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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MEMORANDUM

Agenda Item No. 8(G)(1)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: November 5, 2014

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

SUBJECT: Resolution approving the budget for Fiscal Year 2014-15 for the Naranja Lakes Community Redevelopment Agency
Resolution No. R-975-14

The accompanying resolution was prepared by the Office of Management and Budget and placed on the agenda at the request of Prime Sponsor Finance Committee.

R. A. Cuevas, Jr.
County Attorney

RAC/smm

Memorandum

MIAMI-DADE COUNTY

Date: November 5, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: FY 2014-15 Budget for the Naranja Lakes Community Redevelopment Agency

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Recommendation

It is recommended that the Board of County Commissioners (Board) consider the attached resolution approving the Naranja Lakes Community Redevelopment Agency's (Agency's) FY 2014-15 budget for the Naranja Lakes Community Redevelopment Area (Area). The Agency's budget includes revenues and expenditures in the amount of $2,969,175.

The Board must approve the Agency's budget prior to the Agency expending any funding in the Trust Fund, as required by Section III D of the Interlocal Agreement.

Scope of Agenda Item

The Area lies within Commission District 9, which is represented by Commissioner Dennis C. Moss.

Fiscal Impact / Funding Source

The Agency's revenue source is tax increment financing (TIF), which is generated through the incremental growth of ad valorem revenues beyond an established base year, as defined in Section 163.387 of the Florida State Statutes. The Countywide TIF into the Agency's Trust Fund for FY 2014-15 is $628,371 and the unincorporated municipal service area (UMSA) TIF payment into the Trust Fund is $259,773.

The County will continue to make payments to the Agency, based on each year's growth of ad valorem revenues over the base year through 2033 when the Agency will sunset.

Track Record / Monitor

This resolution does not provide for contracting with any specific entity. The resolution approves the Agency's FY 2014-15 budget of $2,969,175.

Background

On July 21, 1998, the Board adopted Resolution R-847-98, declaring a geographical area in south Miami-Dade County as slum and blight. Agency was created by the Board pursuant to Ordinance No. 02-216 adopted on October 22, 2002, by appointing its board members and delegating the power to prepare a Redevelopment Plan (Plan). On May 6, 2003 the Board adopted R-418-03 approving the Plan and funded the Plan by adopting Ordinance 03-106 creating the Trust Fund. Resolution R-855-03 adopted by the Board on July 22, 2003, approved the Interlocal Agreement granting the Agency certain redevelopment powers.

The Agency's FY 2014-15 budget of $2,969,175, was approved by the Agency on August 25, 2014. The budget includes revenue sources of County and UMSA TIF ($628,371 and $259,773, respectively), carryover from prior years ($2,079,031), and interest earnings ($2,000).

Administrative expenditures total $92,825 and represent ten percent of TIF revenues, excluding the 1.5 percent County Administrative Charge ($13,322), satisfying the 20 percent cap in administrative

expenditures required by the Interlocal Agreement. Administrative expenses are for direct County support ($90,000), Advertising ($2,500), Printing ($300), Mail Service ($25).

Operating expenditures total $898,908 and include:

- $370,988 for projected debt service payment;
- $300,000 for Community Policing;
- $70,000 for professional contractual services for a boundary extension redevelopment plan;
- $65,000 for community building operations, maintenance and insurance;
- $50,000 for commercial redevelopment grant;
- $30,000 for legal services;
- $10,000 for commercial grant coordinator;
- $2,000 for marketing; and
- $920 for membership in the Florida Redevelopment Association and required state fees.

The Agency budget includes a $1,964,120 contingency reserve.

In the previous four years, the taxable value in the Area, like all other community redevelopment areas, was reduced significantly. This reduction has negatively impacted the amount of TIF revenues available to address slum and blight within the Area in accordance with Agency's mission. This year's budget reflects conservative expenditures of available TIF and sets aside reserve funds to address future year debt service payments and redevelopment projects.

In an effort to explore the feasibility of increasing the Agency's revenue stream to address slum and blight in the Area, on August 28, 2013, the Agency adopted Resolution No. 2013-02 expressing the desire to study the feasibility of expanding the boundaries of the Area and instructing staff to undertake the necessary step to procure a Finding of Necessity Study for the area generally described as follows: to the West, the Urban Development Boundary (UDB), to the East, the Florida Turnpike following SW 288 Street to SW 127 Avenue to SW 248 Street to SW 122 Avenue; to the South from SW 288 Street; and to the North SW 232 Street from the Urban Development Boundary to SW 122 Avenue. A Finding of Necessity Study has been completed and will be presented to the Board as a separate item.

Edward Marquez
Deputy Mayor

Attachments

Mayor10114

MEMORANDUM

(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: November 5, 2014

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

SUBJECT: Agenda Item No. 8(G)(1)

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 Mayor'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. 8(G)(1)
11-5-14

RESOLUTION NO. R-975-14

RESOLUTION APPROVING THE BUDGET FOR FISCAL YEAR 2014-15 FOR THE NARANJA LAKES COMMUNITY REDEVELOPMENT AGENCY

WHEREAS, the Interlocal Cooperation Agreement between Miami-Dade County, Florida (the "County") and the Naranja Lakes Community Redevelopment Agency (the "Agency") requires that the Agency transmit its adopted annual budget to the Board of County Commissioners of Miami-Dade County, Florida (the "Board") for approval; and

WHEREAS, this Board desires to approve the Agency's adopted annual budget for Fiscal Year 2014-15 for the Naranja Lakes Community Redevelopment Area in the form attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, this Board desires to accomplish the purpose outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The matters contained in the foregoing recitals are incorporated in this Resolution by reference.

Section 2. This Board approves the Agency's annual adopted budget for Fiscal Year 2014-15 for the Naranja Lakes Community Redevelopment Area in the form attached hereto as Exhibit A.

The foregoing resolution was offered by Commissioner **Sally A. Heyman**, who moved its adoption. The motion was seconded by Commissioner **Lynda Bell** and upon being put to a vote, the vote was as follows:

Rebeca Sosa, Chairwoman	**aye**		
Lynda Bell, Vice Chair	**aye**		
Bruno A. Barreiro	**aye**	Esteban L. Bovo, Jr.	**aye**
Jose "Pepe" Diaz	**aye**	Audrey M. Edmonson	**aye**
Sally A. Heyman	**aye**	Barbara J. Jordan	**aye**
Jean Monestime	**aye**	Dennis C. Moss	**aye**
Sen. Javier D. Souto	**aye**	Xavier L. Suarez	**aye**
Juan C. Zapata	**aye**		

The Chairperson thereupon declared the resolution duly passed and adopted this 5th day of November, 2014. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: ***Christopher Agrippa***
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Estephanie S. Resnik

NARANJA LAKES
COMMUNITY REDEVELOPMENT AGENCY

Proposed Budget for Fiscal Year 2014-2015

Introduction

On July 21, 1998, the Board of County Commissioners (Board) adopted Resolution R-847-98, declaring a geographical area in south Miami-Dade County as slum and blight. The Naranja Lakes Community Redevelopment Agency (CRA) was created by the Board pursuant to Ordinance No. 02-216 adopted on October 22, 2002, appointing its board members and delegating the power to prepare a Redevelopment Plan (Plan), subject to Board approval, to address slum and blight in the redevelopment area. The interlocal agreement granting the CRA certain redevelopment powers was approved by Resolution R-855-03 on July 22, 2003. The Redevelopment Plan was adopted pursuant to Resolution R-418-03 on May 6, 2003. The Plan includes as its Primary Redevelopment Project (Project) the development of approximately 210 acres, known as the Mandarin Lakes development. The Trust Fund was created by Ordinance 03-106 on May 6, 2003. FY 2012-13 was the CRA's twelfth year of operation.

The CRA is located in the southern area of Miami-Dade County and is described generally as bounded by S.W. 288th Street on the south, S.W. 268th Street and 1st Road on the North, S.W. 137th Avenue and Florida Turnpike on the east, and Old Dixie Highway on the west, encompassing approximately 1,260 acres. The CRA lies within County Commission Districts 9.

The Mandarin Lakes development is the County's first Traditional Neighborhood Development (TND) project. The CRA, loans facilitated by the County, funded certain infrastructure improvements, such as roadways, streetscape, landscape, recreational grounds with gazebos, and a Community Center. Phase I of the Project was completed in Fiscal Year 2010-11. Mandarin Lakes has spurred residential life and landscape beauty in an area that was in ruins after Hurricane Andrew. The Mandarin Lakes project is critical to the creation of meaningful tax increment to address slum and blight in the entire redevelopment area.

Tax Base Growth and Proposed Budget

The goals of the CRA continue to be the expansion of the property values within the redevelopment area, to provide enhanced safety to the area residents in the form of Community Policing, and to find opportunities to improve the physical quality of life for the businesses and residents of the Area in accordance with the Plan. Based on the preliminary tax roll received from the Property Appraisers for

2014 the value of the area is $282,723,380, which represents a 5 percent increase from the 2013 Preliminary Tax Roll. Overall, the CRA's taxable values have increased approximately 115%, from $131 million to $282 million, since the CRA's inception in 2002.

Adopted Budget for 2014-15

On August 25, 2014 the CRA adopted the FY 2014-15 budget of $2,969,175 based on projections of TIF revenues and cash balances at the end of FY 2013-14. The CRA requested County staff forward the adopted budget to the Board of County Commissioners as required by the Interlocal Agreement between the CRA and the County.

Revenues include Countywide and Unincorporated Municipal Service Area (UMSA) TIF payments in the amount of $628,371 and $259,773 respectively, carryover funds totaling $2,079,030, and projected interest earnings of $2000.

Administrative Expenses - $92,825

1. Direct County Support ($90,000)

This line item covers expenses incurred by the County's Office of Management and Budget relating to coordinating the day-to-day operations of the CRA, including preparing meeting agendas, overseeing the CRA's Trust Fund, processing invoices and coordinating with County Departments to implement the CRA's initiatives.

2. County Administrative Charge ($13,322)

The Interlocal Agreement between the CRA and the County requires the CRA to pay the County a 1.5 percent fee of County's tax increment contribution.

3. Advertising, Printing, and Mail Services ($2,825)

Expenses relating to public hearing notices, printing and mail services.

Note: Administrative expenditures, excluding the 1.5 percent County Administrative Charge total $92,825 and represent ten percent of the tax increment revenues, which satisfies the 20 percent administrative cap required by the Interlocal Agreement.

Operating Expenses - $898,908

1. Membership and State Fee ($920)

All CRAs are required by the State of Florida to pay a Special District fee.

2. Contractual Services ($70,000)

The CRA has recommended the Board to approve explansion of the redevelopment area. The contractual services is for the preparation of a redevelopment plan for the area. Staff will work with a consultant to provide the plan.

3. Insurance ($20,000)

The CRA has a Community Center in Mandarin Lakes. Insurance payments include property, liability and special events insurances.

4. Marketing Contingency ($2,000)

The CRA has partnered with Dr. William A. Chapman Elementary School to promote a school and community safety program – Youth Crime Watch. The Program produces a School Drug and Violence Prevention Summit. The CRA contribution assists with the cost of the operation set-up, materials, and flyers advertising the CRA sponsorship.

5. Community Policing and Security ($300,000)

The CRA has a Memorandum of Understanding with the Miami-Dade Police Department (MDPD) to provide dedicated above and beyond daily roving patrols, weekly proactive enforcement sweeps/operations, community projects and community police interactions. The overall goal of the project is to reduce crime through added proactive enforcement and high visibility in conjunction with community interaction, education, and overall citizen integration through community policing concepts.

6. Legal Services ($30,000)

The CRA receives legal representation from Steve Zelkowitz of the law firm Gray Robinson P.A. The CRA Attorney reviews and/or prepares CRA documents, resolutions, contracts, and represents the CRA in numerous meetings with County staff.

7. Community Center Building - Property Maintenance ($45,000)

The CRA engages the services of Innovative Properties Management Services of South Florida, Inc. to provide property management services for the Community Service. This allocation includes lawn, janitorial services as well as utility payments to Florida Power & Light and Miami-Dade County for Water and Sewer and waste collection services.

8. Debt Service Payments ($370,988)

Financing of the Primary Redevelopment Project was possible by two $5 million dollar Sunshine State loans through Miami-Dade County. The original loans matured in 2016, requiring large payments from the CRA. Miami-Dade County refinanced the remaining $4.8 million in a 20 year financing making the payments smaller, allowing the CRA to continue providing support to the community.

9. Redevelopment Grants Commercial Programs ($50,000)

Commercial Rehabilitation is part of the goals set in the Agency's Redevelopment Plan to enhance visibility and area aesthetics in an effort to bring about increased property values and attract new business. The CRA, through a Memorandum of Understanding with Neighbors and Neighbors Association, Inc. (NANA), will create a commercial grant program to assist existing business structures in the Area. Eligible work will include, but will not be limited to, painting, roof repair, lighting, signage, landscaping, sewer hook-ups or any improvements required by the Americans with Disabilities Act.

10. Commercial Grant Coordinator ($10,000)

The Agency will contract with a non-for profit agency to administer the commercial grant program.

Reserves - $1,964,120

The reserves set aside for this fiscal year will be used for future debt service payments and for projects within the redevelopment area.

Exhibit A

Naranja Lakes
Community Redevelopment Agency
FY 2014 - 2015 Proposed Budget

(FY 2014-15 begins October 1, 2014)

	FY 13-14 Adopted Budget	FY 13-14 Projected	FY 14-15 Proposed Budget
Revenues			
UMSA Tax Increment Revenue (TIR)	216,618	216,618	259,773
County Tax Increment Revenue (TIR)	530,054	530,054	628,371
Carryover from prior year	1,265,499	1,938,365	2,079,031
Other- Economic Development Recinded Grant		-	
New Bonds Issues (net of Cap interest)		-	
Interest earnings	2,800	2,785	2,000
Revenue Total	**2,014,971**	**2,687,822**	**2,969,175**
Expenditures			
Administrative Expenditures:			
Employee salary and fringe			
Contractual Services (Economic Dev. Coord.)			-
Insurance			
Audits and studies			-
Printing and publishing	-	197	300
Mail Services		6	25
Advertising and notices		2,232	2,500
Travel (Includes Educational Seminars)			-
Rent/lease costs			-
Office equipment and furniture			-
CRA Support Staff Office			-
Other Admin. Exps (Direct Cnty Support)	65,000	65,000	90,000
(A) Subtotal Admin Expenses	**65,000**	**67,435**	**92,825**
County Administrative Charge at 1.5%	11,200	11,200	13,322
County Reimbursement of Advances	-	-	-
(B) Subtot Adm Exp & County Charge	**76,200**	**78,635**	**106,147**
Operating Expenditures:			
Memberships and State Fee	200	175	920
Contractual services (FON Study Consultant)	40,000	23,990	70,000
Insurance	18,000	18,026	20,000
Economic Development Program (OCED)	-		-
Project Mgt. Supplies & Copying	-		-
Marketing Contingency	2,000	-	2,000
Community Policing and Security	150,000	138,378	300,000
Legal services/court costs	40,000	13,465	30,000
Community Center Building	40,000	39,660	45,000
Infrastructure improvements	-		-
Building construction & Improvements			
* Debt service payments	192,000	296,463	370,988
Redevelopment grants - residential	-		-
Redevelopment grants - commercial/residential	25,000	-	50,000
Commercial Grant Coordinator	-	-	10,000
	-	-	-
(C) Subtotal Oper. Expenses	**507,200**	**530,156**	**898,908**
(D) Reserve (1)	**1,431,571**		**1,964,120**
Expenditure Total (B+C+D)	**2,014,971**	**608,791**	**2,969,175**
Cash Position (Rev-Exp)	-	**2,079,031**	**(0)**

Projects:	FY 13-14 Proposed Expenditures	FY 13-14 Projected Expenditures	FY 14-15 Proposed Expenditures
Primary Redevelopment Project (Mandarin Lakes)	-	-	-
Community Policing [Security Studies]	150,000	138,378	300,000
US1 corridor plan aesthetics	-	-	-
Community Improv. Program - American Clean Up	-	-	-
Economic Development Programs	-	-	-
Redevelopment grant program - residential	-	-	-
Redevelopment grant program - commercial	25,000	-	50,000
Additional projects - attach list	-	-	10,000
Total project dollars here:	**175,000**	**138,378**	**360,000**

* Debt service payment for FY 2013-14 includes a portion of the FY 2014-15 payment charged to the trust fund but payable on October 1, 2014 in FY 2014-15