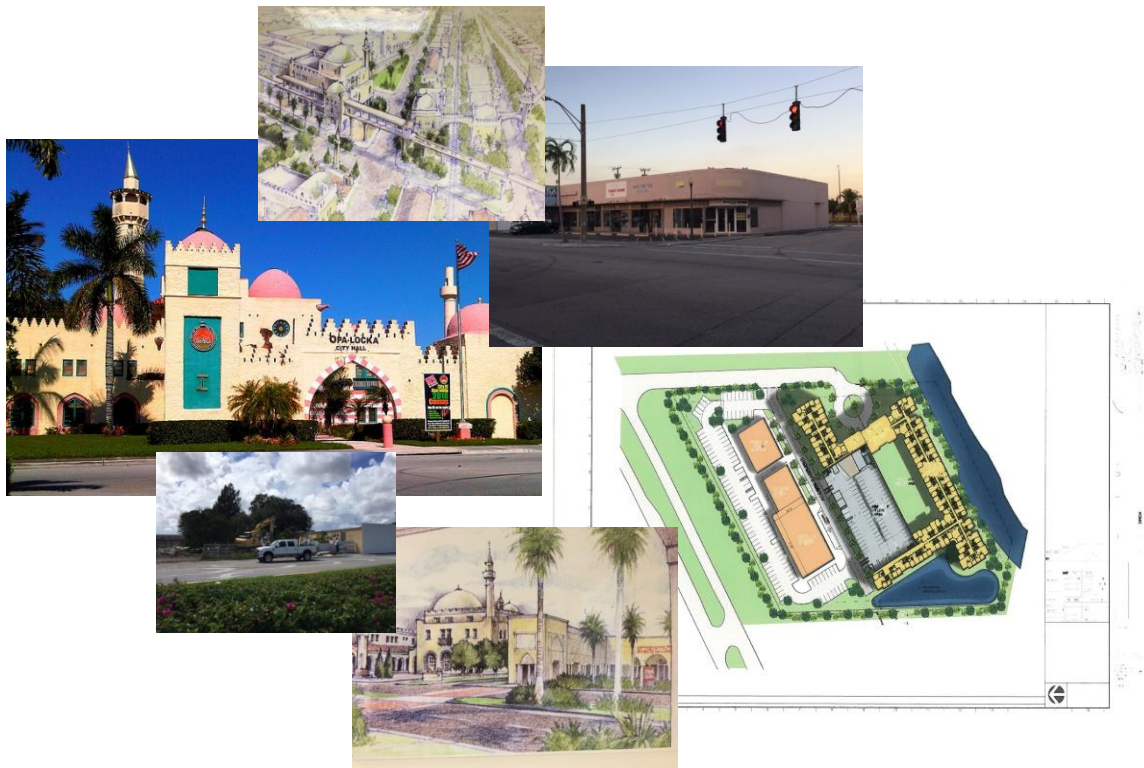




OPA-LOCKA COMMUNITY REDEVELOPMENT AGENCY

2015-16 Annual Report



OPA-LOCKA CRA... ...A WORK IN PROGRESS

Introduction

Opa-locka is considered as the crossroad of North Central Miami-Dade County. On December 10th, 2009, the City of Opa-locka's approved resolution 09-7920 accepting quote from Carras Community Investment to conduct a Finding of Necessity [FON] report to establish a Community Redevelopment Agency. The FON was accepted and adopted by the Opa-locka City Commission on April 14, 2010. The Opa-locka Redevelopment Plan was completed by Carras Community Investment in May 2011. The Opa-locka CRA [OCRA] Board was formed on June 8, 2011 and members were selected October 26, 2011. The OCRA Redevelopment Plan and the Interlocal Agreement were presented to the OCRA board and the boards of Miami Dade County for consideration from June 2011 through September 2013. The Opa-locka Community Redevelopment Agency was established on October 1st, 2013, when the Board of County Commission of Miami Dade County [MDC] adopted resolution R-795-13 declaring the area to be slum and blighted. The OCRA completed its first year of operation in Fiscal Year 2013-14.

This report will address the primary operating aspects of the agency and the revenue in FY 2015-16.

I. Board

The Opa-locka CRA Board was formed in June 8th, 2011 and first board members were selected October 26, 2011.

The 2015-16 CRA Board Members were:

Dr. Terence Pinder, Commissioner [Chairperson]*
Mrs. Jannie Russell [Vice Chairperson]
Rev. Joseph L. Kelley, Commissioner
Lady Myra Taylor, Mayor
Mr. Luis Santiago, Commissioner
Mr. Timothy Holmes, Commissioner
Mrs. Rose Tydus
Mr. John Riley, Sr. Commissioner**

* Deceased

**Replaced the deceased board member

In May of 2016, we lost Dr. Terrance Pinder, the Chairman of the CRA Board of Directors, due to an unfortunate automobile accident. At the October 2016 CRA Board meeting, Mrs. Jannie Russell, who served as Vice Chair, was approved by the CRA Board to serve as the Chair of the CRA Board of Directors.

II. Staffing

The City of Opa-locka Community Redevelopment Agency [Opa-locka CRA] met on October 26th to address/discuss the direction, goals and objectives of the agency. Over the past couple of years, there has been several changes in leadership for the City and the CRA. To address this issues the CRA Board requested the City Commission assigned to the function of the Executive Director of the CRA to the City Manager. The Opa-locka CRA was initially staffed by Newell Daughtrey as Executive Director from 2011-2015. Upon the discovery of financial issues with the City, Mr. Daughtrey was released. Mr Eddie Brown was brought in as Executive Director for a few months but he was also released. During Mr. Steve Shiver brief stint as City

manager, he was able to have the CRA board move legislation to have the City Manager also serve as the Executive Director of the OCRA. Per Resolution 6(c) of the OCRA Board on October 6, 2015 and Resolution 2015-15 of the City Commission on October 14, 2015, the City Manager was assigned to serve as the Executive Director of the CRA. He then assign the Director of Planning and Community Development to serve as the CRA Executive Director/Manager. This action continued under Mr. David Chiverton as City Manager until his resignation. Ms. Yvette Harrell, Esq. who presently serves as the Opa-locka City Manager was also assigned to serving as Executive Director of the Opa-locka CRA. At the October 2016 OCRA meeting, Ms. Harrell appointed Mr. Gregory Gay, Director of Opa-locka Planning and Community Development Department to serve as the Manager of the Opa-locka CRA. This is not only a cost saving measure but also a method to streamline the operation of the Opa-locka CRA. The 2015-16 OCRA staff is comprises of:

Yvette Harrell, Esq. City Manager | OCRA Executive Director
Gregory Gay, PCD Director | OCRA Manager
Gerald Lee, PCD Zoning Official | OCRA Staff Member
Kinshannta Hall, PCD Administrative Assistant | OCRA Secretary

III. Administrative Procedures

The Agency's bylaws establishes the composition, purpose, powers, meeting notice requirements and administrative procedures. Pursuant to Chapter 163, Part III, Florida Statutes Adopted and Approved by Miami Dade County Resolution No. R-795

IV. Interlocal Cooperation Agreement

In August 2012, the City of Opa-locka CRA Board initiated an Interlocal Cooperation Agreement [Interlocal] between the County and the OCRA, which grants the OCRA certain redevelopment powers. On October 1st, 2013, the BBC adopted Resolution R-795-13 approving the Interlocal and delegating those redevelopment powers to the OCRA. Some of the terms of the Interlocal are:

- OCRA has a 20-year life cycle from FY 2013-14 to FY 2033-34.
- Administrative expenses for the OCRA are capped at 20% for each year's budget.
- Funds advanced by the County for OCRA creation expenses are to be reimbursed.
- Approval by BCC is required for amendments to the OCRA Redevelopment Plan.
- Approval by the BCC is required for new indebtedness.
- One or more members of the BCC or Miami-Dade County representative may be appointed to serve on the OCRA Board.
- Annual budget and progress reports must be submitted to the County. Except for debt services payment on existing obligations financed with tax increment revenues, no funds may be spent from the trust fund until the annual budget has been approved by the BBC.
- Community involvements and citizen input shall be obtained in the planning of redevelopment activities.
- An independent audit by a certified Public Accounting firm is required annually.

V. Redevelopment Plan

Opa-locka redevelopment plan should address improving the built environment while directing activities that alleviate perpetuating problems in the CRA such as household poverty or low

educational attainment. What is needed is a set of direct strategies and initiatives to inform residents about existing and future opportunities that lead to empowerment and self-sufficiency. It is hoped that this may be accomplished by organizing the plan as a framework of economic development and resident empowerment strategies. The Redevelopment Plan for Opa-locka CRA proposes and outline of programs and strategies to address:

- Infill and Replacement housing - Twin-Houses, Live/Work, Mixed Use, Multifamily
- Economic Development Initiatives
- Infrastructure and Neighborhood Improvements
- Grant and Financing Programs
- Land Acquisition
- Planning and Land Use Regulation

VI. Tax Base Growth

The continuing goals of the Opa-locka CRA is the expansion of the property values base of the area to the maximum extent possible, consistent with its Redevelopment Plan. FY 2013-14 was the first full year for the OCRA. Because the OCRA was created during the calendar years 2013, the CRA did not receive and Tax Increment Finance [TIF] revenue during its first fiscal year or during FY 2014-15. However, during the FY 2015-16, the CRA was able to generate its first tax increment in the amount of \$27,096.00.

VII. Adopted 2015-16 Budget

The OCRA adopted budget for the FY 2015-16 is \$65,000. See Attached Documents

In previous years, the OCRA has borrowed from the City's Water Fund to support an operation budget for FY 2013-2014, 2014-2015, and 2015-2016. Each year was budgeted to expend \$200-250K per year. Presently, the OCRA is indebted to the Opa-locka Water Fund for approximately \$490K.

Questions were raised regarding the use of the Opa-locka Water Fund to support the OCRA budget.

- In response to MDC inquiry on the legal opinion regarding the CRA's initial funding from the Opa-locka Water and Sewer Fund a memo from Vincent T. Brown, Esq.-City Attorney addressing that item of concern.
- Due to changes in the leadership of the CRA administration and board, along with the CRA's limited programs and activities, no expenses were realized. See Attachment - CRA Reso 2015-12.
- The Opa-locka CRA did project expenses up to \$108,505 based on the budget request by then CRA Executive Director [CRA-ED] Eddie Brown. Under City Manager Steve Shiver the CRA Board passed Reso 2015-15 for the City manager to serve as the CRA-ED and Mr. Brown position as CRA -ED was eliminated, and Mr. Shiver assume the position as CRA ED and City Manager. The CRA Board approved the budgeted amount of \$65,000 which was funded from the City of Opa-locka General Fund. Part of the \$65,000 was use toward the contractual payout salary for Mr. Eddie Brown's term as the Executive Director of the CRA. His salary compensation totaled approximately \$43,000 with the balance being used as a cost saving to the City [See CRA 2015-16]. Hence fore, the budget of the CRA will be mostly funded thru the City of Opa-locka General Fund.

Since the CRA has yet to generate a TIF amount large enough to begin to sustain itself and pay for its own staff for 2015-2016, the operation budget for the OCRA will be merger under the Department of Planning and Community Development until such a time when the CRA can

support itself through the TIFF. In December 2015, the Opa-locka CRA generated its first TIFF allocation from Miami-Dade County in the amount of \$27,096.00. The TIFF amount will incrementally increase over the next 8-10 years. In the meantime, it is recommended that a percentage be used to reimburse the City's Water Fund on an annual basis beginning FY 2016-17. Finally, a TIFF Trust Fund account will be established during the first quarter of this year to separate the Miami- Dade County and Opa-locka TIFF funds from the City's General Operating Account. Additionally, most existing CRA have a life cycle of 30 years, but Opa-locka CRA presently has a 20 year life cycle. This will pose as an issue that will need to be address in the not to distant future.

The OCRA has been challenged due to unplanned vacancies, scheduling conflicts, changes in leadership and limited activity over the past 12 months. While only three of the four required meeting were held this past year, there is a renewed focus on moving forward with addressing the budget issues and the loan from the Water Fund from previous years, making up for lost time and establishing a schedule for CRA meetings, formulating a facade improvement/beautification program for commercial buildings and working with new property investors/owners in developing properties in the CRA limits.

VIII. Agency Activities and Achievements

The Opa-locka Community Redevelopment Agency [OCRA] governs an area which is 514 acres, which is 18% of the City. There are 1105 properties in the CRA district, of which 229 properties have some type of exemption.

The Corradino Group developed a 2015 Downtown Concept Plan which was initiated in May/June 2014 and presented to the CRA Board in June/July 2015.

The City of Opa-locka's recently adopted a New 2030 Sustainable Comprehensive Development Master Plan and Updated the 2015 Land Development Regulation/Zoning Code adopted in September and October 2015.

Goals for 2016-2017

Focus areas within CRA - **Magnolia North Area, Magnolia Garden Waterfront Area, Cuyahoga Site, Downtown/TownCenter, Barracks Residential Area, Opa-locka Industrial and Opa-locka Airport Industrial areas.**

Downtown/TownCenter Master Plan - expand and redefine development opportunities recommended from the 2015 Downtown Concept Plan. A Master Plan needs to be developed to demonstrate the future development opportunities for the Downtown/TownCenter for Opa-locka.

Commercial Facade Improvement - To demonstrate that the OCRA is active and doing work in the community, a commercial facade improvement program can be established using TIFF for qualified property owners and businesses in the OCRA Area. The amount available will be limited.

New Opportunities - Proposed Mixed Use Development for east of NW 22 Avenue and Ali Baba Avenue in Magnolia North Area, and the proposed Live/Work Condos at approximately 670 Ali Baba in Opa-locka Downtown/TownCenter Area.

Re-evaluate the tax Incentives to be incorporated in the OCRA - Consider short reduction for long term gains, i.e., percentage reduction in impact fees/permit fees, parking requirement reduction, CDBG funds for gap/loan financing, access to Brownfield mitigation funds. Project Site Pro Formas are needed to forecast long term ad valorem tax revenues for potential development opportunities.

IX. Summary - Long Term Goals for the Opa-locka CRA

The Opa-locka CRA has the potential to benefit from increases in residential and commercial development, especially along the commercial corridors, the town center area, and the area adjacent to the Miami Opa-locka Executive Airport. The OCRA Board along with the PCD/OCRA staff will continue to promote Opa-locka as a destination location and rebrand the opportunities in the community County wide in an effort to attract and spur development.

Expand the boundaries of the OCRA area - An update of the OCRA Plans needs to be completed to consider expanding the CRA boundaries along the west and south side of NW 22 Avenue from SR-9 to NW 135th Street, along both side of NW 27th Avenue from SR-9 to NW 135th Street, and Douglas -LeJeune Connector from NW 132 Terrace to Gratigny Expressway [west to NW 42 Avenue]. In order for this to be accomplished, a updated Finding of Necessity must be drafted for review by the Miami-Dade County administration, recommendation by Miami-Dade County Sub-Committee on CRAs and approval by Board of County Commission.

Last but not least, there has been and ongoing battle regarding property values and taxes in the City of Opa-locka. The County's Value Adjustment Board has reduced the tax assessed value of several properties in Opa-locka. Also there are several properties that have some type of property exemption associated with them. Just in the OCRA area, there are approximately 1105 properties, of which 229 are exempted, or 22%. Based on the residential population, the elderly property owners can [and most do] qualify for multiple exemptions, i.e., homestead 1 & 2, veterans, and widow. Other properties have non Homestead caps. These properties are generating very little tax revenue, therefore no TIFF. While the City of Opa-locka may have had a 6% increase in tax assessed value, a further assessment needs to be completed to determine if the 826 remaining properties in the CRA generated an increase in tax assessed value. Based on the OCRA Plan, a positive TIFF was proposed to occur after year 4 of the OCRA existence. If the CRA plan projection is correct, a positive TIFF was not forecasted to occur until FY 2017-2018, and even then, it will be a small amount until FY 2020-2021.

Based on the OCRA Plan, a positive TIFF was proposed to occur after year 4 of the OCRA existence. We have almost completed year 3 of the CRA. The adopted OCRA plan did not forecast a positive TIFF until FY 2017-2018, and even then, it will be a small amount until FY 2020-2021. By 2020, the OCRA should be able to support its own Executive Director and staff.

With the assistance of City Officials and County administration, the Opa-locka CRA is prepared and looking forward to having an optimistic future. To quote our Mayor, Lady Myra Taylor, she believes that *"Something Good can come from Opa-locka!"* Under our new leadership, we seek to grow and transform the City of Opa-locka in a positive way and hope to show that ***"Something Great Can Happen in Opa-locka!"***