

SUMMARY MINUTES

REGULAR COMMUNITY REDEVELOPMENT AGENCY ADVISORY COMMITTEE MEETING

Monday, November 5th, 2007

A regular meeting of the Chairman and Members of the Community Redevelopment Agency Advisory Committee (CRAAC) was held at the North Miami City Council Chambers at 6:09 p.m.

(Phonetic spelling of each speaker's name may be used throughout the minutes unless correct spelling is known.)

ROLL CALL	Absent/ Present	Absences 2006-07*
Blanca Cobo	P	3
Judy Feldman	P	1
Dr. Smith Joseph	P	6
Michael McDearmaid (6:17 pm)	P	0
Roseline Philippe	P	0
Clark Reynolds	P	1
David Rosemond (6:11 pm)	P	0
Duke Sorey	A	2
Bill Valentine	A	11
Armando Vidal	P	2
Mark Wolin (6:30 pm)	P	1
* Absences from special or rescheduled meetings are not counted		

II. Approval of Agenda

The agenda was accepted by the consensus of the members present.

III. Approval of Minutes

The minutes of the CRAAC Regular Meeting on October 1st, 2007 were unanimously approved; it was decided to postpone the approval of the minutes of the CRAAC Regular Meeting on September 6th, 2007 until the arrival of CRAAC member Mark Wolin.

IV. Proposed Amendments to the CRA Redevelopment Plan that was adopted on June 7, 2005

The CRA Executive Director explained the background and purpose for the proposed amendments to the Redevelopment Plan. First, with regards to adding specific authorization for the CRA to develop and implement community policing innovations within the CRA area, and secondly to provide the CRA Board with the ability to change by resolution certain qualification requirements and maximum loan amounts for the CRA's affordable housing programs.

With regard to the proposed amendments to the affordable housing policies, Mr. Vidal asked what the process would be to change the various restrictions in place currently. The CRA Executive Director and CRA Attorney explained that the procedural steps involved in changing the plan would involve a public hearing before the CRA Board, a public hearing before the City Council, and finally presentation to the Miami-Dade County Board of County Commissioners for approval. Subsequently, under the proposed amendments, the affordable housing maximum loan amounts and qualification restrictions could be changed through the adoption of a resolution by the CRA Board at a public hearing without the need of the two additional approval steps at the City and County levels.

Ms. Philippe suggested the idea of changing the maximum loan amount to a percentage of the home sale price rather than a fixed sum, the CRAAC Chair warned that this could result in even more cumbersome restrictions since home values do not always change at the same pace as incomes.

Mr. Rosemond asked for an explanation of the rationale behind giving more flexibility to the CRA to change the maximum loan amount. The CRA Executive Director explained that more flexibility will allow the CRA to react more effectively to changing circumstances, giving the example of the current difficulty of Miami-Dade County in providing the kind of additional loan assistance that they were able to do just a year ago, and the problem of escalating construction costs effecting what can be achieved with a fixed maximum loan amount relative to home rehabilitation assistance.

Mayor Burns then added that allowing more flexibility with regards to the residency restrictions in the plan would allow the CRA to provide housing incentives to attract essential workforce personnel (teachers, police officers, City employees, etc.) without having to go back to the County for plan approval. The CRA Attorney also mentioned that the current residency requirement from a fixed date does not fit a long term plan, and that as the years pass the pool of eligible applicants will get smaller and smaller.

Mr. Wolin asked where the original idea of setting the income restrictions to be 50-120% of area median income originated, whether it was based on some legal requirement for affordable housing programs, and also asked whether there were

legal definitions of the terms “affordable housing” and “workforce housing”. The CRA Executive Director and the CRA Attorney answered that these ideas and definitions do not originate from legal decisions but rather policy decisions. The housing costs in South Florida at the time of the adoption of the CRA Plan meant that households with an income of 50-120% of area median income were having trouble purchasing homes and thus this group was chosen as the target population for affordable housing programs. The CRA Executive Director and the CRA Attorney went on to clarify that there is no one, universally accepted definition of affordable and workforce housing, they are both part of the same continuum and various communities in Florida and around the country have set the income limits for affordable housing programs differently.

Moved by Mr. McDearmaid, seconded by Dr. Smith Jospeh

To recommend the adoption of all of the proposed amendments to the CRA Redevelopment Plan.

Approved 9-0

V. Proposed Purchase of Properties Adjacent to the Pioneer Gardens Site

The CRA Executive Director gave an update with regards to the planned purchase of 2 additional duplexes adjacent to Pioneer Gardens. Currently the CRA has a contract for the duplex at 13850 NE 5 AVE for a purchase price of \$375,000 contingent upon both an appraisal and approval by the CRA Board. The owner of the duplex at 13890 NE 5 AVE has given a verbal commitment to sell at \$350,000 subject to an appraisal.

In response to Ms. Cobo’s question with regards to how these new parcels will affect the Pioneer Gardens project, the CRA Executive Director said that they could be either used for an additional future phase of the project, or they could be platted into the current Planned Unit Development for Pioneer Gardens and become part of a first phase of construction.

Mr. Wolin questioned whether the CRA Board had been consulted prior to these negotiations, the CRA Executive Director explained that he has the authority to negotiate real estate transactions on behalf of the CRA and that the CRA Board and the CRAAC had been previously informed that it was the intention of the CRA to purchase the two additional duplexes when the board and advisory committee approved the purchase of a duplex at 13810 NE 5 AVE, immediately to the south of the two duplexes.

Mr. McDearmaid stated that the purchase of these two additional duplexes was important to ensure the acquisition of the entire section of land that included all three duplex properties

Moved by Mr. McDearmaid, seconded by Mr. Vidal

To recommend to the CRA Board to proceed with the purchases of the two properties adjacent to Pioneer Gardens, having the addresses of 13850 NE 5 AVE and 13890 NE 5 AVE.

Approved 8-1 with Mr. Wolin against

Mr. Vidal requested that the CRA Executive Director give an update to the CRA Advisory Committee with regards to the money that the CRA advanced to North Miami Housing for environmental clean-up of the Pioneer Gardens site. The CRA Executive Director explained that the CRA did indeed advance a sum of money to North Miami Housing of approximately \$260,000-270,000, and that money had been fully paid back to the CRA as required by September 30, 2007.

VI. Status Update regarding the CRA's Due Diligence Review for the Bel House Apartments Lease/Purchase Agreement

The CRA Executive Director gave an update with regards to the due diligence review for the lease/purchase of Bel House Apartments. The current estimate for rehabilitation for the property is at \$1.9 million. The CRA Executive Director explained that any rehabilitation that does not require a building permit is not counted as part of the 50% of appraised value rule for new building codes, much of this \$1.9 million in rehabilitation, such as painting the units, would therefore be excluded from the rule.

Mayor Burns explained that a new provision in the Comprehensive Plan allows that all buildings can be rehabilitated to their original state, regardless of cost without triggering the 50% rule.

Mr. Wolin asked if there are any liens on the property, the CRA Attorney answered that the City has no code enforcement liens on the property but there are mechanics liens on the property filed by contractors that have not been paid for work that was done on the property.

VI. Old Business

For the benefit of Ms. Philippe and Mr. Rosemond as new CRAAC members, there were brief self-introductions by each member of the committee and the CRA staff.

VIII. New Business

A. Discussion of CRAAC Member Absences and Removal Procedures

The CRA Executive Director suggested that this item be deferred to the next meeting on December 3rd and that the CRA Advisory Committee Chair and the CRA Attorney should get together before then to discuss the

issue. The CRA Advisory Committee Chair agreed and stated that some of the member absence limitations need to be better clarified. The CRA Advisory Committee Chair asked if anyone objected to this, and nobody voiced any concern.

**B. Follow-up to the Joint Meeting of the CRA Board and the CRAAC
RE: Scheduling of City Staff to Brief the CRAAC regarding the City's
Comprehensive Development Master Plan, Parks Master Plan, and
Branding Project**

The CRA Executive Director recommended that City Staff could be scheduled to attend the upcoming CRA Advisory Committee Meetings and take 10 minutes to present the latest developments with the Comprehensive Plan, the Parks Master Plan, and the Branding Project. The CRA Advisory Committee Chair responded that he felt 10 minutes would be too brief. It was then decided that for each of the next three Advisory Committee Meetings, a member of city staff would be invited to give a 30-minute presentation on one of the three City projects.

**C. Follow-up to the Joint Meeting of the CRA Board and the CRAAC
RE: Idea for a Bank "Summit" regarding Residential Mortgage
Rescue**

There was a general discussion amongst the committee about the rising levels of mortgage foreclosure and the difficulty people are having in refinancing their high interest mortgages. Ms. Cobo mentioned that one possible way to reduce people's high mortgage payments would be to convert their loan to a 40-year mortgage, which is a program that her bank, Banco Popular, is now offering.

The CRA Executive Director then told the Committee that the CRA Staff would move forward with the organization and planning of a bank summit for residential mortgage rescue. When the CRA Executive Director asked when committee members would like the summit to be held, there was a general consensus that it should be after Christmas.

Prior to adjournment, the discussion returned to the need to take up the approval of the minutes of the CRAAC meeting on September 6, 2007. Mr. Wolin expressed his intent to submit his comments regarding to the City Clerk.

Moved by Ms. Feldman, seconded by Ms. Cobo
**To approve the minutes to the September 6th Advisory
Committee Regular Meeting**

Approved 7-1 with Mr. Vidal against (Dr. Smith Joseph had already left the meeting a few minutes earlier)

IX. Adjournment

The meeting was adjourned at 7:42 pm