

Memorandum

MIAMI-DADE
COUNTY

Date: September 19, 2007

Attachment I

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Metro-Miami Action Plan Recommendations

While economic growth and development is visible in some areas of the County, the participation of certain communities continues to be limited. Considering the County's desire to target economic development, housing, and educational initiatives to address the needs of the African-American community, the mission of MMAP is vital and a noble one.

The original recommendation for MMAP in the proposed FY 2007-08 Resource Allocation Plan transferred the operations of MMAP to other departments performing similar functions, but maintained the MMAP Board (Trust) with a reduced number of support staff to continue advocacy work and provide oversight of programs and services funded by dedicated MMAP revenue sources. In light of concerns raised by members of the Board of County Commissioners (BCC) and the community regarding the viability of this plan to sustain the original role of MMAP, the proposed FY 2007-08 Resource Allocation Plan will be amended to restore MMAP operations and provide general fund budget support (\$774,000) to maintain MMAP programs.

One of MMAP's dedicated revenue sources is the Documentary Stamp Surtax. With respect to the use of MMAP's portion of Documentary Stamp Surtax (eight percent), there must be improvements made in the coordination of how services are provided. Discussions have been held with all of the partnering departments involved in the provision of homeownership assistance and all agree that improved coordination is necessary to provide the optimum level of service to potential homeowners. We have recommended to MMAP management that the Trust consider a modified role in the service delivery continuum. MMAP currently provides homeownership closing cost assistance to prospective homeowners. The Housing Finance Authority (HFA) also uses Documentary Surtax and SHIP to provide home loans to many of the same potential homeowners served by MMAP. However, both housing assistance programs are managed and serviced separately with limited coordination between the two departments. Full coordination of MMAP's homeownership assistance programs with HFA, Office of Community and Economic Development (OCED) and the County's Collection Unit in the Finance Department must exist.

In addition, concerns about MMAP's utilization of the local business tax receipts, formerly known as the occupational license tax, have been brought to our attention by the Beacon Council. MMAP's approximate share of this revenue source, which is eight percent of the total to the County, is \$330,000 for FY 2007-08. This issue has been identified in previous reviews of MMAP and continues to persist. MMAP has not provided evidence satisfactory to the Beacon Council of their compliance with the use of the local business tax receipts in accordance with State law. State law provides that "proceeds from the additional business tax...(shall be distributed) to an organization or agency designated by the governing body of the County to oversee and implement a comprehensive development strategy through advertising, promotional activities, and other sales and marketing techniques." Based on staff's findings, MMAP is not utilizing the funds for the intended uses. This issue must be resolved before any

additional transfer from this revenue source is made. In the meantime, those transfers will be made to, and held by, OCED.

For perspective, several months ago the Miami-Dade Office of the Inspector General brought to our attention concerns that were forwarded to them by MMAP employees. Issues regarding personnel management, procurement and contracting were among topics addressed. Staff met with MMAP management as well as MMAP general employees to further investigate many of these issues. Many of the personnel related matters were addressed with MMAP with assistance from the Department of Human Resources. Other matters were referred as appropriate to the Miami Dade Police Department Public Corruption Unit, Commission on Ethics and Public Trust, and Audit and Management Services Department. I have expressed to the Director of AMS the importance of expediting this review so that MMAP can begin to focus on improvements required to address areas of concern. To the fullest extent that County management is authorized, MMAP is hereby placed on **Management Watch**.

Until all management reviews are complete and a plan to address any findings has been developed and fully implemented, MMAP will remain on Management Watch. The Trust and the Board of County Commissioners (BCC) will be appraised of all reviews as they progress.

Lastly, the Economic Development and Human Services (EDHS) Committee has proposed an Ordinance amending the County Code regarding the Trust membership, its composition and financial reporting requirements. Attached are staff's initial observations, which were shared with the BCC on August 30, 2007. Since then, the administration has been asked to provide recommendations as well for consideration by the Committee and full BCC. Staff has developed recommendations and presented them to the MMAP Board of Trustees at their September 19, 2007 meeting. Members of the EDHS Committee will be participating in a sunshine meeting, not yet scheduled, to discuss the proposed Ordinance, at which time staff will present these recommendations for further consideration.

Attachment

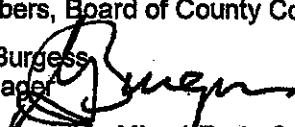
- c: Honorable Carlos Alvarez, Mayor
Denis Morales, Chief of Staff, Office of the Mayor
Cynthia W. Curry, Senior Advisor
Howard Piper, Special Assistant, Management & Performance Assessment
Milton Vickers, Director, MMAP
Cathy Jackson, Director, AMS
Jennifer Glazer-Moon, OSBM

Memorandum



Date: August 30, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager 

Subject: Ordinance Amending Miami-Dade County Code Relating to Metro-Miami Action Plan Trust

This report provides information on the Ordinance related to the Metro-Miami Action Plan (MMAP) Trust, which is being sponsored by the members of the Economic Development and Human Services (EDHS) Committee. As requested by the members of the EDHS Committee, this report also includes preliminary observations by staff for further consideration by the EDHS Committee and Board of County Commissioners (BCC).

Proposed Ordinance for Consideration (without recommendations from staff)

In summary, the Ordinance amending the County Code will do the following:

- Reduces the membership of the MMAP Board of Trustees to 15 from 21, and clarifies the tenure provisions by adding that each member shall serve no more than two complete three-year consecutive terms unless authorized by two-thirds of the BCC.
- Changes the composition of the Nominating Council by designating one of the five seats to the Chair of the EDHS Committee, clarifies the tenure of the Nominating Council's members by adding language that each member shall serve no more than two complete three-year consecutive terms; and authorizes the Chair of the BCC, as opposed to the Mayor, to appoint the remaining three members subject to BCC approval.
- Requires that financial reports be reported quarterly rather than annually, and sets forth that MMAP include in the report a performance assessment for entities/agencies funded by the MMAP Trust. The proposed Ordinance also requires MMAP to submit these reports to the Commission Auditor.

Management Observations

While the changes to the structure of the MMAP governing board may be necessary, there are also management and reporting issues that require attention from MMAP's management and board. Mr. Howard Piper, Special Assistant for Management and Performance Assessment, has met with MMAP management to discuss these issues, some which have been carried over from previous audits and continue to go unaddressed by MMAP. As the BCC is aware, I have also directed Cathy Jackson, Director of Audit and Management Services (AMS), to conduct a follow-up audit of MMAP that will not be completed until October 2007. The AMS audit is in progress.

It has been suggested that MMAP be placed in Management Watch status which requires increased scrutiny of MMAP operations. As reported, MMAP was placed on a form of Management Watch by the County Manager on November 5, 1998 and remained in that status until January 29, 2001. Although a limited type of Management Watch may be employed related to oversight of County personnel, the County ordinance does not give the County Manager or the Mayor the authority to review and terminate the process for contracts approved by the MMAP board. In order to address issues of accountability during this interim period while reviews and ordinance changes are underway, it is suggested that the BCC through the Commission Auditor provide oversight to MMAP with the establishment of specific performance goals or delegate this authority to the Mayor. It is further suggested that during this period of increased scrutiny, that MMAP Board contract and funding decisions be reviewed by County management and approved by the BCC.

Currently, MMAP's executive director is selected, appointed, and can be removed by the MMAP Board of Trustees. The BCC ratifies the action of the Board of Trustees. In addition, through Ordinance 93-12, MMAP has been empowered to negotiate and execute contracts properly within the powers and duties of the Trust without any County Commission or County management approval. MMAP would only have to seek BCC approval if contract or amendment to a contract requires the expenditure of funds in excess of the amounts appropriated by the BCC. In summary, although MMAP liaises with the County Manager's Office, and works with the Office of Strategic Business Management (OSBM) like any other department during the budget development process, it has a certain level of autonomy from County management unlike most other County departments.

Because of this autonomy, changes in MMAP's reporting structure should be reconsidered if County management will be ultimately responsible for oversight of the day-to-day operations of MMAP. This is an observation that the County needs to consider not only for MMAP, but for other entities with similar governing boards and reporting structures.

We are revisiting the proposed budget recommendations for MMAP. If there are revisions, the revised recommendations will be presented to the BCC in the second budget hearing memorandum. The recommendations regarding MMAP in the Proposed FY 2007-08 Resource Allocation Plan were intended to address organizational efficiencies in MMAP, improve the delivery of services, and address issues of accountability. This continues to be our goal.

Staff will continue to review and provide all of its recommendations on the proposed revised ordinance for EDHS Committee and BCC consideration. If you have any questions or concerns, please feel free to contact Senior Advisor Cynthia W. Curry at 305-375-4126 or me directly.

c: Honorable Carlos Alvarez, Mayor
Denis Morales, Chief of Staff, Office of the Mayor
Abigail Price-Williams, Acting County Attorney
Cynthia Johnson-Stacks, Assistant County Attorney
Cynthia W. Curry, Senior Advisor
Milton Vickers, Executive Director, MMAP