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The NW 7th Avenue Community Redevelopment Agency

2014 - 2015 Annual Report



Conceptual view of NW 7th Avenue & NW 83rd Street looking north

Prepared by Department Of Regulatory & Economic Resources • Development Services Division • Urban Design Center

NW 7TH Avenue Corridor CRA Annual Report

Fiscal Year 2014 - 2015

(10-01-14 to 9-30-15)

Introduction

The NW 7th Avenue Corridor Community Redevelopment Agency (CRA) was established by Miami-Dade County on March 16, 2004, when the Board of County Commissioners (BCC) adopted Resolution R-293-04, declaring the area to be slum and blighted, and authorized the County Manager to prepare a plan for the redevelopment of the area. Resolution R-780-04 and Ordinance 04-124, adopted by the BCC on June 22, 2004, approved the redevelopment plan and established the Agency's Trust Fund respectively. The CRA completed its first full year of operation in Fiscal Year 2004-05.

This report will address the primary operating aspects of the Agency, and revenue in FY 2014-15.

I. Board

In accordance with Ordinance 06-18, adopted by the BCC on February 7, 2006, the NW 7th Avenue Corridor Board of Commissioners shall consist of not fewer than five or more than nine commissioners. Six seats were filled as of September 30, 2015. Commissioners as of that date were:

Dr. Mae Bryant (Chairperson)
Todd A. Ruderman (Vice Chairperson)
Donald Kressly
Eugene Lomando
Mack Samuel
Charesse Chester

II. Staffing

The NW 7th Avenue Corridor CRA Board was staffed on a part-time basis by Miami-Dade County professional staff. Mr. Jorge M. Fernandez, Jr. and Mr. Basil A. Binns, II of the County's Office of Management and Budget (OMB) led the County support team. Legal assistance was provided by the County Attorney's office through Assistant County Attorney Terrence A. Smith. Economic Development planning and implementation services are provided to the CRA by IBI Group Inc., led by Kevin T. Greiner.

III. Administrative Procedures

The Agency's by-laws establishes the composition, purpose, powers, meeting notice requirements and administrative procedures. The by-laws, that established operating guidelines for the Citizens Board of Commissioners, were adopted by the CRA Board on July 13, 2009.

IV. Interlocal Cooperation Agreement

On December 1, 2009, the BCC adopted Resolution R-1360-09 delegating many redevelopment powers that were formerly vested in the BCC to the CRA. Some of the terms of the Interlocal Agreement are:

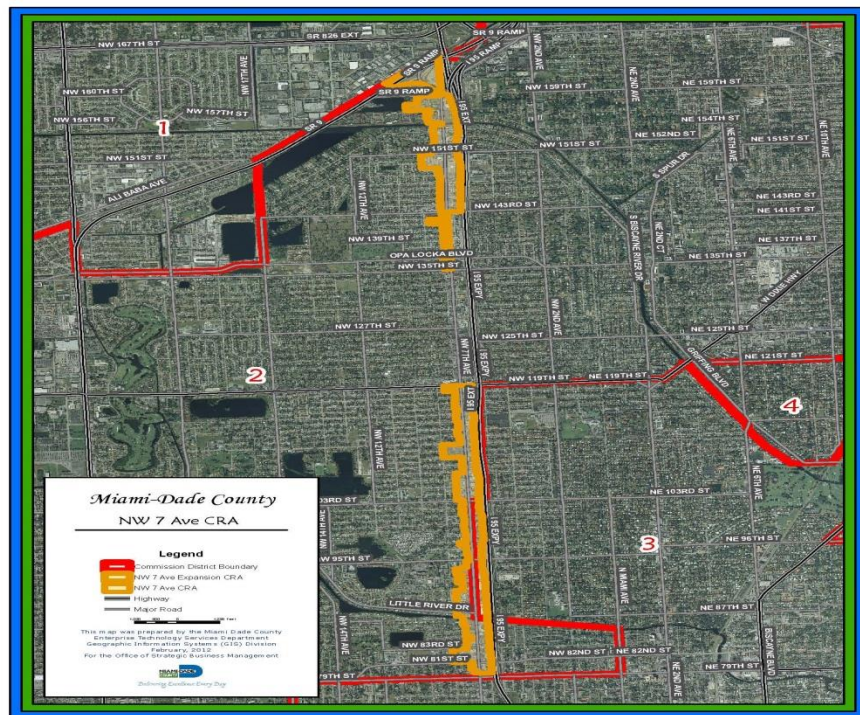
- Administrative expenses for the CRA are capped at 20% of each year's budget;
- The County is to be reimbursed annually for the cost of staff support, advertising, legal, publications and consultants;
- Approval by the BCC is required for amendments to the CRA Redevelopment Plan;
- Approval by the BCC is required for new indebtedness;
- One or more members of the BCC or other Miami-Dade County representative may be appointed to serve on the CRA Board of Commissioners;
- Annual budgets and progress reports must be submitted to the County. Except for debt service payments on existing obligations financed with tax increment revenues, no funds may be spent from the trust fund until the annual budget has been approved by the BCC;
- Community involvement and citizen input shall be obtained in the planning of redevelopment activities, and
- An independent audit by a Certified Public Accounting firm is required annually.

V. Redevelopment Plan

During Fiscal Year 2005-06, the Agency negotiated a development agreement that would implement the primary redevelopment project, identified in the plan as being a new car automotive retail marketing, sales, and distribution center, commonly referred to as the "Automall". On December 7, 2005, the Developer, Potamkin Development I-95 LLC, decided to discontinue the negotiations.

On April 4th, 2011, the BCC adopted Resolution R-223-11 finding the proposed expansion area of the CRA to be blighted. The expansion area is generally bounded by the City of Miami Gardens on the north, the City of North Miami on the south, on the west by the westernmost property lines of the parcels that abut the westerly right-of-way along NW 7th Avenue and on the east by Interstate I-95. On September 6, 2012, the BCC adopted Resolution R-661-12 accepting an amended redevelopment plan for the Agency, and approving the expansion of the boundaries.

W 7th Avenue Corridor CRA Area



In order to assist the CRA with implementation of its Redevelopment Plan, the Agency engaged IBI Group, Florida (Coordinator) to provide economic development services. The services provided by the Coordinator include preparation of an Action Plan for the CRA based on the Coordinator's data collection, trend analysis, stakeholder engagement, implementation of the plan and economic development coordination. During Fiscal Year 2013-14, the CRA adopted its new Action Plan and began implementing several elements from the Action Agenda, including re-branding of the CRA, marketing the re-branded CRA to businesses, and retooling one of the grant/incentive programs designed to assist businesses within the Area as well as attract additional businesses to the Area.



The NW 7th Avenue Community Redevelopment Agency

VI. Grant Programs

The NW 7th Avenue Corridor CRA has a variety of land uses throughout the original and expanded area. The southern portion is dominated by commercial property, with nearly 66% of the uses being commercial. The expanded area is more diverse in its land use, with over 20% of its area occupied by single and multi-family residential uses. In furtherance of its goal to reduce slum and blight within the Area by enhancing the area's aesthetics in an effort to bring about increased property values and entice businesses to locate within the corridors, the CRA has developed grant programs to facilitate renovation of existing properties.

The **Commercial Rehabilitation Program** was created to assist commercial and industrial property owners in upgrading their properties. The CRA budgeted \$600,000 for the program in FY 2014-15. Eligible improvements for the grant program include painting, roof repairs, lighting, exterior signage, window and door replacement, awnings, canopies and shutters, and storefront restoration among other improvements. During the year, the CRA amended the program to raise the maximum grant award amount and require any business requesting more than \$50,000 to enter into a community benefits agreement that requires small business participation and local area employment during construction and permanent jobs after construction. During FY 2014-15 the CRA approved three grants.

The **Business Innovation and Improvement Grant (BIIG)** was created in an effort to further the economic viability of established businesses in the redevelopment area. The BIIG makes capital available to fund the purchase of equipment and inventory, or for advertising and marketing. Technical assistance will also be available to grant recipients, in order to assist businesses to become more efficient and more competitive. The CRA budgeted \$230,000 for the program in FY 2014-15 and approved eight grants.

The **Residential Rehabilitation Program** was created to help homeowners in the CRA to make necessary improvements and upgrades to their properties. Additionally, in an effort to assist residential property owners to make upgrades to their properties, the CRA has budgeted \$50,000 for a Residential Improvement Program.

VII. Tax Base Growth

The continuing goal of the NW 7th Avenue Corridor CRA is the expansion of the property value base of the area to the maximum extent possible, consistent with the adopted Redevelopment Plan. The 2014 Preliminary Tax Roll within the CRA area as reported by the Miami-Dade Property Appraiser is \$109.8 million reflecting a 115 percent increase over the 2003 (base year) taxable value of \$54.2

million. The 2014 values reflect a three percent increase from 2013 values. FY 2014-15 TIF revenues totaled \$287,099. Of this amount, \$90,311 was from the Unincorporated Municipal Service Area (UMSA) tax increment contribution, and \$218,356 from Miami-Dade County countywide funds.

VIII. Financial Reports

Statement of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year Ended September 30, 2015*

Revenues

Taxes	\$318,241
Investment Income	<u>\$4,807</u>
Total Revenues	\$323,048

Expenditures

General Government	\$253,571
Debt Service	\$0
Capital Outlay	<u>\$0</u>
Total Expenditures	\$253,571

Excess/Deficiency of Revenues

Over Expenditures	\$69,477
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Other Financing Sources

Operating Transfer In	\$0
Operating Transfer Out	<u>\$0</u>
Total Other Financing Sources	\$0

Net Change in Fund Balance	\$69,477
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Fund Balance Beginning	\$2,449,241
Fund Balance End	\$2,518,718

*NOT AUDITED

VIII. CRA Activity Highlights

The last year has seen the CRA implement a number of important initiatives that enabled it to ramp up its direct support of existing and new business and investment on 7th Avenue. Fiscal Year 2014-15 saw the restructuring and active implementation of the CRA's core programs and outreach to its client businesses. Below is a listing of accomplishments from October 2014 to September 2015:

- Solicited alternative and additional sources of infrastructure and grant funding including: FDOT Streetscape funding, and prepared a State Funding request for State and County fundraising efforts;
- The CRA Secured an agreement with Bank United to launch a focused Loan program and is pursuing its own allocation of New Markets Tax Credits (NMTC) in the 2016 NMTC round;
- The CRA is actively pursuing the development of a local replacement for the State Enterprise Zone Program;
- The CRA is actively involved in the SR-7 FDOT Redevelopment Study, as well as the Miami-Dade Economic Advocacy Trust (MDEAT) NW Miami-Dade Action Plan Strategy;
- The CRA released RFP's for its new security monitoring program and small business services;
- The CRA revised its budget and grant programs to reflect its new priorities, including: its Annual CRA Budget, the Commercial Improvement and Business Innovation and Investment grants;
- The CRA became the first County Agency to develop and implement a permanent Community Benefits Agreement, requiring grantees to contract with local construction companies and CRA residents for permanent jobs in the grants business. As a result, the grantees entering into the CRA's first two Community Benefits Agreements will be hiring 25 workers from in and near the CRA for permanent jobs in a law office and hotel;
- The CRA organized and launched a CRA business summit and launched its first CRA Business Development Training Seminar. Florida International University's Small business Development Center (SBDC) provided the session free of charge to CRA businesses, and;
- The CRA served multiple businesses already in the CRA and those seeking to move into the CRA, including Ecotech visions, H Greg, MegaCenter, LLC, Seltzer Law PC, the Save-A-Lot Plaza, Soccer Town LLC, and property and incentive searches for a number of the CRA's existing property owners.

CRA Strategic Planning

The CRA Board conducted a series of strategic planning workshops to keep its Action Agenda in tune with changing market conditions on 7th Avenue. As a result, the Board refined its Action Agenda, placing emphasis will be on building the CRA's TIF income, developing alternative funding for CRA programs and investments, developing alternatives to the State Enterprise Zone program, and supporting expansion and growth of CRA local businesses. The CRA's adopted Action Agenda is shown below.

Revised Uptown Avenue 7 CRA Work Program Results of the 2015 Strategic Planning Sessions		Priority
Security & Public Safety:		
1 Launch CRA Security Program		High
Marketing & Operations:		
2 Secure CRA Office Space		High
3 Create Marketing Committee		High
4 Revise Web site		High
5 Produce Quarterly News Brochure		High
6 Produce Graphics Showing A Redeveloped CRA at allowed Densities		
7 Launch CRA Presentation Series - Brokerage, FL FRA, Beacon Council		High
Signature Development Project:		
8 Acquire a Major Property		High
9 Set Aside funds in Budget for Major Property Acquisition		High
10 Coordinate with Developers		High
11 Release Developer RFP for CRA Property		High
Build Development Funding Resources		
12 Float a Bond for a Cash Pool		High
13 Pursue Grant Funds		High
14 Grow the TIFF		High
15 Submit New Markets Tax Credit Project Application - Partner With CDE		High
Business Development & Employment Programs		
16 Complete Community Benefits Agreement Provisions in Grant Programs		High
17 Launch 7th Avenue Small Business Services Accelerator Program (Virtual Incubator)		High
18 Promote more Small Business Retention programs		High
19 Conduct Series of Policy workshops - CRA Business Development Training Seminars series		High
20 Conduct 7th Job Fairs for Major Projects		High
Land Use Regulatory Changes		
21 Revise NCUAD Zoning to Include Live-Work, Limit Warehouse & Storage		Medium
Streetscape Improvements		
22 Complete Strategic Gateway/Entrance Signage		Low
23 Complete Streetscape Design Concept Plan		Low
24 Secure Comprehensive Streetscape Fund		Low
25 Complete Development of Phase I Pocket Parking Sites		Low
Dropped Action Items		
Marketing Events - Classic car, Food Truck Nights, etc.		-
Pop-Up City		-
Launch Public Art Program		-

VI. Summary

The NW 7th Avenue Corridor has begun to attract significant, new investment, as a growing number business and developers understand the value of the CRA's location, access, strong local business community, and innovative incentive programs developed by the CRA. The NW 7th Avenue Corridor CRA has the potential to benefit from increases in residential and commercial developments throughout Miami-Dade County, especially in the urban core areas adjacent to the CRA. The CRA will continue to benefit as this development increases property values throughout the area. Because the CRA Area is primarily commercial in nature, the values within the Area have not seen as much decrease as the County values as a whole. The redevelopment of the Corridor would fuel future growth and continue to benefit the CRA and County as a whole. The greatest challenge faced by the CRA is to continue to prepare and develop its existing local businesses to grow and compete in Miami's regional economy, especially as property values continue to rise within the CRA.