

**Office of Community and Economic Development
Business Plan**

Fiscal Years: 2007 through 2008
(01/01/07 thru 12/31/07)

Plan Date: April 2007

Approved by:

A handwritten signature in cursive script, appearing to read "José Cintrón".

José Cintrón, Department Director

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Cynthia W. Curry, Assistant County Manager

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Attachment 1

DEPARTMENTAL PROFILE

Table of Organization

Financial Summary

Capital Budget Summary

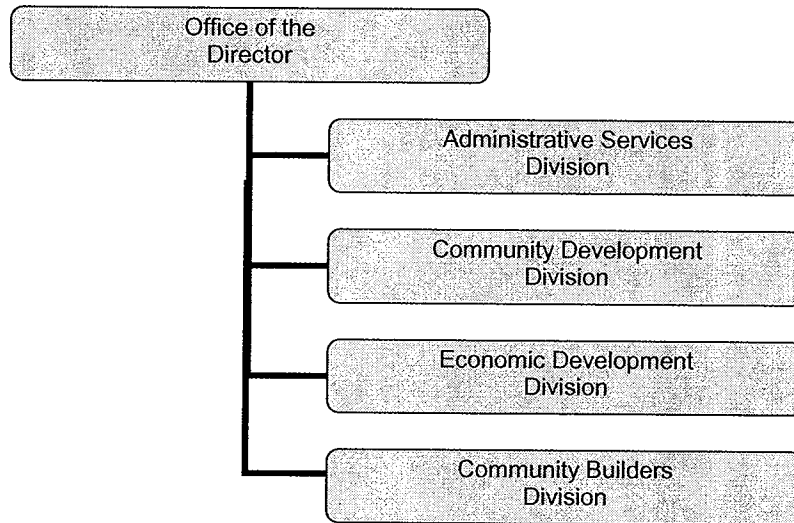
Business Environment

Attachment 2

BUSINESS PLAN REPORT

EXECUTIVE SUMMARY

The Office of Community and Economic Development (OCED) is charged with delivering programs and activities designed to empower residents in targeted low- to moderate-income neighborhoods of Miami-Dade County. These programs carried out through agencies funded by OCED, include predevelopment and construction funding of housing and capital improvement activities, mortgage assistance to eligible home purchasers, small and medium size business loans, brown-field revolving loan funds, Section 108 development loans, ad-valorem tax exemptions in the Enterprise Zone, technical assistance to funded agencies and the ability to access and develop publicly owned lands.



FY 2007-2008 Major Programs and Initiatives

Office of the Director

- Maintain strict adherence to federal regulations with respect to Community Development Block Grant and HOME Program fund expenditures.
- Complete of the business processes reengineering exercise, to align functional areas and responsibilities consistent with the goals of the department.
- Develop an evaluation process that ensures a more consistent and transparent result for the funding of sub-grantees.
- Design a funding process to ensure that eligible block groups with the highest poverty indices, have an equivalent participation in the allocation of funds to activities within those block groups.
- Develop site specific RFP's to utilize land parcels in OCED's inventory and to accelerate the expenditure of CDBG and HOME funds.
- Improve the coordination among OCED, MDHA and HFA to accelerate the expenditure of federal funds and create additional affordable housing units.

Community Development Division:

- Accelerate the execution of contracts awarded through the 2007 Annual Action Plan.

Departmental Business Plan and Outlook

Department Name:

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- Apply a more regional focus in fostering increased citizen participation in the funding process.
- Rehabilitate of 437 rental units
- Develop of 423 new rental units
- Develop of 486 housing units for homeownership
- Rehabilitate of 47 housing units for homeownership
- Create of 128 transitional housing units
- Approve of 10 loans through the ADDI Program and
- Implement Tenant Based Rental Assistance program for approximately 600 households.

Administrative Services Division:

- Maintain the County's expenditure at or below 1.2 times the annual allocation from U.S HUD
- Maximize the use of technology within the department.

Economic Development Division

- Maximize use of incentive programs to attract new businesses
- Create of a minimum of 427 jobs

Community Builders Division

- Implement 13 infrastructure/street improvement projects
- Provide expanded technical support to construction projects

Summary of Significant Factors critical to implementation of the Business Plan

Over the last five years, the County has experienced a reduction of 22 percent - from \$24.0 million in 2003 to \$18.7 million in 2007 - in its CDBG allocation. In this continually threatening environment, the low to moderate income community served by the department has demonstrated an increasing need for the resources that these programs provide.

In this tenuous environment, OCED's management is obligated to reevaluate how its programs are being administered, if the department is to ensure maximally efficient utilization of its staff and the resources at their disposal. To this end, an internal business process reengineering (BPR) exercise designed to improve the department's ability to achieve its goals and objectives has been initiated. The goals of the BPR are to ensure that our procedures ensure adherence to HUD's regulations, provide a transparent funding allocation process, and maximize the department's chances for achieving successful housing, community and economic development program implementation.

During the department's annual funding cycle, funding requests totaled \$84.2 million, exceeding available funds by \$45.0 million, which attest to the enormity of the cavity between the communities' needs and the available resources.

The following table shows the department's allocation of CDBG, HODAG and HOME funds in support of the activities that reflect its mission. The amounts reflect a combination of awards

Departmental Business Plan and Outlook

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through the Annual Action Plan and prior years funding recaptured and reallocated to activities.

Activity Category	\$ 000's		
	2007	2006	2005
Housing	24,263 (1)	12,668	14,582
Economic Development	3,367	3,154	5,634
Capital Improvement	3,389	2,018	1,997

(1) - includes \$11.2 million of HOME and HODAG funds recaptured from prior years' funded activities.

Please note that differences between the department's annual funding amount (average \$37.0 million) from all funding sources, and the sum of values for each year in the above table, is accounted for by Administrative costs, Reserves and Public Service allocations which are not shown in the table.



José Cintrón
Director

DEPARTMENT PURPOSE/MISSION

The Office of Community and Economic Development (OCED) administers the federal Community Development Block Grant (CDBG) Program, the federal Home Investment Partnership (HOME) program, the federal Emergency Shelter Grant (ESG), and other federal and state programs, designed to address the needs of low- to moderate- income residents of Miami-Dade County and to enhance their quality of life.

Additional departmental information can be found in the Departmental Profile (Attachment 1).

STRATEGIC ALIGNMENT

The Department's efforts align with the following Miami-Dade County Strategic Plan Goals:

- **ED1**-Allocate County Government resources in support of activities that increase and diversify jobs and incomes while eliminating socio-economic disparities in underserved areas
- **ED2**-Identification of Emerging Targeted Industries
- **ED3**-Expand entrepreneurial development opportunities within Miami-Dade County
- **ED4**- Create a more business-friendly environment in Miami-Dade County
- **HH5**-Provide adequate, quality and affordable housing equitably throughout Miami-Dade County

Department-related Strategic Plan Outcomes and departmental objectives:

- Increased number of businesses and employment opportunities in higher-paying, targeted industries [**ED 1-1**]
 - Create and retain jobs
 - Create and retain businesses
- Identify number of low-to-moderate-income homeowners [**ED1-3**]
 - Provide homebuyer assistance or tenant-based rental assistance
- Enhanced public reporting regarding funded activities [**ED1-8**]
 - Monthly community meetings with the Community Advisory Council
 - Timely and consistent maintenance of the departments website
- Improved access to capital for small and minority businesses linked to meaningful technical assistance [**ED1-9**]
 - Project management and technical support services to agencies
- Coordinated effective economic and community development programs [**ED2-1**]
 - Complete façade improvement projects

Departmental Business Plan and Outlook

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- Proactive involvement of communities in economic development efforts [ED2-2]
 - Convey land parcels for commercial development
- Better informed clients served by various assistance programs [ED2-3]
 - Administer community service programs benefiting residents
- Organizations empowered with the technical and managerial capacity to succeed [ED3-1]
 - Staff administered quarterly workshops for funded agencies
- Increase in start-up of new businesses [ED3-2]
 - Extend loans to start-up businesses
- Higher leveraging of County programs' financial resources with private sector financing [ED3-3]
 - Extend loans to businesses that have successful 2-year performance
- Improved infrastructure and redevelopment to attract businesses to underserved and distressed areas [ED4-1]
 - Complete capital improvement and infrastructure projects
- Increased availability of affordable and special needs housing [HH5-1]
 - Accelerate completion of new housing and rehabilitated units
 - Provided homebuyer assistance or tenant-based rental assistance
 - Convey land parcels for housing development

KEY PROGRAMS AND INITIATIVES

The department's key programs and initiatives are highlighted below and organized by balanced scorecard perspective.

Customer Perspective

- Expand economic opportunities for low and moderate income people
- Provide decent and affordable housing for low and moderate income people
- Foster a suitable living environment for low and moderate income people
- Maximize customer satisfaction

Financial Perspective

- Meet budget targets
- Ensure the timely expenditure of Federal Government program funds

Departmental Business Plan and Outlook

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Internal Perspective

- Increase the completion of capital development projects
- Increase the development of available land for the benefit of underserved and/or distressed areas
- Improve the timely completion of development projects

Learning and Growth Perspective

- Ensure and optimal staff to workload ratio for employees
- Continually improve the skills of OCED staff

PERFORMANCE MEASURES AND TARGETS

For ease of reference, specific information regarding departmental objectives and performance measures including the targets for FY 2006-07 and FY 2007-08 can be found in Attachment 2 – Business Plan Report.

CRITICAL SUCCESS FACTORS

The Department is facing both current and future uncertainties caused by a debate at the federal government level regarding the very existence of the Community Development Block Grant (CDBG) program itself, which provides the lion's share of funding to local governments. The CDBG program is an entitlement program in transition. At the very least, the federal government, Office of Management and Budget, has raised questions about the manner in which grantees spend CDBG funds, the adequacy of HUD's monitoring and actions regarding programmatic non-compliance. These concerns have resulted in program reform measures. In 2006, HUD implemented a new performance outcome measurement framework and made necessary improvements to the Integrated Disbursement and Information System (IDIS) - the mechanism for reporting and maintaining project information.

3 to 5 YEAR OUTLOOK

Any assessment of OCED's future must recognize the uncertainty surrounding the potential of a CDBG program for which reform remains a paramount issue. County budget requirements and the impact on staffing will also be significant factors in assessing the department's prospects. These factors notwithstanding, the key to the future of OCED will largely be how effectively management is able to restructure the department to remain relevant, as the County adapts to the dynamic and constant changes in the community and economic development industry.

Departmental Business Plan and Outlook

Department Name:

Fiscal Years: 2006/2007 – 2007/2008

The department's future success will depend on how effectively the following are accomplished:

- Develop a comprehensive approach to housing, community development and economic development issues, that encompasses coordination among other County departments resulting in a more efficient delivery of County resources to the community, and
- Maximize the utilization of existing staff resources, through the introduction of state-of-the-art technology and staff development.

The U.S Department of Housing and Urban Development has designed new measures to establish performance benchmarks and strict oversight of the CDBG program, which has generally also been accompanied by annual funding cuts. The 2006 CDBG allocation represented an 11.1 percent reduction from the FY 2005 CDBG allocation of \$4.702 billion. The FY 2007 budget was only spared a cut because the newly elected Congress chose to finance the government through the use of a Continuing Resolution which resulted in level funding being carried over into the 2007 budget year. Notwithstanding the increased support for the CDBG Program expressed by the new Congress, the pressures of the budget making process will still pose a risk for future program funding levels.

Attachment 1
DEPARTMENTAL PROFILE

Overview

Our FY 2006 – 07 business plan draws heavily on previously adopted work including the Miami-Dade County Strategic Plan. Miami-Dade County's Strategic Planning initiative is both a plan and a process. The plan provides a framework at a broad countywide level where we want to go, how we get there, and how we measure our progress along the way. The process ensures increased communications at all levels of County government using consistent terms. These terms were incorporated in the document adopted by the Board of County Commissioners:

- Our Countywide *Vision* communicates the community's shared vision for the best possible future for Miami-Dade County government.
- Our Countywide *Mission* statement communicates the role of our government. Miami-Dade County's mission statement is "Delivering excellent public services to address the community's needs and enhance our quality of life".
- Our *Guiding Principles* communicate to all levels of our organization the manner in which we expect all decisions, interactions and activities to be performed.
- Our *Strategic Themes* represent what we consider to be the most significant challenges and opportunities facing Miami-Dade County government.
- We have developed *Goals* across all County Departments. These goals provide the direction the County must move in to address the priority strategic themes and help guide us towards the desired future.
- For each goal we have defined a desired *Outcome* or set of outcomes that the County must achieve to be successful in accomplishing the goal. These outcomes are from the customer/community perspective (e.g. quality of service provided, customer satisfaction).
- For each outcome(s), implementing *Strategies* summarize at a broad countywide level the actions that will be taken to achieve the outcome(s).
- *Key Performance Indicators* are the measures that express the County's intentions from the Strategic Plan. Associated *Key Performance Objectives* assign measurable targets and timelines to the key performance indicators while the *Performance Measure* is the specific unit of measure. Departments may develop *Additional Performance Objectives*.
- *Department Activities, Tasks or Programs* are actions or groups of actions that will be undertaken by a particular department in a specific fiscal year in order to implement a strategy.

