

City of Florida City

Community Redevelopment Agency

Annual Report

Fiscal Year 2010-11

Prepared effective 09-30-11

Introduction

The Florida City Community Redevelopment Agency (CRA) was created in 1996 and completed its 16th full year of operation in FY 2010-11. The CRA continued to facilitate a number of private development projects in the Community Redevelopment Area (CR Area) in the current year. The CRA also continued the on-going series of neighborhood streetscapes. The streets in and around the Coral Bay Manor Subdivision in the CR Area are about 70% complete with Phase III to follow in FY 2011-12. Streetscapes in other neighborhoods in the Northwestern part of the CR Area will also begin in 2011-12.

This report will address the primary operating aspects of the CRA, revenue shrinkage and significant projects for FY 2011-12, as well as the proposed budget and CRA plans for the coming year.

During the 2009, the CRA completed a revised Community Redevelopment Plan (CR Plan) and worked with County staff to get the new CR Plan through the County's approval process. The focus of the original 1995 CR Plan had been on the recovery from Hurricane Andrew, the facilitation of revenue enhancing commercial development projects, and the development of public/private partnerships to generate new construction. The newly approved CR Plan with the expanded CR Area contains a large residential area in Northwest Florida City in which the infrastructure is deficient and many of the structures are dilapidated. Much of the focus and spending of the CRA over the coming years will be the correction of this infrastructure deficit and upgrading the appearance and quality of life in this predominately African-American neighborhood. Emphasis will also be on arresting the blighting effects of dilapidated structures in this residential neighborhood through rehabilitation of some structures and the demolition of others that are beyond redemption. The CRA's focus in the new CR Plan has also been broadened to include more proactive projects initiated solely by the CRA.

I. Staffing and operating expenses

The CRA has retained all of its primary staff members that were budgeted during FY 2010-11. Rick Stauts is the Executive Director of the Community Redevelopment Agency. The City Finance Director, Mark Ben-Asher, is the Treasurer of the CRA. Jennifer Evelyn, City Clerk, serves as the Board Secretary. All staff members except Mr. Stauts serve on a part-time basis. Employee salary and fringes are divided into two categories, administrative and operating. The CRA also pays part of the salaries of two staff members in the Finance department who handle accounting and finance functions for the CRA.

II. Administrative Procedures

The Agency by-laws establish the CRA composition, purpose and powers, meetings and notice requirements and administrative procedures. New by-laws were adopted during FY 2010-11. The Agency is composed of the Mayor and four (4) elected City Commissioners and two (2) representatives of the CR Area business community. The By-laws designate the Mayor as the Board Chairman and the Vice-Mayor as the Vice Chairman of the Board.

The CRA Board meets on an as needed basis, but the meetings have averaged about one per month during FY 2010-11. The Board typically meets immediately prior to a City Commission Meeting on either the second or fourth Tuesday of the month.

III. Community Redevelopment Plan Implementation

In 2009, the Agency adopted a new total rewrite of the CR Plan. The new CR Plan provided for expansion of the CR Area to take in four additional areas in need of redevelopment. The new CR Plan and expansion areas were approved by the County and the Interlocal Agreement was executed on July 10, 2009. The focus of implementation is the facilitation of proposed and new development projects through providing necessary infrastructure and upgrading public infrastructure in the residential sections of the CR Area. In anticipation of the expansion of the CR Area to take in the Northwest Neighborhood (which contains the worst housing and highest crime rates in the City), the CRA did not spend all of the prior years' increment revenue. The cost of addressing the needs of this area will be significant over the coming years and a surplus was developed to help begin the process. The FY 2011-12 budget allocates that surplus.

In 2010, the CRA commissioned Iler Planning to create a development plan for the Palm Drive corridor. Palm Drive is the major east/west corridor in Florida City and is the route taken by those traveling to Everglades National Park from US 1. The plan provides for proposed streetscapes and design criteria to be used as the street is widened from two lanes to four, west of 6th Avenue. The

plan incorporates the proposals related to parking for the Busway as well as the Pineland Park Area and potential uses of that state owned conservation area.

Development and Infrastructure Projects Funded During FY 2010-11

NW 12th Street / NW 3rd Avenue Industrial Infrastructure Project: This project was originally budgeted for \$1,100,000 and the bid was awarded for \$996,000. The construction upgraded the appearance of the industrial area between Krome Avenue and NW 3rd Avenue through creation of parking, landscaping, curb and gutters, drainage, lighting, sidewalks, and repaving the street. Most of the property owners fronting NW 12th Street and NW 3rd Avenue have participated in the new Commercial and Industrial Façade Renovation program, so the whole area will undergo a facelift. The FY 2010-11 expenditures were \$167,172 and this completed the project..

Palm Drive Development: The CRA assisted development and construction of the El Churrito Plaza Shopping Center on Palm Drive through the installation of water lines, a fire hydrant, and sidewalks. The CRA paid \$4,974 in cost for the infrastructure. Part of the bid for the NE 14th Street/NW 1st Court Project included a small construction activity on the corner of Palm Drive and SW 2nd Avenue. This construction involved drainage, parking realignment, and landscaping to address issues in front of the Everglades Hostel and Rosita's Restaurant.

Commercial and Industrial Façade Program: The CRA adopted a Commercial and Industrial Building Façade Program in FY 2007-08 to assist building owners within the CR Area to upgrade the appearance of their buildings. The first area to be addressed was the industrial area around NW 12th Street and NW 3rd Avenue. The owners of the industrial buildings in this area have been anxious to rework the appearance of their structures. Several new industrial buildings have been completed outside the CR Area in the past several years and the owners of the older buildings in the CR Area are at a disadvantage. The building owners near NW 12th Street realize that they must improve the appearance of their buildings, or the best tenants will seek quarters elsewhere. Combining the façade improvements with the streetscape improvements on NW 12th Street and NW 3rd Avenue will change the face of the whole area. The façade project was budgeted for \$250,000. Four industrial and commercial buildings were addressed with CRA funds in FY 2010-11 totaling \$145,350 and two more buildings are already in the application process for FY 2011-12.

Pioneer Museum Improvements: \$6,000 was expended in FY 2010-11 for improvements to the Florida Pioneer Museum on Krome Avenue. The Museum building is owned by the City and the facility is operated by a non-profit that oversees and displays the museum collection. The facility is a jewel that has drawn students and travelers in the past to the heart of the Community Redevelopment Area. Over the last several years, the Museum has undergone a facelift including a new roof,

structural repairs, new electrical system, plumbing upgrades, air conditioning system replacement, security system upgrades, and has been completely repainted. The building is historic and is one of the few remaining original Florida East Coast Railroad Buildings. Most of the \$6,000 this year was spent on upgrades to security.

NE 14th Street NE 1st Court Streetscape Project: NE 14th Street runs between Krome Avenue and US1 on the north side of Florida City Center. NE 1st Court runs north from NE 14th Street to Lucy Street (and was one of the last dirt streets in the CR Area). These two streets were budgeted in FYs 2009-11 for improvements totaling \$700,000. Improvements include creation of landscaping, curb and gutters, drainage, lighting, sidewalks, paving 1st Court, and repaving NE 14th Street. Though the some of the work was done in FY 2009-10, \$368,540 was expended in FY 2010-11.

Acquisition of Property in the Northwest Neighborhood: \$1,160,000 was budgeted for the acquisition of dilapidated structures in the Northwest Neighborhood. Funds could also be used for acquisition of undeveloped parcels for the purpose of site assembly. During the year the CRA expended approximately \$400,000 for acquisition of parcels.

Demolish Houses and Relocate Tenants in Northwest Neighborhood: \$40,000 was budgeted to demolish dilapidated houses in the Northwest Neighborhood and to relocate the tenants from those houses. It was anticipated that this would be done in conjunction with an NSP3 grant, that unfortunately went to other cities within the County. Approximately \$30,610 was expended doing demolition of houses owned by the CRA. Since there were no legal tenants in the units when acquired, there was no relocation expense involved. The CRA also paid for the demolition of ten structures within the CR Area using the County Unsafe Structures Board process.

CRA Sidewalk Project: Much of the CR Area and most of the Northwest Neighborhood did not have sidewalks. The CRA began an intensive effort to build sidewalks throughout the CR Area. The CRA piggybacked on a City contract with Wrangler Construction pursuant to Chapter 287.056, Florida Statutes, and funded \$397,850 in sidewalk construction within the CR Area.

Commercial Building Improvement Grant Program: A number of shopping centers and industrial buildings completed their construction at about the same time the economy entered a recession. This left a large number of new potential business spaces that the property owners were having a difficult time leasing. To assist in filling some of these vacant spaces, the CRA developed this program in 2010 to help potential tenants be able to afford to build out the shopping center spaces and make them ready for occupancy. Under this program, the CRA will pay for up to 50% of the cost with a maximum of \$10,000. The building owner is also required to contribute. During FY 2010-11, four businesses were able to take advantage of the program. CRA expenditures were

\$60,000.

NW 1st Court, NW 2nd Avenue, NW 2nd Court Streetscape Project: This project was originally budgeted for \$453,772 and is Phase Two of the upgrade for the Coral Bay Manor Neighborhood. The construction enhances the appearance of the residential area through creation of landscaping, curb and gutters, drainage, lighting, sidewalks and repaving the streets. The construction contract was executed on March 2, 2011. The project should be completed before the end of September and is on schedule and on budget.

NW 7th Street Streetscape and NW 8th Street Sewer Lines and Hookup Project: This project was originally budgeted for \$292,504 and is an upgrade of the street on the north side of the new Youth Activity Center (which is under construction). The construction enhances the appearance of the residential area through completing an unfinished street, creation of landscaping, curb and gutters, drainage, lighting, sidewalks, sewer lines, 3 sewer hookups, and repaving the short piece of the existing NW 7th Street. New sewer lines and hookups are also being installed on part of NW 8th Street and three houses there were hooked up to the City's sewer system. The construction contract was executed on April 13, 2011. The project should be completed before the end of September and is on schedule and on budget, including change orders.

Florida City Youth Center: The new Youth Center is under construction in the CR Area on the corner of NW 5th Street and Davis Parkway. The total budget for the facility is \$3,000,000 and the CRA paid \$535,000 of that amount in FY 2010-11 and will pay \$200,000 in FY 2011-12. The center will serve as a haven for youth, containing a gym, computer lab, study areas, game areas, a kitchen, and other facilities to serve the youth of the community. The Youth Center should be completed in April, 2012.

Other CRA Activities:

The CRA was also designated the lead entity for the City for several additional projects in the CR Area. The County is undertaking a management plan for the conservation area on Palm Drive and the CRA is working with DERM to create a passive recreational plan for the new park which will be in the CR Area. Miami-Dade Transit Authority has completed an Environmental Assessment on two city blocks where MDTA plans to acquire land for a Park and Ride Facility adjacent to the Busway. Acquisition began in FY 2010-11. The parking facility will be in the CR Area on Palm Drive and the CRA is coordinating with MDTA on the project.

The CRA is also coordinating two Florida Department of Environmental Protection grants totaling \$800,000 and a State of Florida Small Cities CDBG project for \$750,000. These three grants will be used to upgrade the potable water system in the part of the CR Area known as the Northwest

Neighborhood.

Plan Consistency

The significant number of development projects that were either completed, under construction or planned, combined with the substantial increase in the CR Area tax base attest to the "bottom line" success of CRA implementation over the past 16 years. The CRA has made excellent progress in implementing a number of the adopted CR Plan Goals during FY 2010-11 including:

1. Create strong partnerships with area non-profits, the real estate industry, the financial community and potential businesses in successfully developing existing and new commercial and industrial uses. The CRA has worked with several realtors over the past year as they attempted to locate available sites for business growth or relocation. Stronger relationships have been forged with the Florida Pioneer Museum and with Centro Campesino.
2. Assist area landowners in transforming slum and blighted conditions into value-stable and value-growth properties. The CRA Façade Grant Program has assisted in the renovation of facades on four industrial or commercial buildings in the CRA. Two other building owners are working on their plans and should begin upgrading their facades in FY 2011-12.
3. Use CRA funds as an incentive and leveraging factor in non-profit and private sector development opportunities. The expenditure of CRA infrastructure funds along Krome Avenue, US 1, and Palm Drive directly contributed to the decision by AutoZone, Bank of America, Rise Academy, El Churrito Plaza, Krispy Cream, and Chase Bank to locate on US 1 and on Palm Drive. Dollar General Corporation is doing its due diligence for a 9,000 square foot store on Palm Drive after signing Sales and Purchase Agreements on the land. A new five-story hotel will start construction in FY 2011-12 on Krome Drive.
4. Attract relocating businesses to the CR Area through an aggressive marketing program coordinated with the South Dade Vision Council and the Beacon Council.
5. Assist local businesses and start-up entrepreneurs in relocating to the CR Area. The Commercial Building Improvement Grant Program was used to attract new businesses to vacant commercial space. Medical Park Diagnostic Center, C-Mart (a new dentist), Active Spine Center, Lincoln-Marti School, and several other businesses relocated to within the CR Area in FY 2010-11.
6. Increase the overall attractiveness of the Area through strict Code enforcement and special

projects and programs such as streetscaping and facade improvements. The CRA has worked closely with the City Code Enforcement Department and the City Public Works Department to address the appearance of the CR Area.

7. Provide cost-effective and strategic infrastructure improvements that are necessary to ensure the on-going redevelopment of the CR Area. The CRA continues to subsidize part of the cost of public infrastructure to attract business and residential growth in the CR Area

These and other adopted principles will be supported and further implemented during the upcoming year.

IV. Tax Base Growth and Proposed Budget

The continuing goal of the CRA is the expansion of the property values within the CR Area to the maximum extent possible and to improve the physical quality of life for the businesses and residents of the CR Area, consistent with the adopted Community Redevelopment Plan. The 2011 tax base of the CR Area has grown to its present value of \$210 million, an increase of over 492% since the CRA's inception in 1995. However, in 2011, tax values fell by \$29 million from 2010 as they did throughout much of the county. The approved FY 2011-12 CRA Annual Budget (see Exhibit A) summarizes the planned financial program for the CRA in the coming year. Total funds available in FY 2011-12 are expected to be \$5,728,011. Of this amount, \$1,045,318 is the annual City increment revenue contribution and \$647,286 is the Miami-Dade County increment revenue contribution. The remainder constitutes \$3,985,407 in carryover funds from FY 2010-11 and projected interest income of \$50,000. The large carryover is a result of the planned expansion of the CR Area to include the Northwest Neighborhood. The CRA accumulated surplus funds for several years in anticipation of the expansion that was approved on 2009. Some of these funds was expended in FY 2010-11 on projects described in Section III, and the remainder is scheduled for expenditure in FY 2011-12.

During FY 2009, the CRA, with County approval, added additional blighted parts of the City to the CR Area. The CR Plan was updated to outline the City and CRA plans for these four areas. The additional areas include the Northwest Neighborhood, a small residential area near the Florida City Busway proposed Park and Ride, the state-owned Pineland area on West Palm Drive, and an infrastructure deficient agricultural based property south of Palm Drive and west of Krome Avenue. It is not anticipated that these areas will contribute significantly to increment revenue for a number of years. During FY 2011-12, the CRA will continue investing existing increment revenue in the Northwest Neighborhood to address the blighted conditions there.

PROPOSED FY 2010-11 Expenses

Administrative Expenses

1. Employee Salaries (\$149,382)

The administrative salary costs charged to the CRA will be as follows:

60% of Executive Director	$\$118,410 \times .60 = \$71,045$
10% of Mayor/Chairman	$154,810 \times .10 = 15,481$
25% of CRA Treasurer	$120,028 \times .25 = 30,007$
30% of City Comptroller	$51,293 \times .30 = 15,388$
10% of City Clerk	$62,440 \times .10 = 6,244$
33% of City Accountant	$33,991 \times .33 = 15,101$
	<hr/>
	\$149,382

Employee Fringes (\$72,355)

This line item is for the cost of fringe benefits for the employees. These benefits are such things as FICA, Workers' Compensation Insurance, FRS contribution, health insurance, life insurance, unemployment compensation, vacation pay, sick pay, and holiday pay.

The CRA commissioned a cost allocation study in FY 2010-11 to be able to better determine its fair share of City administrative and indirect costs. A contract was executed with Willdan, Inc., and better allocation of indirect costs will be available for FY 2012-13.

Note: The operating salary and fringe costs are listed in the "Operating Expenses" section below.

2. Printing and Publishing (\$500)

The CRA will continue to publish brochures for the Commercial Building Improvement and Facades Programs. A new brochure will be published for the Public Infrastructure Program.

3. Advertising and Notices (\$7,500)

The CRA will be advertising public notices for Requests for Qualifications and for Invitations to Bid for infrastructure and other projects, and publishing other legal notices as required. The CRA is also

paying for amending the City's Comprehensive Plan to implement land use changes proposed in the new CR Plan adopted on 2009. This amendment would not be necessary but for the proposed land use changes in the new CR Plan. The advertising costs for this type of Comprehensive Plan amendment are substantial.

4. Travel and Training (\$9,000)

This category includes educational and business events relating to community redevelopment as well as out of town travel for conferences and client meetings. The CRA Executive Director is a member of the Board for the Florida Redevelopment Association and travels frequently to Board and Committee meetings. The Executive Director also represents the CRA at state meetings of the Florida Economic Development Council, the Florida Community Development Association, and the Florida Housing Coalition. Since the grant applications for the Small Cities Community Development Block Grant Program will mainly address issues in the CR Area, attendance at application and implementation workshops is also warranted.

5. Rent/Lease Auto (\$6,500)

The CRA leases a car from the City for use by the CRA Executive Director.

6. Rent/Lease Costs (\$5,400)

The CRA rents office space at the Florida City City Hall.

7. Office Equipment and Furniture (\$3,000)

The CRA plans to upgrade some of its office furniture this year and plans to purchase a scanner. The City is working toward a paperless purchasing environment and a scanner will be needed in each office. The CRA also needs additional lateral filing cabinets, a small meeting table, and another bookcase. The CRA planned to undertake this upgrade in FY 2010-11, but agreed to forgo the purchase since this type of expenditure was frozen for the rest of the City.

8. Other Administrative Expenses (\$3,000)

This line item will be used to pay for miscellaneous administrative expenses such as office supplies, postage, minor equipment replacement, phone expenses, CRA share of copy machine and reproduction costs, coffee and supplies, water, internet, etc.

9. County Administrative Charge (\$9,707)

Required County fee - 1.5% of County's tax increment contribution

Operating Expenses

1. Employee Salary (\$47,363)

The operating salary cost charged to the CRA will be

40% of Executive Director $\$118,410 \times .40 = \$47,363$

Employee Fringe Benefits (\$21,787)

This line item is for the cost of fringe benefits for the employees. These benefits are such things as FICA, Workers' Compensation Insurance, FRS contribution, health insurance, life insurance, unemployment compensation, vacation pay, sick pay, and holiday pay.

Note: The administrative salary and fringe costs are listed in the "Administrative Expenses" section above.

2. Contractual Services (\$340,000)

This line item provides funding for architectural, engineering, and survey professionals for infrastructure and building projects. It also pays for professional services for the changes that are driven by the new CR Plan to the Future Land Use Map. This line item also includes lead based paint and asbestos testing for housing units to be demolished. Other costs are for realtor services and appraisals for the acquisition of foreclosed and abandoned properties. A professional display consultant may be secured for the Museum to assist in upgrading the quality of the displays and fixtures. A grant writer may be secured by contract to assist the CRA in obtaining grants. The CRA has commissioned a cost allocation study to obtain a more reasoned method of apportioning indirect cost.

3. Audits and studies (\$4,000)

This line item pays the CRA's share of the cost of the annual City Audit (CAFR) plus publication and distribution.

4. Membership and dues (\$2,500)

This line item pays for CRA memberships in the Florida Redevelopment Association, the Florida Economic Development Council, the Florida Community Development Association, the Florida Housing Coalition, and the Florida Special Districts Program.

5. Legal Services/ Court Costs (\$15,000)

This line item pays for the cost of the City Attorney's review and /or preparation of CRA documents, Resolutions, agenda items, and contracts, and for attendance at CRA Board Meetings. The CRA also incurs legal expenses when it acquires property in the CR Area.

6. Property Maintenance (\$2,500)

The CRA pays the City Public Works Department to cut the grass and maintain the twenty three (23) CRA-owned properties.

7. Property Acquisition and Demolition (\$650,000)

This CRA budget provides \$650,000, for acquisition of dilapidated housing and vacant lots in the "Snake Pit" area and the Northwest Neighborhood and \$40,000 to pay for demolition of the dilapidated structures. It is not known which parcels will be acquired or demolished. What is acquired will be a function of what comes on the market, what properties complete the foreclosure process and are available, whether a desired property is for sale at a price the CRA is willing to pay, and in many cases, the finalization of probate issues so that an heir can pass a clean title. The properties will be held until the real estate market improves and they will eventually be developed for affordable or market rate housing. The CRA has developed acquisition plans for four sections of the CR Area.

8. Infrastructure Improvements (\$3,407,225)

This line item pays for the cost of the public infrastructure projects to be undertaken in the CR Area. These projects are detailed in the Projects Section on page two of the CRA Budget and Section VI of this report.

9. Assistance to Non-Profits (\$10,000)

This line item will pay for an operating subsidy for the Florida Pioneer Museum Association to

operate the Florida Pioneer Museum. The Museum is a major tourist attraction on Krome Avenue within the CR Area and the CRA desires to fund the cost of expanded hours so the historic building and museum displays are more readily available to tourists and local residents alike. The Association will be working with local schools to encourage field trips to the museum and this will require expanded hours of operation.

10. Redevelopment Façade Grants/Commercial Building Improvement Grant Program (\$250,000)

This line item will pay the CRA's part of approved façade rehabilitation projects undertaken by owners of commercial or industrial buildings. The CRA Board has established policies and procedures document to provide guidance on use of the funding. The CRA also initiated a new program in 2010 to assist businesses with the cost of moving into vacant shopping center and other unused commercial space. The CRA Board has established a policies and procedures document to provide guidance on use of both of the funding programs.

11. Redevelopment Loans/Grants to Businesses (\$100,000)

The CRA maintains an "opportunity fund" that would be used to incentivize potential tax-generating or job creating proposals within the CR Area. The CRA must be opportunistic and flexible to take advantage of unplanned business relocations or new businesses desiring to locate within the CR Area. The CRA budget for this activity is \$100,000.

12. Building construction & Improvements (\$50,000)

This line item will pay for the cost of improvements for the Florida Pioneer Museum. The CRA, the City, and the Florida Pioneer Museum Association want to see greater utilization of the Museum by both tourists and local residents. To accomplish this, the quality of the viewing experience has to be upgraded through better and more diverse displays. The CRA will also be funding a storage building adjacent to the Museum to hold the items in the collection that are not on display. A local architect has offered to design the building for free, and a local builder is willing to build it for free if the CRA pays for the building materials, permits, impact fees, and other similar costs. Collectively, the CRA should save about \$10,000 in design fees because of the donation. Construction cannot begin until the caboose behind the Museum is relocated to the Ft Pierce Railroad Museum.

13. Florida City Youth Activity Center (\$200,000)

The new Florida City Youth Activity Center is under construction in the CR Area on the corner of NW 5th Street and Davis Parkway. The total budget for the facility is \$3,000,000 and the CRA paid

\$535,000 of that amount in FY 2010-11 and will pay \$200,000 in FY 2011-12. The center will serve as a haven for youth, containing a gym, computer lab, study areas, game areas, a kitchen, and other facilities to serve the youth of the community. The Youth Center should be completed in April, 2012. The CRA should be making no further contribution to the construction or operation of the Youth Center.

14. Transfer out to others (\$240,000)

This line item pays for enhanced police services within the CR Area. These three officers devote 100% of their time to the CR Area.

100 % of 3 Police Officers	\$240,000
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15. Other Operating Expenses (\$500)

This line item pays for various and sundry operating expenses. Items covered are such small things as camera batteries, water provided for a road race in the CR Area, and other miscellaneous purchases.

16. Reserve/Contingency (\$121,677)

This line item will provide a source of funds to pay for cost overruns or enhancements for infrastructure projects or unanticipated CRA costs, as well as a source of funds for the CRA to be opportunistic. This is only 2.1% of the total budget.

V. Future Development Projects and Other Agency Initiatives

The CRA plans to continue to work with private developers and public funding agencies to recruit employment-generating businesses and to create affordable housing opportunities in the CR Area. One development project by Pinnacle Housing Group that was coordinated in FY's 2009-11 completed construction and leased up in FY 2010-11. In addition, several infrastructure, design and streetscape projects are also planned as noted below.

Private developers seeking assistance from the CRA must go through the CRA's project selection process, which involves application submittal, review by staff and City Engineer, funding recommendation from the CRA Executive Director, and eventual approval by the CRA Board. CRA staff and Board use the following criteria in deciding whether projects should be funded:

- 1) Does the project provide a significant benefit to CR Area businesses and residents?
- 2) Is the project consistent with the Community Redevelopment Plan?
- 3) Will pay back through estimated revenue increases to City occur within 5-7 years?
- 4) Are project funds provided to a private developer on a reimbursement basis such that a project is at least 50% constructed before CRA funds are released?
- 5) Is the applied for amount necessary to make the project feasible?
- 6) Are CRA infrastructure improvements timed such that the private developer effort will be underway before or concurrently with the CRA funded infrastructure?

This process has worked well for the CRA. During the period from FY's 2003-2011, the CRA expended over \$1,200,000 in increment revenue to create public infrastructure on US 1, Krome Avenue, and Palm Drive as an incentive to businesses to locate there. The enhanced property values where businesses have located and built buildings are now generating approximately \$560,000 a year in new increment revenue. Further, there is still a significant amount of vacant land ready for development that is now served by this same public infrastructure. A new Dollar General Store, a new Chase Bank, and a new five-story Hilton Hotel are scheduled for completion in FY 2011-12 in areas where the CRA has previously constructed infrastructure. This investment in public infrastructure will pay great dividends to both the City and County long after the life of the CRA has ended.

The CRA is also assembling several sites for future housing or other redevelopment. Most of the acquisitions will occur in the four areas where acquisition plans have been created. While property costs are low compared to recent years, now is the time to buy, demolish dilapidate structures, and assemble future building sites. This will address slum and blighting conditions in the CR Area as well as provide for future affordable housing.

The CRA does not have any indebtedness at this time. To date, the CRA has limited its activities to "pay as you go". Though this may have retarded some CRA actions in implementing the CR Plan, the CRA has been able to manage the sharp reduction taxable value and in revenue over the past four years.

VI. FY 2011-12 Public Improvements and Assistance to Private Developments

NW 14th Street/NW 1st Streetscape Project: Phase III of the Coral Bay Manor Streetscape project has been bid and awarded. Construction will begin in October, 2011. Improvements and will include

a new streetscapes on NW 1st Avenue and NW 14th Street to include on-street parking, sidewalks, drainage, landscaping, lighting, curb and gutters, and repaving. This is the last phase of the Coral bay Manor project. The bid for this phase was \$576,085.

Commercial and Industrial Façade Program: The CRA has adopted a Commercial and Industrial Building Façade Program to assist building owners within the CR Area in upgrading the appearance of their buildings. The first area to be addressed was the industrial area around NW 12th Street and NW 3rd Avenue. Many of the industrial buildings in this area have already reworked the appearance of their structures. Several new industrial buildings opened outside the CR Area in 2009 and the building owners near NW 12th Street realize that they must improve the appearance of their buildings, or their best tenants will seek quarters elsewhere. Combined with the streetscape improvements on NW 12th Street and NW 3rd Avenue, this façade renovation program will change the face of the whole area. The façade project is budgeted for \$200,000.

Pioneer Museum Improvements: The Museum building is owned by the City and the facility is operated by a non-profit that oversees and displays the museum collection. The facility is a jewel that has drawn students and travelers in the past to the heart of the Community Redevelopment Area. The building is designated as a historic structure and is one of the few remaining of the original Florida East Coast Railroad Buildings that survive. The CRA will assist the Museum in FY 2011-12 with the cost of new displays for part of its collection. Also the CRA may fund the cost of materials for an ancillary storage facility adjacent to the Museum to house the portion of the museum collection that is not on display. The construction project is budgeted for \$50,000.

WNW Neighborhood Streetscape Project, Phase I: Pinnacle Housing Group has just completed an 87 unit tax credit driven affordable housing development in this neighborhood. The CRA has also demolished four dilapidated structures in this neighborhood and is planning on demolishing two others. To make this homeowner dominated area look better, the CRA is undertaking a streetscape project in this quadrant of the CR Area. The project will encompass nine square blocks. All of the streets in that area will be reconstructed to include curb, gutter, landscaping, sidewalks, lighting, and repaving. The project design is complete and it should be out to bid before the end of October. The projected cost is \$1,425,000.

WNW Neighborhood Streetscape Project Phase II: This is a continuation of the streetscapes that will be completed in one of the areas added to the CR Area in 2009. The WNW Neighborhood Streetscapes will be completed over 6-10 year. This year we are doing Phase I (as described above) and paying for part of the construction of Phase II. Design for Phase II is underway and should be finished in March. We will bid out construction in March/April and plan to expend the \$800,000 of construction funding before September 30. We expect the cost will exceed \$1,000,000 for Phase II

and we will pay the balance out of FY 2012-13 funds. We want to get to a point where we are designing streetscapes one year and bidding them out in October-November of the next year. This way we will be expending our funds at a quicker pace.

NW 12th Street between NW 6th Avenue and NW 8th Avenue: NW 12th Street is one of five unimpeded east-west corridors in the City and is heavily used. The construction will occur in two phases to minimize disruption of traffic by having part of the street always open for detour purposes. The streetscape will include new street paving, sidewalks, curb and gutters, drainage, landscaping, lighting, and the first round-a-bout in the City. The project design is complete and it should be out to bid before the end of October. The projected budget is \$356,000.

Youth Activity Center: The City and the CRA are jointly constructing a new Youth Activity Center within the CR Area. This center will serve as a recreation/gathering/tutoring space for the youth of our community. It will contain a gymnasium, meeting space, study areas, and other recreational facilities as well as a computer lab where students who do not have home access to the internet may work on homework and research assignments. The cost of construction is \$3,000,000 million dollars, of which the CRA is contributing \$200,000 in FY 2011-12.

Commercial Building Improvement Grant Program: The CRA has budgeted \$50,000 for grants to assist new and expanding businesses to relocate into unused shopping center and commercial space. The program requires a match from the business and a contribution from the building owner as well. The use of the funds is limited to improvements that remain in the building as tenants change, such as lighting, flooring, partitions, etc.

Loans and Grants to Businesses: Because of the economy, the CRA has budgeted \$100,000 to assist businesses with grants or loans. It is not the intent of the CRA to make a lot of small loans or grants, but rather to have a budget line item that would allow the CRA to be flexible should a large job-creating opportunity for a public-private partnership present itself.

NE 3rd St/NE 2nd St/ Thelma Ct/Eldon Ct Streetscapes: A local developer has secured a Hilton franchise for a 98 room 5 story suites hotel at the end of the Turnpike. The CRA will construct a streetscape on the entrance streets leading to the hotel as part of the incentive package to make the project work. The streetscape will include new street paving, sidewalks, curb and gutters, drainage, landscaping, and lighting. The hotel should create 25 new jobs and \$5,000,000 in ad valorem tax value in the CRA. The projected budget is \$250,000.

VII. FY 2010-11 Housing Programs

Acquire Property in the CR Areas: \$610,000 is budgeted for the acquisition of dilapidated structures in four sections of the Northwest Neighborhood. Funds could also be used for acquisition of undeveloped parcels for the purpose of site assembly. This part of the Northwest Neighborhood contains many housing units that are unfit for rehabilitation and just should be demolished. The properties will be held until the real estate market improves and they will eventually be developed for affordable or market rate housing. The CRA has completed acquisition plans for the four sections of the CR Area.

Demolish Houses in the CR Area: \$40,000 is budgeted to demolish housing structures in the Northwest Neighborhood that are acquired by the CRA or that are demolished by the CRA based on orders from the County Unsafe Structures Board. There are a number of housing units that are in foreclosure or that have been abandoned that the CRA is planning to acquire so they can be demolished. The properties will be held until the real estate market improves and they will eventually be developed for affordable or market rate housing.

VIII. Enhanced Public Safety Program

Community Policing Program: The CRA plans to continue implementation of the special public safety program. This program enhances Florida City Police patrols, over and above normal service levels, for CR Area only. The projected cost of this program is \$240,000 for FY 2011-12. This innovative community policing program has been very effective in providing greatly increased police visibility and interaction with CR Area businesses and residents. Business owners in the area have repeatedly expressed the desire that the program continue and even be strengthened in the future. The CRA Board believes this is one of its most important and necessary programs because it creates a good public safety environment in which quality redevelopment may occur. It also allows our Police department to provide enhanced presence at night to prevent theft in areas where the CRA is paying for infrastructure projects.

IX. Summary

Overall, the CRA has grown at a very healthy rate since 1995, even with the property tax shrinkage in 2009, 2010, and 2011, and the CRA has been a very productive catalyst thus far in overall City redevelopment. An effective partnership with Miami-Dade County has greatly assisted the CRA in its mission. This growth stagnation or shrinkage trend is expected to continue over the next several years and funding for large projects will become a challenge. However, the CRA remains confident that it can accomplish all the planned activities in FY 2011-12 consistent with the recently adopted CR Plan.