

CITY OF FLORIDA CITY
COMMUNITY REDEVELOPMENT AGENCY

Annual Report

Fiscal Year 2023-24

Executive Director's Statement

Fiscal year 2023-24 has seen the continued implementation of infrastructure projects and extensive planning for major community historical and cultural assets marking a period that I predicted in last year's Annual Report "to be the most active period in the CRA's history".

The Report commented that "Florida City is similarly experiencing its most significant time of growth, with the number of primarily market rate (*private sector*) residential dwelling units in town literally doubling". We're also on the cusp of the most commercial development activity since the recovery period after Hurricane Andrew, 32 years ago. The impact of new infill housing 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 by the CRA, the proposed five-acre "Florida City Place" in the former "Snake Pit" part of town, is moving through final planning. This legacy project will add hundreds of affordable apartments 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 2023-24 and a projected Budget for 2024-'25 is hereby respectfully submitted for your information and comments.

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 Miami-Dade County and are currently being renegotiated with the assistance of Commissioner McGhee.

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

A developers' Purchase and Sale Agreement was finally inked in July, 2022, with the Agency recovering \$2,550,000 of it's almost \$4 million dollar investment in acquiring and assembling the "Snake Pit" properties over a period of 12 years. **The developer purchased a final parcel of surplus property to augment the assembly, closing in September, 2024 for \$150,000.** The City previously negotiated proceeds from a General Obligation Bond (GOB) with the County, to further underwrite the cost of developing a quality affordable housing project. Staff continues to work with the developer to access the GOB funding. We anticipate construction to commence in the Fall, 2025.

Alphaville Developments completed construction on additional affordable infill housing projects and continues work on several other quality projects **on properties acquired from the CRA**, closing on two additional parcels in September, 2024.

Other private sector developers have likewise risen to the challenge of providing affordable housing for local residents. 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 2023-'24, the CRA provided \$150,000 for the renovation of existing owner-occupied single-family homes to 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 2024-'25 fiscal year, the Agency proposes to maintain that significant level of funding.

To provide the necessary infrastructure to support these projects and to rebuild their surrounding neighborhoods, the CRA committed \$8.5mm in 2022-'23 Agency funding to **rebuild 7 miles of 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 project is scheduled to be complete in March-April, 2025 and, as we close FY 2023-24, approximately \$5.2mm of Agency funding has been expended on the roadwork.

The **reconstruction of Washington Park**, a children's park at 5th Avenue and 12th Street, was awarded in July, 2023 to Coreland Construction at a cost of \$1,379,414,000. 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. **Construction commenced in January, 2024** and will finish in Spring, 2025, after a significant delay created by the equipment manufacturer. \$465,000 has been expended from the 2023-24 budget.

In 2023 and 2024, a series of facilitated discussions were held with the Board of Directors of the City-owned Florida Pioneer Museum and members of the public to plan the redevelopment of this cultural asset. The CRA passed Resolutions 23-07 and 23-08 to retain an architect and engineer to develop a conceptual plan for a new Cultural Center, including the Pioneer Museum, Depot Building and a new multi-purpose display and storage building on property adjacent to City Hall. With the passage of City Resolution 24-12 on April 23, 2024, the City Commission approved the concept of relocating the Museum components and the conceptual design of the Cultural Center. The approved 2023-24 CRA budget provided for conceptual architectural design services and partial funding for building demo and relocation and partial development and construction costs. The CRA expended \$64,097 for conceptual architectural design and \$20,259 for surveys and preliminary engineering in the 2023-24 budget. The balance of the previously approved funding will rollover into, and be augmented by additional funding, in the 2024-25 budget. A museum Advisory Board will be created in the coming year to take input from the public.

A contract to provide **additional roadwork** on NW 1st and 2nd Streets was awarded to Southeast Engineering Contractors on Feb. 26, 2024, in the amount of \$2,082,125. The work will be primarily funded by an FDEM HMGP grant in the amount of \$1,492,590 with the balance match to be provided from other sources, including the CRA. The work will be completed in Spring, 2025.

Revenue Growth and Proposed 2024-'25 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 was projected to be \$2,237,862 in 2023-24 and \$2,257,022 for the coming year, a negligible increase due to the City's decision to maintain the rolled back tax rate. The County TIF showed growth from \$1,476,181 in 2023-'24 to \$1,832,371 projected for the coming year, almost 24% up.

The \$15,543,816 budget will also show a significant \$10,469,423 carryover balance due to the large multi-year projects, such as the roadwork, cultural center development and park construction, which cannot be completed in one fiscal year, with approximately \$5,750,000 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 (\$305,158) 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 TIF)
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 (\$27,486) 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 (\$475,000)** include civil engineering and architectural design fees for the raising and relocation of the historic Limestone Cottage and relocation of the Florida Pioneer Museum and Depot Building and architectural design of the new Display and Storage Building. (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 (\$1,100,000)** are estimated construction costs for the raising and relocation of the Rock House and relocation of the Pioneer Museum and Depot building. (Goal Sect. IX, Part C (1), pg. 49)
4. **Infrastructure improvements (\$4,035,000)** represents the carry forward construction costs for the roadway projects and Washington Park redevelopment plus change orders and increased costs for those projects (\$300,000). 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. **County Reimbursement Charges (\$1,824,740)** Per re-stated Interlocal Agreement, reserve of 50% of County TIF contribution for potential reimbursement to County, terms currently being renegotiated with County.
6. **Assistance to Non-Profits (\$200,000)**. Operational support for Florida Pioneer Museum (\$100,000) (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).
7. **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)
8. **Commercial Building Improvement Grants (CBIG) (\$50,000)**. 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)
9. **Building Construction and Improvements (\$3,000,000)**. 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)
10. **Other line items** (Community Policing, Legal, Memberships, Printing and Property Maintenance same as 2023-24. 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)

Exhibit A

City of Florida City
Community Redevelopment Agency
Proposed Budget
FY 2024-25 begins October 1, 2024

| | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2023-24 | FY 2024-25 |
|---|------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
| | Budget | Budget | Budget | Budget | Budget | Budget | Budget |
| | Actual | Actual | Actual | Actual | Proposed | Projected | Proposed |
| Revenues | | | | | | | |
| City Tax Increment Revenue | 1,325,118 | 1,371,650 | 1,513,078 | 1,867,733 | 2,237,882 | 2,092,253 | 2,527,022 |
| County Tax Increment Revenue | 860,612 | 890,834 | 968,029 | 1,244,951 | 1,476,181 | 1,472,591 | 1,832,371 |
| Carryover from prior year | 2,696,882 | 4,002,677 | 6,400,454 | 10,650,741 | 9,719,733 | 9,677,156 | 10,469,423 |
| All other revenues (name) | | 61,511 | | | | | |
| Gain on Sale of Property | 84,738 | 1,036,392 | 2,693,236 | 0 | 0 | 0 | 215,000 |
| Accounts Receivable | | | | | | | |
| Interest earnings | 36,884 | 9,021 | 6,964 | 104,595 | 50,000 | 569,119 | 500,000 |
| Revenue Total | 5,004,232 | 7,372,084 | 11,521,781 | 13,868,020 | 13,483,776 | 13,811,119 | 15,543,816 |
| Expenditures | | | | | | | |
| Administrative Expenditures: | | | | | | | |
| Employee salary (Administrative) | 83,277 | 82,885 | 86,150 | 92,503 | 99,048 | 97,484 | 101,383 |
| Employee Fringes (Administrative) | 27,065 | 27,135 | 28,204 | 30,284 | 32,426 | 31,914 | 33,191 |
| Contractual services | | 8,193 | | | | | |
| Insurance | | | | | | | |
| Indirect Cost Allocation | 153,013 | 158,374 | 173,717 | 217,925 | 280,004 | 249,539 | 305,158 |
| Bad Debt Expense | | | | | | | |
| Printing and publishing | | | | | | | |
| Marketing | | | | | | | |
| Advertising and notices | 5,874 | 7,141 | 493 | 0 | 15,000 | 1,869 | 15,000 |
| Travel and Training | 1,299 | 482 | 667 | 988 | 4,000 | 387 | 4,000 |
| Auto Expenses | | | | | 2,000 | 497 | 2,000 |
| Rent/lease costs | | | | | | | |
| Equipment other than office | | | | | | | |
| Office equipment and furniture | 364 | | 1,184 | 0 | 1,500 | | 1,500 |
| Other Admin. Exps | 1,881 | | | | | | |
| (A) Subtotal Admin Expenses, % | 272,773 | 284,270 | 290,415 | 341,700 | 413,979 | 381,690 | 462,232 |
| County Administrative Charge at 1.5% | 12,904 | 13,363 | 14,520 | 18,674 | 22,143 | 22,089 | 27,486 |
| (B) Subtot Admin Exp & County Charge | 285,677 | 297,633 | 304,935 | 360,374 | 436,121 | 403,779 | 489,717 |
| Operating Expenditures: | | | | | | | |
| Employee salary (Operating) | 55,518 | 55,356 | 57,537 | 62,093 | 66,032 | 65,106 | 67,710 |
| Employee Fringes (operating) | 18,044 | 17,991 | 18,699 | 20,180 | 21,460 | 21,159 | 22,006 |
| Contractual services | 22,590 | 39,496 | 59,805 | 63,940 | 200,000 | 123,887 | 475,000 |
| Insurance | | | | | | | |
| Audits and studies | | 6,500 | 5,500 | 0 | 7,000 | 7,000 | 7,000 |
| Printing and publishing | | 320 | 231 | 741 | 2,250 | 1,632 | 2,250 |
| Memberships/Dues | 1,075 | 1,520 | 1,520 | 1,713 | 2,000 | 630 | 2,000 |
| General Operating | | | | | | | |
| Legal services/court costs | 17,769 | 375 | 188 | 0 | 20,000 | | 20,000 |
| Property Maintenance | 2,500 | 3,000 | 3,000 | 3,000 | 3,000 | | 3,000 |
| Land/building acquisitions & Demol/Relo | | | | | | | |
| Infrastructure improvements | 106,988 | 17,731 | | 3,305,657 | 1,000,000 | 2,075,548 | 4,035,000 |
| County Reimbursement Charges | | | | | 908,554 | | 1,824,740 |
| Assistance to Non-profits | 5,125 | 5,820 | 15,361 | 10,485 | 125,000 | 104,638 | 200,000 |
| Housing Assistance Projects | 69,500 | 175,227 | 54,017 | 44,185 | 150,000 | 175,658 | 150,000 |
| Redevelopment loans / grants issued out | | | | 10,000 | 40,000 | 35,000 | 50,000 |
| Building construction & improves | 1,110 | | | | 1,500,000 | | 3,000,000 |
| Transfer out to others (Community Policing) | 300,000 | 350,000 | 350,000 | 305,569 | 385,000 | 327,613 | 385,000 |
| Policing Cameras in Commercial District | 115,071 | | | | | | |
| Acquisition of Tax Certificates | | | | 1,285 | | | |
| Other Oper. Expenses | 568 | 720 | 227 | 1,622 | 500 | 43 | 500 |
| (C) Subtotal Oper. Expenses | 715,878 | 674,056 | 666,085 | 3,830,490 | 12,090,796 | 2,937,917 | 11,344,206 |
| (D) Reserve/Contingency | 1,001,555 | 971,629 | 871,020 | 4,190,864 | 13,483,776 | 3,341,696 | 15,543,816 |
| Expenditure Total (B+C+D) | 4,002,677 | 6,400,454 | 10,650,741 | 9,677,155 | 10,469,423 | | |