

**City of Florida City**  
**Community Redevelopment Agency**  
**Annual Report**  
Fiscal Year 2020-2021

**Executive Director's Statement**

The Florida City Community Redevelopment Agency (CRA) was created in 1996 and completed its 26th full year of operation in FY 2020-21.

Some of last year's high points were:

With the CRA scheduled, by statute, to sunset in 2025, negotiations were completed with Miami-Dade County to draft a **Restated Inter-local Agreement** that both enlarged the Florida City Community Redevelopment Agency district, as identified in the 2019 Finding of Necessity, and agreed to an extension to the permitted life of the CRA, through 2055 and other details, discussed below.

**Arguably, the single most important economic MAINTENANCE effort of FY 2020-21 and continuing into 2022 is the struggle to deny the construction of a proposed flyover of the Florida Turnpike at Palm Drive and US Highway 1. CRA and City officials have mounted a vigorous campaign to stop the flyover component, universally viewed by both the public and private sectors as being an existential threat to the continued viability of the commercial corridor. This opposition campaign will be a multi-year focused political necessity.**

For FY 2020-21, the CRA Budget was \$8,695,161, with significant carryover amounts from previous years being marshalled to provide sufficient funding for several major infrastructure projects. FY 2021-22 will reflect the implementation of those major improvements to both the road and parks systems within CRA boundaries. The details of the FY 2021-22 budget are herein included as Exhibit A.

Respectfully submitted by CRA Executive Director Jon Ward.

## **Staffing and Shared Operating Expenses**

Jon Ward joined Florida City as the CRA Executive Director in December, 2019. Ward leads the Agency after serving 6 years as the Executive Director of the West Palm Beach CRA and 8 years as Director of Urban Redevelopment, including the administration of the CRA and Housing Department, for the City of Fort Pierce. He began his public sector career as Director of Cultural Affairs for St. Lucie County, FL, after 30-plus years as a sales and marketing executive in the private sector. His community volunteer service includes several terms on the Boards of the Florida Arts Council and the Florida Humanities Council. Director Ward is a graduate of Leadership Florida's Cornerstone Class XXVII.

Florida City's Finance Director, Chad Burkhalter, continues as the Treasurer of the CRA. Jennifer Evelyn, City Clerk, serves as the Board Secretary.

Implemented in FY 2012, the CRA's consultant, Willdan Financial Services, developed an Indirect Cost Allocation Plan to identify the indirect shared costs that the CRA is responsible for. These include services provided by City Administration, Finance and the City Clerk, plus expenses, such as City Hall office rent, insurance, utilities and maintenance.

## **Board and Administrative Procedures**

The CRA by-laws and the Restated Inter-local Agreement with the County establish the CRA Board composition, purpose and powers, meetings, notice requirements and administrative procedures. The Agency Board is composed of the Mayor, four elected City Commissioners and two representatives of the CRA business and residential community plus the appropriate County Commissioner (or his/her designate). The by-laws define the Mayor as the Board Chairperson and the Vice-Mayor as Vice Chair. The Board mirrored City policies and procedures as CRA policies and procedures, except where variances are approved by the CRA Board.

The CRA Board meets on an as-needed basis, but the meetings have averaged quarterly during FY 2020-21. The Board typically meets immediately prior to a City Commission meeting on either the second or fourth Tuesday of the month.

Modifications to CRA Plans, indebtedness, annual budgets and reports are all required to be submitted and approved by the Board of County Commissioners. The Agency has no outstanding bonds.

Chapter 163.387(8), Florida Statutes, requires that the CRA perform an annual independent audit. Results are available on the City website at [www.floridacityfl.gov](http://www.floridacityfl.gov).

## **Restated Inter-Local Agreement**

As noted on Page 1, a **Restated Inter-local Agreement** was approved by the Florida City Commission in Resolution 20-34 on June 17, 2020 and submitted to the Board of County Commissioners, who supported the Agreement with the passage of Resolution R-936-20 on October 6, 2020. The Agreement contains an expansion of the Community Redevelopment district that encompasses the area between the Busway, Davis Parkway, Redland Road and NW 2<sup>nd</sup> Street. It also extends the life of the Agency until June 1, 2055, to give adequate time to continue implementing the CRA Plan. As noted earlier, the Agreement created an additional Board seat for County Commission involvement and it also requires a 25% rebate of the County's annual TIF transfer to the Agency and codifies financial support for the County's SMART transit plan through another 25% rebate of the annual TIF contribution. The City TIF contribution remains the same percentage.

## **Development and Infrastructure Projects**

**Because of the nature of redevelopment work and size of City staff, the CRA Executive Director is tasked with the administration of major infrastructure projects within Florida City, regardless of the funding source.** The onset of COVID-19 in early 2020 caused a significant slowdown in new projects and required a refocus on support for the local business sector and the completion of ongoing construction projects in straightened circumstances. Supply chain disruptions, staff health concerns and distanced office practices impacted everything across the board from delays in design times, communication issues and construction site mobilization. Florida City took this time to plan major initiatives to be instituted in 2021-22.

The Agency assembled 32 lots over a period of almost ten years in a part of the City known as the **"Snake Pit,"** specifically referenced in Section IX(A)(3) of the Community Redevelopment Plan, as an area in which the CRA should acquire and assemble properties. In 2021, \$400,000 was budgeted for the acquisition and demolition of structures in the "Snake Pit." The Agency acquired three parcels, two of which required the City to use the eminent domain process, which is a time consuming exercise in the best of times and was greatly complicated by the pandemic. An earlier contract to sell the property to an affordable housing developer collapsed in late 2020 and, as of this writing, the City is in final negotiations with a new purchaser. Staff continues to clean up title issues with related lots in preparation for a final sale in FY 2021-22. Two structures, "Ford" and "Jefferson," were demolished after their

acquisition. “Ford” was unoccupied and the “Jefferson” tenants voluntarily relocated.

The CRA is coordinating with Miami-Dade County, Homestead, and Florida City for the **widening of West Lucy Street**. The County has agreed to fund the cost of expanding West Lucy to three lanes with curb and gutter, drainage, landscaping and sidewalks between Redland Road and US 1. No firm date for commencement of construction has been announced. All required right of way has been acquired and some underground utilities continue to be relocated as needed.

In 2020-21, the CRA budgeted \$150,000 for the repair of substandard residences in the CRA in a partnership with the non-profit **Rebuilding Together-Miami**. As of this writing, the program performed major renovations to the residences of 9 local families at a cost of \$121,000. The City also budgeted \$50,000 for homes outside CRA boundaries and has expended \$39,000 of their budget, as of this writing. Florida City officials celebrated National Rebuilding Day on April 9, 2021 with yard parties at four residence work sites.

The long-delayed construction at **Loren Roberts Park** commenced in April, 2021. The \$848,000 bid from HG Construction exceeded the 2017 \$750,000 CDBG-NR grant secured for the removal of the debris from a former wastewater treatment plant and construction of parking and sidewalks to serve the park. CRA funding and other resources will make up the overage costs. Substantial completion of the project is expected in November, 2021.

The CRA administered the **\$8,400,000 reconstruction of East Palm Drive**, including the culverting of the Florida City canal, from US 1 eastward to NW 172<sup>nd</sup> Avenue. After significant delays, construction began in early 2019 and work was substantially complete in April, 2021.

In 2021, infrastructure funding became available from Federal pass-thru grants through the State and CRA staff coordinated the successful application for a \$16.8 million dollar grant, the largest thus far secured by the City, for the purpose of a **Phase 2 construction of the Palm Drive project** eastward to the City Limits. Engineering design, permitting and coordination is expected to take most of 2022.

Agency staff supports the City with the sale of the City-owned 14 acre **RV Park** in the heart of the CRA District to TREO Group. TREO plans to develop 8 acres of upscale multi-family units and 6 acres of commercial space and will assume the development of the adjacent linear park on 3<sup>rd</sup> Avenue.

To encourage **economic development**, the CRA held **auctions** and closings for various CRA-owned parcels of land during the fiscal year, raising \$1,794,000 for the Agency in proceeds at final closing. A number of scattered site and multi-family housing projects will be constructed as a result of these sales. When closed, the property will no longer be maintained by City Public Works and all of the new developed properties will go back on the City’s tax roll.

The CRA budgeted \$10,000 for general support at the City-owned **Florida Pioneer Museum**. Staff began discussions with the Museum Board in June, 2020 to consider a potential relocation of the facility but COVID forced the closing of the facility for the majority of 2020 and 2021, putting discussions on hold.

The Florida East Coast Railroad **Depot Building**, owned by the City, is a faithful reconstruction (1995) of the original depot building that served Florida City and Homestead in the early 1900's. It sits immediately behind the Florida Pioneer Museum on Krome Avenue and is available to rent for public events. The Depot had minimum use in the current fiscal year due to the pandemic restrictions. If the Museum eventually is relocated, the Depot would be similarly moved.

**Washington Park** is a one square block recreational asset in the Northwest neighborhood, designed as a children's park. The CRA hired Stantec to redevelop the facility. Construction will begin in 2022, pending clearing up property ownership issues with the County.

The CRA provides City oversight of **repairs and upgrades to the sanitary sewer system**. Baljet Environmental is responsible for ongoing project engineering and construction is underway, in various stages, of over 20 force mains, pump stations and related upgrades with a construction value of over \$7 million dollars. Funding is provided by a State DEP revolving loan fund.

Working with City Engineer Baljet Environmental, the CRA is administering the City's FDEM Hazard Mitigation Grant for a **drainage project** in the area bordered by NW 7<sup>th</sup> Avenue, Redland Road, NW 2<sup>nd</sup> Street, and Palm Drive. The \$899,000 grant is in the engineering and environmental review stage. The project will provide flood relief in one of the lowest areas of the CRA district and will include new street paving, sidewalks, curb and gutters, drainage, parallel parking and landscaping. The CRA committed to provide future grant match funding of \$300,000.

CRA staff continue to provide oversight for the City's CDBG grant acquisition and administration.

## **Other Agency Programs**

The CRA adopted a Commercial and Industrial Building Façade Program to assist building owners within the CRA to upgrade the appearance of their buildings. The façade rehabilitation project was budgeted for \$30,000 in FY 2020-21 but, after several initial conversations, the Agency received no completed applications for funding during the year. The Agency assumes the worsening of the pandemic distracted owners from these sorts of improvements.

**Staff did develop a grant program for existing businesses in Florida City, the “Fighting Chance” grants that successfully distributed over \$750,000 worth of pass-through Federal funding to local business owners, receiving much praise and appreciation from the business community.**

**Commercial Building Improvement Grant Program:** The Coronavirus pandemic continues to exert a significant negative impact on small businesses ability to survive, much less reinvest in facility improvements. No funding was requested under this program during the recent fiscal year.

Anticipating the challenge of redeveloping potentially environmentally contaminated properties, the City Commission designated (with Resolution 20-01) the entire CRA district as a **Green Reuse Area**, a new term for what used to be referred to as a “brownfield.”

CRA staff assisted in the Miami-Dade County Transportation Planning Organization’s (TPO) **“Florida City Hub Mobility and Accessibility Study,”** issued in January, 2021, which identified short and long-term infrastructure improvement needs to the South Dade Bus Rapid Transitway.

Using information gleaned from the TPO study, CRA staff drafted a successful application for the 2021 Florida Department of Transportation’s (FDOT) **Transportation Alternatives grant** and was awarded \$1,000,000 for infrastructure improvements to the transit corridor in Florida City, to be awarded as FDOT funding becomes available.

As the City’s infrastructure contact, CRA staff worked with the City Engineer and FDEP to successfully reapply for the NPDES (**National Pollution Discharge Elimination System**) **permit**, which must be renewed every 5 years. Tasks included development and distribution of best practices brochures and annual permit updates. Permit #FLR04E088 was issued on February 8, 2021 and is effective until February 7, 2026.

**Community Policing Program:** Continued implementation of this special public safety program, enhancing Florida City police patrols, over and above normal service levels, for the CRA district. The cost of this program was \$350,000 for FY 2020-21 and will continue in the coming fiscal year at the same funding level.

As an adjunct to the community policing initiative, last year the Agency budgeted \$60,000 to provide additional **video cameras** in appropriate locations within the district.

The CRA administers the **Opportunity Zone** program, providing potential tax benefits to developers within the zone.

## Revenue Growth and Proposed Budget

The 2021 property tax base has increased, both in property valuation and because of physical additions to the district boundaries in 2009 and 2020, to its present value of approximately \$358.6 million, an increase of almost 2.6 times since the CRA's taxable base year of 1994 (when it was worth approximately \$134.3 million, after being decimated in Hurricane Andrew).

The proposed FY 2021-22 Annual Budget (**see Exhibit A**) defines the planned financial program for the CRA in the coming year. Total revenue available is expected to total \$12,503,954. Of this amount, \$1,513,295 is the annual City tax increment (TIF) contribution and \$968,168 is the Miami-Dade County TIF contribution. The balance consists of \$5,718,491 in carryover funds from FY 2020-21, sale of real estate at \$4,294,000 and projected interest and other income of \$10,000.

The reason for the large carryover balance is the Agency has been assembling construction funds required to complete the four-segment streetscape project in the Northwest neighborhood, estimated to cost \$8,027,000 and the renovation of Washington Park. The ongoing pandemic certainly caused delays in implementing both projects, initially planned for FY 2020-21 starts, as most consultants and suppliers completely revamped how they performed, often operating remotely, which created significant project delays.

## Proposed FY 2021-22 Budget Overview

**For the complete budget, see the attached Exhibit A.** Below is a synopsis of key elements in the budget

### Administrative Expenses

1. Indirect Cost Allocation (\$173,717) Indirect costs are the CRA's contribution to the costs of City services provided to the Agency by the Finance Department, City Clerk's Office, Human Resources, Administrative Services, etc. and include charges for office rent and utilities, shared office equipment, building cleaning and maintenance and facility insurance
2. Advertising and Notices (\$15,000) Public notices are required for all special meetings and solicitations. Notices are required to be published in English and Spanish, determined by the makeup of this community.
3. Travel and Training (\$6,000) Educational and business events relating to community redevelopment, including conferences. In 2021, the Agency purchased ZOOM licenses to facilitate online meetings.

4. Other Administrative Expenses (\$12,000) Office supplies, postage, minor equipment replacement, phone expenses, copy machine and reproduction costs, internet, etc.
5. County Administrative Charge (\$14,523) Rebate of 1.5% of County's tax increment contribution to CRA.

**Operating Expenses**

1. Contractual Services (\$300,000) Architectural and engineering fees for infrastructure and building projects. Realtor and appraisal fees for property acquisition. Grant writing and administration costs.
2. Audits and Studies (\$5,500) The Agency is required to have an independent audit of its financial activities annually.
3. Legal Services/ Court Costs (\$50,000) Outside counsel for specialized services, such as brownfield issues, litigation defense, etc.
4. Infrastructure Improvements (\$9,000,000) Construction costs for roadwork (\$8mm) and redevelop Washington Park (\$1mm)
5. Assistance to Non-Profits (\$10,000) Operating subsidy for the Florida Pioneer Museum Association.
6. Housing Assistance Projects (\$50,000) Rehabilitation on homeowner occupied houses.
7. Transfer out to others (\$350,000) Enhanced police services/community policing within the CRA.
8. Acquisition of Tax Certificates (\$10,000) To secure abandoned public nuisance properties.
9. Reserve/Contingency (\$2,297,872) Cost overruns or enhancements for infrastructure projects or unanticipated costs.