

**NORTH MIAMI CRA ADVISORY COMMITTEE
REGULAR MEETING
Monday, November 5, 2007 - 6:00 P.M.
North Miami City Hall – Council Chambers
776 NE 125th Street, 2nd Floor
NORTH MIAMI, FLORIDA**

AGENDA

- I. Call to Order/Roll Call
- II. Approval of Agenda
- III. Approval of Minutes – September 6, 2007 Regular Meeting (Deferred from the meeting on 10/1/07)
 - October 1, 2007 Regular Meeting
- IV. Proposed Amendments to the CRA Redevelopment Plan that was adopted on June 7, 2005 (Attachment)
- V. Proposed Purchase of Properties Adjacent to the Pioneer Gardens Site (Attachment)
- VI. Status Update regarding the CRA's Due Diligence Review for the Bel House Apartments Lease/Purchase Agreement (Attachment)
- VII. Old Business
- VIII. New Business
 - A. Discussion of CRAAC Member Absences and Removal Procedures (No Attachment)
 - B. Follow-up to the Joint Meeting of the CRA Board and the CRAAC RE: Scheduling of City Staff to Brief the CRAAC regarding the City's Comprehensive Development Master Plan, Parks Master Plan, and Branding Project (No Attachment)
 - C. Follow-up to the Joint Meeting of the CRA Board and the CRAAC RE: Idea for a Bank "Summit" regarding Residential Mortgage Rescue (No Attachment)

IX. Adjournment

The next CRA Advisory Committee Meeting is scheduled for Monday, December 3, 2007 at 6:00 p.m.

Informational Items: Non-Agenda Written Reports Or Documents Provided To Committee Members For Informational And Educational Purposes And Not Intended Or Required For Discussion May Be Included In The Back Of This Agenda Package.

Note: Two or more members of the City Council/CRA Board of Commissioners and/or other elected or appointed public officials may be present at this meeting. If any person decides to appeal any decision made with respect to any matter considered at this public meeting or hearing, he/she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. If you desire auxiliary services to assist in viewing or hearing the meetings, or reading meeting agendas and minutes, please contact the Office of the CRA at (305) 899-0272.

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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,

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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

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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.

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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.

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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

9-6-07CRAACMinutes tecsr revised 102907

SUMMARY MINUTES

**REGULAR COMMUNITY REDEVELOPMENT AGENCY
ADVISORY COMMITTEE MEETING**

Monday, October 1st, 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 6:09 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	A	3
Inez Couch	P	3
Judy Feldman	A	1
Dr. Smith Joseph	A	6
Michael McDearmaid	P	0
Jean Monestime	A	5
Clark Reynolds	P	1
Duke Sorey (6:42)	P	1
Bill Valentine	A	10
Armando Vidal	P	2
Mark Wolin	P	1
* Absences from special or rescheduled meetings are not counted		

Due to a lack of quorum, at the direction of the Chairman, the CRA Executive Director moved straight to Section V on the agenda and covered the three (3) items under Old Business since no action would be required.

The Executive Director provided brief updates regarding (1) the scope of proposed amendments to the CRA's Redevelopment Plan and the proposed timetable for their consideration through required public hearings, and (2) the status of the projected attendance and registration of CRA Board and CRAAC members for the Florida Redevelopment Association Annual Conference in Daytona Beach, FL from October 24-26, 2007. The Executive Director indicated the projected attendance by 3 members of the CRA Board and 5 members of the CRAAC.

V. Old Business

A. Recommendation of the CRAAC to the CRA Board for a CRA Retreat

Chairman Clark Reynolds provided an update on the CRA Board discussion with regards to the proposed CRA Retreat for the benefit of those members of the Advisory Committee who were unable to make it to the most recent CRA Board meeting. Clark emphasized the apparent conflict between the CRA Board and Advisory Committee with regards to the roles of the two bodies. Clark explained that the Board had reminded the Advisory Committee that their role was limited to advising. There was then a discussion about a possible date for a joint meeting with the CRA Board. The date of Thursday, October 18th was nominally agreed upon. The CRA Executive Director said that, after consulting with the CRA Board Chairman, he would notify the Advisory Committee members of the location for the meeting to be held on October 18th, 2007.

The CRA Executive Director then moved on to discuss New Business.

VI. New Business

A. CRA Proposed TIF Revenue Bond Issuance

The CRA Executive Director and the CRA Attorney gave an update on the Supreme Court of Florida Case of Strand vs. Escambia County. The CRA Attorney explained that the court's current position with regards to issuance of bonds by a CRA would have to be approved by a referendum. But the parameters of the referendum, with regards to who would be eligible to vote (property owners or registered voters, within the boundaries of the CRA or the whole City, etc), have not yet been defined in the court's decision.

Mr. Wolin suggested that before any bond issue was proposed, the CRA should involve the public in Town Hall meetings to find out how the community as a whole would like to see such money spent, and then come up with a comprehensive package to satisfy all stakeholders.

At this point, Mr. Sorey arrived at the meeting, creating a quorum with which action items on the agenda could be considered/approved.

II. Approval of Agenda

Mr. Wolin requested that an item be added to New Business, devoted to an FY 2007-08 budget process discussion; there were no objections, so Item C. Budget Process Discussion was added under VI. New Business.

The Agenda was then unanimously approved.

III. Approval of Minutes

Moved by Mr. McDearmaid, seconded by Mr. Wolin.

To defer the approval of the minutes for the September 6th, 2007 CRA Advisory Committee Meeting to the next CRA Advisory Committee Meeting scheduled for November 5th, 2007 pending the review of certain amendments requested by Mr. Wolin to reflect his comments during the meeting on 9/6/07 more accurately.

Approved 6-0

In addition, Chairman Reynolds indicated his desire to meet with the CRA Executive Director and the CRA Attorney to discuss the issue of CRAAC member absences from meetings.

IV. 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 provided an update with regards to the proposed engagement letter with Sanson, Kline, Jacomino & Company, LLP for the conduct of the CRA's annual independent audit for FY 2006-07. The proposed fee for the audit is \$12,000. The CRA Executive Director explained that the current contract with the auditors and insurance certificates were included in the agenda packet.

The CRA Chair felt that the price was reasonable, Mr. Vidal disagreed. Mr. Wolin expressed a concern not on the price of the audit, but the scope of the services, arguing that the audit should include an opinion on the effectiveness of the CRA's internal controls.

Richie Tandoc, Partner from Sanson, Kline, Jacomino & Company, LLP, explained that as part of the audit process they will look at the internal controls, and if they find any material weaknesses, they will be reported to the CRA Board.

When asked how much additional money a full audit of internal controls would cost, Mr. Tandoc stated that he would have to "price it out" because he has never done such an audit for government entities.

Mr. Wolin stated that he would like to get expert advice on how much liability insurance an auditor should have when dealing with the account of an organization such as the North Miami CRA.

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The CRA Attorney asked Mr. Tandoc if Sanson, Kline, Jacomino & Company, LLP carries a larger policy than the \$1 million stated in the insurance certificate. Mr. Tandoc replied that he was not entirely sure but did not believe so as most government agencies only require \$1 million.

The CRA Attorney stated that the original contract specified that the CRA had the right to renew the contract for up to two (2) additional one (1) year periods and that all terms, conditions, and specifications were to remain the same, including the fee.

Moved by Mr. Vidal, seconded by Mr. Sorey

To advise the CRA Board to accept the language of the contract with Sanson, Kline, Jacomino & Company, LLP and proceed with the FY 2006-07 annual audit for a fee of \$8,000.

Approved 4-2 (with Mr. Reynolds and Mr. Wolin against)

Mr. Wolin then stated that he voted against the motion because he feels that the audit should include an examination of the CRA's internal controls.

Moved by Mr. Vidal, seconded by Mr. Wolin

To request additional services from Sanson, Kline, Jacomino & Company, LLP in the form of an opinion on the CRA's internal controls.

Approved 6-0

Mr. Wolin then asked Mr. Tandoc to give his opinion on whether or not \$1 million of liability insurance was sufficient for the CRA's audit. Mr. Tandoc responded that many of Sanson, Kline, Jacomino & Company, LLP's clients were local government entities, such as the City of Miami CRA, subcontracts with the City of Miami and Miami-Dade County, etc. and with these clients they carried \$1 million in liability insurance.

V. Old Business

A. Recommendation of the CRAAC to the CRA Board for a CRA Retreat

Moved by Mr. McDearmaid, seconded by Mr. Vidal

To support the date of October 18th, 2007 for the joint meeting of the CRA Board and the CRAAC and to request that Mayor Kevin Burns serve as the facilitator of the meeting.

Approved 6-0

B. Status Update regarding proposed amendments to the CRA's Redevelopment Plan

The CRA Executive Director explained the amendments to the Redevelopment Plan that are being supported by the CRA Board. First, an amendment would provide more flexibility in the plan by allowing the Board to periodically change the cap for affordable housing subsidies. Second, an amendment would allow more flexibility with regards to the residency requirement for affordable housing subsidies. A third amendment would add some language to the plan to allow more flexibility with regards to the targeted income limits for participation in the CRA's affordable housing programs.

The CRA Executive Director also described a further proposed amendment to the plan that would add an element to guide the development and implementation of Community Policing Innovations to be funded with CRA TIF revenue.

C. Status Update regarding the Florida Redevelopment Association Annual Conference in Daytona Beach, FL from October 24-26, 2007

The CRA Executive Director gave an update regarding the Florida Redevelopment Association Annual Conference, explaining who had already signed up and requesting that any members of the Advisory Committee that wish to go please RSVP with the CRA within the next couple of days.

VI. New Business

A. CRA Proposed TIF Revenue Bond Issuance

This was already discussed at the beginning of the meeting.

B. Annual Election of the Chairperson and Vice Chairperson of the CRAAC

Moved by Mr. McDearmaid, Seconded by Mr. Wolin

To re-elect Clark Reynolds as the Chairman of the CRAAC for an additional one-year term.

Approved 6-0

Moved by Mr. Sorey, Seconded by Mr. Vidal

To re-elect Michael McDearmaid as the Vice Chairman of the CRAAC for an additional one-year term.

Approved 6-0

C. Budget Process Discussion

Mr. Wolin opened the discussion by stating that he felt the CRA should be less “top down” and more inclusive of public feeling over how the CRA should spend its money via a series of town hall meetings.

The CRAAC Chair expressed concern that the CRA Board may not be interested in the input from the general public, seeing as they appear not overly concerned with the input of the Advisory Committee.

Ms. Couch suggested home owner’s association meetings as a possible venue to involve the public more in CRA budget ideas and decisions.

The CRA Executive Director explained that the bylaws adopted by the CRA Board with regards to the budget provide that the Executive Director shall prepare an annual budget and work program for the CRA Board to approve, and that the role of the Advisory Committee is to review and comment on the budget prepared by the CRA Executive Director.

Mr. Vidal felt that involving the public more in budget decisions through a series of workshops was a good idea, but it would be necessary to allow time for this, so the process of preparing the budget should begin earlier in the year.

VII. Adjournment

The CRA Executive Director discussed the possibility of an ethics training class for members of the advisory committee to cover such pertinent issues as the Florida Sunshine Law.

The CRAAC Chair suggested that perhaps a refresher course would be a good idea, so the CRA Executive Director said that the CRA would take it under advisement to include on the agenda for a future CRAAC meeting.

Meeting adjourned at 8:00 pm



AGENDA ITEM IV

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Erlande Steril

Executive Director
Tony E. Crapp, Sr.

CRA Attorney
Steven W. Zelkowitz

Date: November 1, 2007

To: Chairman and Members
CRA Advisory Committee

From: Tony E. Crapp, Sr.
Executive Director

Subject: Proposed Amendments to the CRA Redevelopment Plan
that was adopted on June 7, 2005

In follow-up to the briefing provided during the meeting on October 1, 2007, it is requested that the CRAAC review and consider the attached proposed amendments to the CRA Redevelopment Plan that was adopted on June 7, 2005. The proposed amendments will serve to (1) provide needed flexibility regarding the implementation of the CRA's affordable housing programs and to (2) add appropriate language to guide the development and implementation of Community Policing Innovations within the boundaries of the CRA district.

*Helping Build
North Miami's
Tomorrow!*

NMCRAC memo for 110507 re Proposed Amendments to the CRA
Redevelopment Plan

PO Box 610655
North Miami, FL 33261-0655
P: 305.899.0272
F: 305.899.9376

www.NorthMiamiCRA.org

Proposed Amendments to the CRA Redevelopment Plan as adopted on June 7, 2005 for the purpose of enhancing the flexibility of certain parameters of the Affordable Housing Policy and for the purpose of adding appropriate language to guide the development and implementation of Community Policing Innovations

[Note: Proposed Changes/Additions in Bold Print]

I. OVERVIEW OF THE REDEVELOPMENT PLAN

1.1 THE NEED FOR AND PURPOSE OF THE COMMUNITY REDEVELOPMENT PLAN

1.1.6 Redevelopment Goals & Objectives

Goal 18 – Safety and Security

Goal 18 - Safety, Security and Community Policing Innovations

Improve the security of homes and businesses through **initiatives including, but not limited to**, the integration of the most advanced design concepts for the prevention of fire, crime and accidents, **and the development and implementation of community policing innovations.**

Adequate law enforcement is required to protect property values, commercial activity levels, and the quality of life of the residents within the community redevelopment area. Law enforcement also is important to attract new investment, new development, new businesses, new residents, and remove and prevent blight conditions.

The CRA shall have the authority to pay for the cost of utilizing community policing strategies designed to reduce crime within the community redevelopment area. These strategies may include, but are not limited to, Community Mobilization, Neighborhood Block Watch, Citizen Patrol, Foot Patrol, Bicycle Patrol, Neighborhood Storefront Police Station, Motorized Patrol, and the installation and maintenance of security systems.

Any and all CRA funding for community policing within the redevelopment area would be in addition to any other funding sources for the Police Department. The CRA funding will at no time be used to supplant any of these other sources of funding for the Police Department.

III. IMPLEMENTATION PROGRAM

3.3 IMPLEMENTATION PLAN

3.3.3 Affordable Housing Policy

3.3.3.2 Outline Description of the Affordable Housing Policy

A. Program

The North Miami Community Redevelopment Agency (the “CRA”) will provide subsidies to qualified residents, either owners or renters, of the City of North Miami (the “Residents”) to assist with the acquisition and/or rehabilitation of qualified primary residences. Subsidies will be provided to the widest number of families needing assistance under the following terms:

2. Amount – The Loan will be for the amount equal to the residual amount required of the Resident, after all required down payments, mortgages and other assistance is taken into account, not to exceed \$50,000, to close on the home or complete the home rehabilitation. **The maximum subsidy loan amount can be modified by a resolution adopted by the CRA Board.**

B. Qualification for the Loan Program

1. Residency – Residents, either owners or renters, may qualify for the affordable housing Loan program if:

a. The Resident has lived in the City of North Miami for a period of one hundred eighty (180) days prior to adoption of the CRA Plan by the City and Miami-Dade County. **The residency requirement can be modified by resolution of the CRA Board.**

2. Income – The Resident is qualified if:

a. The verified household income for homeownership or rehabilitation is equal to or greater than 50% or less than or equal to 120%, of Area Median Income adjusted for family size. The CRA will adopt a threshold equity policy that takes age and special circumstances into consideration. **The qualifying household income range can be modified by resolution of the CRA Board.**



AGENDA ITEM V

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Erlande Steril

Executive Director
Tony E. Crapp, Sr.

CRA Attorney
Steven W. Zelkowitz

Date: November 1, 2007

To: Chairman and Members
CRA Advisory Committee

From: Tony E. Crapp, Sr.
Executive Director

Subject: Proposed Purchase of Properties Adjacent to the CRA-owned Pioneer Gardens Site

It is requested that the CRAAC consider the Executive Director's recommendation regarding the proposed purchase of additional properties adjacent to the CRA-owned Pioneer Gardens site as strategic land acquisitions that will further facilitate ongoing redevelopment efforts.

The CRA is presently pursuing the development of the 6+ acre Pioneer Gardens site for the new construction of approximately 136 residential condominium housing units for homeownership. Through the prior recommendation of the CRAAC and the approval of the CRA Board the purchase of one of three adjacent duplex properties was authorized. The purchase of the duplex located at 13810 NE 5th Avenue was closed in January 2007. The original contract purchase price was \$339,800 and the final purchase price at closing based on CRA obtained appraisals was \$325,000.

As the result of ongoing discussions over the past several months the CRA has the opportunity to pursue the acquisition of the remaining two duplex properties located at 13850 NE 5th Avenue and 13890 NE 5th Avenue. The CRA has extended and the owner has accepted a contingent offer to purchase the duplex at 13850 NE 5th Avenue at a price of \$375,000 subject to an appraisal (copy attached). Relative to the duplex property located at 13890 NE 5th Avenue the CRA is in the process of extending an offer to purchase in the amount of \$350,000 subject to an appraisal. It is anticipated that the contract will be presented to the owner and accepted in the next week or so.

The acquisition of these additional properties will provide the CRA with the opportunity to develop an additional phase of the Pioneer Gardens at North Miami affordable housing development. It is anticipated that the closings on both purchases could occur by the end of 2007.

NMCRAC memo for 110507 re Duplex Properties adjacent to Pioneer Gardens

PO Box 610655
North Miami, FL 33261-0655
P: 305.899.0272
F: 305.899.9376

www.NorthMiamiCRA.org

*Helping Build
North Miami's
Tomorrow!*

My Home
Miami-Dade County, Florida



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Property Information Map



Digital Orthophotography - 2006

0 ——— 111 ft

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Close

Summary Details:

Folio No.:	06-2219-032-0030
Property:	13810 NE 5 AVE
Mailing Address:	NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY 615 NE 124 ST NORTH MIAMI FL 33161-5522

Property Information:

Primary Zone:	2800 TOWNHOME RESIDENTIAL
CLUC:	0080 VACANT LAND- GOVERNMENTAL
Beds/Baths:	4/2
Floors:	1
Living Units:	2
Adj Sq Footage:	2,183
Lot Size:	9,684 SQ FT
Year Built:	1958
Legal Description:	19 52 42 HYSTAN SUB PB 66-77 LOT 3 LOT SIZE 91.360 X 106 COC 25354- 2939 01 2007 3

Sale Information:

Sale O/R:	25354-2939
Sale Date:	1/2007
Sale Amount:	\$0

Assessment Information:

Year:	2007	2006
Land Value:	\$80,965	\$77,016
Building Value:	\$150,774	\$126,393
Market Value:	\$231,739	\$203,409
Assessed Value:	\$231,739	\$150,519
Homestead Exemption:	\$0	\$25,000
Total Exemptions:	\$193,339	\$25,000
Taxable Value:	\$38,400	\$125,519

My Home
Miami-Dade County, Florida



miamidade.gov

Property Information Map



Summary Details:

Folio No.:	06-2219-032-0020
Property:	13850 NE 5 AVE
Mailing Address:	RUBY A EDWARDS 13850 NE 5 AVE MIAMI FL 33161-3717

Property Information:

Primary Zone:	2800 TOWNHOME RESIDENTIAL
CLUC:	0002 MULTIFAMILY-DUPLEX
Beds/Baths:	4/2
Floors:	1
Living Units:	2
Adj Sq Footage:	1,991
Lot Size:	9,540 SQ FT
Year Built:	1958
Legal Description:	HYSTAN SUB PB 66-77 LOT 2 LOT SIZE 90.000 X 106 OR 20685-2447 09 2002 4 COC 22820-2987 08 2004 5

Sale Information:

Sale O/R:	18862-4061
Sale Date:	11/1999
Sale Amount:	\$122,000

Assessment Information:

Year:	2007	2006
Land Value:	\$80,370	\$76,450
Building Value:	\$171,419	\$123,977
Market Value:	\$251,789	\$200,427
Assessed Value:	\$211,442	\$183,674
Homestead Exemption:	\$25,000	\$25,000
Total Exemptions:	\$25,000	\$25,000
Taxable Value:	\$186,442	\$158,674

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Property Information Map



Digital Orthophotography - 2006

0 ——— 111 ft

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Close

Summary Details:

Folio No.:	06-2219-032-0010
Property:	13890 NE 5 AVE
Mailing Address:	MARY F ROBBINS 13890 NE 5 AVE NO MIAMI FL 33161-3717

Property Information:

Primary Zone:	2800 TOWNHOME RESIDENTIAL
CLUC:	0002 MULTIFAMILY- DUPLX
Beds/Baths:	4/2
Floors:	1
Living Units:	2
Adj Sq Footage:	1,864
Lot Size:	9,540 SQ FT
Year Built:	1958
Legal Description:	HYSTAN SUB PB 66-77 LOT 1 LOT SIZE 90.000 X 106

Sale Information:

Sale O/R:	
Sale Date:	0/0
Sale Amount:	\$0

Assessment Information:

Year:	2007	2006
Land Value:	\$80,370	\$76,450
Building Value:	\$80,250	\$58,331
Market Value:	\$160,620	\$134,781
Assessed Value:	\$115,672	\$112,851
Homestead Exemption:	\$25,000	\$25,000
Widow Exemption:	\$500	\$500
Total Exemptions:	\$25,500	\$25,500
Taxable Value:	\$90,172	\$87,351
Senior Exemption:	\$50,000	\$25,000
Senior Taxable Value:	\$40,172	\$62,351

Law Office of
DUANE A. CROOKS, LLC
Attorney and Counselor at Law

13899 Biscayne Blvd, Suite 153
N. Miami Beach, FL 33181

Tele: (305) 341-3420
Fax: (305) 341-3421

September 14, 2007

Attn: Tony E. Crapp, Sr.
North Miami CRA
P.O. Box 610655
North Miami, FL 33261

**RE: Ruby Edwards – Acceptance of Proposed Purchase of Property at 13850 NE
5th Avenue, North Miami, Florida 33161**

Dear Mr. Crapp:

This letter is in response to your follow up letter dated September 10, 2007. Mr. Edwards has thoroughly reviewed the new proposed contract in its entirety. The purchase contract is consistent with the terms that you have discussed with Mrs. Edwards prior to her retaining this firm. She has had an opportunity to review all the terms and conditions set forth in the revised proposed contract and accepts your new offer.

Please send funds with respect to the provision of the addendum, section 3 to the undersigned law firm, once the condition precedent have been satisfied. Additionally, enclosed are executed contracts with respect to the aforementioned property.

If you have any questions or concerns Please contact the undersigned firm.

Sincerely,



Duane A. Crooks, Esq.
Attorney and Counselor at Law

RECEIVED

OCT 31 2007

"As Is" Contract for Sale and Purchase

1 PARTIES: Ruby Edwards ("Seller"),
2 and North Miami Community Redevelopment Agency ("Buyer")

3 hereby agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal Property
4 (collectively "Property") pursuant to the terms and conditions of this Contract for Sale and Purchase and any riders and
5 addenda ("Contract"):

6 I. DESCRIPTION: (a) Legal description of the Real Property located in Miami-Dade County, Florida:
7 Lot 2, of HYSTAN SUBDIVISION, according to the Plat thereof, recorded in Plat Book 66, Page 77, of the Public
8 Records of Miami-Dade County, Florida.

9
10 (b) Street address, city, zip, of the Property is: 13850 NE 5th Avenue, North Miami, Florida

11 (c) Personal Property includes existing range(s), refrigerator(s), dishwasher(s), ceiling fan(s), light fixture(s), and window
12 treatment(s) unless specifically excluded below.

13 Other items included are: _____

14
15 Items of Personal Property (and leased items, if any) excluded are: Two (2) Reverse Cycle Air Conditioning Units

16
17 II. PURCHASE PRICE (U.S. currency): \$ 375,000.00

18 PAYMENT:
19 (a) Deposit held in escrow by _____ (Escrow Agent)
20 in the amount of (checks subject to clearance) \$ _____
21 (b) Additional escrow deposit to be made to Escrow Agent within _____ days after Effective Date
22 (see Paragraph III) in the amount of \$ _____
23 (c) Financing (see Paragraph IV) in the amount of \$ _____
24 (d) Other: See Addendum \$ 25,000.00
25 (e) Balance to close by cash, wire transfer or LOCALLY DRAWN cashier's or official bank
26 check(s), subject to adjustments or prorations \$ 350,000.00

27 III. TIME FOR ACCEPTANCE OF OFFER AND COUNTEROFFERS; EFFECTIVE DATE:
28 (a) If this offer is not executed by and delivered to all parties OR FACT OF EXECUTION communicated in writing between
29 the parties on or before September 14, 2007, the deposit(s) will, at Buyer's option, be returned and this offer withdrawn.
30 UNLESS OTHERWISE STATED, THE TIME FOR ACCEPTANCE OF ANY COUNTEROFFERS SHALL BE 2 DAYS
31 FROM THE DATE THE COUNTEROFFER IS DELIVERED.
32 (b) The date of Contract ("Effective Date") will be the date when the last one of the Buyer and Seller has signed or initialed
33 this offer or the final counteroffer. If such date is not otherwise set forth in this Contract, then the "Effective Date" shall be
34 the date determined above for acceptance of this offer or, if applicable, the final counteroffer.

35 IV. FINANCING:
36 (a) This is a cash transaction with no contingencies for financing;
37 (b) This Contract is contingent on Buyer obtaining approval of a loan ("Loan Approval") within _____ days (if blank, then
38 30 days) after Effective Date for (CHECK ONLY ONE): a fixed; an adjustable; or a fixed or adjustable rate loan
39 in the principal amount of \$ See Addendum, at an initial interest rate not to exceed _____%,
40 discount and origination fees not to exceed _____% of principal amount, and for a term of
41 _____ years. Buyer will make application within _____ days (if blank, then 5 days) after Effective Date. Buyer shall
42 use reasonable diligence to: obtain Loan Approval and notify Seller in writing of Loan Approval by Loan Approval Date;
43 satisfy terms and conditions of the Loan Approval; and close the loan. Loan Approval which requires a condition related to
44 the sale of other property shall not be deemed Loan Approval for purposes of this subparagraph. Buyer shall pay all loan
45 expenses. If Buyer does not deliver written notice to Seller by Loan Approval Date stating Buyer has either obtained Loan
46 Approval or waived this financing contingency, then either party may cancel this Contract by delivering written notice
47 ("Cancellation Notice") to the other, not later than seven (7) days prior to Closing. Seller's Cancellation Notice must state
48 that Buyer has three (3) days to deliver to Seller written notice waiving this financing contingency. If Buyer has used due
49 diligence and has not obtained Loan Approval before cancellation as provided above, Buyer shall be refunded the
50 deposit(s). Unless this financing contingency has been waived, this Contract shall remain subject to the satisfaction, by
51 Closing, of those conditions of Loan Approval related to the Property;
52 (c) Assumption of existing mortgage (see rider for terms); or
53 (d) Purchase money note and mortgage to Seller (see "As Is" Standards B and K and riders; addenda; or special clauses for terms).

54 V. TITLE EVIDENCE: At least _____ days (if blank, then 5 days) before Closing a title insurance commitment with legible
55 copies of instruments listed as exceptions attached thereto ("Title Commitment") and, after Closing, an owner's policy of
56 title insurance (see "As Is" Standard A for terms) shall be obtained by:
57 (CHECK ONLY ONE): (1) Seller, at Seller's expense and delivered to Buyer or Buyer's attorney; or
58 (2) Buyer at Buyer's expense.
59 (CHECK HERE): If an abstract of title is to be furnished instead of title insurance, and attach rider for terms.

60 VI. CLOSING DATE: This transaction shall be closed and the closing documents delivered
61 on See Addendum ("Closing"), unless modified by other provisions of this
62 Contract. If Buyer is unable to obtain Hazard, Wind, Flood, or Homeowners' insurance at a reasonable rate due to
63 extreme weather conditions, Buyer may delay Closing for up to 5 days after such coverage becomes available.

64 VII. RESTRICTIONS; EASEMENTS; LIMITATIONS: Seller shall convey marketable title subject to: comprehensive land use
65 plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority; restrictions and
66 matters appearing on the plat or otherwise common to the subdivision; outstanding oil, gas and mineral rights of record

53 VII. RESTRICTIONS; EASEMENTS; LIMITATIONS (NOTES): Without intent of a trap, easement public utility easements of record
54 (located contiguous to real property lines and not more than 10 feet in width as to the rear or front lines and 7 1/2 feet in
55 width) as to the side lines); taxes for year of Closing and subsequent years; and assumed mortgages and purchase money
56 mortgages, if any (if additional items, see addendum); provided, that there exists at Closing no violation of the foregoing
57 and none prevent use of the Property for multi-family residential purpose(s).

RE
58 VIII. OCCUPANCY: Seller shall deliver occupancy of Property to Buyer at time of Closing unless otherwise stated herein. If
59 Property is intended to be rented or occupied beyond Closing, the fact and terms thereof and the tenant(s) or occupants
60 shall be disclosed pursuant to "As Is" Standard F. If occupancy is to be delivered before Closing, Buyer assumes all risks of
61 loss to Property from date of occupancy, shall be responsible and liable for maintenance from that date, and shall be
62 deemed to have accepted Property in its existing condition as of time of taking occupancy.

63 IX. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Typewritten or handwritten provisions, riders and addenda shall
64 control all printed provisions of this Contract in conflict with them.

65 X. ASSIGNABILITY: (CHECK ONLY ONE): Buyer may assign and thereby be released from any further liability under this
66 Contract; may assign but not be released from liability under this Contract; or may not assign this Contract.

67 XI. DISCLOSURES:

68 (a) CHECK HERE if the Property is subject to a special assessment lien imposed by a public body payable in
69 installments which continue beyond Closing and, if so, specify who shall pay amounts due after Closing: Seller
70 Buyer Other (see addendum).

71 (b) Radon is a naturally occurring radioactive gas that when accumulated in a building in sufficient quantities may present
72 health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have
73 been found in buildings in Florida. Additional information regarding radon or radon testing may be obtained from your
74 County Public Health unit.

75 (c) Mold is naturally occurring and may cause health risks or damage to property. If Buyer is concerned or desires
76 additional information regarding mold, Buyer should contact an appropriate professional.

77 (d) Buyer acknowledges receipt of the Florida Energy-Efficiency Rating Information Brochure required by Section 553.996, F.S.

78 (e) If the real property includes pre-1978 residential housing then a lead-based paint rider is mandatory.

79 (f) If Seller is a "foreign person" as defined by the Foreign Investment in Real Property Tax Act, the parties shall comply with that Act.

80 (g) **BUYER SHOULD NOT EXECUTE THIS CONTRACT UNTIL BUYER HAS RECEIVED AND READ THE
81 HOMEOWNERS' ASSOCIATION DISCLOSURE.**

82 (h) **PROPERTY TAX DISCLOSURE SUMMARY: BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY
83 TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR
84 SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS
85 REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY
86 QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.**

87 XII. MAXIMUM REPAIR COSTS: DELETED

88 XIII. HOME WARRANTY: Seller Buyer N/A will pay for a home warranty plan issued by
89 _____ at a cost not to exceed \$ _____

90 XIV. INSPECTION PERIOD AND RIGHT TO CANCEL: (a) Buyer shall have 90 days from Effective Date
91 ("Inspection Period") within which to have such inspections of the Property performed as Buyer shall desire and
92 utilities service shall be made available by the Seller during the Inspection Period; (b) Buyer shall be responsible for
93 prompt payment for such inspections and repair of damage to and restoration of the Property resulting from such
94 inspections; and (c) if Buyer determines, in Buyer's sole discretion, that the condition of the Property is not
95 acceptable to Buyer, Buyer may cancel this Contract by delivering written notice of such election to Seller prior to the
96 expiration of the Inspection Period. If Buyer timely cancels this Contract, the deposit(s) paid shall be immediately
97 returned to Buyer; thereupon, Buyer and Seller shall be released of all further obligations under this Contract, except
98 as provided in this Paragraph XIV. The above provision (b) shall survive termination of this Contract.

99 XV. RIDERS; ADDENDA; SPECIAL CLAUSES: CHECK those riders which are applicable AND are attached to and made a
100 part of this Contract:

101 CONDOMINIUM VA/FHA HOMEOWNERS' ASSN. LEAD-BASED PAINT COASTAL CONSTRUCTION CONTROL LINE
102 INSULATION Other Comprehensive Rider Provisions Addenda
103 Special Clause(s): _____

104 XVI. "AS IS" STANDARDS FOR REAL ESTATE TRANSACTIONS ("Standards"): Buyer and Seller acknowledge receipt of a copy of
105 Standards A through Z on the reverse side or attached, which are incorporated as part of this Contract.

106 THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING.
107 THIS "AS IS" FORM HAS BEEN APPROVED BY THE FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR.
108 Approval does not constitute an opinion that any of the terms and conditions in this Contract should be accepted by the parties in a particular transaction. Terms and
109 conditions should be negotiated based upon the respective interests, objectives and bargaining positions of all interested persons.

110 _____ (Buyer) See Attached Signature Page _____ (Date) _____ (Seller) See Attached Signature Page _____ (Date)

111 _____ (Buyer) _____ (Date) _____ (Seller) _____ (Date)
112 Buyers' address for purposes of notice _____ Sellers' address for purposes of notice _____

113 _____ Phone _____ Phone

114 **BROKERS:** The brokers (including cooperating brokers, if any) named below are the only brokers entitled to compensation in
115 connection with this Contract:

116 Name: _____
117 _____ Cooperating Brokers, if any _____ Listing Broker

137 A. **TITLE INSURANCE:** The Title Commitment shall be issued by a Florida licensed title insurer agreeing to issue Buyer, upon recording
 138 the deed to Buyer, an owner's policy of title insurance in the amount of the purchase price insuring Buyer's marketable title to the Real
 139 Property, subject only to matters contained in Paragraph VII and those to be discharged by Seller at or before Closing. Marketable title shall be
 140 determined according to applicable Title Standards adopted by authority of The Florida Bar and in accordance with law. Buyer shall have 5
 141 days from date of receiving the Title Commitment to examine it, and if title is found defective, notify Seller in writing specifying defect(s) which
 142 render title unmarketable. Seller shall have 30 days from receipt of notice to remove the defects, failing which Buyer shall, within 5 days after
 143 expiration of the 30 day period, deliver written notice to Seller either: (1) extending the time for a reasonable period not to exceed 120 days
 144 within which Seller shall use diligent effort to remove the defects; or (2) requesting a refund of deposit(s) paid which shall be returned to Buyer.
 145 If Buyer fails to so notify Seller, Buyer shall be deemed to have accepted the title as it then is. Seller shall, if title is found unmarketable, use
 146 diligent effort to correct defect(s) within the time provided. If, after diligent effort, Seller is unable to timely correct the defects, Buyer shall either
 147 waive the defects, or receive a refund of deposit(s), thereby releasing Buyer and Seller from all further obligations under this Contract. If Seller
 148 is to provide the Title Commitment and it is delivered to Buyer less than 5 days prior to Closing, Buyer may extend Closing so that Buyer shall
 149 have up to 5 days from date of receipt to examine same in accordance with this "AS IS" Standard.

150 B. **PURCHASE MONEY MORTGAGE; SECURITY AGREEMENT TO SELLER:** A purchase money mortgage and mortgage note to Seller
 151 shall provide for a 30 day grace period in the event of default if a first mortgage and a 15 day grace period if a second or lesser mortgage;
 152 shall provide for right of prepayment in whole or in part without penalty; shall permit acceleration in event of transfer of the Real Property; shall
 153 require all prior liens and encumbrances to be kept in good standing; shall forbid modifications of, or future advances under, prior mortgage(s);
 154 shall require Buyer to maintain policies of insurance containing a standard mortgagee clause covering all improvements located on the Real
 155 Property against fire and all perils included within the term "extended coverage endorsements" and such other risks and perils as Seller may
 156 reasonably require, in an amount equal to their highest insurable value; and the mortgage, note and security agreement shall be otherwise in
 157 form and content required by Seller, but Seller may only require clauses and coverage customarily found in mortgages, mortgage notes and
 158 security agreements generally utilized by savings and loan institutions or state or national banks located in the county wherein the Real
 159 Property is located. All Personal Property and leases being conveyed or assigned will, at Seller's option, be subject to the lien of a security
 160 agreement evidenced by recorded or filed financing statements or certificates of title. If a balloon mortgage, the final payment will exceed the
 161 periodic payments thereon.

162 C. **SURVEY:** Buyer, at Buyer's expense, within time allowed to deliver evidence of title and to examine same, may have the Real Property
 163 surveyed and certified by a registered Florida surveyor. If the survey discloses encroachments on the Real Property or that improvements
 164 located thereon encroach on setback lines, easements, lands of others or violate any restrictions, Contract covenants or applicable
 165 governmental regulations, the same shall constitute a title defect.

166 D. **WOOD DESTROYING ORGANISMS: DELETED**

167 E. **INGRESS AND EGRESS:** Seller warrants and represents that there is ingress and egress to the Real Property sufficient for its intended
 168 use as described in Paragraph VII hereof and title to the Real Property is insurable in accordance with "AS IS" Standard A without exception
 169 for lack of legal right of access.

170 F. ~~LEASES: Seller shall, at least 40 days before Closing, furnish to Buyer copies of all written leases and estoppel letters from each tenant~~
 171 ~~specifying the nature and duration of the tenant's occupancy, rental rates, advanced rent and security deposits paid by tenant. If Seller is~~
 172 ~~unable to obtain such letter from each tenant, the same information shall be furnished by Seller to Buyer within that time period in the form of a~~
 173 ~~Seller's affidavit, and Buyer may thereafter contact tenant to confirm such information. If the terms of the leases differ materially from Seller's~~
 174 ~~representations, Buyer may terminate this Contract by delivering written notice to Seller at least 5 days prior to Closing. Seller shall, at Closing,~~
 175 ~~deliver and assign all original leases to Buyer.~~

176 G. **LIENS:** Seller shall furnish to Buyer at time of Closing an affidavit attesting to the absence, unless otherwise provided for herein, of any
 177 financing statement, claims of lien or potential lienors known to Seller and further attesting that there have been no improvements or repairs to
 178 the Real Property for 90 days immediately preceding date of Closing. If the Real Property has been improved or repaired within that time,
 179 Seller shall deliver releases or waivers of construction liens executed by all general contractors, subcontractors, suppliers and materialmen in
 180 addition to Seller's lien affidavit setting forth the names of all such general contractors, subcontractors, suppliers and materialmen, further
 181 affirming that all charges for improvements or repairs which could serve as a basis for a construction lien or a claim for damages have been
 182 paid or will be paid at the Closing of this Contract.

183 H. **PLACE OF CLOSING:** Closing shall be held in the county wherein the Real Property is located at the office of the attorney or other closing
 184 agent ("Closing Agent") designated by the party paying for title insurance, or, if no title insurance, designated by Seller.

185 I. **TIME:** In computing time periods of less than six (6) days, Saturdays, Sundays and state or national legal holidays shall be excluded. Any
 186 time periods provided for herein which shall end on a Saturday, Sunday, or a legal holiday shall extend to 5:00 p.m. of the next business day.
 187 **Time is of the essence in this Contract.**

188 J. **CLOSING DOCUMENTS:** Seller shall furnish the deed, bill of sale, certificate of title, construction lien affidavit, owner's possession
 189 affidavit, ~~assignments of leases, tenant and~~ mortgagee estoppel letters and corrective instruments. Buyer shall furnish mortgage, mortgage
 190 note, security agreement and financing statements.

191 K. **EXPENSES:** Documentary stamps on the deed and recording of corrective instruments shall be paid by Seller. All costs of Buyer's loan
 192 (whether obtained from Seller or third party), including, but not limited to, documentary stamps and intangible tax on the purchase money
 193 mortgage and any mortgage assumed, mortgagee title insurance commitment with related fees, and recording of purchase money mortgage,
 194 deed and financing statements shall be paid by Buyer. Unless otherwise provided by law or rider to this Contract, charges for the following
 195 related title services, namely title evidence, title examination, and closing fee (including preparation of closing statement), shall be paid by the
 196 party responsible for furnishing the title evidence in accordance with Paragraph V.

197 L. **PRORATIONS; CREDITS:** Taxes, assessments, rent, interest, insurance and other expenses of the Property shall be prorated through the
 198 day before Closing. Buyer shall have the option of taking over existing policies of insurance, if assumable, in which event premiums shall be
 199 prorated. Cash at Closing shall be increased or decreased as may be required by prorations to be made through day prior to Closing, or
 200 occupancy, if occupancy occurs before Closing. Advance rent and security deposits will be credited to Buyer. Escrow deposits held by
 201 mortgagee will be credited to Seller. Taxes shall be prorated based on the current year's tax with due allowance made for maximum allowable
 202 discount, homestead and other exemptions. If Closing occurs at a date when the current year's millage is not fixed and current year's
 203 assessment is available, taxes will be prorated based upon such assessment and prior year's millage. If current year's assessment is not
 204 available, then taxes will be prorated on prior year's tax. If there are completed improvements on the Real Property by January 1st of year of
 205 Closing, which improvements were not in existence on January 1st of prior year, then taxes shall be prorated based upon prior year's millage
 206 and at an equitable assessment to be agreed upon between the parties; failing which, request shall be made to the County Property Appraiser
 207 for an informal assessment taking into account available exemptions. A tax proration based on an estimate shall, at request of either party, be
 208 readjusted upon receipt of current year's tax bill.

RE
 fees

RE
 Read

"AS IS" STANDARDS FOR REAL ESTATE TRANSACTIONS (CONTINUED)

209 M. SPECIAL ASSESSMENT LIENS: Except as set forth in Paragraph X(a), certified, confirmed and ratified special assessment liens imposed
210 by public bodies as of Closing are to be paid by Seller. Pending liens as of Closing shall be assumed by Buyer. If the improvement has been
211 substantially completed as of Effective Date, any pending lien shall be considered certified, confirmed or ratified and Seller shall, at Closing, be
212 charged an amount equal to the last estimate or assessment for the improvement by the public body.

213 N. INSPECTION, REPAIR AND MAINTENANCE: DELETED

214 O. RISK OF LOSS: If the Property is damaged by fire or other casualty before Closing and cost of restoration does not exceed 1.5% of the
215 Purchase Price, cost of restoration shall be an obligation of Seller and Closing shall proceed pursuant to the terms of this Contract with
216 restoration costs escrowed at Closing. If the cost of restoration exceeds 1.5% of the Purchase Price, Buyer shall either take the Property as is,
217 together with either the 1.5% or any insurance proceeds payable by virtue of such loss or damage, or receive a refund of deposit(s), thereby
218 releasing Buyer and Seller from all further obligations under this Contract.

219 P. CLOSING PROCEDURE: The deed shall be recorded upon clearance of funds. If the title agent insures adverse matters pursuant to Section
220 627.7841, F.S., as amended, the escrow and closing procedure required by this "AS IS" Standard shall be waived. Unless waived as set forth
221 above the following closing procedures shall apply: (1) all closing proceeds shall be held in escrow by the Closing Agent for a period of not more
222 than 5 days after Closing; (2) if Seller's title is rendered unmarketable, through no fault of Buyer, Buyer shall, within the 5 day period, notify
223 Seller in writing of the defect and Seller shall have 30 days from date of receipt of such notification to cure the defect; (3) if Seller fails to timely
224 cure the defect, all deposits and closing funds shall, upon written demand by Buyer and within 5 days after demand, be returned to Buyer and,
225 simultaneously with such repayment, Buyer shall return the Personal Property, vacate the Real Property and reconvey the Property to Seller by
226 special warranty deed and bill of sale; and (4) if Buyer fails to make timely demand for refund, Buyer shall take title as is, waiving all rights
227 against Seller as to any intervening defect except as may be available to Buyer by virtue of warranties contained in the deed or bill of sale.

228 Q. ESCROW: Any Closing Agent or escrow agent (collectively "Agent") receiving funds or equivalent is authorized and agrees by acceptance of
229 them to deposit them promptly, hold same in escrow and, subject to clearance, disburse them in accordance with terms and conditions of this
230 Contract. Failure of funds to clear shall not excuse Buyer's performance. If in doubt as to Agent's duties or liabilities under the provisions of this
231 Contract, Agent may, at Agent's option, continue to hold the subject matter of the escrow until the parties hereto agree to its disbursement or
232 until a judgment of a court of competent jurisdiction shall determine the rights of the parties, or Agent may deposit same with the clerk of the
233 circuit court having jurisdiction of the dispute. An attorney who represents a party and also acts as Agent may represent such party in such
234 action. Upon notifying all parties concerned of such action, all liability on the part of Agent shall fully terminate, except to the extent of
235 accounting for any items previously delivered out of escrow. If a licensed real estate broker, Agent will comply with provisions of Chapter 475,
236 F.S., as amended. Any suit between Buyer and Seller wherein Agent is made a party because of acting as Agent hereunder, or in any suit
237 wherein Agent interpleads the subject matter of the escrow, Agent shall recover reasonable attorney's fees and costs incurred with these
238 amounts to be paid from and out of the escrowed funds or equivalent and charged and awarded as court costs in favor of the prevailing party.
239 The Agent shall not be liable to any party or person for misdelivery to Buyer or Seller of items subject to the escrow, unless such misdelivery is
240 due to willful breach of the provisions of this Contract or gross negligence of Agent.

241 R. ATTORNEYS FEES; COSTS: In any litigation, including breach, enforcement or interpretation, arising out of this Contract, the prevailing
242 party in such litigation, which, for purposes of this "AS IS" Standard, shall include Seller, Buyer and any brokers acting in agency or nonagency
243 relationships authorized by Chapter 475, F.S., as amended, shall be entitled to recover from the non-prevailing party reasonable attorney's fees,
244 costs and expenses.

245 S. FAILURE OF PERFORMANCE: If Buyer fails to perform this Contract within the time specified, including payment of all deposits, the
246 deposit(s) paid by Buyer and deposit(s) agreed to be paid, may be recovered and retained by and for the account of Seller as agreed upon
247 liquidated damages, consideration for the execution of this Contract and in full settlement of any claims; whereupon, Buyer and Seller shall be
248 relieved of all obligations under this Contract; or Seller, at Seller's option, may proceed in equity to enforce Seller's rights under this Contract. If
249 for any reason other than failure of Seller to make Seller's title marketable after diligent effort, Seller fails, neglects or refuses to perform this
250 Contract, Buyer may seek specific performance or elect to receive the return of Buyer's deposit(s) without thereby waiving any action for
251 damages resulting from Seller's breach.

252 T. CONTRACT NOT RECORDABLE; PERSONS BOUND; NOTICE; FACSIMILE: Neither this Contract nor any notice of it shall be recorded
253 in any public records. This Contract shall bind and inure to the benefit of the parties and their successors in interest. Whenever the context
254 permits, singular shall include plural and one gender shall include all. Notice and delivery given by or to the attorney or broker representing any
255 party shall be as effective as if given by or to that party. All notices must be in writing and may be made by mail, personal delivery or electronic
256 media. A legible facsimile copy of this Contract and any signatures hereon shall be considered for all purposes as an original.

257 U. CONVEYANCE: Seller shall convey marketable title to the Real Property by statutory warranty, trustee's, personal representative's, or
258 guardian's deed, as appropriate to the status of Seller, subject only to matters contained in Paragraph VII and those otherwise accepted by
259 Buyer. Personal Property shall, at the request of Buyer, be transferred by an absolute bill of sale with warranty of title, subject only to such
260 matters as may be otherwise provided for herein.

261 V. OTHER AGREEMENTS: No prior or present agreements or representations shall be binding upon Buyer or Seller unless included in this
262 Contract. No modification to or change in this Contract shall be valid or binding upon the parties unless in writing and executed by the parties
263 intended to be bound by it.

264 W. SELLER DISCLOSURE: (1) There are no facts known to Seller materially affecting the value of the Property which are not readily
265 observable by Buyer or which have not been disclosed to Buyer; (2) *Seller extends and intends no warranty and makes no representation*
266 *of any type, either express or implied, as to the physical condition or history of the Property; and (3) Seller has received no written or*
267 *verbal notice from any governmental entity or agency as to a currently uncorrected building, environmental or safety code violation.*

268 X. PROPERTY MAINTENANCE; PROPERTY ACCESS; ASSIGNMENT OF CONTRACTS AND WARRANTIES: Seller shall maintain the
269 Property, including, but not limited to lawn, shrubbery, and pool in the condition existing as of Effective Date, ordinary wear and tear excepted.
270 Seller shall, upon reasonable notice, provide utilities service and access to the Property for appraisal and inspections, including a walk-through
271 prior to Closing, to confirm that all items of Personal Property are on the Real Property and that the Property has been maintained as required
272 by this "AS IS" Standard. Seller will assign all assignable repair and treatment contracts and warranties to Buyer at Closing.

273 Y. 1031 EXCHANGE: If either Seller or Buyer wish to enter into a like-kind exchange (either simultaneous with Closing or deferred) with respect
274 to the Property under Section 1031 of the Internal Revenue Code ("Exchange"), the other party shall cooperate in all reasonable respects to
275 effectuate the Exchange, including the execution of documents; provided (1) the cooperating party shall incur no liability or expense related to
276 the Exchange and (2) the Closing shall not be contingent upon, nor extended or delayed by, such Exchange.

277 Z. BUYER WAIVER OF CLAIMS: ~~Buyer waives any claims against Seller and, to the extent permitted by law, against any real estate~~
278 ~~licensee involved in the negotiation of the Contract, for any defects or other damage that may exist at Closing of the Contract and be~~
279 ~~subsequently discovered by the Buyer or anyone claiming by, through, under or against the Buyer.~~

SIGNATURE PAGE

"AS-IS" CONTRACT FOR SALE AND PURCHASE

FOR REAL PROPERTY LOCATED AT

13850 N.E. 5TH AVENUE, NORTH MIAMI, FLORIDA

BY AND BETWEEN

RUBY A. EDWARDS, AS SELLER

AND

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, AS BUYER

BUYER:

NORTH MIAMI COMMUNITY
REDEVELOPMENT AGENCY,
a public body corporate and politic

By:

 9/14/07
Tony E. Crapp, Sr.
Executive Director

SELLER:



RUBY A. EDWARDS

Dated:

9-14-07

Approved as to form and legal sufficiency:

By:


GrayRobinson, P.A.
CRA Attorney

Dated: _____

ADDENDUM NUMBER ONE
TO "AS-IS" CONTRACT FOR SALE AND PURCHASE BETWEEN
RUBY A. EDWARDS, AS SELLER, AND
NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, AS BUYER

THIS ADDENDUM NUMBER ONE shall be construed as part of that certain "As-Is" Contract for Sale and Purchase of real property executed by the parties of even date herewith (the "Contract").

1. **Addendum Number One Controls.** In the event of any conflict between this Addendum Number One and the Contract it is agreed that this Addendum Number One shall control.

2. **This Contract.** All references herein to "this Contract" shall include Addendum Number One of the Contract.

3. **Deposit.** Within three (3) days following the issuance of the Governmental Approvals (as defined below) to Buyer, Buyer shall pay directly to Seller an earnest money deposit of Twenty Five and 00/100 Dollars (\$25,000.00) (the "Deposit"). Seller shall have the right to use the Deposit for the sole purpose of funding the purchase of a dwelling unit. Seller shall provide Buyer with documentation that the Deposit shall be used for such purpose as a condition precedent to Buyer's obligation to pay the Deposit to Seller. Notwithstanding anything herein to the contrary, Seller shall remain liable to Buyer to return the Deposit to Buyer in the event of Seller's default.

4. **Buyer's Contingencies.** Buyer's obligation to close the transaction and purchase the Property is expressly subject and contingent upon the following:

4.1 Buyer obtaining the approval of the Board of the North Miami Community Redevelopment Agency (the "NMCRA Board") to purchase the Property and finance the acquisition thereof (collectively, the "Governmental Approvals"). Buyer shall have up to and including the ninetieth (90th) day after the Effective Date (the "Government Approvals Date") to obtain the Government Approvals; and

4.2 Buyer obtaining and arranging for the financing the acquisition of the Property including, but not limited to, any approvals, including budget approvals, by Miami-Dade County, the City of North Miami and the NMCRA Board. Buyer shall have up to and including the one hundred and eightieth (180th) day after the Effective Date (the "Financing Date") to obtain and arrange for financing the acquisition of the Property; and

4.3 Buyer, at its cost and expense, obtaining an appraisal, from an appraiser selected by Buyer, of the Property confirming the market value of the Property is equal to or greater than the Purchase Price. Buyer shall have up to and including the ninetieth (90th) day after the Effective Date (the "Appraisal Date") to obtain the appraisal.

Notwithstanding anything to the contrary in this Contract, if any of Buyer's contingencies set forth in Section 4.1, 4.2 and/or 4.3 are not satisfied by the Government Approvals Date, Financing Date or Appraisal Date, respectively, Buyer shall have the right, to terminate this

Contract by delivering written notice to Seller or Seller's attorney to that effect no later than the tenth (10th) day following the Government Approvals Date, Financing Date or Appraisal Date, as applicable. If Buyer so delivers said notice not later than such date, then (a) this Contract shall be terminated and of no further force and effect except for those provisions which expressly survive termination; (b) the Seller shall deliver the Deposit to Buyer (if previously paid by Buyer); and (c) the parties shall have no further liability to one another under this Contract. The foregoing shall not preclude the parties from renegotiating and amending this Contract to address the failure of the contingencies to be satisfied; provided, however, that neither party shall be obligated to do so.

5. **Closing Date.** Provided the contingencies in Section 4 have been satisfied, waived or amended and Buyer has not terminated this Contract as provided for herein, or the closing date is not extended by the terms of this Contract or the mutual agreement of the parties, this transaction shall be closed and the deed and other closing documents delivered on a date mutually agreed to by the Buyer and Seller, which date shall be no earlier than September 30, 2007 and no later than December 31, 2007. Closing shall take place at the office of Buyer's or such other place as mutually agreed upon by the parties and at a time mutually agreed upon by the parties.

6. **Seller's Representations and Warranties.** Notwithstanding anything herein to the contrary, Seller hereby represents and warrants to Buyer as follows:

6.1 **Seller's Authority.** Seller has full power and authority to own and sell the Property and to comply with the terms of this Contract. The execution and delivery of this Contract by Seller and the consummation by Seller of the transaction contemplated by this Contract are within Seller's capacity.

6.2 **Litigation.** There are no actions, suits, proceedings or investigations pending or, to the knowledge of Seller, threatened against Seller or the property and Seller is not aware of any facts which might result in any such action, suite or proceeding. If Seller is served with process or receives notice that litigation may be commenced against it, Seller shall promptly notify Buyer.

6.3 **Parties in Possession.** There are no parties other than Seller in possession of any portion of the Property as lessees, tenants at sufferance or trespassers or otherwise. Seller shall deliver the Property to Buyer free and clear of all parties in possession including lessees, tenants at sufferance or trespassers or otherwise. There shall be no leases in effect at the time of closing.

6.4 **Adverse Information.** Seller has no information or knowledge of (a) any action by adjacent landowners, or (b) any other fact or condition of any kind or character which could materially adversely affect the Property.

6.5 **Survival of Representations.** All of the representations of Seller set forth in this Contract must be true upon the execution of this Contract, and must be true as of the Closing Date. The representations, warranties and agreements of Buyer or Seller set forth in this Contract shall survive the Closing.

7. **Real Estate Commission.** Buyer shall not be responsible for and shall not be required to pay any real estate brokerage fees or similar commissions. Seller represents and warrants to Buyer and Buyer represents and warrants to Seller that there are no brokers, salespersons or finders involved in this transaction. Seller and Buyer (to the extent permitted by law) agree to indemnify and hold each other harmless from any and all claims for any brokerage fees or similar commissions asserted by brokers, salespersons or finders claiming by, through or under the indemnifying party. The provisions of this Section shall expressly survive the closing or termination of this Contract.

8. **Notices.** Any notice, request, demand, instruction or other communication to be given to either party hereunder shall be in writing and shall be hand-delivered or sent by Federal Express or a comparable overnight mail service, or mailed by U.S. registered or certified mail, return receipt requested, postage prepaid, to Buyer, Seller, Buyer's attorney, and Seller's attorney, at their respective addresses set forth in this Contract. Notice shall be deemed to have been given upon receipt or refusal of delivery of said notice. Notices may be given by email or telecopy provided a hard copy of such notice is mailed in accordance with this Section on the next business day following such telecopy delivery. The addresses for the purpose of this paragraph may be changed by giving notice. Unless and until such written notice is received, the last addressee and address stated herein shall be deemed to continue in effect for all purposes hereunder.

[THE REST OF THIS PAGE WAS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Addendum Number One to be executed as of the day and year set forth below.

SELLER:

Ruby A. Edwards
RUBY A. EDWARDS

Dated: 9-14-07

BUYER:

NORTH MIAMI COMMUNITY
REDEVELOPMENT AGENCY

By: Tony E. Crapp, Sr. 9/16/07
Tony E. Crapp, Sr.
Executive Director

Approved as to form and legal sufficiency:

By: [Signature]
GrayRobinson, P.A.
CRA Attorney

Dated: _____



AGENDA ITEM VI

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Erlande Steril

Executive Director
Tony E. Crapp, Sr.

CRA Attorney
Steven W. Zelkowitz

Date: November 1, 2007

To: Chairman and Members
CRA Advisory Committee

From: Tony E. Crapp, Sr.
Executive Director

Subject: Status Update regarding the CRA's Due Diligence Review
for the Bel House Apartments Lease/Purchase Agreement

Attached for your information please find a copy of a letter dated October 24, 2007 regarding the status of the CRA's due diligence review as referenced above. The letter delineates the efforts that have been undertaken by the CRA and served to formally advise the building owner's of the termination of the lease/purchase agreement effective October 29, 2007 subject to an extension of the due diligence review period to November 30, 2007.

In response to the letter from the CRA the owner has consented to the extension of the due diligence period. The CRA plans to fully complete its due diligence review and present a recommendation to the CRA Board during its upcoming on November 27, 2007.

Please note that a status update regarding the CRA's due diligence will be provided during the upcoming CRAAC meeting on November 5, 2007.

NMCRAC memo for 110507 re Bel House Apartments due diligence review

PO Box 610655
North Miami, FL 33261-0655
P: 305.899.0272
F: 305.899.9376

www.NorthMiamiCRA.org

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NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
 Kevin A. Burns, Chair
 Michael R. Blynn
 Jacques Despinasse
 Scott Galvin
 Charles Erlande Steril

Executive Director
 Tony E. Crapp, Sr.

CRA Attorney
 Steven W. Zelkowitz

October 24, 2007

Ms. Roberta Segal
 Bel House Apartments, L.L.P.
 1065 NE 125th Street, Suite 405
 North Miami, FL 33161

RE: Lease Agreement with Option to Purchase dated as of August 1, 2007, by and between Bel House Apartments, L.L.P., as Landlord, and the North Miami Community Redevelopment Agency, as Tenant (the "Lease")

Dear Ms. Segal:

As you are aware the Tenant has performed certain due diligence with respect to the Premises (e.g. the Bel House Apartment buildings located at 13990 and 13925 NE 6th Avenue, North Miami, FL) including, but not limited to, the following items, copies of which have also been provided to the Landlord:

1. Analyzing Revenue/Expenses Reports provided by the Landlord
2. Obtaining a Phase I Site Environmental Review and Phase I Addendum (Mold, Mildew and Asbestos Report)
3. Termite Inspection Report
4. Review of Unresolved Code Violations and Open Building Permits
5. Independent Building Inspection Report

In this regard, the Tenant has spent considerable time, effort and expense during the Due Diligence Period. Thus far the results of such due diligence have revealed the need for the submission to the City of North Miami of a new 40 year building recertification inspection report for the 13925 building (e.g. the 45-unit apartment building). Additionally, construction cost estimates from the Tenant's affordable housing developer, North Miami Housing, Ltd., indicate necessary repairs and rehabilitation to the 13925 building would cost between approximately \$1.9 million to \$2.4 million. The foregoing repairs and rehabilitation will result in the project exceeding the 50% rule based upon the most recent appraisal obtained by the Tenant. In addition to exceeding the Tenant's proposed budget for this project, exceeding the 50% rule presents substantial zoning issues including a failure to meet parking requirements.

During the Due Diligence Period, we have met with you and your representatives to discuss these issues. The option of the Landlord obtaining its own appraisal was discussed. Additionally, your representatives indicated there may be a construction cost estimate for the repairs and rehabilitation in the range of approximately \$950,000. To date, we are unaware of the Landlord obtaining a new appraisal and have

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Jacques Despinosse
Scott Galvin
Marie Erlande Steril

Executive Director
Tony E. Crapp, Sr.

CRA Attorney
Steven W. Zelkowitz

not been provided with any details relative to the noted construction cost estimate.

Unfortunately, we have determined that the due diligence performed by the Tenant to date does not indicate that the repair and rehabilitation of the Premises is viable within the parameters of the Tenant's budget and applicable legal constraints. Accordingly, the purpose of this letter is to provide Landlord with written notice of Tenant's election to terminate the Lease pursuant to Section 7(a) thereof. Therefore, as of October 29, 2007, the Lease shall be terminated and of no further force and effect, except for those provisions that survive termination and the parties shall have no further liability to one another under the Lease.

Notwithstanding the foregoing, Tenant feels that additional due diligence may result in finding alternatives which could make the project financially and legally feasible. Accordingly, if the Landlord agrees to extend the Due Diligence Period to November 30, 2007, Tenant will continue to perform additional due diligence and the Lease will remain in full force and effect pursuant to its terms including the right of Tenant to terminate the Lease under Section 7(a) on or before November 30, 2007. If the Landlord is agreeable to such extension of the Due Diligence Period and the terms set forth in the preceding sentence, please sign below as indicated and return a copy of the countersigned letter to me by no later than 5:00 p.m. on October 29, 2007. If I do not receive a countersigned copy of this letter by that time, the Due Diligence Period shall not be extended and the Lease shall be terminated per the prior paragraph.

Sincerely,

Tony E. Crapp, Sr.
Executive Director

cc: Steve Zelkowitz, CRA Attorney
John Dellagloria, Attorney for the Landlord

Landlord hereby agrees to extend the Due Diligence Period to November 30, 2007 subject to Tenant's right to terminate by that date.

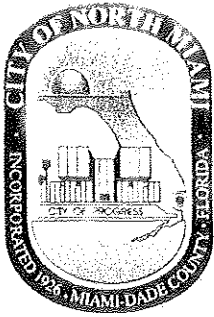
Bel House Apartments, L.L.P.

By:
Roberta Segal, Managing Partner

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North Miami, FL 33261-0655
305.899.0272
305.899.9376

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City of North Miami

776 Northeast 125th Street, North Miami, Florida 33161-5654

(305) 895-9820
Ext. 12243

RECEIVED

OCT 25 2007

October 22,, 2007

Bel House Apartments LLP
c/o Roberta Segal
1065 NE 125th Street
No. Miami, FL 33161

Re: Building Recertification – Rescind of Letter of Recertification
13925 NE 6th Avenue, North Miami, FL
Folio Number 06-2219-011-1280

Dear Ms. Segal:

On June 15, 2006, we mailed you a Letter of Recertification for the above noted property. We issued this letter on the basis of a building recertification report that you submitted to our office. The report was prepared by the GNP Engineering Group, Inc., and is dated October 4, 2004.

Our Building Official has reviewed the report and the Letter of Recertification that we issued to you, and he discovered that the submitted report was premature in its submittal, and therefore cannot be used as the basis for the building's 40-year recertification requirement. This decision was based upon the following facts:

1. Section 8-11(f) of the Code of Miami-Dade County specifies that buildings which are forty years or older must secure the services of a professional architect or engineer who must submit a written report that certifies that each applicable building or structure on the property is structurally safe for continued use and occupancy.
2. The apartment building located at 13925 NE 6th Avenue was built in 1966 (according to the Miami-Dade County Property Record).
3. The 40-year building recertification report was to be performed when the building reached 40 years of age.
4. The submitted report was performed on October 20, 2004 which is two years prior to the building reaching its 40th year anniversary.

Since the submitted report does not meet the County's Code or our City's Code requiring building recertification requirements, we cannot accept the premature inspection report for the purpose of building recertification.

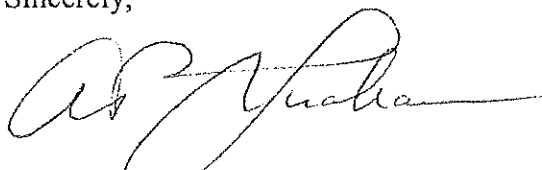
Bel House Apartments, October 22, 2007, page 2.

Based on the above facts, the Building Official has ordered that our Letter of Building recertification be rescinded as of this date. Therefore, in order for the building to be recertified, GNP Engineers Group, Inc. or any professional architect or engineer of your choosing will be required to re-inspect the apartment building and then complete the required structural and electrical inspection forms in accordance with the County's "Recommended Minimum Procedural Guidelines for Building Recertification" (herein enclosed).

We apologize for this inconvenience, and under the circumstances, we will allow you thirty (30) days from the date of this notification to re-submit new inspection reports to our office. Since our records indicate that you paid the recertification fee on June 15, 2006, we will not require any additional fees for the recertification.

If you have any questions, please contact me at (305) 895-9820, ext. 12243.

Sincerely,

A handwritten signature in cursive script, appearing to read "Alan P. Graham".

Alan P. Graham
Minimum Housing Inspector
Building and Zoning Department

cc: Jacqueline Y. Gonzalez, Director
John Jackson, Building Official
Tony Crapp, CRA Director