

NARANJA LAKES COMMUNITY REDEVELOPMENT AGENCY

**2007 - 2008 Annual Report and
2008 – 2009 Adopted Budget**



Naranja Lakes CRA Annual Report

Fiscal Year 2008

(10-01-07 to 9-30-08)

Introduction

The Naranja Lakes Community Redevelopment Agency (CRA) was formed by Miami-Dade County in 2002. The Agency's Redevelopment Plan was adopted in May 2003 (R-418-03), as was a County Ordinance (03-106) establishing the agency's Trust Fund. The Agency continued to facilitate the primary Mandarin Lakes Traditional Neighborhood Development (TND) project in the CRA area in the past year, and made substantial progress on the first phase of the CRA-funded public infrastructure improvements. This report will address the primary operating aspects of the Agency, revenue growth, and progress made on the primary redevelopment project in FY 2008, as well as, the adopted budget and Agency plans for the coming year.

I. Board

The Naranja Lakes CRA Board may have up to nine Board members. Eight seats are currently filled.

As of September 30, 2008 the Board Members were:

Stuart Archer
Chairperson "Nina" Gail Betancourt
Kenneth Forbes
Moe Hakksa
Rene Infante
Daniel Lipe
Parsuram Ramkissoon
Marlene Volkert

II. Staffing

The Naranja Lakes CRA Board was staffed on a part-time basis by Miami-Dade County professional staff. Mr. Jorge Fernandez of the County's Office of Strategic Business Management lead the County support team, advising the Board, executing its day to day business, preparing meeting agendas and ensuring that the Board's directives are implemented. Ms. Mandana Dashtaki from the County Attorney's Office provided legal counsel, as did Mr. Steve Zekowitz of the law firm of Weiss Serota Helfman Pastoriza Guedes Cole & Boniske. Additionally, the Board engaged Mr. John Ritsema to coordinate the primary development project bid awards, contracts and construction payments. Extraordinary support services provided by County staff, triggered the payment of a nominal sum of \$98,505 to the County General Fund as provided for in the inter-local agreement between the CRA and the County. For the fiscal year 2008-09, this amount was adjusted to \$127,326 to reflect the estimated cost of services from County staff.

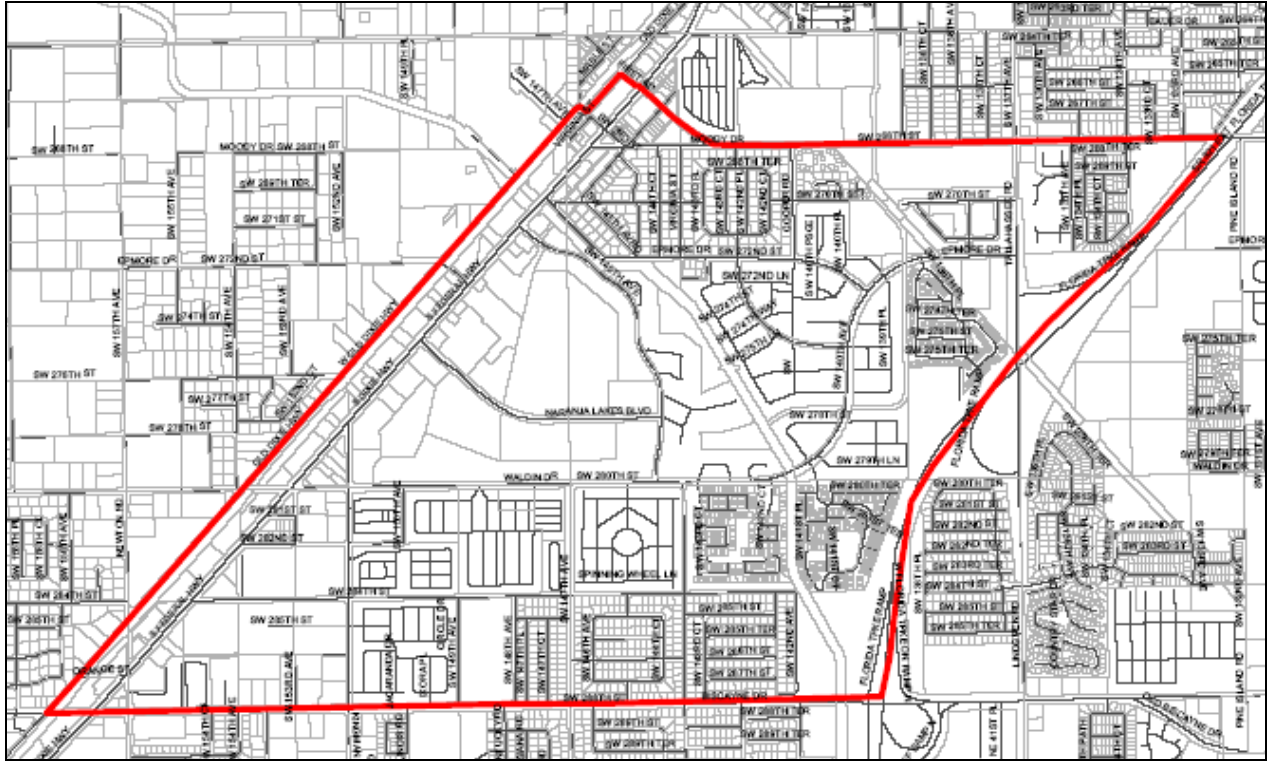
III. Administrative Procedures

The Agency by-laws establish the Agency composition, purpose and powers, meetings and notice requirements and administrative procedures. No significant modifications to the by-laws were adopted during the most recent fiscal year.

IV. CRA Plan Implementation

During the year, the Agency continued to aggressively implement the adopted CRA Plan. The focus of implementation was on the facilitation of the existing Mandarin Lakes TND project and on expanding the Agency's knowledge of the market and unmet program needs for identification of future projects and programs, including those that would require CRA funding support.

Naranja Lakes CRA Area



Mandarin Lakes TND



- This project, developed by Mr. George DeGuardiola and the Naranja Lakes Holdings LLC companies was given the official name of Mandarin Lakes and aggressively began its implementation of the infrastructure development agreement. The CRA is funding this project with \$18 million to pay for water and sewer, streetscaping, drainage and public plaza and community building improvements, all of which are on public right of ways, County property, or land that will be deeded over to the CRA. The developer is responsible for delivering these improvements and in 2008 completed the Naranja Lakes Boulevard extension bridge, the S.W. 140th Avenue Civic Building and Plaza, and the entrance feature along the south side of S.W. 140th Avenue. The installation of the main-line irrigation system and pump for the Phase 1 roadways including S.W. 140th Ave, S.W. 272nd Street, S.W. 275th Street / S.W. 143rd Avenue

and the Naranja Lakes Boulevard extension (S.W. 276th Street) were also completed during the year. The developer has awarded bids for the first phase of construction, and, through the home builder D.R. Horton, has completed work on a number of residential units in fiscal year 2007-08. A total of 544 units were sold through September 2008.



Plan Consistency

The implementation of the redevelopment plan's primary development project, which is under construction, combined with the substantial increase in the CRA tax base attest to the "bottom line" success of CRA implementation. The Agency continued implementing a public information campaign, supplementing its informational brochure with the continuation of a web page on the Miami-Dade County website.

V. Tax Base Growth and 2007-08 Adopted Budget

The basic continuing goal of the Naranja Lakes CRA is the expansion of the property value base of the area to the maximum extent possible, consistent with the adopted Redevelopment Plan. The 2008 taxable value of the CRA Area grew from the 2007 taxable value of \$478 million to \$518 million up 8%, and up a cumulative increase of 395% since the CRA's inception in 2002. Total revenues in FY 2007-08 were \$7,858,471. Of this amount, \$701,232 was the UMSA (Unincorporated Municipal Service Area) tax increment contribution, and \$1,576,998 was from Miami-Dade County countywide funds. There was also prior year cash carryover of \$5,360,540

and interest earnings of \$219,701.

On the expenditure side under administration, the CRA's largest expenditures were for support from County staff (\$98,505); advertising (\$4,433); and meeting expenses (\$2,609). The total administrative expenses of \$129,622 were 1% of that year's total budgeted expenditures, within the 20% administrative cap contained in the approved Interlocal Agreement. County oversight administrative charges at 1.5% of County tax increment contributions were \$34,173.

Operating expenditures totaled \$1,347,085 in FY 2007-08. The largest expenditures were \$956,646 for debt service payments, and \$306,216 for police services. Legal services cost \$49,543. The approved FY 2007/08 Naranja Lakes CRA Annual Budget and results are shown in Exhibit A.

V. Adopted Budget for 2008-09

In August 2008 the Agency Board approved a budget for 2008-09 based on projections of cash balances at the end of 2007-08. The budget was adopted by the Board of County Commissioners on December 2, 2008.

The actual expenditures noted in section IV (above) reflect the new information received subsequent to the year-end closing and are also tied to the updated Financial Statement of Revenues and Expenditures and Fund Balances for 2007-08.

The main elements of the adopted budget includes all the same projects and line items as per Exhibit A, except that the cash carryover from 2007-08 and the debt reserve/contingency in the 2008-09 budget have since been updated.

Revenues include TIF growth to \$2,432,633 and interest proceeds of \$122,907. An Economic Development Grant of \$70,000 is anticipated as is \$4,443,449 in carryover funds from prior years.

Administrative Expenses in the budget include \$127,326 for Miami-Dade County staffing, and a County administrative charge of \$36,489 (1.5% of TIF Revenue) and is approximately 5% of budgeted expenditures. Operating Expenses include \$4,800,000 for continued infrastructure improvements; \$1,150,000 for debt service payments, and \$329,000 for community policing. An additional \$14,100 and \$15,900 are included for a residential and a commercial property rehabilitation grant program.

Naranja Lakes Community Redevelopment Agency

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Fiscal Year Ended September 30, 2008

	Special Revenues	Capital Projects	Total CRA
Revenues			
Intergovernmental	\$2,278,230	\$1,732,647	\$4,010,877
SS Loan			\$0
Interest	\$81,446	\$138,998	\$220,444
Total Revenues	\$2,359,676	\$1,871,645	\$4,231,321
Expenditures			
General Government	\$2,318,959		\$2,318,959
Debt Service	\$833,521		\$833,521
Capital Outlay	\$77,224	\$1,580,098	\$1,657,322
Total Expenditures	\$3,229,704	\$1,580,098	\$4,809,802
Excess (deficiency) of Revenues over Expenditures	(\$870,028)	\$291,547	(\$578,481)
Other financing Sources (uses)			
Transfers In			
Total Other Financing Sources			
Fund Balances, beginning	\$1,589,617	\$3,836,931	\$5,426,548
Fund Balances, ending	\$719,589	\$4,128,479	\$4,848,068

Naranja Lakes Community Redevelopment Agency			
Balance Sheet as of September 30, 2008			
	Special Revenues	Capital Projects	Total CRA
Assets:			
Cash and cash equivalent	\$754,645	\$4,739,123	\$5,493,768
Total Assets	\$754,645	\$4,739,123	\$5,493,768
Liabilities and Fund Balances:			
Accounts Payable	\$35,056	\$216,654	\$251,710
Retainage payable		\$393,991	\$393,991
Total Liabilities	\$35,056	\$610,645	\$645,701
Fund Balances	\$719,589	\$4,128,478	\$4,848,067
Total Liabilities and Fund Balances	\$754,645	\$4,739,123	\$5,493,768

VI. Other Agency Initiatives

The Naranja Lakes CRA Board continues to meet with private developers who are proposing different projects in and around the CRA area. The Board also continues to receive updates from various County Departments such as Planning and Zoning and Police. The Departments are updating the CRA Board on a variety of issues and initiatives they are working on that impact the CRA area, such as Planning and Zoning's Charrette plan for Leisure City / Naranja Lakes which was completed in June of 2004. The Miami-Dade Police Department is updating the CRA Board on public safety issues and initiatives for greater security in the area, and receives continuous feedback from Board Members and community participants at Board meetings.

Planned Projects

The Agency is continually looking for opportunities for redevelopment in the area. The CRA continues to look at future projects that can benefit the area and is in the process of reviewing the different scenarios available to them, in order to spur future growth for the CRA. These future initiatives include FDOT improvement projects planned for the U.S. 1 corridor.



Enhanced Public Safety Program

The CRA has requested that additional law enforcement efforts be undertaken to address crime trends in the CRA area. In response to that request, a plan of action for specific and coordinated community-based law enforcement initiatives within the CRA area was developed by The Miami-Dade Police Department. The efforts, which were implemented in September 2006, are in addition to any ongoing police services. The initiatives, funded by the CRA, are conducted on an overtime basis, utilizing police personnel from the MDPD.

Community Redevelopment

Future infrastructure improvements to support greater development will be analyzed in studies on specific locations. In addition, streetscape improvements as well as urban design uniformity will be encouraged in partnership with private developers to enhance area characteristics and identity. The area continues to benefit from the increase in residential and commercial development that is occurring in south Miami-Dade County. The CRA will continue to benefit as this development will continue to increase property values in the area.

Summary

The Naranja Lakes CRA revenues are growing at a healthy rate, and are expected to continue to grow in the foreseeable future. The completion of the Mandarin Lakes redevelopment project will further increase this growth and continue to benefit the CRA. The project has been a productive catalyst thus far. The CRA is ready to grow out of its initial stage and begin to become more proactive in the issues that affect the redevelopment of the area. The continued growth of housing developments is expected to continue as people continue to move to South Miami-Dade County. The area is one of the last remaining where large expanses of land are available for residential development in the County. The community redevelopment project and other activities that are consistent with the adopted CRA Plan will continue to be implemented throughout FY 2008-09.