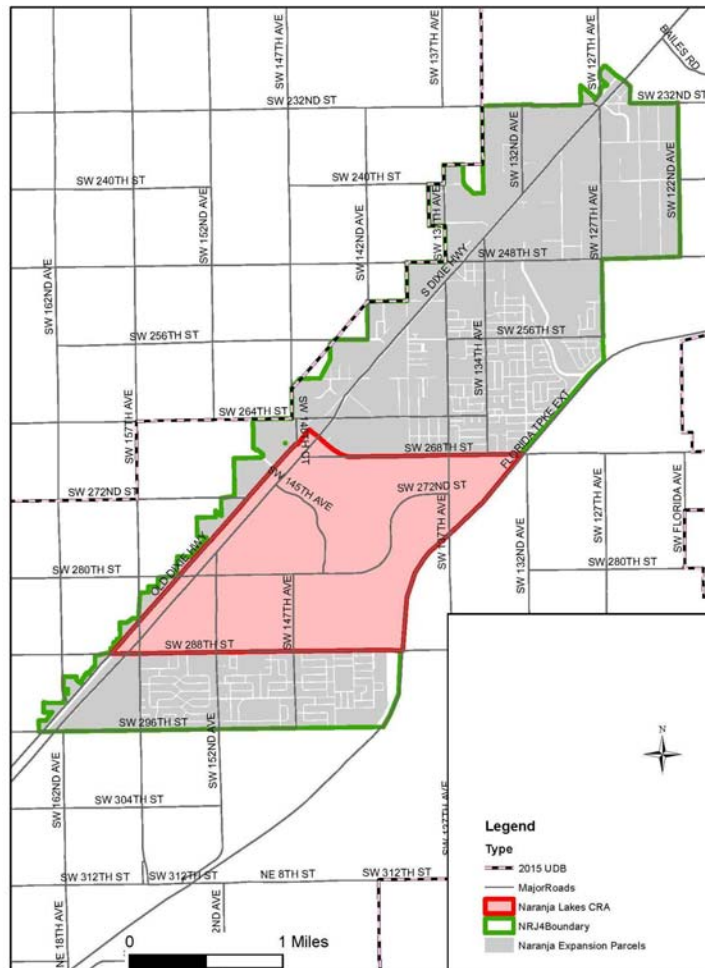


NARANJA LAKES CRA FINDING OF NECESSITY CRA EXPANSION



MIAMI-DADE COUNTY
NOVEMBER 2015

Finding of Necessity – Naranja Lakes CRA Expansion

SECTION 1 INTRODUCTION

1.1 HISTORY AND PURPOSE

The Miami-Dade Board of County Commissioners established Naranja Lakes through adoption of a series of legislative actions required by State Statutes.

- Resolution R-847-98, on July 21, 1998 accepted the Finding of Necessity
- Ordinance 02-216, on October 22, 2002 established Naranja Lakes and named a Board
- Resolution R-418-03, on May 6, 2003 approved the Redevelopment Plan for the CRA

This document represents the analysis of the Finding of Necessity (FON) for the expansion of the district. This expansion is proposed to better serve the community and to further address the concerns of the Naranja area.

Exhibit 1-1 illustrates the current Naranja Lakes boundaries and also identifies the proposed expansion area. The original CRA boundaries are outlined in red, while the entire CRA area (original and proposed) is highlighted in green. The original CRA district contains 1,335 acres, while the potential expansion area is 3,060 acres, for a total CRA area of 4,395.

Consistent with State Law, the Finding of Necessity examines the character of the area and measures statistics and other documentation to determine if the conditions of slum and blight, as described in Florida Statutes 163. Part III section 163.340 (7)(8). This analysis will examine each of the criteria and determine if the proposed area meets these conditions. This Finding of Necessity is only for the proposed expansion area since the original CRA has already been established and a FON completed in 1998.

1.2 METHODOLOGY

The analysis of the conditions that exist in the proposed expansion area was conducted using data available from consistent sources throughout the community. Agencies with Miami-Dade County were contacted and data was supplied to examine the characteristics of the community. Additional research was conducted through field observations and photographic evidence to underscore the findings.

Each of the criteria as established by State law will be discussed separately and the data sources used for the analysis will be described in each section.

1.3 LEGAL REQUIREMENTS

The requirements of the FON are established in Section 163.340 of the Florida Statutes and are described as follows:

Slum Determination 163.340 (7)

“Slum area” is defined as an area having physical or economic conditions conducive to disease, infant mortality, juvenile delinquency, poverty, or crime because there is a predominance of buildings or improvements, whether residential or nonresidential, which are impaired by reason of dilapidation, deterioration, age, or obsolescence, and exhibiting one or more of the following factors:

- (a) Inadequate provision for ventilation, light, air, sanitation, or open spaces;
- (b) High density of population, compared to the population density of adjacent areas within the county or municipality; and overcrowding, as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code; or
- (c) The existence of conditions that endanger life or property by fire or other causes.

Blight Determination 163.340 (8)

“Blighted Area” is defined as an area in which there are a substantial number of deteriorated, or deteriorating structures, in which conditions, as indicated by government-maintained statistics or other studies, are leading to economic distress or endanger life or property, and in which two or more of the following factors are present:

- (a) Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;
- (b) Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such conditions;

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- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (d) Unsanitary or unsafe conditions;
- (e) Deterioration of site or other improvements;
- (f) Inadequate and outdated building density patterns;
- (g) Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality;
- (h) Tax or special assessment delinquency exceeding the fair value of the land;
- (i) Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality;
- (j) Incidence of crime in the area higher than in the remainder of the county or municipality;
- (k) Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;
- (l) A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality;
- (m) Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area; or
- (n) Governmentally owned property with adverse environmental conditions caused by a public or private entity.

SECTION 2 SLUM CONDITIONS

2.1 ANALYSIS OF SLUM CONDITIONS

The conditions that define “Slum” in the potential expansion area are found in the following characteristics.

(a) Inadequate provision for ventilation, light, air, sanitation, or open spaces;

The conditions of inadequate housing can be categorized through the determination of “Unsafe Structures” as determined by the Florida Building Code. Data collected from the Miami-Dade Building Code Division reveals that the proposed CRA expansion area has 51 “Unsafe Structures” within its borders. These citations cover the full range of conditions including inadequate ventilation, substandard housing and improper maintenance of the buildings.

(b) High density of population, compared to the population density of adjacent areas within the county or municipality; and overcrowding, as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code

The subject area does not have density issues since the area has only a small number of multi-family units and the density is not excessive.

(c) The existence of conditions that endanger life or property by fire or other causes.

A review of the data from the Miami-Dade Fire/Rescue Division reveals that the area has a total of 4,574 calls for service in 2014 for the 20,312 people who live in the area. On a per capita basis, this number of calls equates to 225.19 calls per one thousand. For the entire service area of Miami-Dade Fire/Rescue, the population of 1.7 million generates 206,795 calls per year or 121.64 calls per one thousand.

2.2 RESULTS OF ANALYSIS

The proposed expansion area meets criteria (a) and (c) of section 163.340(7) of the State Statutes. The area does not meet the criteria for item (b).

SECTION 3 BLIGHT CONDITIONS

3.1 ANALYSIS OF BLIGHT CONDITIONS

The requirements under State Statutes for designation as “Blighted” note that the area must have a substantial number of deteriorated, or deteriorating structures, in which conditions, as indicated by government-maintained statistics or other studies, are leading to economic distress or endanger life or property.

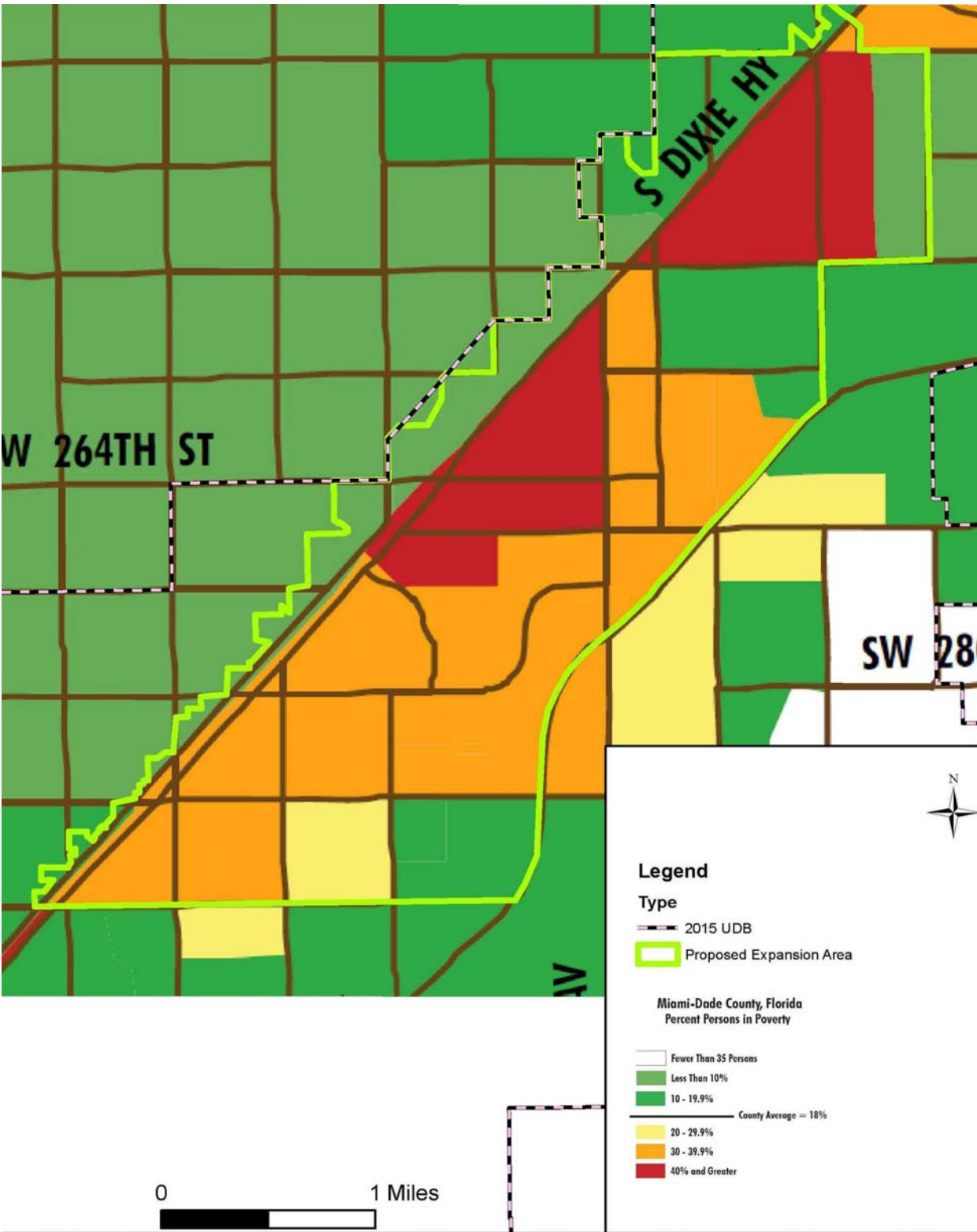
The issue related to the economic distress and poverty is addressed through the inclusion of the following map which defines the extent of the population below the Poverty Level as expressed by US Department of Housing and Urban Development (HUD). The light green outline in Exhibit 3-1 represents the Naranja Lakes CRA area (both existing and proposed).

The percentage of people in poverty in each area is represented by different shades. In the lightest shade of green, less than 10% of people live in poverty. In the darker shade of green, 10 to 20% of people live in poverty. The majority of both the current and expansion area is in either the orange or red shaded areas. The orange shaded area means that 30 to 39.9% of people are living in poverty, and the red shaded area indicates that 40% or more of the population is in poverty. Compared to the Miami-Dade County average of 18%, Exhibit 3-1 visually expresses that the proposed expansion area has significantly more poverty than the County.

The expansion of the CRA will enable the CRA Board to address methods to improve the ability of the residents to gain employment and raise the income levels of the area.

The other method of illustrating “Blight” is through photographic evidence. Field observations were used to examine the area and take photographs of the conditions. Figures 3-1 through 3-12 are a representative sample of the conditions in the area. Other photographs are found in the Appendix.

EXHIBIT 3-1
RATE OF POVERTY IN CRA AREA



Source: Miami-Dade County RER

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Examples of “Unsafe Structures”



Figure 3-1 Single Family Home



Figure 3-2 Commercial Building



Figure 3-3 Institutional Building

Deteriorated Buildings



Figure 3-4 Residential



Figure 3-5 Commercial

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Deteriorated Structures



Figure 3-6 Roadways



Figure 3-7 Driveways



Figure 3-8 Sidewalks



Figure 3-9 Drainage Canals



Figure 3-10 Fences



Figure 3-11 Drainage Aprons

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The designation of deteriorated structures is not limited to buildings. Structures also include infrastructure elements such as roadways, sidewalks, drainage canals, fences, driveways and drainage aprons. An examination by Florida Technical Consultants (a Civil Engineering company) was undertaken as a part of this analysis. The examination considered the existence of deteriorated or substandard facilities as illustrated by the previous photographs. In addition, the examination also identified where these infrastructure facilities were absent and not provided at all. The following table represents the determination of the inadequate or missing structures in the proposed expansion area.

**TABLE 3-1
INFRASTRUCTURE IMPROVEMENT NEEDS**

Description	Action	Unit	Unit Cost	Missing & Poor Quantity	Missing & Poor Amount	Total Quantity	Total Amount
ADA Ramps							
	Install	EA	\$ 750.00	858	\$ 643,500.00	858	\$ 643,500.00
	Paint	EA	\$ 250.00	-	-	30	\$ 7,500.00
Drainage Apron							
	Install	EA	\$ 500.00	31	\$ 15,500.00	31	\$ 15,500.00
	Replace	EA	\$ 800.00	52	\$ 41,600.00	159	\$ 127,200.00
Driveway							
	Install	EA	\$ 1,200.00	690	\$ 828,000.00	690	\$ 828,000.00
	Replace	EA	\$ 1,500.00	265	\$ 397,500.00	530	\$ 795,000.00
Landscape							
	Replace	EA	\$ 500.00	524	\$ 262,000.00	622	\$ 311,000.00
Roadway							
	Clean	SY	\$ 50.00	-	-	294	\$ 14,700.00
	Patch	EA	\$ 1,500.00	84	\$ 126,000.00	251	\$ 376,500.00
Sidewalk							
	Clean	SY	\$ 50.00	-	-	216	\$ 10,800.00
	Install	SY	\$ 50.00	111,164	\$ 5,558,200.00	111,164	\$ 5,558,200.00
	Replace	SY	\$ 60.00	504	\$ 30,240.00	1302	\$ 78,120.00
Sign							
	Graffiti	EA	\$ 150.00	-	-	14	\$ 2,100.00
	Improvement	EA	\$ 150.00	-	-	79	\$ 11,850.00
	Install	EA	\$ 300.00	7	\$ 2,100.00	7	\$ 2,100.00
	Repair	EA	\$ 350.00	4	\$ 1,400.00	15	\$ 5,250.00
Structure							
	Graffiti	EA	\$ 50.00	-	-	34	\$ 1,700.00
	Inspect	EA	\$ 150.00	-	-	12	\$ 1,800.00
SUBTOTAL COST OF PROPOSED CRA IMPROVEMENTS -----					\$ 7,906,040.00 -----	\$ 8,790,820.00	
20 % MOBILIZATION -----					\$ 1,581,208.00 -----	\$ 1,758,164.00	
30 % CONTINGENCY -----					\$ 2,371,812.00 -----	\$ 2,637,246.00	
TOTAL COST OF ALL PROPOSED CRA IMPROVEMENTS -----					\$ 11,859,060.00 -----	\$ 13,186,230.00	

Source: Florida Technical Consultants

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In addition, the Miami-Dade Transit Busway also bisects the community and separates the commercial areas of the potential district. The Enterprise Zone is also split by the Busway, hindering the potential for development in the Zone

EXHIBIT 3-4 PHOTOGRAPH OF SOUTH DADE BUSWAY



(b) Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such conditions;

Data from the Miami-Dade County Property Appraiser's Office was obtained to examine the change in Taxable Value for the properties located in the proposed CRA expansion area and compare them to the entire County's experience.

The following table lists the experience of the potential expansion area and the County from the years 2008 through 2014. During those years, Miami-Dade County, as well as the rest of the country felt the effects of the great recession and the significant decline in the real estate market. Many properties were foreclosed and the values declined dramatically. Although some recovery has occurred, the real estate values have not reached the pre-recession levels.

The impact in the Naranja Lakes area has been even more dramatic than for the entire County. Taxable Values in the year 2014 show a reduction of 44.0% over the 2008 levels. County-wide this reduction is 14.5%. The impact of the recession has been more severe in Naranja Lakes than throughout Miami-Dade County.

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TABLE 3-2

CHANGE IN TAXABLE VALUES POTENTIAL EXPANSION AREA AND MIAMI-DADE COUNTY

Value	Potential CRA Expansion Area	Miami-Dade County
2008 Taxable Value	\$781,278,136	\$245,562,406,227
2014 Taxable Value	\$437,933,340	\$209,937,000,000
Rate of Change	-44.0%	-14.5%

Source: Miami-Dade County Property Appraiser

(c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;

The conditions that generate a faulty street layout also contribute to a faulty lot layout. The photograph in Exhibit 3-3 illustrates that the diagonal streets result in many lots that are triangular in shape as well as many small lots. These conditions are counter-productive to economic development since any building located on the lot will have difficulties with boundary setbacks and useful site plans for the use of the property.

(d) Unsanitary or unsafe conditions;

The Miami-Dade Building Code Division has determined that 51 buildings in the potential expansion area are “Unsafe Structures” and have cited these properties for the condition of the buildings.

Ground contamination is a very serious issue throughout the potential expansion area. Several communities have been designated as Brownfield sites. Brownfield status is a condition, within certain legal exclusions and additions, of real property, the expansion, redevelopment or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant, which may include petroleum hydrocarbon releases. Brownfield status generally means there are use or development restrictions on the site.

The primary goals of the Brownfield Redevelopment Act are to reduce public health and environmental hazards on existing commercial and industrial sites that are abandoned or underused due to these hazards; create financial and regulatory incentives to encourage voluntary cleanup and redevelopment of sites; derive cleanup target levels and a process for obtaining a "No Further Action" letter using Risk-Based Corrective Action principles; and provide the opportunity for Environmental Equity and Justice.

Over one-half of the potential expansion area is within the South Dade Brownfields area.

EXHIBIT 3-5 BROWNFIELD AREAS



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(e) Deterioration of site or other improvements;

Listed in Table 3-1 are the necessary improvements to the infrastructure within the potential expansion area boundaries.

(f) Inadequate and outdated building density patterns;

Density patterns can be measured by the amount of developed acres of land or by the amount of population per acre. Miami-Dade County contains approximately 2,000 square miles of the land area. However, only approximately 500 square miles are developed and within the Urban Development Boundary (UDB). Based on a population of approximately 2.5 million, the density of persons per acre in Miami-Dade County is 7.81.

For the potential expansion area, the population of 20,312 live within 2,730 acres, for a density of 7.44 persons per acre.

A significant portion of the property in the potential expansion area is in Agricultural use which is outdated based on modern urban criteria. However, the overall density of the area is not a concern.

(g) Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality;

Lease rates have not been declining and are generally on a par with other similar areas of Miami-Dade County. Three data sources were used to determine the lease rates and the real estate activity in the area. These sources are:

- Trulia.com
- MLS
- Loop.net

Additionally, the information was verified through field investigation.

(h) Tax or special assessment delinquency exceeding the fair value of the land;

The Miami-Dade Tax Collectors Office is the source of the Tax Delinquency figures for the county and the potential expansion area. Data representing the tax delinquencies for the past year were acquired and analyzed for this study.

One of the questions regarding the designation of blight is if the area has property with tax delinquencies that exceed the fair value of the properties within the boundary. The Tax Delinquencies for the potential expansion area total \$1,562,785 as of May 2014. With a total Taxable Value of \$367,431,026, the Tax Delinquencies represent .3% of the total.

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(i) Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality;

There relatively few vacancies in the potential expansion area and these rates are not more extensive than through the remainder of Miami-Dade County. Three data sources were used to determine the vacancy rate and the Real Estate activity in the area. These sources are:

- Trulia.com
- MLS
- Loop.net

Additionally, the information was verified through field investigation.

(j) Incidence of crime in the area higher than in the remainder of the county or municipality;

Crime data was obtained from the Miami-Dade Police Department who maintain statistics for each Police Service Grid in the County. Data from the grids that encompass the potential expansion area as well as the original CRA was obtained to determine the incidence of crime. Data was provided for “Emergency” calls and “Priority” calls which represent the most significant activity for the Department.

For the past year, the total number of Emergency and Priority calls for the potential expansion area and the original CRA were derived from the posted statistics. To better compare these numbers, they were divided by the population to arrive at a per capital figure of calls per one thousand population. Table 3-3 provides the analysis.

**TABLE 3-3
POLICE CALLS PER CAPITA**

Area	Police Calls	Population	Calls/1,000
Original CRA	1,025	13,240	77.42
Expansion Area	3,857	20,312	189.89

The figures in Table 3-3 clearly show that the potential expansion area has substantially more crime than the original CRA. The per capita rate is nearly two and one-half times the rate from the original CRA.

(k) Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;

A review of the data from the Miami-Dade Fire/Rescue Division reveals that the area has a total of 4,574 calls for service in 2014 for the 20,312 people who live in the area. On a per capita basis, this number of calls equates to 225.19 calls per one thousand. For the entire service area of Miami-Dade Fire/Rescue, the population of 1.7 million generates 206,795 calls per year or 121.64 calls per one thousand.

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(l) A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality;

The Miami-Dade Code Enforcement Division is responsible for overseeing the monitoring and enforcement of the Building Codes and other State and County regulations regarding the use of property. Data for the past year was obtained and review to assess the number of Code violations within the potential expansion area, the original CRA boundary and the total for the unincorporated area of Miami-Dade County.

Table 3-4 lists the figures and analysis for the Code violations in the area. Exhibit 3-6 is a graphic representation of the number of violations in the area.

**TABLE 3-4
CODE VIOLATION**

Area	Violations	Population	Rate per capital 1,000 Population
Original CRA	802	13,240	60.57
Expansion Area	1,979	20,312	97.43
Unincorporated County	92,846	1,109,204	83.71

(m) Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area,

The following map (Exhibit 3-7) illustrates the amount of vacant property within the potential expansion area. The amount of vacant property is often designated as a negative factor since the land is not productive. However, it may also be seen as a positive providing an opportunity to develop. Exhibit 3-7 indicates that there is only a small amount of vacant property in the potential expansion area.

Another factor in assessing the amount of vacant property is the diversity of the ownership. The best chance for development or redevelopment is if much of the area has common ownership. In the case of the potential expansion area, the number of instances where an owner has multiple parcels was examined. In only five cases, this multiple ownership exists. There is only a small amount of land that can be developed through the efforts of one owner.

EXHIBIT 3-7

VACANT PROPERTY



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SECTION 5 SUMMARY AND RECOMMENDATIONS

5.1 Summary

Sections 2 and 3 of this report identify the criteria for designation as “slum” and “blight” based on Florida Statutes. Each of the criteria was examined individually to assess the conditions and determine if the requirements under State law has been satisfied. Tables 5-1 and 5-2 the criteria for slum and blight found in the potential expansion area.

**TABLE 5-1
SLUM CRITERIA**

Criteria	Description	Finding
(a)	Inadequate provision for ventilation, light, air, sanitation, or open spaces	Meets criteria
(b)	High density of population	Does Not meet Criteria
(c)	The existence of conditions that endanger life or property by fire or other causes	Meets criteria

**TABLE 5-2
BLIGHT CRITERIA**

Criteria	Description	Finding
(a)	Predominance of defective or inadequate street layout	Meets criteria
(b)	Assessed values of real property in the area have failed to show any appreciable increase	Meets criteria
(c)	Faulty lot layout	Meets criteria
(d)	Unsanitary or unsafe conditions	Meets criteria
(e)	Deterioration of site or other improvements	Meets criteria
(f)	Inadequate and outdated building density patterns	Does Not meet Criteria
(g)	Falling lease rates per square foot of office, commercial, or industrial space	Does Not meet Criteria
(h)	Tax or special assessment delinquency exceeding the fair value of the land	Does Not meet Criteria
(i)	Residential and commercial vacancy rates higher in the area than in the remainder of the county	Does Not meet Criteria
(j)	Incidence of crime in the area higher	Meets criteria
(k)	Fire and emergency medical service calls to the area proportionately higher	Meets criteria
(l)	A greater number of violations of the Florida Building Code	Meets criteria
(m)	Diversity of ownership or defective or unusual conditions of title	Meets criteria
(n)	Governmentally owned property with adverse environmental conditions	Meets criteria

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This summary notes that the potential expansion area meets 2 of the 3 “Slum” criteria and 10 of the 14 “Blight” criteria. In addition, the potential expansion area has a substantial number of deteriorated structures as evidenced by Figures 3-1 through 3-12 and the photographs found in the Appendix.

5.2 Recommendations

The potential expansion area to Naranja Lakes meets the criteria established under State Statutes to be designated as “slum” and “blight”. The area meets two of the criteria to be designated as slum (one is required), and ten of the criteria to be designated as “blight” (only two are required). The area also meets the “blight” requirement of existence of deteriorated structures.

It is recommended that the Naranja Lakes and the Board of County Commissioners approve the Finding of Necessity and expand the Naranja Lakes CRA boundaries as expressed in Exhibit 1-1.

APPENDIX A

PHOTOGRAPHS OF DETERIORATED STRUCTURES

Appendix A - Photographs

Unsafe Structures – Residential



Unsafe Structures - Commercial



Appendix A - Photographs

Deteriorated Buildings - Residential



Deteriorated Buildings – Commercial



Appendix A - Photographs



Deteriorated Structures – Drainage Aprons



Appendix A - Photographs



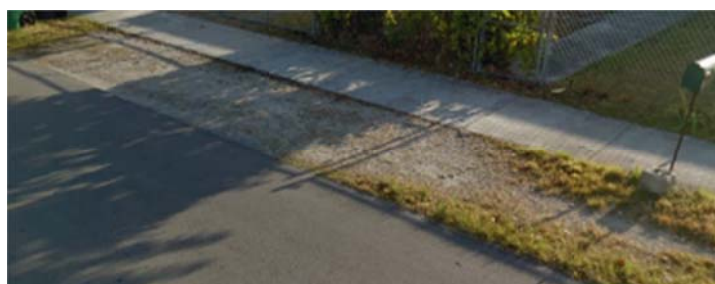
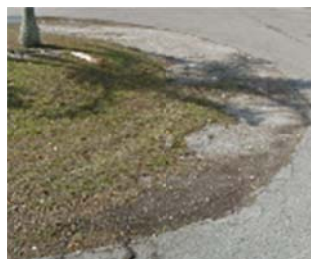
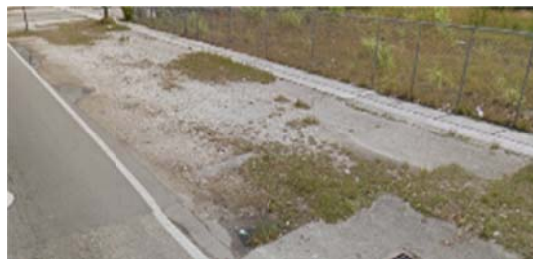
Deteriorated Structures - Roadways



Appendix A - Photographs



Deteriorated Structures - Landscape



Appendix A - Photographs

Deteriorated Structure Drainage Facility



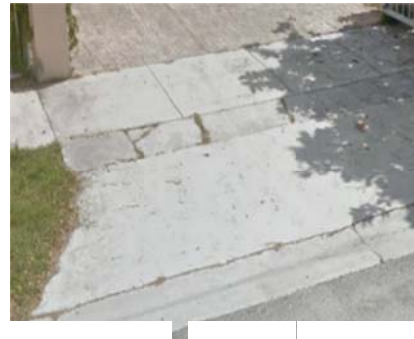
Deteriorated Structure Fence



Deteriorated Structures – Driveways



Appendix A - Photographs

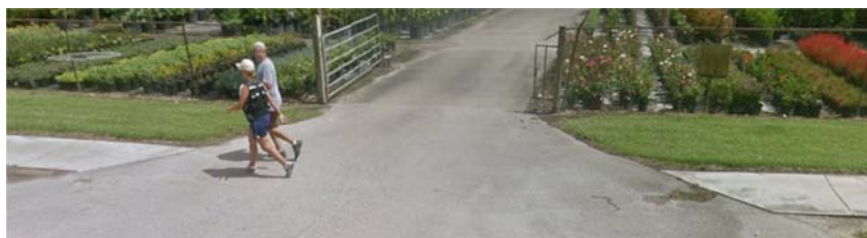


Deteriorated Structure - Sidewalk





Deteriorated Structure – ADA Ramps



Appendix A - Photographs

Deteriorated Structures - Signs



Deteriorated Structures - Utility Structures

