MEMORANDUM

To: Council Members  AGENDA ITEM 8

From: Staff

Date: January 18, 2013 Council Meeting

Subject: Southeast Overtown/Park West Community Redevelopment Agency - Grant Assistance for U.S. Economic Development Administration Grant Program

Introduction

In November, 2012 the Executive Director of the Southeast Overtown/Park West Community Redevelopment Agency (SEOPW CRA) contacted Council staff to discuss the possibility of engaging TCRPC to prepare and package an economic development grant application to the U.S. Economic Development Administration (EDA). A written request for a proposal for grant technical assistance from Council to the SEOPW CRA was submitted to Council on January 11, 2013 (attached). The purpose of this report is to seek the authorization from Council to prepare and submit to the SEOPW a formal proposal to deliver the grant technical assistance, and to negotiate and execute a related professional services agreement for the provision of such services.

Background

The proposed grant assistance entails an adaptive re-use project at the Miami Hospitality and Culinary Institute located in the Historic Overtown Neighborhood of Miami, Florida. The project components include a culinary arts school, a hospitality institute, and a banquet facility.

Since 2008, the Hospitality Institute has provided training, industry fairs, and referral services to the Miami community. With the requested funding, the current program will be expanded to include the addition of a Culinary Institute with job training, banquet facilities, and an entrepreneurship component. The project will be located in an historic church building that will be substantially rehabilitated. The basement, main, and mezzanine levels will be converted to accommodate a training and banquet kitchen, multi-purpose training area with computer labs, a banquet hall or ballroom, and space for offices and storage.

Workforce development will be a major component of the project. Through targeted job training and efforts to increase entrepreneurship, the project will develop a skilled workforce that will fulfill current and future business needs. Additionally, through local employers who have committed to provide jobs, the Institute will provide much needed employment to an economically distressed and underserved area of Miami.
Recommendation

Council should authorize the Executive Director, in consultation with Council’s attorney, to provide a written proposal and contract to the Southeast Overtown/Park West Community Redevelopment Agency and negotiate a final contract as necessary.

Attachment
Greg Vaday

From: Woods III, Clarence E. [CWoods@miamigov.com]
Sent: Friday, January 11, 2013 11:25 AM
To: Greg Vaday
Cc: iguick@torpc.org; Arscott, Chelsea
Subject: EDA Grant for Overtown Community Center
Attachments: Narrative Description-EDA.docx

Greg,

Please accept this e-mail as a request for your assistance in helping the Southeast Overtown/Park West Community Redevelopment Agency ("SEOPW" "CRA") with its grant application to the United States Economic Development Administration ("EDA"). The CRA, as a part of its training initiatives, will transform a historic church into a multi-purpose community center (see attachment draft narrative). Partial funding for the center has been approved by the CRA Board and we are looking to leverage those funds with a grant from EDA.

Because our last experience working with the Treasure Coast Regional Planning Council was fruitful, we truly would like to partner again on this new venture. If you have question, I can be reached by cell at 786-514-0891. Thanks

Clarence E. Woods, III, Executive Director
SEOPW Community Redevelopment Agency
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"Creating Opportunities for Community Empowerment"
The City of Miami’s Hospitality and Culinary Institute will be located in the Historic Overtown neighborhood of Miami, Florida. Overtown is located just north of Downtown Miami and was a flourishing neighborhood, once known as “the Black economic and social Mecca of South Florida”. Overtown was nearly obliterated by 1965, as most of it had been destroyed for highway construction and “urban renewal”. The ten lane, interstate 95 expressway and Miami’s primary north-south artery as well as the East-West Dolphin Expressway were built directly through the center of Overtown in the 1960’s. Thriving businesses which were the cornerstone of Overtown’s economy and neighborhoods families had called home for decades were decimated. Today, except for the Southeast Overtown/Park West Redevelopment area, the community, remains in a declining state. The housing is substandard, abandoned and boarded-up buildings form eyesores throughout, there are minimal social services, a lack of employment and economic opportunities.

Miami struggles with a 24-month average unemployment rate of 10.61% compared to the 8.65% U.S. rate. In Overtown, the larger Miami community’s lack of jobs and developed workforce, declining real estate market and extreme poverty, is magnified. Miami’s Overtown community is stifled by a striking 21% unemployment rate. It also has a very low median income of $13,212, 54% of residents over 25 years do not have a high school diploma, 63.5% of working age adults are not actively looking for work, and an overall depressed economy lacking economic development opportunities.

Despite Miami’s struggles, its hospitality industry welcomes millions of new visitors each year and continues to fuel the city and state’s economic engine and jobs. Its year round sunny, semi-tropical climate and miles of pristine beaches, man-made and natural attractions, shopping, nightlife and array of arts and culture are assets which aid Miami’s ability to sustain and grow its hospitality industry. Miami-Dade, Miami’s county, ranks No.1 for revenue per available room and average daily rate (February 2012). With 87.8% daily hotel occupancy, Miami-Dade ranks second only to Oahu Island. In the City of Miami alone, there are over 6,700 hotel rooms. Furthermore, the Leisure and Hospitality sector is projected to have the fourth largest employment increase among all sectors in the regional economy with an annual growth of 2%. It is estimated that the region will have over 80,000 jobs by 2015. The challenge, however, will be to find skilled workers to work in this industry.

Since 2008 the Hospitality Institute has provided job readiness training and hospitality industry job fairs and referral services to the Miami community. With EDA funds, the program will be expanded to include the addition of a Culinary Institute with job training, banquet
facilities and an entrepreneurship component. The project will be located in a historic church building at 300 NW 11 Street, Miami, FL. It is a 4,600 square feet, one story concrete block structure comprised of a main level, basement and balcony/mezzanine level. It declined over the years, and will be substantially rehabilitated to house the new Hospitality and Culinary Institute. The basement will be converted into a training and banquet kitchen and a multipurpose training area with computer labs. The main level will serve as a banquet hall or ballroom. The balcony or mezzanine level will be used as office space and storage facilities.

Workforce development is a major economic development need for Miami to successfully promote a healthy and dynamic economy. Skilled laborers are an asset critical to the prosperity and sustainability of the economy. Job creation and entrepreneurship are also important needs which must be addressed. These concerns are mentioned in the South Florida Regional Planning Council, Comprehensive Economic Development Strategy (CEDS) 2007 report and will be addressed by the construction and subsequent operation of the Hospitality and Culinary Institute. Job training will address the CEDS by serving two purposes, development of a workforce to match current and future business needs and targeted job training for participants. Further, the entrepreneurship component will address the need to increase entrepreneurial efforts in the City of Miami. The Hospitality and Culinary Institute will also satisfy the EDA’s priority to serve economically distressed and underserved communities. It will use the aforementioned strategy of workforce development, targeted job training and dedicated efforts to increase entrepreneurship. The institute will also provide residents with links to ###### related jobs provided by local employers who have committed to providing jobs to graduates.

Hospitality and Culinary Institute will help support an economically and distressed area in Miami while fostering job creation and private investments, as promoted by the EDA grant. Residents of an area with unemployment rates twice as high as the national average will be afforded the opportunity to be trained and acquire the skills to work in an expanding industry.