

Date: January 22, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

From: George M. Bursese
County Manager

Subject: Amendment to the FY 2007-2008 Budget and Approval of the FY 2008-09 Budget for
the North Miami Community Redevelopment Agency

Agenda Item No. 8(L)(1)(A)

Resolution No. R-38-09

Recommendation

It is recommended that the Board of County Commissioners (BCC) adopt the attached resolution approving an amendment to the North Miami Community Redevelopment Agency's (CRA) FY 2007-08 budget and approving the FY 2008-09 budget for the North Miami Community Redevelopment Area (the "Area"). The CRA's 2008-09 budget includes revenues and expenditures of \$14,290,323 as detailed in Exhibit I.

Scope of Agenda Item

This resolution provides the appropriation of tax increment funds derived from the North Miami Community Redevelopment Area and the reallocation of funds previously appropriated in FY 2007-08. The area lies within County Commission Districts 1, 2, 3, and 4.

Fiscal Impact / Funding Source

The CRA's revenue source is generated through the incremental growth of ad valorem revenues beyond an established base year, Tax Increment Financing (TIF), as defined in Section 163.387 of Florida State Statutes. County tax increment revenues for FY 2008-09 total \$3,420,768. The FY 2007-08 budget amendment includes no additional tax increment revenues from Miami-Dade County.

Track Record / Monitor

This resolution does not provide for contracting with any specific entity. The resolution approves the FY 2008-09 budget and an amendment to the FY 2007-08 budget for the CRA.

Background

On June 7, 2005, the BCC approved the establishment of the CRA when it approved the CRA's Community Redevelopment Plan (Plan) pursuant to Resolution R-610-05 and the funding of the Plan when it enacted Ordinance No. 05-109 (Trust Fund). An Interlocal Agreement between Miami-Dade County and the North Miami CRA was also approved by the BCC on June 7, 2005. The Interlocal Agreement requires the CRA to submit for County approval an annual budget for the implementation of the Plan.

It is recommended that the BCC approve the CRA's FY 2008-09 budget of \$14,290,323 which was approved by the CRA and the City of North Miami on September 24, 2008. The budget includes revenue sources of County Tax Increment Revenues (\$3,420,768) and City Tax Increment Revenues (\$5,149,865), carryover from prior years (\$2,606,440), proceeds from an existing line of credit

(\$2,250,000) secured by rent revenue collected from the Bel House Apartments, rent revenue (\$413,250), interest earnings (\$200,000) and an operating advance from the City of North Miami (\$250,000).

Administrative expenditures total \$690,710 and represent 4.8 percent of total expenditures, excluding the 1.5 percent County Administrative Charge of \$51,312, satisfying the 20 percent cap in administrative expenditures required by the Interlocal Agreement.

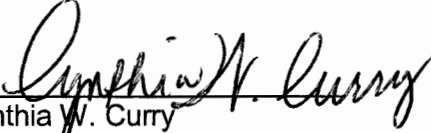
Operating expenditures total \$13,548,301 and include:

- \$5,935,000 for affordable housing programs such as the Pioneer Gardens Housing Development (\$3,300,000), the Bel House Apartments (\$1,760,000), homebuyer subsidies (\$400,000), residential rehabilitation program (\$275,000), and home mortgage foreclosure prevention program (\$200,000);
- \$1,756,920 for economic development programs such as commercial rehabilitation and beautification grants (\$1,089,220), the Commercial Corridor Improvement Program (\$400,000), and other economic development programs and support (\$267,700);
- \$700,000 for infrastructure and capital improvements projects including \$650,000 for area beautification and \$50,000 for park security enhancements;
- \$2,282,066 as a transfer back to the County from the tax increment derived from the area west of Biscayne Boulevard pursuant to the Interlocal Agreement;
- \$1,300,000 for the expansion of the Museum of Contemporary Art;
- \$492,025 to the City of North Miami to repay the \$250,00 operating advance and \$242,025 to cover community policing and City support services to the CRA;
- \$150,000 for socio-economic development programs; and
- \$932,290 for the operating portion of employee costs, legal services, debt service payments and other miscellaneous expenses.

It is also recommended that the Board approve an amendment to the CRA's FY 2007-08 budget, increasing the total from \$14,253,424 to \$14,715,671. Additional revenue includes a \$462,247 advance from the City of North Miami to fund environmental remediation costs for the Pioneer Gardens housing development site.

Increased FY 2007-08 expenses include environmental remediation of the Pioneer Gardens site (\$462,247). However, the CRA made reductions to the residential rehabilitation program (\$282,637) and affordable housing developer/owner incentive funding (\$107,500) to cover additional costs with homebuyer subsidies (\$50,000), strategic land/property acquisitions (\$140,137) and underground placement of FPL lines (\$200,000).

The Tax Increment Financing Coordinating Committee reviewed the CRA's FY 2008-09 budget and the FY 2007-08 budget amendment on November 19, 2008 and unanimously recommended them for BCC approval.


Cynthia W. Curry
Senior Advisor to the County Manager

Attachments



MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss **DATE:** January 22, 2009
and Members, Board of County Commissioners

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(L)(1)(A)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(L) (1) (A)
1-22-09

RESOLUTION NO. R-38-09

RESOLUTION AMENDING THE BUDGET FOR FISCAL
YEAR 2007-08 AND APPROVING THE BUDGET FOR
FISCAL YEAR 2008-09 FOR THE NORTH MIAMI
COMMUNITY REDEVELOPMENT AGENCY

WHEREAS, the Interlocal Cooperation Agreement between Miami-Dade County, Florida (the "County"), the city of North Miami (the "City"), and the North Miami Community Redevelopment Agency (the "Agency") requires that the City and Agency transmit its adopted annual budget and any amendments to the annual budget to the Board of County Commissioners of Miami-Dade County, Florida (the "Board") for approval; and

WHEREAS, this Board desires to approve an amendment to the Agency's adopted annual budget for Fiscal Year 2007-08 for the North Miami Community Redevelopment Area in the form attached hereto as Exhibit I and incorporated herein by reference; and

WHEREAS, this Board desires to approve the Agency's adopted annual budget for Fiscal Year 2008-09 for the North Miami Community Redevelopment Area in the form attached hereto as Exhibit I and incorporated herein by reference; and

WHEREAS, this Board desires to accomplish the purpose outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The matters contained in the foregoing recitals are incorporated in this Resolution by reference.

Section 2. This Board approves the amendment to the Agency's adopted budget for Fiscal Year 2007-08 related to the North Miami Community Redevelopment Area in the form attached hereto as Exhibit I.

Section 3. This Board approves the Agency's annual adopted budget for Fiscal Year 2008-09 related to the North Miami Community Redevelopment Area in the form attached hereto as Exhibit I.

The foregoing resolution was offered by Commissioner **Katy Sorenson**, who moved its adoption. The motion was seconded by Commissioner **Dennis C. Moss** and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman	aye		
Jose "Pepe" Diaz, Vice-Chairman	aye		
Bruno A. Barreiro	aye	Audrey M. Edmonson	absent
Carlos A. Gimenez	aye	Sally A. Heyman	aye
Barbara J. Jordan	aye	Joe A. Martinez	aye
Dorin D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 22nd day of January, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Kay Sullivan**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in black ink, appearing to be "Shannon D. Summerset", is written over a horizontal line.

Shannon D. Summerset

NORTH MIAMI
Community Redevelopment Agency
FY 2008 - 2009 Proposed Budget (round all dollars to nearest \$100)

(FY 08-09 Begins October 1, 2008)

September 30, 2008

	FY 06-07 Audited Actual	FY 07-08 Budget Adopted Final	FY 07-08 Budget Amended	FY 07-08 Projection	FY 08-09 Budget Adopted Final
Revenues					
City Tax Increment Revenue	3,992,309	4,688,354	4,688,354	4,688,354	5,149,865
County Tax Increment Revenue	2,651,341	3,142,882	3,142,882	3,142,882	3,420,768
Carryover from prior year	-	2,534,888	2,534,888	3,008,979	2,606,440
City Advances for Operations	218,500	250,000	250,000	218,500	250,000
Other - City Advances for Pioneer Gardens	-	-	462,247	462,247	-
Line of Credit - Pioneer Gardens	-	2,130,000	2,130,000	-	2,250,000
Loan Proceeds - Bel House	-	977,500	977,500	-	-
Leases and rentals	-	300,000	300,000	80,000	413,250
Interest earnings	209,536	250,000	250,000	180,000	200,000
Miscellaneous	249	-	-	500	-
Revenue Total	7,071,935	14,253,424	14,715,671	11,771,462	14,280,323

	FY 06-07 Actual	FY 07-08 Budget Adopted Final	FY 07-08 Budget Amended	FY 07-08 Projection	FY 08-09 Budget Adopted Final
Expenditures					
Administrative Expenditures:					
Employee Salary and Fringe	186,044	342,853	342,853	215,600	361,710
Legal and Professional services	178,994	137,500	137,500	95,000	110,000
Audits and Studies	8,562	-	-	-	-
Other Services	367	1,000	1,000	1,770	1,000
Insurance	9,286	15,000	15,000	8,875	15,000
Marketing and Promotions	23,421	55,000	55,000	10,760	50,000
Printing and Publishing	2,975	13,000	13,000	4,500	13,000
Communications - advertising, phone, etc.	10,076	13,000	13,000	7,775	13,000
Leases and Rentals	23,458	44,000	44,000	28,250	55,000
Repairs & Maintenance	1,367	2,000	2,000	1,800	2,000
Supplies	4,806	12,000	12,000	9,280	12,000
Non-Local travel Conferences)	9,038	40,000	40,000	20,500	50,000
Local meetings & schools	85	2,000	2,000	940	2,000
Mileage, tolls & parking	57	1,000	1,000	70	1,000
Dues and memberships	1,845	5,000	5,000	5,500	5,000
Capital outlay - equipment and furniture	4,147	-	-	2,500	-
Other Admin. Exps (see supporting documents)	6,913	-	-	-	-
(A) Subtotal Admin Expenses, %	481,441	683,353	683,353	413,100	690,710
County Administrative Charge at 1.5%	39,770	47,143	47,143	47,143	51,312
(B) Subtotal Admin Exp & County Charge	521,211	730,496	730,496	460,243	742,022
Operating Expenditures:					
Employee salary and fringe	170,329	382,147	382,147	215,600	388,290
Contractual services	-	-	-	-	-
Legal services	-	-	-	-	-
Legal and professional services	54,567	267,500	267,500	45,000	280,000
Audits and studies	-	-	-	260	-
Other services	-	-	-	-	-
Insurance	-	-	-	-	-
Marketing and promotions	7,506	5,000	5,000	12,240	10,000
Communications - advertising, phone, etc.	4,927	2,000	2,000	2,500	2,000
Supplies	-	-	-	-	-
Utilities	-	-	-	-	-
Capital outlay - equipment and furniture	-	15,000	15,000	-	30,000
Debt service	-	115,000	115,000	16,410	52,000
Project Planning and Studies	105,000	50,000	50,000	-	170,000
Affordable Housing Programs	-	5,483,125	5,605,235	1,702,872	5,935,000
Economic Development Programs	588,473	1,418,777	1,416,777	651,394	1,756,920
Infrastructure and Capital Improvements	-	1,380,000	1,580,000	1,550,000	700,000
Strategic Property Acquisitions	-	488,863	629,000	629,000	-
Educational & Cultural Facilities	-	500,000	500,000	500,000	1,300,000
Socio-Economic Programs	-	51,250	51,250	45,000	150,000
City of North Miami Dept Supplementals	-	-	-	-	242,025
Repayment to City on Agency Creation	-	333,000	333,000	332,737	-
Repayment to City on Current Advance	218,500	250,000	250,000	218,500	250,000
Transfers out to others (COUNTY)	2,437,880	2,783,266	2,783,266	2,783,266	2,282,066
Other Oper. Exps (see supporting documents)	-	-	-	-	-
(C) Subtotal Oper. Expenses	3,586,882	13,522,928	13,985,175	8,704,779	13,548,301
(D) Reserve/Contingency	2,963,741	-	-	-	-
Expenditure Total (A+B+C+D)	7,071,935	14,253,424	14,715,671	9,165,022	14,280,323

Cash Position (Rev-Exp)	-	-	-	2,606,440	-
Projects:					
Detailed Projects List - see page 2					
Total project dollars here:	695,841	9,703,015	10,165,262	5,411,003	10,253,945

Projects:	FY 06-07 Actual Expenditures	FY 07-06 Final Budget Expenditures	FY 07-08 Amended Budget Expenditures	FY 07-08 Proposed Expenditures	FY 08-09 Projected Expenditures
Proj Plann'g Agency Creation	-	333,000	333,000	332,797	-
Proj Plann'g Downtown Master Plan	-	-	-	-	-
Proj Plann'g ULDR (Zoning Rewrite)	105,000	-	-	-	-
Proj Plann'g Comp Plan Up-date	-	-	-	-	-
Proj Plann'g Downtown & NW 7th Ave Master Plan	-	50,000.0	50,000	-	100,000
Proj Plann'g North Miami Community ID Retail Study	-	-	-	-	70,000
Proj Plann'g Water/Sewer Impact Fee Study	-	-	-	-	-
Affrd Hsg Pioneer Gardens, Phase 1 Pre-development	2,368	315,625.0	315,625	315,625	-
Affrd Hsg Pioneer Gardens: 10/05-9/09	-	2,255,000	2,717,247	487,247	3,300,000
Affrd Hsg Homebuyers Subsidies: 10/06-on-going	-	625,000	675,000	200,000	400,000
Affrd Hsg Rehab Loans & Grants: 10/06-on-going	-	500,000	217,363	-	275,000
Affrd Hsg Home Mortgage Foreclosure Prevention	-	-	-	-	200,000
Affrd Hsg Developer Incentives: 10/06-on-going	-	160,000	52,500	50,000	-
Affrd Hsg Bel House Lease Payments	-	650,000	650,000	650,000	-
Affrd Hsg Bel House: 10/07-on-going	-	977,500	977,500	-	1,760,000
Econ Dev Com Corridor Impr's.: 10/05-on-going	527,347	375,000	375,000	335,000	400,000
Econ Dev Com Rehab Prog.: 10/05-on-going	61,128	252,000	252,000	316,394	385,220
Econ Dev Com Beautif Prog.: 10/06-on-going	-	142,000	142,000	-	-
Econ Dev Com Grants Program: 10/07-on-going	-	500,000	500,000	-	694,000
Econ Dev Economic Development Specialist	-	66,394	66,394	-	115,780
Econ Dev Micro Business USA Micro Loan	-	31,383	31,383	-	35,000
Econ Dev Com Dynamic CDC Business Outreach	-	50,000	50,000	-	60,000
Econ Dev Business Incentive/Financial Incentive	-	-	-	-	56,920
Infra & Capital Impr. District 4: 10/07-on-going	-	650,000	650,000	650,000	650,000
Infra & Capital Impr. NW 8 Ave FPL Lines: 10/07-on-going	-	200,000	400,000	400,000	-
Infra & Capital Impr. NM Stadium: 10/07-on-going	-	500,000	500,000	500,000	-
Infra & Capital Impr. City-wide WiFi: 10/07-on-going	-	30,000	30,000	-	-
Infra & Capital Impr. Security Enhancement-City Parks	-	-	-	-	50,000
Strategic Prop Acq.-13810 NE 5th Ave: 10/06-on-going	-	488,863	629,000	629,000	-
Strategic Prop Acq.- Miscellaneous: 10/07-on-going	-	-	-	-	-
Ed & CF Moca Expansion: 10/07-on-going	-	500,000	500,000	500,000	1,300,000
Socio-Eco Academic Incentives: 10/07-on-going	-	51,250	51,250	45,000	100,000
Socio-Eco Police Athletic League	-	-	-	-	50,000
CNM-Supplemental-CMO Redevelopment Support	-	-	-	-	84,028
CNM Supplemental-IT Web/TV Station Manager	-	-	-	-	17,101
CNM Supplemental-Purchasing/Buyer	-	-	-	-	23,113
CNM Supplemental-Police/ Holiday Enforcement	-	-	-	-	39,360
CNM Supplemental-Water & Sewer Conservation	-	-	-	-	12,500
CNM Supplemental-MOCA Music Concert Series	-	-	-	-	65,925
Total project dollars here:	695,841	9,703,015	10,165,262	5,411,003	10,253,945

ATTACHMENT A NMCRA FY 2008-09 ADOPTED FINAL BUDGET - 09/24/08

(1) CRA Projects, Services & Programs:	(2) Amended FY 2006-07 Budget	(3) Adopted Final FY 2007-08 Budget	(4) Amended FY 2007-08 Budget	(5) FY 2007-08 Projection	(6) FY 2008-09 Adopted Final Budget	(7) Comments relative to the FY 2008-09 Budget
(A) Economic Development Assistance and Incentive Fund	857,500	1,041,777	1,041,777	318,394	1,398,820	
• Commercial Rehabilitation Program	[480,000]	[240K + 12K = 252K]			[395,220]	This \$395,220 will fund new Commercial Grants
• Commercial Beautification Program	[315,000]	[(135K + 7K = 142K)]				
• Carryover funds for Grants		[500,000]			[884,000]	
• % of Cost for the City Econ. Dev. Specialist	[62,500]	[68,394]			[118,780]	Reimb. to City is at 80% of total cost vs. 50% in FY 2007-08
• Micro-Business USA - North Miami Entrepreneurial Training & Micro-loan Program		[31,383]			[35,000]	
• Dynamic CDC - Business Out/reach Services		[50,000]			[80,000]	
• Business Incentives and/or Financial Assistance					[56,920]	Guidelines pending CRA review/approval
(B) Commercial Corridor Improvement Program	550,000	375,000	375,000	335,000	400,000	Includes funding to City for: Public Works - 288,249 Code Enforce. - 67,825
(C) Pioneer Gardens (Ruck's Park) Affordable Housing Development		2,255,000	2,717,247	487,247	3,300,000	
• Land Clearing	1,738					
• Homebuyer Counseling and Credit Qualifying	71,414	[260,000]	[280,000]		[260,000]	
• Legal Fees/Prof. Svcs.	75,000	[25,000]	[25,000]		[25,000]	
• Developer's Fee to NMH (Funding from the CRA LOC)	-0-	[1,880,000]	[1,880,000]		[2,000,000]	
• Special Audit (Inspector General)	25,000	[25,000]	[25,000]		[25,000]	
• Construction Mgt. Services		[75,000]	[75,000]			
• Site/Environmental Conditions			[462,247]		[1,000,000]	Includes funds to repay funding advances from the City during FY 07-08 (e.g. \$482,247.81 as of 5/28/08)
(D) Residential Rehabilitation Program for homeowners	342,565	500,000	217,363	-0-	275,000	5 homes @ \$50K + support costs
(E) Homebuyer Subsidies for purchase of homes (excluding Pioneer Gardens at North Miami)	200,000	625,000	875,000	200,000	400,000	6-7 homebuyers @ \$50K + support costs
(E1) Home Mortgage Foreclosure Prevention					200,000	
(F) Developer/Owner incentive funding for affordable housing units (excluding Pioneer Gardens at North Miami)	500,000	160,000	52,500	60,000		
(G) Downtown Development Master Plan, including NW 7th Avenue and including exploration of a WFI access system as a downtown/citywide enhancement	150,000	50,000	50,000	-0-	100,000	
(H) CRA Contribution for re-writes of the City Zoning Code	100,000					
(I) CRA Contribution for update of the City CDMP	80,000					
(J) Citywide Water and Sewer Impact Fee Study	25,000					
(K) Repayment of CRA creation expenses (est. at \$783K) to the City	450,000	333,000	333,000	332,737		
(L) Strategic Land/Property Acquisitions	330,000	485,863	628,000	628,000		
	Acq. of duplex at Pioneer Gardens site					
(M) Neighborhood Beautification		650,000 - District 4	650,000 - District 4	650,000	660,000	
(N) Lease/Purchase of the Bel House Apartments		660,000	660,000	650,000	680,000	
(O) Rehab of Bel House Apts		977,500	977,500	-0-	1,100,000	Includes funds for Rehab, Work est. at \$350,322 & the 15% Developer's Fee est. at \$143,476
(P) Underground Placement of FPL lines on NE 6th Avenue from approx. NE 131 - 135 Street		250,000	400,000	400,000		
(Q) Repayment of Ruck's Park I project costs to the City		316,625	316,625	316,625		
(R) Academic/Internship Program - \$62,600 request		61,250	51,250	45,000	100,000	
(S) IT - Citywide WFI Access Pts. - \$80K request		30,000	30,000	-0-		
(T) P&R - North Miami Stadium Field Re-Surfacing - \$600K request		500,000	500,000	500,000		
(U) New Water Plant Debt Service						
(V) MOCA Expansion A&E services and development support		600,000	600,000	503,000	1,300,000	

ATTACHMENT A NMCRA FY 2008-09 ADOPTED FINAL BUDGET - 09/24/08

(W) Police Athletic League of North Miami					50,000	
(X) North Miami Community ID Retail Study					70,000	
(Y) Security Enhancement at City Parks					60,000	Placement of security cameras at Pepper Park and other parks to be identified in consultation with the Police Department
City Dept. 08-09 Supplementals						
(1) CMO - Redev. Project Support					84,026	
(2) IT - Web/PTV Station Manager for Channel 77					17,101	
(3) Purchasing - Buyer Position					23,113	
(4) Police - Holiday Enforcement Action Team					39,380	
(5) Water & Sewer - Conservation Program					12,500	
(6) MOCA - Jazz Music Monthly Concert Series					66,025	
TOTAL	\$3,758,217	\$ 9,703,015	\$10,166,262	\$6,411,003	\$10,263,946	
(1) Revenue and Expense Recap	(2) Amended FY 2006-07 Budget	(3) Adopted Final FY 2007-08 Budget	(4) Amended FY 2007-08 Budget	(5) FY 2007-08 Projection	(6) FY 2008-09 Adopted Final Budget	(7) Comments relative to the FY 2008-09 budget
Revenue						
TIF Revenue	6,643,650	7,811,236	7,811,236	7,811,236	8,670,833	\$6,149,866 - City \$3,420,768 - County
Prior Year Carryover	618,863	2,534,888	2,534,888	3,008,979	2,606,440	
Other - LOC	-0-	2,130,000	2,130,000	-0-	2,250,000	\$2M - 50% Dev. Fee \$.250M - 50% Marketing
Other - City Advance for operations	218,500	250,000	250,000	218,500	250,000	
Other - City Advance for Pioneer Gardens			462,247	462,247		Advance for site and environmental remediation
Other - Interest	265,000	250,000	250,000	160,000	200,000	
Other - Misc.	240			500		West: \$10K x 12 months = \$120K East: \$82.5K x 6 months = \$495K \$435,000 x 96% = \$413,250
Other - Bel House Apts. Rents		300,000	300,000	80,000	413,250	
Other - Rehab Loan for Bel House Apts		977,500	977,500	-0-	-0-	
TOTAL REVENUE	\$7,744,243	\$14,283,424	\$14,715,071	\$11,771,462	\$14,280,323	
Expenses						
Personnel	698,433	725,000	728,000	431,200	750,000	Assumes filling of existing vacant positions and increased cost
Operating	610,910	615,000	615,000	255,000	621,000	Assumes relocation of the CRA offices and increased cost
Capital Outlay	25,000	15,000	15,000	2,800	30,000	Capital cost for office relocation and increased staffing level
Debt Service	66,733	116,000	116,000	16,410	52,000	Includes debt service payment for the LOC with Regions Bank
County Administrative Fee	39,770	47,143	47,143	47,143	51,312 (@ 1.5% of Gross County TIF Revenue)	
County TIF Refund	2,437,680	2,783,268	2,783,268	2,783,268	2,282,066	
City Advance Repayment	218,500	250,000	250,000	218,500	250,000	
Reserve/Contingency						
Sub-Total Expenses	3,988,028	4,650,409	4,650,409	3,764,019	4,038,378	
TOTAL Balance Remaining for Project and Program Allocations	\$3,758,217	\$ 9,703,015	\$10,166,262	\$ 8,017,443	\$10,263,946	

ATTACHMENT B North Miami CRA Tax Increment Financing (TIF) Revenue Projection for the FY 2008-09 Budget

	(A) Base Taxable Property Value (TV) (2004)	(B) FY 2005-06	(C) FY 2006-07	(E) FY 2007-08	(F) FY 2008-09
(1) City of North Miami (CNM)	1,917,218,123	2,282,812,349 (+19%)	2,785,812,593 (+22%)	3,235,295,577 (+16%)	3,257,864,149 (+0.7%)
(2) CNM CRA Area TV	869,122,633 879,399,850 (c) - per City	1,050,153,621 (+21%)	1,375,435,542 (+31%)	1,602,561,496 (per City) (+17%)	1,662,825,105 (+3.8%)
(3) CNM CRA Area TV Increment	181,030,988	181,030,988	506,316,909	723,261,646 (per City)	783,425,255 (per City prelim. Est. as of 7/24/08)
(4) CNM Property Tax Millage Rate	8.500	8.500	8.500	6.7943	6.9195 (per City Budget Hearing on 9/8/08)
(5) CNM TIF Revenue Payment @95%	\$1,461,825	\$1,992,309	\$3,992,309	4,668,354	5,149,865
(6) Property Taxes paid to CNM by BL @ 95%	\$296,266	\$306,130	\$298,886		
(7) Miami-Dade County (MDC) CRA Area TV	870,634,294 (c) - per County	1,050,153,621 (+21%)	1,366,163,674 (+30%)	1,586,871,505 (per County) (+16%)	1,646,963,932 (per County) (+4.0%)
(8) MDC CRA Area TV Increment	181,030,988	181,030,988	497,041,041	716,437,211 (per County)	779,529,658 (per County) (+8.8%)
(9) MDC Property Tax Millage Rate	5.835	5.615	5.615	4.5796	4.8379 (per BCC final hearing on 9/18/08)
(10) MDC Gross TIF Revenue Payment w/o Refund @95%	1,003,500	1,003,500	2,651,341	3,142,882 (per County) (3,116,946 + 25,936)	3,420,768 (Budget Projection was \$3,240) (3,582,722 - 161,954) [Note: \$161,954 is a reduction for the 2006 adjusted taxable value]
(11) Total City and MDC Gross TIF Payments @95% (5+10)	\$2,465,323	\$2,465,323	\$6,643,650	\$7,811,226	\$8,570,633
(12) 20% Administrative Exp. Cap	493,065	493,065	1,328,730	1,562,247	
(13) MDC Excluded TV for Refund	854,708,441 855,696,241 (c) - per County	995,684,889 (+16%)	1,311,694,942 [Final=1,252,903,208] (+32%)	1,489,539,138 (per County) (+13.6%)	1,421,614,824 (-4.6%)
(14) MDC Incremental Excluded TV for Refund	140,976,448 (78%)	140,976,448 (78%)	456,986,501 (92%)	633,840,897	565,916,583
(15) MDC Adjusted Net TV (7-13)	54,468,732	54,468,732	54,468,732	97,332,367	228,349,128
(16) MDC Incremental Adjusted Net TV (15-15A) (Folio # 06-2221-034-010)	40,054,540	40,054,540	40,054,540	82,918,175	213,934,936
(17) Total TV of Biscayne Landing Site	36,689,336	36,689,336	38,824,414	43,990,843	
(18) TIF Revenue Refunded to MDC	\$781,468	\$781,468	\$2,437,680	2,783,266 (per County) (2,757,601 + 25,665)	2,282,866 (est. per final County millage) (2,600,955 - 318,889) [Note: \$318,889 is a reduction for the 2006 refund overpayment]
(19) MDC Net TIF Revenue Payment after Refund (10-18)	\$222,032	\$222,032	\$313,661	\$359,616	\$1,138,702
(20) Property Taxes paid to MDC by BL @ 95%	\$209,378	\$209,378	\$207,099	\$201,460	
(21) Total City and Net MDC TIF Revenue Payments (11-15) or (5+19)	\$1,683,857	\$1,683,857	\$4,205,970	\$5,027,970	\$4,269,535
(22) Total Budgeted Operating Expenses (excluding Debt Service, County Admin., Per. County TIF Refund, and City Advance Payment)	1,166,805	1,166,805	1,220,919	1,355,000	1,401,000
(23) Balance of TIF Revenue available for Projects, Programs and Long-term Debt Service	\$517,052	\$517,052	\$2,985,051	\$3,672,970	\$4,868,535

North Miami CRA TIF Revenue Projection for FY200809 Budget 09/23/08 tessr

ATTACHMENT C

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY FY 2008-09 PROPOSED PERSONNEL SERVICES EXPENSES AND COST ALLOCATION

	<u>FY 2008/09</u>	<u>Staff Allocation Plan</u>		
	<u>Personnel</u> <u>Budget</u>	<u>Admin.</u> <u>Budget</u>	<u>Project</u> <u>Budget</u>	<u>%</u> <u>Rate (1)</u>
Personnel Services				
Regular Salaries				
Executive Director	204,575	102,288	102,287	50%
Redevelopment Program Manager	95,000	23,750	71,250	75%
Finance Manager	78,220	39,110	39,110	50%
Urban Redevelopment Planner	70,000	-	70,000	100%
Special Projects Manager	56,940	28,470	28,470	50%
Executive Secretary	40,000	40,000	-	0%
Subtotal – Salaries (2)	<u>544,735</u>	<u>233,618</u>	<u>311,117</u>	
Expense Allowance – Exec. Dir.	6,000	3,000	3,000	
Total Taxable Earnings	<u>\$550,735</u>	<u>236,618</u>	<u>314,117</u>	
Fringe Benefits				
FICA/Medicare – Employer (5)	35,410			
Health/Dental Insurance (3)	85,000			
Life/Disability Insurance (4)	10,000			
Worker’s Compensation Insurance (5)	2,770			
Pension – Employer Contribution (6)	54,475			
Subtotal – Benefits	<u>\$187,655</u>			
Contingency	11,610			
Total Personnel Services	\$750,000			

NOTES:

- (1) 2008/09 Staff Rate Allocated to Project Operating Expenses.
- (2) Budgeted Regular Salary projections for staff positions filled as of 9/30/08 include a reserve for an up to 3% salary adjustment.
- (3) CRA will pay 100% of the annual cost for Health and Dental insurance coverage through the City of North Miami up to \$12,000 for each eligible full-time employee, with the cost for the Executive Director being paid 100% by the CRA as per contract. (e.g. 5 employees x \$12K = \$60K; and 1 employee x \$25K = \$25K for most expensive City coverage option for budgeting purposes).
- (4) CRA will pay 100% benefit for the Executive Director as per contract, and will pay 100% of the cost for life insurance coverage in the amount of 1 times the employee’s gross annual salary for all other full-time employees.
- (5) CRA cost of required employer contributions and insurance coverage. Employer’s FICA contribution is estimated at 6.5% of the salary appropriation.
- (6) CRA will pay 100% of the cost based on a contribution of 10% of the gross salary for each employee

ATTACHMENT D
NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY
FY 2008-09 PROPOSED SCHEDULE OF OPERATING EXPENSES AND
CAPITAL OUTLAY

<u>Operating Expenses</u>	<u>Adopted</u>	<u>Proposed</u>	<u>FY 2008-09</u>	
	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>Admin.</u>	<u>Project</u>
Prof. Services (see schedule)	405,000	390,000	110,000	280,000
Other Services:				
Finance & Bank Charges	750	750	750	
Licenses & Permit Fees	<u>250</u>	<u>250</u>	<u>250</u>	
Subtotal – Other Svcs.	1,000	1,000	1,000	
Insurance	15,000	15,000	15,000	
Marketing & Promotion:				
Marketing	25,000	35,000	25,000	10,000
Sponsorships & Contrib.	<u>35,000</u>	<u>25,000</u>	<u>25,000</u>	
Subtotal – Marketing & Promotion	60,000	60,000	50,000	10,000
Printing & Reproduction	13,000	13,000	13,000	
Communications:				
Advertising & Notices	5,000	5,000	3,000	2,000
Postage & Delivery	1,500	1,500	1,500	
Telephone/DSL/Cable TV	6,500	6,500	6,500	
Internet/Web Services	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	
Subtotal – Communications	15,000	15,000	13,000	2,000
Leases & Rentals:				
Office Rental	40,000	50,000	50,000	
Equipment Rental	<u>4,000</u>	<u>5,000</u>	<u>5,000</u>	
Subtotal – Leases & Rentals	44,000	55,000	55,000	
Repair & Maintenance:				
Computer Maintenance	2,000	2,000	2,000	
Supplies:				
Office Supplies	6,000	6,000	6,000	
Operating Supplies	3,500	3,500	3,500	
Data Processing				
Supplies/Software	1,500	1,500	1,500	
Books & Subscriptions	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	
Subtotal – Supplies	12,000	12,000	12,000	

ATTACHMENT D

	<u>Adopted</u> <u>FY 2007-08</u>	<u>Proposed</u> <u>FY 2008-09</u>	<u>FY 2008-09</u> <u>Admin.</u>	<u>Project</u>
Other Oper. Expenses:				
Travel				
Conferences	25,000	30,000	30,000	
Meetings	<u>15,000</u>	<u>20,000</u>	<u>20,000</u>	
	40,000	50,000	50,000	
Local Meetings & Schools	2,000	2,000	2,000	
Milcage, Tolls & Parking Fees	1,000	1,000	1,000	
Dues & Memberships	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	
Subtotal – Other Oper. Exp.	48,000	58,000	58,000	
Total Operating Expenses	\$615,000	\$621,000		
<u>Capital Outlay</u>				
Office Furniture	7,000	15,000		15,000
Computer Equipment	5,000	10,000		10,000
Other Office Equipment	<u>2,500</u>	<u>5,000</u>		<u>5,000</u>
Total Capital Outlay	\$ 15,000	\$30,000		15,000
TOTAL OPER. EXP.				
& CAPITAL OUTLAY	\$630,000	\$651,000		

NMCRA FY 200809 Budget Support schedule for operating and capital expenses 072208

**NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY
FY 2008-09 PROPOSED SCHEDULE OF LEGAL AND PROFESSIONAL SERVICES**

	<u>FY 2008/09</u>	<u>FY 2008/09</u>	
	<u>Contractual</u> <u>Budget</u>	<u>Admin.</u> <u>Budget</u>	<u>Project</u> <u>Budget</u>
<u>Legal and Professional Services</u>			
Accounting & Auditing (1)	10,000	10,000	-
Legal Services (2)	100,000	67,500	32,500
Financial Advisory Services (3)	30,000	7,500	22,500
Bond Counsel Services (4)	20,000	5,000	15,000
Community Outreach Services (5)	40,000	10,000	30,000
Other Professional Services (6)	190,000	10,000	180,000
Total -- Professional Services	<u>390,000</u>	<u>110,000</u>	<u>280,000</u>

NOTES:

- (1) Services to be provided by Sanson Kline as per contractual for year number two to conduct the FY 2007-08 independent audit.
- (2) Services to be provided by Gray Robinson, PA per contractual agreement.
- (3) Services to be provided by First Southwest per contractual agreement.
- (4) Services to be provided by Squire Sanders per contractual agreement.
- (5) Services to be provided by Guylene Berry per contractual agreement.
- (6) Services to be provided by a variety of professional consultants to be selected as needed to address the following anticipated needs for professional services.

<u>Professional Service</u>	<u>Est. Total</u>	<u>Admin.</u>	<u>Project</u>
Affordable Housing Dev.	50,000		50,000
Property Appraisals	25,000		25,000
Real Estate Advisory	15,000		15,000
Redevelopment Planning	50,000		50,000
Architectural/Engineering	25,000		25,000
Misc./Other (Retreat, etc.)	25,000	10,000	15,000
Total	190,000	10,000	180,000

NMCRA FY 200809 Budget Supporting Schedule for professional services 072108

ATTACHMENT E

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY FY 2008-09 PROPOSED DEBT SERVICE EXPENSES

Debt Service Expense – Region’s Bank Line of Credit (LOC)

- (1) Interest payments on the LOC are due on 4/1 and 10/1 of each year at 5.79% per annum on the amount of the LOC that has been drawn down as of each date. During FY 2008-09 it is assumed that of the expected draw down of \$2,250,000 (e.g. \$2,000,000 for developer fees and \$250,000 for the marketing, homebuyer training and purchase assistance services related to the Pioneer Gardens housing development project) no funds will have been drawn down as of 10/1/08 and that some \$1,000,000 for developer fees and \$250,000 for marketing and homebuyer services will be drawn down as of 4/1/09.

<u>Date</u>	<u>Est. Amount Drawn Down</u>	<u>Debt Service Payment Due</u>
10/1/08	-0-	\$ -0-
04/1/09	1M + 250K = 1.250M	\$ 36,188

$$\begin{aligned}
 &1.250M \times 5.79\% \text{ per annum} = \\
 &72,375 \text{ for 12 months} \times \\
 &.5 \text{ for 6 months} = 36,188
 \end{aligned}$$

- (2) The LOC also has an Availability Fee charge of 0.15% (15 basis points) per annum on the portion of the principal amount of the Note that has not been drawn down as of each such date. The fee is due on each Interest Payment Date (e.g. on 4/1 and 10/1 of each year).

<u>Date</u>	<u>Est. Amount Not Drawn</u>	<u>Debt Service Payment Due</u>
10/1/08	10,758,300	\$ 8,069
04/1/09	9,508,300	\$ 7,132

$$\begin{aligned}
 &10,758,300 \times .15\% \text{ per annum} = \\
 &16,137 \text{ for 12 months} \times \\
 &.5 \text{ for 6 months} = 8,069
 \end{aligned}$$

$$\begin{aligned}
 &9,508,300 \times .15\% \text{ per annum} = \\
 &14,263 \text{ for 12 months} \times \\
 &.5 \text{ for 6 months} = 7,132
 \end{aligned}$$

- (3) Total 1 + 2 above = 36,188 + (8,069 + 7,132) = \$51,389 = Round up to \$52,000 for budget purposes

AGENDA ITEM I

MEMORANDUM

Date: September 23, 2008 [Revised on 9/25/08]
To: Honorable Chairman and Members
CRA Board of Commissioners
From: Tony E. Crapp, Sr., Executive Director
Subject: **FY 2008-09 Proposed Final Budget**

Please note that this memo has been revised to reflect the amendments that were made by the CRA Board during the meeting on September 24, 2008 in approving the FY 2008-09 budget.

It is recommended that the CRA Board adopt the FY 2008-09 Proposed Final Budget during its upcoming meeting on September 24, 2008. To facilitate your review and consideration of the FY 2008-09 budget several schedules are attached for your information and are referenced in the body of this memorandum.

To begin, please note that **Attachment A** entitled NMCRA FY 2008-09 Proposed Final Budget and dated 9/23/08 is the most recently updated version of the schedule that has been used to delineate and discuss the FY 2008-09 budget priorities and revenue/expense re-cap with comparative budget summaries and detailed comments and descriptions regarding proposed allocations for CRA projects, programs and initiatives. This attachment has been reviewed with regard to the discussions of relative budget priorities during the various budget priority discussions that have taken place with the CRA Advisory Committee and the CRA Board over the past few months. In addition to Attachment A please find the following supporting attachments as listed below:

- **Attachment B** – NMCRA Tax Increment Financing (TIF) Revenue Projection for the FY 2008-09
- **Attachment C** – NMCRA FY 2008-09 Proposed Personnel Services Expenses and Cost Allocation
- **Attachment D** – NMCRA FY 2008-09 Proposed Operating Expenses and Capital Outlay
- **Attachment E** – NMCRA FY 2008-09 Proposed Debt Service Expenses

Please be advised that both the City and Miami-Dade County have held the required two (2) public hearings on their tentative millage rates and budgets. The County public hearings were held on September 4th and 18th, and the City public hearings were held on September 8th and 22nd, 2008. The tentative millage rates established by the City and County for the first budget hearings were 7.5000 and 4.8733 respectively. The final adopted millage rates for FY 2008-09 were reduced by both taxing jurisdictions to reflect an adopted rate of 4.8379 for Miami-Dade County and an adopted rate of 6.9195 for the City of North Miami.

AGENDA ITEM I

In addition, please note that the CRA received a letter from Miami-Dade County on 8/6/08 that provided updated FY 2008-09 estimates of the County's TIF revenue payment, County TIF refund and administrative fee. The Attachment A exhibit has been adjusted as needed to reflect these most current estimates as adjusted by the County's final adopted millage rate as of 9/18/08. Moreover, further adjustments have been made pursuant to the review and confirmation of proposed City funding allocations and the CRA Board discussion on 8/26/08 relative to a more conservative timetable for the completion of the rehabilitation and the re-occupancy of the 45-unit Bel House east apartment building.

During the CRA Board workshop and public hearing on the FY 2008-09 Proposed Preliminary Budget that was held on 9/9/08 the Board adopted a motion making certain changes to the proposed budget as reflected in the Attachment A dated 9/9/08 which was presented for the Board's consideration. The Attachment A dated 9/9/08 had been updated to make budget changes principally resulting from a reduction of \$150,135 in anticipated City TIF Revenue due to the City Council's adoption of a tentative millage rate of 6.9195 during the City's first budget hearing that was held on 9/8/08. The specific changes made to the budget pursuant to the motion adopted by the Board on 9/9/08 are as follows:

- Reduced the \$550,000 proposed allocation for Homebuyer Subsidies to \$400,000 with the \$150,000 allocated for a Home Mortgage Foreclosure Prevention program
- Eliminated the proposed Rehabilitation Loan for the Bel House Apartments in the amount of \$1,250,000 as a source of revenue and reallocated the proposed allocation of \$1,016,727 from Strategic Land/Property Acquisition to the Rehabilitation of the Bel House Apartments
- Reallocated the proposed funding in the amount of \$1,000,000 for the New Water Plant debt service to the MOCA Expansion project
- Reallocated the proposed allocation of \$100,000 for debt service on the anticipated Rehabilitation Loan for the Bel House Apartments by allocating \$50,000 in additional funding to the MOCA Expansion project, and by allocating \$50,000 to the Police Athletic League of North Miami (PAL) subject to further review of the proposed allocation by the CRAAC and the CRA Board [Note: should the PAL project not be funded the Board's motion would shift the \$50,000 allocation as additional funding for the Downtown Development Master Plan project]

Following the CRA Board meeting on 9/9/08, the CRA Advisory Committee met on 9/15/08 to consider the FY 2008-09 Proposed Preliminary Budget as amended by the action of the CRA Board. During the CRAAC's discussion the following motions were adopted for consideration by the Board.

Motion to recommend that the FY 2008-09 budget include a funding allocation in the amount of \$77,300 for the Police Athletic League of North Miami

Approved by a vote of 8-0

Motion to recommend that the proposed FY 2008-09 funding allocation for the Academic Internship Program be reduced by \$27,300 and that the amount of \$27,300 be provided to PAL as additional funding for a total of \$77,300

Approved by a vote of 7-1 (Mr. Reynolds voted against)

AGENDA ITEM I

Motion to recommend that the CRA Board approve the FY 2008-09 budget as amended by the motions adopted by the CRAAC

Approved by a vote of 7-1 (Mr. Wolin voted against)

In addition to considering the CRAAC's recommendation regarding funding for PAL, the Board is being advised that during the County's final budget hearing on 9/18/08 a millage rate of 4.8379 was adopted. The final adopted County millage rate is below the TRIM-noticed rate of 4.8733 and above the rate that was anticipated by the CRA in the FY 2008-09 Proposed Preliminary Budget. The combination of the rate reduction by the County and the conservative estimate used by the CRA results in a net increase of \$220,768 in additional TIF revenue from the County. Attachment A reflects the County TIF Revenue Payment to the CRA in the amount of \$3,420,768 based on the adopted millage rate of 4.8379. In addition, related to the millage rate reduction, there are expenditure reductions in the estimated County Administrative Fee payment from \$51,705 to \$51,312 (a reduction of \$393), and the estimated County TIF Refund from \$2,301,098 to \$2,282,066 (a reduction of \$19,032). The FY 2008-09 Proposed Final Budget reflects the recommendation that the total amount of the increased revenue and the expenditure reductions totaling \$240,193 be allocated for the Rehabilitation of the Bel House Apartments thereby increasing that funding allocation from \$1,016,727 to \$1,256,920.

During the second budget hearing on 9/22/08 the City Council adopted the final millage rate of 6.9195 for the City of North Miami's FY 2008-09 budget. Attachment A reflects the City TIF Revenue Payment to the CRA in the amount of \$5,149,865.

During the CRA Board discussion and consideration of the FY 2008-09 budget pursuant to a public hearing, the following amendments were made prior to the approval of the budget as amended:

- **Reduced the funding allocation for the Rehabilitation of the Bel House Apartments from \$1,256,920 to \$1,100,000**
- **Increased the funding allocation for the Economic Development Assistance and Incentive Fund from \$1,300,000 to \$1,356,920 and designated the increase of \$56,920 for a Business Incentive and/or Financial Assistance program to be proposed with guidelines to be reviewed/approved by the CRA Board**
- **Increased the funding allocation for the Home Mortgage Foreclosure Prevention Program from \$150,000 to \$200,000**
- **Allocated funding in the amount of \$50,000 to provide Security Enhancement at City Parks through the placement of security cameras at Pepper park and other parks to be identified in consultation with the North Miami Police Department**

The discussion of the budget which follows is based on the FY 2008-09 budget as amended and approved by the CRA Board on 9/24/08.

FY 2008-09 Proposed Revenues

The FY 2008-09 Proposed Preliminary Budget anticipates a total of **\$14,290,323** in available revenues from the following sources: **\$8,570,633** in combined TIF revenue payments from the City of North Miami (\$5,149,865) and Miami-Dade County (\$3,420,768) respectively; **\$2,606,440** in Carry Forward revenue resulting from the under expenditure of the FY 2007-08 budget; **\$2,250,000** in revenue that is anticipated to be drawn down from the CRA's Line of Credit with Region's Bank – these funds will be used to fund expected expenditures in the amount of \$250,000 for homebuyer training and purchase assistance services for the 136-unit Pioneer Gardens affordable housing development and \$2,000,000 for the payment of that

AGENDA ITEM I

portion of the developer fees that are expected to be earned during the construction of Pioneer Gardens from January – September of 2009 (the construction is expected to start in approximately January 2009 and be completed in the fall of 2010); **\$200,000** in estimated interest earnings on the CRA's bank accounts; **\$413,250** in projected rental income to the CRA pursuant to a five-year lease/purchase agreement for the 65-unit Bel House Apartments complex that was executed effective August 1, 2007 and which is subject to the County's approval of the CRA's annual budgets through FY 2011-12 to provide the funding for the required lease/purchase payments and operating expenses. Please note that the revenue projection assumes the ongoing occupancy of the 20-unit west building over a 12 month period and the projected occupancy of the 45-unit east building over a 6 month period assuming the completion of the planned rehabilitation by 3/31/09 and occupancy commencing in April 2009; and **\$250,000** in revenues from an anticipated funding advance from the City of North Miami which will be used to fund the CRA's operating expenses excluding required debt service pending the approval of the CRA's FY 2008-09 budget by the County and the receipt of the TIF revenue payments from the City and County by December 31, 2008.

FY 2008-09 Proposed Expenditures

The FY 2008-09 Proposed Preliminary Budget includes total estimated expenses of **\$14,290,323**. Attachment C provides a detailed schedule in support of the estimated total personnel expenses of **\$750,000**, which includes salaries of \$544,735 for a total of six (6) staff positions, and fringe benefits in the amount of \$187,655 or 34% of the salary appropriation. Attachment D provides a detailed schedule of operating expenses totaling **\$621,000** and capital outlay expenses totaling **\$30,000**. The operating expenses include \$390,000 for the engagement of a variety of professional services that will be needed to support the CRA in the implementation of the various projects, programs and initiatives during FY 2008-09. A detailed schedule of the anticipated legal and professional services is included in the attachment. Other significant operating expenses include the following: \$50,000 for office space rental which includes approximately \$20,000 in anticipation of increased rent during the second quarter of the fiscal year in the event of a possible relocation of the CRA office to more adequately sized space which was deferred in the current fiscal year; \$25,000 for Sponsorships and Contributions in support of events that are consistent with the mission and purpose of the CRA and which leverage CRA resources; \$35,000 for Marketing which includes promotion of the CRA and community outreach through newsletters, radio and television productions, special events, promotional materials, etc.; \$50,000 for local and out-of-town travel which includes attendance at professional conferences, workshops, and meetings involving CRA staff, and the five (5) members of the CRA Board and the twelve (12) members of the CRA Advisory Committee. The proposed capital outlay expenses total \$30,000 and include anticipated expenditures for office furniture, computer equipment, and other office equipment related to the possible relocation of the CRA offices and the filling of vacant staff positions. The proposed debt service expenses totaling **\$52,000** are detailed in Attachment E and provide the funding that would be necessary to meet the CRA's obligations for the repayment for funds drawn down and the continued availability of the balance the CRA's \$10.7 million Line of Credit with Region's Bank.

Additional expenditures include required payments pursuant to the terms of the Interlocal Agreement among the CRA, City of North Miami and the County. These payments include a County Administrative Fee that is charged at a rate of 1.5% of the County TIF payment and a refund to the County of the TIF revenue generated from that portion of the CRA boundaries that is west of Biscayne Boulevard. For FY 2008-09 the payment for the County Administrative Fee is in the estimated amount of **\$51,312** and the payment for the TIF Refund is in the estimated amount of **\$2,282,066**. In addition, the proposed expenses include the repayment of the anticipated City funding advance in the estimated amount of **\$250,000**.

North Miami Community Redevelopment Agency

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The proposed FY 2008-09 available funding for Capital Projects reflected above totaling **\$10,253,945** is allocated for the following programs, projects and initiatives as described in column #6 of Attachment A:

- **Economic Development Assistance and Incentive Fund** that includes additional funding to continue the CRA's Commercial Grants Program. The total proposed funding allocation of **\$1,356,920** includes - **\$1,089,220** for Commercial Rehabilitation and Commercial Beautification Grants, and **\$115,780** to provide the 80% funding support for the City Economic Development Specialist. The funding for both the Commercial Rehabilitation and Commercial Beautification grants is allocated to address blighted conditions with a focus in the commercial corridors located (1) on NW 7th Avenue, (2) on West Dixie Highway/NE 6th Avenue, and (3) in the Downtown area along 125th Street. In addition to the new funding for this program in the amount of \$395,220, the proposed allocation includes an estimated \$694,000 in encumbered carry forward funds that represent commercial grants that were awarded in prior years and which will be expended in FY 2008-09. In addition to the funding for Commercial Grants, the total funding in the Economic Development Assistance and Incentive Fund includes - **\$35,000** for the CRA's share to continue funding for Micro-Business USA to provide a North Miami Entrepreneurial Training & Micro-Loan Program on a 50%/50% basis with the City of North Miami, **\$60,000** to continue funding for the Dynamic Community Development Corporation (CDC) to provide business outreach services, economic development workshops and business/job fairs serving the CRA district, and **\$56,920** for a Business Incentive and/or Financial Assistance program to be proposed with guidelines to be reviewed/approved by the CRA Board.
- **Commercial Corridor Improvement Program** includes funding for the continued implementation of the Code Enforcement Enhancement Program, the Clean Team that provides services including pressure cleaning of sidewalks and enhanced litter control. The total proposed funding allocation is **\$400,000**. This allocation includes continued funding for a three-person Commercial Corridor Clean Team - \$285,249; a CRA Code Enforcement Officer - \$67,925; and \$46,826 as a contingency for program service enhancements.
- **Pioneer Gardens Affordable Housing Development** — The total proposed allocation is **\$3,300,000** to support the continued development of this 136-unit residential condominium. This funding includes: \$2,000,000 in developer fee payments; \$250,000 for homebuyer training and purchase assistance to support the sale of the 136 housing units; \$25,000 for legal fees and professional services; \$25,000 for special auditing services (e.g. inspector general); and \$1.0M to fund the repayment of a funding advance in the amount of \$462,247 that was received from the City in FY 2007-08 and additional costs for site environmental testing/remediation expenses.
- **Affordable Housing – Residential Rehabilitation Program for Homeowners** — The total proposed allocation is **\$275,000**. This allocation provides funds for home rehabilitation assistance loans for five (5) eligible homeowners in an amount up to \$50,000 each and program support cost of approximately \$25,000.
- **Affordable Housing – Homebuyer Subsidies for the purchase of homes** (excluding the Pioneer Gardens housing development) — The total proposed allocation is **\$400,000**. This allocation provides funds for home purchase subsidy assistance loans for approximately 6-7 first-time homebuyers in an amount up to \$50,000 each and program support cost.

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- **Affordable Housing – Home Mortgage Foreclosure Prevention Program** – The total proposed allocation is **\$200,000**. This allocation provides funds for one-time home mortgage foreclosure assistance loans to eligible homeowners in an amount up to approximately \$5,000 and program support cost.
- **Downtown Development Master Plan**, including NW 7th Avenue, urban design standards, etc. -- The total proposed allocation is **\$100,000**.
- **Neighborhood Improvements** – The proposed allocation is **\$650,000** that will be used to fund additional capital improvements and beautification efforts that will leverage funding by the City of North Miami.
- **Lease/Purchase Acquisition of the Bel House Apartments** – The proposed allocation is **\$660,000** which will be used to fund the estimated second year costs pursuant to a lease/purchase agreement between the CRA and the property's owners that is intended to result in the CRA's purchase of the property within five (5) years from the August 1, 2007 effective date of the agreement. The \$660,000 will be used as follows: \$480,000 for the payment of the required lease payments to the owner in the approximate amount of \$40,000 per month; and the \$180,000 balance of the funding will be used to cover operating expenses and property management fees.
- **Rehabilitation of the Bel House Apartments** – The total proposed funding is **\$1,100,000**. Of this amount an estimated \$956,522 will be used for the rehabilitation of 45 of the total 65 apartment units that are currently vacant due to damage from a roof collapse that occurred in September 2006. The balance of approximately \$143,478 will be used to pay the developer's fee for the management and oversight of the rehabilitation work.

Please note that this funding allocation is in lieu of the CRA's previous plan to obtain a bank loan to finance this rehabilitation cost as reflected in the FY 2007-08 budget.

- **Academic/Internship Program for High School Students** – The proposed funding allocation is **\$100,000** and will be used to provide support funding for this program that will offer a 10-month program of academic training and work experience in urban economic development and city and regional planning for approximately 10-12 North Miami Senior High School students. The program includes a required one-month summer internship with a stipend of \$1,000 per student. It is anticipated that this program will involve a partnership that includes, but is not limited to, Miami-Dade Public Schools, Florida International University, the City of North Miami, the CRA, and Biscayne Landing.
- **Police Athletic League of North Miami** – The total proposed allocation is **\$50,000** and will be used to assist the Police Athletic League in its effort to develop a facility that will serve to provide a location that is a safe haven for North Miami's at-risk youth to participate in educational and social activities. The Police Athletic League will renovate and furnish a state of the art boxing gym, computer lab and tutorial facility.
- **North Miami Community ID Retail Study - \$70,000** is allocated for this project, which was approved by the CRA Board on 7/8/08 pursuant to a proposal submitted by the Buxton Company.

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- **MOCA Expansion - \$1,300,000** is allocated for this project for A&E services in the amount of \$1,250,000 and development support in the amount of \$50,000 related to constructing the addition to the building that houses the Museum of Contemporary Art (MOCA).
- **Security Enhancement at City Parks - \$50,000** is allocated to provide Security Enhancement at City Parks through the placement of security cameras at Pepper park and other parks to be identified in consultation with the North Miami Police Department
- Funding in the total amount of **\$242,025** is included to support the following City departmental budget requests per the City Manager's recommended FY 2008-09 City Budget:
 1. CMO – Redevelopment Project Support \$84,026
 2. IT – Web/PTV Station Manager for Channel 77 17,101
 3. Purchasing – Buyer Position Support 23,113
 4. Police – Holiday Enforcement Action Team 39,360
 5. Water & Sewer – Conservation Program 12,500
 6. MOCA – Jazz at MOCA Monthly Concert Series 65,925

\$242,025

Please note that the proposed expenditure of the funds for both the Holiday Enforcement Action Team and the Security Enhancement at City Parks initiatives are subject to the approval by the County of a pending amendment to the CRA's Redevelopment Plan to include Community Policing Innovations as an eligible activity for funding by the CRA.

CRA Debt Issuance

In the effort to generate a substantial sum of additional funds that can be used to accelerate the implementation of significant redevelopment capital projects and to implement a program of strategic land acquisition and assembly, the CRA is in the process of preparing a financial strategy and proposal for the issuance of long-term debt through the bonding of the CRA's future TIF revenue stream. The form of debt issuance will be either through Revenue Anticipation Notes (RANs) or TIF revenue bonds in the approximate amount of \$40 - 50 million. Pursuant to the favorable decision of the Florida Supreme Court relative to Strand v. Escambia County case on September 18, 2008 that reversed the Court's previous ruling requiring public referendums for CRA issuance of long-term debt, it is anticipated that a proposal will be completed and a request made to the County by the spring of 2009 for approval of the anticipated debt issuance in accordance with the requirements of the CRA Interlocal Agreement with the County and the City of North Miami, and in compliance with the applicable provisions of Chapter 163 of Florida Statutes. With regard to the disposition of the CRA's existing debt, a portion of the new debt issuance will be used to refund the CRA's existing Line of Credit in the amount of \$10.7 million.

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FY 2007-08 Proposed Amended Budget

Please note that column #3 in Attachment A as of 8/14/08 reflects adjustments for a Proposed Amended FY 2007-08 Budget. The adjustments would serve to more accurately reflect the CRA's estimated revenues and plan of expenditure for FY 2007-08. On the revenue side, the proposed adjustment reflects the inclusion of the \$462,247 in funds advanced from the City of North Miami to the CRA to fund environmental remediation costs for the Pioneer Gardens housing development site. On the expense side, the proposed adjustments reflect the following: (1) the addition of \$462,247 for the cost of environmental remediation for the Pioneer Gardens site; (2) reduction of the estimated expense for the Residential rehabilitation Program from \$500,000 to \$217,363; (3) increase in the estimated cost for Homebuyer Subsidies from \$625,000 to \$675,000; (4) reduction of the estimated cost for Developer/Owner Incentive funding from \$160,000 to \$52,500; (5) increase in the estimated cost for Strategic Land/Property Acquisitions from \$488,863 to \$629,000; and (6) increase the estimated cost for the Underground Placement of FPL lines from \$200,000 to \$400,000.

As the result of the recommended adjustments detailed above, the FY 2007-08 budget is being increased from the adopted amount of \$14,253,424 to \$14,715,671. It is recommended that the FY 2007-08 Proposed Amended Budget be approved along with the FY 2008-09 Proposed Preliminary budget.

Next Steps for Budget Review and Approval

It is recommended that the CRA Board consider and approve the FY 2008-09 Proposed Final Budget during its meeting on September 24, 2008 following the prior review of the proposed final budget by the CRAAC during its September meeting. The Board's final budget approval will take into consideration the result of any adjustments to the millage rates finally adopted by the County and the City during their respective second budget hearings on September 18, 2008 and September 22, 2008. Following the approval by the CRA Board, the City Council's approval will be requested during a Special Meeting on September 24, 2008 following the CRA Board meeting, and the CRA's FY 2008-09 Adopted Final Budget will be transmitted to Miami-Dade County to be processed for review and approval as soon as possible thereafter to meet their September 30, 2008 deadline for submission.

In addition to Attachments A-E, the CRA will be submitting as Exhibit 1 the FY 2008-09 budget summarized in the format required for submission to the County along with supporting detailed schedules for the budget with comparative figures for the FY 2007-08 adopted and amended budgets. The CRA will provide the annual progress report required by the County and will also provide any additional budgetary information or detail that may also be requested to facilitate the County's review and approval of the CRA's FY 2008-09 Adopted Final Budget.

NMCRA board memo for 092408 as revised RE FY 200809 Adopted Final Budget tccsr 092508