

SUMMARY MINUTES

REGULAR COMMUNITY REDEVELOPMENT AGENCY MEETING

May 23, 2007

A regular meeting of the Chairman and Members of the Community Redevelopment Agency (CRA) Board was held in the North Miami Council Chambers of City Hall on Tuesday, May 23, 2007, beginning at 5:32 p.m.

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

Note: The actual agenda and all backup materials for each CRA Board meeting and CRA Advisory Committee meeting can be found at:
www.NorthMiamiCRA.org

Flag salute

ROLL CALL

Marie Erlande Steril	Here
Scott Galvin	Here
Chairman Kevin A. Burns	Here
Jacques Despinosse	Here
Michael R. Blynn	Here

Approval of Minutes: Regular Meeting – Tuesday, April 24, 2007, approved by Board

ITEMS FOR REVIEW AND/OR ACTION

I. **TAB 1 – ACTION ITEM: RESOLUTION OF THE CRA BOARD AUTHORIZING THE EXECUTION OF A LEASE/PURCHASE AGREEMENT FOR THE CRA'S PROPOSED ACQUISITION OF THE MIAMI WAY THEATER AND RELATED PROPERTIES**

The CRA Executive Director presented a Resolution of the CRA Board requesting authorization of a lease/purchase agreement for the CRA's proposed acquisition of the Miami Way Theater and related properties. John Dellagloria representing property owners present.

The CRA Executive Director presented the updated status report and recommendation relative to negotiations that have taken place. Additional specific matters discussed included:

- Revising the proposed lease/purchase period so that it would be possible for the CRA to exercise the available options to purchase prior to years four, five or six as originally proposed.
- The possibility of providing the CRA with the ability to exercise the purchase option prior to year three based upon available funding and financing on the CRA's part and the mutual consent of the other parties.
- The possibility of the CRA just having the ability to purchase on the land parcel containing the Miami Way Theater, just one of the four parcels. The owner's indicated that they were not willing to separate out that one parcel for purchase.
- Provide CRA with a due diligence period of a least 90 days with the option to terminate the lease/purchase agreement based on unacceptable inspection results.
- Clarification of the appraisal terms and conditions to provide for the exclusion of any tenant (CRA) funded/paid improvements from the purchase option appraised property value.
- Tenant's maintenance requirements.
- Assignment of sublease provisions to provide for the CRA's ability to assign the lease/purchase agreement to a single asset entity that may be created to own the property.

Modification of the language in terms of the lease term and purchase options included:

- To reduce the lease/purchase term from a six-year term to a five-year maximum term of the lease and move up the ability of the CRA to exercise the purchase option such as the CRA will provide the required six month notice as early as the 30th month of the lease period, exercising the purchase of the property as early as the 37th month of the lease term.

Pending further discussion to resolve included:

- Appraisal Methodology – the CRA requesting appraisal to be based on comparable sales and the owner requests the appraisal to be based on highest and best use.
- Assignment and Sub-leasing – the owners will support the CRA's request subject to prior approval and the requirement

of an acknowledgement as to all terms of the lease by the assigned entity.

Board discussion, public discussion. The Executive Director advised the CRA Advisory Committee supported the acquisition of the property and recommend the CRA Board negotiate the terms.

The Board discussed the financial capability of the CRA with its present commitments and future perspective income in this timeframe to make this feasible and restoration and the rehabilitation costs of the buildings.

Board Member Galvin moved approval of the resolution of the CRA Board authorizing the execution of a lease/purchase agreement for the CRA's proposed acquisition of the Miami Way Theater and related properties, seconded by Chairman Burns; discussion.

Board Member Blynn moved to amend the motion to fully negotiate the terms within 30 days with the following three open terms:

- (1) Appraisal Process to be used to determine the Purchase Price,
- (2) Provision for the funding of any lease payments that may be due during FY 2006-07, and
- (3) Indemnification

seconded by Chairman Burns; passed 3-1. Board Member Despinosse denied. Board Member Steril away from the dais.

The Board approved 3-1, the motion as amended. Board Member Despinosse denied. Board Member Steril away from the dais.

Board Member Despinosse noted the record reflect he voted no for the lease. Board Member Despinosse further noted he would be in favor of buying the project.

II. TAB 2 – ACTION ITEM: PROPOSED COMMERCIAL REHABILITATION GRANT ASSISTANCE FOR THE RESTORATION OF ARNOLD’S ROYAL CASTLE RESTAURANT LOCATED AT 12490 NW 7TH AVENUE

Wayne Arnold, owner, present. The Executive Director reported the CRA Advisory Committee approved supporting the Executive Director's recommendation to give a commercial rehabilitation

grant, assistance for the restoration of Arnold's Royal Castle restaurant located at 12490 NW 7th Avenue, by a 7-0 vote. Board discussion. The Board approved the by a 4-0 vote. Board Member Steril away from the dais.

III. TAB 3 – FY 2006-07 BUDGET TO ACTUAL FINANCIAL STATUS REPORT AS OF MARCH 31, 2007

The CRA Executive Director provided FY 2006-07 budget to actual financial status report as of March 31, 2007, in the Agenda packet. Board discussion.

The CRA Executive Director introduced Aldwin Thomas, Finance Manager for the CRA.

IV. PRELIMINARY DISCUSSION OF CRA FY 2007-08 BUDGET PRIORITIES FOR PROJECTS, PROGRAMS AND INITIATIVES

The CRA Executive Director provided a table entitled NMCRA FY 2007-08 Budget Priorities and Revenue/Expense Recap, in the Agenda packet. The CRA Executive Director requested Board members rank the indicated priority items 1-14 in an order of preference by using the number 1 for the highest ranked priority. The CRA Executive Director stated CRA Advisory Committee members are ranking priorities and their recommendations to the Board are forthcoming.

V. ACTION ITEM: AUTHORIZATION TO EXTEND THE CRA'S LEASE FOR OFFICE SPACE AT 615 NE 124TH STREET ON A MONTH-TO-MONTH BASIS OR THROUGH A NEW LEASE AGREEMENT EFFECTIVE JUNE 1, 2007

The Board approved the by a 5-0 vote.

VI. REPORTS

A. Board Members

(NONE)

B. CRA Attorney

(NONE)

C. Executive Director

(NONE)

D. Next Board Meeting: June 26, 2007, at 5:30 PM
Next Advisory Committee Meeting – June 4, 2007, at 6:00 PM

ADJOURNMENT

Meeting adjourned at 6:58 p.m.