



City of North Miami Beach, Florida
Community Redevelopment Agency (CRA)



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Weiss Serota Helfman – CRA Attorney
Horace McHugh – Assistant City Manager

Fiscal Year 2020-2021 Budget

For the Fiscal Year Starting on October 1st, 2020 and ending on September 30th, 2021

Overview

The North Miami Beach Community Redevelopment Agency (“CRA”) was authorized in 2005 by the Miami-Dade County Board of County Commissioners (“BCC”) and is a successful partnership between the City of North Miami Beach (“City”) and the BCC. The Redevelopment Area consists of approximately 468 acres and contains commercial, institutional, recreational, mixed-use, and multi-family residential uses.

The BCC delegated many of the CRA powers to the City, which then created the CRA. The BCC retained other CRA powers such as approval of the annual budget, amending the Redevelopment Plan, approval of long-term debt such as loans and bonds, and other powers, which was described in the 2005 Interlocal Agreement between the BCC, City, and CRA.

The CRA’s goals are:

- Eliminate and prevent blight,
- Improve the public infrastructure, and
- Prevent and reduce incidents of crime.

The CRA is a dependent special district that may only take on projects and programs that were approved in the Redevelopment Plan.

The latest Redevelopment Plan amendment was adopted by the BCC on March 7th, 2017 through Resolution R-239-17. The CRA will sunset on October 11th, 2028.

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Special thanks to the volunteer, uncompensated Redevelopment Advisory Board Members and Liaison Commissioner Phyllis Smith:

RAB Members:

Vladimir Bugera, Chair; Pradel Vilme, Vice-Chair; Claudia Gallegos; Robert Kriebs; Joseph Marmar; Antonio Ortega; and Lynn Su

FY 2019-2020 Accomplishments

- ✓ Developed and adopted a 5-year Strategic Finance Action Plan to guide the future direction of the CRA and its activities.
- ✓ Developed a Resource Package for Business, distributed a Covid-19 Survey and undertook other efforts to support businesses being negatively impacted by the pandemic.
- ✓ Tax Increment revenue collections grew over 18% during FY 2020 amid the successful efforts of the City and property owners to alleviate blight, and reflecting increased development, redevelopment and property values.
- ✓ Facilitated and participated in the inaugural *Bisnow* Event held in Sunny Isles Beach, designed as a forum to discuss redevelopment opportunities in South Florida and how these development projects can revitalize the CRA.
- ✓ Participated in the citywide agreement for conducting a parking study, intended to determine the parking inventory and parking needs and to develop options for current parking uses and recommendations for parking regulations and future development.
- ✓ Completed \$200,000 installation of Tree Pit System around 230 trees along Hanford Boulevard, intended to reduce trip hazards from tree roots lifting/cracking sidewalks and promote walkability in the CRA.
- ✓ Authorized \$400,000 grant for the Corona Del Mar sewer line extension, providing the installation of sewer infrastructure (gravity main, pump station, force main) to a 35-acre unsewered multi-family area served by septic.
- ✓ Continued focus on promoting and enhancing its Grant/Incentive Financial Assistance Programs portfolio, which includes: Wastewater Impact and Connection Fee Assistance Program; Commercial Property Improvement Program; and Direct Financial Assistance Program.
- ✓ Promoted the Brewery District (Florida's 1st Brewery District), to attract microbreweries, microdistilleries, and microwineries.
- ✓ As part of the Art in Public Places Program, provided grant funding to beautify and revitalize the Redevelopment Area, develop a sense of place, deter graffiti, and provide opportunities for artistic expression. These included:
 - Appropriation of \$26,000 for the concept to install graphic art on 26 utility boxes along the main traffic arterials in the CRA as part of the Public Art Program.
 - Authorized \$6,550 "Forest of Our Dream" and \$2,200 "Wings" murals at the Municipal Library, as part of the Public Art Program.
 - Completed installation of \$6,500 bicycle mural at the Bike Shop.
 - Approved \$25,000 matching grant for \$90,000 mural/artwork and exterior improvements on exterior building at 1100 NE 163rd Street, being undertaken by the property owner.

Tax-Base (5-Year History)

The following table provides a 5-year summary of the historical assessment (taxable) and increment values for the CRA as of January 1st of each year. The CRA experienced strong tax base growth in 2021 (7%).

TAXABLE PROPERTY VALUES						
		A		B	=A-B	
TAX ROLL YEAR	FISCAL YEAR	TAXABLE VALUE	% CHANGE OVER PRIOR YEAR	BASE YEAR TAXABLE VALUE ¹	INCREMENTAL TAXABLE VALUE	% CHANGE OVER PRIOR YEAR
2020	2021	519,789,433	6.9%	235,647,509	284,141,924	13.5%
2019	2020	486,090,898	25.0%	235,647,509	250,443,389	63.5%
2018	2019	388,806,282	7.4%	235,647,509	153,158,773	21.2%
2017	2018	362,047,135	7.5%	235,647,509	126,399,626	24.9%
2016	2017	336,840,901	9.4%	235,647,509	101,193,392	40.3%

Tax-Increment Revenues (5-Year History)

The Taxing Authorities which are obligated to make annual deposits into the CRA Trust Fund include the City of North Miami Beach and Miami-Dade County. The following table provides a 5-year summary of tax increment revenue collections² for the CRA segmented by Taxing Authority.

TAX INCREMENT REVENUE COLLECTIONS						
		A	B	=A+B		
TAX ROLL YEAR	FISCAL YEAR	CITY OF NORTH MIAMI BEACH	MIAMI-DADE COUNTY	TOTAL (ROUNDED)	% CHANGE OVER PRIOR YEAR	
2020	2021	\$ 1,673,596	\$ 1,261,348	\$ 2,934,944	18.1%	
2019	2020	1,394,273	1,090,387	2,484,660	51.3%	
2018	2019	932,099	710,641	1,642,740	24.4%	
2017	2018	770,445	550,385	1,320,830	30.3%	
2016	2017	602,408	411,413	1,013,821	46.2%	

¹ F.S. § 163.387 defines the base-year value as the value associated with the most recent assessment tax-roll used in connection with the taxation of property within the redevelopment area by each applicable Taxing Authority prior to the effective date of the Ordinance providing for the funding of the redevelopment trust fund. For the North Miami Beach CRA, the base-year tax-roll is 2004 and totaled \$235,647,509. Miami-Dade County utilizes a different base-year taxable value that adjusts for county-specific exemptions and totals \$235,289,177.

² Table represents tax increment revenue collections. These figures may differ from calculated tax increment revenues based on most recent reported taxable values (DR420TIF) due to revenue adjustments to reflect fluctuations in prior-year taxable values (and associated tax increment revenues).

Fiscal Year 2020-2021 Budget

The following section provides a narrative of the CRA's FY 2021 budget (attached as Exhibit A) which is substantially in alignment with the adopted 5-Year Strategic Finance Action Plan.

Revenues

Revenues for the CRA total \$6 million and include the following:

<u>Tax Increment</u> ³	<u>\$ 2,801,721</u>
<u>Investment Earnings</u>	<u>15,000</u>
Carryforward Fund Balance	<u>3,161,884</u>
Total:	<u>\$ 5,978,605</u>

Tax Increment

The primary source of revenue for the CRA is derived of tax increment received from the City (est. millage rate: 6.2000 mills) and BCC (est. millage rate: 4.6669 mills) and totals \$2,801,721 for FY 2021 (after adjustment for final 2018 taxroll variations).

Property values within the CRA (July certification) for FY 2021 increased 6.9% to \$520 million.

Investment Earnings

Earnings on the CRA's invested cash is conservatively estimated at \$15,000 for FY 2021.

Carryforward Fund Balance

Represents the carryforward of fund balance (i.e. unspent cash balance) within the CRA that is available for investment in redevelopment initiatives.

Expenditures

Expenditures for the CRA total \$3.2 million and include the following:

<u>Salaries and Related</u>	<u>\$ 279,964</u>
<u>Operating Expenditures</u>	<u>720,370</u>
<u>Transfers</u>	<u>518,270</u>
<u>Redevelopment Initiatives</u>	<u>500,000</u>
Target Area Initiatives	
<u>South of the Canal Target Area</u>	<u>237,500</u>
<u>Civic Commons Target Area</u>	<u>25,000</u>
<u>163rd Corridor/Neighborhoods Target Area</u>	<u>50,000</u>
<u>Branding and Marketing Target Area</u>	<u>152,500</u>
<u>Land Acq./Redevelopment Incentives Target Area</u>	<u>3,495,001</u>
	<u>\$ 5,978,605</u>

³ Annual budget categorizes the tax increment as a "Transfer from General Fund" (City tax increment) and "Local Grants" (BCC tax increment).

Salaries and Related

Totals \$279,964 for FY 2021 and reflects allocable salary and benefit funding for the following positions: Economic Development Director; CRA Administrator; Assistant City Manager; and City Manager.

Operating Expenditures

Represents \$720,370 funding for operational expenses and includes the following:

Professional Services	
<u>Action Plan Implementation</u>	<u>\$ 335,920</u>
<u>General Professional Services</u>	<u>275,000</u>
Other Contractual Services*	
<u>County Administrative Charge (1.5%)</u>	<u>18,171</u>
<u>General Contractual Services</u>	<u>21,829</u>
<u>Travel and Auto Expenses</u>	<u>5,000</u>
<u>Communication Services</u>	<u>1,100</u>
<u>Utility Services (Outside)</u>	<u>1,100</u>
<u>Maintenance & Repair of Vehicles</u>	<u>500</u>
<u>Fuels & Lubricants</u>	<u>2,250</u>
<u>Printing and Binding</u>	<u>5,000</u>
<u>Promotional Activities</u>	<u>30,000</u>
<u>Advertising Costs</u>	<u>7,500</u>
<u>Office Supplies</u>	<u>2,000</u>
<u>Operating Supplies</u>	<u>5,000</u>
<u>Books & Memberships</u>	<u>5,000</u>
<u>Educational Program</u>	<u>5,000</u>
	<u>\$ 720,370</u>

Transfers

Represents \$518,270 funding for the following:

- Debt Service on the Series 2007A Notes Payable (\$200,200); and
- Administrative Cost Allocation to the City for services delivered to the CRA throughout the year (\$318,070).

Redevelopment Initiatives

Represents funding totaling \$500,000 for the following initiatives:

- West Dixie Highway Streetscape Improvements (\$200,000) – Complete plans and engineering drawings for streetscape project funded by the County.
- Wastewater Tie-In NMB Sewer (\$300,000) - Assistance with Wastewater Impact Fees and Connection Fees required by City, County, and State government agencies for properties to tie-in to a Wastewater System.

South of the Canal Target Area

Represents funding totaling \$237,500 for the following initiatives:

- Snake Creek Canal Improvements (\$100,000) - Develop conceptual design, select consultant, and develop design for the area improvements.
- Hanford Boulevard Development (\$100,000) - Develop conceptual design, select consultant, and develop design for the area improvements.
- Promotional activities including sponsorships for the One NB Concert Series (\$15,000) and the Heart Health Walk (\$2,500).
- P3 Mural (\$20,000) - Evaluate and identify potential mural sites; issue call to artists and initiate mural project.

Civic Commons Target Area

Represents funding totaling \$25,000 for the following:

- 19th Street Grand Boulevard Improvements (\$25,000) - Initiate process for development for conceptual design services.

163rd Corridor/Neighborhoods Target Area

Represents funding totaling \$50,000 for the following:

- N.E. 163rd St. Complete Streets Initiative (\$50,000) - Work with the Florida Department of Transportation (FDOT) and BCC to initiate design and right-of-way analysis to implement a variety of roadway, pedestrian, bicycle, landscaping and related improvements to the 163rd Street corridor.

Branding and Marketing Target Area

Represents funding totaling \$152,500 for the following:

- Promotional Activities (\$52,500) - Through promotional activities and marketing, the CRA will promote its services and the Redevelopment Area to new businesses and developers and prevent the spread of blighting conditions. General promotional activity funding totals \$25,000 with additional funding of \$2,500 for Bike305 activities, and \$25,000 for marketing collateral materials.

- Wayfinding Signage (\$75,000) – The CRA will assist in the creation of wayfinding signage to identify public parking, public and historic facilities, landmarks, places of interest, bicycle lane improvements, etc. There will also be place-making improvements including utility, traffic signal, and telephone boxes.
- Art in Public Spaces (\$25,000) - The CRA will continue to encourage the Art in Public Places program through placement of art in the public rights-of-way and by providing incentives for publicly displayed artwork on private property.

Land Acquisition and Redevelopment Incentives Target Area

Represents funding totaling \$3.5 million for the following:

- Land Acquisition (\$2,695,001) - Purchase of property for redevelopment purposes (such as parking, development, blight elimination, public-private partnership) as opportunities arise in accordance with the CRA's objectives as stated in the Redevelopment Plan.
- Targeted Industry Incentive Program (\$500,000) - This grant package will create new employment opportunities through the attraction of targeted industries to the CRA
- Tax Increment Financial (TIF) Incentives (\$300,000) – As development projects are proposed, this allows for TIF based incentives to be offered to incentivize projects. The CRA had a TIF based incentive for the Lazul redevelopment project that was completed, the conditions were met and approximately \$434,000 in incentives was paid out in FY 2020.
- Parking - The CRA participated in a parking study to: (1) determine the availability of parking; and (2) identify parking demand. Staff will be developing recommendations to address the CRA's current and future parking needs.

Disclaimer and Addendum

This document and attachments may be modified and improved throughout the budgetary process that culminates with the consideration by the Miami-Dade County Board of County Commissioners. These changes are necessary because the City and then the County approve the CRA budget. The various changes and alterations made by CRA Staff to the original document will be listed below under Versions:

Versions:

RAB Board Approval; 9-2-20

CRA Board adoption; 9- 8-20

City Commission Adoption; 9-15-20

*Scrivener's adjustment; 12-22-20 Other Contractual Services: 1.5% County Administrative Charge (from \$18,920 to \$18,171); General Contractual Services (from \$21,080 to \$21,829).