



# OFFICE OF THE MAYOR MIAMI-DADE COUNTY, FLORIDA

CARLOS ALVAREZ  
MAYOR

June 26, 2007

Congressman Kendrick B. Meek  
U.S. House of Representatives  
1039 Longworth House Office Building  
Washington, D.C. 20015

Congressman Meek:

I was surprised and disappointed to read your June 25 letter concerning federal funds made available to the Miami-Dade Empowerment Trust's Poinciana Industrial Center Biopharmaceutical Park. As the former chair of the Task Force on Urban Economic Revitalization between 2002 – 2005, when the project funding was sought, you are undoubtedly aware of the loan review process and how funding is allocated. In fact, during your tenure as Chair of the Task Force, the loan application, as well as the commitment letter was approved November 1, 2005 for \$3.0 million for the above referenced project.

To address the issues raised in your letter, please note:

\$3 million of Section 108 funding, approved by the Task Force for Urban Economic Revitalization, was drawn down in anticipation of a loan closing for the project. The loan closing never occurred. No further funds will be requested to support this program under the current master developer.

Although a loan application was approved for the project, a loan closing has never occurred and funds have not been disbursed. No funds have been improperly expended related to this project. Costs have been incurred of \$97,857 associated with handling fees on the draw down. We are pursuing recovery from PBP Building #6, LLC (owned by the developer, Dennis Stackhouse).

- We agree that federal funds for this project should not be diverted outside the Targeted Urban Areas.

As you are well aware, the Empowerment Trust (the master developer for this project) is a 501(c)3, not-for-profit organization that has a separate legislative body wholly separate from County government. The County support for the Empowerment Trust does not include funding for the Poinciana Industrial Center Biopharmaceutical Park, but rather is limited to funding for specific projects approved by the Board of County Commissioners.

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As to the Poinciana Parking Garage Project approved by the County in January 2007, a number of safeguards are in place to protect our interest and funding. This rather extensive set of safeguards has already protected our interest. A default letter is being sent to the developer. We will strictly monitor and continue to be vigilant. I should point out that no County funds have been expended on the garage.

Please be advised that the County is taking the necessary steps to terminate its formal relationship through Memorandum of Understanding (approved July 1999) with the Empowerment Trust. In the meantime, I suggest you directly communicate with T. Willard Fair, Chairman of the Board of the Empowerment Trust.

Yours truly,



Carlos Alvarez  
Mayor

c: Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners  
George M. Burgess, County Manager  
Aundra Wallace, Chief Executive Officer, Miami Dade Empowerment Trust