

SUMMARY MINUTES

REGULAR COMMUNITY REDEVELOPMENT AGENCY ADVISORY COMMITTEE MEETING

Thursday, September 6th, 2007

A regular meeting of the Chairman and Members of the Community Redevelopment Agency Advisory Committee (CRAAC) was held at the North Miami CRA Offices beginning at 6:15 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	P	3
Judy Feldman	P	0
Dr. Smith Joseph	P	5
Michael McDearmaid	P	0
Jean Monestime	P	4
Clark Reynolds	A	1
Duke Sorey	P	1
Bill Valentine	A	9
Armando Vidal	A	2
Mark Wolin	P	1

* Absences from special or rescheduled meetings are not counted

APPROVAL OF MINUTES FROM THE CRAAC MEETING HELD ON AUGUST 20TH, 2007

Mr. Wolin requested that the minutes be changed at the bottom of page 2 to reflect that he was not inquiring as to whether or not the CRA Advisory Committee should be consulted about using revenue bonds for future land acquisition, but rather he was requesting that the CRA board be consulted.

The minutes were then unanimously approved as amended.

Items for Review and/or Discussion

IV. Status Update regarding the CRA's Proposed Preliminary/Final Budget for FY 2007-08

The CRA Executive Director described the attached memorandum with regards to the proposed FY 2007-2008 CRA Budget. He then went on to describe the various requests for CRA funding consideration for FY 2007-2008. With regards to the Dynamic Community Development Corporation's proposal and the Academic/Internship Program,

the CRA Executive Director explained that the CRA Board had advised that representatives of these proposals be present at the meeting and the CRA Executive Director had sent reminders to these individuals. However at this time neither representatives were present at the meeting.

Then various members of North Miami City staff addressed the CRA Advisory Committee, explaining their departmental supplemental budget requests for CRA funding consideration. First, Hortensia Machado explained the Information Technology Department's request for funding to establish WiFi access points including the City's downtown area.

Ms. Couch suggested that it would be a good idea to extend the WiFi coverage to include the North Miami Library. Jeff Geimer of the North Miami Parks and Recreation Department then addressed the CRA advisory Committee, explaining the field re-surfacing project for the North Miami stadium, followed by Larry Juriga of the North Miami Police Department who described the request for funding for the Sanctuary of Reflection.

Finally, the Executive Director stressed the importance of having members of the CRAAC in attendance for the CRA Board Budget Workshop on Monday, September 17th, 2007.

V. CRA Financial Status Report as of July 31, 2007

The CRA Executive Director presented the Financial Status Report for FY 2006-2007.

VI. Proposed CRA Policies and Procedures

With regards to the CRA's draft policies and procedures manual, Ms. Cobo asked for clarification on the issue of nepotism. The CRA Attorney informed the advisory Committee that the CRA is governed by State Statute with regards to nepotism. Ms. Cobo also expressed an opinion that the policies regarding the rollover of vacation time for CRA employees were too generous. The acting chair, Mr. McDearmaid stated that the rollover policy was in line with other similar organizations.

Mr. Wolin expressed a concern about the absence of at least two issues that he felt deserved attention, grant administration and control procedures; and policies addressing the sufficiency of liability coverage for contractors and subcontractors. Mr. Wolin cited the dead trees on NE 6th Avenue and 125th Street as a small example of what could happen when funding grants are administered without controls; and further indicated that if the agency is going to begin administering a number of grants, then policies and procedures should be in place to assure that the end goal is being realized in a satisfactory manner. The Executive Director addressed the issue of the trees cited by Mr. Wolin and explained that the City had the trees placed at the location with the agreement that the property would be responsible for maintaining the trees. The City will enforce the property owner's maintenance requirement and monitor the condition of the trees and take any appropriate action to address the situation.

Mr. Wolin also expressed concern over the lack of guidelines with regards to liability coverage for organizations that do business with the CRA. He felt that if the administration of our redevelopment dollars is going to be made through contract construction, controls also must be in place to assure that appropriate liability and other coverages are in place that are sufficient and commensurate with the risk. Mr. Wolin also asked whether or not a qualified Human Resources Professional has looked over the personnel section of the manual, and whether a certified public accountant has

looked at the section on accounting. The answer to both questions was no, so Mr. Wolin requested that the CRA have such qualified people look at the manual.

At this point – Mr. De Rosa from the Dynamic Community Corporation had arrived at the meeting, and was given a few minutes to explain his organization's request for funding.

VII. Proposed Strategic Alliance Memorandum among the U.S. Small Business Administration, City of North Miami and the North Miami CRA

The Executive Director of the CRA explained the role that the SBA (U.S. Small Business Administration) could take in helping small businesses in North Miami, and recommended the strategic alliance memorandum as a work plan that should be endorsed by the CRA Advisory Committee and presented to the CRA Board.

Moved by Mr. Sorey, Seconded by Mr. Monastine

To recommend to the CRA Board the strategic alliance memorandum among the US Small Business Administration, City of North Miami and the North Miami CRA

Approved 8-0

VIII. Proposed Engagement Letter with Sanson, Kline, Jacomino & Company, LLP for the conduct of the CRA's annual independent audit for FY 2006-07

The CRA Executive Director then introduced the proposed engagement letter from Sanson, Kline, Jacomino & Company for the conduct of the CRA's annual independent audit for FY 2006-2007. The CRA Executive Director states that there is an error on the letter, the fee for the audit of the FY 2006-2007 should actually read as \$12,000, not \$13,000. Ms. Couch suggested that it might be possible for the CRA to negotiate with Sanson, Kline, Jacomino & Company, LLP to bring the price down. The CRA Executive Director explains that the CRA has already negotiated to bring the price down from \$14,000.

Mr. Wolin asks where the request for proposal for audits was advertised and whether any major national accounting firms responded. The CRA Executive Director then listed some of the places the RFPs were advertised and some of the names of the firms that submitted proposals. Mr. Wolin then asked whether or not the RFP specified a minimum liability insurance coverage and what level of coverage Sanson, Kline, Jacomino & Company, LLP have. The CRA Attorney responded that this information is included in the contract. Mr. Wolin then recommended that the engagement letter state that the audit will include an opinion on the quality of the internal financial controls. The CRA Executive Director recommends that the discussion of the proposed engagement letter and fees for the FY 2006-07 audit be deferred to the next CRAAC meeting on October 1st and the contract with Sanson, Kline, Jacomino & Company, LLP be circulated to the members of the advisory committee.

Moved by Mr. Wolin, Seconded by Ms. Feldman

To defer item VIII until the October 1st CRA Advisory Committee meeting

Approved 8-0

IX. Old Business

A. Status Update regarding the execution of the lease/purchase agreement for the Bel House Apartments

The CRA Executive Director gave an update regarding the Bel House Apartments project. Mr. Wolin questioned when it was decided that the Bel House units would be used as affordable rental units rather than sold as affordable condominiums. The CRA Executive Director explained that using the units as rental properties was the intention from the beginning. In response to further questions from Mr. Wolin and Ms. Cobo, the CRA Executive Director explained that the property would be rented to households with incomes within 50-120% of Miami-Dade's median household income, and rents would be set no higher than approximately 33% of the renter's income. The CRA Executive Director said that this rent level should cover administration and maintenance costs without the need for additional subsidies. Mr. Wolin stated that he was unaware that the Bel House project as originally approved for the preservation of affordable rental housing units, and also stated his belief that the goals of redevelopment are better served by the creation of affordable housing for homeownership rather than rent; because of a variety of social factors associated with ownership.

Mr. Wolin further stated that NE 6th Avenue is a ripe target for a redevelopment plan that could spark private development by converting run down apartment complexes into attractive, affordable condominiums, in a joint public-private partnership supplemented with improvements to public infrastructure so as to create synergy, sparking private redevelopment. Further, Mr. Wolin stated that to install low income rental housing there instead would mitigate against such development.

B. Status Update regarding the proposed lease/purchase of the Miami Way Theater and related properties

The CRA Executive Director gave an update on the possibility of purchasing the Miami Way Theatre. Mr. Wolin asked what the CRA would do with the theatre if they were to acquire it. The CRA Executive Director explained that the purpose would be to preserve the theatre and use it as a centerpiece for redevelopment of a number of surrounding parcels, and to retain the theatre for public use. Mr. Wolin expressed a concern that not enough planning had been done on what function the theatre will play if the purchase goes ahead.

Mr. Wolin stated that he and many others believe that the Miami Way Theater would be a good venue as a community performing arts center, but that questions about feasibility (e.g. parking) remain unanswered. He suggested that the CRA should not acquire it just for the sake of acquiring it. He further stated that whatever the CRA acquires should be acquired strategically with a clear vision of its intended use and of the role that property would play in accomplishing a greater strategy. Moreover, we should always acquire property when knowing and only when knowing its highest and best use; and that property acquisitions should be made on the basis of fair market value.

C. Status Update regarding the implementation of CRA Affordable Housing Programs

The CRA Executive Director then gave an update on the implementation of CRA Affordable Housing Programs, focusing on the various developers that have applied for funding for the allocation of First-time Homebuyer Assistance Subsidies to the Developers/Owners of residential buildings. The CRA Executive Director explained that the only one of the five developers that applied for funding meets the CRA's requirements; this was 13700 Developers LLC who have renovated 3 units at 13700 NE 6th Avenue. Ms. Cobo asked whether or not these units will be rented or sold, the CRA Executive Director explained that they will be sold. Ms. Couch expressed a concern as to how the CRA will review the units and ensure that actual renovation has been done. The CRA Executive Director explained that the CRA plans to have pre-purchase inspections conducted in the units by an organization such as North Miami Housing or the City of North Miami.

Mr. Wolin stated that rather than giving large subsidies to a small number of people, better policy would call for giving smaller subsidies to a larger number of people. He also stated that he was not aware that the subsidy would take the form of a loan, and once so informed, he informed about the terms and conditions. The CRA Executive Director explained that the exact terms of the loan had not been ironed out but the aim is that the loan repayments should not be so high that they would cause the total obligations payments to rise over approximately 33% of the household's income.

Moved by Ms. Feldman, Seconded by Ms. Couch

To recommend to the CRA Board the allocation of a \$50,000 subsidy for the purchase of each of the three units renovated by 13700 Developers LLC at 13700 NE 6th Avenue

Approved 8-0

D. Status Update regarding the Commercial Grants Programs

The CRA Executive Director gave an update on the CRA's Commercial Grants Program and Danuzio Lima from the City of North Miami Community Planning and Development Department explained that the City's building department has been very helpful in ensuring that building permits for these commercial rehabilitations are being issued as quickly as possible.

E. Status Update regarding the CRA's follow-up relative to the availability of the former Goodwill Store property located on West Dixie Highway

The CRA Executive Director gave an update regarding the CRA's follow-up relative to the availability of the former Goodwill Store property located on West Dixie Highway.

F. Status Update regarding the upcoming Florida Redevelopment Association Annual Conference in Daytona Beach, Florida – October 24-26, 2007

The CRA Executive Director requested that members of the Advisory Committee who wish to attend the Florida Redevelopment Association Conference let the CRA know so that they can organize registration. The CRA Executive Director explained that the CRA would pay for the Advisory Committee members' expenses in attending this conference.

G. Status Update from the CRA Attorney regarding a review of the Environmental Site Assessments for Pioneer Gardens

The CRA Attorney gave an update regarding the Environmental Site Assessment for Pioneer Gardens. Mr. Eval Smith from North Miami Housing explained the two phases of the environmental assessment. Mr. Wolin expressed some concerns over the whole process. He asked about the fact that two Phase I reports were prepared and that two Phase II reports had been prepared. Further, Mr. Wolin pointed out that the contract for the Phase I stipulated to \$50,000 in damages while he felt that the CRA had sustained damages many times that amount already. In addition, Mr. Wolin stated his belief that a comprehensive legal inquiry should include a review of the actions of the developer as well as the environmental engineer in connection with the failure to determine the true nature and extent of the environmental contamination. The acting chair of the CRA Advisory Committee called for a postponement of this conversation until the end of the meeting pending sufficient time.

Moved by Ms. Feldman, Seconded by Ms. Cobo

To set the dates for the CRAAC Sub-Committee Retreat to be November 3rd and 4th and to work towards selecting a meeting facilitator

Approved 8-0

The conversation then swapped back to the Pioneer Gardens project. Ms. Couch made a statement voicing her objections to the project saying that the costs have made it no longer viable as affordable housing. Mr. Wolin stated that the CRA was only contractually committed to the pre-development of Pioneer Gardens and could, if it chose to, not proceed forward with the project beyond that stage. Duke Sorey was the only member of the Advisory Committee that spoke up in support of the Pioneer Gardens project. He argued that if the North Miami residency restrictions for applicants be removed, the project would attract more interest and could become viable. The CRA Executive Director explained that 50% of the units in the project are expected to be unsubsidized and sold in the free market to anybody, regardless of income or current residency.

Moved by Ms. Feldman, Seconded by Mr. Wolin

To recommend to the CRA Advisory Committee that the Pioneer Gardens affordable Housing project be abandoned and that the land be used by the CRA for other purposes

Approved 7-1 (Duke Sorey against)

X. New Business

A. Reserving the City Council Chambers for regular CRAAC meetings on a permanent, ongoing basis

Mr. Wolin stated that it was important to hold meetings in the City Council Chambers, so as to allow more space for the public and more openness. The CRA Executive Director advised that the regular meetings of the CRAAC are already scheduled to be held in the City Council Chambers.

B. Establishment of a digital and/or video archive of recorded CRA meetings to be maintained by the City Clerk

Mr. Wolin stated that it would be good to keep a digital or video archive of all CRA Board and Advisory Committee meetings.

It was agreed that further conversation on the environmental clean up at the Pioneer Gardens site would take place at a later date.

The CRA Attorney then reminded members of the CRA Advisory Committee that, pursuant to the Florida Sunshine Law, any conversations between Committee members take place only within official Advisory Committee Meetings.

The meeting was adjourned at approximately 9:00 pm