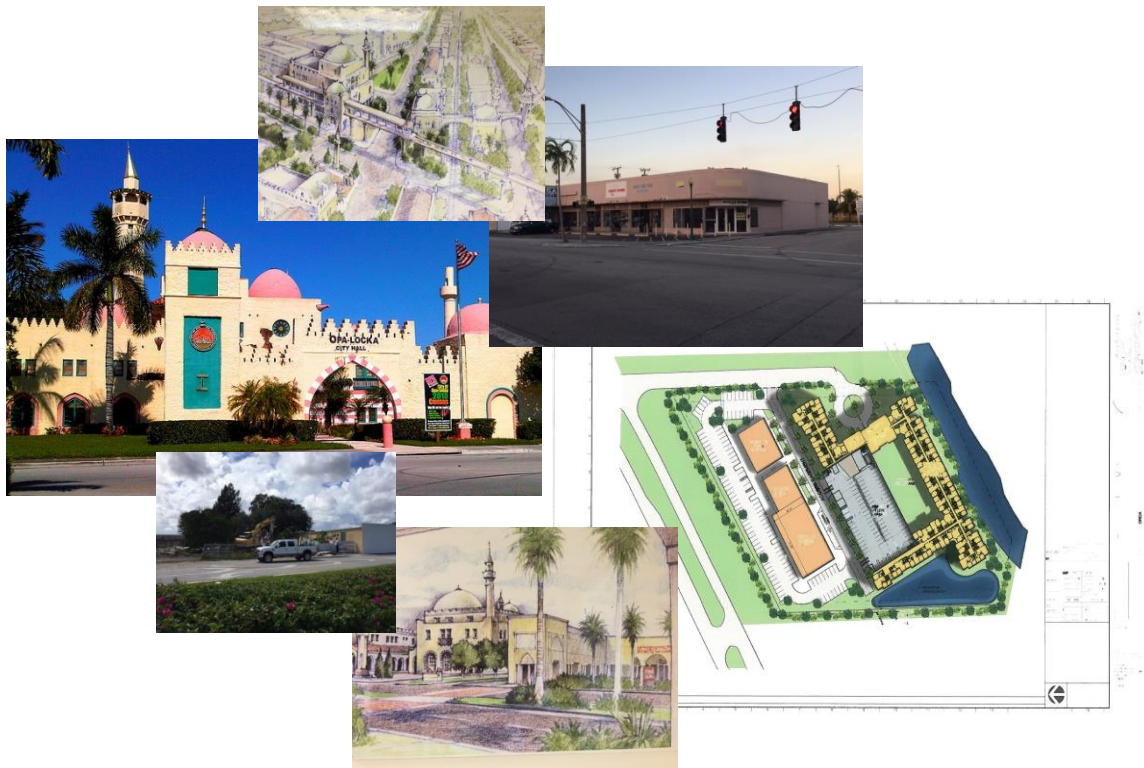




# OPA-LOCKA COMMUNITY REDEVELOPMENT AGENCY

2018-19 Annual Report



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

## Introduction

The City of 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 R-09-7920 accepting quote from Carras Community Investment to conduct a Finding of Necessity [FON] report to establish a Community Redevelopment Agency [CRA]. The FON was accepted and adopted by the Opa-locka City Commission on April 14, 2010 per resolution R-10-8043, and on April 28, 2010 the City Commission approved resolution R-10-8054, the contract for the development of the Opa-locka Community Redevelopment Plan.** This authorized the City of Opa-locka to proceed with the development of the Community Redevelopment Plan with Carras Community Investment. The Opa-locka Redevelopment Plan was completed by Carras Community Investment in May 2011. The Opa-locka City Commission adopted a resolution to create a Community Redevelopment Agency with the City Commission to serve as the CRA Board on June 8, 2011 per Resolution R-11-8238, and members were selected October 26, 2011. **The City of Opa-locka CRA Board and City Commission approved the FON for the Opa-locka CRA in May 2012. The Board of County Commission for Miami-Dade County approved the FON for the Opa-locka CRA on December 4, 2012 per resolution R-996-12, which marks the official beginning of the Opa-locka CRA as on record with the Florida Department of Economic Opportunity [DEO].** The Opa-locka Redevelopment Plan and the Interlocal Agreement were presented to the OCRA Board and the boards of Miami Dade County for consideration from June 2012 through September 2013. **The Opa-locka Community Redevelopment Plan was approved by the Board of County Commission of Miami Dade County [MDC] on October 1st, 2013 per resolution R-795-13 to address the redevelopment of the area declared as slum and blighted. The Interlocal Agreement was approved in October 2013.** 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 2018-19.

### I. Board

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

The 2018-19 CRA Board Members were:

Mrs. Jannie Russell Chairperson, Miami-Dade County Appointed Boardmember District 1  
Rev. Joseph L. Kelley, City of Opa-locka Boardmember  
Mr. Matthew Pigatt, City of Opa-locka Boardmember  
Mrs. Sherelean Bass, City of Opa-locka Boardmember  
Mr. Alvin Burke, City of Opa-locka Boardmember  
Mr. Chris Davis, City of Opa-locka Boardmember  
Mrs. Rose Tydus, Miami-Dade County Appointed Boardmember District 2

### 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 March 2012-2015. 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 Mr. Gregory Gay, the Director of Planning and Community Development to serve as the CRA Executive Director/Manager. This was done not only a cost saving measure, but also a method to streamline the operation of the Opa-locka CRA. This action continued under Mr. David Chiverton as City Manager until his resignation. Ms. Yvette Harrell, Esq. who 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 continue serve as the Manager of the Opa-locka CRA. This assignment remain in place while Mr. Newall Daughtrey was reappointed as Interim City Manager in December 2018. The 2018-19 OCRA staff is comprises of:

Newall Daughtrey, Interim City Manager | OCRA Executive Director Dec 2018-Sept 2019  
Gregory Gay, PCD Director | OCRA Manager  
Gerald Lee, PCD Zoning Official | OCRA Staff Member  
Corion DeLaine, City Planner | OCRA Staff Member  
Kinshannta Hall, PCD Administrative Assistant | OCRA Board 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 2012-13 to FY 2032-33.
- Administrative expenses for the OCRA are capped at 20% for each year's budget [except for the first 5-7 years].
- 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.

Audits are being conducted for the FY 2013-14, 2014-15, and 2015-16. The Miami-Dade County Housing and Social Service Committee met on July 10th, 2017 to review and recommend approval of the OCRA's budgets for the years previously mention. The item was deferred till September 2017 pending additional information.

## **V. State Auditor General**

In 2018, the State of Florida Auditor General's Office produced a Findings Report on the operation of the City of Opa-locka which included the Opa-locka CRA. Ninety-nine [99] findings were issued as concerns as to the operation of the City, of which 15 of the findings were directed to the creation and operation of the Opa-locka CRA. Staff is reviewing the listing of findings to understand and explain the result of the concerns, determine the pending actions and development of policies to address future actions. The Policies will be formed to address process for update CRA documents and reports, development of Memorandum of Understanding between the City of Opa-locka and the Opa-locka CRA, create Standard Operating Procedures for the Opa-locka CRA, and update the Bylaws of the Opa-locka CRA. See the findings below:

- Finding 85: Contrary to State law, the City Commission adopted a resolution creating the Opa-locka Community Redevelopment Agency (CRA) nearly 18 months before the Miami-Dade County Board of County Commissioners (BOCC) granted the City Commission authority to create the CRA. In addition, City records did not evidence the necessity for creating the CRA and incurring CRA expenditures of approximately \$86,000 before the Miami-Dade County BOCC authorized creation of the CRA.
- Finding 86: City records did not evidence that the City Commission published the State-required notice of intent to consider adopting a CRA Plan and the adopted CRA Plan did not always comply with State law or include accurate information.
- Finding 87: The CRA did not prepare annual reports of activities for the City and Miami-Dade County for the 2011-12, 2013-14, and 2014-15 fiscal years, contrary to State law and the City and CRA Interlocal agreement with the County.
- Finding 88: The City and the CRA did not always provide for audits required by State law and the Interlocal agreement.
- Finding 89: As of July 1, 2018, the City had not made required annual contributions of tax increment revenues to the CRA totaling \$484,000, including late fees and interest.
- Finding 90: City accounting records did not always provide for adequate accountability of CRA financial transactions.
- Finding 91: Through September 2017, the CRA exceeded the Interlocal agreement administrative expense limitation of \$200,000 by at least \$311,754 and had not paid the administrative fees to Miami-Dade County required by the Interlocal agreement.

### **Compliance with the Uniform Special District Accountability Act**

- Finding 92: The CRA did not timely provide to the Department of Economic Opportunity (DEO) a copy of the document that created the CRA and had not paid the DEO the annual fee required by State law.
- Finding 93: Contrary to the Interlocal agreement, the CRA did not adopt and file with the Miami-Dade County BOCC budgets for the 2012-13 or 2013-14 fiscal years. In addition, contrary to State law, CRA Board-adopted budgets for the 2011-12, 2014-15, 2015-16, and 2016-17 fiscal years did not include budgeted revenues and transfers or prior fiscal year ending fund equity balances, and the CRA did not limit actual CRA expenditures to budgeted amounts for the 2014-15 fiscal year. Also, CRA Board-approved budgeted expenditures were not properly recorded in the accounting records for the 2016-17 fiscal year.
- Finding 94: The City Web site did not prominently display the CRA and include certain CRA information required to be included on the Web site, contrary to State law.

### **CRA Board of Commissioners**

- Finding 95: The CRA had not clearly established the terms of Miami-Dade County BOCC-appointed CRA Board members.
- Finding 96: CRA records did not evidence that decisions made in adopting the CRA bylaws were made in accordance with State law requirements that official decisions be made in public only after full and open discussion by board members. In addition, CRA Board meeting minutes were not always timely recorded, approved, and maintained on the City Web site, contrary to State law.

### **CRA Employment Activities – Executive Director**

- Finding 97: The CRA had not established a position description for the Executive Director position, did not advertise an Executive Director's position vacancy, and did not document consideration of applicant qualifications prior to hiring an Executive Director.
- Finding 98: The CRA did not always comply with requirements applicable to severance pay for two former CRA Executive Directors. Consequently, these former Executive Directors received excess compensation of \$25,754 and \$3,610, respectively, after their last day of employment.

#### **Legal Services**

- Finding 99: CRA policies and procedures for selecting firms to provide legal services and developing and monitoring legal services contracts could be improved.

### **VI. 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

### **VII. 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. In FY 2015-16, the CRA generate its first tax increment from Miami-Dade County in the amount of \$27,096.00, and in FY 2016-17 in the amount of \$72,006.00, for a total of \$99,102.00. For FY 2017-18, the City of Opa-locka TIF contribution is estimated to be \$187,682, of which \$90,552.00 will be deposit into the OCRA TIF Trust and the balance to be used as administrative cost. The TIF Trust for FY 2018-19 is estimated to total \$347,529.00.

### **VIII. Adopted 2018-19 Budget**

The OCRA adopted/amended budget for the FY 2018-19 is \$432,000. 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.

The CRA is on the brink to generate a TIF amount large enough to begin to sustain itself and pay for its own staff by 2020-2022, however the operation budget for the OCRA continues to be merge under the Department of Planning and Community Development until such a time when the CRA can support itself through the TIF. In December 2015, the Opa-locka CRA generated its first TIF allocation from Miami-Dade County in the amount of \$27,096.00. The TIF 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 & Sewer Fund on an annual basis beginning FY 2016-17. The CRA will be reimbursement payment to the City Water & Sewer Fund in the amount of \$102,770.00

A TIFF Trust Fund account was 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 continues to be challenged by scheduling conflicts, but the new changes in leadership has increase the level of interest to move forward with project and activity over the past 12 months. However, the CRA Board did had six board meeting this year which was two more than the four required meetings of past year with a renewed focus on moving forward with addressing the budget issues and the loan from the Water Fund from previous years. The OCRA Board is making up for lost time and establishing a schedule for CRA meetings, formulating a facade improvement/beautification reimbursement program for commercial buildings and working with new property investors/owners in developing properties in the CRA limits.

## **IX. 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 property tax 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 2018-2019**

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.**

**New Opportunities** - Miami-Dade's **County Owned Properties** has moved forward in development under an RFA for a master developer to build a variety of Single Family, Duplex, Multifamily and Mixed Use Development for properties east of NW 22 Avenue and Ali Baba Avenue in Magnolia North Area. A **Developer Forum for Downtown/TownCenter Area** was held in March 2018 to attract potential new development opportunities. The need for a downtown master plan was discussed. New mixed use development being proposed at the **Cuyahoga Site** and the **Barracks Residential Area.**

**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** - The OCRA is active and doing work in the community, a commercial facade improvement program is be established using TIFF for qualified property owners and businesses in the OCRA Area. There are approximately 160 existing commercial and industrial structures in the CRA. The amount available will be limited.

**Opa-locka Industrial Area** - These areas are being reviewed as potential tech sites to transition from scrap metal and automotive repair/rebuild to small business incubators, manufacturing and logistics centers

**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 Forms are needed to forecast long term ad valorem tax revenues for potential development opportunities.

## **X. 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, an 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 an 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 4 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 2022-23, it is anticipated that 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 former 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!"***