



CITY OF NORTH MIAMI BEACH

COMMUNITY REDEVELOPMENT AGENCY



FISCAL YEAR 2012-2013 BUDGET



CITY OF NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY

The North Miami Beach Community Redevelopment Agency was created in 2005. A Tax-increment revenue funding mechanism was established to include both the City of North Miami Beach and Miami-Dade County. Additionally, the CRA initiated and received required approval from Miami-Dade County (R-1427-06, Dec. 19, 2006) for the issuance of two lines of credit totaling \$8 million. One note, \$3,000,000 for infrastructure improvements and reconstruction of streets within the CRA. The \$5,000,000 was to be used to acquire property for a future Transit Oriented Development (TOD) in a public/private partnership with Miami Dade Transit (MDT). The project was not accomplished and as a result the CRA requested the funds be used for much needed infrastructure improvements and acquisition of commercial property for redevelopment. In April 2012, the Board of County Commissioners (BCC) approved the use of revenues from the line of credit for infrastructure improvements (\$4,000,000) and land purchase (\$1,000,000).

NMBCRA 2011-12 PAST ACCOMPLISHMENTS

FY 2011-2012 was the seventh year of operation for the North Miami Beach Community Redevelopment Agency (NMBCRA). The Agency's activities in FY 2011-2012 were focused on public infrastructure planning and construction in order to improve the economic environment for future business and developer recruitment.

The NMBCRA Façade and Security Grant Programs were created to facilitated the attraction of new businesses and retain and promoted existing businesses by providing financial assistance for exterior improvements, and thereby work to achieve the CRA's goal of eliminating conditions that have a negative impact on economic growth. A total of \$70,750 in grant funds were used to assist eight (8) businesses improve their properties.

NMBCRA 2012-2013 REVENUE

NMBCRA FY 2012-2013 Revenues

Tax increment revenue in FY 2012-2013 for the NMBCRA will total \$ 550,143. The sources of revenue for FY 2012-2013 include tax increment revenue payments from the City of North Miami Beach of \$ 366,833 and Miami-Dade County of \$ 183,310 respectively and a carryover from FY 2011-2012 of \$ 5,517,000 plus \$ 11,500 projected interest on investments.

Tax Increment Revenue Payments

	<i>(FY 11-12)</i>	<i>(FY 12-13)</i>
TIF City Contribution	\$ 241,794	\$ 366,833
TIF County Contribution	\$ 176,641	\$ 183,310
Carryover	\$ 5,719,000	\$ 5,517,000
Projected Interest on Investments	\$ 11,000	\$ 11,500
Total Revenues:	\$ 6,148,435	\$ 6,078,643

NMBCRA FY2012-2013 EXPENSES

The City of North Miami Beach has made changes within its administration that enhance its management and that of the CRA. A new City Manager was appointed in October. In addition, the CRA has also changed staffing, which has impacted the FY2012-2013 Budget and Annual Plan. The City Manager has assumed the position of Executive Director of the NMB CRA, to provide oversight and a new CRA Coordinator has been hired to implement the plan. Additionally, an Economic Development Consultant has been contracted to assist in developing several economic development initiatives.

To provide better focus and direction for the CRA Board and staff, a visioning workshop was held in October, by our new Consultant, Neighborhood Equity Strategies, to identify challenges and opportunities for economic growth. Using the comments of the Board, an implementation plan was drafted to address the lack of visible development and economic improvements within the City and the CRA. This plan identifies realistic, attainable initiatives and assignments which bring accountability to implementation of the CRA Plan's economic development goals.

An Economic Development Summit was held this past January 9th, to hear from commercial property owners, developers, realtors and other stakeholders regarding what they considered to be priorities to accelerate investment and development within the City and the CRA.

To that end, the NMB CRA envisions that this fiscal year will be spent in building economic development credibility and strengthening and improving the process and policies for development. In addition, having a targeted façade program for "Downtown NMB" can lead to more visible impact, for brokers and developers. The NMBCRA has allocated infrastructure funds for shovel ready projects. In addition, the NMBCRA has begun discussion with several developers who are interested in investing in and building projects in the CRA, and the remainder of the \$5,000,000 from the line of credit will be made available when potential private investments, that are currently in the planning and preliminary design stage are ripe for an incentives discussion and the appropriate policies and programs are in place to ensure a fair process and level playing field for those that wish to access the incentives.

The FY2012-13 Budget and Annual plan will focus on:

1. Improving the brand and identity of North Miami Beach as a good place to do business and building credibility;
2. Creating a process for implementation of additional economic development incentives that are authorized by Chapter 163 of the Florida Statute and the NMB CRA Plan to promote private investment and development;
3. Supporting the City's foundational businesses with programs such as the façade improvement program and additional economic development technical assistance.

ADMINISTRATIVE EXPENSES

1. Employee Salary and Fringe (\$ 31,606)

25% administrative personnel costs charges to the CRA for previous CRA Coordinator (pro-rated) and current Coordinator's salaries and fringes:

Previous CRA Coordinator (October 2012)	\$12,418
Current CRA Coordinator (November 2012 to September 2013)	<u>\$19,188</u>
Total:	\$31,606

Note: The operating personnel costs (75%) are listed in the "Operating Expenses" section.

2. Annual Audit (\$ 3,150)

The CRA is audited as a part of the City of North Miami Beach's annual audit (CAFR) and, as with all funds, pays its pro-rata share of the cost of the audit.

3. Advertising and Notices (\$500)

Legal Notices placed for CRA Workshops / Budget Meetings.

3. Travel (\$ 1,000)

Travel for conventions / seminars and developer meetings.

4. Other Administrative Expenses (\$ 4,750)

Overhead expenses include but are not limited to operating supplies, postage, professional organization membership dues, subscriptions to publications. Specifically this amount includes professional memberships for Urban Land Institute, Florida Redevelopment Agency, International Downtown Association subscriptions and publications for South Florida Business Journal.

Total Administrative Expenses: **\$ 41,006**

5. County Administrative Charge (\$ 2,750)

Required County Fee @ 1.5% of County's tax increment contribution.

Total Administrative Expenses (Including County Admin Fee) **\$ 43,756**

OPERATING EXPENSES

1. Employee Salary and Fringe (\$94,817)

75% of previous CRA Coordinator (pro-rated) and current Coordinator's salaries and fringes:

Previous CRA Coordinator (October 2012)	\$37,254
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Current CRA Coordinator (November 2012 to September 2013)	<u>\$57,563</u>
Total:	\$94,817

Note: The administrative personnel costs (25%) are listed in the “Administrative Expenses” section.

2. Contractual Services/Economic Development (\$ 25,875)

The CRA has hired an Economic Development Consultant, Neighborhood Equity Strategies, to assist with, but not limited to, implementing the redevelopment plan, and developing new initiatives to attract new business and investment to the CRA.

3. Printing and Publishing (\$ 2,000)

Covers the cost of producing agendas / annual reports and other documents required by the CRA Board, the Redevelopment Advisory Board and the Economic Development Commission Board. Also included are developer recruitment packages, welcome packages including annual public information and other documents needed to provide economic overview of the City & CRA.

4. Marketing/Special Events (\$ 17,000)

Through promotional activities, such as the 2013 Economic Development Summit, the CRA will promote its services and activities to new businesses and developers interested in doing business and applying for existing programs and incentives.

In addition, the CRA has contracted the with the Greater North Miami Beach Chamber of Commerce to market all events and programs offered by the CRA and to promote its economic development activities.

6. Legal Services Costs (\$ 24,000)

Outside (non-City) legal assistance for development agreements/legal issues and attendance at CRA Board & Redevelopment Advisory Board Meetings. The law firm shall provide continuous services as General Counsel and additional services consisting of representation of the CRA, counseling, giving legal advice, formulating legal strategy, and acting as legal counsel with respect to the governance and operations of the CRA. “Legal services” shall include review of contracts and agreements, and the rendering of legal opinions as requested by the CRA or members of its governing board.

A Recorder is contracted to transcribe meeting minutes.

7. Acquisition / Infrastructure: Line of Credit (\$ 368,300)

The 163rd Corridor is identified as potential development site that will bring in a public/private partnership for the residents of North Miami Beach. These funds will be used for infrastructure projects consistent with the NMB CRA Redevelopment Plan.

PROJECTS:

A) Furnish & Install 8 inch Sanitary Sewer Line along NE 20th Ave. / North Side of NE 163rd Street. CRA Funding: \$ 215,000



B) NE 163rd Street/SR826 Landscape Beautification (Phase I of IV)

CRA Funding: \$153,300

Over the years NE 163rd Street/SR826 has suffered from numerous accidents and natural deterioration. As a result a complete renovation is required to uplift its appearance, to be done in four phases. The CRA has allocated \$153,300 for the first phase to enhance the medians from Biscayne Blvd to NE 20th Avenue. The funds will be used to:

Restore Irrigation System: High volume of accidents along the 163rd Street medians, have damaged and shut down the irrigation system. The intent is to use a portion of these funds to retrofit the various irrigation systems using flexible pipes and irrigation head locations that will not be as susceptible to damage by accidents.

Replenish the Soil: The SR 826 medians were originally installed as a Xeriscape planting, using a highly organic soil mix in order to maximize moisture retention. This highly organic soil mix has oxidized over the past 15 years and the soil level has dropped making it necessary to replenish the soil in order to bring the level of the medians back to the required two inches below the top of curb and then filled with mulch and be flush with the curb. This will also satisfy the current FDOT mandate of leveling the soil.

Landscape restoration: Palms and trees that have died or been destroyed by vehicles will be replaced in groupings to reflect the original design rhythm of the planting design. Species will include: Pink and Yellow Tabebuias and other small native trees approved by the FDOT, and Sabal and Alexander Palms. Some shrub masses will be restored / filled in, while some shrub masses which are causing visibility conflicts to traffic and area businesses will be removed and replaced with either grass or low groundcover. Flowers will be introduced to various median tips to establish a hierarchy in the landscape.

**PHASE 1 S.R. 826 MEDIAN IRRIGATION RETROFIT AND LANDSCAPE REPAIRS
WITHIN THE CRA - FROM NE 9 AVENUE TO BISCAYNE BOULEVARD
COST ESTIMATE (BASED ON SQUARE FOOTAGE)**

MEDIAN NUMBER	MEDIAN LOCATION	SQUARE FOOTAGE	IRRIGATION RETROFIT COST @ \$6.00/SF	LANDSCAPE REPAIRS COST @ \$4.50/SF	TOTAL RETROFIT AND REPAIRS COST
	(West to East)				
23	NE 20 Ave. & NE 21 Ave.	6,700	\$40,200	\$30,150	\$70,350
	NE 21 Ave. & NE 22 Ave.	6,600	\$39,600	\$29,700	\$69,300
25	NE 22 Ave. & Biscayne Blvd.	1,300	\$7,800	\$5,850	\$13,650
					\$153,300



Photographs taken along NE 163rd Street Medians.

8. Public Safety (\$185,843)

- **Under a continuing CRA initiative, the Agency will fund 1 police officer.**

Budget: \$109,683

Funds are allocated for 1 officer and 1 code enforcement officer. Using proactive plans, policies and programs in community policing and code compliance, the officers will work only on reducing crime and blight, which can negatively impact progress and economic growth within the CRA.

1 Police Officer (salary & fringes)	\$109,692
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Under a continuing CRA initiative, the Agency will fund 1 Code Enforcement Officer.

Budget: \$ 76,151

1 Code Enforcement Officer (salary & fringes)	<u>\$ 76,151</u>
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Total: \$185,843

(The Code Enforcement Officer and Police Officer are assigned exclusively to the CRA area)

9. Capital Projects Total (\$30,000)

- **Commercial Façade Improvement Program**

BUDGET CRA: TIF Investment - \$ 30,000

Through the Façade Improvement Grant Program, the NMB CRA seeks to help businesses improve the attractiveness of properties, and thereby work to achieve the agency's goal of eliminating conditions that have a negative impact on economic growth. The grant will pay for 50% of the total cost of an approved project up to a

maximum cost of \$25,000. All improvements must be in compliance with any and all applicable codes, design standards, and all other restrictions of the City of North Miami Beach. Every project must be approved by the CRA, and is subject to fund availability.

10. NE 8th Avenue to US1 (Biscayne Blvd) along NE 163rd Street Maintenance (\$ 70,000)

North Miami Beach Blvd is the main corridor in the CRA Area where all commercial businesses are located. The CRA has implemented the Facade and Security Grants for that avenue and the CRA needs to support those businesses with infrastructure, landscaping, lighting and general appearance. The City and the CRA have signed a memorandum of understanding for fiscal year 2012-2013 to provide maintenance services not covered by the City from NE 8th Avenue to US1 (Biscayne Blvd) along NE 163rd Street.

11. Debt Service (\$ 579,247)

The repayment of borrowed funds for the 2 lines of credit drawn down in 2007 and 2008. These loans expire on 2/1/2027.

- Debt service for the \$ 3,000,000 tax exempt \$ 209,867
- Debt service for the \$ 5,000,000 taxable line of credit \$ 369,380

12. Contingency/Reserve (\$6,105)

To cover minor expenses which may occur in administrative or operational expenses.

	(FY 11-12)	(FY 12-13)
Total Administrative Expenses:	\$ 67,220	\$ 43,756
Total Operating Expenses:	\$ 6,071,877	\$ 6,028,782
Contingency /Reserve	\$ 9,338	\$ 6,105
Total CRA Budget:	\$ 6,148,435	\$ 6,078,643