

SUMMARY MINUTES

REGULAR COMMUNITY REDEVELOPMENT AGENCY ADVISORY COMMITTEE MEETING

Monday, May 7, 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 6:10 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 | 2 |
| Inez Couch (arrived 6:29) | P | 2 |
| Judy Feldman | P | 0 |
| Dr. Smith Joseph | A | 2 |
| Guy Laurenceau | P | 0 |
| Vice-Chair Michael McDearmaid | P | 0 |
| Jean Monestime | A | 2 |
| Chair Clark Reynolds | P | 0 |
| Duke Sorey (arrived 6:30) | P | 0 |
| Bill Valentine | A | 5 |
| Armando Vidal | A | 1 |
| Mark Wolin | A | 1 |
| * Absences from special or rescheduled meetings are not counted | | |

APPROVAL OF MINUTES:

The minutes of the April 9, 2007 Regular Meeting were unanimously approved by the Committee (was not voted on until a quorum was met at 6:30 pm).

Members of the public present at the meeting: Richie Tandoc, Sanson, Kline, Jacomino & Company; Marlo Darrington, stakeholder; Eval Smith, North Miami Housing; Rhoda Hightower, North Miami Housing; Sermey Otmeguire, Biscayne Landing; Roberta Segal and Jack Yoches, residents; Mike Fisher.

PRELIMINARY DISCUSSION

Although there was no quorum at the beginning of the meeting, the Chair decided that the Advisory Committee should discuss any items that did not require a vote. Ms. Feldman asked why Bel House Apartments had received \$500,000 to reduce its debt, continuing a discussion from the April 9, 2007 CRAAC meeting. The Executive Director stated that it was the City, not the CRA, which had given this money to Bel House to allow them to reduce their debt from \$2.6 million to 2.1 million. Mr. McDearmaid added that it was a unanimous vote of the City Council and that the City had to spend some federal or state money before it expired, and Bel House was the only applicant at that time. Ms. Feldman asked the Executive Director to look into this question and identify where the money came from. The Executive Director indicated that he recalled that the funding source was HOME program federal funds received by the City from the U.S. Department of Housing and Urban Development (USHUD). In addition, the Executive Director clarified that the total funding from the City to Bel House was \$550,000 of which \$500,000 was used for debt reduction and the balance of \$50,000 was allocated for rehabilitation work.

ITEMS FOR REVIEW AND/OR DISCUSSION

Item IV - Status update regarding the CRA's FY 2005-06 Annual Activity Report and Independent Audited Financial Statements for FY 2005-06 that was approved by the CRA Board and submitted as required by March 31, 2007

The Executive Director explained that this item had been deferred at the last CRAAC meeting so that a representative from the auditors, Sanson, Kline, Jacomino & Company, LLP could be present to answer questions from the committee. The Executive Director said that at the March 27, 2007 the CRA Board approved the draft Annual Activity Report and Independent Audited Financial Statements for FY 2005-06. The report was transmitted to the City of North Miami and Miami-Dade County by the deadline of March 31, 2007. In addition, the required public notice regarding the availability of the report was published in the Miami Herald on Friday, March 30, 2007. Therefore all statutory requirements were satisfied. The Executive Director further advised that Richie Tandoc, a partner in the auditing firm, was unable to attend the March 5, 2007 CRAAC meeting due to a conflict and that he had included in the April agenda packet a presentation by Mr. Tandoc and contact information in the event that any committee member had questions. At the April 9 CRAAC meeting, members asked the Executive Director to invite Mr. Tandoc to the May 7 meeting so that he could address the Committee as a group. Prior to this meeting Mr. Tandoc took the opportunity to write a letter to Committee members which was transmitted to them in the agenda packet. This letter briefly explained that the recommendations made in the management letter were suggestions to that may improve efficiency and did not imply any material problems.

Mr. Tandoc then addressed the Committee and said that for an audit of a first year agency, things went very smoothly. He was appreciative of Mr. Chuck Adams whose knowledge of the government accounting process is extensive. He explained that his recommendations would be appropriate as the CRA grows but are not necessary at this stage. He gave the payroll recommenda-

tion as an example saying that with only 2-5 employees, the current system is adequate but if the CRA grows beyond that size, the recommendation should be considered..

Item V - FY 2006-07 Budget to Actual Financial Status Report as of March 31, 2007

The Executive Director introduced this item and asked members to look at page 1 of 3 of the report which summarizes the balances for all CRA funds. He noted that the total expected revenues for 2006-07 are \$9,155,315 and that as of 3/31/2007 the CRA had received \$7,879,372. On the expenditure side, he noted that the CRA had spent \$985,856, below the total budgeted amount of \$9,155,315. The Executive Director said that these statements would be provided to the Committee at least quarterly.

The Chair said that it was difficult to gauge the financial condition as the budget is an annual figure and the 3/31/2007 balances are only year-to-date and therefore the variances are not readily meaningful to him. He also asked what would happen if the funds were not spent in the current fiscal year and the Executive Director stated that the balances would carry forward to the following year but would have to be re-appropriated for projects and programs consistent with the CRA's redevelopment plan..

NOTE: At this point, 6:30 p.m., seven Committee members were present and therefore a quorum had been established. The minutes to the April 9, 2007 meeting were unanimously approved.

OTHER DISCUSSION

Ms. Feldman wanted to make a statement to correct any misunderstandings that could have resulted from the comments made by William Wallace IV at the April 9 CRAAC meeting. He had stated that the first two towers at Biscayne Landing would be complete by the end of the year and if the CRA did not start to build affordable housing soon it would not be able to meet its one-for-one commitment. The Executive Director and CRA Attorney concurred that there is no specific timeline for when the CRA needs to build one affordable housing unit for each one built at Biscayne Landing.

Ms. Feldman then asked about the new CRA employees and the Executive Director stated that the Finance Manager would be starting the following Monday. He added that he has interviewed several candidates for the two remaining openings in the positions of Redevelopment Program Manager and Urban Redevelopment Planner and he is currently checking their backgrounds and references. He explained that there is a specific job description for the Redevelopment Program Manager which includes the responsibility for the day-to-day operations relative to the implementation of projects, programs and initiatives, and the direct supervision of the Special Projects Manager and Urban Redevelopment Planner. In essence the Redevelopment Program Manager's job will be to make sure the policies that the Executive Director, CRAAC and CRA Board decide on are implemented efficiently.

Ms. Couch and Ms. Feldman were concerned about the pool of applicants and asked if the CRA was limited to local talent. The Executive Director explained that it was a nation-wide recruitment and that there were responses from applicants all over the country. He assured members

that the Redevelopment Program Manager would be evaluated continually and that he would perform under the direct supervision of the Executive Director.

Item VI - Discussion of proposed Commercial Rehabilitation Grant assistance for the restoration of Arnold's Royal Castle Restaurant located at 12490 NW 7th Avenue

The Executive Director provided some background on this item by saying that the Royal Castle Restaurant had come to his attention as an important landmark on NW 7th Avenue. He noted that its greatly deteriorated condition has created a real eyesore for the area. He had contacted the owner in March 2007 to see if the CRA could purchase the property for use as an economic development opportunity, or provide assistance to the owner through the CRA's Commercial Grant Program. The owner subsequently advised that he had plans to re-open the restaurant with improvements. The Executive Director felt that the restaurant would be a beacon for revitalization on NW 7th Avenue and would certainly fit well with the goals of the Commercial Rehabilitation Program to improve the condition of the main commercial corridors.

The Executive Director said that the CRA was provided with plans for the improvements to the restaurant which were in the agenda packet, and based on these plans he recommends that the CRA approve a Commercial Rehabilitation Grant to pay for up to 50% of the costs of the proposed improvements. He also asked that the Committee recommend to the CRA Board, the waiver of certain restrictions in the current program as some of the improvements, such as roof repair, would not fully comply with existing guidelines. Ms. Cobo asked if the money would be spent to expand the facility, and the Executive Director explained that there were plans for some additions including a drive-through.

DISCUSSION

Ms. Couch asked if the restaurant owner had demonstrated any hardship and the Executive Director explained that per the policy decision by the Committee and CRA Board, there is no hardship requirement to receive funding through the CRA Commercial Grant Programs. Ms. Couch also asked if any of the money was earmarked for security and fire prevention. The Chair noted that restaurants have to comply with numerous City and County requirements before the certificates of occupancy would be issued. Mr. Laurenceau asked if there was a time requirement whereby the owner could not sell the property once he received the loan. The Executive Director and CRA Attorney responded that if the owner sold the property within three years he would have to repay the grant funds.

Mr. McDearmaid expressed his support for this project and felt that Arnold's occupies a very important location on the 7th Avenue corridor which is visible from whatever direction you come from. He and others reminisced about the restaurant and its historical significance to the City as well. When asked how quickly the improvements will be made, the Executive Director stated that it may be ready in as little as approximately 45 days as all the plans have already been submitted to the City.

MOTION

Made by Mr. McDearmaid, seconded by Blanca Cobo

A motion was made to support the Executive Director's recommendation to give a commercial rehabilitation grant to Arnold's Royal Castle Restaurant and waive certain limitations on what the grant can be used for.

Approved 7 to 0

Item IX A. – Official representation for the CRAAC at future meetings of the North Miami CRA Board

NOTE: This item was taken out of order as Mr. McDearmaid had to leave early and the CRAAC would lose its quorum.

The Chair explained that this item came about from a discussion with CRA Board Member Scott Galvin who approached him after the April 24th CRA Board meeting and expressed his disappointment that no one from the CRAAC stepped up to give their point of view on issues before them. So he wanted the Committee to discuss the possibility of having an official representative at the meetings that would be available to provide the CRAAC's opinions on an item. The Chair added that this would also help avoid having the CRAAC misrepresented at the meetings.

DISCUSSION

Ms. Feldman did not think it was all that necessary since they are provided with the minutes that provide details on the Committee's deliberations. The Chair thought that the CRA Board members often don't have time to carefully review minutes so it would be best to simply have someone there that can answer questions. Ms. Feldman observed that while it would be relatively easy to give the CRAAC's position on items where there was consensus, it would be more difficult when there was a close vote. In essence the representative would have to provide both sides of the issue.

Mr. McDearmaid said that Mr. Galvin also talked to him and said that on the specific issue of the Miami Way Theater [which the CRA Board deferred to the next meeting] it would have been helpful to have heard from CRAAC members. Mr. Galvin told him that there were ideas he later found out the CRAAC had discussed that he had never thought of. The Chair agreed saying that the CRAAC has more time to discuss issues thoroughly and flesh out positions and that the CRA Board could benefit from its input.

Committee members then tried to figure out the logistics of this representation. Would the Chair be the representative or should the maker of the motion speak to a particular issue. The CRA Attorney did not think the Committee could delegate the authority to make a person the spokesperson for the entire Committee but would investigate this if needed. He asked how one would be able to separate one person's opinion versus representing the CRAAC. He suggested that members could speak to the CRA Board as individuals and stand up like other members of the public. They would have to make it clear that they are speaking for themselves and not the Committee as a whole. In response to a question by Ms. Feldman, the CRA Attorney said that members are allowed to speak to one or more CRA Board member individually – it is the Board members that cannot discuss among themselves these issues without notice.

The discussion then centered on how CRAAC members would be recognized at CRA Board meetings. Several members said that they find it uncomfortable to stand at the podium when they have no way of knowing if the CRA Board will open the item to public comment. Ms. Couch asked if they could require CRA Board members to call on CRAAC members on certain issues to get more information. The CRA Attorney suggested that they may ask the CRA Board to be more cognizant of the presence of CRAAC members at the meeting and to recognize them when they need an opinion. Ms. Feldman asked if perhaps the Chair could have a seat on the CRA Board. The CRA Attorney responded that he did not believe someone could be a voting member on two related boards. He continued that the way the CRA Board was set through resolutions and adopted rules it did not allow for this anyway.

MOTION

Made by Mr. McDearmaid, seconded by Ms. Couch

A motion was made to request that the CRA Board look to members of its Advisory Committee during the presentation of an item at CRA Board meetings to answer any questions they may have or to get more information.

Approved 7 to 0

Item VII - Preliminary Discussion of CRA FY 2007-08 Budget Priorities for Projects, Programs and Initiatives

The Executive Director said that this item will start the budget process by getting a sense of what Committee members are seeing as the priorities for fiscal year 2007-08. He asked them to review the matrix included in their agenda packets that shows various budget items and allows members to rank each item from 1 to 14, 1 being the highest priority and 14 the lowest. This is only the first round and members will have several more opportunities to weigh in. As the budget process continues there should be a coalescing around certain priorities that will be reflected in the proposed FY 2007-08 budget.

DISCUSSION

The Chair started the discussion by suggesting another idea to be added to the matrix, which he had brought up at a previous meeting. He believes that the economic health of cities is dependent on the strength of the commercial organizations that exist in the city. For North Miami, he gave as examples the Greater 7th Avenue Improvement Association, the Greater North Miami Chamber of Commerce, the City's Business Development Board, West Dixie Highway Business Association and the Downtown North Miami Merchants Association to name a few. He added that in many other cities those organizations are supported by the city government and he would like the CRA to contribute to the success of these groups. He added that the contribution did not necessarily have to be in cash but could be by providing services or staffing. He feels that they are the best way to attract business to the City and bring attention to the CRA's programs.

Ms. Cobo said that she is a member of the Greater 7th Avenue organization and described how difficult it is to get people to show up for meetings as many of the property owners are absentee landlords. She feels that the area is deteriorating every day and yet the opportunity exists for im-

provement as the corridor is not that long. The Executive Director suggested that improved code enforcement is one way to add pressure to those that are not maintaining their properties adequately. He added that as the real estate markets heat up, synergies will be created that will start to make more efficient use of the assets of the corridor.

The Executive Director asked Committee members to fill in the matrix with their priorities and Staff would collect them. The list will then be updated and members will have more opportunities to weigh the priorities.

Asked about the progress at Biscayne Landing, the Executive Director said that he expects the 483 units for Towers 1 & 2 to be on the tax rolls as of January 1 of 2008 but that the increase in taxes would not accrue to the CRA until the following fiscal year. He added that changes may be in store as the State decides what it will do about property taxes this summer.

Meeting adjourned at 7:15 p.m.

| | Blanca Cobo | Inez Couch | Judy Feldman | Smith Joseph | Guy Laurenceau | Michael McDearmaid | Jean Monestime | Clark Reynolds | Duke Sorey | Bill Valentine | Armando Vidal | Mark Wolin |
|-----------------------|-------------|------------|--------------|--------------|----------------|--------------------|----------------|----------------|------------|----------------|---------------|------------|
| TOTAL ABSENCES | 2 | 2 | 0 | 2 | 0 | 0 | 2 | 0 | 0 | 5 | 1 | 1 |
| 5/7/2007 | P | P | P | A | P | P | A | P | P | A | A | A |
| 4/9/2007 from 4/2 | P | A | P | A | A | P | P | P | A | A | P | P |
| 3/5/2007 | P | P | P | P | P | P | A | P | P | A | P | P |
| 2/12/2007 from 2/5 | P | P | P | A | | P | A | P | A | A | P | |
| 2/5/2007 No quorum | A | P | P | A | | P | A | A | A | A | P | |
| 1/4/2007 | P | P | P | P | | P | P | P | P | A | | |
| 12/7/2006 | A | A | P | P | | P | P | P | P | A | | |
| 11/13/2006 Special | P | A | P | A | | P | P | P | P | A | | |
| 11/2/2006 | A | A | P | A | | P | P | P | P | A | | |
| 10/9/2006 from 10/5 | P | P | P | A | | P | A | P | A | P | | |
| 10/5/2006 No quorum | A | P | A | P | | A | P | P | P | A | | |

Absences do not count towards total