Miami Dade County

Stephen P. Clark Government Center
111 N.W. 1st Street
Miami, Fl. 33128

LEGISLATIVE ANALYSIS

Wednesday, May 19, 2004
10:00 AM
Commission Chambers

Board of County Commissioners

Economic Development & Human Services Committee

ED & HS ITEM 3(A)
May 19, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

ORDINANCE AMENDING SECTION 2-10.4.01 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA TO PROVIDE FOR TWO-TIERED COMMUNITY BUSINESS ENTERPRISE (CBE-A/E) PROGRAM FOR ARCHITECTURAL, LANDSCAPE ARCHITECTURAL, ENGINEERING, AND SURVEYING AND MAPPING PROFESSIONAL SERVICES; DELETING LIMITATION ON AGGREGATE NET WORTH OF CBE-A/E OWNERS; PROVIDING SEVERABILITY, INCLUSION IN CODE AND EFFECTIVE DATE

Commissioner Natacha Seijas

I. SUMMARY

This Ordinance will amend the Community Business Enterprise (CBE-A/E) program to include two tiers of participants based on the three year average annual gross revenues of the CBE participating firm.

1st Tier CBE	3 year average annual gross revenues do not exceed ***$2,000,000***
2nd Tier CBE (Architectural, Engineering or Surveying and Mapping Services)	3 year average annual gross revenues do not exceed ***$4,000,000***
2nd Tier CBE (Landscape Architectural Services)	3 year average annual gross revenues do not exceed ***$6,000,000***

II. PRESENT SITUATION

Presently, participants in the CBE-A/E program who provide architectural, landscape architectural, engineering or surveying and mapping professional services are limited to those participants whose three (3) year average annual gross revenues do not exceed $2,000,000. ***Further***, the net worth of participants may not exceed $750,000 in aggregate, and the net worth of the owners of these firms is subject to audit.

III. POLICY CHANGE AND IMPLICATION

This ordinance will expand the CBE-A/E program to include businesses with three year average annual gross revenues are greater than two million dollars, but do not exceed six million dollars. Two-tiers of CBE-A/E's will be created (***see comments section***).

Additionally, this ordinance eliminates the net worth provisions contained within the ordinance as follows:

- This ordinance ***eliminates*** the mandate that no firm shall be certified as a CBE-A/E if the aggregate net worth of all of its owners is more than $750,000.

- This ordinance ***eliminates*** the requirement that the net worth of participants is subject to audit.

IV. ECONOMIC IMPACT

This amendment to the ordinance could increase CBE-A/E participation, as more mid-level firms will qualify for the program.

V. COMMENTS AND QUESTIONS

None.

ED&HS ITEM 4(A)
May 19, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING THE COUNTY MANAGER TO EXECUTE THE ECONOMIC DEVELOPMENT CONVEYANCE AGREEMENT BETWEEN SECRETARY OF THE AIRFORCE ON BEHALF OF THE UNITED STATES OF AMERICA AND MIAMI-DADE COUNTY FOR THE TRANSFER OF APPROXIMATELY 621 ACRES OF SURPLUS PROPERTY LOCATED AT THE FORMER HOMESTEAD AIR FORCE BASE; AND AUTHORIZING THE COUNTY MANAGER TO EXECUTE THE REAL ESTATE EXCHANGE AGREEMENT BY AND BETWEEN MIAMI-DADE COUNTY AND MIAMI-DADE COUNTY PUBLIC SCHOOLS IN SUBSTANTIALLY THE FORM ATTACHED HERETO

Aviation Department

I. SUMMARY

This Resolution if passes would allow the Manager to execute the Economic Development Conveyance Agreement with the United States Air Force Real Property Agency for the transfer of approximately 601 acres at the former Homestead Air Force Base.

II. PRESENT SITUATION

Miami-Dade County formally applied for the surpluses property in 1996. The process has been delayed primarily by the Homestead Air Base Developers, Inc. (HABDI) suit. In December of 2001 the County dropped out of the suit which is still in Federal Court. Because of the pending suit, the County has been hesitant to accept the land because of the uncertainty of pending legislation.

III. POLICY CHANGE AND IMPLICATION

The Agreement as presented requires the County to develop the land within seven years after the HABDI suit is over.

IV. ECONOMIC IMPACT

By allowing the County to start development after the HABDI suit is completed, the County will not run the risk of making developments to land which may later be taken away of its use changed.

V. COMMENTS AND QUESTIONS

The EDC application was based primarily on the land being used for environmental tourism and education, institutional and light industrial uses, with theprohibition of commercial aviation. Although not restricted, housing is discouraged by the Air Force because of the temporary nature of jobs created.

ED&HS ITEM 4(A)
May 19, 2004

The Base Exchange (BX Mart) has been at the verge of closing, the BCC has urged that it remain open and as a result of the Transfer of some personnel from Roosevelt Roads Naval Base in Puerto Rico to HARB maybe cause to consider keeping the Exchange open.

ED & HS ITEM 4(D)
May 19, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING THE COUNTY MANAGER OR HIS DESIGNEE TO APPROVE AN ALLOCATION CHANGE OF THE FUNDING SOURCES FOR THE CAPTIVA CLUB ASSOCIATES, LTD., AND RUNNING BROOK ASSOCIATES, LTD.; AND EXECUTE ANY NECESSARY AGREEMENTS

Miami-Dade Housing Agency

I. SUMMARY

This resolution would *retroactively* approve an allocation change of the funding sources to the Captiva Club Associates, Ltd. and Running Brook Associates, Ltd. for the following development projects: *Captiva Club Apartments* and *Running Brook Apartments.*

II. PRESENT SITUATION

Currently, Captiva Club Associates, Ltd. and Running Brook Associates, Ltd. have been allocated SHIP and/or SURTAX funds from various fiscal years for the construction of the Captiva Club Apartments and Running Brook Apartments, respectively. However, for various reasons, as delineated below, these allocations had to be changed.

III. POLICY CHANGE AND IMPLICATION

This resolution would retroactively change the allocations made to Captiva Club Associates, Ltd. and Running Brook Associates, Ltd. ***Please see chart below.***

Name/Location	Reason for Reallocation[1]	Previous Allocation	Allocation Change
Captiva Club Associates, Ltd.[2] *(SW 177th St. and 107 Ave.)*	Project could not be encumbered to meet req. of funding source. ***Project not completed.***	**SHIP 2002** $1,000,000 **SURTAX 2003** $750,000	**SHIP 2003** **SHIP 2002** $650,000 **SHIP 2003** $100,000
Running Brook Associates, Ltd.[3] *(SW 122nd Ave. and SW 200th Street)*	Funds could not be encumbered in order to meet req. of funding source because of expend., income and/or construction completion restraints. ***Project Completed***	**SHIP 2000** $250,000 **SURTAX 2001** $500,000	**SHIP 2001** **SHIP 2001**

[1] As provided in the item.
[2] According to Florida Dept. of State, Corporation Division, the Principals for Running Brook Associates, Ltd are as follows: Robert Saland; Francisco Rojo and John Fuller.

IV. ECONOMIC IMPACT

None.

V. COMMENTS AND QUESTIONS

Question:

1) Has construction begun on Captiva Club Apartments?

---

[3] According to Florida Dept. of State, Corporation Division, the Principals for Running Brook Associates, Ltd. are as follows: Stuart I. Meyers, Jorge Lopez, Leon Wolfe, Mara Mades. Florida Department of State, Corporation Division.

ED&HS ITEM 4(K)
May 19, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING A MORATORIUM ON ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTIONS OF THE COUNTY'S ENTERPRISE ZONE PROGRAM FOR BUSINESSES IN THE MIAMI INTERNATIONAL AIRPORT TERMINALS; AUTHORIZING THE PROCESSING OF NINE (9) AD VALOREM TAX EXEMPTION APPLICATIONS FILED BY AIRPORT COMPANIES PRIOR TO MAY 6, 2003; AND AUTHORIZING OTHER ENTERPRISE ZONE INCENTIVES TO REMAIN UNCHANGED UNTIL THE EXPIRATION OF THE STATE OF FLORIDA ENTERPRISE ZONE PROGRAM

Office of Community and Economic Development

I. SUMMARY

In May of 2003 the BCC instituted a moratorium on accepting and granting Ad Valorem Tax Exemptions (Tax Abatement) to businesses expanding or locating in the Miami International Airport terminals, which is part of the Enterprise Zone of Miami-Dade County. This resolution request that the applications filled before the moratorium in May be allowed.

II. PRESENT SITUATION

There are three companies whose applications have been deferred and six companies which are pending BCC Action as a result of the moratorium.

III. POLICY CHANGE AND IMPLICATION

This will allow companies who were in the application process prior to the moratorium to be grandfathered in which is in contradiction to Resolution 517-03.

IV. ECONOMIC IMPACT

75,780 dollars in total abatements have been approved at MIA Terminal-Based Companies through December of 2003. This resolution would increase that number by at least $20,000 plus four abatements for which dollar values were unavailable.

V. COMMENTS AND QUESTIONS

The same arguments as in May are still valid. Businesses want to be at MIA we do not need to provide additional stimulus.

However, it should be noted that in order for businesses to attain 100% of the Enterprise Zone Exemption they must have 20% or more of their employees to be residents of the Enterprise Zone which would be a stimulus to hire residents from the Enterprise Zone.

Applications from companies on Attachment 2 were received January 28, 2002 and March 24, 2003.

ED & HS ITEM 4(M)
May 19, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION APPROVING A ONE-TIME WAIVER TO THE COMMERCIAL REVITALIZATION PROGRAM GUIDELINES AND AUTHORIZING THE UNDERTAKING OF A JOINT COUNTY AND CITY OF MIAMI PROJECT ALONG MARTIN LUTHER KING BOULEVARD

Office of Community and Economic Development

I. SUMMARY

This resolution, if approved, will result in a waiver of the Commercial Revitalization Program (CRP) guidelines intended for a joint County and City of Miami renovation project along MLK Boulevard from Biscayne Boulevard to NW 19th Avenue .

II. PRESENT SITUATION

Currently, there are established CRP guidelines for County participation. When a property or area is located within certain cities (City of Miami, Hialeah, North Miami and Miami Beach), contributions from the municipality is required. The area of MLK Boulevard being address is located within the City of Miami. This requires a financial contribution of 25% by the County and 75% by the City; the County's share may not exceed $50,000. Among the additional requirements, the applicants for assistance must participate in a Request for Application Process.

III. POLICY CHANGE AND IMPLICATION

See comment section below for a chart comparison. This resolution will result in a waiver of CRP guidelines for this joint project intended to revitalize MLK Boulevard from Biscayne Boulevard to NW 19th Avenue. Among the waivers being proposed, the City and the County will be contributing 50% each to the project. Additionally, the County's financial contribution will exceed the maximum [of $50,000] and the County will be contributing $250,000. Instead of the RFA process, the City will select the establishments to receive funds within the selected areas. After completion of the revitalization, the businesses will be restricted from selling their business for a period of 3 years instead of 5 years.

IV. ECONOMIC IMPACT

$250,000 in Community Development Block Grant funds.

V. COMMENTS AND QUESTIONS

In addition to MLK Boulevard, this revitalization project devised by the City also includes 8th Street from 37th Avenue to I -95. However, staff indicates that the funds contributed by the County will be restricted to MLK Boulevard.

ED & HS ITEM 4(M)
May 19, 2004

Questions:

1) Have the CRP guidelines been waived before? If so, when and for what projects?

2) The City has selected the blocks for improvement. What is the criteria that will be used to select the actual properties to receive assistance?

Comparison of CRP requirements

Normal CRP process Requirements	***MLK program Requirements***
1) Participation from the City is 75% if located within the city limits. The County's contribution is 25% or a maximum of $50,000.	1) Participation from the City is 50%. The County's contribution is also 50% for a contribution amount of $250,000
2) A RFA process is required	2) There will be no RFA process
3) Applicant/owner must contribute a minimum of 10%	3) Owner contribution determined on a case by case basis not to exceed 10%
4) Businesses prohibited from selling property for five (5) years	4) Businesses prohibited from selling property for three (3) years
5) *No specific language as it relates to code violations.*	5) Work with City of Miami NET office and Team Metro to correct exterior code violations.
6) 51% of jobs created must be made available to low to moderate income residents.	6) Participating businesses are required to maintain or create jobs. *There do not appear to be any stipulations as to income levels.*

ED&HS ITEM 4(P), 4(Q), 4(R)
May 19, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

ORDINANCE RELATING TO REDEVELOPMENT OF THE 7TH AVENUE CORRIDOR COMMUNITY REDEVELOPMENT AREA GENERALLY BOUNDED BY 119TH STREET ON THE NORTH, CITY OF MIAMI 79TH STREET ON THE SOUTH, INTERSTATE 95 (I-95) ON THE EAST AND NW 7TH AVENUE ON THE WEST; ESTABLISHING REDEVELOPMENT TRUST FUND; PROVIDING FOR APPROPRIATION OF FUNDS AND CALCULATION OF INCREMENT FOR DEPOSIT INTO FUND; SETTING FORTH OBLIGATION TO APPROPRIATE TO FUND AND DURATION OF OBLIGATION; PROVIDING FOR LIMITED COUNTY APPROVAL OF DEBT; PROVIDING FOR REVIEW OF FINANCIAL RECORDS AND RIGHT OF AUDIT; PROVIDING FINDING OF PUBLIC PURPOSE; AND PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE [SEE AGENDA ITEM NO. 4(Q) & 4(R)]

Office of Community and Economic Development

I. SUMMARY

On March 16, 2004 the Board established the boundaries of the 7th Avenue Redevelopment Area. Item 4Q creates the Agency, 4P establishes the Agency's Trust Fund, and 4R approves the Redevelopment Plan.

II. PRESENT SITUATION

There are eight Community Redevelopment Agencies in the County.

III. POLICY CHANGE AND IMPLICATION

Item 4P requires the Board to commit a rate of County's Portion of Tax Increment Funds (TIF) for a period of up to 30 years. The rate can be between 50 and 95%.

Item 4R is the Redevelopment Plan to be approved.

IV. ECONOMIC IMPACT

At a rate of 95% of the County's TIF, the CRA would have projected revenues of $101,964,280 over 30 years. The 95% rate is what is suggested in the Redevelopment Plan.

If the rate were 50%, the CRA would have about $53,665,410 over 30 years which is less than the revenues used in the plan. Any rate below 95% would require reevaluation of the Redevelopment Plan.

There may be other financing options available to the CRA which may later be included in the Plan.

V. COMMENTS AND QUESTIONS

All of the County's CRAs are at a rate of 95% except for the South Miami CRA which is at 50%.

The proposed Auto Mall and other construction in the CRA is expected to be in excess of $100,000,000.

If the Board elects a rate lower than 95%, the scope of the project would have to be reevaluated.