

SUMMARY MINUTES

REGULAR COMMUNITY REDEVELOPMENT AGENCY ADVISORY COMMITTEE MEETING

Monday, March 5, 2007

A regular meeting of the Chairman and Members of the Community Redevelopment Agency Advisory Committee (CRAAC) was held in the North Miami CRA Offices beginning at 6:08 p.m.

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

ROLL CALL

	Absent/ Present	Cumulative From 2/9/2006	
		(P)	(A) *
Blanca Cobo	P	11	2
Inez Couch	P	10	2
Judy Feldman	P	11	2
Dr. Smith Joseph	P	9	2
Guy Laurenceau (arrived 6:12 pm)	P	1	0
Michael McDearmaid	P	13	0
Jean Monestime	A	7	1
Clark Reynolds	P	12	1
Duke Sorey	P	10	1
Bill Valentine	A	7	5
Armando Vidal	P	2	0
Mark Wolin	P	1	0

* Absences from special or rescheduled meetings are not counted

APPROVAL OF MINUTES: February 12, 2007 Regular Meeting (Rescheduled from February 5, 2007) – *Approved 8 to 1*

OPENING REMARKS

Chair Clark Reynolds opened the meeting by welcoming Mark Wolin to the CRA Advisory Committee (CRAAC). The Executive Director added that Mr. Wolin is Mr. Blynn's business appointment and that Mayor Kevin Burns has appointed Guy Laurenceau to fill the last vacancy on the CRA Advisory Committee (CRAAC).

At this point a motion was made to approve the Minutes of the February 12, 2007 CRAAC meeting. Mr. Wolin asked if he could abstain from the vote because he was not appointed to the Committee until after that meeting. The CRA Attorney, Steve Zelkowitz, explained that according to Florida Statute 112 board members are not allowed to abstain unless there is a conflict of interest. Mr. Wolin therefore opposed the motion to approve the minutes, but as noted, it passed 8 to 1.

The Executive Director asked to make two additions to the agenda. Add new Item VI – Discussion on Pioneer Gardens and report by Committee Members on the Fort Pierce visit; new Item VII – Staff update on items Chair Clark had requested.

ITEMS FOR REVIEW AND/OR DISCUSSION

Item III - Report on the Independent Audit of the North Miami Community Redevelopment Agency for FY 2005-06 and the related Management Letter in accordance with the Rules of the Auditor General of the State of Florida

The Executive Director noted that the auditor was detained in Jacksonville and was unable to attend the meeting but plans to attend the following meeting. However, Chuck Adams, the CRA's Financial Consultant who worked on the audit and the Executive Director himself would be available to answer questions. These items need to be forwarded to the CRA Board for their March 27, 2007 meeting for acceptance and transmittal to the State and taxing authorities by March 31, 2007.

The Executive Director went over the audit and pointed out some of the key highlights from the audit which stated the opinion that the financial statements comply with generally accepted accounting principles. He also reviewed the auditor's report on internal control over financial reporting. Quoting from page 14 of the audit: "We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses."

Next the Executive Director reviewed the Management Letter from the auditors, which is a thorough review of compliance with various State statutes. On Appendix A there are observations, recommendations, and management responses on several issues.

Inez Couch asked the Executive Director about the compensated absences balance of \$12,445 on page 8 of the audit. She asked if this was an accrual of what is set aside for expected vacations and sick leave in the coming year. Chuck Adams responded that it is not an accrual as it is not expensed, this simply recognizes the obligation.

Chair Reynolds asked about the recommendation that the CRA have more formal procedures in place. Could this be done prior to the financial manager being hired? The Executive Director stated that Mr. Adams will begin the work on the procedures manual which will then be completed by the permanent financial manager. Mr. Adams added that the CRA has procedures, however they are not written down in a manual. Mike McDearmaid asked if the Committee would have the opportunity to ask questions directly to the auditor, and the Executive Director responded that the auditor had planned to attend this meeting but was detained but will attend the April CRAAC meeting and the upcoming CRA Board meeting. Armando Vidal asked how far along the CRA is in creating these procedural manuals and Mr. Adams answered that they have not started but it will be completed before the next audit.

MOTION #1

Made by Michael McDearmaid, seconded by Judy Feldman

A motion was made accepting the Independent Audit of the CRA and Management Letter and transmitting them to the CRA Board.

Approved 10 to 0

MOTION #2

Made by Armando Vidal, seconded by Michael McDearmaid

A motion was made to accept all the recommendations of the Auditor and that staff implement these recommendations by the end of the fiscal year.

Withdrawn by Mr. Vidal

Discussion on the second motion started with Inez Couch stating that she saw no point in following *all* the recommendations. She gave the example of the recommendation to no longer use PayCycle to handle payroll and yet it has been a cost-effective and an adequate solution for an office of this size. She believes that “if it ain’t broke, don’t fix it.” She added that sometimes auditors recommend things that can be considered overkill simply to cover all the bases, even when it’s not really necessary. Mr. McDearmaid suggested that the Committee wait until the Auditor is present to ask him about the recommendations and management’s response. Mr. Adams added that all of the management responses were coordinated with the City’s finance director. The motion was therefore withdrawn by Mr. Vidal.

Item IV - Status update regarding the implementation of the CRA’s Single Family Rehabilitation Program affordable housing strategy

The Executive Director wanted to report back to Advisory Committee Members that their recommendation on February 12 to select alternative “C” in regards to the Single-Family Rehabilitation Program strategies was accepted by the CRA Board. He added that since the last meeting, CRA staff has reviewed the City’s waiting list and screened it to determine whether the properties are within the CRA Boundaries. This reduced the number of applicants from 207 to 156. Staff plans to contact those remaining on the list and recommend priorities on how to move forward. Ms. Couch asked who is going to be doing this – City staff or the Housing Partnership. The Executive Director stated that CRA staff will be handling the evaluation of the list and the

Housing Partnership will be adding to this list to identify additional applicants for Single Family Rehabilitation assistance.

Item V – Status update regarding the CRA’s Annual Financial Audit and Activity Report for FY 2005-06 that is due for submission by March 31, 2007

The Executive Director stated that there are several financial requirements that the CRA must comply with and these are summarized in a handout from the Florida Redevelopment Association that was distributed at the meeting. It states that the CRA is required to file a report of its activities to its governing board by March 31 for the previous fiscal year and to notice it in the local paper. The CRA is in the process of preparing the Annual Activity Report and will submit it along with the Financial Statements which include the Audit Report and Management Letter. The consolidated report will be sent to the City of North Miami and Miami-Dade County.

Item VI (New item) – Report on the site visit to Ft. Pierce to learn about modular housing

The Executive Director stated that at the last CRA Board meeting, the Mayor mentioned that he was arranging for a bus to go to Fort Pierce and that members of the public and CRAAC members were welcome to come. Several members of the CRAAC went on the tour and previously the Executive Director had visited the same development. The reason for the tour was to understand how this type of modular housing could be used for CRA programs, to see the feasibility of incorporating that product for infill housing and perhaps in the future for a broader application. (Flyers obtained from the housing development were distributed.)

Inez Couch opened the discussion by saying that she really liked the units, found them to be very attractive and had many positive features. It can be put up more quickly than traditional construction and more cheaply. Another reason she liked the housing is that since the modules are built in a factory, they come prepared and resin coated, making it easy to maintain, thereby reducing maintenance costs. Utility costs are also reduced due to built in energy efficiency. As the CRA is trying to provide truly affordable housing, she felt that we should consider ongoing costs, not just upfront costs. And she felt they are very attractive, conducive to developing community, with passive green space. She really liked the quality and thought that anyone moving in to one of these homes would not feel like they were moving into affordable housing.

Judy Feldman added that the products offered ranged from 3 bed/2 bath with 1,185 sq. ft. up to 4 bed / 2.5 bath at 2,271 sq. ft. She considered the bedrooms to be quite small when compared to houses built in the 50’s and 60’s. However, she also thought the homes were very high quality, attractive, with clean, crisp lines. As they are built in 16 ft. sections that are joined onsite, she thought the finish would probably be better than if constructed completely on site. One failing she found is that the stairs are too steep in the townhomes and she didn’t think it would be appropriate for the elderly. Inez Couch added that the kitchens were top notch and the ceilings were 9 feet high with optional crown molding. She thought that perhaps some amenities could be offered at an additional cost. Ms. Feldman especially liked that fact that it can take as little as 6 weeks to build one of these homes from breaking ground to moving in.

Clark Reynolds also liked the flexibility offered in the design of the units, with different exterior options, such as brick, stucco, or siding. Furthermore he believed these homes could be stronger than traditional homes as all the details are taken care of at the factory in a controlled environment. Ms. Couch added that if all the inspections are already done at the factory, certifications have already been met, so it takes less time as there will be fewer, time-consuming inspections.

The CRA Attorney, who was not able to go on the tour, asked if anyone knew how many stories could be built. Inez Couch answered that in Florida, they recommend only 2 stories. This would be a drawback compared to the current townhome over townhome design which allows for more units to be built on the land but she felt that this could be weighed against the fact that the units would be built much faster. Chair Reynolds considered that if garages can be built under the units, more units could be built as parking would take up less space.

Duke Sorey asked for the Executive Director's opinion of the housing and he responded that he found the homes attractive but the 2 story limitation would be a serious constraint for the Pioneer Gardens property. He explained that the CRA would have to perform due diligence on the modular housing to understand what the market is for this type of housing. This would include identifying lenders that would be willing to put up money for construction and more importantly for the end user. But it certainly bears consideration.

Chair Reynolds said that while it's new to South Florida, it is available in other parts of the country, and are used for affordable housing. Vice-Chair McDermid really felt that the CRA should give full consideration for this product for Pioneer Gardens. The Executive Director said that the CRA and North Miami Housing have already started the evaluation of the product to see if it can fit with our housing goals in the future. Judy Feldman then brought up the per square foot costs of the units, which she recalled as approximately \$40 - \$80 /sq. ft., not including the land.

The Executive Director added that this is not the only company building this kind of product and as part of the due diligence he would have to look at other manufacturers. Ms. Couch asked if the CRA already had a request for proposals for the Pioneer Gardens land. The Executive Director reminded members that the competitive selection process took place when Biscayne Landing was selected and the agreements signed. In the "Munisport" agreement, the housing enterprise was created that would be the developer for the CRA. He added that in the Pioneer Gardens development agreement, the CRA put in a provision that all the subcontracting work would be bid out to keep costs under control. Also, if the CRA did decide to use alternative technology for Pioneer Gardens, statutes require that the CRA would have to go through a competitive process to select a contractor. Ms. Feldman noted that as construction materials and oil costs continue to escalate, it's important to expedite the process. The Executive Director added that the process has already started as they have discussed the alternative technology at the weekly meeting with North Miami Housing. At this point they are already examining costs and other key issues to help make a decision.

Item VII (new item) – Update on various CRA projects per Chair Reynolds request.

Chair Clark requested an update on the fountain improvements that were budgeted last year as well as the progress on the hiring a CRA funded code enforcement officer. The Executive Director explained that the CRA has funded improvements for two fountains – the Griffing Park and Downtown North Miami fountain at the intersection of West Dixie Highway and NE 6th Ave. The Griffing Park fountain was to be refurbished but there have been various problems with the contractor that the City hired for the job. This contractor eventually decided to terminate the contract as they were not able to do the work for the price they agreed to but the work was substantially completed. The City is in the process of finding another contractor to complete the work.

The Executive Director continued, explaining that there have been additions to the scope of work for the Downtown fountain, including a higher quality pump and additional electrical work. These changes to the scope should substantially increase the life of the fountain but the costs are above and beyond what was originally budgeted. The CRA is working through this issue by identifying cost savings on other items that comprised Phase I of the corridor improvement program. If these are found not to be sufficient, the CRA may absorb the increased expenses in the CRA's 2006-07 contract with the City for \$550,000 that includes \$87,500 in contingency expenses.

On the Code Enforcement Enhancement program, the Executive Director said that the CRA is funding an additional officer dedicated to the commercial corridors. The City is currently recruiting for that position and they expect someone to be onboard by late March. Chair Reynolds mentioned that he had thought the code enforcement officers had already been hired. The Executive Director explained that the department has hired 5-6 new officers but those did not include the one assigned to the CRA. The Chair expressed his frustration at the pace the City is doing things. He sees many storefronts along 125th Street that he felt were not up to code and getting worse. The Executive Director added that the CRA meets every two weeks with department heads to address these issues and will continue to push them to expedite these efforts.

Ms. Couch wanted to know if there was anything the CRA could do to get FDOT to complete the work on West Dixie Highway, where there are numerous blocked roads and unfinished work on the medians and curbs. Chair Clark said that the Mayor assured him that FDOT is going to do landscaping on these medians and that the grass is just temporary. Mark Wolin added that he had discussed this issue with the Director of Parks and Recreation and was told that FDOT has agreed to add irrigation and landscaping to the islands, with the City agreeing to maintain the landscaping. However, it seems that these improvements are not budgeted by FDOT for this year so it may take some time. Armando Vidal asked if discussing medians that the CRA has no control over is appropriate for the CRAAC meeting. The Chair responded that these medians are located on the major commercial corridors and affect the other work the CRA is doing.

Inez Couch next brought up the issue of the City Library and asked what is the CRA's involvement in the building of the library and if we had any say in the selection of the architect. The Executive Director responded that the library is a City facility and therefore they are making all these decisions, although the CRA may be asked for some funding support in the future.

The next item was brought up by the Executive Director related to Pioneer Gardens. He noted that for a long time the Miami-Dade Fire Department has been looking to place a facility in that general area, to improve the service to the area. One of sites that is under consideration is a portion of the Pioneer Gardens land, and the Executive Director wanted to see what Committee members felt about this. Judy Feldman was very concerned about the amount of noise that the fire engine and fire rescue units make when answering a call and that would not go over well with Pioneer Garden residents at 3 in the morning. Chair Clark felt that it would be better suited for a commercial/industrial area. The CRA Attorney then asked members how they would feel about it if they could get the Fire Department to agree not to put on the sirens until they reached the major streets. Mr. McDearmaid thought that they were required to put on the sirens when leaving the fire station. That was the problem with the 16th Avenue location as well where local residents complained about all the noise generated by the station. The Executive Director added that they had the same issue in Miami Shores but there they agreed not to turn on the sirens as they left the station and have kept to that promise. The CRA Attorney stated that his firm has looked into this issue and found that they are not required by law to use the sirens as they leave the station. He then asked if this issue is off the table, are there any other concerns that members have about the fire station. Judy Feldman stated that she was still uncomfortable with it being located there and did not want to lose any affordable housing to the station.

Chair Clark next asked the Executive Director if he had any concerns about the proposed property tax changes. The Executive Director stated that the CRA could be impacted by these changes and that City and County governments are making their voices heard in the legislature. One of the options he found troublesome is the proposal to rolling back the rates on homesteaded properties to 2001 and adjusting them forward by some calculation based on population growth. For the CRA, the current base value was set in 2004 and its tax increment is based on this number. If they decide to roll back current rates to 2001, it is conceivable that the value would be lower than the 2004 base value. Blanca Cobo brought up the proposal to eliminate property taxes altogether and mentioned that this would mean no money for the CRA. The Executive Director said that he is following the issue closely and will get back to the Committee if anything important comes up.

On a final note, the Executive Director announced to the Committee that Councilman Despinosse is spearheading the City's Affordable Housing and Job Fair on April 14, and the CRA is one of the sponsors. By that time the Housing Partnership will have in place its process for taking in applications and will therefore be participating in the event.

Before adjourning, Guylene Berry made a request that Committee members send her or John O'Brien a brief biography and a picture of themselves for a monthly online feature highlighting a Committee member.

Meeting adjourned at 7:15 p.m.