the above-captioned application to amend the Miami-Dade County Comprehensive Development Master Plan (CDMP) in order to evaluate whether its request to re-designate approximately 194.5 gross acres of land in northwestern portion of Miami-Dade County from Industrial and Office to Business and Office merits approval. The property referenced by the application is located east of the Homestead Extension of Florida's Turnpike (HEFT) and west of Interstate 75 and extends from NW 180<sup>th</sup> Street northward to the intersection of the Interstate and the HEFT. The purpose of the proposed amendment is to allow for the development of a proposed project, to be known as the American Dream Miami, that will be comprised of 3.5 million square feet of retail space, 1.5 million square feet of entertainment space and 2,000 hotel rooms together with common areas, parking facilities and "back of the house" spaces.

The analysis contained in this report was undertaken in accordance with CDMP Land Use Policy 8E that states in part that applications requesting to amend the CDMP Land Use Map shall be evaluated to consider consistency with the Goals, Objectives and Policies of all Elements (of the CDMP) and other timely issues. It also enumerates other factors that should be considered including "the extent to which the proposal if approved would satisfy a deficiency in the Plan Map to accommodate projected population or economic growth of the County." In this regard, we also considered CDMP Land Use Policy LU-8F which states in part that "the adequacy of non-residential land supplies shall be determined on the basis of land supplies in subareas of the County appropriate to the type of use, as well as the Countywide supply within the UDB."

The purpose of this letter report is to apprise you of the findings of our analysis.

## Summary of Findings

MEAI believes that the subject application should be approved based on the following findings of our analysis:

- The Applicant, International Atlantic, LLC, is an affiliate of Triple Five Worldwide, a development company with offices in the United States, Canada and elsewhere globally that develops and operates mega shopping and entertainment complexes. Its projects include the world-renowned Mall of the Americas in the Minneapolis/St. Paul metropolitan area and the West Edmonton Mall in Alberta, Canada. The former is the largest mall in the United States while the latter is the largest mall in North America. Triple Five is currently developing a project which will be known as the American Dream New York adjacent to Met Life Stadium in the Meadowlands area of northern New Jersey. When completed, that project, which is scheduled to open in late 2016, is expected to attract 40 million visitors annually from throughout the New York Metropolitan Area and will essentially be a prototype for American Dream Miami project.
- As discussed above, American Dream Miami project will contain 3.5 million square feet of retail space, 1.5 million square feet of entertainment space, 2000 hotel rooms as well as common areas, parking and “back of the house” space. The proposed retail space is expected to include four to six department store anchors that will occupy approximately one-third of the the total retail space. The retail space will also contain approximately 340,000 square feet of food and beverage space and in-line shops offering a wide range of shoppers goods including apparel, furniture and home furnishings, electronics, health and beauty products, jewelry and accessories, sporting goods, luggage, specialty food products, etc. Personal service establishment such as hair and nail salons will also be represented in the tenant mix. Preliminary plans for the proeject indicate that the entertainment space will include a number of indoor facilities including a ski slope, an ice skating rink, a water park, a sea lion habitat, a theme park and a miniature golf course as well as a theater for live theatrical and performing arts performances and a multi-screen cinema. Other entertainment venues may include an observation (ferris) wheel and a submarine pool. The Applicant proposes develop the project in one phase and is expecting it to open in late 2019, assuming a ground breaking in early 2017.

According to information provided to MEAI by the Applicant, the project is expected to attract in excess of 30 million visitors annually and record in excess of \$1.5 billion in sales revenue. It is anticipated that more than half of the patrons will be tourists to South Florida from both domestic and international points of origin. The project's proximity to both Miami Internation Airport and Fort Lauderdale Hollywood International Airport will be an asset in this regard. These tourists are expected to account for more than half the sales at American Dream Miami. It is anticipated that they will also spend significant amounts of money off-site during their visit to South Florida. Accordingly, they will infuse significant amounts of money from outside the area into South Florida economy generally and Miami-Dade County, specifically. The

remainder of the visitors to American Dream Miami will be drawn from throughout Miami-Dade and Broward Counties, with greatest number being likely living in northern Miami-Dade County and southern Broward County.

- Review of the preliminary site plan for the American Dream Miami indicates that the project as proposed will require the entirety of the approximately 194.5 acres that are the subject of the application filed on behalf of International Atlantic LLC. According to data compiled by the Planning Division of the Miami-Dade County Department of Regulatory and Economic Resources in December, 2015, there are currently 2,463.0 vacant acres of land designated for commercial uses countywide including retail and office development. Of that total, 734.3 vacant commercial acres are located in the Northern Planning Tier, including 211.1 acres in MSA 3.1. The data further shows that only six of the County's 30 urbanized MSA's currently have more than 194.5 vacant commercial acres. In addition to MSA 3.1, they include MSA's 2.3, 3.2, 6.2, 7.4 and 7.5.

Review of the County's current land use map in conjunction with the County Property Appraiser's website shows that there no individual vacant parcels or assemblages of vacant parcels in MSA 3.1 or the other five MSA's enumerated above that are comprised of as many as 194.5 acres. Further, there are no large vacant parcels or assemblages of parcels that have access to highways comparable to the proposed site, given its location between the HEFT and Interstate 75. The proposed site's excellent highway access is critical for American Dream Miami to be able to accommodate more than 30 million visitors on a yearly basis.

Accordingly, MEAI believes that the proposed re-designation of the proposed site of the American Dream Miami from Industrial and Office to Business and Office is merited. It will satisfy a deficiency of the County's Plan Map appropriate to the proposed use --- that is, a lack of large commercial sites with excellent highway access . In so doing, it will enable the development of a project which will enhance Miami-Dade County as a tourism destination and result in the infusion of significant amounts of outside money into the the County's economy. As will be discussed further below, the project is expected to employ more than 14,500 people annually on a full-time equivalent basis and be highly beneficial fiscally to Miami-Dade County and the other governmental jurisdictions in which it is located.

- MEAI recognizes that re-designation of the American Dream Miami site will reduce the amount of vacant designated for industrial and Office use in Miami-Dade County overall as well as the County's Northern Planning Tier and MSA 3.1. In this regard, the following points are noted:
  - According to data compiled by the Planning Division of the Miami-Dade County Department of Regulatory and Economic Resources in December, 2015, there are currently 3,766.8 acres of vacant land designated for Industrial and Office use in Miami-Dade County. That information further estimates that the land so-designated throughout the County is being absorbed at a rate of 158.14 acres

per year, which means that the vacant acreage would not be fully depleted until approximately 2040, or ten years after the County's current planning horizon of 2030. Re-designation of the approximately 194.5 acres proposed as the site of the American Dream Mall would only shorten the countywide depletion period by 1.23 years, or to 2038. Further, if both the subject application and an application also submitted in the November 2015 Cycle by The Graham Companies with respect to 339 acres immediately south of the American Dream Miami site are adopted, the result would be the re-designation of a total of 533.5 acres from Industrial and Office to Business and Office use. MEAI estimates that even in that case, the remaining supply of vacant land designated for Industrial and Office use would not be depleted until approximately 3036, or 6 years beyond the current 2030 planning horizon.<sup>1</sup>

- The data referenced in the preceding paragraph further shows that there are a total of 1,626.7 vacant acres of land designated for Industrial and Office use in the County's Northern Planning Tier. Approximately 85 percent of them, 1,381.8 acres, are in MSA 3.1, which also comprises the western sub-tier of the Northern Planning Tier. All but 5.5 of the remaining 244.9 vacant acres in the Northern Planning Tier are located in MSA 2.4. The data compiled by the Planning Division indicates that at a total of 31.83 acres of land designated for Industrial and Office use are absorbed annually in the the Northern Planning Tier, including 16.08 acres in MSA 3.1. On this basis, the supply of vacant land designated for Industrial and Office use in the Northern Tier would not be fully depleted for more than 50 years while that in MSA 3.1 for nearly 86 acres. In both instances the depletion period would be well beyond the County's current planning horizon in 2030. Accordingly, even if both the subject application and the one filed by The Graham Companies are approved, resulting in the reduction of 533.5 acres from the supply of vacant land designated for Industrial and Office use, the remaining supply of land so-designated in the Northern Planning Tier and MSA 3,1 would still not be depleted until well beyond 2030.
  - Finally, MEAI recognizes that development of the American Dream Miami site with industrial and office uses could ultimately infuse money into the economy of Miami-Dade County, However, even if does, it is unlikely to do so in as great an amount as the proposed mall will. MEAI also anticipates that the impact of American Dream Miami will be realized more quickly since it will be developed in a single phase that is expected to be completed by late 2019. Development of the site with industrial uses will occur on a phased basis over a number of years that are likely to extend well beyond 2019.
- As discussed above, applications to amend the CDMP Land Use Map shall be

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<sup>1</sup> While The Graham Companies are seeking to have 339 acres re-designated to Business and Office Use, they plan to still develop significant amounts of office and industrial space on their property. However, that space will be developed in combination with hospitality, retail and residential uses as part of Employment Center rather than on a stand-alone basis.

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evaluated based on consistency in the Goals, Objectives and Policies of all the Elements of the CDMP. In the application filed on behalf of International Atlantic, LLC, notice is made of a number of policies that the application furthers including Land Use Policies LU-1A and LU-1B which encourage high intensity urban centers to developed at locations having high countywide multimodal accessibility. As discussed above, American Dream Miami will be located between and accessible from the HEFT and Interstate 75. It will also be accessible from the proposed Palmetto Express Bus route that will that run from the intersection of Interstate 75 and NW 186<sup>th</sup> Street to the Palmetto Metrorail Station.

Of particular relevance in MEAI's opinion to American Dream Miami is Economic Policy ECO-7A, which states in part that Miami-Dade County's strategy for meeting countwide employment needs for the next several years should be to emphasize its strengths in, among other sectors, the visitor industry. American Dream Miami will provide permanent job opportunities for more 14,500 workers on a FTE basis in its first full year of operations.<sup>2</sup> MEAI estimates that these workers will earn nearly \$375.0 million annually (2014 Dollars). Appendix A, which contains supplemental materials submitted with the application to amend the CDMP, provides additional information about the permanent employees at American Dream Miami and the bases of MEAI's estimate of permanent employment. The Appendix also contains information with respect to the construction employment associated with the proposed project. Assuming the project costs \$3.2 million to construct in terms "hard" costs, it is expected that \$1.44 billion will be spent on labor. This amount would be sufficient to pay for more than 23,000 worker-years of labor at an average level of \$62,550 per year (2014 Dollars). Finally, it is noted that the Applicant is committed to providing significant employment opportunities through the County's Small Business Enterprise Architectural and Engineering program and the County's Small Business Enterprise Construction Services program.

- In addition to positively impacting the economy of Miami-Dade County, the development of American Dream Mall will be highly beneficial to the County fiscally on a non-recurring basis during the development period and on an annual recurring basis once development is completed and the project commences operations. Other governmental jurisdictions in which it will be located will also benefit fiscally from American Dream Miami, including the Miami-Dade County Public School District, the Children's Trust and the State of Florida. The materials that follow describe the fiscal benefits that the project will generate.
  - During the period in which the American Dream Mall is being developed, impact fees will be paid for roads, police and fire. Based on the proposed development program and the schedule of impact fee rates currently in effect, MEAI estimates that the road impact fees that will need to be paid will potentially total in excess of \$110.0 million. Fire impact fees in the amount of

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<sup>2</sup> The actual number of people employed at the American Dream Mall on an annually basis is likely to exceed the number of FTE's since significant percentages of workers in the retail, food and beverage, hospitality and entertainment industry sectors.

\$3.35 million and police impact fees in the amount of \$2.83 million may also be paid. The actual amount that will be paid will be dependent on the extent to which the project receives credits for infrastructure improvements that International Atlantic, LLC directly funds to support the project, if any.

In addition to impact fees, it is estimated, based on the current fee schedule, that the project will need to pay \$895,280 in general building permit fees. It will also need to pay trade-related building permit fees on the work performed by its roofing, electrical, plumbing, structural and mechanical contractors. However, at this time, the plans for the project are not sufficiently detailed to estimate those fees with specificity. There is also insufficient data available currently to estimate the amount of water and sewer connection fees that will need to be paid.

- With respect to recurring fiscal benefits, a report prepared by Munilytics, a Davie-based firm that specializes in performing fiscal impact analyses for proposed projects, conservatively estimates that American Dream Mall will add \$1.36 billion to the tax rolls of Miami-Dade County and the other jurisdictions in which the project will be located including the Miami-Dade Public School District, the Children's Trust and the State of Florida. A copy of Munilytics' report was submitted as part of the supplemental materials that accompanied the amendment application and is also provided in Appendix B. The report estimates that American Dream Miami will generate more than \$13.27 million annually in ad valorem taxes for Miami-Dade County as well as more than \$10.35 million for the Public School District and \$680,000 for the Children's Trust. The distribution of the ad valorem taxes that Miami-Dade County is expected to collect annually by fund is shown below:

<b>Fund</b>	<b>Amount</b>
General Fund	\$ 6,346,900
Debt Service Fund	\$ 612,001
Fire Fund	\$ 3,292,155
Fire Debt Service Fund	\$ 11,696
Library Fund	\$ 386,240
UMSA Fund	\$ 2,622,490
<b>Total</b>	<b>\$ 13,271,482</b>

Source: Munilytics

American Dream Miami is also expected to generate more than \$23.7 million annually in non-ad valorem revenues for Miami-Dade County as shown at the top of the next page:

Mr. Jack Osterholt, Director  
Department of Regulatory and Economic Resources  
Miami-Dade County  
December 14, 2015  
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<b>Revenue Source</b>	<b>Amount</b>
Franchise Fees and Utility Taxes	\$ 1,637,338
Stormwater Fees	\$ 183,953
Communication Service Tax	\$ 228,739
Local Option Sales Tax	\$ 16,009,000
Tourism Tax	\$ 4,599,000
Business Tax Receipts	\$ 13,233
Annual Water & Sewer Utility Profit	\$ 1,032,662
<b>Total</b>	<b>\$ 23,703,915</b>

Source: Munitytics

American Dream Miami is also expected to generate more than \$79.3 million annually in sales tax revenue once it commences operations. Sales tax will also need to be paid on at least a portion of the \$1.76 billion spent on materials used to construct the project; however, there is insufficient data currently available to estimate that amount.

### **Closing**

In summary, MEAI believes that the CDMP application filed by International Atlantic, LLC should be approved because it will satisfy a deficiency on the Plan Map, thereby enabling American Dream Miami to be developed. Development of the project will be highly beneficial to Miami-Dade County economically and fiscally.

Sincerely,  
Miami Economic Associates, Inc.



Andrew Dolkart  
President

## Appendix A

### Question 10, Part 3

American Dream Miami will include no residential uses; accordingly, Table 10.3.1 has not been prepared. Table 10.3.2, immediately below, provides information on the estimated employment at the project both during the period in which it is being developed and on a permanent basis after construction is completed. For the purpose of this table, construction employment is expressed in terms of the total number of worker-years of employment that will be required to complete the proposed project during the three-year period in which it will be constructed in its entirety, which is assumed to extend from 2017 to late 2019. The estimate of permanent employment represents the number of workers that will be employed on-site annually on a full-time equivalent (FTE) basis in its first full year of operations, which is assumed to be 2020. However, it is likely that more people will work on-site annually than the number of FTE's shown because part-time workers comprise significant percentages of the people employed in the retail, food and beverage, entertainment and hospitality industry sectors. The table further assumes that all the construction workers as well as all the FTE's employed on a permanent basis annually will earn wages and salaries at or above minimum wage which currently equates to \$16,744 in the State of Florida for workers who record 40 hours a week for 52 weeks a year.

<b>Table 10.3.2</b> <b>Estimated Employment by Income Range</b> <b>American Dream Miami</b> (2014 Dollars)							
Type of Employment	\$16,744 – \$19,999**	\$20,000 – \$24,999	\$25,000 – \$29,999	\$30,000 – \$34,999	\$35,000 – \$39,999	\$40,000 or more	Total
Construction***	150	100	173	400	500	21,700	23,023
Permanent ****	4,677	4,563	2,419	1,396	387	1,088	14,530

\*\* \$16,744 equates to the annual earnings of minimum wage worker in Florida who works 40 hours a week for 52 weeks.  
 \*\*\* Total worker years over the three-year period in which construction of the project occurs.  
 \*\*\*\* Full-time equivalents on an annual basis.

Source: International Atlantic, LLC; Annual Census of Employment and Wages for Miami-Dade County, 2014; Miami Economic Associates, Inc.

The above estimate of workers-years of construction employment assumes that it will cost \$3.2 billion to construct American Dream Miami in terms of hard costs (material and labor). This figure does not include the cost of off-site infrastructure improvements that may be required but for which no estimates are currently available. It further assumes that 45 percent of the stated amount, or \$1.44 billion will be expended in the form of wages and salaries with the remainder being spent on materials. Finally, it assumes that the average construction worker building a non-residential project in Miami-Dade County will earn \$62,545. This figure is consistent with the data shown for NAICS Code 2362 in the Annual Census of Employment and Wages for Miami-Dade County for 2014, which is the most current annual wage data issued by the Florida Department of Economic Opportunity.

The above estimate of the number of FTE's that will be employed at the American Dream Miami on an annual basis assumes that all but 20,000 of the 3.5 million square feet of retail space will house 2.5 employees per 1,000 square feet, a ratio consistent with industry averages for high-volume retail facilities. A ratio of 4 employees per 1,000 square feet was assumed for the 20,000

square feet of retail space that is expected to be occupied by banks (NAICS code 522). In the absence of data from facilities comparable to the 1.5 million square feet of entertainment space, the ratio of 2.5 employees per 1,000 square feet was also applied to that use. Employment for the proposed hotels was estimated at 0.75 workers per room. This figure is also consistent with industry averages for full-service lodging units, which is the type being proposed. Finally, based on discussions with a representative of the Applicant, it was assumed that approximately 500 people would be employed at American Dream Miami in facility support services (NAICS Code 5612) to operate the entertainment retail, itself. This portion of the on-site workforce will include property management, leasing and promotional personnel as well as maintenance, security and janitorial personnel and parking attendants. The table below shows the distribution of permanent FTE's by NAICS Code as well as the average earnings of the workers in each NAICS Code based on data contained in the Annual Census of Employment and Wages for Miami-Dade County in 2014.

<b>Distribution of Permanent Workforce FTE's By Industry Sector and NAICS Code American Dream Miami</b>			
<b>Industry Sector</b>	<b>NAICS Code</b>	<b>Employees (FTE's)</b>	<b>Average Annual Earnings</b>
<b>Retail Space</b>			
Furniture and Home Furnishings	442	375	\$34,696
Electronics and Appliances	443	250	\$40,547
Specialty Food Stores	4452	125	\$24,025
Health and Personal Care	446	250	\$33,350
Clothing	4481	2,500	\$21,961
Shoes	4482	625	\$20,628
Jewelry, Leather Goods and Luggage	4483	250	\$39,568
Sports, Hobbies, Musical Instruments, Books	451	175	\$21,479
Department Stores	4521	2,875	\$21,377
Miscellaneous Store Retailers	453	125	\$30,614
Credit intermediaries (Banks)	522	80	\$79,248
Fitness Center	7139	112	\$23,350
Food and Beverage	722	850	\$21,561
Personal Services	8121	188	\$24,677
Subtotal		8,780	
<b>Entertainment Space</b>			
	713	3,750	\$25,374
<b>Hotels</b>			
	7211	1,500	\$32,775
<b>Facilities Support Services</b>			
	5612	500	\$32,324
<b>Total</b>		<b>14,530</b>	
Source: Annual Census of Employment and Wages for Miami-Dade County, 2014; Miami Economic Associates, Inc.			

With respect to the average wage information provided above, two points should be noted, as follows:

- The distribution of employment by NAICS code for retail space is based on a review of the tenant mix at the Mall of Americas in the Minneapolis/St, Paul metropolitan area, which was developed by the Applicant, and the Aventura Mall. It is provided for illustrative purposes; however, the actual distribution once American Dream Miami commences operations may be different and the variances could be significant.
- The Annual Census of Employment and Wages does not account for gratuity income of food and beverage workers, personal service workers, parking attendants, etc.
- The average figure takes into account the earnings full-time workers as well as that portion of part-time workers who are eligible for unemployment insurance. The inclusion of part-time workers probably understates the incomes of FTE's.

## Appendix B

**Local Government Revenue Generation Analysis  
American Dream Miami Proposed Mixed-Use  
Development**

**Miami Dade County, Florida**

October 5, 2015



## **Report Commission**

International Atlantic, LLC, commissioned this report, in support of the company's proposed mixed-use development in unincorporated Miami Dade County, Florida. The development contemplates the addition of 2,000 hotel rooms, and approximately 3,500,000 square feet of retail, a 1,400 seat movie theater complex, a 1,000 live venue facility, and amusement attractions that include a theme park, water park, Tivoli garden, submarine lake, art deco village, ski slope, sports center, outdoor fishing, miniature golf, all totaling 1,500,000 square feet, and common space area of 600,000 square feet.

This study is designed to estimate the annual revenues that will accrue to the various taxing authorities once the project is complete.



## Study Conclusions

The proposed project, once complete, would provide the following annual revenues to various taxing authorities:

<b>Taxing Authority</b>	<b>Annual Revenue</b>
Miami Dade County	\$ 34,352,996
Unincorporated Area MSTU	2,622,490
School Board of Miami Dade County	10,352,329
South Florida Water Management District	482,936
Florida Inland Navigation District	46,920
Children's Trust	680,001
<b>Totals</b>	<b>\$ 48,537,673</b>

- The State of Florida can expect to receive approximately \$93,624,595 annually from sales taxes and gross receipt taxes.
- The project will produce \$1,600,900,000 in sales of goods and services and leases of property.
- The project would add \$1,360,001,222 in additional taxable value to the tax base of the taxing jurisdictions.



## **Fiscal Impact To Political Subdivisions**

International Atlantic, LLC, is proposing a substantial mixed-used development that provides extensive retail, hotel, and amusement and entertainment venues. The following taxing authorities will benefit from the revenues provided by the proposed development: Miami Dade County, Unincorporated Area MSTU, School Board of Miami Dade County, South Florida Water Management District, Florida Inland Navigation District, and the Children's Trust.

Table A summarizes the various annual revenue streams that the proposed development will directly contribute to these various taxing authorities:

**(continued)**



**Table A**  
**Summary of Annual Revenues**  
**Various Taxing Authorities**

	Use	Number of Units	Or Square Footage	Assumed Number of Structures	Taxable Value	Property taxes	Stormwater Fee	Electric Franchise Taxes	Garbage Franchise Taxes
Retail	Retail		3,500,000	1.00	790,870,390	14,441,372	108,527.13	293,676.07	0.00
Theme Park	Appurtenant		370,000	1.00	37,000,000	675,624	11,472.87	7,761.44	0.00
Water Park	Appurtenant		370,000	1.00	37,000,000	675,624	0.00	7,761.44	0.00
Tivoli Garden	Appurtenant		35,000	1.00	3,500,000	63,910	1,085.27	2,936.76	0.00
Submarine Lake	Appurtenant		110,000	1.00	11,000,000	200,861	0.00	2,307.45	0.00
Art Deco Village	Appurtenant		120,000	1.00	12,000,000	219,121	3,720.93	10,068.89	0.00
Movie Theaters	Movie Theater	1,400	35,000	1.00	11,405,946	208,274	1,085.27	2,936.76	0.00
Live Venue Theater	Live Venue Theater	1,000	25,000	1.00	8,147,105	148,767	775.19	2,097.69	0.00



## Annual Sales and Gross Receipts Taxes Paid To the State of Florida

The State of Florida receives sales tax revenues on the sales of goods and services, including commercial leases and rents. It also receives Gross Receipts taxes on utilities and telecommunications. Table B summarizes the annual tax revenue from these sources:

**Table B**  
**Annual Tax Revenue To the State of Florida By Source**

<b>Source of Tax</b>	<b>Estimated Annual Amount</b>
Sales Taxes, Retail Sales, State Portion	\$ 79,316,160
Sales Taxes, Rentals of Property, State Portion	6,572,125
Gross Receipts Tax on Utilities	7,725,925
Gross Receipts Tax on Telecommunications	10,385
<b>Total Recurring Annual Revenue</b>	<b>\$ 93,624,595</b>

Retail taxes were calculated \$350//sf for retail operations. Property rentals were based upon \$35/sf for the retail. Gross Receipt taxes were based upon the latest energy costs per square foot by use and the current tax rate levied by the State of Florida.



## **Property Tax Base**

The property tax base is anticipated to grow by about \$1,360,001,222 million in current dollars if the project were completed in the current year.

Retail and theater space, together with the common area space taxable values were based upon \$226/sf for the retail portion of the project.

Hotel values were based upon an average of \$135,000 per room, while amusement and entertainment spaces were calculated using \$100/square foot assumptions.

## **Stormwater Fees**

Miami Dade County levies stormwater fees for the collection and treatment of stormwater. This is in addition to any onsite treatment and retention that may be required due to the development. The fee is \$48.00/year/ERU. An ERU is an Equivalent Residential Unit based upon an average impervious area of a single-family home in the County. Using the program elements provided, the County is expected to receive \$183,953.49 in stormwater fees annually. These funds are used exclusively for stormwater systems and maintenance.

## **Franchise and Utility Taxes**

Miami Dade County levies taxes on utilities and solid waste services in the unincorporated areas. The County levies a 5.9% electric franchise fee and a 10% utility tax on electric, water, and fuel oils, propane, and natural gas consumption. Using current estimates of consumption by square footage and use of property and then applying the applicable tax rates, we estimate that the County will receive \$1,637,337.69 annually from the taxes on these services and products.



## **Intergovernmental Revenue**

The State of Florida provides local governments with various revenues on a recurring basis. One of these revenue streams is the Communications Services Tax. The County sets the rate for this tax and it is collected by the State of Florida and the majority of it is remitted back to the County. Our estimate for taxes on these services is \$228,738.57

## **Local Option Sales Tax**

The County levies an addition \$.01 (one cent) sales tax. Based upon our estimates of sales of merchandise, rentals, and leases, our estimates is that the project will have sales that will generate \$16,009,000 annually in local option sales taxes.

## **Tourism Tax**

The County levies on customers of hotels at tourism and convention center tax of \$.06 (6 cents). Based upon our estimates of hotel room sales, the County should receive \$4,599,000 annually in this Tourism Tax.

## **Business Tax Receipts**

The County levies an annual business tax. The tax in the County varies with the use and the County's annual levy is low. Retail establishments pay \$30 plus \$3/employee. Hotels are taxed at \$40 per hotel plus \$2 per room. Based upon these factors and the current building plan, the County is expected to receive \$13,223 annually from taxes on businesses.

## **Utility Profits**

The County operates a water and sewer utility system. This system is operated on a proprietary, or for profit, basis. Much of the County's costs of operating its utility system are fixed costs. We used the County's last audited comprehensive annual financial report to calculate the



operating margin for water to be 39.5% for water and sewer. Based on our estimates of consumption (itself derived from use) we estimate that the County would net \$1,032,662 annually.

