

Memorandum



Date: March 7, 2017

Supplement to
Agenda Item No. 5(B)

To: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Supplement to Resolution Declaring an Area in the City of Miami Gardens to be a Slum or Blighted, and Accepting the Finding of Necessity Study – Legistar 170351

The following is supplemental information to the resolution declaring and finding a certain geographic area in the City of Miami Gardens to be a slum and blighted area, finding the need for creation of a community redevelopment agency. The resolution does the following:

- Accepts the Finding of Necessity Study (Study), declaring and finding a geographic area in the City of Miami Gardens (City) located in the northwest quadrant of Miami-Dade County (County), generally bounded on the north by NW 215 Street, on the west by NW 47 Avenue, on the south by NW 167 Street and on the east by NW 17 Avenue, which is specifically described in the Study (Area), attached as Exhibit A to the resolution, and is referred to as the Miami Gardens Community Redevelopment Area to be a slum and blighted area, pursuant to Chapter 163, Part III, Florida Statutes (Act); and
- Declares and finds that the rebuilding, rehabilitation, conservation, redevelopment, or a combination thereof, of the Area is necessary in the interest of the public health, safety, morals or welfare of the residents of the City and the County as a whole; and
- Declares and finds that there is a need for a community redevelopment agency to function and carry out the community redevelopment purposes of the Act,
- Delegates certain redevelopment powers to the City to create the Miami Gardens Community Redevelopment Agency (Agency) and prepare a community redevelopment plan to present to the Board of County Commissioners (Board) after approval, notice and public hearing, but reserves the right to delegate further powers to the Agency, pursuant to an interlocal cooperation agreement.

The approval of this item will not create the trust fund for the Agency nor obligates the County and other taxing authorities to contribute funding. Should this item be approved, a legislative item will be presented to the Board at a later date, along with a redevelopment plan and interlocal agreement with the City.

While I do not encourage limiting the countywide resources for County operations, it is important to look at the benefits derived from creating a Community Redevelopment Agency. We have seen several agencies that have surpassed expectations and turned around areas that have benefited the community and County as a whole. We must ensure that if the Board of County Commissioners (Board) ultimately creates a community redevelopment agency, the proper safeguards are in place that will allow the County to step in and take corrective action should the agency lose direction. The Board has adopted several policies through several resolutions (R-1382-09, R-871-11, R-611-15, R-499-16) that require a newly formed community redevelopment agency interlocal agreements, among other things, to include a Board member on the agency board, prior Board approval of budgets and several other requirements as to the

the life for an initial period of five or 10 years and requiring the agency to fund transformative brick and mortar projects or placement of benchmarks in interlocal agreements, will require the community redevelopment agency to maintain focus on the Board's priorities for the area.

Scope of Agenda Item

This resolution accepts the Study identifying approximately 1,046 acres, which lie entirely in Commission District 1 that is represented by Commissioner Barbara J. Jordan, to be slum and blighted.

Fiscal Impact / Funding Source

A community redevelopment agency's revenue source is generated through the incremental growth of ad valorem revenues generated on real property beyond an established base year, Tax Increment Financing (TIF), as defined in Section 163.387 of the Act. As provided in the Study, should this area become a community redevelopment agency, up to 95 percent of the incremental countywide and City revenues will be deposited into a trust fund and will be used within the redevelopment area to fund projects that will eradicate the blight in the community pursuant to the redevelopment plan. Although this item creates the Agency, it does not obligate the County to fund the Agency. Those items will be presented to the Board at a later meeting.

The County, through its budget forecasting, includes certain growth assumptions in the countywide roll that are necessary to continue fund current County services. The existing community redevelopment agencies in the County have surpassed overall property tax roll performance and averaged a nine percent growth in the last five years. Usually, the first few years of a community redevelopment agency do not produce large gains in the tax roll. However, the proposed Area is not a typical agency: it is a major corridor that has seen much investment in the last few years and includes the Miami Dolphins Stadium property. Based on a nine percent growth and a 95 percent contribution, the first five years of the Agency would produce approximately \$2.55 million, which is \$970,000 above what the County has earmarked for future use. Should the Agency be created for 30 years, the County's contribution based on the additional funding above the current forecast would be \$19.4 million; the City's contribution during the same period would be \$116.8 million. During the negotiation of the interlocal agreement with the City, the County should negotiate financial terms that will not impact the County's future budgets, including potentially lower percentage contributions, returns or an overall cap on the amount of revenue the County will contribute into the Trust Fund.

Track Record / Monitor

This resolution does not provide for contracting with any specific entity. It declares the Area as a slum or blighted area.

Background

In 1969, the Florida Legislature enacted the Community Redevelopment Act of 1969, as it is presently contained in Part III of Chapter 163, Florida Statutes, as amended. The Act authorizes counties and municipalities in the State of Florida to create community redevelopment agencies, to prepare redevelopment plans for certain defined areas within their boundaries designed as community redevelopment areas, within which community redevelopment projects may be undertaken to eliminate and prevent the development and spread of slum and blighted areas through the use of creative financing mechanisms. Pursuant to the Act, the Board is the governing body over all community redevelopment agencies in the County, but the Board can delegate redevelopment powers at its discretion, after a finding has been made determining that slum or blight exists within a defined area. In order to implement the Act, the Board must adopt a resolution finding that:

- (1) One or more slum or blighted areas exists within the proposed Area, and

- (2) That 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 County or City.

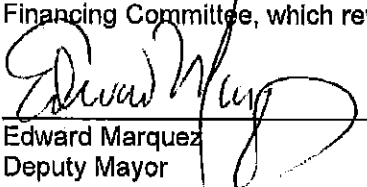
On July 27, 2016, the City submitted the Addendum to the Study as detailed in Exhibit A (City Resolution No. 2016-133-3032) to the County Mayor and requested that the Board consider approving the Study.

The Study, as detailed in Exhibit A, prepared by Keith and Schnars is the June 2016 addendum to the original study the City provided. The City's original study included three areas, but the City is only pursuing only one area as described in Exhibit A. The Study examined the conditions in the proposed redevelopment area and concluded that the area meets conditions of blight as follows:

- Predominance of inadequate street layout, parking facilities, roadways, bridges or public transportation facilities
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness
- Unsanitary and unsafe conditions
- Deterioration of site or other improvements

The attached resolution adopts the Study and delegates to the City the powers to create a community redevelopment agency in the City and to develop a redevelopment plan, which shall be submitted to the Board for approval. The Board must approve a redevelopment plan that includes redevelopment strategies for the area and, in order to fund those improvements, the Board and the City must create a trust fund. The County, City and Agency will also enter into an interlocal agreement through which the County will convey certain redevelopment powers to the City. The interlocal agreement will also include certain conditions required by the Board, including, but not limited to, the designation of a member of the Board or designee as a member of the community redevelopment agency and the requirement that the Agency cannot spend funds without prior approval of the community redevelopment agency's budget by the Board.

The Tax Increment Financing and Coordinating Committee first reviewed the City's Study on May 5, 2016, at which time the Committee recommended that the Study be updated to reflect current Census data. On September 28, 2016 the Study including new data was presented to the Tax Increment and Financing Committee, which reviewed and recommended approval by the Board.


Edward Marquez
Deputy Mayor