



North Miami Beach Community Redevelopment Agency Tax Increment Recapture Incentive



Program Description

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

The NMB CRA 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 will be provided to Owner on an annual basis through Fiscal Year 2027/28 (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 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 equal 50% percentage of the project's Net New Tax Increment Revenue.

The NMB CRA Board of Directors may award additional Tax Increment Recapture of up to 25% for projects that meet public policy goals, including:

- Inclusion of prioritized or targeted uses (i.e. grocery store, corporate headquarters, cultural institution);
- Job creation (a minimum number of jobs);
- Stimulative activities (inclusion of sidewalk café, minimum hours of operation);
- Other public benefits (open space, infrastructure improvements, transit-oriented development);

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 75%.

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.

The incentives available through the Tax Increment Recapture Incentive Program shall be available up until the earlier of either one of the following items occurs. The program will be reviewed by the NMB CRA Board of Directors at the earlier of:

1. TIF Recapture Program for the first projects funded up to a total of \$200 million of taxable value; or
2. 36 months from implementation of the incentive (October 16, 2017).

Program and Application Guidelines

Projects wishing to request a Tax Increment Recapture Incentive from the North Miami Beach CRA (NMB CRA) must meet the following criteria:

- Project applicant must demonstrate property control either through ownership or contract for purchase;
- Applicants must submit a letter to the North Miami Beach CRA (NMB CRA) requesting that the Board of Directors 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;
 - If applying for a 75% reservation of Tax Increment Recapture through this program, please provide a itemized list of public benefits to be provided by the project, per the attached criteria;
 - Any additional information that will assist the CRA Board during their decision-making process;
- 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 RAB and CRA Board;
- Projects will first be reviewed by the Redevelopment Advisory Board (RAB) and then by the CRA Board;
- Award of Tax Increment Recapture is conditioned on site plan approval within one year of award and 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 *Section 24.58, Assessments* under the MU/TC, MU/NC and MU/EC zoning categories of the City of North Miami Beach Code of Ordinances prior to receiving any tax increment rebate

Per the Tax Increment Recapture Guidelines, projects that meet eligibility requirements and comply with Section 24-58, Assessments shall receive a 50% rebate of the net new taxable value created by a project over the base year as established at time of reservation. Projects can also be eligible for an additional 25% Tax Increment Recapture public policy goals and specific criteria as follows:

Bonus Tax Increment Rebate Schedule and Requirements		
Incentive Option	Tax Increment Rebate	Requirement
Green Building	10% LEED Certified or equivalent 15% LEED Silver or equivalent 20% LEED Gold or equivalent 25% LEED Platinum or equivalent	Properties that obtain LEED or Equivalent Green Certification. Developers seeking this option shall incur all costs for certification and create an escrow/cost recovery account so that the City can retain the services of a Green Development Review Agent (GDRA). The developer will have to secure its certification prior to receipt of any tax increment rebates.
	15% Green Roof(s)	In no case shall the applicant receive a tax incentive for green roofs if the applicant is already providing a green roof as part of a LEED or equivalent Green Building certification. At least 75% of the roof space must be covered by the green roof and subject to the requirements as prescribed by the CRA
Public Streetscape and Infrastructure	15% Public Parking	A minimum of 10% above the required parking for the project shall be encumbered for public parking subject to the requirements of the CRA
	Up to 25% Infrastructure and Streetscape Improvements	Properties that provide substantial infrastructure upgrades that provide a benefit to more than one property and/or public streetscape improvements as reviewed by CRA and City staff shall be eligible for up to 25% depending on the level and cost of improvements.
	Up to 10% Public Art	Properties that incorporate public art visible and/or usable to the public may qualify for up to 10% tax incentives subject to review and approval of the CRA. The level of incentive will also be at the discretion of the CRA
Parks and Open Space	15% Provision of public open space	Properties that develop and maintain a minimum of 4,800 square feet of public open space shall be eligible for a tax incentive. Public open space shall be usable and open to the public for a minimum of 12 hours per day and be constructed per the requirements of the CRA.