

# Green City Miami Economic Impact Report.

NEW DATA ANALYSIS AND RESEARCH ON THE POSITIVE ECONOMIC IMPACT OF GREEN CITY IN  
MIAMI-DADE COUNTY.



June 30, 2021

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BusinessFlare has reviewed and analyzed the Green City CDMP Amendment application packet, proposed concept plans, and other accompanying data submitted in support of the request to amend Miami-Dade County's Urban Development Boundary ("UDB") so as to include the 320-acre application area inclusive of the 280-acre Green City residential and industrial development project within the UDB **located within Miami-Dade County's Urban Expansion Area ("UEA") Number 2**. For purposes of this Economic Impact Analysis and Economic Statement, the following factors need to be considered in determining whether the requested UDB expansion should be approved.

- That the Project:
  - Demonstrates that a job to housing ratio of at least 1.5:1, is available within five miles of the subject property or will be provided on-site for future residents.
    - **The project provides a job to housing unit ratio of at least 1.5 on site as follows:**
      - **3,458 jobs**
      - **2,080 residential units**
      - **3,458 jobs / 2,080 housing units = 1.66**
  - Demonstrates that the project satisfies a deficiency in the Plan Map to accommodate projected population or economic growth for the County; and
    - **The project helps correct a deficiency to provide the additional housing necessary to accommodate the growth projections of the project's MSA (6.1)**
  - Demonstrates the proposed amendment will have a positive net fiscal impact.
    - **The project provides a one-time fiscal benefit to Miami-Dade County of \$36.7 million**
    - **The project provides recurring fiscal benefit to Miami-Dade County of \$4.6 million annually beginning in the first year of occupancy, which will increase as the project stabilizes and succeeds, resulting in taxable value growth.**

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## PROJECT HIGHLIGHTS

- **Description:** The Green City development is proposed to provide jobs and housing in close proximity to the region's workforce. The development includes single family attached townhome units and Class-A Industrial development with significant job creation.
- **Land and Location:** The subject property includes the area west of 167th Avenue and east of Krome Avenue between SW 64th Street and SW 72nd Street (Sunset Drive). The vacant property has been under ownership by the developer since 2009, allowing appreciable savings on land costs to be passed along to future homeowners through lower housing costs.
- **Justification and Vision:** The development proposes workforce housing and nearby jobs in an area of Miami Dade County not currently served by Class-A Industrial.
- **Phasing:** The applicant envisions the project will be phased in over a ten-year period, beginning with the industrial component adjacent to Krome Avenue. The developer is already in discussions with an interested logistics user.
- **Uses and Scale:** Consisting of total acreage of 280 acres, the project is broken into the following acreage.
- **Phase I**
  - 120 acres of industrial use on the West Side of the project
    - 1,750,000 square feet of industrial space
    - 40 acres of park/open space as a buffer between uses and to protect the abutting west Well Field wellheads
  - 160 acres of residential homes and townhomes on the East Side of the project
    - 2,080 residential units
      - 10% - Two-bedrooms
      - 80% - Three bedrooms
      - 10% - Four-bedrooms
    - 40 acres of park and open space which will also serve as a buffer for the west Well Field wellheads

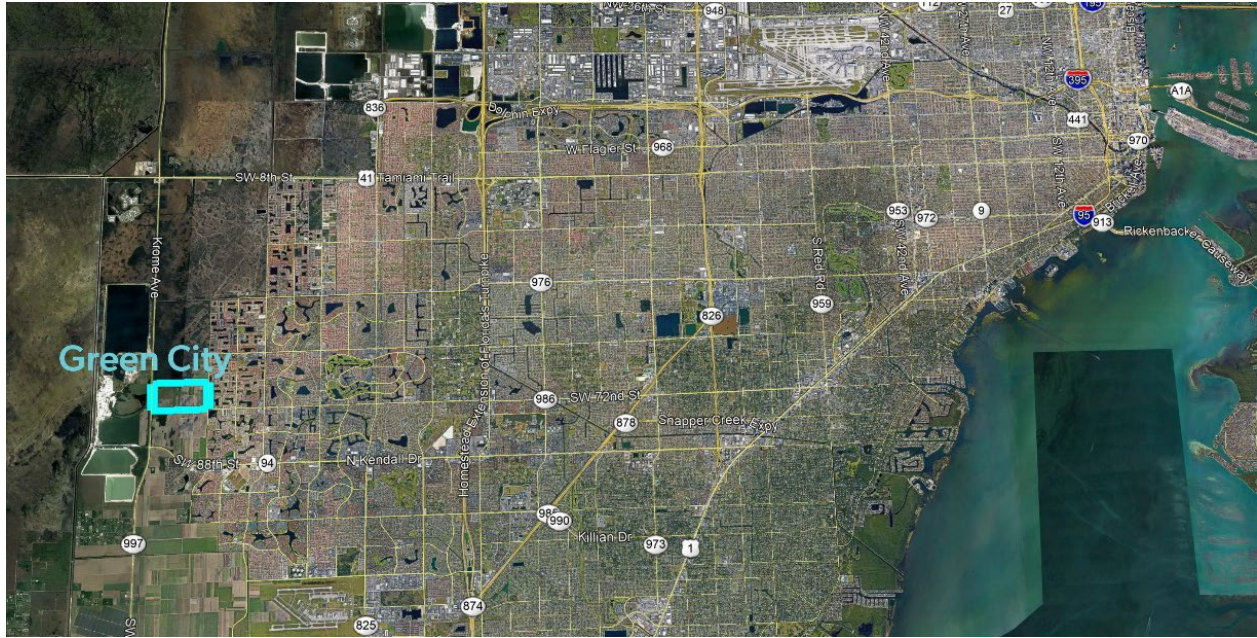


Figure 1: Project Location Map

## PROJECT OPPORTUNITIES

- **Preserve:** Green City preserves the natural character of the West Dade area through its environmentally friendly design and the incorporation of 80-acres of open space to benefit both the industrial and residential components of the campus-like setting.
- **Enhance:** Green City provides townhome housing to enhance other housing product types in west Miami Dade County for households ranging from 80% to 140% of Area Median Income (AMI).
- **Expose:** Green City exposes the need for more housing in west Miami-Dade County as younger families seek less urban density.
- **Invest:** Green City invests in creating industrial job opportunities to diversify the mix of job opportunities in west Miami-Dade.
- **Capitalize:** Green City is shovel-ready and able to capitalize on the growing demand for private sector investment in job creating industrial uses and more affordable housing.

## INDUSTRIAL ANALYSIS

BusinessFlare reviewed data compiled by the Research Section of the Planning Division of Miami-Dade County's Department of Regulatory and Economic Resources. Additional data sources were incorporated and have been referenced in this Economic Impact Analysis. The BusinessFlare method of assessment and evaluation, includes review through the lens of the following economic drivers: **Land, Labor, Capital, Markets, and Regulation.**

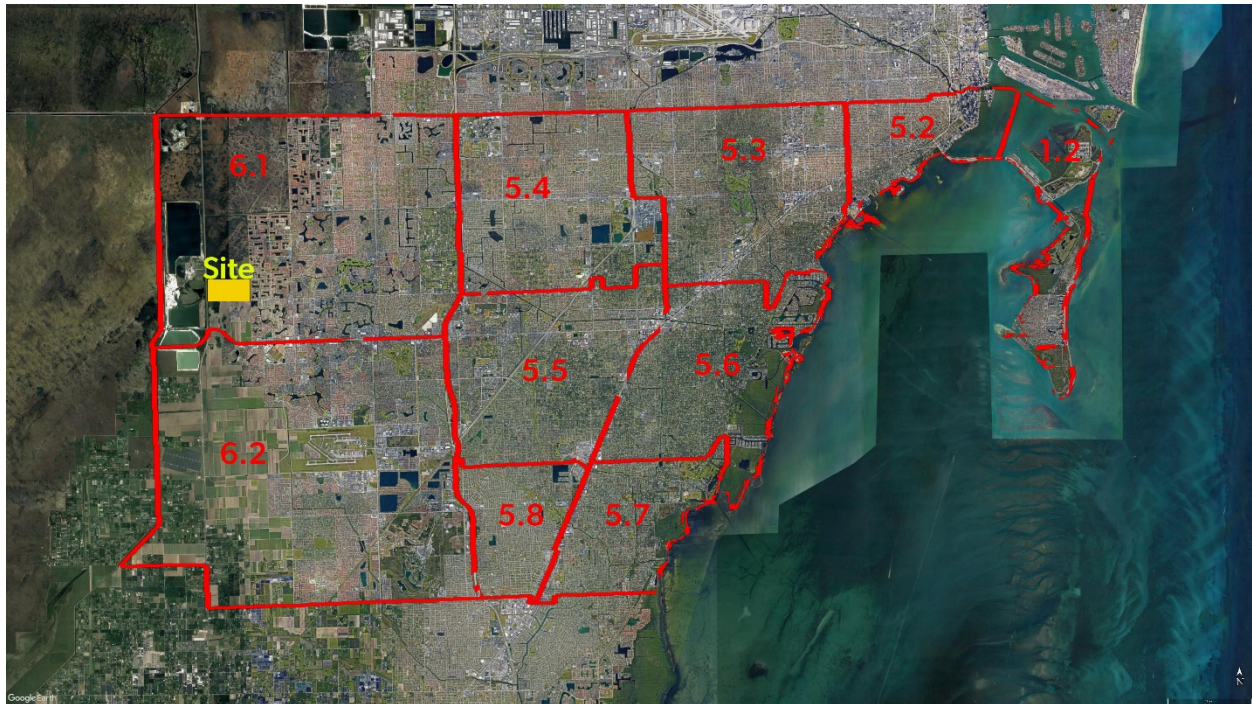


Figure 2: South Central Tier MSAs

### Land

The review of industrial land at the Countywide, Tier, and MSA levels includes analysis of available land, existing inventory, product types, absorption rates, pricing, and future planned industrial development, including land that may not see development in the foreseeable future. The data provides critical information in demonstrating near-term industrial demand for a large-scale logistics facility near a major transportation node.

There is limited vacant industrial land available throughout Miami-Dade County, but this is especially true in the South Central Tier where industrial land is projected to be depleted by 2030. MSA 6.1, where Green City is located, is already out of industrial land although demand for industrial space in this area remains, as is demonstrated later in this report. There are currently 102.38 vacant industrial acres in the South Central Tier, and 92.63 of these vacant acres are in MSA 6.2.

<b>INDUSTRIAL DEMAND</b>				
	<b>Vacant 2020 Acres</b>	<b>2020 Acres In Use</b>	<b>Avg Annual Absorption</b>	<b>Projected Year of Depletion</b>
Countywide	2,661	13,327	94	2040+
South Central Tier	102	949	10	2030
MSAs	93	631	10	
<b>MSA 6.1</b>	-	12	0	2020
MSA 6.2	93	619	9	2030

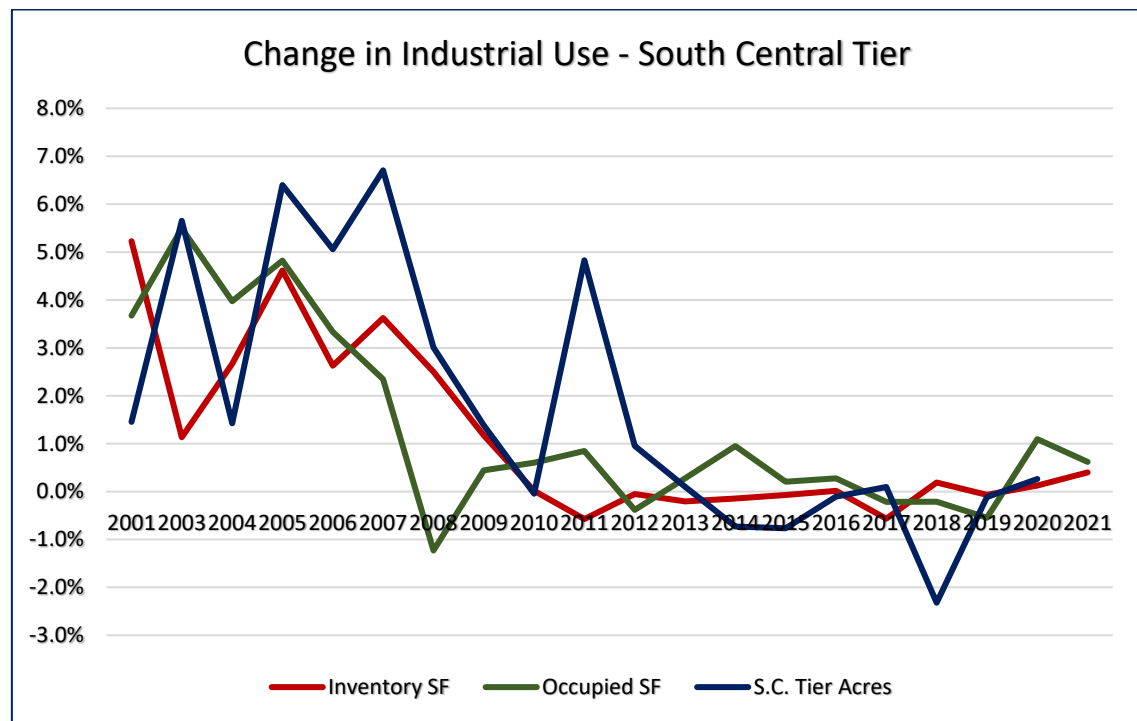
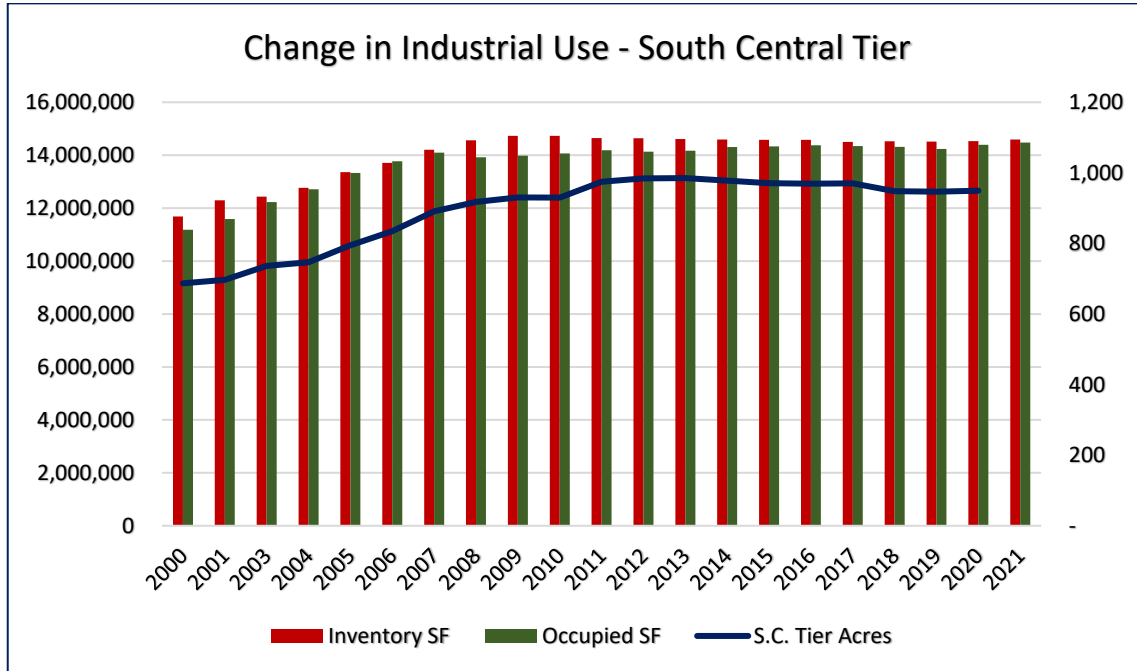
Source: Miami-Dade County Planning Division

MSA 6.1 has limited industrial land, and no vacant land available. The adjacent MSA 6.2 also has limited industrial land, and only 93 of its 619 acres are vacant. Additionally, the ability to absorb the remaining vacant industrial acreage in MSA 6.2 is limited due to the inability of the smaller parcels that make up that vacant land to meet current market needs for large scale industrial and logistics space.

<b>CHANGE IN INDUSTRIAL USE – MSAs 6.1 and 6.2</b>			
	<b>MSA 6.1 Acres</b>	<b>MSA 6.2 Acres</b>	<b>Both</b>
2000	-	327.4	327.4
2001	-	337.4	337.4
2003	-	389.3	389.3
2004	-	389.3	389.3
2005	-	446.2	446.2
2006	-	488.4	488.4
2007	4.4	549.2	553.6
2008	12.2	558.2	570.4
2009	12.2	572.1	584.3
2010	12.2	571.9	584.1
2011	12.2	617.1	629.3
2012	12.2	625.7	637.9
2013	12.2	627.0	639.2
2014	12.2	627.0	639.2
2015	12.2	627.4	639.6
2016	12.2	625.9	638.1
2017	12.2	625.9	638.1
2018	12.2	614.5	626.7
2019	12.2	614.5	626.7
2020	12.2	618.5	630.7

Source: Miami-Dade County Planning Division

As the following charts which merge land use with real-time market conditions demonstrates, while in the South Central Tier there has been a small decline in the total acreage dedicated to industrial uses, the overall market and inventory of total and occupied industrial square feet has continued to show demand.



Source: Miami-Dade County Planning Division (S.C. Tier Acres) and CoStar (Occupied SF and Inventory SF)

The following map highlights key vacant industrial properties in the northern part of Miami-Dade County. Although highlighted, some of these properties, such as the property in green in the center of the map, are not expected to see development or investment for a long time.

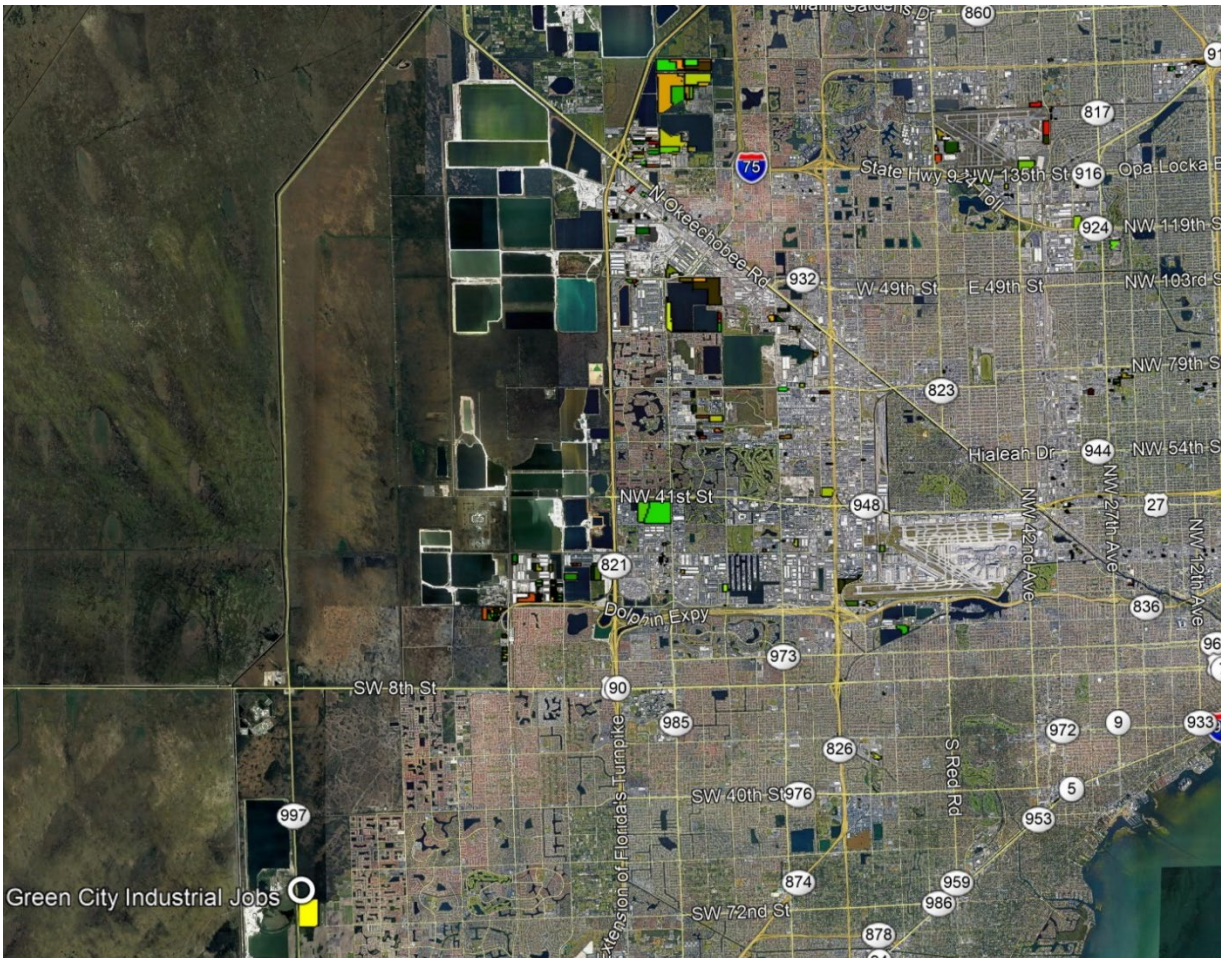


Figure 3: Vacant Industrial Sites in Northern Miami-Dade County. Source: Miami-Dade County Planning Division



The following map of vacant industrial properties in the southern part of the county also demonstrates the challenges to provide the large scale industrial and logistics projects needed by the market, and the very limited ability to provide new industrial investment and jobs south of the 836 Corridor.

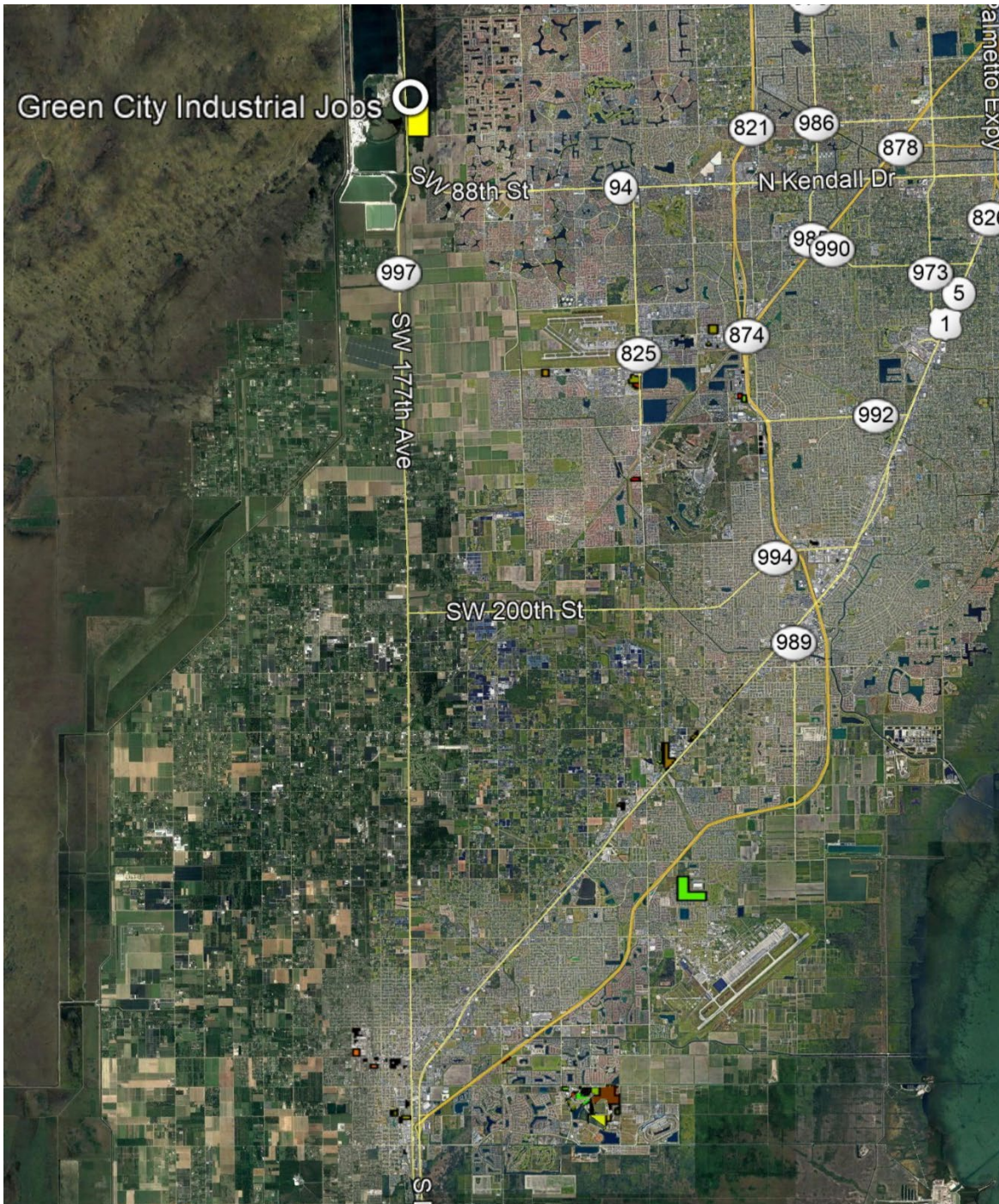


Figure 4: Vacant Industrial Sites in Southern Miami-Dade County. Source: Miami-Dade County Planning Division

## Labor

The review of industrial labor at the Countywide, MSA, and 5-mile radius-levels includes analysis of the labor market for the applicable industrial industries of manufacturing, wholesale trade, transportation, and warehousing. The data provides critical information to determine location and numbers of existing industrial workforce, numbers of available jobs, inbound and outbound commuting of industrial workers, overall workforce numbers, and overall job numbers. The analysis highlights the demand for industrial jobs and ability of the local labor force to absorb new industrial jobs. In addition, one-time construction jobs are also highlighted.

The following table provides Miami-Dade County's estimates of industrial employment, with a 20-year average of 21.6 employees per acre of industrial land.

INDUSTRIAL EMPLOYMENT - COUNTYWIDE				
	Employment	Industrial Acres	Jobs/Acre	Change in Acres
2000	243,631	10,716	22.73	
2001	242,917	10,820	22.45	103.70
2003	236,895	11,025	21.49	102.65
2004	242,331	11,026	21.98	1.20
2005	247,300	11,574	21.37	547.30
2006	250,541	11,656	21.50	81.80
2007	256,989	11,746	21.88	90.10
2008	253,014	11,945	21.18	199.30
2009	237,132	11,866	19.98	-79.00
2010	236,636	11,889	19.90	22.60
2011	241,478	12,076	20.00	187.40
2012	247,919	12,129	20.44	53.00
2013	255,112	12,147	21.00	17.60
2014	264,465	12,323	21.46	176.80
2015	274,568	12,552	21.87	229.10
2016	282,502	12,528	22.55	-24.20
2017	293,970	12,907	22.78	378.60
2018	294,398	13,101	22.47	193.70
2019	297,634	13,166	22.61	65.80
2020	300,482	13,327	22.55	160.62
		Average:	<b>21.6094</b>	
2025	305,972	14,186	21.57	171.84
2030	313,303	14,526	21.57	67.98
2035	320,285	14,850	21.57	
2040	328,119	15,213	21.57	

Source: Miami-Dade County Planning Division

Based on the County's average of 21.6094 employees per acre of industrial land, the industrial component of Phase 1 of the Green City project will generate approximately 3,458 new jobs for the area.

$$160 \text{ acres} \times 21.6094 = 3,458$$

In addition to the direct jobs that will be created, the project will support an additional 1,216 indirect and 630 induced jobs, for total job support by the project of 5,305 jobs.

In addition to utilizing the County's overall industrial employment per industrial acre, we also evaluated similar uses in Florida and elsewhere in the United States to determine an overall estimate of employment per square foot of industrial space that is used for warehouses that are engaged in logistics and distribution.

<b>EMPLOYMENT – LOGISTICS WAREHOUSES</b>				
<b>Location</b>	<b>User</b>	<b>Facility Size sf</b>	<b>Jobs</b>	<b>Jobs/1000 sf</b>
Deltona	Amazon	1,000,000	1,000	1.00
Deltona	Trader Joe's	631,000	500	0.79
Apopka	Amazon	201,000	375	1.87
Groveland	Amazon	202,000	450	2.23
Groveland	Kroger	375,000	400	1.07
Jacksonville	Amazon	62,000	180	2.90
West Plains WA	Amazon	640,000	3,000	4.69
Union OH	Amazon	630,000	1,500	2.38
Beacon Lakes	Amazon	336,354	1,100	3.27
Fort Wayne IN	Amazon	630,000	1,000	1.59
Detroit MI	Amazon	823,000	1,200	1.46
Nashville	Amazon	634,812	800	1.26
Chattanooga	Amazon	1,000,000	2,500	2.50
<b>Total of Sample</b>		<b>7,165,166</b>	<b>14,005</b>	<b>1.95</b>

The average jobs per 1,000 square foot of this sample is 1.95 jobs per square foot, similar to the 1.99 jobs per square foot estimate for the Green City project based on the estimate of employment per acre. It is important to note that in some cases employment estimates at the beginning of a project of this type underestimate the ultimate total number of jobs. According to the June 23, 2021 issue of the Daytona Beach News Journal, *"Amazon pledged to create 500 jobs within three years when it opened its distribution center in Deltona last September. City officials say they have been told the e-commerce giant has already hired twice that number in just 10 months."*

Within a 5-mile radius of the property, according to ESRI there are approximately 125,000 workers living within that area. The majority of these workers, at least 81,000 of them, must travel outside of the 5-mile radius for their employment since there are only approximately 45,000 jobs within the area. Since some of these jobs are held by workers that live somewhere else, more than 81,000 residents must travel outside of the area for employment, extending commute times, creating additional demand on regional transportation infrastructure, and negatively impacting quality of life.

<b>EMPLOYMENT - 5 MILE RADIUS</b>			
<b>Industry</b>	<b>Workforce</b>	<b>Local Jobs</b>	<b>Job Gap</b>
Agriculture, Forestry, Fishing	374	79	(295)
Mining	37	20	(17)
Utilities	974	110	(864)
Construction	8,565	2,452	(6,113)
Manufacturing	5,425	2,077	(3,348)
Wholesale Trade	4,931	1,123	(3,808)
Retail Trade	13,948	8,379	(5,569)
Transportation & Warehousing	11,022	938	(10,084)
Information	1,854	696	(1,158)
Finance & Insurance	7,727	2,054	(5,673)
Real Estate, Rental & Leasing	3,706	2,448	(1,258)
Professional/Scientific/Tech	10,548	2,748	(7,800)
Management of Companies	168	504	336
Administrative	5,648	1,168	(4,480)
Educational Services	9,993	5,070	(4,923)
Health Care & Social Assistance	19,286	5,673	(13,613)
Arts, Entertainment & Recreation	1,842	813	(1,029)
Accommodation & Food Services	8,179	4,597	(3,582)
Other Services	6,935	2,884	(4,051)
Public Administration	4,196	832	(3,364)
<b>Total Employed</b>	<b>125,358</b>	<b>44,665</b>	<b>(80,693)</b>

Source: ESRI, U.S. Census Bureau

Within the traditional industrial industries, the majority must travel to other locations for employment since there are currently approximately 6,600 industrial jobs available locally for almost 30,000 residents that work in industrial sectors.

<b>Industrial Industries</b>	<b>Workforce</b>	<b>Local Jobs</b>	<b>Job Gap</b>
Construction	8,565	2,452	(6,113)
Manufacturing	5,425	2,077	(3,348)
Wholesale Trade	4,931	1,123	(3,808)
Transportation & Warehousing	11,022	938	(10,084)
<b>Total Industrial Industries</b>	<b>29,943</b>	<b>6,590</b>	<b>(23,353)</b>

Source: ESRI, U.S. Census Bureau

Phase 1 of Green City will increase local industrial employment by 52%, overall area employment by 11.5%, and will provide potential employment opportunity to up to 15% of the local workforce that must currently leave the area for work.

## Capital

The review of Capital and its influence on industrial product pricing is related to land acquisition, construction costs, and infrastructure investments. These items ultimately influence access to credit, financing costs, and leasing rates to reach a project's net fiscal impact. The data provides critical information in demonstrating the ability of Green City to deliver a Class-A Industrial facility at a marketable cost per square foot that would be absorbed by the existing market demand and create a positive net fiscal impact. The key advantage that relates to capital, which is essentially financial feasibility, is the extremely low land basis that this project has which allows for industrial development that is price competitive compared to many other sites in Miami-Dade County where land costs can be prohibitive.

The estimated construction cost for the industrial component of Phase 1 of the Green City project is \$98.39 per square foot, which generates an investment in construction of \$172,181,208.

$$1,750,000 \text{ sq. ft.} \times \$98.39 = \$172,181,208$$

BusinessFlare utilized the ImPlan input/output modelling system developed by the University of Minnesota to estimate the following employment and economic impact of the industrial component of the Green City project.

## Economic Impact

This investment will generate the following one-time economic benefits:

<b>ECONOMIC IMPACT - ONE TIME (During Construction)</b>				
<b>Impact</b>	<b>Employment</b>	<b>Labor Income</b>	<b>Value Added</b>	<b>Output</b>
1 - Direct	1,314	\$94,999,036	\$96,559,229	\$172,181,208
2 - Indirect	258	\$15,569,652	\$27,427,920	\$51,683,326
3 - Induced	487	\$23,746,883	\$43,577,661	\$75,488,094
<b>Total Impact</b>	<b>2,058</b>	<b>\$134,315,571</b>	<b>\$167,564,809</b>	<b>\$299,352,628</b>

Following completion of the project, the recurring benefits are as follows:

<b>ECONOMIC IMPACT – RECURRING (Annually)</b>				
<b>Impact</b>	<b>Employment</b>	<b>Labor Income</b>	<b>Value Added</b>	<b>Output</b>
1 - Direct	3,458	\$98,395,812	\$87,216,038	\$240,482,830
2 - Indirect	1,216	\$52,879,158	\$89,734,601	\$188,980,551
3 - Induced	630	\$30,725,341	\$56,544,937	\$97,915,766
<b>Total Impact</b>	<b>5,305</b>	<b>\$182,000,312</b>	<b>\$233,495,576</b>	<b>\$527,379,147</b>

## Fiscal Impact

Based on the construction of 1.75 million square feet of new industrial space with an estimated construction cost of \$172 million, the project will generate approximately \$13 million in one-time positive fiscal impact to Miami-Dade County and approximately \$1.35 million in positive recurring fiscal impact beginning the first year following completion of the project based on an initial taxable value following completion of approximately \$138 million.

<b>Fiscal Benefit to Miami-Dade County</b>			
<b>One Time Benefits</b>	<b>Fee</b>	<b>Unit</b>	<b>Project Fee</b>
Road Impact Fees	\$5.2916	per sq ft	\$9,260,300
Fire Impact Fees	\$1.4477	per sq ft	\$2,533,475
Police Impact Fees	\$0.4048	per sq ft	\$708,400
School Impact Fees	-	per sq ft	-
Parks Impact Fees	-	per sq ft	-
Building Permit Fees	0.50%	of value	\$860,906
<b>Total One Time Benefit to Miami-Dade County</b>			<b>\$13,363,081</b>
<b>Annual/Recurring benefits to Miami-Dade County</b>			
	<b>Millage</b>		<b>Taxes Generated</b>
Ad Valorem Taxes	4.6669		\$642,842
Countywide	0.4780		\$65,842
Debt Service	2.4207		\$333,439
Fire District	0.2840		\$39,120
Library District	1.9283		\$265,614
Unincorporated Service Area			
<b>Total Annual/Recurring benefits to Miami-Dade County</b>			<b>\$1,346,857</b>

## Markets

The review of the market data is related to existing already-built product types, age, square footage, pricing, and absorption rates. This data is different from the land analysis and provides critical information in demonstrating the ability of Green City to deliver a Class-A Industrial facility to meet market demand.

Compared to the rest of the county, the South Central Tier lags when it comes to industrial uses, especially in MSA 6.1 and 6.2. This is the case not only with supply but also with delivery of new industrial space. Demand clearly exists with vacancy rates more than half below the countywide vacancy estimate of 3.9% for industrial space.

	INDUSTRIAL DEMAND				
	Countywide	South Central Tier	MSAs	MSA 6.1	MSA 6.2
Supply	237,655,680	14,593,726	7,723,779	117,552	7,606,227
Occupied	228,375,615	14,410,107	7,598,616	117,552	7,481,064
Vacant	9,280,065	183,619	125,163	-	125,163
Vacancy Rate	3.9%	1.3%	1.6%	0.0%	1.6%
12 Mo. Absorption	6,724,174	185,487	49,945	-	49,945
Absorbed % of Vacant	72.5%	101.0%	39.9%	0.0%	39.9%
Deliveries - 2016-2021	19,544,349	139,208	121,060	-	121,060

Source: CoStar

The Green City project uniquely provides Miami-Dade County an opportunity to continue to grow the industrial market with large-user industrial and logistics space greater than 200,000 square feet. Currently, the market for this type of space is essentially non-existent south of the 836 Corridor, and there is high demand for the space that does exist. In fact, as demonstrated by the table below, the amount of this type of space absorbed during the past 12 months exceeds current vacancy by 137%.

INDUSTRIAL DEMAND - 200k SF+	
Supply	39,446,281
Occupied	37,562,785
Vacant	1,883,496
Vacancy Rate	4.8%
12 Mo. Absorption	2,578,462
Absorbed % of Vacant	136.9%

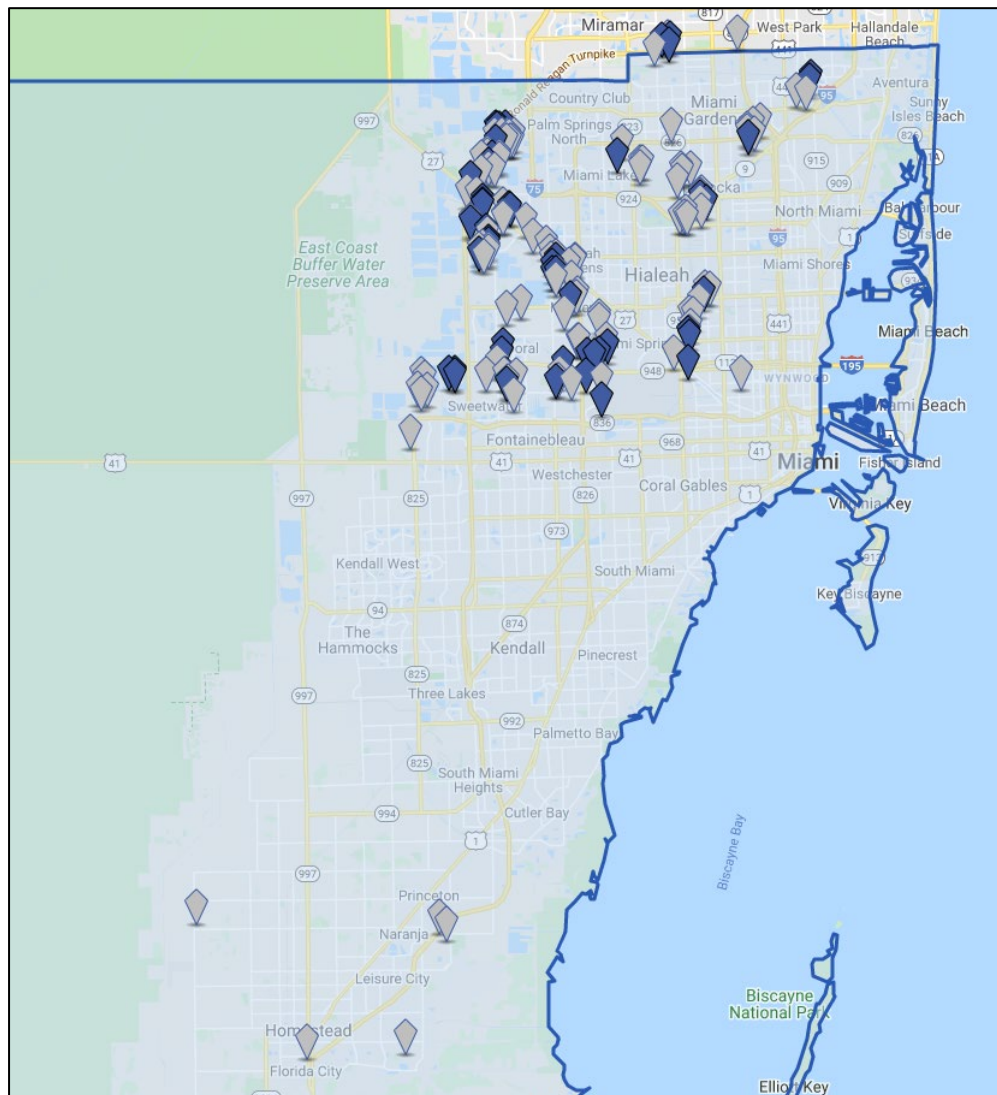


Figure 5: Large Industrial Buildings (+200k sf) in Miami-Dade County. Dark blue indicates building has available space. Source: CoStar, June 2021



In the land section, we identified vacant industrial land statistics provided by Miami-Dade County, but what that information does not provide is information on market conditions and the likelihood that that land will be developed in the near future and during the County’s planning horizon between now and 2040. While that information identified approximately 2,600 acres of industrial land, there are currently only 175 acres of vacant industrial land for sale, mostly located in the northern part of the County, and only four (4) of these properties have some limited ability to provide the type of industrial product that will be provided at Green City, and since these properties are for sale and not yet in the pipeline, they will take longer than Green City to provide the additional industrial space and associated new jobs.

<b>INDUSTRIAL DEMAND - LAND</b>			
	<b>Total Parcels</b>	<b>Parcels For Sale</b>	<b>Acres for Sale</b>
Countywide	740	51	175

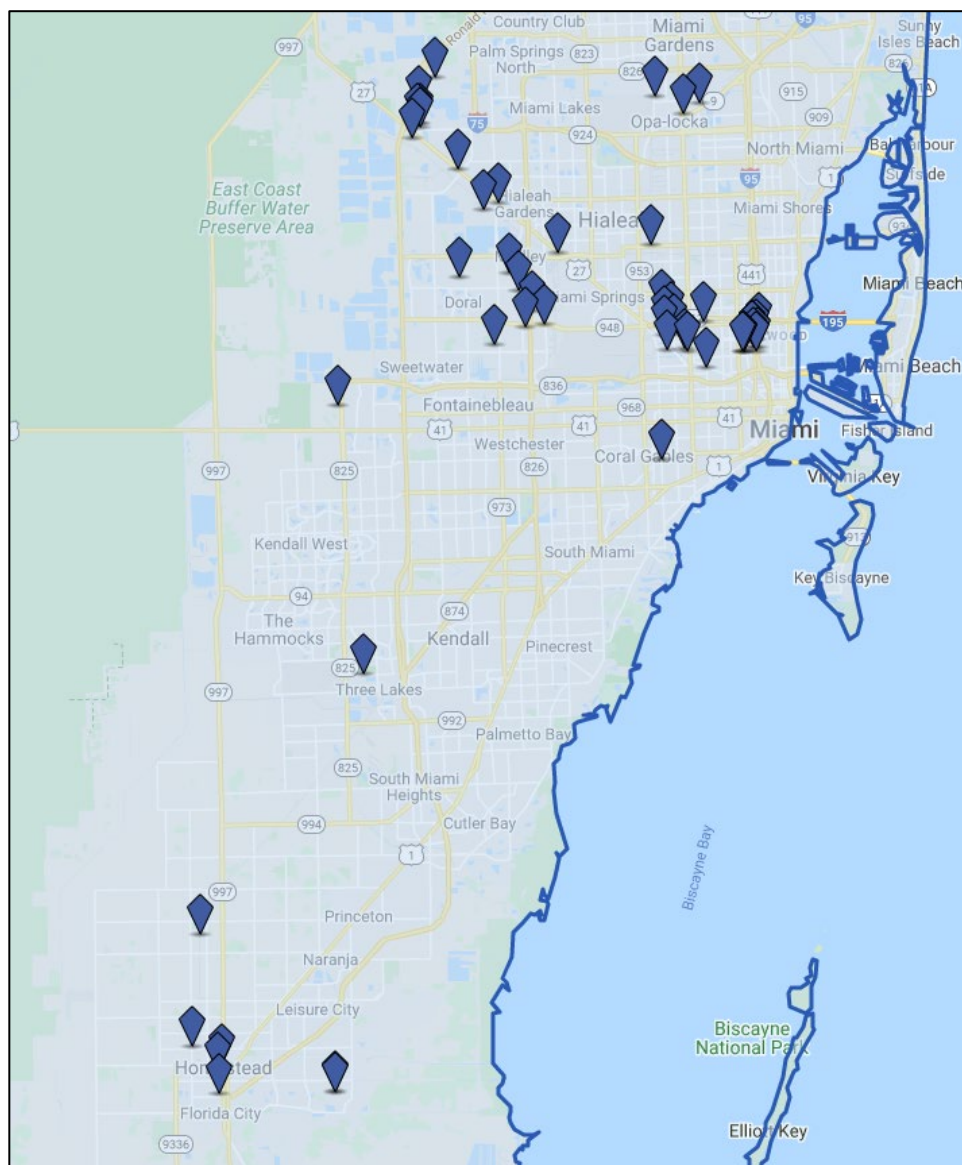


Figure 6: Location of vacant industrial land currently for sale in Miami-Dade County. Source: CoStar, June 2021

Miami-Dade County has identified and provided us with the largest vacant industrial sites in the county, which are comprised in some cases of adjacent parcels that may have common ownership, and which could be efficiently developed into additional industrial space. Of the ten largest, three are currently under construction. One 96-acre site in District 1 and two approximately 70-acre sites in District 12. The other largest sites that are included as vacant industrial land include properties that are very unlikely to see development in the foreseeable future. This includes a 58-acre site comprised of 12 parcels owned by seven separate parties, as well as the 108-acre Lemon property located in the City of Doral.

It is important to understand that although there may be land that has been identified as vacant and available for industrial development, much of that land will not be realistically developed in the near future due to market and other conditions. Phase 1 of the Green City project is a unique opportunity to expand the County's inventory of new, large industrial space with a shovel ready project that will provide additional economic development and job opportunities.

## **Regulation**

The review of relevant regulations provides the framework for how Miami-Dade County aims to influence economic growth and protect quality of life, including intensity, location, and time horizon. This review includes regulations related to the addition of projects to the expansion area of the UDB, including the requirement of 10 housing units per acre, the requirement to provide a positive net fiscal impact for a project; and the requirement to provide 1.5 jobs per housing unit, which can limit the ability to attract additional industrial expansion where it is needed and creates new jobs. In the case of Green City, the 1.5 jobs to housing ratio is exceeded. The total number of units, 2,080 requires the creation of at least 3,120 jobs. Based on the estimates detailed earlier in this report approximately 3,458 jobs will be created, a ratio of 1.66 jobs per unit.

## HOUSING AND PROJECTED POPULATION GROWTH

BusinessFlare reviewed data compiled by the Research Section of the Planning Division of Miami-Dade County's Department of Regulatory and Economic Resources. Additional data sources were incorporated and have been referenced in this Economic Impact Analysis. The BusinessFlare method of assessment and evaluation, includes review through the lens of the following economic drivers: **Land, Labor, Capital, Markets, and Regulation.**

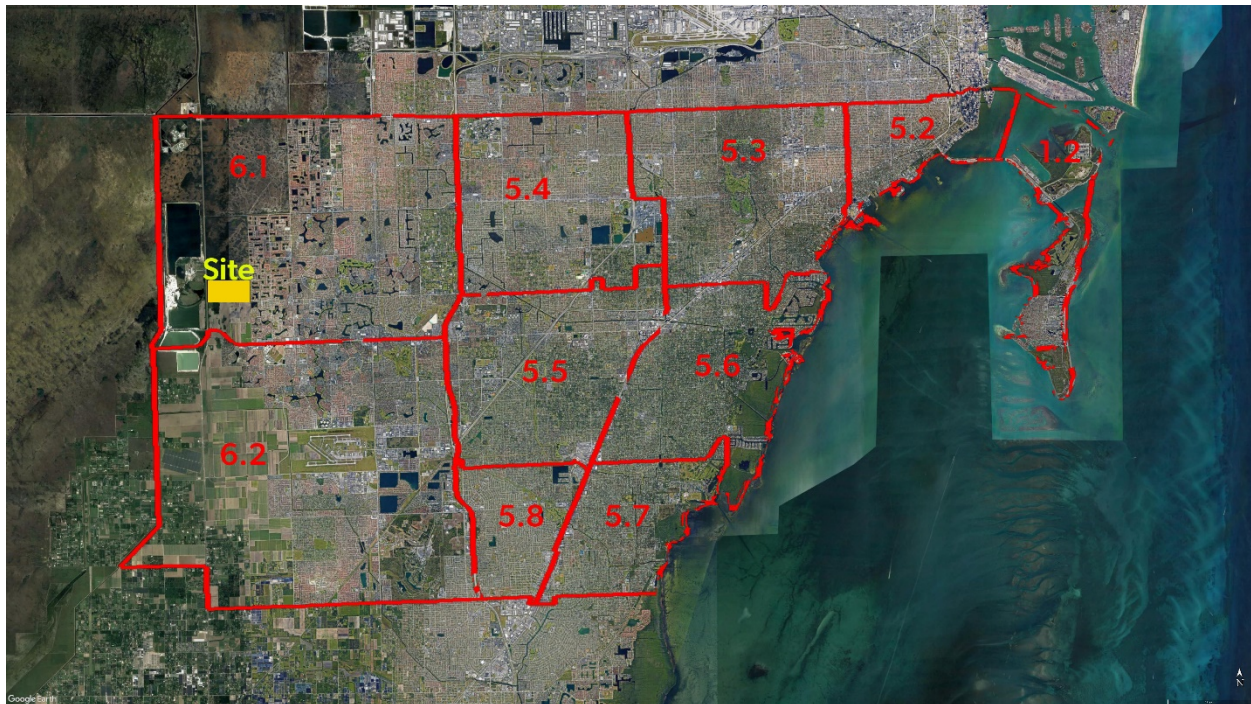


Figure 7: South Central Tier MSAs

### Land

The review of Single-Family Residential and Condominium/Townhome data at Countywide, MSA, and 5-mile radius-levels includes analysis of available land, existing inventory, product types, absorption rates, pricing, sales data, and planned residential developments. The data provides critical information in demonstrating the demand for residential investment in the western portions of the South Central Tier and in MSA 6.1 and 6.2.

The South Central Tier has a significant amount of the county's residential land use, much of which is in MSAs 6.1, 6.2, 5.3, and 5.5. The demand for affordable, single family homes and townhomes is one of the factors driving this residential use.

EXISTING LAND USE ACRES INSIDE UDB		
MSA	RESIDENTIAL	All Land Uses
South Central	45,804	93,421
Countywide	106,370	269,298
MSA	RESIDENTIAL	All Land Uses
1.2	472	3,171
5.2	1,842	3,515
5.3	6,422	11,884
5.4	5,828	11,442
5.5	6,152	11,089
5.6	5,545	9,808
5.7	2,983	5,833
5.8	2,427	4,415
<b>6.1</b>	<b>7,654</b>	<b>14,930</b>
6.2	6,478	17,336

Source: Miami-Dade County Planning Division

The South Central Tier has a significant amount of residential units , however, the market clearly demonstrates additional demand for residential uses in this area due to the opportunities to provide quality residential housing that meets both the price and style desired by the market, this Tier has a very small amount of vacant residential land within the UDB to meet the county’s future needs, as demonstrated by the following tables which compares vacant land countywide to the Tier and the Tier’s individual MSAs. It is important to recognize that residential demand is not only driven by land, land availability, and supply, it is also driven by other factors that include quality of life, commute times and job location, school quality, recreational amenities, and personal preference. Not everyone wants to live in higher density neighborhoods, or in high or medium rise multifamily buildings. The county must continue to provide a variety of housing choices to remain competitive and capitalize on the opportunities that have presented themselves during the pandemic and current period of economic growth and success.

VACANT LANDS INSIDE UDB				
MSA	1 - Single Family	2 - Multi-Family	Mixed uses	Total
South Central	608	117	153	1,130
Countywide	5,496	1,489	820	12,536
MSA	1 - Single Family	2 - Multi-Family	Mixed uses	Total
1.2	4	-	-	4
5.2	14	11	15	48
5.3	53	17	21	114
5.4	45	8	13	73
5.5	84	13	-	106
5.6	73	-	2	78
5.7	36	-	6	44
5.8	51	22	17	95
<b>6.1</b>	<b>195</b>	<b>2</b>	<b>-</b>	<b>215</b>
6.2	54	44	78	353

Source: Miami-Dade County Planning Division

The location of Green City, MSA 6.1 in the South Central Tier, has very limited units available for development at the present time. Green City represents a unique opportunity to introduce market responsive and market affordable townhomes for Miami-Dade County.

UNITS AVAILABLE INSIDE UDB					
MSA	1 - Single Family	2 - Multi-Family	3 – Multifamily Mixed use	Total Multifamily	Total
South Central	2,210	4,978	9,655	14,633	31,476
Countywide	26,734	67,049	53,377	120,426	267,586
MSA	1 - Single Family	2 - Multi-Family	3 – Multifamily Mixed use	Total Multifamily	Total
1.2	9	-	-	-	9
5.2	83	1,224	4,075	5,299	10,681
5.3	394	930	2,481	3,411	7,216
5.4	103	389	979	1,368	2,839
5.5	199	574	-	574	1,347
5.6	137	-	311	311	759
5.7	59	-	209	209	477
5.8	489	755	554	1,309	3,107
<b>6.1</b>	<b>442</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>486</b>
6.2	295	1,084	1,046	2,130	4,555

Source: Miami-Dade County Planning Division

Although the South Central Tier, and especially MSA 6.1 demonstrate high demand for residential uses, the units currently under construction represent the last increase in residential inventory in the area due to the limited availability for future residential investment.

NEW RESIDENTIAL INVESTMENT				
MSA	PROJECTS APPROVED	TRANSITIONING UNITS UNITS U/C	SF	MF
South Central	14,085	9,202	992	8,210
Countywide	51,425	46,275	7,346	38,929
MSA	PROJECTS APPROVED	TRANSITIONING UNITS UNITS U/C	SF	MF
1.2	243	1,066	2	1,064
5.2	8,843	1,124	2	1,122
5.3	3,443	2,444	41	2,403
5.4	-	398	12	386
5.5	-	497	83	414
5.6	1,201	351	40	311
5.7	355	287	14	273
5.8	-	140	140	-
<b>6.1</b>	<b>-</b>	<b>2,189</b>	<b>59</b>	<b>2,130</b>
6.2	-	706	599	107

Source: Miami-Dade County Planning Division

The residential component of Green City is a unique, shovel ready opportunity to increase the county’s housing supply, especially the affordable supply of market priced units. The following maps highlight the vacant residential land opportunities in the North and South parts of the county, respectively. In the north, there are few sites of any significant size available for residential use, and most of these sites have land costs that will drive up prices and limit affordability. Due to the long-term ownership of the land for Green City, the impact of land costs on housing prices in the project is very limited. Additionally, much of the vacant residential land are small parcels which may result in higher prices, and which also are likely not suitable for developments such as the proposed townhomes at Green City.

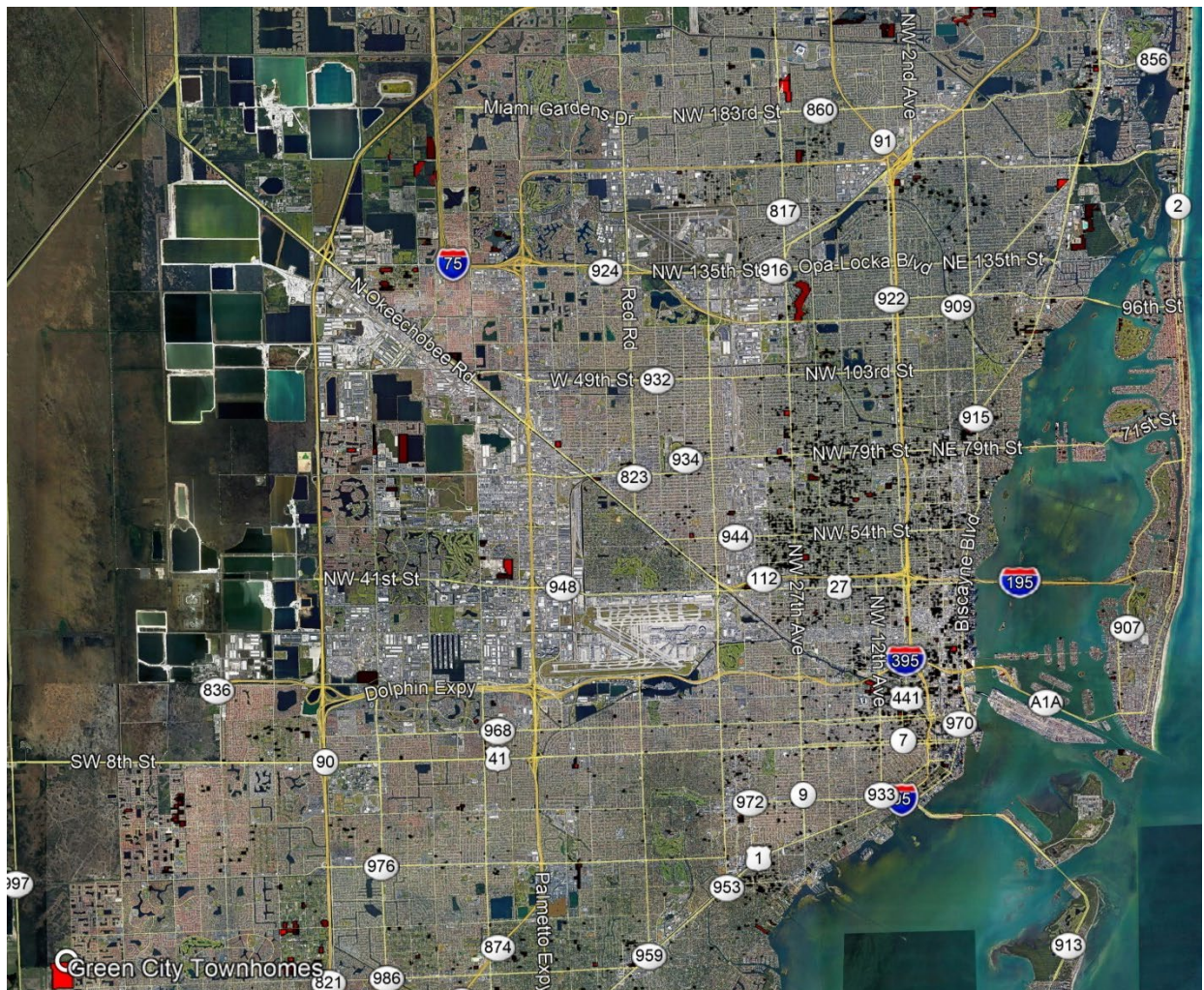


Figure 8: Vacant Residential Sites in Northern Miami-Dade County. Source: Miami-Dade County Planning Division

In the southern part of the County there are significant vacant residential parcels, but market factors, the location of job centers, and personal preferences will limit demand for housing in that area compared to a proven market such as MSA 6.1 where Green City is located. While significant housing issues exist, the recent economic development efforts in South Dade have been centered on the need to create additional opportunities for employment. We believe that while there are some opportunities to increase the housing stock in South Dade, especially in the Naranja Lakes, Homestead and Florida City CRAs, a focus on creating additional employment opportunities will drive the need for additional housing and improve South Dade's feasibility profile for housing investment.

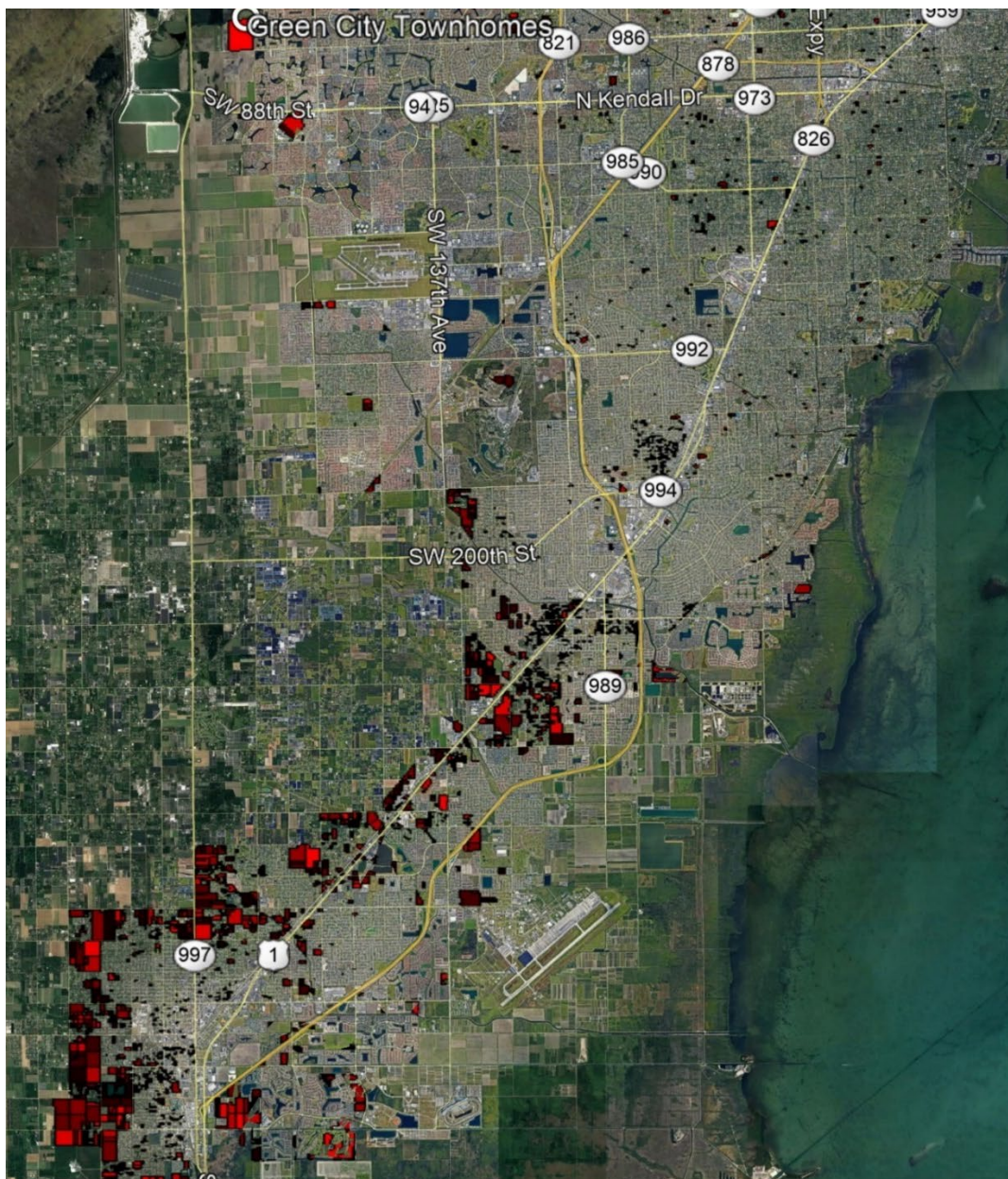


Figure 9: Vacant Residential Sites in Southern Miami-Dade County. Source: Miami-Dade County Planning Division

## Labor

The review of Population Growth at Countywide, MSA, and 5-mile radius-levels includes population estimates, census characteristics, household sizes, area median incomes, area growth, and employment data across all sectors. The data provides critical information in demonstrating the Green City location being strategic in meeting growing population needs and demand for housing in the South Central Tier.

As previously discussed, most of the workforce that lives within a 5-mile radius of the Green City site must travel outside of their local area for their employment. The inclusion of residential townhomes in Phase 1 of the Green City project will also provide the opportunity to continue to attract and grow a skilled workforce in this area, including the workforce for the new employment opportunities provided by the industrial component of Green City. This will also help improve market conditions for Phase 2 of the Green City project which will enhance entertainment, commercial, recreation and placemaking opportunities for this part of Miami-Dade County.

EMPLOYMENT - 5 MILE RADIUS			
Industry	Workforce	Local Jobs	Job Gap
Agriculture, Forestry, Fishing	374	79	(295)
Mining	37	20	(17)
Utilities	974	110	(864)
Construction	8,565	2,452	(6,113)
Manufacturing	5,425	2,077	(3,348)
Wholesale Trade	4,931	1,123	(3,808)
Retail Trade	13,948	8,379	(5,569)
Transportation & Warehousing	11,022	938	(10,084)
Information	1,854	696	(1,158)
Finance & Insurance	7,727	2,054	(5,673)
Real Estate, Rental & Leasing	3,706	2,448	(1,258)
Professional/Scientific/Tech	10,548	2,748	(7,800)
Management of Companies	168	504	336
Administrative	5,648	1,168	(4,480)
Educational Services	9,993	5,070	(4,923)
Health Care & Social Assistance	19,286	5,673	(13,613)
Arts, Entertainment & Recreation	1,842	813	(1,029)
Accommodation & Food Services	8,179	4,597	(3,582)
Other Services	6,935	2,884	(4,051)
Public Administration	4,196	832	(3,364)
<b>Total Employed</b>	<b>125,358</b>	<b>44,665</b>	<b>(80,693)</b>

Source: ESRI, U.S. Census Bureau



## Capital

The review of capital and its influence on Single-Family Residential and Condominium/Townhome product pricing at Countywide, MSA, and 5-mile radius-levels is related to land acquisition, construction costs, incorporated open-space, and infrastructure investments. These items ultimately influence access to credit, financing costs, and sales price to reach a project's net fiscal impact. The data provides critical information in demonstrating the ability of Green City to deliver attached Single-Family Townhomes at a marketable cost to create a positive net fiscal impact.

Due in part to the low land-cost basis of the Green City project, the project can be delivered at prices that make it competitive and affordable compared to countywide market trends, which are included in the following section on Markets.

As the following tables of initial construction cost estimates demonstrate, the project represents a significant investment that will provide affordable, quality residential opportunities for Miami-Dade residents who continue to seek new housing opportunities, especially options that are not high-density multifamily buildings in tight, congested areas, a trend that began during the pandemic and which we believe will continue for the foreseeable future.

CONSTRUCTION COST ESTIMATES PER SQUARE FOOT				
	2 Bedroom	3 Bedroom	4 Bedroom	Total
Hard Cost per Square Foot	\$140.00	\$137.00	\$ 130.00	\$136.39
Soft Cost per Square Foot	\$32.00	\$32.00	\$ 32.00	\$32.00
Financing Costs per Square Foot	\$15.00	\$15.00	\$15.00	\$15.00
Land Costs per Square Foot	\$1.04	\$1.04	\$1.04	\$1.04
Total Cost per Square Foot	\$188.04	\$185.04	\$178.04	\$184.43

CONSTRUCTION COST ESTIMATES				
	2 Bedroom	3 Bedroom	4 Bedroom	Total
Hard Cost	34,944,000	336,252,800	48,672,000	419,868,800
Soft Cost	7,987,200	78,540,800	11,980,800	98,508,800
Financing Cost	3,744,000	36,816,000	5,616,000	46,176,000
Land Cost	258,649	2,543,378	387,973	3,078,400
Total Cost	46,933,849	454,152,978	66,656,773	567,743,600
Cost per Unit	225,644	272,928	320,465	272,954

BusinessFlare utilized the ImPlan input/output modelling system developed by the University of Minnesota to estimate the following employment and economic impact of the residential component of this phase of the Green City project.

## Economic Impact

ECONOMIC IMPACT - ONE TIME				
Impact	Employment	Labor Income	Value Added	Output
1 - Direct	5,122	373,077,313	419,562,907	564,553,600
2 - Indirect	890	47,748,773	73,975,645	138,522,707
3 - Induced	1,843	89,953,573	165,109,722	286,005,909
	<b>7,855</b>	<b>510,779,659</b>	<b>658,648,273</b>	<b>989,082,216</b>

## Fiscal Impact

BusinessFlare assisted with the preparation of the fiscal impact of proposed development and associated benefits that the county will receive to further its mission with projects that include infrastructure, housing, and industrial development.

Based on the construction of 2,080 new townhomes with an estimated construction hard cost of \$420 million, the project will generate approximately \$23 million in one-time positive fiscal impact to Miami-Dade County and approximately \$3.3 million in positive recurring fiscal impact beginning the first year following completion of the project based on an initial taxable value of approximately \$335 million.

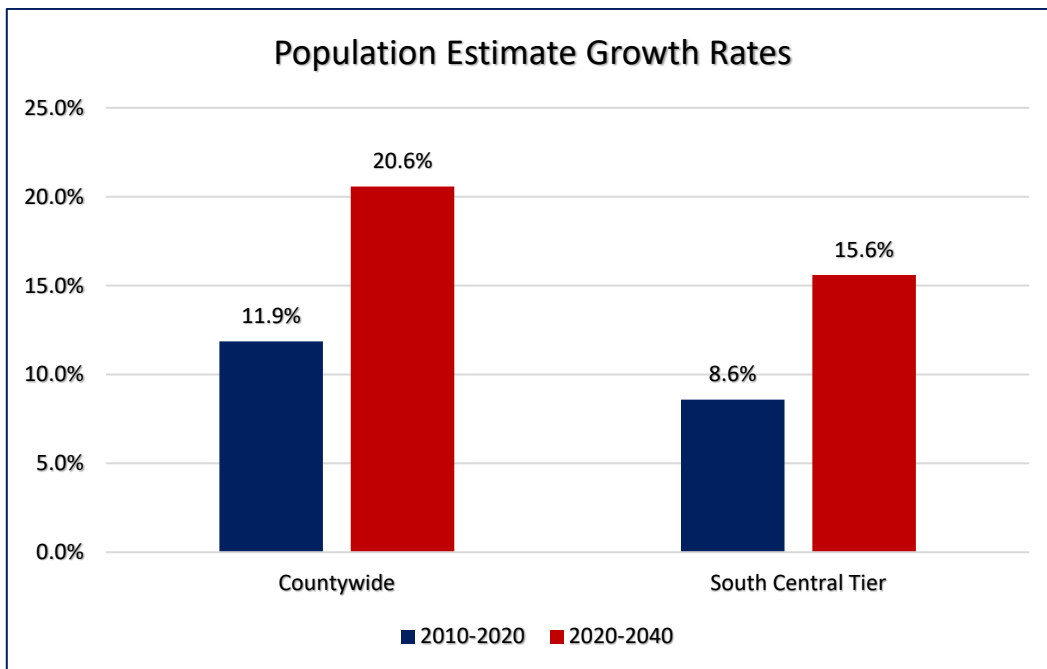
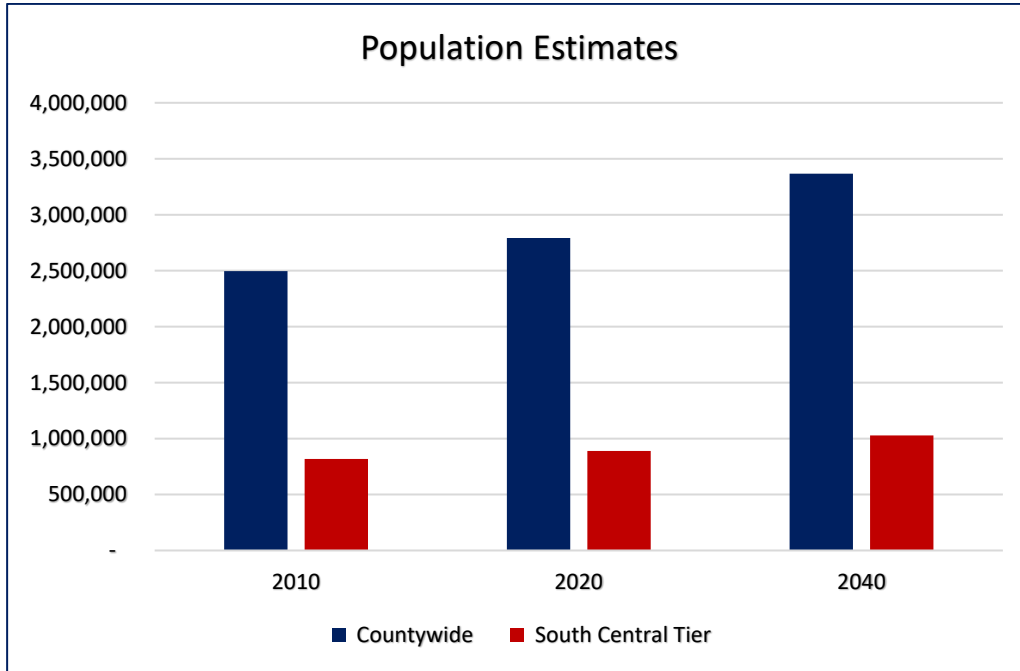
<b>Fiscal Benefit to Miami-Dade County</b>			
<b>One Time Benefits</b>			
	<b>Fee</b>	<b>Unit</b>	<b>Project Fee</b>
Road Impact Fees	\$6,179.67	per unit	\$12,853,714
Fire Impact Fees	\$447.01	per unit	\$929,781
Police Impact Fees	\$583.31	per unit	\$1,213,285
School Impact Fees	\$612.00	per unit	\$1,272,960
Parks Impact Fees	\$2,394.60	per unit	\$4,980,768
Building Permit Fees	0.50%	of value	\$2,099,334
<b>Total One Time Benefit to Miami-Dade County</b>			<b>\$23,349,851</b>
<b>Annual/Recurring benefits to Miami-Dade County</b>			
	<b>Millage</b>		<b>Taxes Generated</b>
Ad Valorem Taxes			
Countywide	4.6669		\$1,567,589
Debt Service	0.478		\$160,558
Fire District	2.4207		\$813,101
Library District	0.284		\$95,394
Unincorporated Service Area	1.9283		\$647,706
<b>Total Annual/Recurring benefits to Miami-Dade County</b>			<b>\$3,284,348</b>

## Markets

The review of the market data is related to existing product types, age, pricing, and absorption rates. This data is different from the land analysis and provides critical information in demonstrating the ability of Green City to deliver housing in MSA 6.1 that would meet both local and county market demand, given there are no housing developments planned in MSA 6.1 and MSA 6.2, both of which contain the bulk of the area's population growth.

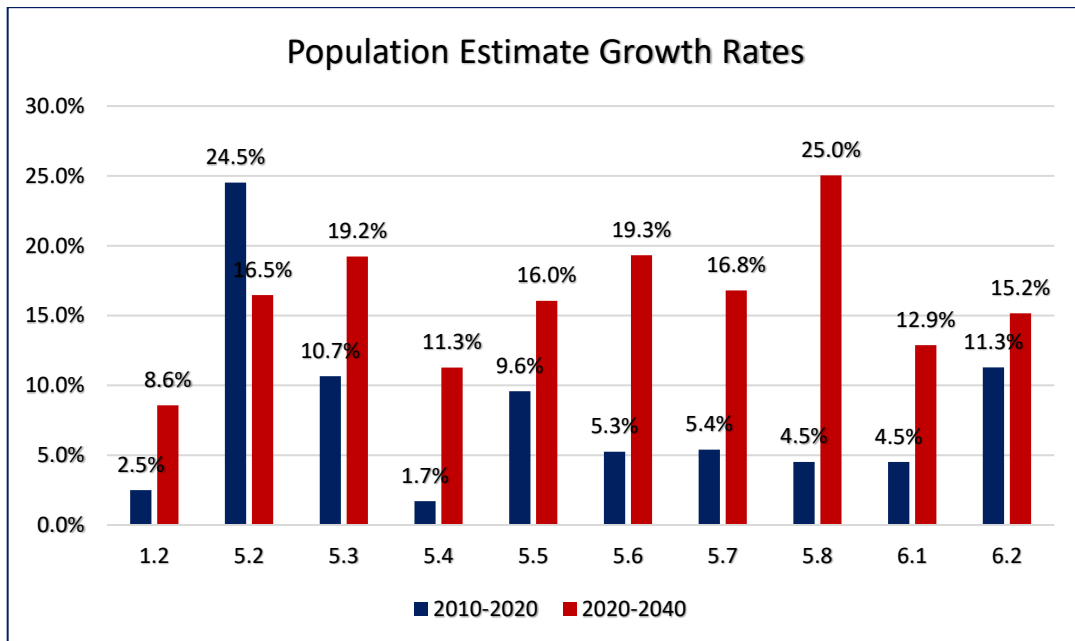
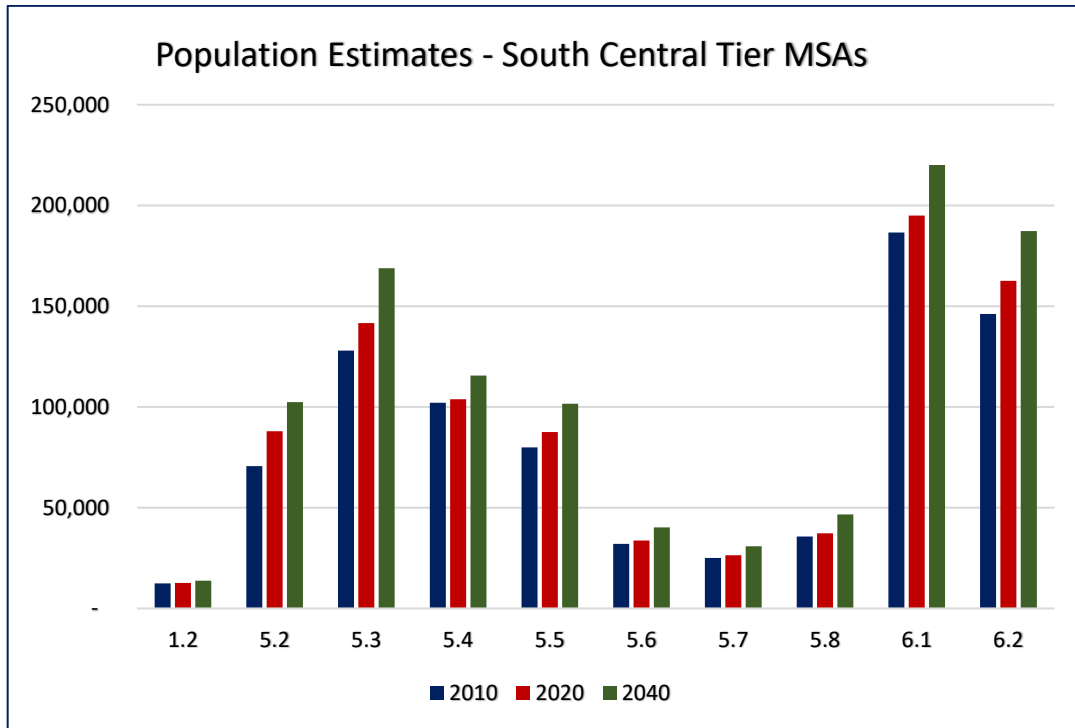
### Population Trends

The South Central Tier has grown and is projected to continue growing in population at a rate lower than the County overall.



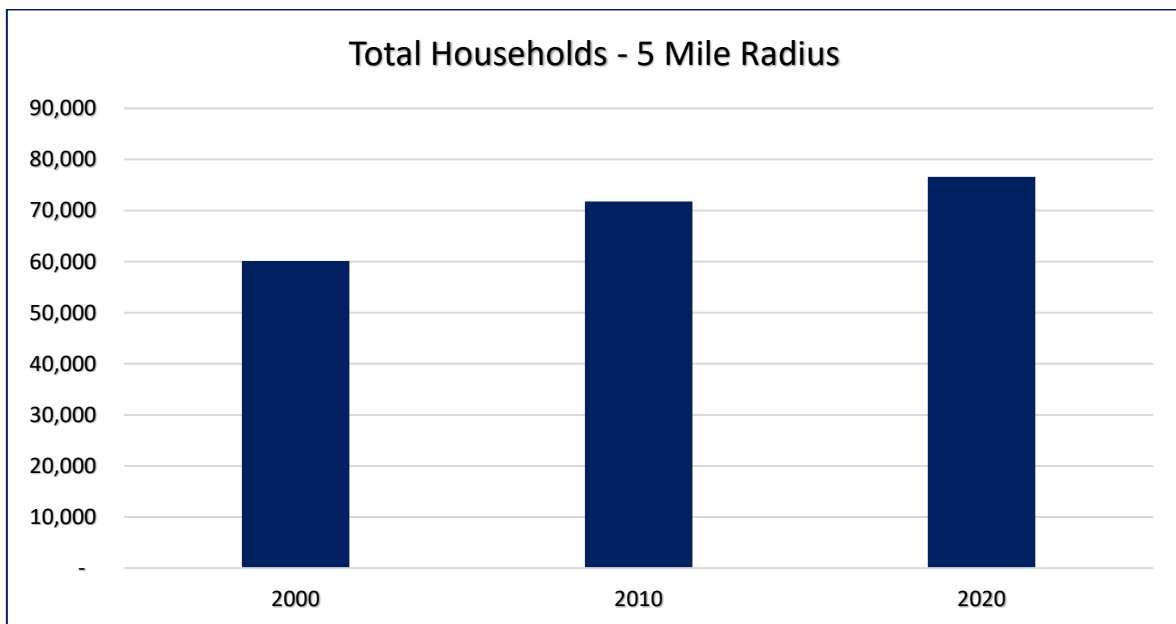
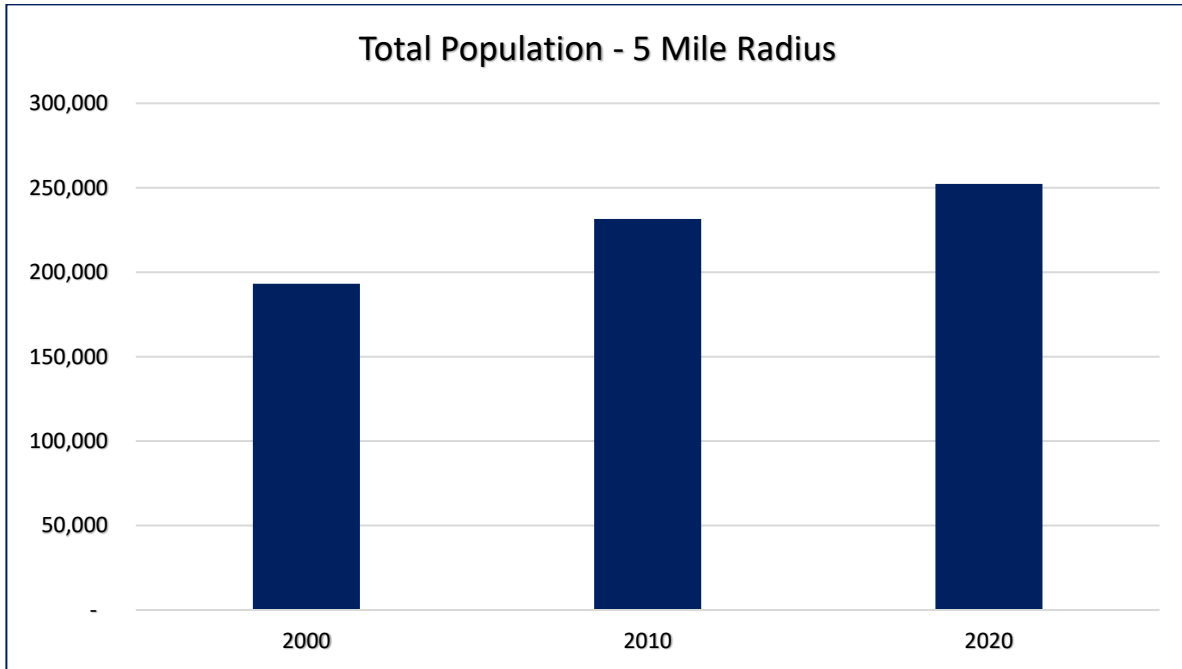
Source: Miami-Dade County Planning Division

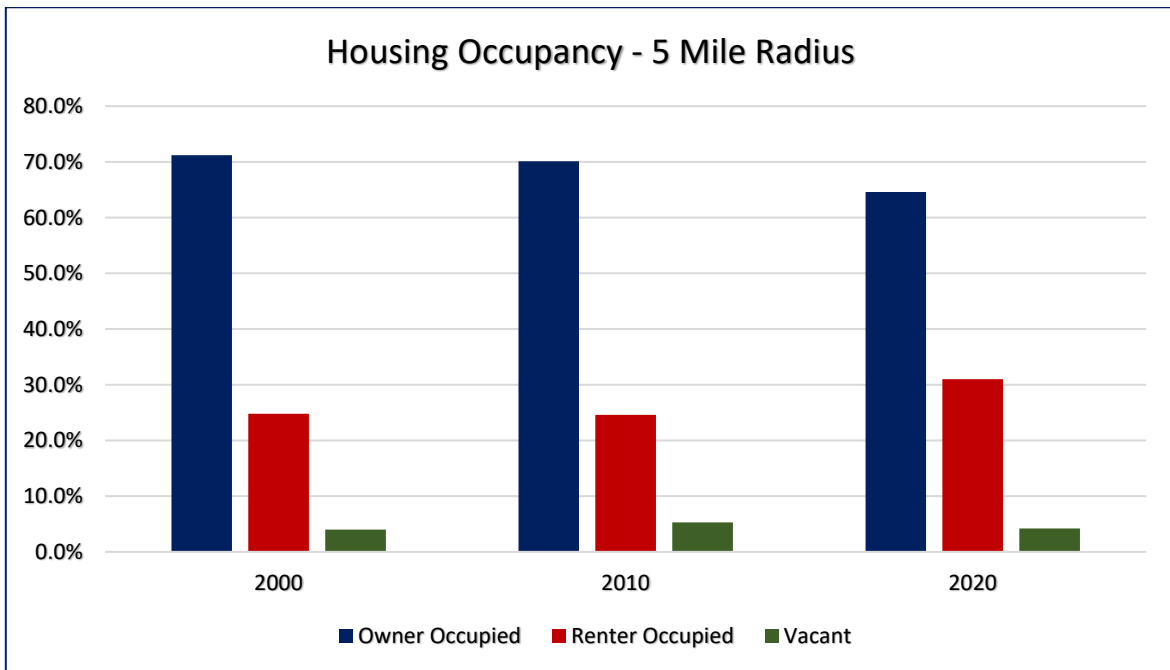
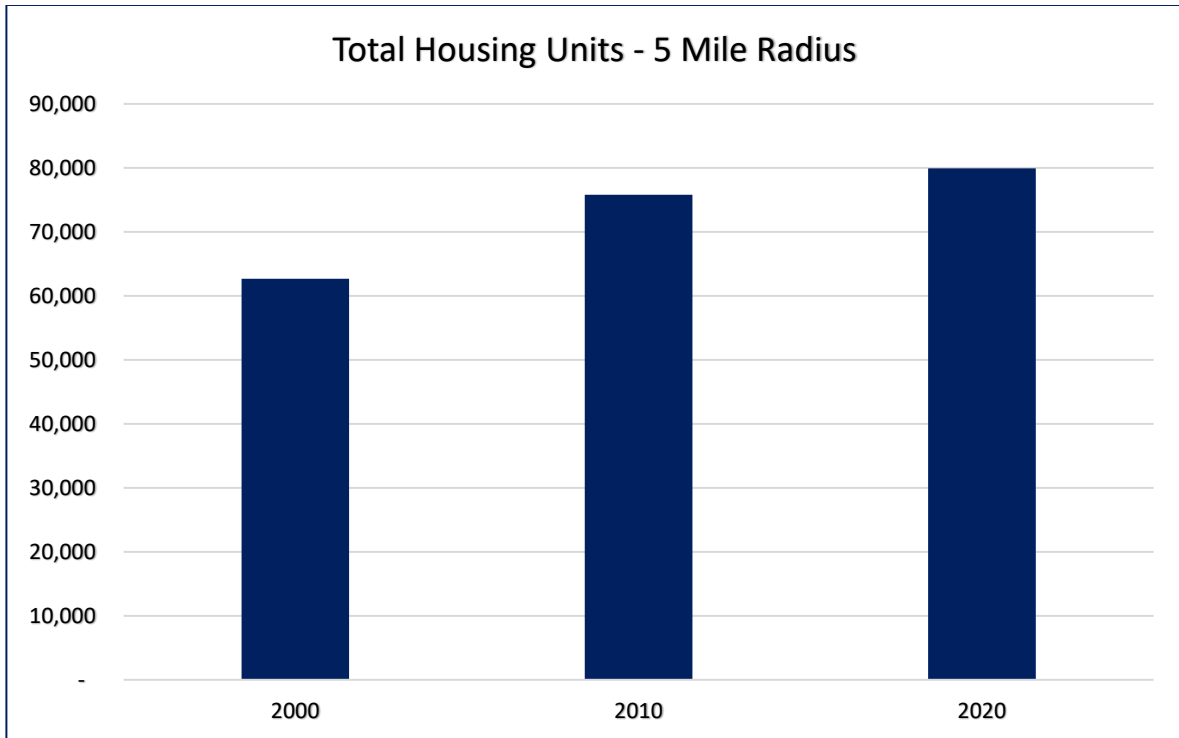
The historical and projected population growth of MSAs 6.1 and 6.2 clearly demonstrates the continued demand for housing in this area. Current vacant residential land capacity identified in the Land section is not sufficient to accommodate the projected population growth.



Source: Miami-Dade County Planning Division

**Population and Housing Characteristics – 5 Mile Radius from Project Site** (Source: ESRI, U.S. Census Bureau)

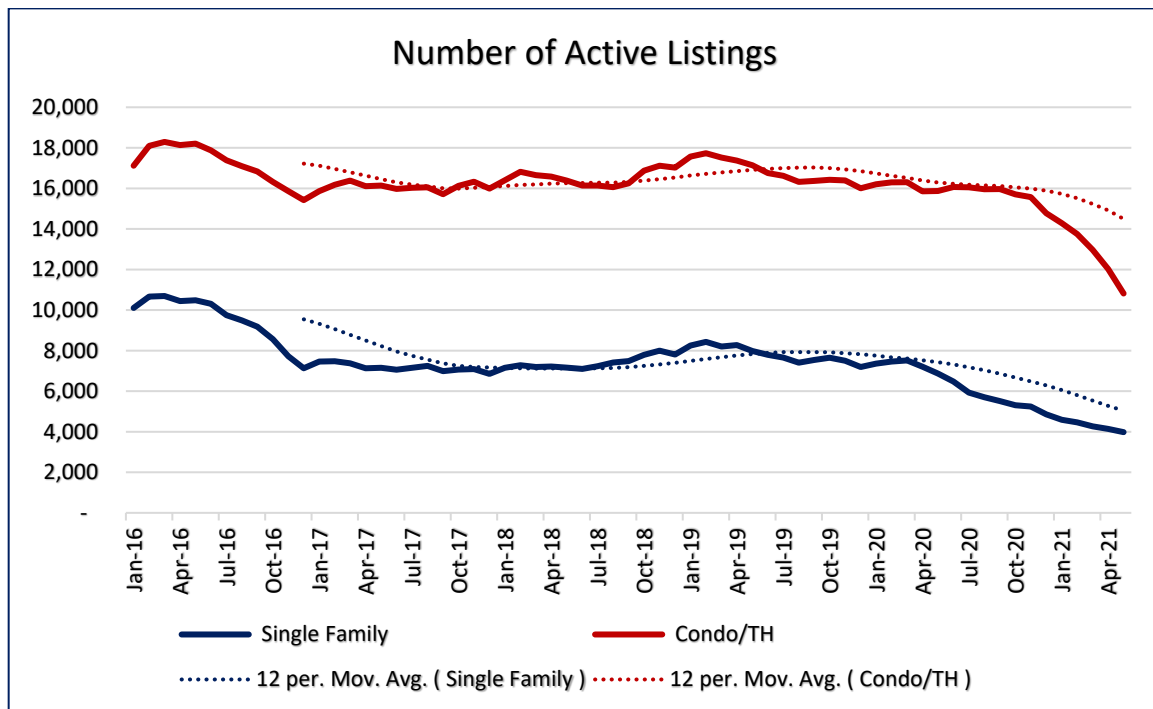


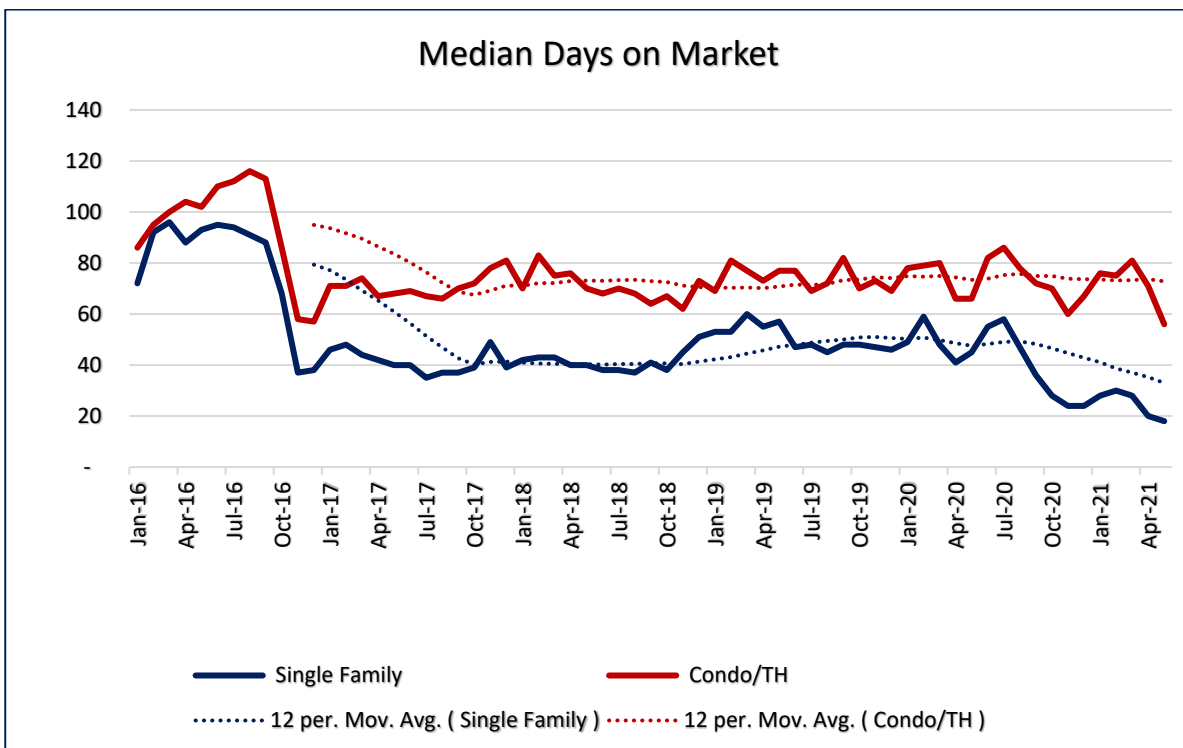
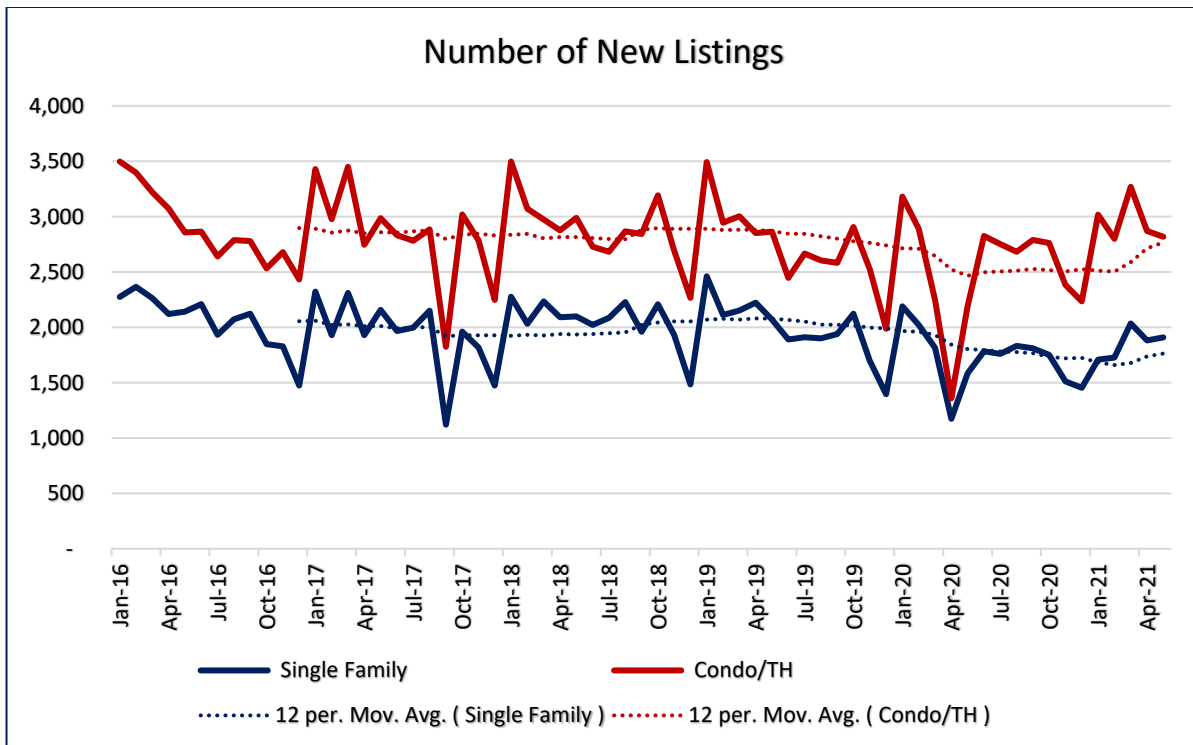


### Countywide Trends – Single Family Homes and Condominiums/Townhomes

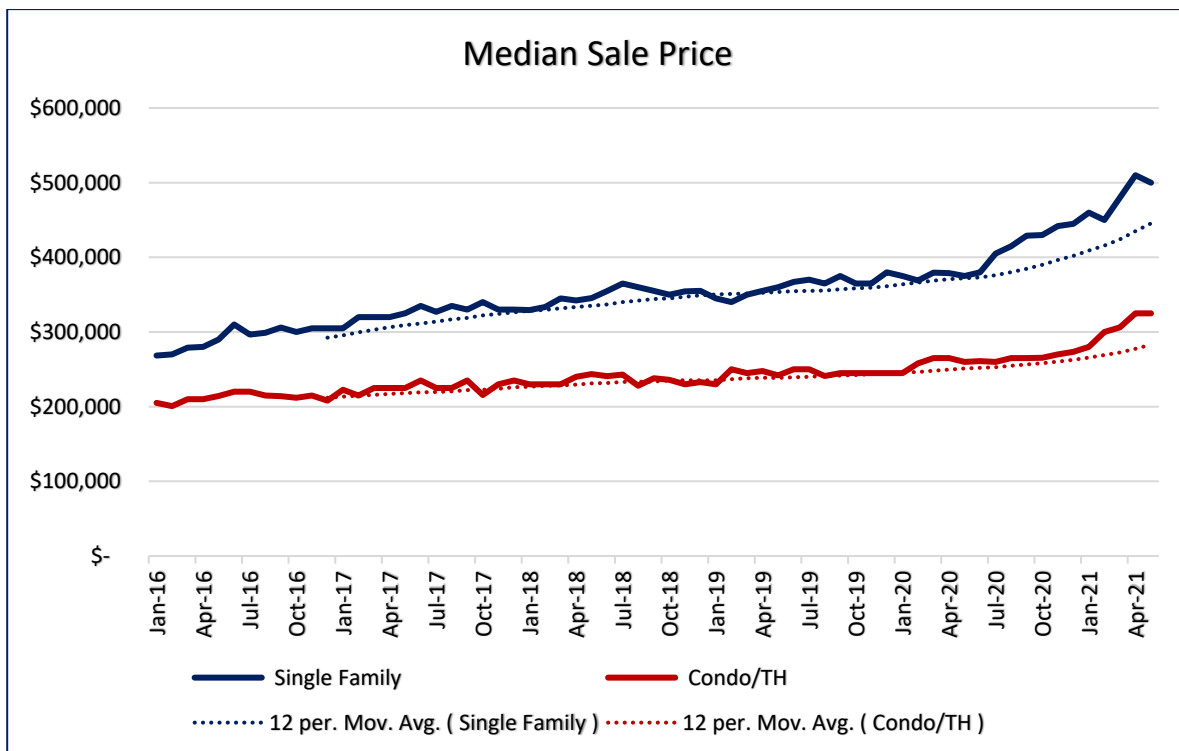
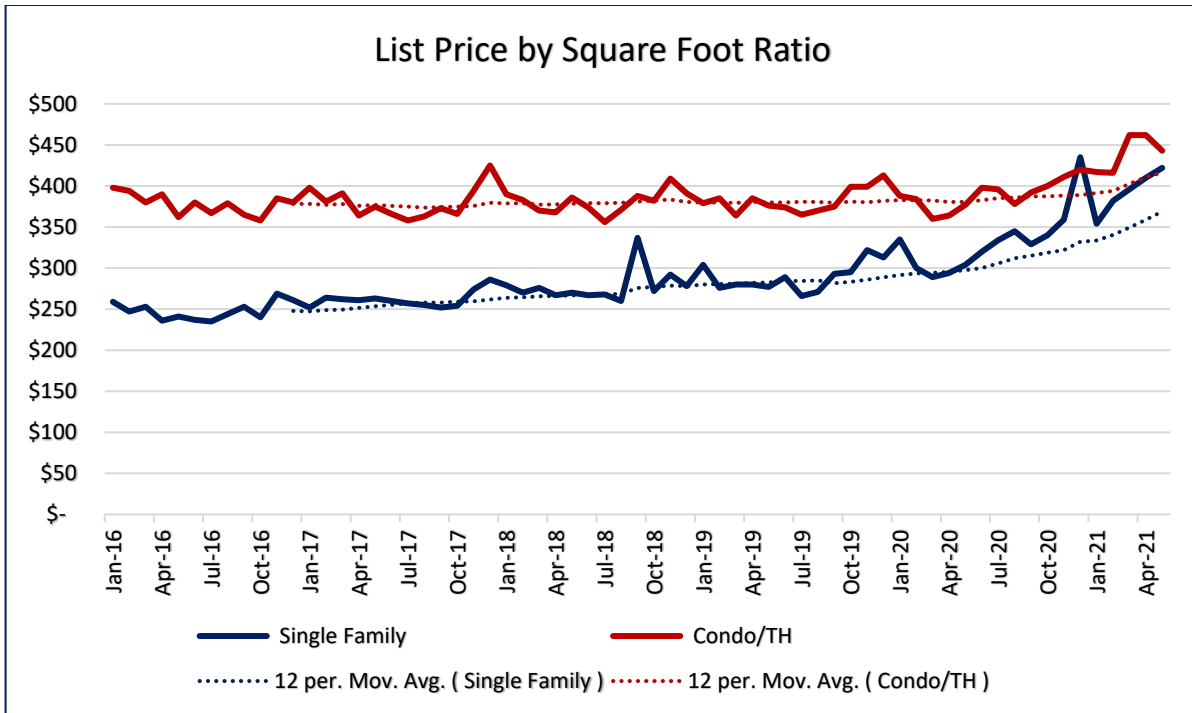
1. Throughout Miami-Dade County a number of trends have emerged recently in both the single family and the condominium/townhome real estate markets.
2. The number of active listings is declining as fewer homeowners decide to sell their properties.
3. The number of new listings declined, and while it has increased very recently it does not offset the overall decline in total listings of properties for sale.
4. The number of days a property is on the market before it has a contract and sales has declined significantly, and the gap between the sale price and the asking price has closed to its narrowest in several years.
5. The list price per square foot has increase for both types of properties, especially for condominiums and townhomes.
6. The median sale price has demonstrated significant appreciation, especially for single family homes as more buyers move away from higher density multifamily properties, as previously discussed.

Source: Beaches MLS





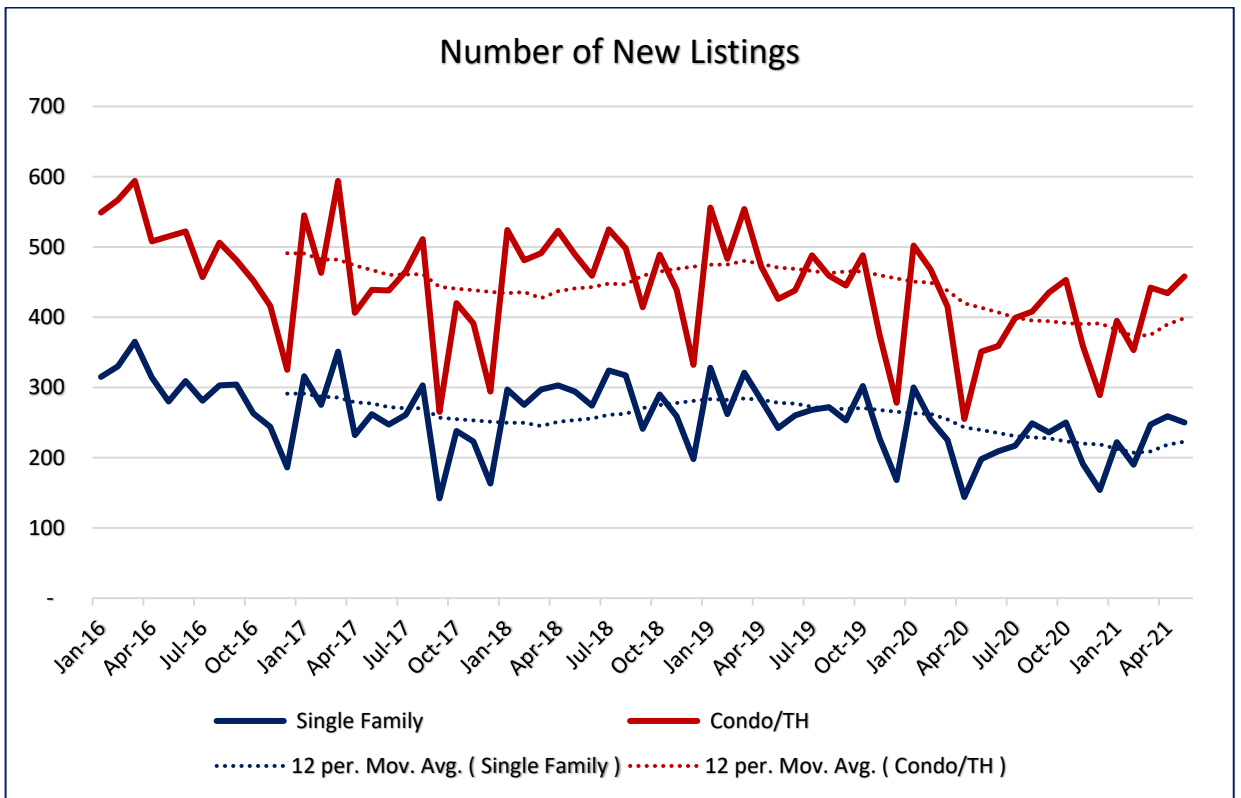
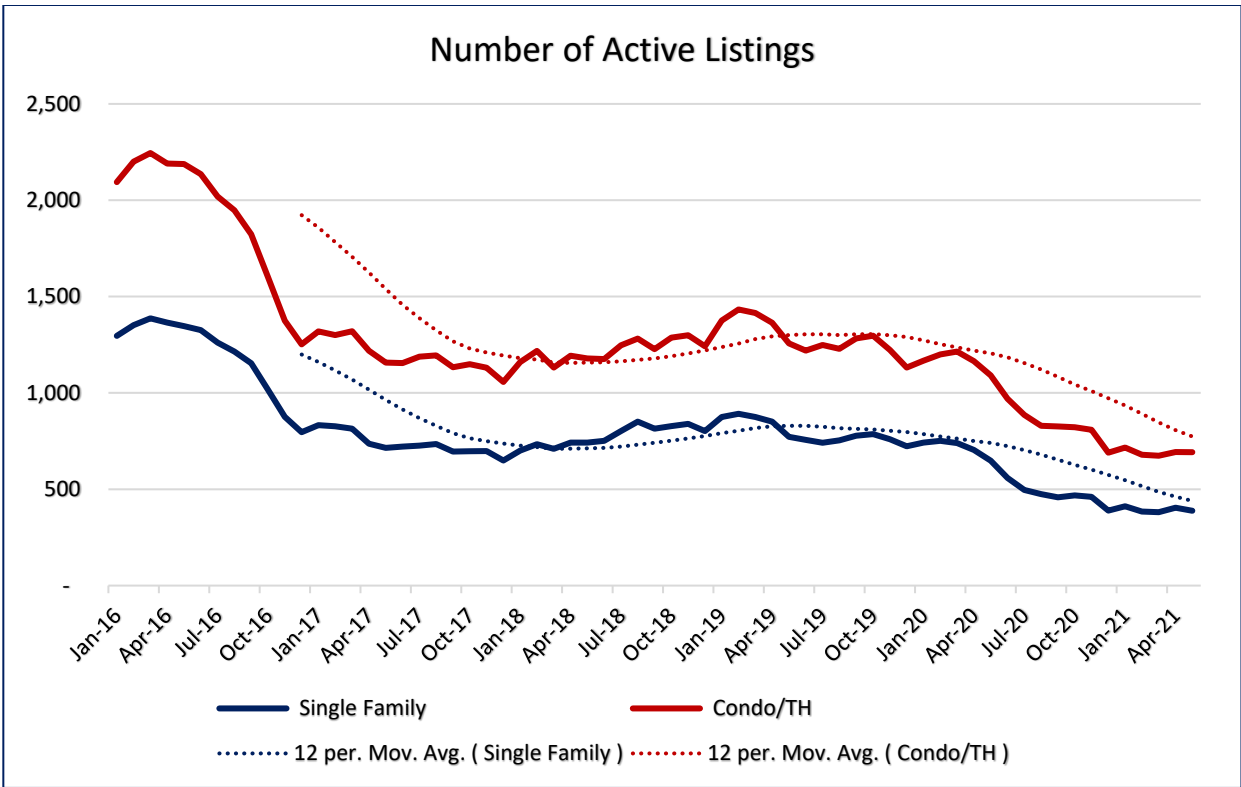


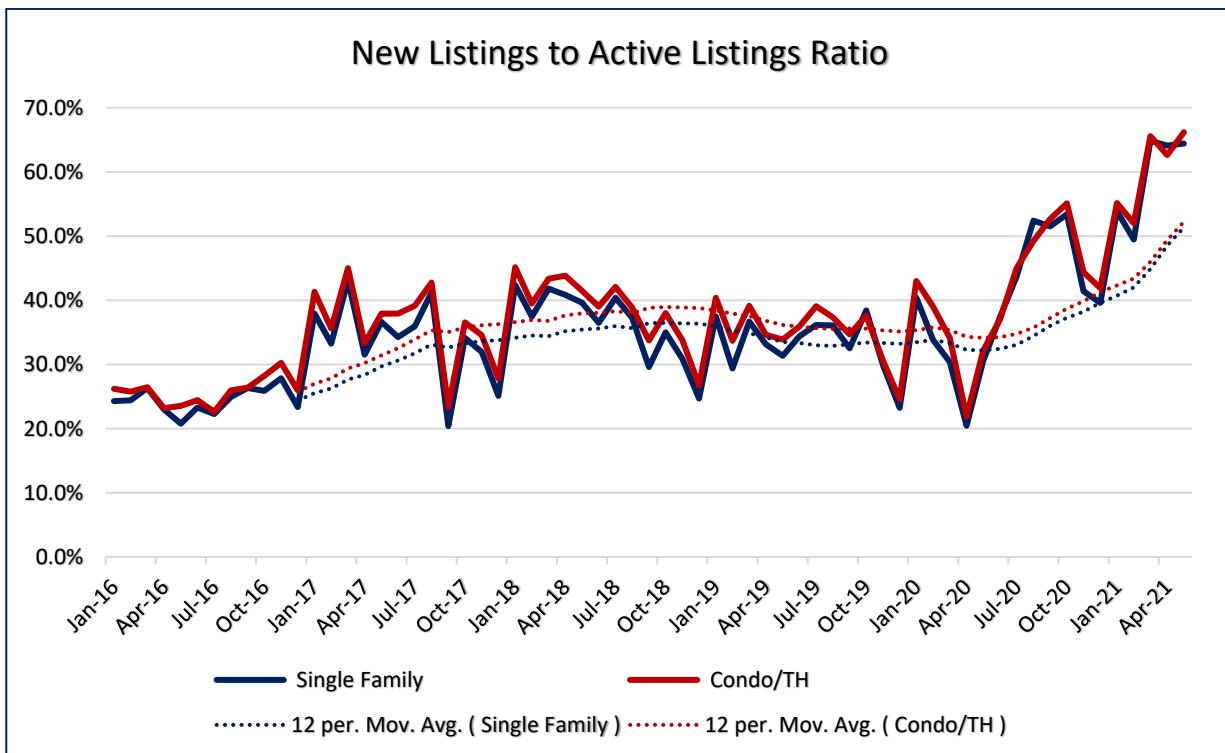
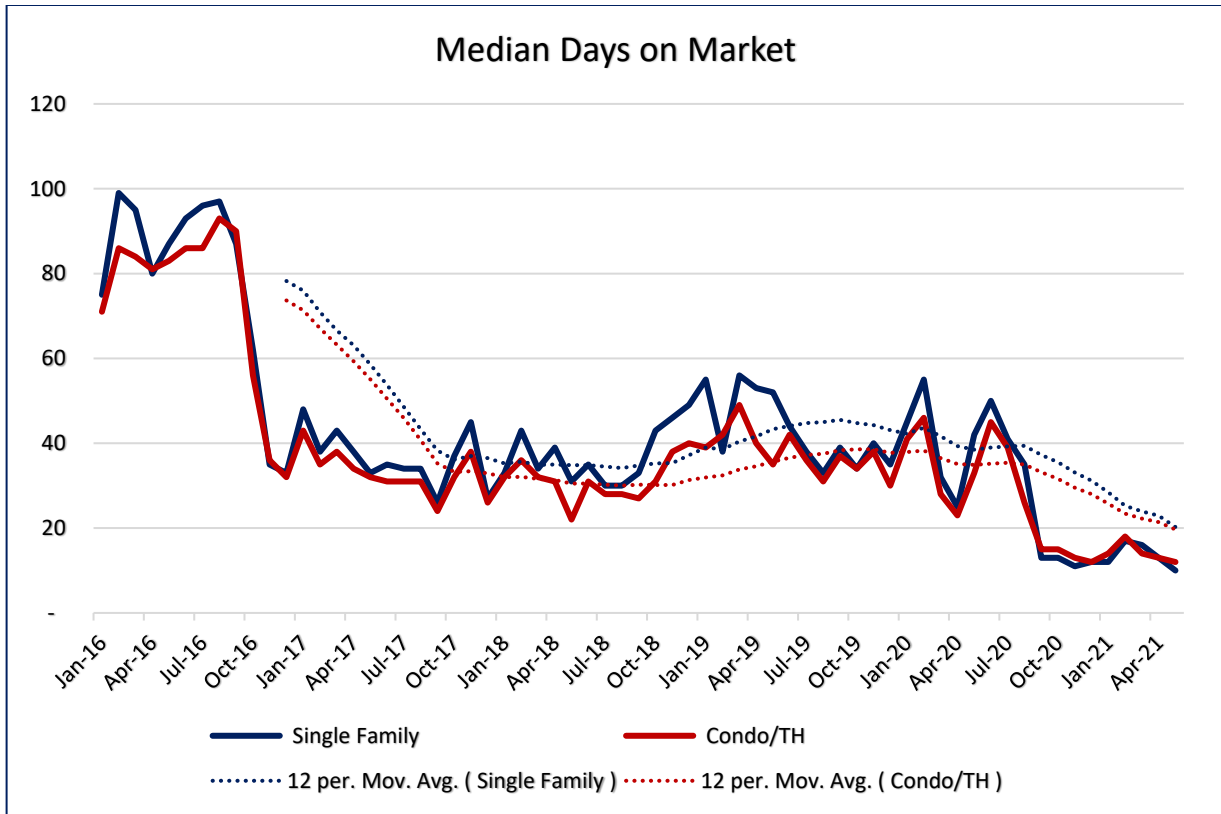


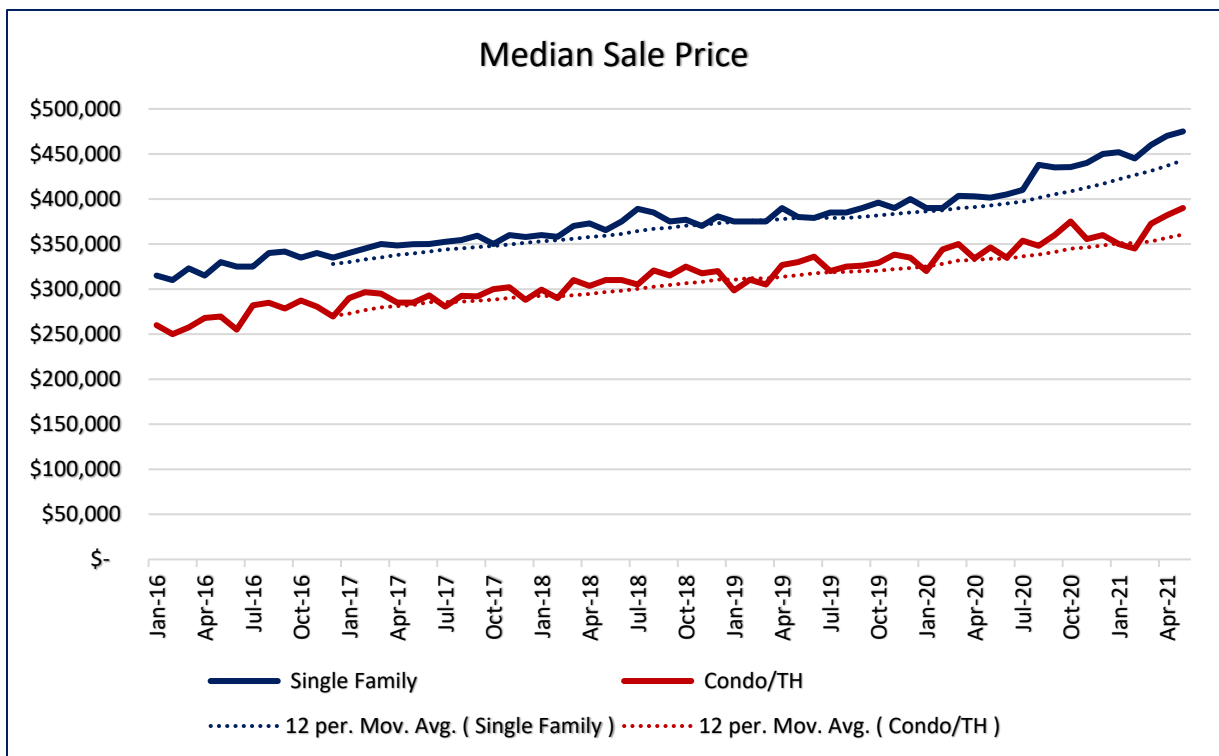
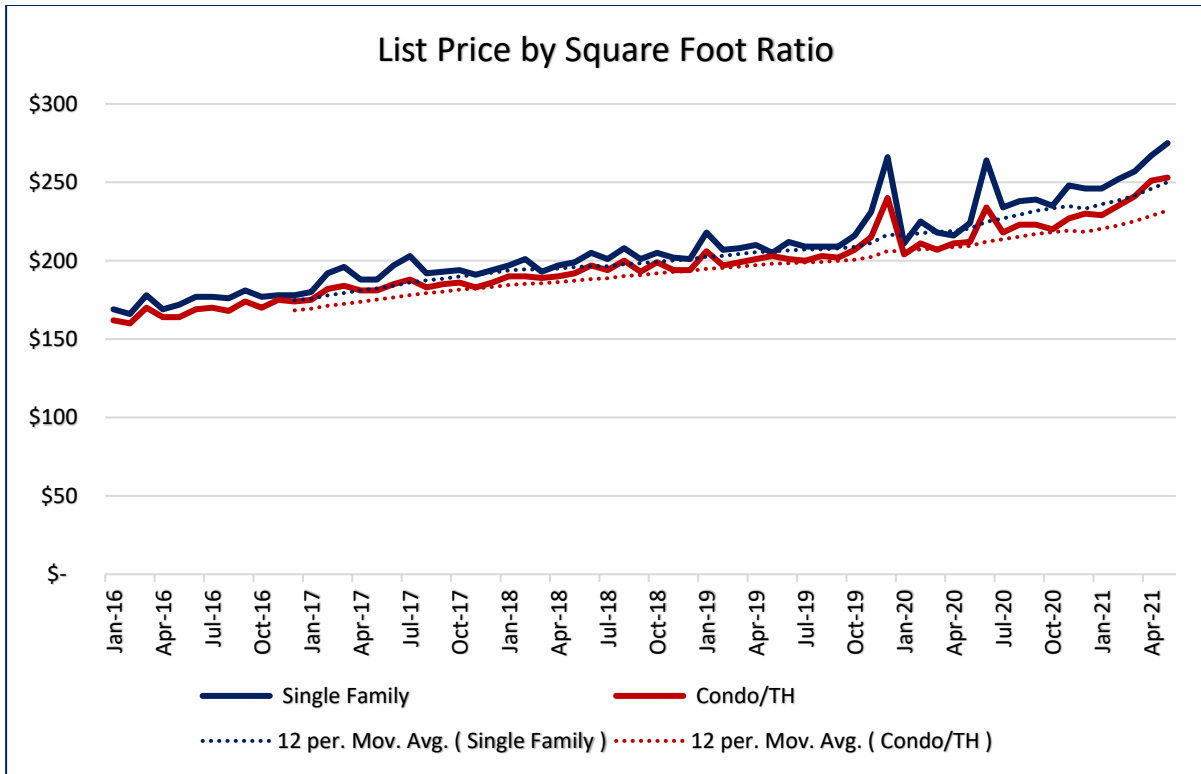
**MSAs 6.1 and 6.2 Trends – Single Family Homes and Condominiums/Townhomes**

1. In the 6.1 and 6.2 MSAs the trends have generally followed the countywide trends however, the area is more affordable than the county average, and especially compared to many areas east of Interstate 95 where higher density opportunities exist.
2. The number of active listings is declining as fewer homeowners decide to sell their properties.
3. The number of new listings declined, and while it has increased very recently it does not offset the overall decline in total listings of properties for sale.
4. The number of days a property is on the market before it has a contract and sells has declined significantly, and the gap between the sale price and the asking price has closed to its narrowest in several years.
5. The list price per square foot has increased for both types of properties, especially for condominiums and townhomes.
  1. The Countywide price per square foot was \$422 in May 2021 for single family homes and \$443 for condominiums and townhomes.
  2. The price per square foot in MSAs 6.1 and 6.2 in May 2021 was \$275 for single family homes and \$225 for condominiums and townhomes.
6. The median sale price has demonstrated significant appreciation, especially for single family homes as more buyers move away from higher density multifamily properties, as previously discussed.
  1. The Countywide median sale price for single family homes in May 2021 was \$500,000 and \$325,000 for condominiums and townhomes.
  2. The median sale price in MSAs 6.1 and 6.2 in May 2021 was \$475,000 for single family homes and \$270,000 for condominiums and townhomes, the majority of which are two bedroom units.

*Source: Beaches MLS*







## Housing Affordability

The residential component of Phase 1 of the Green City project will include 10% of the units specifically set aside as affordable for households earning between 80 and 140% of the Area Median Income. The following charts demonstrate the affordability methodology for these units. While preliminary, these estimates are based on the Miami-Dade County 2021 affordability table and may provide the following starting unit pricing:

2 bedrooms	Starting at \$265,627
3 bedrooms	Starting at \$298,916
4 bedrooms	Starting at \$331,976

AFFORDABILITY INCOME LIMITS FOR 10% SET ASIDE			
	2 Bedroom	3 Bedroom	4 Bedroom
Household Size	2	3	4
80% of AMI	\$57,850	\$65,100	\$72,300
140% of AMI	\$88,620	\$101,360	\$126,560
30% Monthly Affordability (80)	\$1,446	\$1,628	\$1,808
30% Monthly Affordability (140)	\$2,216	\$2,534	\$3,164

AFFORDABLE UNIT FINANCE FEASIBILITY			
	2 Bedroom	3 Bedroom	4 Bedroom
Down Payment Percent	3.0%	3.0%	3.0%
Mortgage Interest Rate	3.5%	3.5%	3.5%
Mortgage Term	30	30	30
Association Fee Estimate (20%)	\$289	\$326	\$362
Available for Payment	\$1,157	\$1,302	\$1,446
Loan Proceeds	\$257,658	\$289,949	\$322,017
Unit Price (80%)	\$265,627	\$298,916	\$331,976

The units that are not specifically set aside for households earning between 80 and 140% of Area Median Income also remain affordable in comparison to the trends throughout the County. The initial pricing estimates for the market rate units are:

2 bedrooms	\$266,220 to \$332,775
3 bedrooms	\$328,683 to \$410,854
4 bedrooms	\$396,000 to \$495,000

MARKET UNIT PRICING			
	2 Bedroom	3 Bedroom	4 Bedroom
MSAs Median Price per Sq Ft	\$221.85	\$222.84	\$220.00
MDC Median Price per Sq Ft	\$411.09	\$439.86	\$553.34
Price Based on MSAs Median	\$266,220	\$328,683	\$396,000
Price Based on MDC Median	\$493,308	\$648,798	\$996,017
Market Price Low	\$266,220	\$328,683	\$396,000
Market Price High	\$332,775	\$410,854	\$495,000

## Regulation

The review of regulations provides the framework for how Miami-Dade County plans for growth. As was recognized in Miami-Dade County's "Draft" Report on potential expansions and contraction of the UEA's dated May 11, 2021, the County's South-Central Tier, in which the Application Area is located, is projected to be depleted of residential use land by 2024, within the County's 10-year planning horizon. There are no housing projects planned with these two MSAs.

A review of the Green City conceptual plan by BusinessFlare determined that the site can accommodate the increase demands for the proposed industrial and residential uses. Additionally, we reviewed population projections and residential land statistics provided by the Miami-Dade County Planning Department to identify any map deficiencies and other regulatory conflicts or impediments.

According to population estimates provided by the Miami-Dade County Planning Division, the population growth projections for MSA 6.1 are:

2010	186,579	2020	195,007	2040	220,114
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This is an increase of 25,107 residents between 2020 and 2040, which at an average household size of 3.29 would require 7,623 residential units (7,943 after including a vacancy allowance of 4.2%).

County data indicates that there are currently 2,189 units under construction in MSA 6.1 with no additional units planned as part of a major project.

According to the *County's Vacant Lands Inside UDB* table there are 197 vacant residential acres in MSA 6.1 (195 single family and 2 multifamily). Considering maximum development of this acreage at 10 units an acre, which is highly unlikely, an additional 1,967 units could be realized. However, according to the *County's LUCOUNT Inside UDB* table there are currently only 464 available units in MSA 6.1 (442 single family and 22 multifamily).

Therefore, consistent with current regulations there is the potential for an additional 2,653 units to accommodate population growth. An additional 1,967 units could be realized with both necessary policy changes and full buildout of the vacant residential land at 10 units per acre. This would result in 4,156 potential units, 3,787 units short of the 7,943 needed to keep up with the projected population growth in MSA 6.1.

The residential component of Phase 1 of Green City will fill 2,080 units of the existing deficit of units that are necessary to accommodate the County's population projections for MSA 6.1 and resolve regulatory conflicts and map deficiencies that prevent accommodation of said 2020-2040 population growth. Future phases of Green City Miami may provide additional housing to further support this population growth as additional job creation occurs in the project.

## Net Fiscal Impact

BusinessFlare assisted with the preparation of the fiscal impact of proposed development and associated benefits that the county will receive to further its mission with projects that include infrastructure, housing, and industrial development.

Based on the construction of 1.75 million square feet of new Class A industrial space and 2,080 new townhomes with a total estimated construction hard cost of \$591 million, the project will generate approximately \$36.7 million in one-time positive fiscal impact to Miami-Dade County and approximately \$4.6 million in positive recurring fiscal impact beginning the first year following completion of the project based on an initial taxable value of approximately \$472 million.

Fiscal Benefit to Miami-Dade County		
<b>One Time Benefits</b>		
Road Impact Fees		\$22,114,014
Fire Impact Fees		\$3,463,256
Police Impact Fees		\$1,921,685
School Impact Fees		\$1,272,960
Parks Impact Fees		\$4,980,768
Building Permit Fees		\$2,954,839
<b>Total One Time Benefit to Miami-Dade County</b>		<b>\$36,707,521</b>
<b>Annual/Recurring benefits to Miami-Dade County</b>		
Ad Valorem Taxes	<b>Millage</b>	<b>Taxes Generated</b>
Countywide		\$2,206,390
Debt Service		\$225,986
Fire District		\$1,144,444
Library District		\$134,268
Unincorporated Service Area		\$911,650
<b>Total Annual/Recurring benefits to Miami-Dade County</b>		<b>\$4,622,739</b>

In addition to the investment in new industrial space and residential units, Green City Miami is also providing 80 acres of open space and recreational amenities for the general public. While the cost of delivering this public benefit has not yet been determined it includes both up front capital costs as well as annual maintenance. This is a significant public amenity that will reduce impact on the county park system in the area and which represents additional positive fiscal impact to the County and the community.



Green City Miami will provide the extension of water and sewer service to the project, as well as internal roadways and public roadways that access the site. Other county services that will be provided to the site include fire services and police services. In addition to the associated impact fees which will be paid to the county, ad valorem taxes to the Countywide, UMSA and Fire District funds will be paid on an annual basis. The Miami-Dade Fire and Police Departments currently provide service in this area with facilities in close proximity to the Green City site. It is reasonable to expect that the recurring positive fiscal impact to the County will be more than sufficient to cover any incremental cost of service to this project. In addition, this project will contract with private security services which may further reduce any potential cost to the County for police services.

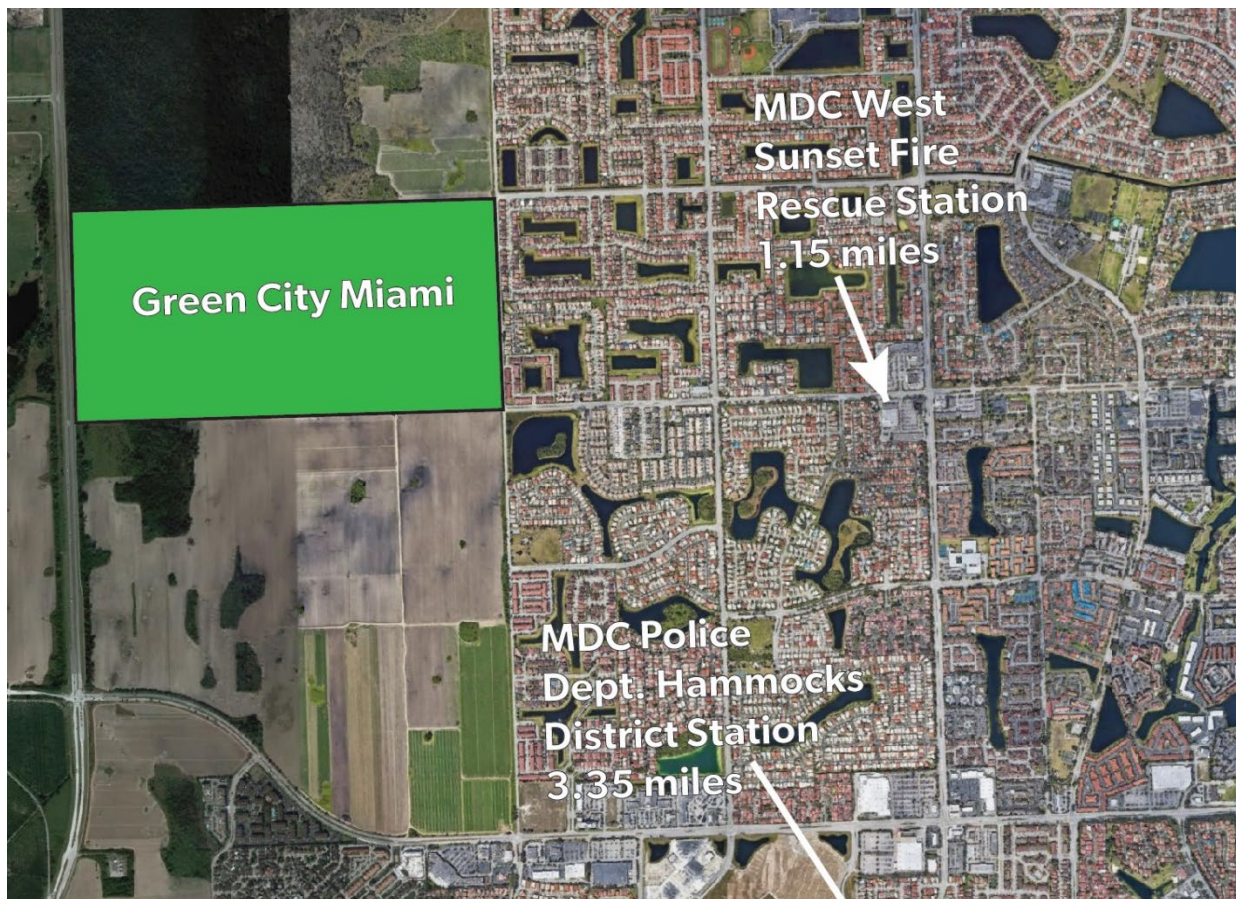


Figure 20: Location of emergency services near Green City Miami.