MIAMI-DADE COUNTY

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PROCUREMENT MANAGEMENT
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CLERK OF THE BOARD
2012 MAR -7 AM 11:24
CLERK CIRCUIT & COUNTY CTS
MIAMI-DADE COUNTY, FLA.
#1

March 7, 2012

All Responding Proposers (See Distribution List)

SUBJECT: RFP No.798
Brickell Metromover Development Project

Dear Proposer:

Evaluation of the proposal tendered in response to the above cited solicitation has been completed. The County Mayor or designee has recommended award as shown in the attached document.

This notice is provided in accordance with Section 4.9 of the solicitation and Sections 2-8.3 and 2-8.4 of the Code of Miami-Dade County. Our provision of this notice also serves to confirm the lifting of the Cone of Silence from this procurement action as dictated by Section 2-11.1(t) of the County Code.

We appreciate the participation of all proposers which responded to the subject action. If you have any questions, please contact me at 305-375-4262 or jromano@miamidade.gov.

Sincerely,

J.C. Romano

J.C. Romano, CPPB
Procurement Contracting Officer

Distribution List: Swire Properties, Inc.

Attachment: County Mayor Award Recommendation

cc: Clerk of the Board
Bruce Libhaber, Assistant County Attorney
Alexander Bokor, Assistant County Attorney

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Memorandum

MIAMI-DADE COUNTY

Date:

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

From: Carlos A. Gimenez
Mayor

Subject: Recommendation to Approve the Award of a Ground Lease and a Development, Maintenance and Easement Agreement to Swire Properties, Inc.

Recommendation
It is recommended that the Board of County Commissioners (Board) adopt the attached resolution approving the award of a Ground Lease (Brickell Parcel A Vacant Land Lease) and a Development, Maintenance and Easement Agreement (Brickell Metromover Parcels B, C and D Development, Maintenance and Easement Agreement) to the Developer, Swire Properties, Inc. (Swire).

Scope
The impact of this project is countywide; however, it is located within Commission District 5.

Fiscal Impact
The project will be entirely financed by Swire. There will be no County or other governmental funding required for this project. As described further below, there will be a positive fiscal impact to the County and Miami-Dade Transit (MDT).

However, as a part of the Brickell Parcel A Vacant Land Lease, the County will receive, starting on the commencement date of the agreement, annual rent payments of $50,000 during the four-year construction period, a one-time payment of $1.1 million upon completion of construction, and additional annual rent payments of $2,100 for the remainder of the 99-year term of the lease.

Though no rent will be paid to the County pursuant to the Brickell Metromover Parcels B, C, and D, Development, Maintenance and Easement Agreement, Swire will provide supplemental landscaping under the Metromover guideway, improved vertical access to the Eighth Street Station platform and a connection from the station to the Brickell Citicentre project. Swire will donate all of these improvements to MDT and continue to maintain them for the entire term of this agreement.

Monitoring
The terms of the attached Ground Lease Agreement and of the Development, Maintenance and Easement Agreement will be monitored by Froilan Baez, Miami-Dade Transit, Acting Chief of Right-of-Way, Utilities and Property Management.

Background

On September 23, 2011, Request for Proposals (RFP) No. 798 was issued by the County under full and open competition for the development of four parcels of property located adjacent to and under the Metromover system between SE 6th Street and SE 8th Street in the City of Miami. One proposal was received in response to the RFP from Swire. The proposal was evaluated by a selection/evaluation committee. The committee recommended entering into negotiations with Swire. A negotiation committee was appointed and the two attached agreements were negotiated.

The proposed agreements, The Brickell Parcel A Lease Agreement, and the Brickell Metromover Parcels B, C and D Development, Maintenance and Easement Agreement, cover the development and use of four parcels of property acquired as part of the project under which the Brickell and Omni extensions to the Metromover were constructed. The extension project was funded, in part by the Federal Transit Administration (FTA) (75% of the funding), and the Florida Department of Transportation (FDOT) (approximately 8% of the funding) under Grant No. FL-03-0085. The remainder of the extension project was funded by the County.

The four parcels comprise a relatively small portion of the $750 million Brickell Citicentre Project being developed by Swire. The entire nine-acre project spans almost four city blocks and is planned to be constructed over several years. The four parcels of MDT property total approximately 2/3 of an acre. One of the parcels is vacant and the other three parcels are encumbered by the Metromover system, including the Eighth Street Metromover Station. These four parcels, though small, are an important element of the overall Brickell Citicentre Project.

The Brickell Parcel A Vacant Land Lease, which has a term of 99 years, covers only the one parcel of property that is not encumbered by the Metromover system, Parcel A. This vacant parcel contains approximately 9,000 square feet of property. Swire has proposed to construct a portion of a multi-level parking garage for a 455 unit condominium tower on this property. The negotiated ground lease requires the payment of rent in the amount of $50,000 per year while the building and garage are under construction. Once constructed, Swire will make a one-time payment of $1.1 million and will continue to pay rent in the amount of $2,100 per year thereafter for the remainder of the term of the agreement. The rent is structured in this manner to minimize the management and legal complexities of constructing a portion of a condominium on leased property.

The Brickell Metromover Parcels B, C, and D, Development, Maintenance and Easement Agreement covers the remaining three parcels of property that are encumbered by the Eighth Street Metromover Station and the Metromover guideway. If approved, the development portion of this agreement would be effective during the construction of the improvements with the exception of the "Climate Ribbon" (discussed below). The maintenance and easement portion of the agreement would have a ten-year term with successive ten-year automatic renewal terms. Under this agreement, Swire is proposing to completely integrate the Metromover system into the Brickell Citicentre Project. This would be accomplished by providing supplemental landscaping under the Metromover guideway, improved access to the Eighth Street Station and providing a direct connection from the station to the Brickell Citicentre project (Depictions of these improvements are shown in Schedules 2.1 and 2.2 of the attached Brickell Metromover Parcels B, C and D Development, Maintenance and Easement Agreement). The developer will donate all of these improvements to MDT and continue to maintain them for the entire term of the agreement.

As part of Phase Two of the Brickell Citicentre project, Swire will construct a "Climate Ribbon" over the Eighth Street Metromover Station through an aerial easement granted by the County, but Swirewould retain ownership and the responsibility for its maintenance. The "Climate Ribbon" is a canopy providing shade and water collection for landscaping and water features, and may include the use of solar panels to provide energy. The "Climate Ribbon" would be constructed within twelve years of the effective date of the agreement.

The project is estimated to generate, on an annual basis, the following revenue:

- $3.8 million in County ad valorem taxes
- $5.2 million in Miami-Dade County School taxes,
- $5.4 million in City of Miami ad valorem taxes
- $1.0 million in tourist taxes
- $4.8 million in local option sales taxes

It is anticipated that the project will have a very significant, positive economic impact on the community. While under construction, the project is projected to create 1,700 jobs and will, once employ 3,700 individuals once completed. Additionally, it is estimated that the project will stimulate the creation of an additional 2,500 indirect jobs. Therefore, it is in the best interest of the County to approve these Agreements.

Deputy Mayor/County Manager