

# **City of Florida City Community Redevelopment Agency Annual Report Fiscal Year 2014-15**

Prepared effective 09-30-15

## **Introduction**

The Florida City Community Redevelopment Agency (CRA) was created in 1996 and completed its 19th full year of operation in FY 2014-15. The CRA continued to facilitate a number of private development projects in the Community Redevelopment Area (CR Area) in the current year. The CRA also continued the on-going series of neighborhood streetscapes. The streets in and around the Coral Bay Manor Subdivision in the CR Area are 100% complete. Phase 1 and Phase 2 of the streetscapes in the Northwestern part of the CR Area began in FY 2010-11 are complete. Construction began on Phase 3 in January, 2014 and should be complete in the first 90 days of FY 2015-16. Except for two blocks near the Snake Pit, all of the streets in the 80 block area between NW 6<sup>th</sup> Ave, Redland Road, Lucy Street, and Davis Parkway are completed. The CRA will begin streetscapes on SW 1<sup>st</sup> Street, NW 1<sup>st</sup> Street, and NW 2<sup>nd</sup> Street over the next several years

This report will address the primary operating aspects of the CRA, revenue growth and significant projects for FY 2014-15, as well as the proposed budget and CRA plans for the coming year.

During 2009, the CRA completed a revised Community Redevelopment Plan (CR Plan) and worked with County staff to get the new CR Plan through the County's approval process. The focus of the original 1995 CR Plan had been on the recovery from Hurricane Andrew, the facilitation of revenue enhancing commercial development projects, and the development of public/private partnerships to generate new construction. The newly approved CR Plan provided for the expansion of the CR Area. The expanded CR Area contains a large residential area in Northwest Florida City in which the infrastructure is deficient and many of the structures are dilapidated. Much of the focus and spending of the CRA over the coming years will be the correction of this infrastructure deficit and upgrading the appearance and quality of life in this predominately African-American neighborhood. Emphasis will also be on arresting the blighting effects of dilapidated structures in this residential neighborhood through rehabilitation of some structures and the demolition of others that are beyond redemption. The CRA's focus in the new CR Plan has also been broadened to include more proactive projects initiated solely by the CRA.

## **I. Staffing and operating expenses**

The CRA retained Richard Stauts, Executive Director, as its only employee in FY 2014-15. The City Finance Director, Mark Ben-Asher, is the Treasurer of the CRA. Jennifer Evelyn, City Clerk, serves as the Board Secretary. Employee salary and fringes are divided into two categories, administrative and operating.

During FY 2011-12, the CRA's Consultant, Willdan Financial Services, Inc., completed an Indirect Cost Allocation Plan to better determine and document the indirect costs that the CRA pays for City Services. These services include such things as the Mayor's Office, the Finance Department, the City Clerk's Office, and other shared costs such as City Hall rent, insurance, utilities, and maintenance. This cost allocation method was first fully implemented during the FY 2012-13 budget cycle and has continued to be used during subsequent fiscal year budgets.

## **II. Administrative Procedures**

The Agency by-laws and the Interlocal Agreement with the County establish the CRA composition, purpose and powers, meetings and notice requirements and administrative procedures. New by-laws were adopted during FY 2010-11. The Agency is composed of the Mayor and four (4) elected City Commissioners and two (2) representatives of the CR Area business community. The By-laws designate the Mayor as the Board Chairman and the Vice-Mayor as the Vice Chairman of the Board. The CRA adopted City policies and procedures as CRA policies and procedures, except where the variance is approved by the CRA Board.

The CRA Board meets on an as needed basis, but the meetings have averaged about one every other month during FY 2014-15. The Board typically meets immediately prior to a City Commission Meeting on either the second or fourth Tuesday of the month.

## **III. Community Redevelopment Plan Implementation**

As stated earlier, in 2009, the Agency adopted a new total rewrite of the original 1995 CR Plan. The new CR Plan provided for expansion of the CR Area to take in four additional areas in need of redevelopment. The new CR Plan and expansion areas were approved by the County and the new Interlocal Agreement was executed on July 10, 2009. The focus of implementation is the facilitation of proposed and new development projects through providing necessary infrastructure and upgrading existing public infrastructure in the commercial and residential sections of the CR Area. In anticipation of the expansion of the CR Area to take in the Northwest Neighborhood (which contains the worst housing and highest crime rates in the City), the CRA did not spend all of the prior years'

increment revenue. The cost of addressing the needs of this area has been will continue to be significant over the coming years and a surplus was developed to help begin the process. That surplus was expended over several years to avoid having a whole quadrant of the City under construction at the same time. That surplus has now been mostly depleted and the CRA is operating using current funds.

## **Development and Infrastructure Projects Funded During FY 2014-15**

**Commercial and Industrial Façade Program:** The CRA adopted a Commercial and Industrial Building Façade Program in FY 2007-08 to assist building owners within the CR Area to upgrade the appearance of their buildings. The first area to be addressed was the industrial area around NW 12<sup>th</sup> Street and NW 3<sup>rd</sup> Avenue. The owners of the industrial buildings in this area have been anxious to rework the appearance of their structures. Several new industrial buildings have been completed in the City outside the CR Area in the past several years and the owners of the older buildings in the CR Area are at a competitive disadvantage. The building owners near NW 12<sup>th</sup> Street realized that they must improve the appearance of their buildings, or the best tenants will seek quarters elsewhere. Combining the façade improvements with the streetscape improvements on NW 12<sup>th</sup> Street and NW 3<sup>rd</sup> Avenue has changed the face of the whole area. The façade project was budgeted for \$100,000 in FY 2014-15. No industrial buildings were addressed with CRA funds in FY 2014-15. Of the 16 industrial buildings in the industrial area, 14 owners have upgraded the appearance of their buildings through the façade program in the past seven years.

**Pioneer Museum Improvements:** The CRA budgeted \$10,000 for building repair and improvements at the Pioneer Museum, but did not need to expend any funds.

**Acquisition of Property in the Northwest Neighborhood:** \$250,000 was originally budgeted for the acquisition of dilapidated structures in the Northwest Neighborhood. The budget was subsequently amended to \$185,000. Funds could also be used for acquisition of undeveloped parcels for the purpose of site assembly. During the year the CRA expended approximately \$185,000 for acquisition of parcels.

**Demolish Houses and Relocate Tenants in Northwest Neighborhood:** \$30,000 was budgeted to demolish dilapidated houses in the Northwest Neighborhood and to relocate the tenants from those houses. The budget was subsequently amended to \$20,000. Approximately \$20,000 was expended for demolition of houses. Since there were no legal tenants in the units when acquired, there was no relocation expense involved. The CRA did not demolish any structures within the CR Area using the County Unsafe Structures Board process this year.

**Commercial Building Improvement Grant Program:** A number of shopping centers and industrial buildings completed their construction at about the same time the economy entered a recession. This left a large number of new potential business spaces that the property owners were having a difficult time leasing. To assist in filling some of these vacant spaces, the CRA developed this program in FY 2009-2010 to help potential tenants be able to afford to build out the shopping center spaces and make them ready for occupancy. The CRA budgeted \$60,000 for this activity. Under this program, the CRA will pay for up to 50% of the cost with a maximum expenditure of \$10,000. The building owner is also required to contribute. During FY 2014-15, two businesses were able to take advantage of the program. CRA expenditures were \$20,000.

**WNW Neighborhood Streetscape, Phase 3:** Phase three of the WNW Neighborhood Streetscape began in FY 2014-15 with a total budget of \$1,719,923. The construction enhances the appearance of the residential area through creation of landscaping, curb and gutters, drainage, lighting, sidewalks and repaving the streets. The construction contract was executed on November 5, 2013. The project expenditures in FY 2014-15 were \$1,116,651.

**Farmers Market Water Improvement Project:** The CRA was the lead agency in applying for a state legislative appropriation to upgrade and replace the water lines in the Florida State Farmers Market, located in the CR Area. The City applied for \$231,380 from the legislature and it was awarded to the City on July, 2015. Construction is underway and approximately \$100,000 was expended in FY 2014-15. The remainder of the CRA match and state appropriation will be expended in FY 2015-16. The total construction cost will be \$463,780.

**Other CRA Activities:** The CRA was also designated the lead entity for the City for several additional projects in the CR Area.

The County is undertaking a management plan for the conservation area on Palm Drive and the CRA is working with the County to create a passive recreational plan for the new park which is in the CR Area.

The CRA was the County's contact point for a new Park and Ride Facility adjacent to the Busway that was built by Miami-Dade Transit Authority. The construction of the parking facility is complete and it is heavily used every day.

The CRA also coordinated the submission of a \$750,000 State Small Cities CDBG Housing Rehabilitation grant application for repairing homes for low and moderate income households. The application ranked high enough to be funded and a contract was signed on October 30, 2015. Most of the houses to be rehabilitated will be located in the CR Area.

The CRA is the City coordinating entity for the Miami-Dade County, City of Homestead, and Florida City collaboration for widening Lucy Street between NE 6<sup>th</sup> Avenue and US 1. The CRA has worked with the adjacent property owners and all of the owners have agreed to donate the needed right of way and have executed documents that dedicate the needed land. The CRA will be relocating private utilities and other infrastructure from the donated property at Lucy Street Shops in FY 2015-16.

The CRA has begun the process of developing a linear park on NW 3<sup>rd</sup> Avenue. The City owns half of the property and the CRA will acquire the remainder over the next several years. The CRA has been spreading excess fill from streetscape projects on the property and will continue to do so in the next several streetscape phases. This action will ultimately reduce the cost of development. Though this strip of land is narrow, it could contain a walking track around the perimeter and other amenities in the center.

The CRA is the coordinating entity for a housing rehabilitation effort by Rebuilding America, a national non-profit. Rebuilding Together will be repairing 20+ houses for low income and elderly homeowners in 2015-16. The CRA has worked with Rebuilding Together to select the houses to be repaired in April, 2016.

### **Plan Consistency**

The significant number of development projects that were either completed, under construction or planned attest to the "bottom line" success of CRA implementation over the past 18 years. The CRA has made excellent progress in implementing a number of the adopted CR Plan Goals during FY 2014-15 including:

1. Create strong partnerships with area non-profits, the real estate industry, the financial community and potential businesses in successfully developing existing and new commercial and industrial uses. The CRA has worked with several realtors over the past year as they attempted to locate available sites for business growth or relocation. Stronger relationships have been forged with the Florida Pioneer Museum and with Centro Campesino
2. Assist area landowners in transforming slum and blighted conditions into value-stable and value-growth properties. The CRA Façade Grant Program was available for building owners to use to dress up the front of their businesses.
3. Use CRA funds as an incentive and leveraging factor in non-profit and private sector development opportunities. The expenditure of CRA infrastructure funds over the last decade along

Krome Avenue, US 1, and Palm Drive directly contributed to the decision by the following businesses to locate in these commercial corridors:

AutoZone	Bank of America	Rise Academy	Vince's Rod & Reel Shop
Optima Nails	Panda Express	Mattress One	Dollar General Corp.
Krispy Cream	Jimmy Johns	Chase Bank	Aldi Grocery Store
T Mobil	Metro PCS	Amscot	Special Care Day Care
The Vapor Shop	Music Depot	GNC	Home 2 Suites Hotel
Sprint	Payless Shoes	Super Cuts	Lumber Liquidators
Badcock Furniture	Napa Auto Parts	AT & T	ARC Charter School
Domino's Pizza	Edible Arrangements	Subway	Lincoln Marti School
Dollar Tree	Starbucks	Walgreens	Discovery Academy
The Tax House	El Churrrito Plaza	Krome Express	Salvation Army Store
Boost Mobil	C Keisha Sweet Shop	Duncan Donuts	Joe Ward Plumbing
Wing Stop	Multi Lingual Speech Therapy Group		

Several Professional Groups have also located in the CRA. A mixed use project is proposed on North Krome Avenue. First National Bank has applied for a variance for a new branch on Palm Drive. A distributor for Indian Motor Cycles is building a facility for new motorcycle sales and service.

4. Assist local businesses and start-up entrepreneurs in relocating to the CR Area. The Commercial Building Improvement Grant Program was used to attract new businesses to vacant commercial space.

5. Increase the overall attractiveness of the Area through strict Code enforcement and special projects and programs such as streetscaping and facade improvements. The CRA has worked closely with the City Code Enforcement Department and the City Public Works Department to address the appearance of the CR Area.

6. Provide cost-effective and strategic infrastructure improvements that are necessary to ensure the on-going redevelopment of the CR Area. The CRA continues to subsidize part of the cost of public infrastructure to attract business and residential growth in the CR Area.

These and other adopted principles will be supported and further implemented during the upcoming year.

## IV. Tax Base Growth and Proposed Budget

The continuing goal of the CRA is the increase of the property values within the CR Area to the maximum extent possible and to improve the physical quality of life for the businesses and residents of the CR Area, consistent with the adopted Community Redevelopment Plan. The 2015 tax base of the CR Area has grown to its present value of \$202 million, an increase of 481% since the CRA's inception in 1995. In 2015, tax values increased by \$8 million from 2014. The approved FY 2015-16 CRA Annual Budget (see Exhibit A) summarizes the planned financial program for the CRA in the coming year. Total funds available in FY 2015-16 are expected to be \$2,376,051. Of this amount, \$1,012,003 is the annual City increment revenue contribution and \$662,824 is the Miami-Dade County increment revenue contribution. The remainder constitutes \$696,224 in carryover funds from FY 2014-15 and projected interest and other income of \$5,000.

During FY 2009, the CRA, with County approval, added additional blighted parts of the City to the CR Area. The CR Plan was updated to outline the City and CRA plans for these four areas. The additional areas include the Northwest Neighborhood, a small residential area near the Florida City Busway Park and Ride facility, the state-owned Pineland area on West Palm Drive, and an infrastructure deficient agricultural based property south of Palm Drive and west of Krome Avenue. It is not anticipated that these areas will contribute significantly to increment revenue for a number of years. The values in the expansion area have fallen over 48% during this period, however, during 2015, the values have begun to rise. During FY 2014-15, the CRA will continue investing existing increment revenue in the Northwest Neighborhood to address the blighted conditions there.

### PROPOSED FY 2015-16 Expenses

#### Administrative Expenses

1. The *administrative* salary costs charged to the CRA will be as follows:

60% of Executive Director	\$80,340
Employee Fringes (28.6% of Salary)	\$27,075

Employee fringes are such things as FICA, Workers' Compensation Insurance, FRS contribution, health insurance, life insurance, and unemployment compensation.

Note: The operating salary and fringe costs are listed in the "Operating Expenses" section below.

2. Indirect Cost Allocation (\$118,802)

The CRA commissioned a cost allocation study in FY 2010-11 to be able to better determine its fair share of City administrative and indirect costs. A contract was executed with Willdan, Inc. from Orlando to conduct the study and the allocation of indirect costs using the Plan was first implemented for FY 2012-13. Indirect costs are such expenses as the CRA's contribution to the cost of the Finance Department, the City Clerk's Office, Human Resources, Administrative Services, office rent and utilities, shared office equipment, building cleaning and maintenance, and facility insurance

3. Advertising and Notices (\$2,000)

The CRA will be advertising public notices for Requests for Qualifications and for Invitations to Bid for infrastructure and other projects, and publishing other legal notices as required. The CRA is also paying for amending the City's Comprehensive Plan to implement land use changes proposed in the new CR Plan adopted on 2009. This amendment would not be necessary but for the proposed land use changes in the new CR Plan.

4. Travel and Training (\$7,000)

This category includes educational and business events relating to community redevelopment as well as out of town travel for conferences and client meetings. The CRA Executive Director is Chairman of the Florida Redevelopment Association (FRA) Certification Committee and travels frequently to Board and Committee meetings. He is also a member of the Board of Directors of the FRA. The Executive Director also represents the CRA at state meetings of the Florida Economic Development Council, the Florida Community Development Association, and the Florida Housing Coalition. Since the grant applications for the Small Cities Community Development Block Grant Program will mainly address issues in the CR Area, attendance at application and implementation workshops is also warranted.

5. Auto Expense (\$2,000)

The CRA Executive Director uses a City vehicle bought in 2013. This budget represents maintenance and local fuel cost.

7. Other Administrative Expenses (\$1,000)

This line item will be used to pay for miscellaneous administrative expenses such as office supplies, postage, minor equipment replacement, phone expenses, CRA share of copy machine and

reproduction costs, coffee and supplies, water, internet, etc.

8. County Administrative Charge (\$9,942)

Required County fee - 1.5% of County's tax increment contribution.

**Operating Expenses**

1. The *operating* salary cost charged to the CRA will be as follows:

40% of Executive Director	\$53,560
Employee Fringes (28.6% of salary)	\$18,050

Employee fringes are such things as FICA, Workers' Compensation Insurance, FRS contribution, health insurance, life insurance, and unemployment compensation. Employees pay 100% of the insurance cost for family members.

Note: The administrative salary and fringe costs are listed in the "Administrative Expenses" section above.

2. Contractual Services (\$160,000)

This line item provides funding for architectural, engineering, and survey professionals for infrastructure and building projects. It also pays for professional services for the changes that are driven by the new CR Plan to the Future Land Use Map. Other costs are for realtor services and appraisals for the acquisition of foreclosed and abandoned properties. A grant writer may be secured by contract to assist the CRA in obtaining grants.

3. Membership and dues (\$3,000)

This line item pays for CRA memberships in the Florida Redevelopment Association, the Florida Economic Development Council, the Florida Community Development Association, the Florida Housing Coalition, and the Florida Special Districts Program.

4. Legal Services/ Court Costs (\$15,000)

This line item pays for the cost of the City Attorney's review and /or preparation of CRA documents, Resolutions, agenda items, and contracts, and for attendance at CRA Board Meetings. The CRA also

incurs legal expenses when it acquires property in the CR Area. Costs also include attorney fees associated with using the County Unsafe Structures Board to demolish unsafe buildings in the CR Area.

5. Property Maintenance (\$2,500)

The CRA pays the City Public Works Department to cut the grass and maintain the CRA-owned properties.

6. Property Acquisition and Demolition (\$440,000)

This CRA will spend \$440,000, for acquisition of dilapidated housing and vacant lots in the “Snake Pit” area and the Northwest Neighborhood and to pay for demolition of any dilapidated structures. It is not known which parcels will be acquired or demolished. What is acquired will be a function of what comes on the market, what properties complete the foreclosure process and are available, whether a desired property is for sale at a price the CRA is willing to pay, and in many cases, the finalization of probate issues so that an heir can pass a clean title. Properties are also acquired at Tax Deed sales and from the County List of Lands. The properties will be held until the real estate market improves and they will eventually be developed for affordable or market rate housing. The CRA has developed acquisition plans for six sections of the CR Area.

7. Infrastructure Improvements (\$1,058,200)

This line item pays for the cost of the public infrastructure projects to be undertaken in the CR Area. These projects are detailed in the Projects Section on page two of the CRA Budget and Section VI of this report.

8. Assistance to Non-Profits (\$10,000)

This line item will pay for an operating subsidy for the Florida Pioneer Museum Association to operate the Florida Pioneer Museum. The Museum is a major tourist attraction on Krome Avenue within the CR Area and the CRA desires to fund the cost of expanded hours so the historic building and museum displays are more readily available to tourists and local residents alike. The Association will be again working with local schools to encourage field trips to the museum and to open as part of local festivals such as the Redland Ramble. While the Museum building is owned by the City, the collection is owned by the Association.

9. Redevelopment Façade Grants/Commercial Building Improvement Grant Program (\$60,000)

This line item will pay the CRA's part of approved façade rehabilitation projects undertaken by owners of commercial or industrial buildings. The CRA also initiated a new program in FY 2010-2011 to assist businesses with the cost of moving into vacant shopping center and other unused commercial space. The CRA Board has established a policies and procedures document to provide guidance on use of both of the funding programs.

10. Building construction & Improvements (\$27,500)

This line item will pay for the cost of any needed repairs or improvements for the Florida Pioneer Museum Building. The building is over 100 years old and unexpected repair expense seems to happen every year. To have funds available, the CRA usually budgets \$10,000 each year to cover that potential need. In 2015-16, the sewer lines that service the Museum must be replaced and the budget was increased to \$27,500.

11. Transfer out to others (\$230,000)

This line item pays for enhanced police services within the CR Area. These three officers devote 100% of their time to the CR Area.

100 % of 3 Police Officers (\$230,000)

12. Acquisition of Tax Certificates (\$15,000)

The CRA bids on tax certificates each year. There are properties in the CRA Area that the CRA wants to acquire as part of an assemblage for development. These tax certificates are usually on properties that have been abandoned or have so many liens that the owner simply ignores the property. By acquiring the tax certificate, the CRA can eventually request a tax deed sale, recoup its tax certificate investment, and hopefully gain title to the desired property.

13. Other Operating Expenses (\$500)

This line item pays for various and sundry operating expenses. Items covered are such small things as camera batteries, water provided for a road race in the CR Area, and other miscellaneous purchases.

14. Reserve/Contingency (\$34,582)

This line item will provide a source of funds to pay for cost overruns or enhancements for infrastructure projects or unanticipated CRA costs, as well as a source of funds for the CRA to be opportunistic. This is only 1.4% of the total budget.

## **V. Future Development Projects and Other Agency Initiatives**

The CRA plans to continue to work with private developers and public funding agencies to recruit employment-generating businesses and to create affordable housing opportunities in the CR Area. Several infrastructure, design and streetscape projects are also planned as noted below in Sections VI and VII.

Private developers or property owners seeking assistance from the CRA must go through the CRA's project selection process, which involves application submittal, review by staff and City Engineer, funding recommendation from the CRA Executive Director, and eventual approval by the CRA Board. CRA staff and Board use the following criteria in deciding whether projects should be funded:

1. Does the project provide a significant benefit to CR Area businesses and residents?
2. Is the project consistent with the Community Redevelopment Plan?
3. Will pay back through estimated revenue increases to City taxes occur within 5-7 years?
4. Are project funds provided to a private developer on a reimbursement basis such that a project is at least 50% constructed before CRA funds are released?
5. Is the applied for amount necessary to make the project feasible?
6. Are CRA infrastructure improvements timed such that the private developer effort will be underway before or concurrently with the CRA funded infrastructure?

This process has worked well for the CRA. During the period from FY's 2003 through 2014, the CRA expended over \$1,500,000 in increment revenue to create public infrastructure on US 1, Krome Avenue, and Palm Drive as a direct incentive to businesses to locate there. The enhanced property values where businesses have located and built buildings now generate approximately \$600,000 a year in new increment revenue. Further, there is still a significant amount of vacant land ready for development that is now served by this same public infrastructure. This investment in public infrastructure will continue to pay great dividends to both the City and County long after the life of the CRA has ended.

The CRA is assembling several sites for future housing or other redevelopment. Most of the acquisitions will occur in the six areas where acquisition plans have been created. While property

costs are rising compared to recent years, now is the time to buy, demolish dilapidate structures, and assemble future building sites. This will address slum and blighting conditions in the CR Area as well as provide for future affordable housing. The CRA is also currently negotiating with several developers for use of CRA owned properties. Two of the developments are multifamily housing and the other developer is interested in developing infill housing.

The CRA does not have any indebtedness at this time. To date, the CRA has limited its activities to “pay as you go”. Though this may have initially delayed the CRA in implementing the CR Plan, the CRA has been able to manage the sharp reduction in taxable values and in revenue that occurred between 2009 and 2014.

## **VI. FY 2015-16 Public Improvements and Assistance to Private Developments**

**Commercial and Industrial Façade Program:** The CRA has adopted a Commercial and Industrial Building Façade Program to assist building owners within the CR Area in upgrading the appearance of their buildings. The first area to be addressed was the industrial area around NW 12<sup>th</sup> Street and NW 3<sup>rd</sup> Avenue. Many of the industrial buildings in this area have already reworked the appearance of their structures. Several new industrial buildings opened outside the CR Area in 2009 and the building owners near NW 12<sup>th</sup> Street realize that they must improve the appearance of their buildings, or their best tenants will seek quarters elsewhere. Combined with the streetscape improvements on NW 12<sup>th</sup> Street and NW 3<sup>rd</sup> Avenue, this façade renovation program is changing the face of the whole area. The façade project is budgeted for \$20,000 out of the \$60,000 budgeted for redevelopment facades and CBIG grants.

**Commercial Building Improvement Grant Program:** The CRA has budgeted \$40,000 for grants to assist new and expanding businesses to relocate into unused shopping center and commercial spaces. The program requires a match from the business and a contribution from the building owner as well. The use of the funds is limited to improvements that remain in the building as tenants change, such as lighting, flooring, partitions, etc.

**Florida Pioneer Museum Building Improvements:** The Florida Pioneer Museum building is owned by the City and the facility is operated by a non-profit that owns and displays the museum collection. The facility is a jewel that has drawn students and travelers in the past to the heart of the Community Redevelopment Area. The building is over 100 years old and is designated as a historic structure. It is one of the few original Florida East Coast Railroad Buildings that survive. Repairs for the Museum is budgeted for \$27,500 for replacement of old sewer lines.

**East Lucy Street Shops Infrastructure:** The County has agreed to fund the cost of expanding East Lucy Street to three lanes with curb and gutter, drainage, and sidewalks. One of the commercial buildings has substantial on-site private infrastructure within the ten feet that the City is requesting that the property owner donate to the City for widening the street. As part of the donation agreement, the CRA will be paying to have the on-site infrastructure relocated. The budget for this cost is \$135,000.

**SW Streetscape, Phase 1:** This is a continuation of the on-going streetscape phases begun in 2010 and the first to be done in the SW Neighborhood. Design is complete and the project should be ready to bid out in December of 2015. The streetscape will include new street paving, sidewalks, curb and gutters, drainage, and landscaping. The project should be finished before the end of FY 16-17, and the projected cost for FY 15-16 is projected to be \$664,600. The remainder of the cost will be paid in FY 16-17.

**Farmers Market Water Project:** The project will relocate the water services for the 26 businesses at the State Farmers Market from existing 6", 4" and 2" galvanized water lines located within the Market and reconnect them to a larger 16" water lines serving the Market. The Project also proposes to install new 6" diameter water lines creating a loop system within which the new water lines will be connected. Also new backflow preventers will be installed where they did not exist. The construction of the new water lines within the State Market area will allow the City to abandon more than 4,000 lineal feet of the older 6", 4" and 2" galvanized lines that serve the businesses now. The projected cost is approximately \$463,780, of which \$231,380 is being paid by the Florida Department of Environmental Protection and the balance will be paid by the CRA. The CRA budgeted amount for FY 2015-16 is \$278,540.

**Other CRA Activities:**

The CRA is also coordinating the acquisition of several buildable residential lots in the CR Area from the County and other sources. The City believes that as the real estate market picks up, the City is in a better position to work with developers/builders on these lots. The County also owns a parcel on NW 3<sup>rd</sup> Avenue that the City is trying to acquire for part a passive park adjacent to the Busway.

The CRA will continue coordinating with the City of Homestead, and the County for the widening of Lucy Street between NE 6<sup>th</sup> Avenue and US 1. This project is being funded by the MPO. All of the right of way has been acquired and roadway construction should begin before the end of FY 2015-16.

The CRA will continue coordinating with the County for the passive use of the Pineland Preserve on West Palm Drive. The County is undertaking a management plan for this conservation area and the

CRA is working with the County to create a passive recreational plan for the new park, which will be in the CR Area.

The CRA is the lead City department for a FY 2015 State of Florida Small Cities CDBG Economic Development category application for part of the cost of covering the Palm Drive Canal within the CR Area. The grant application will be for \$750,000 and is due in March, 2016.

The CRA is also the lead City entity for an application to the Legislature for assistance in paying for the cost of covering the Palm Drive Canal which is located within the CRA. Though the CRA is not contributing to the cost of construction, the canal is in the CR Area. Numerous businesses and property owners want to open commercial and retail establishments in the area, but are limited because of the traffic congestion on East Palm Drive. Projects in the planning stage would bring about \$56,800,000 in new property tax value and create over 500 new jobs. Proposed construction will include a Publix Supermarket with 9 outparcels, two hotels, a critical care clinic, a bowling alley, a fronton, and an entertainment complex. With the southbound extension of SW 172<sup>nd</sup> Avenue and the east bound extension on SW 152<sup>nd</sup> Street to a point of intersection, additional properties will be accessible for development. To culvert and cover the canal between US 1 and SW 172<sup>nd</sup> Avenue is estimated to cost \$6,300,000.

## **VII. FY 2015-16 Housing Programs**

**Acquire Property in the CR Areas:** \$400,000 is budgeted for the acquisition of dilapidated structures in five sections of the Northwest Neighborhood. Funds could also be used for acquisition of undeveloped scattered parcels for the purpose of site assembly. The Northwest Neighborhood contains some housing units that are unfit for rehabilitation and just should be demolished. The properties will be held until the real estate market improves and they will eventually be developed for affordable or market rate housing. The CRA has completed acquisition plans for the five sections of the CR Area.

**Demolish Houses in the CR Area:** \$40,000 is budgeted to demolish housing structures in the Northwest Neighborhood that are acquired by the CRA or that are demolished by the CRA based on orders from the County Unsafe Structures Board. There are a number of housing units in foreclosure or that have been abandoned which the CRA is planning to acquire for demolition. The properties will be held until the real estate market improves and they will eventually be developed for affordable or market rate housing.

The CRA will be coordinating three housing rehabilitation and repair programs in FY 2015-16

1. The YMCA will be painting and landscaping 5 houses in February, most of which are in the CR Area. This is a minor repair project using local volunteers. The CRA will not be incurring any expenses with this project.

2. Rebuilding Together is a nation non-profit organization and will be doing substantial rehabilitation on 20 homeowner occupied houses in April. The CRA is coordinating their efforts, and there are no CRA funds involved in the project. The City is contributing up to \$100,000.

3. The City successfully applied for \$750,000 from the State of Florida Small Cities CDBG Program to be used for substantial rehabilitation on at least 16 homeowner occupied houses. This project should begin in late May and will be complete in about 12 months.

The CRA is also working with Rafael Heuget Sr. to construct five new houses on CRA owned infill lots. The lots will be optioned to his company in January and construction should begin on the first house shortly thereafter.

## **VIII. Enhanced Public Safety Program**

**Community Policing Program:** The CRA plans to continue implementation of the special public safety program. This program enhances Florida City Police patrols, over and above normal service levels, for CR Area only. The projected cost of this program is \$230,000 for FY 2015-16. This innovative community policing program has been very effective in providing greatly increased police visibility and interaction with CR Area businesses and residents. Business owners in the area have repeatedly expressed the desire that the program continue and even be strengthened in the future. The CRA Board believes this is one of its most important and necessary programs because it creates a good public safety environment in which quality redevelopment may occur. It also allows our Police department to provide enhanced presence at night to prevent theft in areas where the CRA is paying for infrastructure projects.

## **IX. Summary**

Overall, the CRA has grown at a very healthy rate since 1995, even with the property tax shrinkage over the past several years, and the CRA has been a very productive catalyst thus far in overall City redevelopment. An effective partnership with Miami-Dade County has greatly assisted the CRA in its mission. This growth stagnation or shrinkage trend seems to have run its course since the value of property within the original CRA actually increased this year. The CRA remains confident that it can accomplish all the planned activities in FY 2015-16 consistent with the CR Plan.

City of Florida City  
Community Redevelopment Agency  
FY 2015-16 Budget, Proposed  
(FY 2015-16 begins October 1, 2015)

City Tax Increment Revenue	1,335,543	1,045,318	1,064,131	1,093,526	1,093,526	1,043,481	1,043,481	1,043,481	969,326	969,326	969,326	1,012,003
County Tax Increment Revenue	933,990	647,286	647,286	653,103	653,103	647,598	647,598	647,598	596,022	596,022	596,022	662,824
Carryover from prior year	4,872,545	3,985,407	4,387,332	3,264,124	3,264,113	1,538,354	1,655,312	1,655,312	1,349,471	1,349,471	1,349,471	696,224
All other revenues (name)		49,096		37,150	32,655	10,000	40,209	0	25,000			
Accounts Receivable				40,209								
Interest earnings	60,000	144,803	50,000	19,218	25,000	10,000	12,804	10,000	6,000	9,035	5,000	5,000
<b>Revenue Total</b>	<b>7,202,078</b>	<b>7,893,824</b>	<b>5,728,011</b>	<b>6,117,967</b>	<b>5,057,903</b>	<b>3,249,433</b>	<b>3,392,600</b>	<b>3,355,426</b>	<b>2,768,988</b>	<b>2,920,819</b>	<b>2,920,819</b>	<b>2,376,051</b>
Employee salary (Administrative)	136,000	126,066	149,000	136,559	73,208	74,531	75,404	75,000	72,700	77,616	78,000	80,340
Employee Fringes (Administrative)	64,000	40,971	72,000	39,028	20,937	21,316	21,461	21,000	24,500	22,198	23,000	27,075
Contractual services												
Insurance												
Indirect Cost Allocation												
Bad Debt Expense												
Printing and publishing	2,000	268	500		500	500						
Marketing												
Advertising and notices	7,500	5,546	7,500	3,654	3,000	3,111	4,000	2,000	392	2,000	1,800	2,000
Travel and Training	10,000	6,146	9,000	7,773	7,000	6,638	6,000	8,000	7,069	8,000	8,000	7,000
Auto Expenses	6,500	0	6,500	287	2,000	25,000	20,199	2,000	-409	2,000	2,000	2,000
Rent/lease costs	5,400	0	5,400									
Equipment other than office				640								
Equipment and furniture	5,000	829	3,000	3,189	2,500	209	2,500		2,000			
Other Admin. Exps (attach list)	5,000	1,715	3,000	1,626	2,000	780	2,000	1,319	1,000	1,000	1,000	1,000
<b>(A) Subtotal Admin Expenses, %</b>	<b>241,400</b>	<b>181,541</b>	<b>255,900</b>	<b>192,756</b>	<b>235,419</b>	<b>255,919</b>	<b>249,158</b>	<b>228,033</b>	<b>225,604</b>	<b>224,397</b>	<b>223,383</b>	<b>238,217</b>
County Administrative Charge at 1.5%	14,010	14,010	9,709	0	9,797	9,797	9,714	9,714	9,714	8,940	8,940	9,942
<b>(B) Subtot. Admin Exp &amp; County Charge</b>	<b>255,410</b>	<b>195,551</b>	<b>265,609</b>	<b>192,756</b>	<b>245,216</b>	<b>265,716</b>	<b>258,872</b>	<b>237,747</b>	<b>235,318</b>	<b>233,337</b>	<b>232,323</b>	<b>248,159</b>
Employee salary (Operating)	43,150	45,943	47,000	46,439	48,805	49,887	50,270	50,000	49,786	51,756	52,000	55,560
Employee Fringes (operating)	19,850	15,024	22,000	13,282	13,958	14,211	14,378	14,000	16,778	14,802	15,000	18,050
Contractual services	400,000	402,649	340,000	328,310	400,000	437,537	348,000	212,000	183,503	200,000	200,000	160,000
Insurance	5,000	0	0	0	0	0	0	0	0	0	0	0
Audits and studies	7,500	0	4,000	0	0	0	0	0	0	0	0	0
Printing and publishing												
Membership/Dues	2,500	1,875	2,500	4,930	2,500	2,175	2,500	2,500	3,380	2,500	3,000	3,000
General Operating												
Legal services/court costs	15,000	14,858	15,000	18,644	16,000	27,000	23,794	20,000	17,471	20,000	20,000	15,000
Property Maintenance	2,500	1,875	2,500	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Land/building acquisitions & Demo/Relo	1,200,000	397,170	650,000	291,372	540,000	230,000	112,854	272,000	206,321	280,000	205,000	440,000
Infrastructure improvements	3,943,526	1,459,072	3,407,225	1,503,812	3,146,000	2,106,619	2,104,624	1,049,357	915,833	1,531,713	1,216,651	1,058,200
Debt service payments												
Assistance to Non-profits	10,000	2,752	10,000	3,203	4,000	3,829	10,000	3,000	5,247	10,000	4,000	10,000
Housing Assistance Projects												
Redevelopment facade / CBIG grants	350,000	149,336	250,000	89,074	150,000	118,822	150,000	83,756	93,765	80,000	20,000	60,000
Redevelopment loans / grants issued out	100,000	0	100,000	0	0	0	40,000	0	0	0	0	0
Building construction & improves	50,000	9,197	50,000	10,000	10,000	10,000	1,600	10,000	10,000	10,000	10,000	27,500
Youth Activity Center	535,000	599,568	200,000	135,431	240,000	231,892	240,000	240,000	230,749	240,000	230,000	230,000
Transfer out to others (Community Policing)	250,000	211,622	240,000	226,590	240,000	230,000	240,000	240,000	230,749	240,000	230,000	230,000
Acquisition of Tax Certificates												
Other Oper. Expenses (attach list)	500	500	500	500	500	500	500	500	500	500	500	500
<b>(C) Subtotal Oper. Expenses</b>	<b>6,934,526</b>	<b>3,310,941</b>	<b>5,340,725</b>	<b>2,661,087</b>	<b>4,655,263</b>	<b>3,101,725</b>	<b>2,987,876</b>	<b>1,981,213</b>	<b>1,770,637</b>	<b>2,473,771</b>	<b>1,992,272</b>	<b>2,093,310</b>
<b>(D) Reserve/Contingency</b>	<b>12,142</b>	<b>121,677</b>	<b>0</b>	<b>75,803</b>	<b>1,566,305</b>	<b>0</b>	<b>19,617</b>	<b>0</b>	<b>61,880</b>	<b>0</b>	<b>1,992,272</b>	<b>34,582</b>
<b>Expenditure Total (B+C+D)</b>	<b>7,202,078</b>	<b>3,506,492</b>	<b>5,728,011</b>	<b>2,853,843</b>	<b>4,976,282</b>	<b>5,057,903</b>	<b>3,249,433</b>	<b>2,218,960</b>	<b>2,005,955</b>	<b>2,768,988</b>	<b>2,920,819</b>	<b>2,376,051</b>
<b>Cash Position (Rev-Exp)</b>	<b>-</b>	<b>4,387,332</b>	<b>3,264,124</b>	<b>3,264,124</b>	<b>1,655,312</b>	<b>1,173,640</b>	<b>1,349,471</b>	<b>696,224</b>	<b>696,224</b>	<b>696,224</b>	<b>696,224</b>	<b>696,224</b>

**14.18%**  
**14.77%**

**1**  
**2**  
**3**  
**4**

