



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

**Legislative Analysis**

**Housing & Community Development**  
**Committee**

September 15, 2010  
9:30 A.M.  
Commission Chamber

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**Miami-Dade County Board of County Commissioners  
Office of the Commission Auditor**

**Legislative Notes  
Housing & Community Development  
Meeting Agenda**

**September 15, 2010**

Written analyses and notes for the below listed items are attached for your consideration:

**Item Number(s)**

1(G)3
3(F)
3(H)
3(I)

If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

Acknowledgements--Analyses prepared by:  
Mia Marin, Legislative Analyst

**MIAMI-DADE COUNTY  
BOARD OF COUNTY COMMISSIONERS  
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

**Agenda Item:** 1(G)3

**File Number:** 102109

**Committee(s) of Reference:** Housing, Community Development Committee

**Date of Analysis:** September 13, 2010

**Type of Item:** Resolution to Adopt the FY2011 Consolidated Planning Process Policies Document

**Summary**

This resolution adopts the FY2011 Consolidated Planning Process Policies (CPPP) which outline the utilization of federally funded grants for Miami-Dade County (MDC).

**Background and Relevant Legislation**

The United States Department of Housing and Urban Development (HUD) requires MDC to submit a Consolidated Plan every five years. The last plan was submitted in 2007. The CPPP contains policies for implementing the FY2008-12 Consolidated Plan. An annual Action Plan is also required by HUD that follows the Consolidated Plan year by year. The CPPP document serves as a guideline when submitting the FY2011 Action Plan due to HUD on November 15, 2010. The CPPP also includes guidelines for how MDC will allocate federal CDBG, HOME and Emergency Shelter Grant (ESG) funds.

Legislative history of previously approved CPPP's include the following:

- FY2009 R-839-08
- FY2008 R-803-07
- FY2007 R-670-06

The FY2011 CPPP recommends amendments that address concerns expressed by the Chairs of the Neighborhood Revitalization Strategy Areas (NRSA) and the Community Advisory Committee (CAC).

The CAC's represent Miami-Dade County's NRSA's. CAC members serve in an advisory capacity and provide recommendations to the Miami-Dade Board of County Commissioners (BCC) on the development and implementation of neighborhood plans and projects.

NRSA's are designated areas which have been targeted for revitalization and which are eligible for federal funding under the HUD Community block Grant Program (CDBG). There are eight NRSA's in MDC which include the following:

- Opa-locka;
- Model City;
- West Little River;
- Melrose;
- South Miami;
- Perrine;
- Leisure City/Naranja; and
- Goulds

Areas designated as NRSA's must have contiguous boundaries, be primarily residential, and have a population with at least 70 percent of the persons considered low-and-moderate income. The CPPP addresses the needs of the communities in NRSA's.

At the June 9, 2010 Housing & Community Development (HCDC) meeting, several citizens voiced their concerns regarding the Proposed FY2011 CPPP to include the following:

- CDBG Home funds not recommended for rehabilitation projects;
- No reference to technical assistance and capacity building;
- Leveraging requirement should not be required for elderly housing;
- \$25,000 leveraging fee for CBO's as a security for funding activity is burdensome;
- 84% of the recommended funds going directly to County Departments and Administration is disproportionate in comparison to what the community receives;
- Economic Development is being grouped as a line item for receipt of funds with other entities (municipalities, public facilities and capital improvement) thereby further decreasing the amount CBO's receive;
- Double standards between the CBO applicants and Housing Applicants for the cure process that allows only housing applicants the ability to cure their applications of errors;
- Promissory note process does not allow the CBO's to work at 100% capacity when the access of funds to the applicant comes five (5) months later thereby making it very difficult to pay back loans; and
- Funds issued as loans to CBO's causes hardship for repayment.

Additionally, at the June 9, 2010 HCDC meeting, Committee members voiced their concerns and directed responses to their concerns to County staff to include the following:

<b>HCDC Committee Members Concerns</b>	<b>County Staff Responses</b>
Lack of technical assistance included in CPPP	Staff has provided as much technical assistance as their current limited resources can expend and noted that over the years technical assistance funds have been drastically cut.
Why are loans used as the mechanism to provide funding rather than grants?	The use of loans rather than grants was an approved County policy to ensure that the grantees of these loans would meet the national objective requirements. Once the objectives were met on the loan the grantee would not be obligated to pay, however if the objectives were not met they would be obligated to pay rather than the County.
Percentage of funding allocations is disproportionately higher for County Departments and Administration rather than to the community.	The difference of allocation from last year to County Departments and Staff is an increase of \$1.7 million and those funds were used to provide for Public Works which created 91 jobs. The creation of 91 jobs is more than double the ratio for the national objective requirement for investment and job creation.
What was the application process for the eight (8) NRSA's?	One general request for applications was issued Countywide for all areas. All applications were accepted. No applications were received from several NRSA's.
Why CAC's were being eliminated from CSBG process?	CSBG funding received by CAA prohibits appointments by elected officials.
Direct County staff to obtain a written opinion from the Department of Community Affairs (DCA) as to the changes that occurred thereby requiring members to be democratically elected rather than appointed by elected officials.	County staff will request the information to DCA to provide to HCDC committee members.
Would like to see increased participation to allow NRSA to receive funds with assistance and for the funds to go back (NRSA pool fund) if the national objectives are not met.	The NRSA were required to participate in the creation of the NRSA priorities list to better address the needs that have not consistently been met for the last several years. The proposed process does not preclude applications from being received Countywide.

This FY2011 CPPP substitute item addresses the questions and concerns raised at the HCDC Committee on June 7, 2010 to include, but not limited to, the following:

- County Department set-aside for CDBG funds reverts back to forty (40) percent rather than fifty (50) percent;
- Dedicate 10% of CDBG funding for economic development activities rather than sharing fourteen (14) percent;
- NRSA High Priority Needs/Neighborhood Initiatives funding allocation increase to twenty (20) percent and decrease the CDBG set-aside for Municipalities/Capital Improvements to ten (10) percent rather than sixteen percent for all three categories;
- Increase CAC participation in the RFA process (submit top three priorities needs for NRSA's, invitation to review and scoring of RFA applications, provide CAC's quarterly reports regarding funded organizations, provide CAC's training and workshops);
- Modify CAC membership policy to facilitate compliance with State and County regulatory requirements rather than eliminating the FY2009 policy altogether; and
- Eliminate language regarding policy to utilize or recapture unallocated funds for innovative projects since Miami-Dade County has policies that give priority to sustainable and transit-oriented developments.

#### **Comments**

Does the CPPP take into account the restructuring of the Miami-Dade County Housing Community Development Department (HCD)?

County staff has expressed concern with the limited resources of the HCD, however, this policy paper increases the HCD's commitment to providing technical assistance, training, workshops and quarterly reports for all funded organizations throughout the entire RFA process. How will HCD or County staff provide all the assistance promised in the CPPP?

**Prepared By: Mia B. Marin**

**MIAMI-DADE COUNTY  
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Legislative Notes

**Agenda Item:** 3(F) and 3(H)  
**File Number:** 101588 and 101929  
**Committee(s) of Reference:** Housing & Community Development Committee  
**Date of Analysis:** September 10, 2010  
**Type of Item:** Resolution Approving FY2009-10 Budget for the Omni and Southeast Overtown Park West Community Redevelopment Agency

**Summary**

This resolution approves the FY2009-10 budget for the Omni Community Redevelopment Area (Omni CRA) and Southeast Overtown Park West Community Redevelopment Area (SEOPW) in the amount of \$44,015,971 and \$27,321,927, respectively.

**Budget Information**

The adopted/amended budget for the last four years for both CRA's is as follows:

**OMNI CRA**

Fiscal Year	Budget Amount
FY2009	\$40,760,071
FY2008	\$30,857,266
FY2007	\$22,475,286
FY2006	\$16,083,389

**SEOPW CRA**

Fiscal Year	Budget Amount
FY2009	\$20,986,387
FY2008	\$18,142,493
FY2007	\$14,091,351
FY2006	\$8,321,319

Administrative expenditures for FY2009-10 for both CRA's fall within the twenty (20) percent cap required for CRA budgets.

- Omni administrative expense is \$716,400 which represents two (2) percent of the total budget; and
- SEOPW administrative expense is \$822,384 which represents three (3) percent of the total budget.

**Comments**

On September 10, 2010, the Board of County Commissioners (Board) approved the North Miami CRA FY2009-10 budget (Resolution R-886-10). However, some Board members expressed concern of how CRA funds are being used pay for high executive salaries, costly travel expenses, and to the legality of TIF fund transfers to supplement services provided in the CRA area by the City of North Miami.

The City of Miami Proposed FY2011 Budget recommends fiscal strategies that involve the transfer of CRA funds in the amount totaling \$10.4 million, to fill a budget deficit.

**Prepared by:** Mia B. Marin

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Legislative Notes

**Agenda Item:** 3(l)  
**File Number:** 102115  
**Committee(s) of Reference:** Housing & Community Development Committee  
**Date of Analysis:** September 13, 2010  
**Type of Item:** Resolution Approving for the North Miami Community Redevelopment Agency (NMCRA) Loan

**Summary**

This resolution approves a loan for the NMCRA in an amount not to exceed \$27,000,000.

**Background**

This loan is for an amount not to exceed \$27,000,000 to be secured by tax increment revenues to fund certain projects consistent with the NMCRA Redevelopment Plan.

Approval of item will do the following:

- extend the life of the CRA from the current expiration date of October 1, 2016 until June 7, 2035;
- extend obligations of the County and City to make annual tax increment payments from the current expiration date of October 1, 2016 to the year 2035;
- not hold the County liable for making payments on the loan if NMRCA is unable to make payments; and
- place a first-lien pledge of tax increment revenues reducing the County refund for the area west of Biscayne Boulevard if there is insufficient funding in the trust fund for the CRA to pay the County and make loan payments.

**Budget Information**

The NMCRA budget approvals for the last four years are as follows:

Approval Date	Item Number	Fiscal Year	Resolution Number	Budget Amount
9/10/2010	101587	FY2009-10	R-886-10	\$10,859,999
1/22/2009	083480	FY2008-09	R-38-09	\$14,290,323
2/19/2008	080365	FY2007-08	R-185-08	\$14,253,424
12/19/2006	063204	FY2006-07	R-1426-06	\$9,155,314

*On November, 16, 2009, the County Manager issued a report relating to Community Redevelopment Agencies and availability of net surplus TIF revenues for FY2009-10 and FY2010-11. According to this report, NMCRA has approximately \$5.678 million in obligations for FY2009-10 and \$5.860 million in FY2010-11. Additionally, the report estimates an amount of \$558,000 for FY2009-10 and \$545,000 for FY2010-11 in uncommitted County TIF funds. The above-mentioned estimates have not been confirmed by the CRA and the County will not know what funds in the FY2009-10 budget will be obligated until the submission of the FY2009-10 has been reviewed for such.*

**Comments**

On May 14, 2010, the South Florida Business Journal reported that an affordable housing developer, Urban Residential Development Group (URDG) is suing the NMCRA for more than \$1.5 million and that NMCRA offered to pay URDG a \$250,000 settlement, but that deal was rejected.

On September 10, 2010, the Board of County Commissioners (Board) approved the North Miami CRA FY2009-10 budget (Resolution R-886-10). However, some Board members expressed concern of how CRA funds are being used pay for high executive salaries, costly travel expenses, and to the legality of TIF fund transfers to supplement services provided in the CRA area by the City of North Miami.

Currently, the NMCRA has issued an RFP to identify an institution that can provide the NMCRA with a loan of \$27.1 million. This RFP has a September 14, 2010 deadline.

**Prepared by:** Mia B. Marin