



AGENDA

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

Tuesday, March 10, 2015. 5:30 P.M.

**NORTH MIAMI CITY HALL - COUNCIL CHAMBERS
776 N.E. 125TH STREET, SECOND FLOOR**

- I. CALL TO ORDER / ROLL CALL
- II. PLEDGE OF ALLEGIANCE
- III. APPROVAL OF MINUTES – Regular Meeting: February 10, 2015
- IV. ITEMS FOR REVIEW AND/OR ACTION

Agenda Item 1 – a) FY14-15 Budget
b) Approval of FY14-15 Budget by Resolution

Agenda Item 2 – Approval of HCT Letter of Engagement for Auditing Services

- V. CRA ATTORNEY REPORTS
- VI. CRA EXECUTIVE DIRECTOR REPORTS
- VII. OLD BUSINESS
- VIII. NEW BUSINESS
- IX. ADJOURNMENT

The next CRA Advisory Committee Regular Meeting is scheduled for **Monday, April 6, 2015 at 6:30 p.m.** in the City Council Chambers.

The next CRA Board Regular Meeting is scheduled for **Tuesday, April 14, 2015 at 5:30 p.m.** in the City Council Chambers.

Note: Two or more members of the City Council/CRA Board of Commissioners and/or other elected or appointed public officials may be present at this meeting. If any person decides to appeal any decision made with respect to any matter considered at this public meeting or hearing, he/she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. If you desire auxiliary services to assist in viewing or hearing the meetings, or reading meeting agendas and minutes, please contact the Office of the City Clerk at (305) 895-9817.

C.R.A. Monthly Meeting

*February 10th, 2015
5:30 P.M.*



The Monthly CRA Meeting of the City of North Miami was held in Council Chambers of City Hall on Tuesday, February 10th, 2015, beginning at 5:30 P.M.

(Phonetic spelling of each speaker's name may be used throughout the minutes unless correct spelling is known.)

I. CALL TO ORDER / ROLL CALL

Chair Joseph: ...5:39. Do we have a quorum to continue the meeting?

Ms. Thomas: Yes we do.

Chair Joseph: The meeting is called to order. Take roll call Mrs. Clerk.

ROLL CALL	Chair Joseph	Here
	Board Member Galvin	
	Board Member Keys	Here
	Board Member Bien-Aime	Here
	Board Member Steril	Here

Ms. Thomas: We have a quorum Mayor.

II. PLEDGE OF ALLEGIANCE

Chair Joseph: All right, we'll proceed with the Pledge of Allegiance.

III. APPROVAL OF MINUTES

Chair Joseph: Approval of minutes of the last meeting of January 13th, 2015.

Board Member Bien-Aime: Move for approval.

Ms. Thomas: Anyone second?

Chair Joseph: I second. Any discussion, no? Roll call.

ROLL CALL	Chair Joseph	Yes
	Board Member Galvin	
	Board Member Keys	Yes
	Board Member Bien-Aime	Yes
	Board Member Steril	Yes

Mr. Louis: Item pass 4-0.

IV. ITEMS FOR REVIEW AND/OR ACTION

Agenda Item 1

Review Advisory Committee Recommendations

Chair Joseph: Okay, Item #1 is the Review of the Advisory Committee Members...I mean Recommendations.

CRA Coordinator Sorey: Mr. Chair, before we get started we will like to make an adjustment in the agenda. We would like to move Agenda Item #3 and move that to the end of the agenda and we'll stay in order after that. We just want to move that down to be the last item.

Chair Joseph: To be the last, okay. That's the Review of the FY 14 – 15 Budget Presentation?

CRA Coordinator Sorey: Yes sir.

Chair Joseph: So our next item is the Review of Advisory Committee Recommendations.

CRA Coordinator Sorey: During the last meeting we had several discussions on moving forward with making sure we go over the Advisory Board Recommendations at the beginning of the meeting. In your package we do have the memo that summarizes the Advisory Board meeting from February 2nd. If you guys do have any questions for the Advisory Board Chair, he is here. Basically during the meeting we had...we didn't have a quorum. However, we had a consensus of adopting the Parking Study, which you have before you this evening. To move forward with adopting the FY 14 – 15 Budget. And also in regards to hiring an Executive Director, the Board recommended that we freeze the search for an Executive Director and continue to move forward with Staff. Again these were just recommendations from the Board. We have not acted on any of this stuff. Everything will still come to this Board for approval. But we're just going over the recommendations that were given by the Advisory Board.

Board Member Steril: Question Mr. Chair if you allow me. Mr. City Attorney, I did...I went over the minutes and I'm glad that you mentioned it as well. The Board did not have quorum but they actually admit and you guys actually took the recommendation of a Board that was not supposed to be meeting. How does that work, I don't understand?

CRA Attorney Zelkowitz: Council...excuse me Commissioner Steril. It's not an actual recommendation, it was a consensus of those members who were present at the meeting. So if it's not reflected correctly in the memo, it was not a vote. There were no votes taken but since we had members who did show up, we just decided to move forward and have discussion on the items.

Board Member Steril: So what is quorum means to us then? Because if we...every time, every second and fourth Tuesday I think this Board going through the same thing about we're not following our own process. If we said that there is a certain number of members that's quorum. So if there's no quorum, there is no Board meeting. If there is no Board, there is no recommendation. So you're telling me right now, if by any chance that just the Mayor and myself is here, we can actually conduct a meeting and then just send a memo out. Said, this is what me and the Mayor agreed.

Board Member Galvin: Mr. Chairman may I correct the Councilwoman?
May I?

Board Member Steril: Sure go ahead.

Board Member Galvin: When you don't have a majority of the group in attendance, you cannot actually vote...

Chair Joseph: But you can give consensus.

Board Member Galvin: Right. You can discuss and you can give recommendations.

Board Member Steril: That's the job...this is the part that I'm trying to clarify. We can vote and then take action. But the Board cannot take action. The Board can only meet and give us recommendations. But they actually give us recommendation. So that mean either with quorum or not, they still can give us recommendation.

Board Member Galvin: Yes they can give recommendations...

Board Member Steril: Is that what it is?

Board Member Galvin: Even if they had full attendance, even what they give us it's an Advisory Board. It's never binding. We can do what we want.

Board Member Steril: No, no I'm not talking about what we can do. I'm just trying to make it right. Either that on the By-law or whatever that we have that describes what a quorum is. So we just said, you know what there is no such a thing of having quorum, once the Board meets they can just go ahead and give recommendations

to us. I'm fine. As you said I agree with you Scott, we're not bind to whatever that they recommend to us. But I wanted to be clear that, if they need a quorum to actually perform or to give us recommendation, we have to be clear about it. Because I know if I was on the Board if they don't have any quorum and they still give a recommendation...it doesn't make any sense to me.

Board Member Galvin: It's a meeting of the whole. It's not an actual meeting.

Board Member Steril: Maybe you need to clarify it from the By-laws. If they can give recommendation without quorum.

Chair Joseph: There has to be a quorum. I mean if you have a 10 member Commission or Board and if only two or three people are present it is clear that there is not a quorum. So therefore yes, like we said they can discuss. They have discussions about items. But there cannot be any vote...

Board Member Steril: But they did vote because they give us recommendations.

Chair Joseph: ...on anything where there is no quorum. And such vote should not come before us. Whatever decision they take without a quorum should not come before us.

Executive Director Ghany: There was no voting on any of the items.

Board Member Steril: So it shouldn't be coming before us.

Board Member Galvin: Yes if they're recommending, they can do that. Here's the problem with this body.

Board Member Steril: All right Mr. City Attorney, take it from here. I'm done.

Board Member Board: They don't have an appointed...they have problems getting a quorum. So as a result they repeatedly cancel meetings. There was a period during 2012 and 13 where even this Body didn't meet for months at a time. If their meeting is the first Monday of each month and everybody knows it come heck or high water, then they'll finally start to get a quorum. Part of the problem is it gets cancelled, it gets cancelled. There's no quorum. There's no...and so people...the members of the Body stop coming, stop paying attention. So give it a little bit of time for there to be a regular first Monday of every month meeting. Call it committee of the whole for the time

being. But let them come together and meet and make their recommendations. And then we can move forward. In time they'll start meeting regularly again.

Board Member Steril: As long as we clarify. Mr. City Attorney, just clarify. What is it...how do you want the Board to proceed?

CRA Attorney Zelkowitz: In this particular instance and I will say that you have a Chairman of the CRA Advisory Committee meeting. So the Chairman who's in charge of that meeting, such as the Chair who's in charge of the meeting, made a decision not to cancel the meeting but to go ahead and discuss the items. Staff was there, Staff was directed by the Chairman of that meeting to provide you with a memo of the recommendations of the members who were present. As with any meeting of your Advisory Committee, you can take those recommendations to heart. You can rely on them or not. It's purely advisory. And in this case, it's the recommendations of four people, there was no vote. They all had a consensus. They all felt the same way. So again, and as Commissioner Galvin has said, we've had tremendous issues in getting a quorum for this committee.

Board Member Steril: So why don't we amend it then? Why don't we amend the...

CRA Attorney Zelkowitz: There was a resolution that was done...

Board Member Steril: ...the resolution says that there is no need of a quorum. If there is a problem for them to meet...

Board Member Galvin: Mr. Chair...Mr. Attorney we have existing By-laws and rules that say, this Body is supposed to follow Roberts Rules of Order. Roberts Rules of Order say that a committee of a whole is allowable if you don't have a quorum. We don't need to keep creating more policy where policy already exists. If we just have this group meet regularly and they know it's not going to be cancelled, they'll actually start showing up. That's the problem. It just gets cancelled and cancelled and cancelled and cancelled and cancelled. We need to stop that.

Chair Joseph: My suggestion or recommendation would be at this point from hearing or from listening to you Councilman, if we are having problems with members who are chronically absent and if it is obvious that they cannot attend meetings, I would recommend that the Chairperson report search chronic absences to the person who actually appointed these members. And we can decide how many absences are allowable. Two absences, two consecutive, three consecutive, whatever it may be.

Board Member Steril: We have the rules.

CRA Attorney Zelkowitz: We have the rule to that effect already. And...

Chair Joseph: So why don't we just follow it?

CRA Attorney Zelkowitz: Because we'll probably end up with nobody on the committee.

Board Member Galvin: So be it.

Chair Joseph: At which time the Councilmember they can appoint somebody new.

CRA Attorney Zelkowitz: I think that's an item that's on your agenda tonight is to appoint some new members to this committee so that we can get a quorum.

Chair Joseph: Yeah but in the future, if we...let's say the new ones that we're about to appoint now and they attend the first, second meeting and then thereafter they fall or they decide or maybe because of their new applications and they cannot keep coming to meetings. So we need to know. If they don't come, we don't know. So the Chairman...it behooves the Chairman to report. Like let's say I recommend, I appoint Mr. Y and Z. If there is three consecutive meetings that he is not present, I need to know.

CRA Attorney Zelkowitz: And he's automatically off at that point. That's the rule. Three consecutive...

Chair Joseph: So I can appoint somebody new.

CRA Attorney Zelkowitz: No excuse.

Executive Director Ghany: Three consecutive absences, you reappoint.

Chair Joseph: So now let's leave on the shoulder of the Chairperson to inform us.

CRA Attorney Zelkowitz: These are just merely recommendations. You don't even have to read them, you don't have to follow them, you don't have to do anything with them. They're in your packet. Staff was just directing you to the fact that there was a memorandum in your packet.

Chair Joseph: What are willing to do?

CRA Coordinator Sorey: There's no action needed at all.

CRA Attorney Zelkowitz: No action.

Executive Director Ghany: There's no action it's just...

Agenda Item 2

Downtown Parking Study

CRA Coordinator Sorey: Agenda Item # 2 is the Downtown Parking Study.

A RESOLUTION OF THE CHAIR AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE PARKING INVENTORY AND NEEDS STUDY PREPARED BY THE CORDINO GROUP DATED JANUARY 2015 AND PROVIDING AN EFFECTIVE DATE.

Ms. Thomas: I'm going to read in the resolution.

Ms. Thomas: (reads resolution by title only)

RESOLUTION OF THE CHAIR AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE PARKING INVENTORY AND NEEDS STUDY PREPARED BY THE CORDINO GROUP DATED JANUARY 2015 AND PROVIDING AN EFFECTIVE DATE

CRA Coordinator Sorey: Mr. Chair, this is the Parking Study that came before this Board last meeting. And we went over all of what Cordino Group did. Basically we're asking just the Board to adopt the Parking Study. And as we begin to do Downtown Redevelopment, at least we have something in place where we're following a guide that we have set forth and it was placed by a professional group. The member of the Cordino Group if you guys would like to see or ask any questions. He's here, he was here last meeting. There were no questions. They did a presentation for the Board and the Advisory Board. But we're just asking for this to be adopted as move forward with the Redevelopment Master Plan. And when it's time, we'll already have taken this into consideration and we'll have something in place. So we are asking that you adopt the Parking Study at this time.

Chair Joseph: We need a motion.

Board Member Galvin: Move approval of the study.

Chair Joseph: Second. Discussion?

Board Member Keys: Yes. We're approving the study, we're not committing to any future parking garages or locations or anything else?

CRA Coordinator Sorey: We're not committing to any...no parking garages, nothing. We're just approving the study that outlines the need for parking as the downtown area is redeveloping.

Board Member Keys: Thank you.

Ms. Thomas: Chairman Joseph, would you like a roll call?

Chair Joseph: If there is no more discussion or questions. Roll call.

ROLL CALL	Chair Joseph	Yes
	Board Member Galvin	Yes
	Board Member Keys	Yes
	Board Member Bien-Aime	Yes
	Board Member Steril	Yes

Ms. Thomas: Item passes 5 – 0.

Agenda Item 4

Review Advisory Committee Recommendations

CRA Coordinator Sorey: The next item at this time is the Redevelopment Plan Presentation of Timelines and Benchmarks. At the last meeting this Board did approve the hiring of RMA to move forward with our Downtown Redevelopment Master Plan. At this time RMA will do a very brief, just to give an outline to this Board, what their timeline is and how they will be preceding and what...just what their objectives are and what Staff and RMA have come to an agreement with. We've gone over the contract with the CRA Attorney and the Executive Director. And everybody is on the same page. We just want to bring it to this Board so everybody will know exactly what to expect out of RMA. And I'll turn it over to Rachel Bach from RMA at this time.

Ms. Bach: Thank you very much. My name is Rachel Bach, I'm the Director of CRA Management for Redevelopment Management Associates. I'm going to be your lead project manager on the rewrite of your CRA plan and getting your extension done. How does the...there it is, okay great. I know you're pressed for time this evening and I provided your backup a scope of work that we're going to be using as our guide to completing this plan as well as the schedule. So I'm just going to briefly kind of outline

that for you and open it up for any questions that you may have of us. Just to give you a little background about our company, we are a full service redevelopment and urban planning firm. We have several disciplines including economic development, redevelopment, urban design and planning, marketing, branding and special events. We use all of these disciplines and we work collectively in order to develop plans that are going to be holistic and implementable. We've already started working on the CRA Plan update specifically regarding the background and existing conditions. You've gone through a series of planning exercises over the past year with your Downtown Master Plans, which really is a great baseline for us. So we'll be able to hit the ground running. We're also in the process of updating a lot of the demographic and market data. And we want to get this part done as quickly as possible. So we're anticipating completion by the end of the month. The meat and potatoes of what we're going to be doing is actually analyzing some of the public/private partnerships that have already been outlined in some of your Concept Plans. We want to look at these projects and provide you with alternatives on how to actually implement them, what kinds of terms you want to put in place and how you're going to be able to create revenue out of those initial catalytic projects that's going to be able to see your CRA move forward. We understand that the County is very, very syncline interested in seeing implementable and actual projects come out of this plan rewrite and the extension of the CRA. We're very mindful of that. We have a lot of experience actually in working on these kinds of projects. And Kevin Crowder who is my colleague is the former Economic Development Director of Miami Beach. He's done several public/private partnerships and he'll be working with me and assisting me on those. The draft CRA Plan is just that. We're going to take that information now. We're not going to just focus on the downtown because we do understand that you have a very CRA. So we do want to look at the other important corridors such as 7th Avenue, Dixie Highway, 6th Avenue. But we also want to make sure that we're focusing on at least what we know we can get done immediately in the plan. So that's why that public/private partnership piece is going to be our priority in putting together those projects. We also need to make sure that whatever happens once you do get your extension and you're ready to implement those projects that they're going to generate money for you to be able to tackle some of those tougher areas that you really don't have the funding to tackle. And then finally once we have the draft plan completed, we do plan on holding a community workshop as well as having individual meetings with yourselves, stakeholders that are identified and the community as well as the district County Commissioners. To make sure that everybody is on board. We'll begin the actual adoption process. This is almost just as difficult sometimes as the plan rewrite itself, not necessarily here at the local level. You have the control but it's going to be when we get to Miami-Dade County where we don't have as much certainty in terms of timing. But what our process will be here at the City it will consist of basically three meetings. We will have to...we will present this to your Advisory Board and hopefully we'll have a quorum that night. And ask them for a recommendation to your Board. The CRA Board will then transmit to the City Council and then City Council will transmit that to the County Commission. And then we'll get into the process with the County

Commission. Which includes several Staff reviews as well as County Commission Committee approvals and then finally the transmittal to the County. So we can all put this in perspective. We have been told by your Staff and we know that this is...time is of the essence. And so we are absolutely prepared to expedite this process as much as possible. We're hitting the ground running. We started working on this even before we had a signed contract. And as I said, we want to have that first phase done by the end of the month. So if you can see the schedule our plan is to actually have that draft plan completed by the end of June, ready for the City's adoption in July. From there on you can see sort of the little squiggly lines, that's kind of the County process because we don't know where we might run in to some bumps. I will say this, we do have good relationships with the folks at the County. And we plan on not just going to the Code cold. Once the City has adopted it but working with the County as well throughout the process. Particularly when we're drafting the plan to make sure that we're putting something out there that's going to be important. But the bottom line is, is that our goal is final adoption by end of December 2015 which would be this year. And with that, I will just open it up to any questions or comments. I certainly will be meeting with all of you in the near future just to get some of your ideas and some of your priorities as far as some of the plan projects themselves. But right now I just wondered if you had any questions for me?

CRA Coordinator Sorey: Through the Chair, just as Rachel pointed out all the deadlines and the timeframe they've put in place, as they do meet those timelines we will be bringing back updates to this Board and letting them know where we stand at. And the updates and the work completed, so we will be advising the Board as the process does move along. So you won't just see her at the end of the process. As everything is going forward, we will bringing updates to you guys at the Board meetings.

Chair Joseph: Any questions from the Board?

Ms. Bach: Thank you very much. We look forward to working with you.

Chair Joseph: Thank you.

Agenda Item 5

Update on RFQ for Executive Director

CRA Coordinator Sorey: Agenda #4, Update on the RFQ for Executive Director. We did send out the RFQ for the Executive Director position. The Executive Director...the Purchasing Director did put an RFQ out. We didn't have anybody that was responsive within the timeframe that was specified. And that's basically what happened. I just...with us moving forward with RMA in place working on the Redevelopment Plan, that's going to take us through December. Everything else that we do have is going to be

going on currently I believe our Staff is capable of handling right now. And I believe our Staff in meeting with the Executive Director and Rasha, this Staff is in place right now. We can move forward until the Redevelopment Plan is done. Once that plan is done we definitely will need help. But I do feel the Staff can move forward. If it is the will of this Board, we'll go back and advertise again for the position but we didn't have any responsive bidders to the RFQ when it was put out.

Board Member Steril: What RFQ are we talking about?

CRA Coordinator Sorey: The RFQ for the Executive Director.

Board Member Bien-Aime: Can I have a question? When did you put it out?

Executive Director Ghany: February...the package...it went out February 11th and it closed...January 11th and it closed on the 30th.

Board Member Bien-Aime: Only 12 days?

Executive Director Ghany: Yeah.

Board Member Bien-Aime: For a big position like that.

Executive Director Ghany: Well again the timeline we had was the meeting in January to put it out and that's the limit I had to come back to...

Board Member Steril: May I? You said an RFQ for...that's how we always do it? We send an RFQ out to hire someone for a position? Is that the process that we always...

Executive Director Ghany: If you look at the minutes of the meeting directing...

Board Member Steril: No I didn't look at it. So I'm asking the question...

Executive Director Ghany: Well per the minutes it says to...for Staff to put out an RFQ. We did put out an RFQ. I took the scope or the job description for the CRA Executive Director/Coordinator. I put it in an RFQ, request for qualifications. I gave it to my Procurement Department, which is the direction I was given. There are two ways we could have done it. One of the reasons why we put it out as an RFQ was because there was not a budgetary amount for the position itself. And at the time when it was discussed, there was no salary at the time. I was given direction to come with that range

from calling around other cities to see what they had. What you see in the Budget there is a tentative salary that we have found and we put it in the budget for that position.

Board Member Steril: So you knew if you advertise it that way we would not have any answer though. Because it wouldn't make any sense. Why would you have a position as a director and then put it out as an RFQ. Anyway I'm going to ask my question again. Is that how we always do it or this is the first time that we ever put an RFQ out if you want to hire someone for a position? That was my question. I'm not asking you what the direction, I'm just asking you how the City usually do it in the past.

Executive Director Ghany: Positions are posted through the Personnel Department.

Board Member Steril: That's what I thought.

Executive Director Ghany: But companies do apply when you put out an RFQ to run your CRA. A good example is RMA.

Board Member Steril: No I understand that.

Executive Director Ghany: So there are two ways it could have been done. Based on qualifications or based on a personnel action.

Chair Joseph: Mr. Sorey, am I getting from you that at this point of time because RMA is in the process of restructuring our old CRA and so forth that it's going to take until December before we actually see something going? As a result I'm sensing from you that because Staff is in the position where you can actually handle whatever needs to be handled at this time. Are you recommending that we shy away from that we move away from looking for a director at this time?

CRA Coordinator Sorey: That is the recommendation of Staff at the moment. Is that we continue operating the CRA as we're moving it forward right now. Once RMA is done with the Redevelopment Plan, you will definitely need to hire an Executive Director to move forward. Right now Staff is capable of moving forward with the help of the consultant we have on board of moving forward right now.

Chair Joseph: Have you discussed that with our director?

Executive Director Ghany: Through the Chair, I'd just like to mention two things here. Based on the last meeting and the direction we got, there are two key items. One is, getting the Redevelopment Plan approved. And the second thing is, as part of that Redevelopment Plan is getting the life of your CRA extended. When those two milestones are met then and only then I think it behooves this Board to take an approved

plan, give it in the hands of an Executive Director to move forward with the CRA. If it approved or extended by the County. At that time I think then you will have a director working with a plan and moving forward. So you'll have a 20-year period. You will have something tangible for the director to work towards.

Board Member Galvin: So do you need a motion from us or was this...it's an update.

CRA Coordinator Sorey: It was just an update on the process. There is no motion needed. There's really no action unless you guys do direct us to go back out with an announcement at this time. But other than that, there's no action to be taken.

Board Member Steril: I will move on with it. But I just want to make it clear that from the time that we were discussing hiring a Executive Director, you guys that's not what you wanted to do. And the only reason that you go out and put out an RFQ because you know we're going to get to where we are now. And so it's unfortunate to see that, that's the same recommendation that you had before and that's the one you have now. Not that I'm against it but it's really unfortunate that you couldn't sit down with us and tell us exactly how you felt. Instead of just go around and...I move on.

Board Member Galvin: I'll take blame. No I'll take blame because I just want to see this CRA move forward. I don't care who's at the wheel just as long as we're going forward. I worry that the County will want to sunset us. So all the fire that I was breathing at the last meeting really was...I'm the one to blame that Staff put out a hurried RFQ. I talked with Aleem subsequently and he won me over. They have control, RMA will be able to guide through the process. And once we get through all this, then we can proceed with a director. And I'm cool with that. I feel more comfortable now we're moving forward.

Board Member Keys: Can we make a motion not to hire a director for the rest of this fiscal year so we can take the director portion out of our budget for the remainder of the year?

CRA Attorney Zelkowitz: You can make any motion you so desire and when we get to the Budget we can address that.

Board Member Keys: It's a big number in our Budget for a director.

Board Member Steril: I know I went over it. So I will prefer like when we discuss when we go to the Budget. But quick question, how much money that we're paying the...what's the name of the company?

CRA Attorney Zelkowitz: RMA.

Board Member Steril: RMA right now.

Executive Director Ghany: Their contract is \$70,000.00.

Board Member Steril: \$70,000.00 for them to actually put together the plan and...

Executive Director Ghany: Put together the plan and get it approved by the County.

Chair Joseph: To take us to the Promised Land.

CRA Attorney Zelkowitz: Mr. Chair, may I make a comment please?

Chair Joseph: Go ahead.

CRA Attorney Zelkowitz: Thank you sir. Two things. Number one, with respect to RMA we made clear in the contract which I drafted and negotiated with them along with Staff that it's \$70,000.00 and not a penny more. That's inclusive of everything there's supposed to do. All the meetings they're supposed to attend. All the work product that they're supposed to prepare. Secondly, in meeting with Staff through the process and through actually the last ARB or the last Advisory Committee meeting we had. I feel much more comfortable now that we have a Staff that's focused on getting the job done. That we have a consultant in place who will be responsible for getting that job done as well. And I think based upon the group that we have here along with the folks at the County, that that's all we need right now. I agree with Staff with their recommendation that you know there's \$123,000.00 in the Budget for an Executive Director. Which we don't really need to have someone oversee this process and pay them that money. You can use that money for something else and help with the redevelopment process. So I just wanted to put that on the record that I'm in favor of Staff's recommendation as well. And I do feel comfortable now that we've made a transition and that we're moving in the right direction.

Chair Joseph: Thank you Mr. Attorney.

CRA Attorney Zelkowitz: You're welcome.

Chair Joseph: Are we going with a motion or are we just going to let it...leave it as is?

CRA Coordinator Sorey: We'll leave it as is.

Agenda Item 3

a) Review FY 14 – 15 Budget Presentation

CRA Coordinator Sorey: For the next item is the Review of the FY 14 – 15 Budget. I'll turn it over to our consultant Rasha Cameau at this time. I'm sorry let's have...

Board Member Steril: Before we go to the Budget. Let's clarify for this Board what will be Ms. Cameau...what is her job? What is her job description?

Board Member Galvin: Who are you?

Board Member Steril: I know who she is and I she's very good at what she does. But the only thing is a couple of weeks ago we didn't know nothing about her. And unfortunately...

Ms. Cameau: That was six months ago.

Board Member Steril: What is it?

Ms. Cameau: That what six months ago, that was in July.

Board Member Steril: That's a couple of months ago. So...but today it's good to see her that she's sitting up here with us. So I'm wondering like, what's the definition of...what is it exactly that she will be doing as a consultant? At least I know who to call.

Ms. Cameau: Well I am Arthur's right hand. I take care of...

Chair Joseph: But he's left handed.

Ms. Cameau: Well I'm his right and left hand. I've worked on...I worked on your Budget. My job was to get you into compliance. Your annual report from the previous year has been done. Your new annual report is due March 31st. My job is to make sure that you're in compliance with the State and the County as far as they're concerned. Also, I will be working with Arthur, RMA and our CRA Attorney with the County Staff to make sure that no ball is dropped. I take care of the details in between while everybody else is doing everything. In addition to that I work with...I'm updating your guidelines, your commercial improvement guidelines that are a little bit outdated. And I work with applicants. I've met with several people who are interested in applying for projects. My job is to work with them to make sure that they can actually...they are a viable business, that they can actually benefit in the CRA.

Board Member Steril: You're sure you're not the new Executive Director?

Ms. Cameau: No, no.

Board Member Steril: It sounds like it though.

Ms. Cameau: I'm only here...for the record I'm only here two days a week.

Board Member Galvin: You're here how many days a week?

Ms. Cameau: Two days.

Executive Director Ghany: It's just two days a week.

Board Member Galvin: She doesn't have a microphone. How many days a week?

Ms. Cameau: Two days a week.

Board Member Galvin: Two days.

Executive Director Ghany: I brought Ms. Cameau in because when we inherited, both Arthur and myself inherited the CRA based on the CAFR that was done or the audit that was done in the CRA. Several items had to be taken care of immediately. I looked at her resume. I found out which other cities she have worked on their CRA and then at that point I brought her in two days a week to assist with getting all the paperwork and compliance measures with the CRA. That's how she came on board.

Board Member Steril: I'm not complaining about it. I know she's very qualified. I was just wondering she's just kind of a consultant. Because I know she can do more than just...

Executive Director Ghany: You asked about the process of how she got here. I'm just giving you the process.

Board Member Steril: I never asked about the process. I didn't, I'm sorry. I just said what was her job description.

Executive Director Ghany: Her job title was to come in an assist in getting the...

Board Member Steril: That's not the title, that's the description.

Executive Director Ghany: As a consultant.

Board Member Steril: I'm good. Thank you.

Chair Joseph: Next item...the current item.

Ms. Thomas: Chairman, would you mind if I read the resolution into the record?

Chair Joseph: Go ahead.

A RESOLUTION OF THE CHAIR AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE FISCAL YEAR 2014 – 2015 BUDGET, AUTHORIZING THE CRA EXECUTIVE DIRECTOR TO TRANSMIT THE FISCAL YEAR 2014 – 2015 BUDGET TO THE CITY OF NORTH MIAMI AND MIAMI DADE COUNTY. AUTHORIZING THE CRA EXECUTIVE DIRECTOR TO TAKE ALL ACTIONS NECESSARY TO COMPLETE THE APPROVAL PROCESS FOR THE FISCAL 2014 – 2015 YEAR BUDGET WITH THE CITY OF NORTH MIAMI AND MIAMI DADE COUNTY AND PROVIDING AN EFFECTIVE DATE

Ms. Thomas: I'm going to read in the resolution.

Ms. Thomas: (reads resolution by title only)

RESOLUTION OF THE CHAIR AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE FISCAL YEAR 2014 – 2015 BUDGET, AUTHORIZING THE EXECUTIVE DIRECTOR TO TRANSMIT THE FISCAL YEAR 2014 – 2015 BUDGET TO THE CITY OF NORTH MIAMI AND MIAMI DADE COUNTY, AUTHORIZING THE CRA EXECUTIVE DIRECTOR TO TAKE ALL ACTIONS NECESSARY TO COMPLETE THE APPROVAL PROCESS FOR THE FISCAL YEAR 2014 – 2015 BUDGET WITH THE CITY OF NORTH MIAMI AND MIAMI DADE COUNTY AND PROVIDING AN EFFECTIVE DATE

Chair Joseph: Can I have a copy? No the budget.

Executive Director Ghany: It's in your packet.

Ms. Cameau: Mr. Chair can I start or...so as I had stated in previous meetings the first thing I did when I started working for the CRA is, we met with the County Staff to determine what the issues were and what we needed to address. One of

the issues that they had brought up was one, the format of the Budget was previously submitted and that it looked a little bit too complex and allowed for room for error. So they asked me to simplify it and this is actually the County CRA format that you see here. So in addition to that this Budget, they've seen the narrative, the line item, they vetted it out. It meets their guidelines and they don't foresee any issues with moving it forward to the Finance Committee and to the Commission as well for approval.

Board Member Galvin: Mr. Chairman, may I ask a question? Oh, sorry.

Chair Joseph: Go ahead.

Board Member Galvin: The County has repeatedly for years stonewalled our Budgets for months and months and months. To the point where we're actually approving after a fiscal year is closed, the Budget for that fiscal year. What's changed that gives you the confidence that this is going to move forward quickly to committee?

Ms. Cameau: Well for this particular one, the previous Budgets had a lot of mathematical errors. And the presentation that was in made it a little bit confusing. At one point the Assistant County Mayor had pulled the item cause he said it just didn't balance. When actually it was just because of the way the narrative and the line item were set up. It led to too much confusion. So...

CRA Coordinator Sorey: And Board Member Galvin also was the relationship with the County in going down and meeting with them. We've developed a relationship with them. Rasha did take us to the County upon us taking over the CRA. And we met with the folks that Sally Heyman mentioned that we had free help and we've gotten free help from them to go through with our Budget this year. So Rasha is taking all of that into consideration, so we're definitely confident we'll be moving forward.

Board Member Galvin: So you feel confident that those past mistakes have been corrected and the County is working with you and we're good to go?

CRA Coordinator Sorey: Definitely.

Ms. Cameau: As long as the salary line item gets changed today, you won't have a problem.

Board Member Galvin: Did somebody on that County Commission or County Committee specifically say they want it to be...that line item of the salary to be eliminated or reduced?

Ms. Cameau: Well Commissioner Sally Heyman has stated a few times that she doesn't want to see six-figure salaries for an Executive Director or a Director in

the Budget right now since we're just in the process of getting settled and trying to get ourselves extended. So based on that and County Staff Mr. Fernandez will always follow what they say. So that's why.

Board Member Galvin: Thank you Mr. Chairman.

Board Member Bien-Aime: But at the same time we have 13 members of the County Commission that's going to vote on it.

Ms. Cameau: Yes but it does go to the Finance Committee first and...

Board Member Bien-Aime: How many people on that Board?

Ms. Cameau: ...unless it's changed...do you know Mr. Zelkowitz?

Board Member Bien-Aime: How many on that Board?

CRA Attorney Zelkowitz: Well there are two committees it goes to. First it goes to the TIF Committee, which is probably about seven folks. They're department heads in different County departments who review your budget, approve your budget and then send it on to the...you have to indulge me because the new Chair of the County Commission has created a new Committee system and has renamed the various committees to which the different items go to. The CRA Budget used to go to the Infrastructure Committee. So now there's a new committee that they will go to. Those are also seven person committees. And once approved they go to the full County Commission.

Board Member Bien-Aime: That mean the CRA Budget is going to go to a different committee right now?

CRA Attorney Zelkowitz: I'm sorry sir.

Board Member Bien-Aime: How do you call the new committee?

CRA Attorney Zelkowitz: The new committee, he just created these last week or so. I'll look it up. It has a similar name. I think it's the Public Finance Committee or something like that.

Board Member Bien-Aime: Who is the Chair of that committee?

CRA Attorney Zelkowitz: I'll look it up for you while we're at the meeting right now.

Board Member Bien-Aime: No it's because...

CRA Attorney Zelkowitz: I think it's Sally. I think its Commissioner Heyman.

Board Member Bien-Aime: She's still the Chair of that committee, okay.

CRA Attorney Zelkowitz: I believe so. I'll look it up right now.

Ms. Cameau: Any other questions before I move on?

Board Member Keys: I do. Are you going over the Budget some more?

Ms. Cameau: Okay. I did a Power Point Presentation for you first to just basically show you the changes between the previous year's budget and the proposed budget. Your City TIF has remarkably increased by \$354,000.00. So this year you will be collecting \$621,904.00. Your County TIF also increased. It will be at \$233,289.00. Where you see it says County refund, per our interlocal agreement we used to reimburse the County for the west side. So for the Fiscal Year 11 – 12, we paid the County about \$317,000.00. For the past two years, when they do their calculations for the taxes, they do their previous year adjustments, it's every two years. So they just did their 2012 adjustments and they have determined that they actually owe us a refund because we overpaid them. So that's what you see there which is \$69,986.00. For the Fiscal Year 13 – 14 they had refunded us \$63,000.00. The carryover from the previous year again for 13 – 14, we really did do anything. Again we paid for Staff salaries. We approved two façade projects just right before the fiscal year ended. So most of the money was still there. Originally you had budgeted to buy a property for an incubator for about \$715,000.00, so that money wasn't spent. None of the other projects were spent. So that's why you have such a high carryover.

Board Member Bien-Aime: The money was not for...we changed that. We did an amendment of that money.

Ms. Cameau: What was approved...

Board Member Bien-Aime: It was reallocated for land and property developer only in the downtown area.

Ms. Cameau: For the incubator.

Board Member Bien-Aime: No we changed it.

CRA Coordinator Sorey: There was an amendment done but we still didn't spend the money and that still is part of the money that's carried over.

Ms. Cameau: It's still under the Land Acquisition line item. It's just whatever...what you picked to changed it to is the difference. But it's still in the line item for land acquisition in the Budget.

Board Member Bien-Aime: In the downtown only.

Ms. Cameau: Interest earnings, we always...we try to get interest on the monies that we have in the bank. This time I was a little bit more conservative. Based on what we've accrued for the past fiscal year I have budgeted about \$3,000.00. So your total for the Fiscal Year 14 – 15, your total Budget is \$2,272,286.00. So you have an increase of \$512,582.00 in the Budget for this year. Projecting for the expenditures for 14 – 15, again now they've discussed removing the full time position that you will be voting to amend, I will deed up that.

Board Member Bien-Aime: We didn't say that. We haven't vote. You cannot withdraw.

Ms. Cameau: Yeah I know but I'm saying...I'm just going through the breakdown for you to understand. If you choose to remove that position from your Budget it'll come out of the 14 – 15 line item that's \$191,340.00. Your administrative expenses went down because you're not paying rent, you don't have phones and insurance and all the other expenses that you were paying before when you were outside of the City building. The operating expenses didn't go down much only by \$1,500.00. Your capital improvement projects again we've...based on your past experience of what you've been giving for commercial improvements, your beautification programs, we've budgeted for \$511,500.00. Capital improvement projects for this fiscal year we're budgeting for \$1,300,000.00. For 13 – 14 you didn't have any capital projects budgeted. Now if you go through the spreadsheet, the Excel spreadsheet...I was making sure that you went through the big bullet points. So if you go through the breakdown on where it says Fiscal Year 14 – 15 proposed and you go down to the expenses. For the administrative expenses you have employee salary and fringes. It's at \$68,000.00, that is for...out of that it's \$27,000.00 for City Staff. Budget, Finance, HR, the support staff that's working and helping CRA in what they're doing. Originally I had a salary for a CRA staff person full time at \$99,000.00 as a range. And the fringe benefits that the City pays it times 1.66.

Board Member Steril: You said that out of the \$68,000.00, 27 is for City Staff. What about the remainder...

Ms. Cameau: The remainder would have been the 25% administrative cost of that full time staff person.

Board Member Steril: Okay so how much is it?

Ms. Cameau: The salary base itself is \$99,000.00 times 1.66, which is the fringe. Which comes up to \$164,000.00 and change. So 25% of that was the difference okay. We have also accounting and audit for \$13,000.00. Now moving forward next fiscal year I expect that line item to be less because now that it is part of the City's Finance and Management, it's not an outside system that they will be auditing. Your cost on that line item will be less. Advertising and notices I have it at \$3,500.00. Again it's not just the regular advertisements that we're doing. Because we're going to be amending our Redevelopment Plan, we are required to do advertisement in the paper to notify the public that we have public meetings. So that's why I have increased that line item. And also every time we do our annual report we're required to post it in the paper that our annual report is available. So that's why I...

Chair Joseph: We do have the spreadsheet. I guess we can review it on our own. We're kind of running out of time. We have another...

Ms. Cameau: Do you have any questions specifically then?

Board Member Keys: I do. Just that I had spoken to Staff and as long as we're going to redo this Budget since we're taking out the director, I had requested that we do a little more line item or a little more explanation of what the employee salaries were. Now it's 27 so 42 is coming out. The employee fringe I guess is coming out. The 123 is coming out? And the professional services, Rasha do you services belong in there?

Ms. Cameau: That's where the Budget Director...

Board Member Keys: Okay but again I'd like a breakdown. We have 120 in there and your services. I think we have about an extra \$20,000.00 in there. I'd like a better explanation breakdown. This just say professional. I'd like a breakdown so people can see what it is that we're looking at. And I'm hoping we're not spending any money for financial advisory services until we get our CRA up and running. We spent an awful lot in the past to pay people to go out and get us financing. We threw money away like crazy and never used it. So I'm hoping...I mean that \$5,000.00 I think should go back into our Budget. Because until we're...we're not going to borrow a cent until we get our plan up and running and it's not going to happen this year.

CRA Attorney Zelkowitz: My only comment on that was, that was in the budget as you all may recall Ed Marquez from First Southwest whose now an Assistant

County Mayor...Deputy County Mayor excuse me. We used to prepare various financial proforma and plans to the extent that any financial proformas for TIF are needed for your amendment to your Redevelopment Plan. That's where that money would be used to engage and pay a financial consultant. We're hoping that RMA can do all that work but if it gets a little more sophisticated and we need a financial consultant, that's where that money would come in.

Board Member Keys: My one question which I've asked you I'm still not comfortable, I'm not convinced is, this year we are not showing a County TIF refund. I understand that we overpaid in 2012 so we have income this year because they gave us money back from an overpayment in 2012. Why do we not have a TIF refund to the County this year for our budget? Are you comfortable with that Mr. Zelkowitz?

CRA Attorney Zelkowitz: I had the same question and I addressed that at the Advisory Committee meeting. Staff had met with George Fernandez at the County. They had provided these numbers. If you all may recall too there was a very large claw back that the County forced upon the CRA a few years ago. On the basis that they didn't get all their real estate property tax money cause people didn't pay their taxes. But eventually they get paid because they sell certificates. Those certificates gets redeemed. I think as part of that it's not just that they overcharged us on the refund, they overcharged on the claw back. These numbers came from the County. These numbers were not prepared by Staff. They were given to us because the County provides us with the TIF numbers. So as strange and surprised as you are, I am as well. But that's where the numbers came from. So I am always used to seeing in the last 10 years money going back to the County at the end of the year. But apparently they took too much back over the last few years. And this is not just in your CRA, my understanding is the other CRAs in the Dade County, the municipal CRAs have the same issue.

Board Member Keys: Thank you.

Board Member Steril: Can you go over...I see that we have two...we have expenditure administrative expenditure which is \$68,000.00, I understand that one. But we do have after B employee salary and fringe as well at 123. And I'm sure that's what the Councilwoman was talking about.

Ms. Cameau: A full time person a Coordinator or a Director...

Board Member Steril: But that's the money that we say we were going to remove.

Ms. Cameau: Yeah we're going to remove. That's just the person that usually the 25% admin, 75% operating.

Board Member Steril: No I get it.

Board Member Keys: Where are we going to put that money?

Ms. Cameau: Capital improvements, other infrastructure.

Board Member Steril: We have to decide what we want to do with it.

Board Member Bien-Aime: You're not putting...the money is going to go to District 3.

Ms. Cameau: I didn't say where. I just said Capital Improvements. And maybe I can go through the...maybe the Infrastructure Budget that we have here right now I can go through it with you and then you can see.

Board Member Galvin: We can amend the Budget...

Chair Joseph: The money is going to go to the City of North Miami.

Board Member Galvin: All I can tell you is that the vast majority of District 1 is not even in the CRA. So anything you guys do is in you all district.

Chair Joseph: Let's move forward guys. We're running out of time.

Ms. Thomas: Mr. Chairman, would you like to do roll call or...

Board Member Steril: No we're not going to vote on it.

Board Member Bien-Aime: We vote.

Board Member Steril: Excuse me I'm not...

Chair Joseph: Except for the little fine tuning that Councilwoman Keys...

Board Member Keys: I'd like it to be brought back before we vote on it.

Board Member Steril: Yeah because we're not going to rush over a budget because we run out of time. I understand there's an event outside.

Chair Joseph: Okay so give me a motion to table it until our next meeting.

Board Member Galvin: I'll move to continue it until our March meeting.

Board Member Steril: Second.

Chair Joseph: Okay roll call.

Ms. Thomas: Councilwoman Steril, you made the motion right?

Board Member Steril: No the motion was made by Councilman Galvin to table the item.

ROLL CALL	Board Member Galvin	Yes
	Board Member Keys	Yes
	Board Member Bien-Aime	Yes
	Board Member Steril	Yes
	Chair Joseph	Yes

Ms. Thomas: Item #5 passes 5 – 0.

V. CRA ATTORNEY REPORTS

Chair Joseph: Do we have any reports? Do we have any reports from anyone?

Executive Director Ghany: No reports.

VI. CRA EXECUTIVE DIRECTOR REPORTS

Executive Director Ghany: No report.

VII. OLD BUSINESS

None

VIII. NEW BUSINESS

None

IX. ADJOURNMENT

Chair Joseph: I need a motion to adjourn.

Board Member Keys: So moved.

Board Member Steril: Second.

Ms. Thomas: Would you like to make any appointments tonight or?

Executive Director Ghany: The only thing is the appointments. The new appointments to the Board.

Chair Joseph: You have the list.

Board Member Galvin: We don't have any lists in front of us nor any applicants.

Ms. Thomas: Councilwoman Steril has a vacancy.

Board Member Steril: I know. I was going to make my appointment tonight but the person that was on the list actually give me a call...

Chair Joseph: She don't remember the person's name.

Board Member Steril: No, I do know the person that wants to be on the Board but the former person gave me a call. So I have to sit down with them and see exactly what happened.

Board Member Keys: And my appointment's not in this package.

Executive Director Ghany: Yeah, I have it.

Board Member Galvin: I'll move to reappoint Clark Reynolds as my business district appointment.

Board Member Steril: Second.

Executive Director Ghany: You want to read your into...

Board Member Keys: Sure. I'd like to appoint Holly Kowen as my district appointment.

Ms. Thomas: Howard?

Executive Director Ghany: Holly.

Ms. Thomas: Holly Kowen, okay.

Board Member Bien-Aime: I want to put Dr. Moise...

Chair Joseph: No he's in there.

Executive Director Ghany: He's in there. He's in your package.

Board Member Bien-Aime: So he's already...

Chair Joseph: Yeah he's already in.

Executive Director Ghany: The ones that are being read into the record is the ones that were not on the list.

Board Member Bien-Aime: Oh, okay.

Ms. Thomas: So I need a motion...a first motion and a second motion please to move the item.

Board Member Bien-Aime: Including the one in the list?

Executive Director Ghany: Including the ones in the package.

Board Member Bien-Aime: Dr. Rudolph Moise and Clark Reynolds?

Executive Director Ghany: Correct and Clark Reynolds.

Ms. Thomas: Councilman Galvin, did you move?

Board Member Galvin: So moved.

Executive Director Ghany: We need to get a board.

Ms. Thomas: All in favor. AYE. Item passes 5 – 0.

Ms. Thomas: Thank you.

Chair Joseph: We already had a motion to adjourn. Thank you very much. Meeting is adjourned until March 2nd, I believe.



Agenda Item 1

CRA FY14-15 Budget



NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Dr. Smith Joseph, Chair
Philippe Bien-Aime
Scott Galvin
Carol Keys
Marie Erlande Steril

Executive Director
Aleem A. Ghany

CRA Attorney
Steven W. Zelkowitz

CRA Secretary
Michael A. Etienne, Esq.

To: CRA Board Members
From: Aleem A. Ghany,
CRA Executive Director
Date: March 10, 2015
Re: FY14-15 Budget

At the direction of the CRA Board, staff has made changes to the proposed budget as follows:

- 1. Reallocating salary and benefits of the Executive Director (\$164,340)
- 2. Reallocating Financial Services (5,000)

Staff Recommendation

Staff recommends the approval of the proposed budget with the following reallocation:

Finance Support	9,000.00
IT Support	8,000.00
Staff time for day to day management of CRA	26,000.00
Downtown Street Improvements	70,000.00
123rd Street Improvements	56,340.00
Total	169,340.00

ADVISORY COMMITTEE RECOMMENDATION: Despite the lack of quorum, the Chair requested the item be presented to the members present and a consensus taken. The consensus by the members present was to recommend approval of FY14-15 Budget.

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North Miami, FL 33161
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Tomorrow!*



ANALYSIS OF CRA REORGANIZATION

Staff Supplemental Pay Post-Reorg

	\$ PER Hour	\$ PER week	FY14/15
Felecia Bellamy (IT - Minutes)	0.87	34.62	\$ 1,800
Dunia Sanzentenea (IT - Web)	0.87	34.62	\$ 1,800
Megan Thumann (IT - Support)	0.87	34.62	\$ 1,800
Carl Lafleur (Finance - Support)	0.96	38.46	\$ 2,000
Serge Nicolas (Finance - AP)	0.96	38.46	\$ 2,000
Ricardo Castillo (IT - Support)	1.25	50.00	\$ 2,600
Andrea McDonald (Admin - Support)	1.25	50.00	\$ 2,600
Nakia Johnson (Project Coordination)	1.68	67.31	\$ 3,500
Margaret Miller (Finance - Auditing)	2.40	96.15	\$ 5,000
Myda Pineda (Admin - Agenda Assistance)	2.50	100.00	\$ 5,200
Terry Henley (Business Analytics and Reporting)	3.50	140.10	\$ 7,285
Arthur Sorey (Agency Management)	5.14	205.77	\$ 10,700
Additional Support (Proposed)			\$ 26,000
Total Staffing			\$ 72,286

Consulting Post-Reorg

	FY14/15
GrayRobinson, PA	\$ 20,000
Rasha Soray-Cameau	\$ 30,000
RMA - Redevelopment Plan	\$ 70,000
	\$ 120,000

Annual Comparison of Pre and Post Reorganization

	Pre-Reorg	Post-Reorg	Savings
Staffing	\$ 223,820	\$ 72,286	\$ 151,534
Consultants	\$ 116,158	\$ 120,000	\$ (3,842)
Total Staffing and Consulting	\$ 339,978	\$ 192,286	\$ 147,692

City of North Miami
Community Redevelopment Agency FY 2014-2015 Budget

(FY 14-15 begins October 1, 2014)

	FY 12-13	FY12-13	FY 13-14	FY13-14	FY14-15
	Adopted	Adopted	Adopted	Actual	Proposed
	Budget	Amendment	Budget	Budget	
		Budget			
Revenues					
City Tax Increment Revenue	533,900	533,900	267,875	279,015	621,904
County Tax Increment Revenue	256,575	256,575	127,999	127,999	233,289
County Refund			63,032	63,032	69,986
Carryover from prior year (cash & equiv.)	1,677,541	1,885,180	1,289,265	1,289,265	1,344,107
Interest earnings	23,849	22,473	11,533	3,048	3,000
Revenue Total	2,491,865	2,698,128	1,759,704	1,762,359	2,272,286
Expenditures					
Administrative Expenditures:					
Employee salary and fringe	128,685	128,685	109,960	108,915	29,286
Accounting & Audits	12,500	12,500	17,500	20,907	22,000
Advertising and notices	3,500	3,500	1,000		3,500
Local Travel	100	100	100	40	100
Other Services	0	0	24,000		-
Equipment Purchase	0	0	0		-
Rent/lease Costs	27,500	27,500	27,500	18,685	-
Insurance	6,000	6,000	8,000	5,139	-
Conferences & Meetings	1,250	1,250	1,250	237	
Legal Services	20,000	20,000	20,000	20,000	-
Financial Advisory Services	5,000	5,000	5,000		-
Community Outreach Services	0	12,000	0		-
IT Support Services	0	0	12,000		8,000
Other Admin. Exps (attach list)	13,000	13,000	23,000	1,702	9,880
(A) Subtotal Admin Expenses, %	217,535	229,535	249,310	175,625	72,766
County Administrative Charge at 1.5%	3,849	3,849	1,920	1,920	3,499
(B) Subtot Adm Exp	221,384	233,384	251,230	177,545	76,265
Operating Expenditures:					
Employee Salary & Fringe	128,685	128,685	109,960	109,960	26,000
Printing and Publishing	3,000	3,000	0		3,000
Marketing & Promotions	7,000	7,000	0		10,000
Phones/Internet/Web Services	4,000	4,000	0		-
Conferences & Meetings	20,000	20,000	0		7,000
Legal Services/Court Costs	25,000	25,000	25,000	11,690	20,000
Professional Svces: CRA Plan/Downtown	0	0	105,000	35,200	120,000
Special Events: Moca Jazz Monthly	42,436	42,436	0		-
MOCA Specialized Services	100,349	100,349	0		-
Capital Projects - Grants					
Commercial Rehab Program	100,000	100,000	323,367	83,857	200,000
Commercial Beautification Program	100,000	100,000	130,147		100,000
Carryover Funds for Encumbered Proj.	358,846	209,397	0		211,500
50% Cost for City's Econ & Bus Svces	69,289	69,289	0		-
Homebuyer Counseling & Credit Qualif.	0	0	0		-
Homebuyer Subsidies for Purchases	30,297	159,459	100,000		-
Land Acquisition	0	0	715,000		-
Capital Projects - Infrastructure					
Downtown Parking Lot	0	0	0		1,000,000
Capital Improvement per District	0	715,000	0		
Way Finding Signs	256,550	256,550	0		-
Sidewalk Repairs & Resealing	99,450	0	0		-
Streetscape	500,000	0	0		371,521
Pioneer Boulevard	0	87,000	0		-
4 Circles	0	12,000	0		77,000
Commercial Clean Team	93,013	93,013	0		-
Public Safety: Code Compliance	0	0	0		-
Art in Public Places					50,000
Debt Service	15,000	15,000	0		-
County TIF Refund	317,565	317,565	0		
Other Oper. Expenses (attach list)	0	0	0		-
(C) Subtotal Oper. Expenses	2,270,480	2,464,743	1,508,474	240,707	2,196,021
(D) Reserve/Contingency	0	0	0	-	-

Expenditure Total (B+C+D)	2,491,864	2,698,127	1,759,704	418,252	2,272,286
Cash Position (Rev-Exp)					
	FY12-13	FY12-13	FY13-14	FY13-14	FY14-15
	Adopted	Adopted Amendment	Adopted	Actual	Proposed
Capital Projects:	Expenditures	Expenditures	Expenditures	Expenditures	Expenditures
Downtown Parking Lot	-	-	-		1,000,000
Land Acquisition	-	-	715,000.00	-	-
Commerical Clean Team	93,013	93,013	0		-
Public Safety: Code Compliance	0	0	0		-
Capital Improvement Per District	0	715,000	0		
Wayfinding Signage	256,550	256,550	0		-
Sidewalk Repairs & Resealing	99,450	0	0		-
Streetscape	500,000	0	0		371,521
Pioneer Boulevard	0	87,000	0		-
4 Circles	0	12,000	0		77,000
Art in Public Spaces					50,000
Total Project Dollars:	949,013	1,163,563	715,000	-	1,498,521
Year End Carry-Over	1,885,180	1,289,265	1,344,107	1,344,107	



North Miami Community Redevelopment Agency

FY 2014 – 15 Budget Narrative

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY BOARD OF COMMISSIONERS

Commissioner Smith Joseph	Board Chair
Commissioner Philippe Bien-Aime	Board Member
Commissioner Scott Galvin	Board Member
Commissioner Carol Keys	Board Member
Commissioner Marie Erlande Steril	Board Member

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY ADVISORY COMMITTEE

Michael McDearmaid	Committee Chair	Bianca Cobo	Committee Vice-Chair
Garry Aristide	Committee Member	Rev. Dr. Enoch Milien	Committee Member
Mary Estime-Irvin	Committee Member	Mark Wolin	Committee Member
Kenneth Each	Committee Member	Claudio Sanchez	Committee Member
Clark Reynolds	Committee Member	Vacant	Committee Member
Vacant	Committee Member	Vacant	Committee Member

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY EXECUTIVE STAFF

Aleem A. Ghany	CRA Executive Director
Steven W. Zelkowitz	CRA Board Attorney
Honorable City Clerk Michael Etienne	CRA Board Secretary

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

On July 13, 2004 the Board of County Commissioners adopted Resolution R-937-04, which approved the Finding of Necessity and established the North Miami Community Redevelopment Agency. On June 7, 2005, the Board of County Commissioners adopted Resolution R-610-05 approving the Redevelopment Plan and the Interlocal Agreement, and the funding of the Plan when it enacted Ordinance No. 05-109, creating the Agency's Trust Fund. The Interlocal Agreement between Miami Dade County (County), the City of North Miami (City) and the North Miami Community Redevelopment Agency (Agency) requires, among other things, that the Agency refund the County's TIF payment for the redevelopment area west of Biscayne Boulevard and that the Agency is to submit for County approval an annual budget for the implementation of the Plan prior to expending any funds. The City of North Miami City Council approved the Findings of Necessity, the CRA boundaries, and created the North Miami Community Redevelopment Agency in June, 2004 by the passage of Resolution R-2004-3. The Community Redevelopment Agency approved the Redevelopment Plan, pursuant to the Redevelopment Act in March, 2005, by Resolution R-3-2005-1. The City of North Miami approved the Redevelopment Plan in March, 2005, by Resolution R-2005-15.

NMCRA ACCOMPLISHMENTS

Since its inception the North Miami Community Redevelopment Agency has invested in economic development programs, commercial corridor improvements, neighborhood beautification and cultural community events totaling over \$3,000,000.

In addition, the NMCRA provided the funds for the Downtown Redevelopment Master Plan, which will be the blueprint for the City's downtown area and major corridors. The Plan intends to guide future development and redevelopment within the downtown core and major corridors, work in concert with the various City regulations, and provide visual guidelines to assist City staff to portray the potential for development and redevelopment. In December 2014, the City of North Miami received the Award of Excellence from the Gold Coast Section of the American Planning Association. The Plan was recognized for its effort to implement the Comprehensive Plan vision and create a vibrant, attractive downtown district.

The City of North Miami recently made changes within its administration enhancing its management and that of the NMCRA. A new City Manager was appointed in April 2014. In addition, the North Miami Community Redevelopment Agency changed staffing, which has impacted the FY2013-2014 Budget and Annual Plan. The changes provide greater oversight and a new CRA Coordinator has been hired to manage day to day operations. Moving forward the NMCRA intends to hire a redevelopment consultant to assist in amending the CRA Plan and negotiating the extension of the life of the CRA, which expires October 1, 2016.

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY FY2014-15 REVENUE

NMCRA FY 2014-2015 Revenues

Total Revenue in FY 2014-2015 for the NMCRA will total \$2,272,286. The sources of revenue for FY 2014-2015 include tax increment revenue payments from the City of North Miami of \$621,904 and Miami-Dade County of \$233,289 respectively and a carryover from FY 2013-2014 of \$1,344,107, plus a County refund of \$69,986 and \$3,000 from projected interest on investments.

Tax Increment Revenue Payments

	<i>(FY 13-14)</i>	<i>(FY 14-15)</i>
TIF City Contribution	\$ 267,875	\$ 621,904
TIF County Contribution	\$ 127,999	\$ 233,289
County Refund	\$ 63,032	\$ 69,986
Carryover	\$1,289,265	\$1,344,107
Projected Interest on Investments	\$ 11,533	\$ 3,000
Total Revenues:	\$1,759,704	\$2,272,286

NMCRA FY2014-2015 EXPENSES

The North Miami Community Redevelopment Agency will focus on the following objectives for Fiscal Year 2014/2015:

- Negotiate to extend the life of the CRA past October 1, 2016.
- Update the NMCRA Plan and create a 5-year financing plan to be consistent with strategic priorities and goals.
- Design and build a seven story parking garage as part of the Downtown Redevelopment Masterplan.
- Continue assisting existing and new businesses through the CRA's Rehabilitation & Beautification Programs.
- Implement a marketing program to promote the NMCRA and attract future business developments consistent with the Downtown Redevelopment Masterplan.

ADMINISTRATIVE EXPENSES

1. Employee Salary and Fringe \$29,286

Administrative personnel costs charged to the NMCRA for fiscal and administrative support provided by City of North Miami Staff.

2. Accounting & Audit \$22,000

The CRA will hire an independent auditor for the cost of the annual audit \$13,000. This line also includes budget for staff accounting services.

3. Advertising and Notices \$3,500

Legal Notices placed for CRA Workshops / Budget Meetings/ Redevelopment Plan Update.

4. Travel \$100

Travel for conventions / seminars and developer meetings.

5. Information Technology Support Services \$8,000

Support services provided from the City's staff, including but not limited to computers, printers, website support and maintenance, and graphics design.

6. Other Administrative Expenses \$9,880

Overhead expenses include but are not limited to operating supplies, bank fees, postage, professional organization membership dues, subscriptions to publications, phone service, and maintenance agreements. Specifically this amount includes professional memberships for Urban Land Institute, Florida Redevelopment Agency, Florida Department of Economic Affairs and publications for Miami Herald & South Florida Business Journal.

7. County Administrative Charge \$3,499

Required County Fee at 1.5% of County's tax increment contribution.

Total Administrative Expenses including salary/fringe \$76,265

OPERATING EXPENSES

1. Employee Salary and Fringe \$26,000

Operating personnel costs for CRA Coordinator to assume day to day operations and management of the CRA.

2. Printing and Publishing \$3,000

Costs associated with producing agendas / annual reports and other documents required by the CRA Board, and the CRA Advisory Committee. Also included are developer recruitment packages, welcome packages including annual public information and other documents needed to provide economic overview of the City & CRA.

3. Marketing \$10,000

Through promotional activities, the CRA will promote its services and activities to new businesses and developers interested in doing business and applying for existing programs and incentives.

4. Conferences & Meetings \$7,000

Costs associated with the attendance of the Florida Redevelopment Association Annual Conference for NMCRA Staff, Board and Advisory Committee members. Additional conferences include the Urban Land Institute (ULI) and the International Council of Shopping Centers (ICSC).

5. Legal Services Costs \$20,000

Outside (non-City) legal assistance for development agreements/legal issues and attendance at CRA Board Meetings. The law firm shall provide continuous services as General Counsel and additional services consisting of representation of the CRA, counseling, giving legal advice, formulating legal strategy, and acting as legal counsel with respect to the governance and operations of the CRA. "Legal services" shall include review of contracts and agreements, and the rendering of legal opinions as requested by the CRA or members of its governing board.

6. Professional Services \$120,000

The NMCRA will hire consultants to amend the Redevelopment Plan, assist in negotiations with various entities, including but not limited to Miami Dade County, financial institutions, and developers in the effort to extend the life the CRA past its sunset date of October 1, 2016.

7. Capital Projects - Commercial Rehab and Beatification Grants \$511,500

Commercial Rehab Program \$200,000

Through the Rehab Program, the NMCRA will assist properties to enhance their visibility, attract new business and new development for that area. The grant will pay up to 50% of the total cost of interior and/or exterior improvements to the owners' eligible commercial buildings in an amount up to \$80,000. All

improvements must be in compliance with any and all applicable codes, design standards, and all other restrictions of the City of North Miami. Every project must be approved by the CRA, and is subject to fund availability.

Commercial Beautification Program \$100,000

Through the Beautification Program, the NMCRA will assist properties and businesses to enhance their visibility, attract new business and new development for that area. The grant will pay up to \$15,000 to eligible property owners or business operators for improvements to the exterior and/or interior of the buildings. All improvements must be in compliance with any and all applicable codes, design standards, and all other restrictions of the City of North Miami. Every project must be approved by the CRA, and is subject to fund availability.

Carryover Funds for Encumbered Projects \$211,500

Funds are set aside for projects that were not completed by end of FY13-14. These projects include four Commercial Rehab Program grants totaling \$180,000, a Commercial Beautification Grant totaling \$6,500 and a streetscape project totaling \$25,000.

Total Operating: **\$697,500**

CAPITAL AND INFRASTRUCTURE EXPENSES

1. Downtown Parking Lot (\$1,000,000)

Funds will be utilized toward the design and construction of a seven story multi-level mixed use parking garage with retail/office occupying the first two floors and an additional five levels of parking. Total cost of the project is estimated at \$7,423,020. The NMCRA will collaborate with the City of North Miami to apply for grants and loans and initiate a public-private partnership for the development of the proposed garage.



2. Streetscape Improvements \$371,521

123rd Street Improvements \$55,674

Improvements along NE 123rd Street to include sidewalk replacement or repair, new landscaping.

124th Street Improvement \$245,847

Improvements will be made to NE 124th Street to allow for new drainage, additional parking, street lights and landscaping in support of the redevelopment of the adjacent property, which will house a new department store.

Downtown Street Improvements \$70,000

Funds are needed to complete streetscape improvements which were previously built with CRA funds but not finalized. New landscaping and sidewalk replacement or repairs along NE 125th Street to 119th Street, from NE 6th Avenue to the train tracks. New CRA trash cans along NE 125th Street and West Dixie Highway.

3. Completion of 4 Traffic Circles \$77,000

Funds are needed to complete four traffic circles which were previously built with CRA funds but were not finalized. Completion of these circles will entail adding lighting, irrigation and landscaping. Traffic circles are located at: NE 139th Street and 7th Avenue, NE 139th Street and 9th Avenue, NE 141th Street and 7th Avenue, NE 141th Street and 11th Avenue.

4. Art in Public Places \$50,000

To improve the appearance of the Downtown area and other major corridors, the NMCRA will invest at total of \$50,000 to wrap 142 utility boxes, currently covered with graffiti, and replace with artistic visuals. Costs are estimated at \$350 per box.

Total Capital: **\$1,498,521**

	<i>(FY 13-14)</i>	<i>(FY 14-15)</i>
Total Administrative Expenses:	\$ 219,730	\$ 76,265
Total Operating Expenses:	\$ 1,539,974	\$ 697,500
Capital Improvement	\$ 0	\$ 1,498,521
Total CRA Budget:	\$ 1,759,704	\$ 2,272,286

RESOLUTION NO. 2015-002

A RESOLUTION OF THE CHAIR AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE FISCAL YEAR 2014-2015 BUDGET; AUTHORIZING THE CRA EXECUTIVE DIRECTOR TO TRANSMIT THE FISCAL YEAR 2014-2015 BUDGET TO THE CITY OF NORTH MIAMI AND MIAMI-DADE COUNTY; AUTHORIZING THE CRA EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO COMPLETE THE APPROVAL PROCESS FOR THE FISCAL YEAR 2014-2015 BUDGET WITH THE CITY OF NORTH MIAMI AND MIAMI-DADE COUNTY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Interlocal Cooperation Agreement between the North Miami Community Redevelopment Agency (the “CRA”), the City of North Miami (the “City”) and Miami-Dade County (the “County”) requires, among other things, the CRA to annually adopt and transmit a budget and annual report to the County for review and approval by the Board of County Commissioners (the “Board”); and

WHEREAS, the Interlocal Cooperation Agreement also requires that the annual budget for the CRA be adopted by the CRA and the City prior to review and approval by the Board; and

WHEREAS, the proposed CRA Fiscal Year 2014-2015 Budget is attached hereto as Exhibit “A”; and

WHEREAS, the Chair and Board Members of the CRA desire to approve the CRA Fiscal Year 2014-2015 Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE CHAIR AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY:

Section 1. Recitals. The recitals in the whereas clauses are true and correct, and incorporated into this Resolution.

Section 2. Chair and Board Members Approval and Adoption of Budget. The Chair and Board Members of the North Miami Community Redevelopment Agency hereby approve and adopt the CRA Fiscal Year 2014-2015 Budget attached hereto as Exhibit “A”. All revenues and interest carried forward from the CRA Fiscal Year 2013-14 Budget shall be appropriated according to established guidelines and in accordance with applicable law.

Section 3. Transmittal of Budget. The CRA Executive Director is hereby authorized to transmit the Fiscal Year 2014-2015 Budget to the City and the County for review and approval thereby.

Section 4. Authority of Executive Director. The CRA Executive Director is hereby authorized to take all action necessary to complete the approval process for the Fiscal Year 2014-2015 Budget with the City and the County.

Section 5. Effective Date. This Resolution shall take effect immediately upon approval.

PASSED AND ADOPTED by a _____ vote of the Chair and Board Members of the North Miami Community Redevelopment Agency, this _____ day of March, 2015.

ATTEST:

NORTH MIAMI COMMUNITY
REDEVELOPMENT AGENCY

MICHAEL A. ETIENNE, ESQ.
CITY CLERK

DR. SMITH JOSEPH
CHAIR

APPROVED AS TO FORM:

GRAY ROBINSON, P.A.
CRA ATTORNEY

SPONSORED BY: ADMINISTRATION

Moved by: _____

Seconded by: _____

Vote:

Chair Dr. Smith Joseph	_____ (Yes)	_____ (No)
Board Member Philippe Bien-Aime	_____ (Yes)	_____ (No)
Board Member Scott Galvin	_____ (Yes)	_____ (No)
Board Member Carol Keys, Esq.	_____ (Yes)	_____ (No)
Board Member Marie Erlande Steril	_____ (Yes)	_____ (No)



Agenda Item 2

Engagement of HCT to
Conduct FY13-14 Audit



NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Dr. Smith Joseph, Chair
Philippe Bien-Aime
Scott Galvin
Carol Keys
Marie Erlande Steril

Executive Director
Aleem A. Ghany

CRA Attorney
Steven W. Zelkowitz

CRA Secretary
Michael A. Etienne, Esq.

To: CRA Board Members

**From: Aleem A. Ghany,
CRA Executive Director**

Date: March 10, 2015

Re: Engagement of HCT to conduct FY13-14 Audit

Attached is an engagement letter from HCT to provide auditing services for FY13-14. The audit will cover the ten month period managed by former CRA staff and the last two months of the fiscal year, when City staff assumed management duties. The fee for services is \$13,000.

In the next fiscal year we estimate the fee to be much less.

ADVISORY COMMITTEE RECOMMENDATION: Notwithstanding the lack of quorum, the Chair requested the item be presented to the members present and a consensus taken. The consensus by the members present was to recommend approval of HCT's Engagement Letter.

STAFF RECOMMENDATION: Staff recommends the approval of this item.

*Helping Build
North Miami's
Tomorrow!*

776 NE 125th Street
North Miami, FL 33161
P: 305.893-6511
F: 305.893-1367

www.NorthMiamiCRA.org

November 26, 2014

To the Board of the North Miami Community Redevelopment Agency,
615 NE 124th Street
North Miami, FL 33161

We are pleased to confirm our understanding of the services we are to provide the North Miami Community Redevelopment Agency (the “Agency”) for the year ended September 30, 2014. We will audit the financial statements of the governmental activities and the major fund of the Agency as of and for the year ended September 30, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement the Agency’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Agency’s RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management’s Discussion and Analysis.
- 2) Budgetary Comparison Schedule

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Agency and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Agency is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are

responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, violations of contracts or grant agreements, or abuse that we may report.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Agency's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Agency; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of HCT Certified Public Accountants and Consultants, LLC and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a Regulator or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of HCT Certified Public Accountants and Consultants, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a Regulator. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Roderick Harvey, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$13,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Agency and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

HCT Certified Public Accountants & Consultants, LLC

RESPONSE:

This letter correctly sets forth the understanding of the North Miami Community Redevelopment Agency.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____