

## SUMMARY MINUTES

### REGULAR COMMUNITY REDEVELOPMENT AGENCY ADVISORY COMMITTEE MEETING

Monday, December 1st, 2008

A regular meeting of the Chairman and Members of the Community Redevelopment Agency Advisory Committee (CRAAC) was held at the North Miami CRA Office Conference Room at 6:08 pm.

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

#### I. Call to Order

ROLL CALL	Absent/ Present	Absences 2008-09*
Clint Bower	P	0
Blanca Cobo	P	0
Inez Couch	P	0
Dr. Smith Joseph	A	2
Michael McDearmaid	6:19 pm	0
Roseline Philippe	P	0
Clark Reynolds	P	1
David Rosemond	6:18 pm	0
Duke Sorey	6:16 pm	0
Armando Vidal	P	0
Mark Wolin	P	1
* Absences from special or rescheduled meetings are not counted		

#### II. Approval of Agenda

The agenda was unanimously approved.

#### III. Approval of Minutes

Mr. Vidal pointed out that Ms. Feldman could not have moved to approve the minutes to the October meeting because she was no longer serving as a member of the Advisory Committee at that time.

*Moved by Mr. Vidal, seconded by Mr. Bower*

**To approve the minutes to the CRAAC Regular Meeting on November 3<sup>rd</sup>, 2008, as amended.**

Approved 7-2 (with Mr. Wolin and Mr. Reynolds against due to their absence from the meeting)

Mr. Wolin, whilst reading the minutes to the November meeting, requested that the CRA Attorney look into whether or not a conflict of interest exists with regards to Partners for Self Employment leasing office space from a company owned by members of the CRA Advisory Committee, using grant money from the CRA.

#### **IV. Items for Review and/or Action**

##### **Item 1 - Status update regarding the Pioneer Gardens affordable housing development relative to site/environmental remediation, proposed development budget, site plan, project design, construction financing, development timetable, etc.**

The CRA Executive Director gave a status update on the Pioneer Gardens project.

Mr. Vidal asked whether or not the lab results of the new soil samples were submitted to DERM before the Thanksgiving holiday. The CRA Executive Director replied that they were not submitted before Thanksgiving but should be submitted before December 23<sup>rd</sup>. With this in mind the CRA will likely hear back from DERM in January of 2009.

Mr. Wolin asked whether, in the light of the continuing environmental issues at the Pioneer Gardens site, the CRA has considered revisiting the question of whether or not the project is the best way for the CRA to accomplish its affordable housing goals. The CRA Executive Director replied that first a full estimate of the costs of the environmental remediation will need to be prepared and presented to the CRA Advisory Committee and CRA Board. Then the CRA Board, with input from the CRA Advisory Committee, will be able to make an educated decision as to whether or not the Pioneer Gardens affordable housing project should be continued.

Mr. Wolin asked to know the full costs of the environmental site assessment. The CRA Executive Director replied that the exact cost was presented to the Advisory Committee in a previous agenda packet, but it was approximately \$30,000.

##### **Item 2 - Proposed agreement with the Urban Residential Development Group for the conduct of Pre-Purchase Inspections relative to Federal Housing Quality Standards and Federal Occupancy Standards for the CRA Homebuyer Subsidy Loan Program**

The CRA Executive Director introduced the proposed agreement between the North Miami CRA and the Urban Residential Development Group for the conduct

of Pre-Purchase Inspections relative to Federal Housing Quality Standards and Federal Occupancy Standards for the CRA Homebuyer Subsidy Loan Program.

Mr. McDearmaid felt that from his experience of working with home inspectors, \$1,500 per home inspection was rather high and asked whether or not estimates were reviewed from other home inspector companies. The CRA Executive Director replied that other estimates were not reviewed because the recommendation to use Urban Residential Development Group for the home inspections was presented to the CRA Advisory Committee previously and the CRA Advisory Committee supported that recommendation, which was then approved by the CRA Board.

Mr. Wolin asked whether or not the CRA is legally obligated to use Urban Residential Development Group for these home inspections. The CRA Executive Director said that, according to Section 9.4 of the Amended and Restated Munisport Agreement, the North Miami CRA is legally required to use Urban Residential Development Group for the home inspections.

Mr. Wolin wished to state for the record that, in his opinion, the relationship between Urban Residential Development Group and the North Miami CRA cannot be characterized as a “partnership” because seeing as Urban Residential Development group get a 15% fee on the gross amount that the CRA spends, they have no vested interest in any profit or outcome of the CRA’s projects.

Mr. Wolin asked the CRA Attorney, if, given the circumstances of the relationship between the CRA and Urban Residential Development Group, it is appropriate for this contract to have clauses that allow for indemnification of Urban Residential Development Group. The CRA Attorney replied that it is appropriate that the North Miami CRA does indemnify Urban Residential Development Group with respect to the matters covered by the indemnity in the contract. The CRA Attorney explained that the contract has cross-indemnifications to cover both parties. The CRA Attorney pointed out that the North Miami CRA is protected by Sovereign Immunity Law of Section 768.28 of the Florida Statutes, which limits the monetary amount that the CRA must indemnify to any one firm.

Mr. McDearmaid suggested that the legal obligation of the CRA to hire Urban Residential Development Group to carry out the home inspections does not preclude the CRA from investigating the true market costs of such inspections and insisting that Urban Residential Development Group match those costs.

*Moved by Mr. Rosemond, seconded by Mr. Sorey*

**To recommend that the CRA Board approve the proposed agreement with the Urban Residential Development Group for the conduct of pre-purchase inspections relative to Federal Housing Quality Standards and Federal Occupancy Standards for the CRA Homebuyer Subsidy Loan Program**

*Approved 8-2 (with Mr. Wolin and Mr. Vidal against)*

**Item 3 - Status update regarding the proposed scope of rehabilitation for the Bel House Apartments East Building**

The CRA Executive Director explained that the CRA is currently negotiating a contract, through Urban Residential Development Group, with Morton Roofing for the repair of the roof, the CRA is looking for Morton roofing to commit to a guaranteed maximum price of \$161,660.

**Item 4 - Recommendation to increase the amount of Commercial Rehabilitation Grant assistance for the Arnold's Royal Castle project from the revised grant amount of \$56,778.52 to \$80,000.00**

The CRA Executive Director explained the circumstances by which Arnold's Royal Castle is requesting additional matching grant money to meet the increase in project costs. The CRA Executive Director asked the Advisory Committee to support the recommendation to approve the increase in the grant amount.

Mr. Wolin argued that approving the increase might set a precedent whereby applicants in the future might regularly underestimate project costs and then come back to the CRA at a later date requesting additional funding, putting the CRA in an untenable position of rewarding businesses for underestimating project costs. Mr. Vidal, Mr. McDearmaid, Ms. Philippe, and Mr. Rosemond all voiced the opinion that this particular project is such an important landmark on NW 7<sup>th</sup> Avenue and the community has been looking forward to the reopening of this business for so long, that it definitely merits the increased grant amount. If future awardees come to the CRA requesting grant increases, they will be assessed on a case by case basis.

*Moved by Mr. McDearmaid, seconded by Ms. Philippe*

**To support the recommendation that the CRA increase the amount of Commercial Rehabilitation Grant assistance for the Arnold's Royal Castle project from the revised grant amount of \$56,778.52 to \$80,000.00**

*Approved 10-0*

**Item 5 - Annual election of the Chair and Vice-Chair of the CRA Advisory Committee**

Mr. Reynolds, the standing chair, stated that he wished to vacate the position.

*Moved by Mr. Vidal, seconded by Mr. Sorey*

**To nominate Mr. McDearmaid as the new Chair of the North Miami CRA Advisory Committee**

*Approved 10-0*

*Moved by Mr. McDearmaid, seconded by Mr. Rosemond*  
**To nominate Mr. Vidal as the new Vice Chair of the North Miami CRA  
Advisory Committee**  
*Approved 10-0*

**Item 6 - Proposed CRAAC meeting calendar for 2009**

The CRA Executive Director briefed the Advisory Committee on the meeting calendar for 2009.

**V. Old Business**

The CRA Attorney gave an update with regards to the Strand case, where the court has found that a CRA may pledge TIF funding to issue bonds without the need for any form of referendum. Therefore, in order for the CRA to issue bonds, they would just need approval from the North Miami CRA Board, North Miami City Council, and Miami-Dade County.

**VI. New Business**

No discussion

**VII. Adjournment**

**The meeting was adjourned at 7:10 pm**