



## MEMORANDUM

Agenda Item No. 5(I)

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**TO:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

**DATE:** July 19, 2011

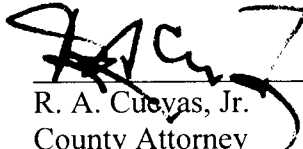
**FROM:** R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Ordinance relating to  
redevelopment of the North  
West 79<sup>th</sup> Street Corridor  
Community Redevelopment  
Area; establishing  
Redevelopment Trust Fund

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**This item differs from the original ordinance that the substitute deletes the Manager's memorandum and the reference to said memorandum in the last whereas clause. In addition, the substitute specifically identifies the resolution approving the Community Redevelopment Plan in one of the whereas clauses.**

The accompanying ordinance was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Jean Monestime.

  
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R. A. Cuevas, Jr.  
County Attorney

RAC/cp

# Memorandum



**Date:** July 19, 2011

**To:** Honorable Joe A. Martinez, Chairman  
and Members, Board of County Commissioners

**From:** Alina T. Hudak  
County Manager 

**Subject:** Ordinance creating a Trust Fund for the NW 79<sup>th</sup> Street Corridor Community  
Redevelopment Agency

This ordinance is part of a series of legislative items that, if approved, would result in the creation of the NW 79<sup>th</sup> Street Community Redevelopment Agency (CRA). The purpose of creating the CRA is to encourage redevelopment in the NW 79<sup>th</sup> Street Community Redevelopment Area (Area) in accordance with the NW 79<sup>th</sup> Street Redevelopment Plan (Plan). This item would have a countywide impact. Upon establishing a CRA and a trust fund (Fund), ad valorem revenues from the countywide and Unincorporated Municipal Service Area (UMSA) general fund would be used to encourage redevelopment in the Area in accordance with the Plan. The ad valorem revenues transferred into the Fund must be used to implement the Plan within the redevelopment Area; these funds could otherwise be used for countywide and UMSA services. The area lies within Commission District 2.

The CRA's primary revenue source would be generated through the incremental growth of ad valorem revenues beyond an established base year, Tax Increment Financing (TIF), as defined in Section 163.387 of the Florida Statutes. Based on conservative estimates and a contribution of 95 percent of the increment, it is projected that the first 10 years of TIF revenues would total \$4.6 million (\$3.2 million countywide and \$1.4 million UMSA), and over 30 years \$90.8 million (\$62.8 million countywide and \$28 million UMSA) based on an average annual growth rate in taxable values of 5 percent. It is important to note that the projections in tax roll growth do not include any new projects in the Area. The duration of the County's obligation to contribute TIF revenues is set at an initial 10 years and can be extended by the BCC.

### Trust Fund Projected Revenue

	Revenue Contribution at 95%		
	County	UMSA	Total
10 Years	3,214,692	1,434,046	4,648,738
30 Years	62,761,454	28,022,319	90,783,774

### Background

The proposed Area lies within the Unincorporated Municipal Service Area (UMSA). The County would contribute both countywide and UMSA TIF revenues through the life of the CRA (30 years). State statute requires that the taxing authorities, in this case countywide and UMSA general funds, contribute from 50 to 95 percent into the CRA Trust Fund once created. The amount of TIF to be deposited in the trust fund can be determined at the point when the trust fund is created. In the case of the proposed NW 79<sup>th</sup> Street CRA, 95 percent of the increment would be deposited into the trust fund. All of the CRAs in UMSA (7<sup>th</sup> Avenue, Naranja and West Perrine) were created with 95 percent of the increment being allocated to the trust fund. The advantage of having less than 95 percent of the funding going into the Fund would be that both UMSA and countywide would also benefit from any growth in the Area. The disadvantage of not funding the CRA at 95 percent is that the CRA may not have the

revenue or bonding capacity to complete the projects necessary to fully redevelop the area. Additionally, 7<sup>th</sup> Avenue and Naranja were created for 30 years, and West Perrine was created for 10 years, which could be extended by the Board of County Commissioners (BCC). The BCC can consider creating the CRA for an initial term and extend it as necessary or approve a financing instrument that would automatically extend the life. The BCC can consider different options of funding and time frames when creating a CRA.

Other CRAs governed by municipalities have been created for different time periods and funded at different rates. The North Miami CRA was created for an initial term of 10 years, and the County funding is paid at a rate of 95 percent, but the CRA refunds back to the County all TIF revenue collected west of Biscayne Boulevard, which accounts for approximately 60 percent of the County's payment. The South Miami CRA was created for an initial term of five years and was extended by the BCC for an additional 15 years, all with the trust fund funded at 50 percent. The OMNI CRA was created for 30 years and recently extended by the BCC until 2030; that CRA refunds back to the County 35 percent of the revenue in the trust fund (which equates to almost the entire County payment into the fund) to pay for debt service on the Adrienne Arsht Center for the Performing Arts. All other municipal CRAs were created with a 30-year term and at 95 percent funding.

To date, the County has incurred reimbursable expenses in the amount of \$88,950 for the cost of the Plan and FON.



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Jennifer Glazer-Moore, Special Assistant/Director  
Office of Strategic Business Management



# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Joe A. Martinez      **DATE:** July 19, 2011  
and Members, Board of County Commissioners

**FROM:** R. A. Cuevas, Jr.      **SUBJECT:** Agenda Item No. 5(I)  
County Attorney

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_ ) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 5(I)  
7-19-11

ORDINANCE NO. \_\_\_\_\_

ORDINANCE RELATING TO REDEVELOPMENT OF THE NORTH WEST 79<sup>TH</sup> STREET CORRIDOR COMMUNITY REDEVELOPMENT AREA GENERALLY BOUNDED BY NW 87<sup>TH</sup> STREET ON THE NORTH, NW 7<sup>TH</sup> AVE (SR-441) ON THE EAST, NW 62<sup>ND</sup> STREET ON THE SOUTH, AND BY NW 37<sup>TH</sup> AVENUE (DOUGLAS ROAD) ON THE WEST; ESTABLISHING REDEVELOPMENT TRUST FUND; PROVIDING FOR APPROPRIATION OF FUNDS AND CALCULATION OF INCREMENT FOR DEPOSIT INTO FUND; SETTING FORTH OBLIGATION TO APPROPRIATE TO FUND AND DURATION OF OBLIGATION; PROVIDING FOR LIMITED COUNTY APPROVAL OF DEBT; PROVIDING FOR REVIEW OF FINANCIAL RECORDS AND RIGHT OF AUDIT; PROVIDING FINDING OF PUBLIC PURPOSE; AND PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

**WHEREAS**, the Florida Legislature enacted the Community Redevelopment Act of 1969 during its 1969 Legislative Session, which enactment is presently codified in the Florida Statutes as Part III of Chapter 163, Florida Statutes, as amended from time to time (the "Act"); and

**WHEREAS**, all powers arising through the Act are conferred by the Act upon counties with Home Rule Charters, which counties in turn are authorized to delegate certain of such powers to a community redevelopment agency created pursuant to the Act; and

**WHEREAS**, on May 5, 2009, the Board of County Commissioners of Miami-Dade County, Florida (the "Board") adopted Resolution No. R-566-09 which resolution declared a certain geographic area of the County known as the N.W. 79 St Corridor and bounded by NW 87<sup>th</sup> Street on the North, NW 7<sup>th</sup> Ave on the East, NW 62<sup>nd</sup> Street on the South and NW 37<sup>th</sup> Avenue (Douglas Road) on the West, such area being more particularly described in the attached

Exhibit "A" and incorporated herein by this reference (the "Redevelopment Area"), to be a slum or blighted area, declared the rehabilitation, conservation or redevelopment, or combination thereof to be necessary in the interest of the public health, safety, morals or welfare of the residents of the Redevelopment Area and the County and found the need for the creation of a community redevelopment agency; and

**WHEREAS**, the Board, pursuant to Resolution No. R-\_\_\_\_\_ enacted on \_\_\_\_\_, 2011 created the N.W. 79<sup>th</sup> Street Corridor Community Redevelopment Agency (the "Agency"), appointed individuals to be members of the Agency, granted the Agency the power to initiate, prepare and adopt a redevelopment plan, subject to the approval of the Board; and

**WHEREAS**, the County submitted such plan to the Department of Planning and Zoning of Miami-Dade County, sitting as the local planning agency of the County and the local planning agency reviewed said redevelopment plan and submitted its written recommendations with respect to the conformity of the proposed community redevelopment plan with the comprehensive plan for the development of the County as a whole; and

**WHEREAS**, the County has adopted [~~a resolution~~]<sup>1</sup> >>Resolution No. R-\_\_\_\_\_ on \_\_\_\_\_, 2011,<< pursuant to the provisions of Section 163.360, Florida Statutes, which, after making certain findings at a duly advertised public hearing with respect thereto, approved and adopted the N.W. 79 Street Corridor Community Redevelopment Plan (the "Plan") to enable the Agency to undertake redevelopment of the Redevelopment Area; and

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<sup>1</sup> The differences between the substitute and the original item are indicated as follows: words double stricken through and/or [[double bracketed]] shall be deleted, words double underlined and/or >>double arrowed<< constitute the amendment proposed.

**WHEREAS**, the Agency may not receive or spend any increment revenues pursuant to Section 163.387, Florida Statutes, unless and until this Board has, by ordinance, provided for the funding of the redevelopment trust fund for the duration of the Plan; and

**WHEREAS**, the County is sympathetic to the program for redevelopment envisaged and proposed by the Agency pursuant to the Plan, which project will ultimately involve the expenditure of many millions of dollars, and which will be financed in part through a range of financing strategies suggested by the Agency to be secured by such revenue sources as are provided by law; and

**WHEREAS**, it is necessary to create a redevelopment trust fund to be funded with ad valorem tax increment revenues, pursuant to Section 163.353 and 163.387, Florida Statutes, in order to provide funds to finance or refinance the proposed community redevelopment and to facilitate the implementation of creative tax financing strategies; and

**WHEREAS**, this Board finds that establishing a redevelopment trust fund and providing for the appropriation into said fund of its tax increment as determined by statute is in the best interest of the citizens of Miami-Dade County and serves a public purpose; and

**WHEREAS**, in Ordinance 03-210, the Board, in its sole discretion pursuant to Florida Statute §163.387(2)(d)(1), exempted The Children's Trust, an independent special taxing district, from the provisions of Florida Statute §163.387(2)(a), for the term of collection of The Children's Trust ad valorem tax, including any extension of this ad valorem tax levy which is approved by the voters of Miami-Dade County, therefore The Children's Trust is exempt from contributing to the Trust Fund for this CRA>>, <<< [~~and~~

~~WHEREAS, the Board desires to accomplish the purposes outlined in the memorandum from the County Manager, a copy of which is attached hereto, for the reasons delineated therein;]]~~

**NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA: ~~[[THAT]]~~**

**Section 1.** The foregoing recitations are deemed true and correct and are hereby incorporated as a part of this ordinance.

**Section 2.** The N.W. 79<sup>th</sup> Street Corridor Community Redevelopment and Revitalization Trust Fund (the "Fund") is hereby established. Each taxing authority (as defined in the Act) shall annually pay into the Fund, an amount not less than that increment in the income, proceeds, revenues and funds of each taxing authority derived from or held in connection with the undertaking and carrying out of community redevelopment in accordance with the Act. The increment shall be determined annually and shall be that amount equal to 95 percent of the difference between: (a) the amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of the Redevelopment Area; and (b) the amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable real property in the Redevelopment Area as shown upon the most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of this ordinance.

**Section 3.** Except for the purpose of funding the Fund pursuant to Section 4 herein, upon the enactment of this ordinance, each taxing authority shall, by January 1st of each year,



appropriate to the Fund for a period not to exceed ten (10) years or for a period not to exceed thirty (30) years if there is outstanding indebtedness pledging increment revenues which has been approved by this Board or if extended by the Board at a sunset review to be conducted ten >>(10)<< years after creation of the Agency, a sum that is no less than the increment as defined and determined by Section 2 of this Ordinance accruing to such taxing authority. In no year shall the County's obligation to the Fund exceed the amount of that year's tax increment as determined pursuant to Section 2 of this ordinance. The County's increment contribution is to be accounted for as a separate revenue within the Fund but may be combined within other revenues for the purpose of paying debt service. The County must approve the amount, duration of the obligation and the purpose of any bond, note or other form of indebtedness, including advances, pledging or otherwise obligating tax increment funds.

**Section 4.** Notwithstanding the provisions of Section 3 herein, the County's obligation to fund the Fund annually shall continue until all loans, advances and indebtedness, if any, and interest thereon, of the Agency incurred as a result of redevelopment in the Redevelopment Area have been paid.

**Section 5.** Moneys in the Fund may be expended from time to time for the following purposes, when directly related to financing or refinancing of redevelopment in the Redevelopment Area pursuant to the Plan: (a) administrative and overhead expenses necessary or incidental to the implementation of the Plan; (b) expenses of redevelopment planning, surveys and financial analysis, including the reimbursement to the Board or the Agency for such expenses incurred before the Plan was approved and adopted; (c) the acquisition of real property in the Redevelopment Area; (d) the clearance and preparation of any Redevelopment Area for redevelopment and relocation of site occupants as provided in Section 163.370, Florida Statutes;

(e) the repayment of principal and interest or any redemption premium for loans, advances, bonds, bond anticipation notes and any other form of indebtedness; (f) all expenses incidental to or connected with the issuance, sale, redemption, retirement or purchase of agency bonds, bond anticipation notes or other form of indebtedness, including funding of any reserve, redemption or other fund or account provided for in the ordinance or resolution authorizing such bonds, notes or other form of indebtedness; (g) the development of affordable housing within the Redevelopment Area; or (h) the development of community policing innovations.

**Section 6.** On the last day of the Agency's fiscal year, any money which remains in the Fund after the payment of the expenses listed in Section 5 herein for such year shall be: (a) returned to each taxing authority which paid the increment in the proportion that the amount of the payment of such taxing authority bears to the total amount paid into the Fund by all taxing authorities within the Redevelopment Area for that year; (b) used to reduce the amount of any indebtedness to which increment revenues are pledged; (c) deposited into an escrow account for the purpose of later reducing any indebtedness to which increment revenues are pledged; or (d) appropriated to a specific redevelopment project pursuant to the Plan which project will be completed within three (3) years from the date of such appropriation.

**Section 7.** The Agency shall provide for an independent financial audit of the Fund each fiscal year and a report of such audit. Such report shall describe the amount and source of deposits into, and the amount and purpose of withdrawals from, the Fund during such fiscal year and the amount of principal and interest paid during such year on any indebtedness to which is pledged increment revenues and the remaining amount of such indebtedness. The Agency shall provide a copy of the report to each taxing authority. All Fund records shall be available for County inspection. The County reserves the right to audit the Fund.

**Section 8.** This ordinance is hereby declared to be for a public purpose and for the welfare of the citizens of Miami-Dade County, Florida and shall be literally construed to effectuate the purpose thereof.

**Section 9.** If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

**Section 10.** It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Code of Miami-Dade County. The sections of this ordinance may be renumbered or re-lettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriate word.

**Section 11.** This ordinance shall, subject to a sunset review by this Board, stand repealed ten (10) years from its effective date.

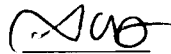
**Section 12.** This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as  
to form and legal sufficiency:



Prepared by:



Terrence A. Smith

Prime Sponsor: Commissioner Jean Monestime

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