



The Holistic Planning Group

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MEMORANDUM

TO: Rachel Bach

FROM: Kris Mory

DATE: 2/10/9

SUBJECT: Summary of Meeting with Miami Dade County CDBG Staff Regarding Use of Grant Funds

I met with Jason Rodriguez (OSMB), Sonia Colon (OCED) and Kishore Rao (OCED) to discuss specific requirements of using the \$70,000 that was given to the Naranja Lakes CRA.

The funds were given to the CRA from District 8 Commissioner Sorenson via MD Resolution 474-03. The resolution specifies that the funds are to be used for Economic Development. Because the funds are part of the MD Community Development Block Grant (CDBG), they must be spent in strict conformity to Federal CDBG regulations that govern eligible activities and recipients and how the funds are administered. The most notable of these regulations is that one new full time job must be created for each \$35,000 of grant funds expended. Funds must be used for CDBG defined Economic Development projects and cannot be used for social services, as MD County has greatly exceeded its allowable expenditures of CDBG funds for this type of activity and moreover, since the authorizing resolution specified the use for ED.

Because the funds were awarded in 2003, MD stipulates that the funds must be expended no later than June 2009 or they will be returned to HUD. Funds are expended on a reimbursement basis.

Funds must be used within the Naranja Lakes CRA, in the Leisure City NRSA and also within MD Commission District 8. This geographic area includes a small portion of Dixie Highway, Moody Drive and SW 288th Street.

Because of the restrictions surrounding the use of these funds and the need to use them immediately, it seems like we should do a door to door solicitation of projects as soon as possible. This is feasible, given the small geographic area in which they can be used. A likely scenario (just as an example) for using the funds

would be in a strip mall if the owner is currently in negotiations with a new tenant, the funds could be used to attract the new tenant to the mall as a job creation incentive.

If we are successful at finding a fundable project, CRA staff should move to immediately execute a contract with MD OCED, prepare a scope of services and companion budget for the use of the funds. I suggest we look for the project(s) and commence putting the administrative paper work in motion simultaneously, with the assumption that we will find a fundable project. Again, since the funds are granted on a reimbursement basis, the activity that is funded must be completed by June, so time is of the essence if we do not want to lose these funds.

Moving forward, we need to temporarily abandon the Mom and Pops grant program model since it does not match this grant funding source. We can shelve it for now and reintroduce it when more suitable funds are available.

Also, we should immediately move forward to identify other fundable projects that we might want to submit to MD County as part of its annual Request for Funding Availability process which is announced mid-summer. Perhaps our door to door work on soliciting a project for the use of current funds will uncover a future fundable project that we can submit.