



NORTH MIAMI CRA
COMMUNITY REDEVELOPMENT AGENCY

Tax Increment Recapture & Infrastructure Grant Program

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Tax Increment Recapture Program

The NMCRA will use tax increment revenues to encourage economic development in the Community Redevelopment Area.

The NMCRA is proposing to provide a Tax Increment Recapture to the owner of a qualifying project. A qualifying project is one that is anticipated to create at least \$2 million in Net New taxable value in the first full year following completion.

Provided that the real estate taxes levied on the property are paid prior to becoming delinquent and the owner complies at all times with any performance benchmarks referenced below, the Tax Increment Recapture can be provided to owner on an annual basis up to Fiscal Year 2044 unless reduced by statute (the "Recapture Period") beginning on May 1 of the City's Fiscal Year (FY) that commences after January 1 after a C.O. is issued for the project and the Miami-Dade County Property Appraiser assesses the value of the project.

The amount of the Base Tax Increment Recapture shall be 25% to 50% of the Net New Tax Increment Revenue generated by the project. If the taxable assessed value of the Property (as determined by the Miami-Dade County Property Appraiser, taking into consideration any allowable adjustments by the Value Adjustment Board) in any year during the Recapture Period exceeds the Base Year Value, the Tax Increment Recapture shall be no more than 50% percentage of the project's Net New Tax Increment Revenue.

In any fiscal year, the Tax Increment Recapture shall be subordinate in all respects to all CRA Debt. At no time will the Tax Increment Recapture exceed 50%.

Each project must demonstrate that the project would not be possible but for the incentive amount requested and must enter into an Economic Development Incentive Agreement with the CRA. The Agreement will include specific deadlines to retain the allocation for the TIF Recapture.

Any new commercial and residential developments to be constructed within the Redevelopment Area in an amount of \$200,000.00 or more, or such other amount as may be established by this Board, shall enter into a community benefits agreement with the Agency which will benefit primarily the residents of the Redevelopment Area. To the extent allowed by law, a community benefits agreement shall include provisions for hiring the labor workforce for the project financed by the grant or agreement from residents of the Redevelopment Area that are unemployed or underemployed.

Depending on the worker or employee to be hired, the community redevelopment agency will require that such entity or contractor complies with wage requirements, as applicable, established by Miami-Dade County's Living Wage or Responsible Wage Ordinances, pursuant to Section 2-8.9 and 2-11.16, respectively, of the Code of Miami-Dade County, Florida (the "Code") or pay higher wages and benefits, as are feasible.

All entities or contractors contracting with or receiving a grant from the community redevelopment agency in an amount of \$500,000.00 or more, or such other amount as may be established by this Board, shall comply with the following Miami-Dade County ordinances contained in the Code, as may be amended, as if expressly applicable to such entities:

Small Business Enterprises (Section 2-8.1.1.1.1 of the Code);
Community Business Enterprises (Section 2-10.4.01 of the Code);
Community Small Business Enterprises (Section 10-33.02 of the Code); and/or
Conflict of Interest and Code of Ethics Ordinance (Section 2-11.1 of the Code); and/or
Living Wage Ordinance

The Agency shall include in their contracts or grant agreements a "clawback" provision that will require the Agency to "clawback" or rescind and recover funding from any entity or contractor to which it provides funding which does not substantially comply with the provisions of its agreement with the Agency by demanding repayment of such funds in writing, including recovery of penalties or liquidated damages, to the extent allowed by law, as well as attorney's fees and interest, and pursuing collection or legal action, to the fullest extent allowable by law, if feasible.

PROGRAM AND APPLICATION GUIDELINES

Projects wishing to request either an Infrastructure Grant or a Tax Increment Recapture Incentive from the North Miami CRA (NMCRA) must meet the following criteria:

- ❖ Project must demonstrate property control either through ownership or contract for purchase;
- ❖ Project must submit a letter to the North Miami CRA (NMCRA) requesting the Board consider providing incentive support to the project. The letter must include the following:



- ✓ A copy of a conceptual site plan;
- ✓ A description of the project including use, square footage, and density;
- ✓ Names and qualifications of the principals and key representatives involved in the project. Special emphasis should be given to presenting past experience in public/private partnerships similar to the one that is being proposed;
- ✓ Evidence of the financial strength of the deal to justify the risk of expending public capital, and demonstrated financial capacity of the principals. A lender commitment letter and letters of intent from end users of the proposed redevelopment property are helpful;
- ✓ A defensible market study that demonstrates the high probability of success for the proposed project;
- ✓ Any potential obstacles that the project may face in securing development approvals from the City with regard to the projects compliance with all applicable City, County and State building codes, as well as the City's Comprehensive Plan;
- ✓ A project pro forma demonstrating the tax increment value anticipated by the project;
- ✓ How the proposed project will primarily and substantially benefit residents and business owners within the Redevelopment Area;
- ✓ Agency's funding will be used to fill in any financial gaps when all other funding has been identified for the project and that, but for the Agency's funding, the project cannot be undertaken;
- ✓ Any additional information that will assist the CRA Board during their decision-making process.

PROGRAM AND APPLICATION GUIDELINES

Projects wishing to request either an Infrastructure Grant or a Tax Increment Recapture Incentive from the North Miami CRA (NMCRA) must meet the following criteria:

- ❖ Infrastructure Funding Requests:
 - If a request for funding from the Infrastructure Incentive is being made, please provide a breakdown of the types of proposed infrastructure improvements and the amount of funding being requested for each;
 - ✓ Following receipt of a request for incentive support, CRA staff will schedule a kick-off meeting with the applicant to finalize the project information for submission to the CRAAC and CRA Board;
 - ✓ Projects will first be reviewed by the Community Redevelopment Advisory Committee (CRAAC) and then by the CRA Board;
 - ✓ Award of Tax Increment Recapture is conditioned on site plan approval within one year of award and a building permit within two years. Applicants not meeting these conditions will lose any reservation of TIR, but may apply again if funding is still available.
 - ✓ Grantees must comply with the City of North Miami's Comprehensive Plan and all building and zoning requirements prior to receiving the tax increment incentive.