**CITY OF FLORIDA CITY**

**COMMUNITY REDEVELOPMENT AGENCY**

**Annual Report**

Fiscal Year 2022-‘23

**Executive Director’s Statement**

We celebrate the continuation of what should prove to be the most active period in the CRA’s history. Florida City is similarly experiencing its most significant time of growth, with the number of primarily market rate residential dwelling units in town literally doubling and the promise of the most commercial development activity since the recovery period after Hurricane Andrew, 31 years ago. It is, as usual, both a blessing and a challenge.

The challenge is, with all of the growth, gentrification rears its head. How do we provide adequate numbers of affordable housing so that folks who are rooted in this community can afford to continue to live here?

Over the past three years, the CRA has disposed of several dozen vacant residential lots acquired from various sources, all being developed by experienced affordable housing professionals. The impact of the infill work has been striking, with much of it taking place in the most challenged neighborhoods. And the most promising project of all, developed on property assembled and under-written by the CRA, the five acre Florida City Place project by Alphaville Developments in the former “Snake Pit” part of town, is moving through final design and permitting. This legacy project will add 174 units of affordable housing as well as a neighborhood retail component, transforming an area that Mayor Wallace proclaims “was in bad shape when I was a boy.”

The attached Annual Report for FY 2022-23 and a projected Budget for 2023-‘24 is hereby respectfully submitted for your information and comments by CRA Executive Director Jon Ward.

**History of the Florida City Community Redevelopment Agency**

Created in 1996, the CRA was enlarged in 2009 and again in 2020. The Mayor, four City Commissioners, two local residents from the private sector and our County Commissioner (or a representative) comprise the CRA Board. CRA Bylaws primarily mirror City policies and procedures. The CRA Board meets on an as-needed basis. Modifications to the CRA Plan, Budgets, Reports and Debt Proposals are all submitted to the County Commission after approval by the City Commission. An independent audit of the Agency’s business is performed annually, per F.S. 163.387 (8) and the Agency has no outstanding debt.

**Restated Inter-Local Agreement**

A restated inter-local Agreement between the City and the County was approved in 2020, expanding the area of the CRA and extending the life of the Agency until June 1, 2055. Certain rebates of TIF proceeds were proposed by the inter-local.

**Staffing and Shared Operating Expenses**

Executive Director Jon Ward is the only full time Agency employee. City Finance Director Chad Burkhalter continues as Agency Treasurer and City Attorney Regine Monestime serves as the Agency Attorney.

An indirect cost allocation plan, implemented in 2012, identified the indirect shared costs that the CRA is responsible for, including fiscal operations, rent, insurance, utilities and related expenses.

**Accomplishments**

As mentioned in the Director’s Statement, a developers’ Purchase and Sale Agreement was finally inked in July, 2022, with the Agency recovering $2,550,000 of its almost $4 million dollar investment in acquiring and assembling the “Snake Pit” properties over a period of 12 years, certainly a substantial effort in time and treasure. The City also negotiated a General Obligation Bond (GOB) with the County, to further underwrite the cost of developing a quality affordable housing project on the site and Director Ward will continue to work with Alphaville Developments and County staff to secure the GOB funding for the 147-unit **Florida City Place.** The project has secured site plan approval and, at this writing, is moving through the final design and permit process, having already secured financing. We anticipate construction to commence in mid-2024.

**Alphaville Developments** also completed construction on two affordable infill townhouse projects in the past year and continues work on 17 other scattered site high-quality pocket projects **on properties acquired from the CRA.**

Many private sector developers have likewise risen to the challenge of providing affordable housing for local residents. Solimar, a major affordable apartment development within the District on 5th Avenue, opened in early 2023, providing 180 new modern residences. Additional new multi-unit projects by experienced local affordable housing professionals are under development at 5th Avenue and 12th Street and also on Lucy at 3rd Street, **on land acquired from the CRA.**

In 2022-‘23, the CRA provided $50,000 for the renovation of existing single-family homes by income-qualified residents, performed by the Agency’s renovation partners at **Rebuilding Together Miami.** The City provided an additional $150,000 to Rebuilding Together for homes located outside of Agency boundaries. For the 2023-‘24 fiscal year, the Agency **increased its investment** with Rebuilding Together to $150,000.

**To provide the necessary infrastructure to support these projects and to rebuild their surrounding neighborhoods,** the CRA provided $8,500,000 in 2022-‘23 Agency funding to **rebuild neighborhood streets** in a large swath of the District, from Davis Parkway on the south to Lucy Street on the north and from 6th Avenue on the west to the Busway on the east. The work is providing new drainage, curbs and gutters and pavement, plus rebuilding existing driveways and sidewalks in this challenged area. The Acosta Tractor contract was inked in October, 2022 and construction is well under way with almost 20% of the project completed at this time. Approximately $2.9 million has been expended of the $8.5 million budgeted for this multi-year project, with the balance to roll over into the 2023-‘24 budget. The roadwork is scheduled to be completed in March, 2025.

The **redesign of Washington Park**, a children’s park at 5th Avenue and 12th Street, was completed by Stantec Consultants in late 2022 and the project was put out for bid in February, 2023 and awarded in July to Coreland Construction at a cost of $1,340,000. The park, featuring an innovative “Crab Trap” design as its main feature, will be a striking addition to the District and is located in the center of the affordable housing activity, making it convenient and accessible for neighborhood families. As of this writing, the **construction will commence in October, 2023** and finish mid-‘24. Estimated at $1,310,000 in the Agency’s 2022-’23 budget, an additional $100,000 will come from the 2023-’24 plan.

The CRA has supported the efforts of the non-profit volunteers at the Florida Pioneer Museum for a number of years to support operational costs at the facility, which is owned by the City, in an amount NTE $10,000. However, this year, the Agency will be more involved and **provide leadership in the development of the small museum**, to make it “OF the community and not merely IN it.” The programming of the facility does not reflect the makeup of the community and, as such, is not supported by it. In June and August, 2023, the first two of a series of **“facilitated discussions” about the museum** were held, led by a consultant with her Ph.D in Museum Studies, hired by the CRA to develop a comprehensive forward-looking plan to involve the community and consider everything about the facility, its programming, diversity, location, mission and future. Major commercial development adjacent to the existing facility make its location untenable. In the coming 2023-’24 budget, funding for developing studies and plans for the museum will be funded.

**Revenue Growth and Proposed 2023-’24 Budget**

The CRA TIF increment increased for the coming year due to a general increase in real estate values regionally and because the City’s growth is being supported more actively by the development community. The City TIF increment increased from $1,867,733 in 2022-23 to $2,237,862 for the coming year, a 20% jump. The County similarly showed growth from $1,245,227 in 2022-’23 to $1,476,181 projected for the coming year, almost 18.5% up.

The $13,483,776 budget will also show a significant carryover balance due to the large multi-year projects, such as the roadwork and park construction, which cannot be completed in one fiscal year and are in relatively early stages of construction, with only $3.1 million expended in the current year for those line items.

**For the complete budget, see the attached Exhibit A**. Below is a synopsis of key elements in the budget.

**Administrative Expenses (12.48%)**

1. Indirect Cost Allocation (260,004) represents the CRA’s reimbursement for City services provided to the Agency, such as Finance and Legal support, office rent and utilities, shared equipment, maintenance and insurance. (Approx 7% of budget)
2. Advertising and Notices ($15,000). Public notices are required for special meetings and solicitations and must be available in English and Spanish, as determined by the makeup of this diverse community.
3. The other general expenses, such as Travel, Office Supplies, etc. are maintained at current levels.
4. County Administration Charge ($22,143) is a rebate to the County of 1.5% of the County’s TIF contribution to the Agency.

**Operating Expenses** (with noted Goals and Policies per 2019 CRA Master Plan Update)

1. **Contractual Services ($200,000)** include civil engineering and architectural design fees for the relocation of the historic Rock House and potential relocation of the Florida Pioneer Museum. (Implementation Goal Sect. X, Part G, pg. 59)
2. **General expenses** such as audits, printing, memberships, legal and property management figures are maintained at current levels.
3. **Demo/Relocation** **costs ($1,000,000)** are estimated costs for the relocation and redevelopment of the Rock House and relocation of the Pioneer Museum and Depot building. (Goal Sect. IX, Part C (1), pg. 49)
4. **Infrastructure improvements ($7,660,000)** represents the carry forward construction costs for the roadway projects and Washington Park redevelopment budgeted in 2022-23 ($6,710,000) plus change orders and increased costs for those projects ($600,000) plus civil engineering and construction for the new Museum site ($150,000). Public art sculpture ($200,000). (Road: Goal Sect. X, Part D (2), pg. 56. Park: Goal Sect. X, Part D (3), pg. 57 and Policy 7.3, pg. 42. Public art: Goal Sect. X, Part D (2), pg. 56 and Policy 5.3 and 5.6, pg. 41)
5. **Assistance to Non-Profits ($125,000).** Operational support for Florida Pioneer Museum ($25,000) (Goal Sect. VIII, Part D (4.3) pg. 41 and Policy IX Part C (1), pg. 49) and occupational trades training program provided by FIU ($100,000) (Goal VIII, Part E (5.3) pg. 41).
6. **Housing Assistance Projects ($150,000).** Home improvements and reconstruction by Rebuilding Together Miami. (Goal Sect. X, Part D (2), pg. 54 and Policy 1.2, pg. 39)
7. **Commercial Building Improvement Grants (CBIG) ($40,000).** Grants to local businesses for retention and improvement to facilities on 50/50 reimbursement basis, not to exceed $10,000 per grant. (Goal Sect. X, Part A (1), pg. 52)
8. **Building Construction and Improvements ($1,500,000).** Construction costs for adjunct storage and temporary display space for Pioneer Museum. (Goal Sect. IX, Part C (1), pg. 49 and Policy 5.3, pg. 41)
9. **County Reimbursement Charges ($738,091**). Per Restated InterLocal Agreement, reserve of 50% of County TIF contribution for potential reimbursement to County. Currently being renegotiated with County Commission.
10. **Other line items** (Community Policing, Legal, Memberships, Printing and Property Maintenance same as 2022-23. Slight increase in Audit ($1,500) and Other Operating Expenses ($400). (Community Policing: Goal Sect. X, Part E (1), pg. 57 and Policy 6.1, pg. 41)