

C.R.A. Monthly Meeting

*December 9th, 2014
5:30 P.M.*



The Monthly CRA Meeting of the City of North Miami was held in Council Chambers of City Hall on Monday, December 9th, 2014, 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 Dr. Joseph: It is now 5:50 and the meeting is called to order. Roll call.

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

Ms. Thomas: Chairman, we have a quorum.

II. PLEDGE OF ALLEGIANCE

Chair Dr. Joseph: Right now we have the Pledge of Allegiance.

III. APPROVAL OF MINUTES

Chair Dr. Joseph: Okay, approval of minutes from last meeting.

Board Member Galvin: So moved.

Board Member Steril: Second.

Board Member Bien-Aime: Second.

Ms. Thomas: Who seconded please?

Chair Dr. Joseph: We have a twin second?

Ms. Thomas: Item pass 5-0.

IV. ITEMS FOR REVIEW AND/OR ACTION

Agenda Item 1

Discussion Regarding CRA Reorganization Review and Next Steps

Chair Dr. Joseph: Items for Review or Action. Capital Improvement and Infrastructure Administrative and Other. Item #1, Discussion Regarding CRA Reorganization Review and Next Steps.

CRA Coordinator Sorey: Yes Mr. Chairman, thank you. Basically we just did a memo to the Board just outlining the steps where we've been and where we're going. And just to identify the next steps to this Board will be that the Staff need to go to next. Three core steps identified feasible projects that are viable locally. Issue some form of capital debt and we need to amend the redevelopment plan. And actually look to negotiate a new County inter-local agreement. This memo was just brought about by last meeting just asking what the CRA was going to do and why are we looking to bring in outside help. But this is all we want to do is just give you a heads up of where we are and what we want to do moving forward. And later on in January at the next meeting, we'll actually address...I know the Board will address how we'd like to move forward with Staff and our outside consultant or whatever we choose to do. But we just wanted to give you guys an update on what we've done and what the next steps are. That's it, we didn't want any action on this item.

Chair Dr. Joseph: Does the CRA have any funds now? And if it does, can you bring me up to speed with that?

CRA Coordinator Sorey: Yes, the CRA has about approximately \$1.2 million dollars still in the bank, in the budget. We have not finalized our budget for FY 14-15 at this point yet. The money is there. We have no pending projects at this time. We do have a couple of pending commercial façade programs. One with Cane Sucre and the other with Captain Jims. Those are the only two pending projects we have not to exceed more than I think \$160,000.00 for both of those. So the rough number to say the CRA has about a million dollars in the bank that is unaccounted for at the moment that is to be used for capital projects. And we should be developing a budget to come forward with you...to this Board in January of what the budget will be for FY 14-15.

Chair Dr. Joseph: Do we have any deadlines to use that money?

CRA Coordinator Sorey: The deadline will be technically...by the end of the year we're supposed to at least have projects outlined for the money of use. It's not a deadline but...

Executive Director Ghany: End of fiscal year, which is September.

Board Member Galvin: End of the year is now.

CRA Coordinator Sorey: End of the fiscal year, I'm sorry.

Executive Director Ghany: Clarification, end of fiscal year which would be September 2015. Just one point, as part of the comments we had from the last meeting on similar items. I did work with the Building Department for one of the CRA projects, which is Cane Sucre. They're in the process of processing...of getting the permits. I did talk to the Building Department in trying to speed up the process. As soon as DERM or the Miami-Dade County permit is issued, the permit will be issued to Cane Sucre to move forward...I'm sorry for El Kiosko to move forward with their CRA funds expenditure.

Chair Dr. Joseph: Were we supposed to get an update today about the last two issues we had...the building on 7th Avenue.

Ms. Kamal: Yes Mr. Chair.

Executive Director Ghany: Through the Chair, I'd like to present Rasha Kamal.

Chair Dr. Joseph: (Inaudible) I don't know if there are any other comments from any other member.

Board Member Steril: Yeah Mr. Mayor, may I? Back to the million dollars that we have in the budget. Is the pending project that we have right now is not part of the million dollars that you guys are referring to?

CRA Coordinator Sorey: It's approximately about \$1.2 million, 160 of that is for the two pending projects. Are you talking about the El Kiosko project?

Board Member Steril: Yeah.

CRA Coordinator Sorey: I think that's \$3,000.00. It's not much.

Ms. Kamal: Those funds are carried forward into the budget. So it's part of the previous carry over. So it's already pre-allocated.

Chair Dr. Joseph: Any other comments from the Board?

Board Member Galvin: In January when you say that you're bringing this back, are you bringing us back a plan for RFP or exactly what are you bringing back to us that is not before us tonight?

CRA Coordinator Sorey: When we do come back in January, we will look at...we're just going to look at possibly just moving the CRA forward. We'll come back...we'll come back with a budget in just moving the CRA forward. We'll leave it to the Board to decide how you feel we should move forward. If you guys so suggest that we need an RFP to move forward, then we'll do that. We're kind of looking for direction from the Board right now of which way we will go. We are saying that we do need some help. But we'll let the Board determine how we move forward with it.

Board Member Bien-Aime: Mr. Mayor. When are you going to be presenting to us the budget for the FY 14-15?

CRA Coordinator Sorey: We plan on presenting the budget at the January meeting.

Chair Dr. Joseph: My concern has been for the past few days...I mean it has to do with the fact that we have coincide the restricting of the CRA with all of the other projects that we have going on. Be it with Biscayne Landing which is really pretty much at a point of ground breaking. And we have the downtown redevelopment plan to be implement pretty soon. So with that being said, we kind of have an urgency to really restructure the CRA as soon as possible. And when the New Year starts, we have to really get going. Get ourselves into gear to see how we're going to move forward. So we're going to be as astute as possible. And until that is done, you can talk about restructuring downtown area and other things. Until the CRA problems are taken care of, nothing will really depart. Am I wrong to say that?

Executive Director Ghany: Actually no Mr. Mayor. If you look at the memo on the restructuring, I think the key in moving the CRA forward is actually getting or doing the necessary steps that is required to move the CRA forward. That is presenting the plan to Miami-Dade County so the CRA would not sunset in 2016. It's going to be the goal of this body right now. And how we do that, is outlined in the memo that I sent. In that memo it gives you the steps that we are looking to get the CRA moving. And to make sure that we have coordinated effort between the CRA and the downtown redevelopment to be a complete project. Because one cannot move without the other. Without getting bonding or without getting additional financing, we cannot do our downtown redevelopment together with the CRA. Everything has to be a coordinated effort, so both projects can move along together. There are different pieces of the puzzle that we have to put together, financing, coordination with the downtown redevelopment and also the CRA getting properties and purchasing properties. So the parking garages and other components of the downtown plan can move forward because it's two separate things. You have a capital plan, which is part of your downtown redevelopment and your CRA plan. The two plans are separate but if not coordinated together, then both plans will actually fail. So it has to be a considered effort with the two plans coming together

and you know moving forward so we can get funding, so all the projects can move together. One cannot move without the other.

CRA Coordinator Sorey: Mr. Chair, we're not sitting still. This Staff is still working at the moment. We're doing everything in just moving the CRA forward. So we're working but we're going to need help in the future but we are working. Your CRA is not sitting stagnant. At the moment we are working and doing all the necessary stuff to keep us moving forward.

Board Member Steril: Let me just...while you guys were talking I'm thinking about if we're bringing the budget for the CRA in January and we want to move...coincide with the downtown redevelopment. Having the budget that which will be...we're going to have until September. My only concern is that by the time January comes for us to start thinking about if we want to hire a firm or if we want to hire a director for the CRA. I'm thinking about we need about 60 days to put the RFP out and then we have to do the interview process and blah, blah, blah and hire that person and have whoever it is. If it has to be familiarize themselves to the City or to the CRA, so that will take us another four to five month process. So I don't know why we can't actually take a few minutes and discuss what we want to do. If we want to send an RFP out, we will be in recess I'm assuming but Staff will still be working. So that means they need things to do. I know I want to be on recess. So I think that it's very important to me for us to discuss it tonight. If we want to hire the firm or if we want to send an RFP to hire an executive director. Which me personally I think that we should hire an executive director to make sure that we will have some long term plan for the CRA.

Chair Dr. Joseph: My understanding is that the firm would simply be considered as a consultant. But it would not be a substitute for a director. Just getting a firm would not (inaudible) us from

Board Member Steril: That would be a waste of money. From experience being sitting in the CRA and looking at the CRA that's taken place. Right now we have a consultant, which I think that she's doing a good job. We have a City Attorney...a CRA Attorney who's actually doing a fantastic job for the past eight years, ten years. And I have a lot of experience dealing with CRA from different cities and not just here. And I have to give you some praise. Duke has been doing the best he can although he doesn't have experience with the CRA but having experience with the budget. And Aleem is doing...everybody is doing the best they could right now, with experience, without experience. But I think that if we're trying to be serious with this CRA, with the money that we think that can actually come into the CRA. If he wants to prolong the life of the CRA we have to be a little bit more serious. Because for the past couple of years, I don't think that we have been too serious about the CRA. We have Staff. We had a little project here and there. I think right now it's time for us to bring the CRA together and actually give it a more substantial face, a more permanent...that's what I'm looking for.

Hire an Executive Director that has experience or send an RFP, we don't know whose coming. And maybe we might find some people that actually can take the CRA to the next level.

Board Member Keys: May I?

Chair Dr. Joseph: Go ahead.

Board Member Keys: I agree with Councilwoman Steril in that coming to us with a budget in January without knowing what direction...I mean are we hiring a coordinator, a consultant, a director. So we should have a little bit of idea of where we're going. My thoughts are, we have a CRA Director right now. I hate to bring in a CRA Director for those big bucks that they get. What we really need at this point is a consultant to help us shake our CRA and who's got the knowledge of the laws and the knowledge to put together our amended plan. They started that, we don't have to keep with the same consultant but we do need a consultant who knows all the ins and outs of the CRA to put us and get us going forward. That's not something we hired Mr. Zelkowitz to do, he's giving us legal advice. He's not been hired or I don't think he wants to do our amended plan for our CRA. With that being said...pardon me? I'll ask you, is that something you want to do? I mean if we do an RFP that means that you could also...when we decide what we want to do there's no reason you couldn't put a bid and a quote for work to be done to put together a plan. But someone also has to be...overseeing that also.

Mr. Zelkowitz: Through the Chair, I mean it depends what the RFP is for. I hear that you're looking for an RFP maybe to get a firm to be the CRA Staff or an Executive Director or something along those lines. As far as moving the amendment of the redevelopment plan, which is probably the single most thing you need to do sooner than later...

Board Member Keys: Right.

Mr. Zelkowitz: ...since we've all been waiting to do that. You had Mr. Schneidmann prepare something. He's an attorney. My firm is very capable of preparing the amendment to the redevelopment plan. We have Charlie Seaman who prepared your City's Land Development Code as one of my partners. And I have Lynn Danheiser who is the former City Attorney from Surfside and Sunny Isles Beach who's also drafted these documents. So you know I sat here last week, I looked at this proposal for an RMA. I think they're an excellent firm. I looked at the task and how much they were charging for things and they wanted \$70,000.00 to prepare the amendment to the redevelopment plan. You know I talked to my partners to do this work. We're prepared to do it for \$25,000.00.

Board Member Steril: What?

Board Member Keys: Are you going to be piggybacking off of work already done by Mr. Schneidmann? Because he's done a very good basic plan.

Mr. Zelkowitz: Well the plan that he did if it's the plan that you want, we would certainly be piggybacking off of it. But the things that you're saving money on in looking at the proposal from the RMA, we're familiar with the plan. We were there when it was written. We were part of it. We negotiated the inter-local agreement with the County. We know exactly what the plan says. We don't have to bring ourselves up to speed. Mr. Schneidmann prepared a product. We can certainly look at his product, use his product if it's applicable but we'd have to look at that. I just think that if you want to move these things forward, you know we're prepared to that. And I think we can do it very capably for a much better price. And it's not something you would need to do an RFP on. I mean we're already engaged by this Board as your attorney. All you're doing is providing us another task and changing our budget.

Board Member Keys: It's something I had not anticipated. This is not a set up. This was just spontaneous but it's an interesting concept.

Mr. Zelkowitz: I don't think so. But I'll tell you that I didn't put this on the table previously because I felt that the CRA was going through a reorganization. You were cutting budgets, you cut my legal budget down to \$20,000.00 and that's fine. And my understanding was you were looking for someone to do this work. You had a proposal from a company that I thought could do the work but it was a lot of money. And now with you all saying and I'm hearing you're looking at six months before we have someone on board and a product perhaps from that firm that we hire. That's a long time in the scheme of things when we have to get this done, get to the County and have them approve something before September of 2016. The time is going to go by, the time already has gone by. In my opinion this probably should have been done already and we should be downtown negotiating with the County already.

Board Member Keys: So is your firm...okay you're doing the plan. I'm just trying to see what it is we need. So you do the physical plan. Who is...what is the firm or the person that is going to be taking our plan and then taking it downtown and handling it with the County for us?

Mr. Zelkowitz: Well your Staff needs to be involved to do that. That's a Staff function.

Board Member Keys: Okay so then that person...then we need a Staff person who is familiar again with the CRA laws, who knows them backwards and forwards that can sit down with the County. And when an issue comes up, they have the legal answer.

Mr. Zelkowitz: Well quite frankly, I would have been doing that anyway. Let's say you hire a consultant, let's say it's Mr. Schneidmann or Mr. Dellagloria or RMA to do an amended redevelopment plan. Mr. Schneidmann's an attorney, Mr. Dellagloria's an attorney...

Chair Dr. Joseph: Why do we need to amend it if it's already there?

Board Member Keys: It doesn't make sense anymore.

Mr. Zelkowitz: The plan that's currently...that currently guides your redevelopment is based upon the Biscayne Landing project from 2005. And that project included the one-for-one affordable housing on the west side. For every unit of market housing that was built on the east side. It doesn't work anymore and it doesn't have the three catalytic projects that your Staff wants to include. The plan has to include those projects, has to provide a budget for those projects and show how the public is going to finance those projects, how this CRA is going to finance. If at all those projects. So you need to amend the plan. It's not an overly-complicated task. You hired Mr. Schneidmann. I saw what he did, he did a good start to do what we need to do but we need to fine tune with the new projects and get it to the County. You know whoever you engage as your director or consulting firm to do work for you, I mean I would be going downtown with them anyway to negotiate with the County.

Chair Dr. Joseph: The only problem that I have with that is, a lot of times it's like you put a ship in the ocean and you say I'm going to take this ship to Canada or to China to wherever. You (inaudible) a group of people that may or may not know about the different roads that they have to take to get there. But do they have a captain. You may have a lot of key players or the top players like the dream team of the Miami Heat or whatever. But if you don't have a captain, you're not going to get anywhere. We do need a director. The idea to hire a consultant and we believe there are many experiences where you see companies they hire consultants to conduct certain studies on certain projects. And when something happens the consultant they're pretty much already to wash their hands. The City didn't get me any leverage to do whatever that I had to do. So I would try to shy away from that (inaudible). We need a captain, the CRA needs a captain and I think that's the way that we should take. Do the RFP, try to get someone out there. Someone with academy training, with the connections, someone that has the knowhow and some public administration. I mean whatever. That has the experience. Someone with a vision, he or she will come with a vision and tell us, Board this is what I see for the downtown, this is what I see for North Miami. So let's take it, let's tackle this, let's rebuild this project, let's rebuild...someone who's going to come with the fire. We need a different fire. Just go with the same ashes and try to rehash everything, it's just not going to work. We need a new face, we need new energy, we need new direction. And I think that's a...

Board Member Keys: Is this person going to be able to do the plan for us, the amendment?

Chair Dr. Joseph: It's going to be a knowledgeable person. I mean someone who knows CRA. Because a lot of times my experience has been, you try to cut corners instead of paying the director fee and (inaudible). No I can be 25 here and 30 there instead of 150. But you tend to losing more. If you get into a project or if you get into an administration that does not go out there and try to get what we need to really bring this to a higher level. You're going to end up losing millions and millions of dollars by trying to cut corners and I don't want to go that road.

Board Member Bien-Aime: Can I say something? And I think one of the biggest issues is, if we hire a consultant, a firm to put together a plan now you're going to need another person to execute the plan and make sure everything is in place. And from what I understand and having a director with a plan even if we have to hire a consultant to put together the plan for less money. But I think the CRA need someone to be accountable for because right now everybody try to put the piece together to make sure we keep the CRA alive. That we don't have a plan to move the CRA forward. We know the life of the CRA was going to terminate next year. But if you calculate how much money you have spent consultant here, consultant here, consultant there, sometimes it's almost the same amount of money we are spending then just hiring someone. One that know exactly what he's doing and we need a consultant who can bring and trust to do the small work. But we have someone that if there is a problem we can point a finger on that person. I think hiring a qualified person for the CRA if we really want to move the CRA forward then I think that's the best way to go.

Board Member Steril: I make a motion to...

Board Member Bien-Aime: From what I understand...

Board Member Steril: ...put an RFP out for an Executive Director.

Board Member Bien-Aime: But do we know exactly...do the Board know exactly where we want to go? Are we going to hire a director? Are we going to hire a coordinator?

Board Member Steril: Just make a motion.

Board Member Bien-Aime: Are we going to hire a consultant for the CRA? Do the Board really want the CRA to be extended? Do we need an extension for the CRA, what do we need? I think...

Board Member Steril: I make a motion. If we discuss it, we'll know all that within the motion. A make a motion...let me say it again. I make a motion for we put an RFP out, a search for an Executive Director for the CRA.

Ms. Thomas: Do I have a second?

Board Member Bien-Aime: I second it.

Chair Dr. Joseph: (Inaudible) prior to putting that RFP out and try to go look for someone. I think we should honor the suggestion from Mr. Sorey for them to bring us like a road...not a road map but an actual plan of how we want to move forward. And from that plan then we can implement the search for the RFP.

Board Member Steril: I was listening to you. I made the motion listening to you two. I think that you agree that we need a CRA Director that can actually have a vision, a fire to bring the CRA. So if you're going to have...if you already your fire or vision in the plan, so you don't really need a director. And having...from my experience my only concern is that, I know people. I have friends that actually know CRA. But I'm trying to help this Board to get away from just hand pick anyone to put in the CRA. Because we tried that...I mean I don't want to say we. But the CRA has actually tried that many times and it doesn't work. If you put it out there anyone that actually have the experience and the fire that you mention, and the knowledge will compete. And there is a process already established in the City where you put the RFP out, the person...the qualified person actually apply and then they create a Board. They go and do the...what is it that you guys do? They interview the people and they bring us the finest and then we make the choice up to three or five or however that we choose to do it. But I would strongly suggest that if we're really serious about the CRA we send an RFP and not to hand pick anybody. So that's my belief and we'll take it from there.

Board Member Bien-Aime: And it's not going to cost us any money to see what's out there. And do we really have people who know the CRA.

Board Member Steril: We don't have to hire no firm. We can just do it.

Board Member Bien-Aime: I didn't say hire a firm. I said if we put the RFP out there we can know exactly who's out there looking for a job in the CRA and that really knows the CRA.

Board Member Galvin: Mr. Mayor? May we talk salary for a moment? Part of the problem I had with the old CRA administration that it was salary heavy. We had \$400,000.00 in our budget last year and about \$300,000.00 of that was going toward salary for three individuals. So everybody was making about \$100,000.00 a year so to speak. That's a lot of money. That's too much until such time as we're seeing more

income coming in. If we're going to put out a request for people to apply for a job, we need to have a salary level that commence with the level of income that's coming in. So that the person coming in and applying doesn't think that, well they're bringing in \$400,000.00 again this year, I'm going to be making \$150,000.00. I think it should be more in line with...and you can check with a couple other CRAs. I mean ours is geographically the biggest so it's hard to make an apples to apples comparison. But when you bid it, when you put it out put the salary range in there. So that's in line with what somebody would be make managing another salary with that level of income. Even though we're geographically so large, our income for another couple of years isn't going to be that much. And I don't want to get back in the same position of paying so much of our percentage of revenue to salary.

Board Member Steril: I agree. So that would be an amendment to...if it pass...

Board Member Bien-Aime: It's not an amendment. Just put the RFP with a number.

Executive Director Ghany: The RFP with a salary range and...

Board Member Steril: Salary range will be...

Executive Director Ghany: Salary range, do you have an idea of the salary range you want to put in?

Board Member Galvin: You guys tell us. You guys are waiting for us to make too many decisions. (Inaudible – simultaneous discussion).

Executive Director Ghany: You want us to do a comparison with other CRAs.

Board Member Bien-Aime: We just ask you when you're going to put it out there put it with a number.

Mr. Zelkowitz: Mr. Chairman, may I speak? I do agree that you need a captain to lead the ship. The ship is still on the ocean going somewhere though. I want to remember and Commissioner Galvin was here and Commissioner Steril was here when we had other Executive Directors were making over \$200,000.00 a year. That led to a lot of issues with the County, downtown, disapproval of our budgets and basically froze the CRA for over two years from basically doing anything. I will say probably about half the cases the City Manager serves as the Executive Director and half the cases they have a secondary person who serves as the Executive Director of the CRA. So finding an

Executive Director who is going to lead the ship is a good idea. Is that person going to write the amendment to the plan?

Board Member Steril: This is another discussion.

Mr. Zelkowitz: This is a whole nother...

Board Member Steril: Yeah, yeah so we're not there. We're not there.

Mr. Zelkowitz: Again I just want to remember history and not to go down the same path again and have an issue downtown. Because we have other asks of the County coming up that are very big. So when we decide what sort of salary we're going to put in here and how we're going to structure this, we need to be cognoscente of what happened in the past so that we don't make the same mistake again with the County.

Board Member Galvin: That's exactly what I'm saying. The Chairman of the County Commission we all know very well. Before you give it to us, run it by them to make sure it's something they would apply. Don't ask us to approve something and then go to the County and say will you approve this, our Council has.

Board Member Bien-Aime: The County cannot just tell us we cannot hire a director. They can say you're paying a director too much money but they're not going to tell you, you cannot hire a director. You're in control of your CRA.

Mr. Zelkowitz: They approve our budget every year, so that's where it is. I would also suggest that we speak to Commissioner Heiman.

Board Member Bien-Aime: We're going to keep it to politicians to take care of that.

Board Member Galvin: Obviously if we were to go and say we want to pay our new Executive Director \$200,000.00 a year again, they would not approve that.

Board Member Bien-Aime: Yeah, we won't approve that. We're just looking for someone. When we're talking about CRA, we can just call one person. That's what we're trying to do. Why we don't have a plan at this time? Why we don't at this time? Where is our budget 2014 – 2015? Why this is not done? Why you sign this? We need someone on top of that. That mean we need a leader in the CRA. And right now every question that you have, you have the director. I understand we're still going to have a budget and the legal attorney for the CRA. But I think we feel really, really...

Board Member Steril: No I mean the CRA Attorney, I didn't mean legal attorney.

Board Member Bien-Aime: The CRA Attorney, yeah. I think we need to know where we're going with the CRA. (Inaudible) like we try to put the plan together but we don't know exactly what we want to do.

CRA Coordinator: So Staff will...I guess immediately start working on...

Board Member Keys: I just think that we have an Executive Director that we're not paying for. And I think we need more of a coordinator, cheer leader. I'd like to...based on where we're at right now, I'd like Mr. Ghany to continue overseeing whoever it is that we're hiring. I hate to just put someone new. We are in like this crossroads and I hate to just put someone in their brand new and start taking off. We don't know where we're going and another question I have. We've been given a plan by our Staff and we've sort of approved it and there's like three little pictures of a garage. Our Board has not really sat and discussed what our vision is for the CRA, what projects do we really want? Are we happy with that garage there? We really haven't sat down and we're not allowed to talk about it amongst ourselves. But we haven't had any kind of workshop or just discussion of, is this what we want, is this where we're going? Where are we going to get the money? We haven't talked about where we're going to get the revenue? We really are not going to have too much income for the next...TIF revenue I don't think anything more or any increase for several years. So where are we getting this money to spend all of it on a high paid director?

Board Member Bien-Aime: From what I understand, we are going to pay an agency about \$200,000.00...

Board Member Keys: No we weren't.

Board Member Bien-Aime: ...to work extending the life of the CRA.

Board Member Keys: Who's we? Not me.

Board Member Bien-Aime: From what I've been told.

Board Member Keys: There is a proposal from a company.

Board Member Bien-Aime: And something else Councilwoman Keys. Hire a coordinator and an executive director, it may be cost us the same amount of money. It's the same thing. When you going to ask the coordinator, he's going to say no it's the director that give you permission to do this, to do that. It's better to put someone. You're responsible of this, then you have to answer questions. I think when it comes to money a director is going to cost us the same amount of money than the coordinator.

Chair Dr. Joseph: The coordinator is going to use the security blanket saying that anything that goes wrong, he or she's going to say well the director didn't give me any leeway. And I didn't have enough latitude to make certain decisions. And I think if you have a captain, you have a director that person will be responsible for all decisions that he or she makes. That would release your manager of a lot of responsibilities as well. He has a lot on his hand and he's trying his best to manage the City as it is. And we have a Building & Zoning Department and we know that we're going to have to tackle starting tomorrow morning. So...

Board Member Steril: Can we vote?

Chair Dr. Joseph: I wanted to keep talking.

Board Member Steril: I'm sorry, I didn't know. I'm sorry. I apologize, I didn't mean to cut you short.

Executive Director Ghany: There's still a motion on the floor, right?

Board Member Steril: Yes.

Board Member Bien-Aime: Second.

Chair Dr. Joseph: So you want to go to a vote? Mrs. Clerk.

Ms. Thomas: Yes, would you like to do a roll call Mayor?

Chair Dr. Joseph: Yes.

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

Ms. Thomas: We have a 5 – 0, motion pass. Item pass.

Mr. Zelkowitz: Just a point of clarification. The RFP is for an individual correct, not for a firm?

Board Member Steril: Yes.

Executive Director Ghany: Not for a firm, okay.

Board Member Steril: For an Executive Director.

Executive Director Ghany: We're going to be bringing back all the names or you want me to go through the process?

Board Member Bien-Aime: You bring it to us. If you're going to have 100 going to apply. You're going to do...

Board Member Steril: Screen.

Board Member Bien-Aime: Screening and bring us like five.

Executive Director Ghany: That's what I'm saying. Do you want me to screen? You want me to screen the people, that's what I'm asking. And I bring you the top three candidates or the top five candidates.

Board Member Bien-Aime: Exactly. If nobody is qualified...

Executive Director Ghany: Okay, just point of clarification sir.

Board Member Steril: What is the updates?

Chair Dr. Joseph: Didn't you say that Rasha had something?

Executive Director Ghany: Yeah that's one the second...

Mr. Zelkowitz: One other point of clarification. This is a full time position correct?

Chair Dr. Joseph: Full time.

Board Member Bien-Aime: Yes sir.

Mr. Zelkowitz: It's not a part-time position?

Board Member Keys: Does it have to be full time?

Board Member Galvin: You guys figure that out. Come on, quit being afraid of us and lead and make decisions. You guys figure that out.

Board Member Bien-Aime: When you're going to hire a director, there's no part time and full time. You're going to get paid and you're going to work.

Chair Dr. Joseph: It's a salary position.

Board Member Bien-Aime: You can work for one hour and another day you work for 24 hours.

Chair Dr. Joseph: I think that will never happen.

Board Member Galvin: Honestly, if you advertise it as a part time position, you'd get a bunch of college kids applying because it's a part time job.

Mr. Zelkowitz: Maybe I'm being misunderstood. This person will only work for this CRA. It's not going to have other employment somewhere else doing other things as a consultant.

Board Member Galvin: You can't do radio shows at the same time.

Mr. Zelkowitz: That's not what I was referring to but okay.

Executive Director Ghany: I got it.

Chair Dr. Joseph: You didn't have to get it.

Agenda Item 2

Follow up from November 25th CRA Board Meeting Report on Residential Programs:

b. Foreclosure Prevention Program

Ms. Thomas: Agenda Item #2, follow up on November...

Chair Dr. Joseph: No before that I believe Mr. Sorey said that Rasha had a presentation.

Executive Director Ghany: That's the next item.

Chair Dr. Joseph: That's on the second item?

Ms. Kamal: Yeah just the second item.

Chair Dr. Joseph: I thought it was on the first one, I'm sorry.

Ms. Kamal: At the last meeting I was only able to give a brief synopsis on what I did to do the research on the programs that we had. First thing I just want to explain to you how I went through all the research to get all this information. A part from getting all the files from the old CRA office, I went to the Dade County Property Appraisers Office to get all the information to make sure that these properties are still listed as homestead exemptions and to get the value. Then I went on the County Clerk's Office and did a search for any transaction that the North Miami CRA did. And I was able to print out a 10-page report to see all the recorded transactions that the CRA was involved in. And that's how I was able to get all this information for you. The first one I wanted to bring up was the Foreclosure Prevention Loan Program. Which the CRA was doing in 2008 and 2009. This was to help residents who were having problems to save their homes. The deal that we set up with them was that they needed to start making payments. Thirty six month payments, 0 interest and they were supposed to start making payments as of February of this year. Which they hadn't because they weren't contacted. So what we did is, we sent them letters asking them to come in. We've...half of them have responded and agreed to make negotiations with us. We sent them a confirmation letter as to the terms. We've already started collected money as of October. So far I've received about \$288.00 from three properties owners, three residents for now. But a lot of them have...because they were not aware of...they were not told in advance. So a lot of them are going to be relying on their income tax refund or various other monies that they expect to come in. But understanding that they have 36 months to make the payment that they have. So you should have a cover page listed with the properties and the amounts of money that they were given. And in the back I have spreadsheets for each showing you how much the property was purchased. I just gave you all the information that I found on the Property Appraisers Office and also in the County Clerk's Office. I don't know if you guys have any questions.

Board Member Steril: Where is the information? You sent it to the office or it's up here?

Board Member Galvin: It's online.

Executive Director Ghany: It's in your package.

Board Member Galvin: The package is online.

Board Member Keys: It comes in sideways and it's really difficult to read by the way. The way it's scanned.

Board Member Galvin: And it says name and address of the recipient and it just has the address of the recipient.

Ms. Kamal: Well that's because two meetings ago Councilwoman Steril had mentioned that she was afraid of us having people's names in there.

Board Member Galvin: I need their names.

Ms. Kamal: I have it, I have two spreadsheets actually so I can send it.

Board Member Steril: I was just asking a legal question to know that if it's public document, its public document.

Ms. Kamal: It is a public document but when you had mentioned that, so I just took out the names. But I have another spreadsheet with all the names on them. So that's not a problem I can send it to you.

Board Member Galvin: So can we continue this then until we have the time to actually look at the full set of documents as opposed to an edited form?

Ms. Kamal: Sure because the only thing you're missing here is just the name of the property owner. Everything else here is still the same.

Board Member Galvin: If Opal Galvin got some money, I want to know. Opal Galvin is my mom, got some money...

Ms. Kamal: She didn't get any money.

Board Member Galvin: She didn't need money but you follow what I'm saying. I want to know the names. I don't want...

a. First Time Home Buying Program

Ms. Kamal: All right, that's not a problem. Just one more comment I wanted to make before I am excused. In terms of the First Time Homebuying Program. Again it was \$50,000.00. It's set up as a loan because of what's in your plan. So I did talk to Mr. Zelkowitz about future to see how we can work with people if they can't make the mortgage payments. Because it's in your plan, once you amend your plan you can actually remove that from the plan and change it to for instance a loan to grant program like the CDBG program or the North Miami Housing Program is doing. And you can make that decision then if you wanted to retroactively help these property owners with this loan. If not, we are going to have to pursue mortgage payments from these people when it matures. So that's something to think about.

Mr. Zelkowitz: Rasha, can I make a comment?

Ms. Kamal: Sure.

Mr. Zelkowitz: At the moment since it is a loan, you could always renegotiate the terms of the loan and extend the maturity date if you want to. The only thing you can't do right now is make it forgivable. In other words, say if they've lived in the house for 10 years they don't have to pay you back. But if there are situations where the maturity date is coming up and people are having difficulty making a balloon payment or something, you can certainly modify the terms of the loan if you so desire. And that would be up to the discretion of the Board.

Board Member Galvin: How did all these residents not know that their loans were loans? Why do they all think this was free money?

Ms. Kamal: Well my understanding is, the first time home buying program was run through your housing program. So the CRA kind of contracted with your City program to do this. So if you look at the spreadsheets, even though they don't have names, you'll see the breakdown that they got. The CRA loan, CDBG loan and so on and so forth. So these other loans are forgivable after seven to 10 years. I spoke with one of the Staff people and she told me that when they realized it was actually a loan and it would not be forgiven, people stopped asking for that loan. So that's the only explanation I can give you.

Board Member Galvin: So was it the Housing Department who made the error or was it CRA Staff who made the error?

Ms. Kamal: My understanding is CRA Staff did not do the nitty gritty work for the buying. They took care of the title and the transfer of the funds. And Mr. Zelkowitz can talk about that to the title company and so on.

Board Member Galvin: Mr. Zelkowitz, was it our Housing Staff who made the error or was it the CRA Staff who made the error?

Mr. Zelkowitz: The CRA had a contract with the City to do the loans and do the closings and the like and take care of everything. They had outside third party title companies that were engaged by the City to do the loan closings. So the CRA really wasn't involved. I prepared a draft set of documents, given them to CRA Staff. And the next thing I know they're closing a bunch of loans through the City. So I don't know who was actually dealing with the borrowers themselves. If I have to speculate I would say it was the City Housing Staff. I think it was Tom Calderon at the time.

Board Member Galvin: It's horribly, horribly unfair to residents to get what they think are free loans or free money and then be told later on that it's oops they

have to pay it back. We need to identify who was at fault so that we can make sure it doesn't happen again. I mean I'm dumbfounded to know that we gave away hundreds of thousands of dollars to people who thought they were never going to have to pay it back. And if not for new administration catching it, we would have never gotten that money back and that's not right. So I don't fault the homeowners. I fault Staff. I just don't know if I'm faulting CRA Staff or North Miami Housing Staff. But we need to know.

Chair Dr. Joseph: But who did these closing?

Mr. Zelkowitz: Outside title companies.

Chair Dr. Joseph: Outside title companies?

Mr. Zelkowitz: Yes.

Board Member Steril: How many title companies...oh I'm sorry.

Mr. Zelkowitz: They were engaged by the City. There was a pool I believe of title companies that the city had used that did not include my firm. Even though we wanted to do the closings.

Board Member Steril: Wasn't NANAY coordinating it for a while? My title company did one of those closings several years ago.

Mr. Zelkowitz: Okay so who is the contact at the City who you were working with, do you recall?

Board Member Keys: I was working with Maxine back then and Tony Crapp.

Mr. Zelkowitz: It was Maxine and Tom as I recall.

Board Member Keys: I was dealing with Tony Crapp. That's how far back...

Mr. Zelkowitz: Action Title did some of the closings as well.

Mr. McDearmaid: Yes we...the company that I used to work for many years ago, we were part of the pool. So my recollection is we closed like only two or three of those I think. But I can tell you this, our closers had to reinforce to the buyers cause most of the buyers came in thought that it was free money. They thought these were grants. As a matter of fact I recall once when I had to come in to the closing to tell the people these were not grants. These were not forgivable loans. That these were loans

that were technically mortgages on their property whether it be a second or a third. So I have very limited experience. There's a lot of other title companies that closed a lot, lot more loans than we ever did. As I say, we only closed out of that pool, we may be closed two maybe three at the most. But I'm telling you the knowledge of the people at the time was these were grants. And we had...as I say, I was called into a closing by one of our closers. Said the people who were closing don't understand. And I had to sit and explain to them that this was not a grant. That this is not money that was going to go away. That this was money that they were going to have to pay back. So just from my limited experience, that seems to be what happened.

Board Member Steril: Is your...Mr. Chair. Is your title company actually closed any one of those properties that we're discussing right now?

Mr. McDearmaid: No.

Board Member Steril: Councilwoman? Did your title company...

Mr. McDearmaid: Not that I've been shown anyway. I've only shown...

Board Member Steril: I didn't go through it for that. I was going through it looking at some items which I want to speak about. But we only did I think nine closings overall. So I'm sure my title company did one of them.

Executive Director Ghany: Yes there's nine on the list.

Chair Dr. Joseph: Who represented the City at those closings?

Mr. Zelkowitz: That would have been through the City's Housing Department, Tom Calderon. The CRA had an inter-local agreement with the City to basically do that work for the CRA.

Board Member Keys: And I had a client come to me and I was approved to do the closing, this particular closing. But when I'm ready, I'd like to make some comments. I went through some of the paperwork that was given to us sideways. And I think one of the more recent ones in 2012 was done by a title company in Deerfield Beach. And the documents and the way they were recorded were poor. And what troubled me is in Mr. Sorey's report, is that this file is missing. That troubles me. We have a \$50,000.00 loan out there and the file is missing.

Chair Dr. Joseph: Which one is that?

Mr. Zelkowitz: Who's the borrower?

Board Member Keys: The borrower is...

Ms. Kamal: 970 N.E. 139th Street, that's the last one in the home buying program.

Board Member Keys: Thank you.

Mr. Zelkowitz: Can you repeat that, 970...

Ms. Kamal: Northeast 139th Street, that's the last one.

Board Member Keys: I did prepare a title search which I've given to Mr. Ghany with copies of the loans. We need to look at this. We need to look at our Building Department which is not part of the CRA. But this house was bought for \$113,000.00. This person got a \$61,000.00 first mortgage. The CRA gave \$50,000.00 second and the City gave a \$7,500.00 third. So the person who bought this house borrowed \$118,000.000 for a \$113,000.000 purchase.

Mr. Zelkowitz: Do you have the name of the borrower?

Board Member Keys: Yeah, Morinvil...

Ms. Kamal: Morinvil Jean Baptiste.

Board Member Keys: Now with that being said...

Mr. Zelkowitz: I'm sorry but that name sounds familiar as a loan that in my recollection the CRA was not going to make.

Board Member Keys: Well it was made and what troubles me more, this was in 2012. This man was approved for \$113,000.00 financing and this year less than six months ago our City has given him an additional \$34,000.00 of federal funds on a home loan to improve his home. Now we have a house...if you look in the taxes, it's still worth about assessed at \$113,000.00. He owes \$118,000.00 and we just loaned this house another \$34,000.00.

Ms. Kamal: The City meaning.

Board Member Keys: The mortgage that was done not legally sufficient. It's a mess and this is not just CRA, but you can't just have a little conversation here and then bring it to the Council. But we got issues in our Building Department and how these loans are given. I mean we've got a mortgage that was given two years after. And I've made comment to the Building Department two years ago. It calls itself a purchase

money mortgage, it's not a purchase money mortgage. We have a mess and that's just the one property that we find only by accident.

Chair Dr. Joseph: This seems to be a can of worms that we are opening.

Board Member Keys: I plan on opening it because it's just wrong. This is our taxpayer money, this is federal funds that we are obligated to. And when I start looking at this, this property is a mess and we lost the file.

Chair Dr. Joseph: Okay, so that's fine. That's good enough. What we have to do is to come up with some (inaudible) process. We have to decide how we're going to move forward and tackle this.

Board Member Keys: On record, I would like our CRA Department to please send a written request to the title company that's on there, this Assure Title. And I'd like to get written copies of all written correspondence, which now becomes a public record since they're doing it through the City.

Chair Dr. Joseph: You mean on the 970?

Board Member Keys: Yes on this 970, I would like written requests to the title company, of all correspondence to and from the City of North Miami with regards to all of the loans which is the second and the CRA loan with copies of the loan documents and closing instructions please, since we don't have the file.

Chair Dr. Joseph: But is this one is the only one?

Board Member Keys: It's the only one I looked at.

Chair Dr. Joseph: Well if it's not the only one, let's do a global.

Executive Director Ghany: We're going to be pulling the files on all of them.

Chair Dr. Joseph: Make a thorough research on all them with these closings and then find out what was wrong with them and come back to the Board and present any...

Board Member Bien-Aime: Not just one case.

Chair Dr. Joseph: ...deficiencies.

Ms. Kamal: It's just one that's missing a file.

Executive Director Ghany: The only one that the file is missing is the last one.

Board Member Bien-Aime: Oh it's that one?

Board Member Keys: Yeah, which is why I looked at it.

Executive Director Ghany: All the other files...

Chair Dr. Joseph: No, that's the one with (inaudible). But there may be other deficiencies in the other ones that we do not know.

Executive Director Ghany: We will reexamine the file. Because in cleaning up the CRA stuff, we were actually going through all the boxes and stuff. This is why we hired Rasha to go through some of this stuff and all the loan programs. And just a point of clarification on the closing. All of these documents are recorded documents that states there is a loan. And you are getting a loan on these properties, there was not a grant. If you are closing, it was clearly stated it is a loan not a grant.

Board Member Bien-Aime: If it's at closing that mean the title company is responsible.

Executive Director Ghany: That's correct because the documents are recorded at the County as a loan on each one of these properties.

Board Member Keys: One quick question to our attorney Mr. Zelkowitz. Since you're here, you prepared the document. There is one sentence in this document that says, no party of the mortgage property is homestead property of any person named as mortgagor.

Mr. Zelkowitz: This is a concern that I have. My documents were taken with my name on them and somebody revised them. All right. So I didn't prepare the mortgage. If my name is on that document then my firm is certainly concerned if someone and I don't know if it was the City or the title company prepared a mortgage with my name on it that I did not actually prepare.

Board Member Keys: It says you did.

Mr. Zelkowitz: I understand that. The CRA has my documents. I'm going to go back and check my files now. All right, because...

Board Member Galvin: So this is news to you tonight?

Mr. Zelkowitz: Yes. So as I said, I thought this one was never made.

Chair Dr. Joseph: Okay that boils down to what I said. Let's give the attorney and the director the task of reviewing and examining all of these files and to come up with a total review or a summarized review of the package.

Board Member Keys: And copies of checks please.

Chair Dr. Joseph: Everything.

Executive Director Ghany: Everything.

Chair Dr. Joseph: Everything.

Mr. Zelkowitz: Just so we know my practice, I send my documents in Word format to the CRA, not as a PDF. So someone can actually take them and change them if they need to and someone actually did.

Board Member Steril: Aleem, can you give us a copy of all the title companies that...

Executive Director Ghany: I'll get you a copy of each one of the files.

Board Member Steril: Not just that file, all the title companies that the City has used.

Executive Director Ghany: And all the title companies that was used, yes.

V. CRA ATTORNEY REPORTS

None

VI. CRA EXECUTIVE DIRECTOR REPORTS

None

VII. OLD BUSINESS

None

VIII. NEW BUSINESS

None

IX. ADJOURNMENT

Chair Dr. Joseph: Is that it? Motion to adjourn?

Board Member Keys: So moved.

Chair Dr. Joseph: No reports?

Board Member Bien-Aime: Second.

Chair Dr. Joseph: No reports, meeting adjourned.