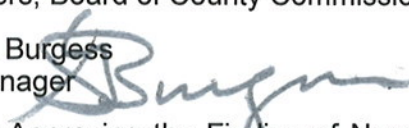


Date: November 3, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 5(E)

From: George M. Burgess
County Manager 

Subject: Resolution Approving the Finding of Necessity for Expanding the Boundaries of the OMNI Redevelopment Area

Recommendation

It is recommended that the Board of County Commissioners (BCC) accept the Finding of Necessity (FON) study to declare a geographic area within the City of Miami (City) described in more detail in Exhibit "A," to be slum or blighted areas, pursuant to Chapter 163, Part III, Florida State Statutes (the "Act"). The rehabilitation, conservation, or redevelopment, or a combination thereof, of the Redevelopment Area is necessary in the interest of the public health, safety, morals or welfare of the residents of the City and the County. As part of the Interlocal Agreement between the County, City and the OMNI Community Redevelopment Agency (the "CRA") executed on December 31, 2007 ("2007 Interlocal Agreement"), the City and the CRA agreed to generate a FON to substantiate the expansion of the CRA for BCC consideration and an amendment to the existing Redevelopment Plan.

Scope of Agenda Item

This resolution accepts the FON. This FON identifies approximately 257 acres to be slum and blighted. The Area lies within Commission Districts 3 and 5.

Fiscal Impact / Funding Source

The CRA's revenue source is calculated based on the incremental growth of ad valorem revenues beyond an established base year, as defined in Section 163.387 of the Florida State Statutes. The County's obligation to contribute tax increment revenues to the CRA expires in 2027.

It is estimated that the existing CRA will generate approximately \$180.3 million in county tax increment revenue through the current life term of 2027, whereas the newly expanded area would generate approximately an additional \$7.9 million through the year 2027, based on an annual average growth rate in taxable values of 3.5 percent.

However, the 2007 Interlocal Agreement requires that the CRA reimburse the County for 35 percent of the total CRA increment annually through the life of the CRA. The CRA would pay the County, through 2027, approximately \$162.5 million from the existing area and \$7.3 million from the expanded area; therefore, it is estimated that the net impact of the expansion will be \$600,000 through 2027. The County's FY 2008-09 payment to the CRA was \$5,597,328.

Track Record / Monitor

This resolution accepts the FON.

Background

On July 7, 1987, the BCC approved the establishment of the CRA when it declared the Area to be slum and blighted pursuant to Resolution R-825-87. The BCC approved the CRA's Community Redevelopment Plan ("Plan"), and funded the Plan when it enacted Ordinance No. 87-47 ("Trust Fund"). The 2007 Interlocal Agreement, which sets new requirements for the submission of the FON and the Plan, was executed by the County, City, and CRA.