MEMORANDUM

Agenda Item No. 11(A)(9)

TO: Honorable Chairman Anthony Rodriguez and Members, Board of County Commissioners

DATE: February 4, 2025

FROM: Geri Bonzon-Keenan County Attorney

SUBJECT: Resolution approving Amendment No. 1 to Grant Award Agreement between Miami-Dade County and the Phillip and Patricia Frost Museum of Science, Inc. ("Museum"), a Florida nonprofit corporation, to remove restrictions prohibiting museum from seeking financial support from the County; authorizing County Mayor to execute said amendment and exercise all provisions contained therein

Resolution No. R-139-25

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Keon Hardemon.

for

Geri Bonzon-Keenan
County Attorney

GBK/uw

MEMORANDUM

(Revised)

TO: Honorable Chairman Anthony Rodriguez and Members, Board of County Commissioners

DATE: February 4, 2025

FROM: Geri Bonzon-Keenan, County Attorney

SUBJECT: Agenda Item No. 11(A)(9)

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**

_______ **Statement of social equity 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 present ____, 2/3 membership ____, 3/5's ____, unanimous ____, majority plus one ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3) (h) or (4)(c) ____, CDMP 9 vote requirement per 2-116.1(4)(c) (2) ____) 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)(9)
2-4-25

RESOLUTION NO. R-139-25

RESOLUTION APPROVING AMENDMENT NO. 1 TO GRANT AWARD AGREEMENT BETWEEN MIAMI-DADE COUNTY AND THE PHILLIP AND PATRICIA FROST MUSEUM OF SCIENCE, INC. ("MUSEUM"), A FLORIDA NONPROFIT CORPORATION, TO REMOVE RESTRICTIONS PROHIBITING MUSEUM FROM SEEKING FINANCIAL SUPPORT FROM THE COUNTY; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE SAID AMENDMENT AND EXERCISE ALL PROVISIONS CONTAINED THEREIN

WHEREAS, on July 20, 2004, this Board adopted Resolution No. R-919-04 authorizing the issuance of general obligation bonds for cultural, library and multicultural educational capital projects and on November 2, 2004, a majority of voters of Miami-Dade County approved the Building Better Communities General Obligation Bond Program ("Bond Program"); and

WHEREAS, the Bond Program specifically included funding for a new Miami Museum of Science and Planetarium Facility ("Science Museum") in the amount of $165,000,000.00 which the County provided to the Phillip and Patricia Frost Museum of Science, Inc., a Florida nonprofit corporation ("Frost Museum Inc.") for the construction of the Science Museum; and

WHEREAS, the Science Museum was completed in 2017 and has been a wild success with over 3.8 million visitors to date since opening in May of 2017 and currently has over 13,000 member households; and

WHEREAS, average, the Science Museums receives around 800 visitors on weekdays and 2,500 visitors on weekends and is projecting an annual attendance of 718,000 visitors this year; and

WHEREAS, the Science Museum also offers many programs to benefit children and families in our community, including but not limited to:

- Working with Miami-Dade County Public Schools to provide science experiences throughout the 2023-2024 school year for 36 Title I schools (1,700 students) at no cost to the schools;
- Operating an Early Childhood Hands on Science (ECHOS) program provided at no cost to 13 schools (one school in each County Commission District) where pre-K teachers will receive curriculum, materials, professional learning opportunities and at-home activities for families; and
- Being recognized by the University of Miami's NSU Center for Autism and Related Disabilities for creating welcoming spaces for individuals on the autism spectrum, related disabilities, and their family members;

WHEREAS, Science Museum's operating budget for this fiscal year is $24,500,000.00, and each year since opening, Frost Museum Inc. has been successful in generating additional earned revenue through pricing optimization, new partnerships with a focus on tourism, and effective marketing campaigns; and

WHEREAS, the Science Museum's earned revenue has increased by over $7,300,000.00 since its fiscal year 2022; and

WHEREAS, back in 2016, during the construction of the Science Museum, Frost Museum Inc.'s total project costs increased significantly, and Frost Museum, Inc. did not timely meet its fundraising goals leading to this Board's approval of Resolution No. R-266-16 to allow the County to issue an additional $45,000,000.00 of debt backed by conventional development tax ("CDT") bonds to grant to the Frost Museum Inc. to cover its funding shortfall; and

WHEREAS, the County and Frost Museum Inc. entered into a Grant Award Agreement for the $45,000,000.00 of CDT bond funds in April of 2016 and said Grant Agreement contained certain terms and conditions relating to the funding of Grantee's operations that are no longer applicable or necessary; and

WHEREAS, specifically, the Grant Agreement required the Frost Museum Inc.'s board of trustees to pass a resolution and to agree in the Grant Agreement that the Frost Museum Inc. would not seek County operational subsidies or County financial support before the County retired and paid off the financing debt for the $45,000,000.00 of CDT bonds; and

WHEREAS, since its opening, the Science Museum has operated with a balanced budget; and

WHEREAS, the County and the Frost Museum Inc. desire to amend the CDT Grant Agreement to remove these restrictions,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Approves the foregoing recitals and incorporates them into this resolution.

Section 2. Approves Amendment No. 1 to the Grant Award Agreement between the County and the Frost Museum, Inc. in substantially the form attached hereto and authorizes the County Mayor or County Mayor's designee to execute same and exercise all provisions contained therein.

The Prime Sponsor of the foregoing resolution is Commissioner Keon Hardemon. It was offered by Commissioner **Oliver G. Gilbert, III**, who moved its adoption. The motion was seconded by Commissioner **Danielle Cohen Higgins** and upon being put to a vote, the vote was as follows:

Anthony Rodriguez, Chairman **nay**
Kionne L. McGhee, Vice Chairman **aye**

Marleine Bastien	**aye**	Juan Carlos Bermudez	**aye**
Kevin Marino Cabrera	**aye**	Sen. René García	**aye**
Oliver G. Gilbert, III	**aye**	Roberto J. Gonzalez	**aye**
Keon Hardemon	**aye**	Danielle Cohen Higgins	**aye**
Eileen Higgins	**aye**	Raquel A. Regalado	**nay**
Micky Steinberg	**aye**		

The Chairperson thereupon declared this resolution duly passed and adopted this 4th day of February, 2025. This resolution shall become effective upon the earlier of (1) 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

JUAN FERNANDEZ-BARQUIN, CLERK

By: **Basia Pruna**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. MRP

Monica Rizo Perez
Sophia Guzzo

<u>AMENDMENT NO. 1 TO GRANT AWARD AGREEMENT</u>

This AMENDMENT NO. 1 (the "Amendment 1") to the to the Grant Award Agreement, dated April xxx, 2016 ("Grant Agreement"), is entered into this day of , 2024, ("Effective Date") by and between Miami-Dade County, a political subdivision of the State of Florida (the "County"), and the Phillip and Patricia Frost Museum of Science, Inc., a Florida nonprofit corporation ("Grantee" and, together with the County, the "Parties").

WHEREAS, on July 20, 2004, the Board adopted Resolution No. R-919-04 authorizing the issuance of general obligation bonds for cultural, library and multicultural educational capital projects and on November 2, 2004, a majority of voters of Miami-Dade County approved the Building Better Communities General Obligation Bond Program ("Bond Program"); and

WHEREAS, the Bond Program specifically included funding for a new Miami Museum of Science and Planetarium Facility ("Frost Science") to be developed and operated by Grantee in the amount of $165,000,000.00 which the County provided to the Grantee for the construction of the Science Museum; and

WHEREAS, during the construction of the Frost Science, Grantee's total project costs increased significantly, and Grantee did not timely meet its fundraising goals leading to the County issuing an additional $45,000,000.00 of debt backed by conventional development tax ("CDT") bonds to grant to the Science Museum to cover its funding shortfall; and

WHEREAS, the Parties entered into the Grant Agreement for the $45,000,000.00 of CDT bond funds in April of 2016 and said Grant Agreement contained certain terms and conditions relating to the funding of Grantee's operations that are no longer applicable or necessary; and

WHEREAS, Frost Science was completed in 2017 and has operated with a balanced budget ever since; and

WHEREAS, following immense success, to continue fulfilling their public purpose, the Parties desire to amend certain terms and conditions of the Grant Agreement,

NOW, THEREFORE, in consideration for the mutual promises and covenants contained in this Amendment 1, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Grantee agree as follows:

WITNESSETH:

1. <u>Recitals.</u> Grantee and the County agree that all of the foregoing recitals are true and correct, and incorporated by this reference in this Amendment 1.

2. <u>Valid Amendment</u>. Grantee and the County agree that this Amendment 1 amends the Grant Agreement in accordance with Section 31 thereof.

3. Effect of Amendment. Grantee and County agree that all of the terms and conditions in the Grant Agreement remain in full force and in effect, except for such terms and conditions that are expressly amended by this Amendment 1.

4. Defined Terms. Grantee and County agree that, unless specifically defined herein, all of the capitalized terms used but not defined in this Amendment 1 shall have the respective meanings set forth in the Grant Agreement.

5. Representations of Grantee. Grantee and the County acknowledge and agree that Section 3 subsection (d) of the Grant Agreement is hereby revised as follows, with deletions reflected by double-brackets and strike-throughs:

> 3. **Representations of the Grantee**: The Grantee covenants and warrants the following, as evidenced by the resolution from the Grantee's Board of Trustees attached hereto as Exhibit G and other exhibits provided by the Museum and attached to this Agreement:
>
> (a) That it has, in combination with the Funding Allocation, the amount of funding necessary for the completion of the Project as set forth in the updated Project Description. The additional sources of funding are listed in Exhibit 2;
> (b) That the Funding Allocation along with other funding sources identified in the Project Budget attached to Exhibit 2 are sufficient funds to complete the Project per the updated Project Description and ensure that its major features are operational;
> (c) That it shall cover all of the Project's construction cash flow needs an operational expenditures from the time the balance of the Bond Allocation is used to the time that the Funding Allocation to be provided pursuant to this Agreement is available (anticipated to be April 18, 2016). (Exhibit G);
> (d) That the Grantee shall [[~~not, either directly or indirectly, seek operational subsidies or financial support from the County (Exhibit G) before the date that the County completes repayment of the CDT Bonds, and during this time it will~~]] operate the Project with a balanced budget;

6. Conditions Precedent for the CDT Grant. Grantee and the County acknowledge and agree that Exhibit A titled "Conditions Precedent for the CDT Grant" is hereby revised as follows, with deletions reflected by double-brackets and strike-throughs:

> 9. A resolution by the Museum's board of trustees representing and covenanting [[~~that it shall not seek County operational subsidies or support until the County retires the financing debt for the $45 million grant (estimated to be no more than 20 years) and~~]] that it will operate the Museum with a balanced budget.

7. This Amendment 1 may be executed in counterparts, each of which shall be deemed an original and all of which together constitute one and the same instrument. Facsimile or electronically transmitted signatures shall be deemed for all purposes to be originals.

8. This Amendment 1 shall constitute a part of the Grant Agreement and references to the Grant Agreement hereafter shall automatically include a reference to this Amendment 1.

IN WITNESS WHEREOF, Phillip and Patricia Frost Museum of Science, Inc., and Miami-Dade County have caused this Amendment 1 to be executed on the date first above written.

Phillip and Patricia Frost Museum of Science, Inc.

By: ____________________

Print: __Dr. Douglas Roberts____

Title: __President & CEO____

Dated: __February 21, 2024.

Witness: ____________________

Typed Name: _ Todd L. Schafer ____

Witness: ____________________

Typed Name: _ Joseph A. Quiñones ____

Miami-Dade County, Florida

By: ____________________

Print: ____________________

Title: ____________________

Dated: ____________________, 2024.

Approved as to Form and Legal Sufficiency:

____

Assistant County Attorney

ATTEST:

____

By: Clerk of the Board