



**MIAMI-DADE COUNTY
FINAL OFFICIAL MINUTES
Naranja Lakes Community Redevelopment
Agency (CRA)**

Board of County Commissioners
South Dade Government Center
Room 203
10710 S.W. 211 Street
Miami, Florida

Monday, March 26, 2007
As Advertised

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Board of County Commissioners

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Clerk of the Board Division

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**CLERK'S SUMMARY AND OFFICIAL MINUTES
NARANJA LAKES
COMMUNITY REDEVELOPMENT AGENCY (CRA)
MARCH 26, 2007**

The Naranja Lakes Community Redevelopment Agency (CRA) Board met in the South Dade Government Center, Room 203, 10710 S.W. 211 Street, Miami, Florida, at 6:00 p.m., March 26, 2007; there being present upon roll call: Mr. Rene Infante, Mr. Moe Hakssa, Mr. Stuart Archer and Mr. Kenneth Forbes (Ms. Marlene Volkert was late), (Chairperson Nina Betancourt, Mr. Parsuram Ramkissoon and Mr. Daniel Lipe were absent); Mr. Mike Iturrey, CRA Coordinator, Office of Strategic Business Management; Mr. Alberto Gonzalez, CRA Analyst, Office of Strategic Business Management; and Deputy Clerk Jill Thornton.

I. Call to Order

Mr. Forbes called the CRA Board meeting to order at 6:16 p.m.

II. Roll Call

Mr. Forbes noted as a quorum was not yet present, informational items would be heard first.

There being no objection, the following agenda items were considered out of order.

V. Open Forum for Public Comments

Mr. Forbes opened the floor for public comments. Hearing no one wishing to appear, the CRA members proceeded to discuss old business.

Mr. Forbes asked Mr. Gadway to provide CRA members with further clarification regarding the presentation he made at the last CRA meeting (2/26) on the "Second Home Development" project.

Prior to Mr. Gadway responding to Mr. Forbes' request, Mr. Iturrey noted staff met with Mr. Gadway and received ample information regarding his project's history, debt and the impact fees paid to the School District, but not enough information was provided to substantiate the CRA funding this project. He noted Mr. Gadway did not provide proforma(s) or proper information that would directly indicate how the requested \$185,000 would impact his project or how this investment would benefit the CRA.

Mr. John Gadway, 15300 SW 82nd Avenue, appeared before the CRA and stated he could provide the Board with all financial reports relating to this project. He noted the investment cost to complete phase I of this project was approximately \$70,000, but the substantial costs such as insurance, interest and taxes, were incurred over a period of time. Mr. Gadway noted he was behind on mortgage payments, insurance costs, and other carrying costs.

Mr. Iturrey advised that staff would need to know whether the \$185,000 would be used for capital costs directly related to the project or to offset operating costs or cure some default or outstanding loans.

Mr. Infante added that the CRA would need to know whether this was a viable, economic project that would provide a return on the investment and how quickly this project could be completed once funds were provided.

Mr. Gadway noted this was a viable project in the beginning and that he had invested much into it however issues and delays had depleted the funds. He noted these issues needed to be addressed in order to complete this project.

Mr. Forbes noted the CRA needed to establish a policy to ensure the process was fair and available to everyone seeking assistance from the CRA.

Mr. Iturrey suggested Mr. Gadway identifying someone to partner with him.

Mr. Gadway noted he was before the CRA because he felt he had responded to the kinds of activities that the CRA was trying to implement, but he had not received the support he expected. He noted this project was impeded and the delays had cost him enormously.

Mr. Archer noted it was previously suggested that staff check with the County regarding the abatement of taxes or impact fees, which he felt would have been a possible solution.

Mr. Iturrey noted this alternative was not pursued because the \$148,000 was for the School Board and the CRA had no jurisdiction over the impact fees for the School Board.

Following further discussion, Mr. Forbes requested that Mr. Gadway provide staff with the appropriate information for the CRA's consideration.

Mr. Iturrey asked Mr. Gadway to provide specific financial information that would substantiate his project and demonstrate a return on the CRA's investment.

Upon the arrival of a quorum, the CRA Board proceeded to consider the action items on the agenda.

III. Approval of the Minutes

It was moved by Ms. Volkert that the January 22, 2007 and February 26, 2007 NLCRA meeting minutes be approved. This motion was seconded by Mr. Hakssa and upon being put to a vote, passed by a vote of 4-0. (Mr. Archer abstained from voting.)

IV. Approval of the Agenda

It was moved by Mr. Infante that tonight's agenda be amended to reserve some time under Agenda Item VII, New Business for a discussion on the CRA hiring an executive director. This motion was seconded by Mr. Archer for discussion.

Ms. Volkert noted a discussion of this matter should not be taken lightly and should be deferred to the next CRA meeting so that all CRA members could be present to participate in it. She expressed concern that CRAs could face drastic cuts in Tax Incremental Funding (TIF) revenues as a result of

this year's legislative session in Tallahassee, which would impact the CRA's decision to hire an executive director.

Mr. Infante noted it was not his intent to take any action in this discussion, but rather to initiate the process and discuss the possibility of staff drafting a letter of invitation.

Following discussion, the Board proceeded to vote on the foregoing motion. Upon being put to a vote, the motion passed by a vote of 4-1. (Ms. Volkert voted No)

It was moved by Mr. Archer that the agenda for tonight's meeting (03/26) be approved, as amended. This motion was seconded by Mr. Infante and upon being put to a vote, passed by a vote of 4-1. (Ms. Volkert voted No)

V. Old Business

Community Policing

Sergeant Ozzie Hernandez, Miami Dade Police Department, Cutler Ridge District, provided an overview of the security report entitled "Naranja Lakes CRA Initiative Monthly Progress Report," dated March 16, 2007. In addition to the information provided in this report, he noted a sexual predator was apprehended in the Mandarin Lakes area. Sergeant Hernandez said police enforcement and community meetings continue, and the first Mandarin Lakes Crime Watch meeting was held last week. He said he was hopeful the remaining communities in the CRA District would also implement a crime watch program.

Sergeant Hernandez noted the Police Department would host its next community event, a "Neighborhood Resource Fair," at the Sea Pines Community Park on Saturday, May 12, 2007, from 10 am to 2 pm. He noted the last event, the "Naranja Community Safety Fair," resulted in a turnout of approximately 150 people, but it was anticipated that the next event's turnout would be much higher, with media coverage, more community participation and additional resources. Additionally, he noted booths would be set up for community organizations to promote their services. This event would also include promoting the new Naranja Lakes Library; the Animal Services "Adopt-a-Pet" bus, a blood drive and a plan to display some professional race cars.

Responding to Mr. Archer's question whether this event could include representation from any of the public health services, Ms. Volkert suggested someone contact the Community Health of South Dade, Inc. (CHI) to participate in this event.

In response to Mr. Archer's question regarding whether the CRA could contribute funds to this event, Mr. Forbes noted it was discussed at the last CRA meeting that the CRA members wanted to encourage the outreach events and include funding in the budget to purchase food for these events.

Mr. Iturrey noted he was uncertain that funding these events was an eligible use of the CRA funds, but he would research this and report back to the CRA. Mr. Iturrey also noted the communities could also reach out to the local Chamber of Commerce or local, private businesses for support.

Sergeant Hernandez indicated the concept was to get the communities to provide their own resources to host their community events, with the interaction and partnership of the community businesses.

Mr. Iturrey suggested staff provide Sergeant Hernandez with a copy of the list of businesses located within the CRA District that was previously provided to the CRA by Mr. Hakssa.

Mr. Forbes suggested that D.R. Horton Builders provide for face painters at this event, as they did in the Grand Opening of the Mandarin Lakes Homes.

Update on General Old Business

Current re-zoning applications in the CRA

Mr. Iturrey advised that no re-zoning applications had been submitted recently for properties located within the NLCRA district.

Update on Mandarin Lakes

Mr. Paul Herman, Development Project Manager, D.R. Horton Builders, provided an update on the sales/closings of the Mandarin Lakes Homes. He noted to date, a total of 457 units had been sold, which included 235 town homes, 135 forty-foot single-family homes and 87 fifty-foot single-family homes; and that 132 town homes, 79 forty-foot single-family homes and 49 fifty-foot single-family homes had closed for a total of 260 closings. Mr. Herman noted 4 additional homes were sold since the last CRA Board meeting.

Update on Infrastructure Construction

Mr. Scott Hedge, Vice-President, Architecture and Planning, DeGuardiola Properties, appeared before the CRA on behalf of Naranja Lakes Construction, LLC, along with Mr. Robert Murphy, Engineer and Mr. Pearson, Solo Construction. He noted since the last CRA meeting, they continue to move forward with completing the roadways at SW 140th Ave, 280th and 257th Street. He noted these projects were delayed due to County inspections resulting in a check list of things needing to be corrected. Mr. Hedge noted the projects would be delayed another week before the last lift of asphalt could be placed but they were working diligently to complete the work as soon as possible.

Mr. Hedge noted he was working with Mr. Iturrey regarding the requests for payment applications and he retracted the previous application submitted that contained some discrepancies relative to the schedule of values. He noted a new request for payment application was submitted which was intended to be more consistent with the redevelopment agreement.

Mr. Iturrey noted staff was trying to sort through the discrepancies with Mr. George DeGuardiola and Mr. Scott Hedge. He noted he recommended to Mr. DeGuardiola that he submit a request for reimbursement for work performed that was not in conflict with the redevelopment agreement so the developers could get paid. Mr. Iturrey noted he just received the new payment application and once staff reviewed it, he would verify that the work had been completed through the assistance of an appropriate County department. He noted he would make the effort to avail himself of whatever resources available to inspect this work at little or no cost to the CRA for this service.

In response to Mr. Infante's question, Mr. Iturrey noted most of the inspections involved infrastructure and would probably be done by the Public Works Department, who would only be

used to verify the work was done. Mr. Iturrey noted although the work would be verified by a County department, this would not infer that staff agreed to additional work nor would it preclude the CRA from questioning a payment.

In response to Mr. Forbes' question regarding whether staff had picked portions of the two payment applications to pay for work that complied with the redevelopment agreement, Mr. Iturrey concurred, noting staff could not make payment for scope of work not included in the agreement and the payments depended on the schedule of values.

Mr. Hedge reiterated that they would work with staff to proceed until the new Construction Consultant was on board to provide the CRA with a full analysis report.

Update on Construction Consultant RFP

Mr. Iturrey provided a brief update regarding the new Construction Consultant. He noted Mr. Zelkowitz, Legal Counsel for the CRA, prepared a draft of a contract and provided it to Mr. Flores for his review. Mr. Iturrey noted he was contacted by Mr. Flores, who had concerns with the contract and he directed Mr. Flores to speak with Mr. Zelkowitz about his concerns. Mr. Iturrey noted he expected Mr. Zelkowitz to contact Mr. Flores soon and they were still aiming for the April 5th, 2007 deadline for the agreement to be signed.

Mr. Forbes questioned whether the former construction consultant, Mr. John Ritsema, had been paid for his services.

Mr. Iturrey noted the County was still reviewing the information provided by Mr. Ritsema regarding some disputed payments. He noted Mr. Ritsema wanted to negotiate 50% of the \$70,000 in question and staff countered to pay 25%. He also noted the CRA was facing a \$34,000 expense for a new report because the report provided by Mr. Ritsema was not completed to staff's satisfaction.

Mr. Forbes noted that since the CRA Board contracted with Mr. Ritsema, the CRA members should be informed of all issues concerning him.

Mr. Infante added that he would like to maintain a working relationship with Mr. Ritsema so that he could be available to assist the new construction consultant with any questions he may have.

Following discussion, it was moved by Mr. Forbes that staff provide a report to the CRA pertaining to the disputed payments and any issues concerning Mr. Ritsema; and that this matter be placed on the next CRA meeting agenda for a discussion. This motion was seconded by Mr. Infante for discussion.

Following further discussion between Mr. Iturrey and Mr. Forbes regarding previous actions taken concerning the former construction consultant, Mr. Forbes urged his colleagues to support the motion on the floor.

Mr. Volkert noted she would abstain from voting since she was not familiar with the history of the former construction consultant.

Following comments by Mr. Infante that the CRA members wanted to hear what Mr. Ritsema had to say in order to make an informed decision, the CRA Board proceeded to vote on the foregoing motion on the floor. Upon being put to a vote, this motion passed by a vote of 4-0. (Ms. Volkert abstained from voting)

VII. New Business

Transmittal of Draft Grants Programs for future discussion

Mr. Iturrey provided a draft of a grants program for Residential, Commercial Tenant, and Commercial Improvement, for the purpose of discussion. He stated staff prepared this draft in response to CRA members request that a grants program be developed for residential and commercial improvement following the implementation of the community policing initiative. Mr. Iturrey noted the intent of the foregoing draft was to delineate some programs that the CRA could implement and it included a cost estimate of administrative costs to run these programs, detailed by hours, using a minimum and maximum threshold. Mr. Iturrey advised that Community Development Block Grant (CDBG) funds from the Office of Community Economic Development could be used to implement the Commercial Improvement Program. He noted the Board needed to consider outstanding issues and whether funds would be available after any tax reformation was imposed before embarking on developing these programs.

In response to CRA members concerns regarding the status of the CRA funds, Mr. Iturrey reminded Board members that staff provided them with figures in a quarterly statement. He noted he did not deem it feasible to provide a monthly report since no significant differences in funds had been expended. Mr. Iturrey noted should the Senate's proposed tax reform be adopted, it could reduce the municipal and Countywide millage rates that would impact the tax increment and revenue sources for the CRAs. He noted CRAs could face loosing up to 46% of their funding source and some CRA's would have problems with covering their debt service.

Mr. Forbes noted his understanding was that if the proposals were adopted, the State would consider other funding sources to address the differences. Regarding the foregoing grants program draft, Mr. Forbes stated he felt this draft served well as a good starting point to address assistance for residential and commercial improvement. He questioned whether loans would be included as part of the strategy.

Mr. Iturrey noted this draft dealt strictly with grant programs.

In response to Mr. Forbes comments that programs existed for funding special districts and the CRA could become a community development financial institute, Mr. Iturrey noted it may be possible for staff to develop a separate loan program for community development.

Mr. Iturrey discussed further the foregoing draft and the delineated estimates for administrative costs to administer the programs, comparing minimum dollar amount of grants versus a maximum amount over a twelve month period. Mr. Iturrey pointed out it would take several hours to administer these programs and a contract officer could cost nearly \$56,000 per year to monitor the contracts. He noted 20% of the \$70,000 CDBG funding awarded to the CRA could be charged to offset the administrative costs, but only in the first year of the program.

Following further discussion, it was moved by Mr. Archer that the foregoing discussion involving the \$70,000 CDBG funding allocated to the CRA for commercial improvements, be deferred to the next CRA meeting for further discussion, and that the remaining portion of this discussion be tabled. This motion was seconded by Ms. Volkert, and upon being put to a vote, passed unanimously by those members present.

“Executive Director” Discussion

Mr. Forbes provided the CRA members with a handout reflecting a list of qualities/characteristics used by other CRAs in developing a Request for Proposal (RFP) to fill an Executive Director position. He noted this list represented the same type of characteristics this CRA would consider if hiring an executive director. Mr. Forbes noted the CRA needed someone who understood funding streams, community development, and who could ensure this community that whatever was implemented would be in place for years to come.

Ms. Volkert noted that pursuant to the CRA rules, the CRA meetings were scheduled as time certain from 6:00 p.m. to 7:30 p.m. and that this Board needed a consensus in order to extend tonight’s meeting past 7:30 p.m.

It was moved by Mr. Archer that tonight’s meeting be extended past 7:30 p.m. to continue the foregoing discussions on an Executive Director; and that this discussion be carried over to the next CRA meeting, if not concluded by 8:00 pm. This motion was seconded by Mr. Infante, and upon being put to a vote, passed unanimously by those members present.

Mr. Infante concurred with the concern expressed earlier in tonight’s meeting by Ms. Volkert that this discussion should include the participation of all CRA members. He noted his intent was to seek a letter of invitation to seek candidates interested in providing a resume for the position of Executive Director.

Mr. Iturrey suggested staff could provide a progress report on the City of North Miami Beach processes since it was currently seeking an Executive Director, and staff could including copies of advertisements and any resumes’ submitted by candidates.

Mr. Archer suggested that Mr. Infante contact the officials of the City of North Miami Beach directly to get input regarding their program.

Mr. Forbes stated he would like to see a letter of interest drafted that could express the qualifications the CRA was seeking from candidates interested in an executive director position.

Ms. Volkert questioned whether the CRA members were looking for an executive director to supplement the services currently provided by County staff or to substitute them. She explained that hiring an Executive Director would require hiring additional staff to assist him/her and noted the County staff now serves as the CRA’s executive director with a full staff to support them.

Mr. Infante noted he wanted to see an individual from the private sector who was interested in partnering with the County and who could take the CRA to higher levels.

Mr. Archer pointed out that staff already provided the CRA members with figures relating to the cost of hiring an Executive Director and additional staff. He stated he felt it would be infeasible at this time to have someone demonstrate their interest to the CRA when the CRA was not ready to hire an Executive Director. He suggested it would be more feasible for Mr. Infante to inquire directly from the City of North Miami Beach on their processes and report back to the CRA.

Mr. Iturrey noted the CRA would need to consider the structure of its staff; whether the Executive Director would be a contracted employee of the CRA; and the probability of needing to establish separate funds outside the County that would need to be audited separately.

Mr. Infante stated he felt the workload of the County staff to the CRA would decrease dramatically once the infrastructure construction for the primary project, Mandarin Lakes, was completed and that this was a matter of planning ahead. He noted his intent in requesting a letter of interest was a way to initiate the process.

Mr. Forbes pointed out the CRA would be conducting hearings over the next two months to consider its next fiscal year budget and he believed the CRA should have sufficient information to act in the best interest of the CRA in terms of hiring an executive director. He noted the CRA needed someone on board who would be accountable and responsible for the CRA's day-to-day operations.

Mr. Archer stated he felt it was important the CRA receive the preliminary report of the new construction consultant in order to understand the issues at hand and where the CRA stood in terms of these issues. By that time, he noted, the CRA should have more information concerning a tax reform and how that might impact the CRA. He expressed concern with the expense of managing a grants program with these issues at hand and noted the CRA may not be in need of an executive director, but rather a Grants Administrator to manage/administer the CRA funds.

Upon further discussion, Mr. Forbes noted the time was now 8:00 pm, and this discussion needed to be continued to the next CRA meeting.

VII. Setting of Next Meeting Date

Mr. Forbes announced that the next NLCRA meeting would be held on April 23, 2007 at 6:00 p.m.

IX. Adjournment

There being no further business to come before this Board, the Naranja Lakes Community Redevelopment Agency meeting was adjourned at 7:59 p.m.

Kenneth Forbes, Acting Chairperson
Naranja Lakes Community Redevelopment Agency