



ANNUAL REPORT

2009-2010

Shop, Dine, Explore



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I. Introduction: Section 163.356(3)(c), Florida Statutes, mandates that each community redevelopment agency file with its governing body an annual report of its activities for the preceding fiscal year.

II. CRAs’ Purpose and Mission: The Southeast Overtown/Park West (“SEOPW CRA”), Omni Redevelopment District (“Omni CRA”) and Midtown (“Midtown CRA”) Community Redevelopment Agencies (collectively referred to as “CRAs”) were created to preserve and enhance the tax base of Miami’s designated community redevelopment areas. The CRAs have successfully accomplished this goal by removing longstanding slum and blight conditions, and where feasible, by funding rehabilitative activities, upgrades to infrastructure, façade improvements, and job training and economic development programs. The CRAs’ mission is to improve the quality of life for residents and stakeholders within the redevelopment areas through activities and programs that create new job opportunities, substantially improve the quality of the housing stock, and improve the physical appearance of the redevelopment areas.

III. CRAs’ Boards of Commissioners: Each CRA Board of Commissioners is comprised of the five Commissioners of the Miami City Commission. Each CRA constitutes a separate, distinct and independent legal entity.

Southeast Overtown/Park West and Omni CRAs' Boards of Commissioners:

Chairperson	Commissioner Michelle Spence-Jones
Vice-Chairperson	Commissioner Marc Sarnoff
Board Member	Commissioner Angel Gonzalez
Board Member	Commissioner Joe Sanchez
Board Member	Commissioner Tomas Regalado

Midtown CRA Board of Commissioners:

Chairperson	Commissioner Marc Sarnoff
Vice-Chairperson	Commissioner Angel Gonzalez
Board Member	Commissioner Joe Sanchez
Board Member	Commissioner Tomas Regalado
Board Member	Commissioner Michelle Spence-Jones

IV. Objectives: The CRAs’ Redevelopment Plans serve as guides for redevelopment and provide for the following CRA objectives:

- Encouraging private reinvestment within the community redevelopment areas;
- Encouraging private redevelopment of the redevelopment areas;
- Recommending financial support for the development of affordable and mixed-income residential housing;
- Supporting legislative changes that will prevent slum and blight conditions and encourage sound development projects through smart growth principles;



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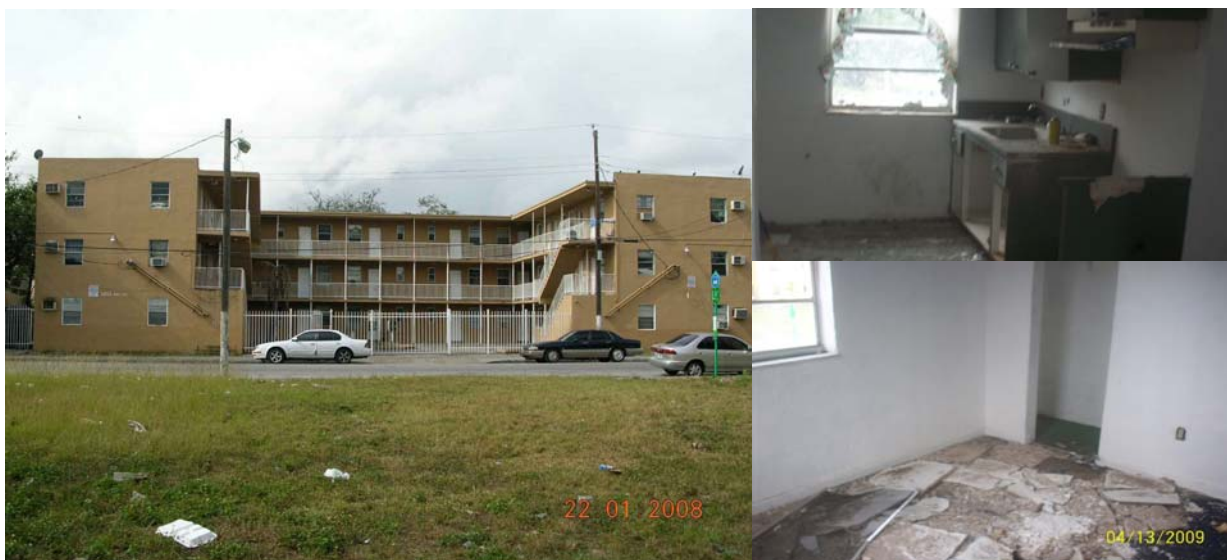
- Encouraging property owners to maintain their properties in accordance with local codes and regulations;
- Identifying properties suitable for historic designation;
- Upgrading substandard public infrastructure; and
- Establishing programs that provide resources and financial assistance to new and existing businesses that create new job opportunities for residents.

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V. Community Redevelopment Initiatives

A. Affordable Housing: The SEOPW CRA budgeted \$30 million over a five-year period¹ beginning in 2006 for low income, affordable, and workforce housing to be built in the redevelopment area, with the first \$5 million allocated for the renovation of existing residential rental units. Affordable Housing grants include rent regulatory agreements between the SEOPW CRA and property owners ensuring compliance with the SEOPW CRA's rental unit affordability requirements. Funding under this program allows property owners to reduce operating costs and implement more efficient building maintenance practices, while reducing the financial impact on residents: primarily low-to-moderate-income tenants. To date, the SEOPW CRA has granted over \$2.2 million towards residential rental rehabilitation projects and \$14.2 million in total towards affordable housing initiatives comprising of new construction and renovation projects.

1. 1232 N.W. 1st Place: \$620,000 grant to JINT Holdings, LLC, for the renovation of 33 residential units.² Approximately 16 units have been renovated, with a scheduled completion date of the total project in the Fall of 2010. This project follows two previously successful renovation projects awarded in 2008 on other JINT-owned properties: 1201 N.W. 2nd Avenue; and 149 N.W. 11th Street; a total of 33 renovated rental units.



The property at 1232 NW 1st Place is undergoing substantial rehabilitative work.

¹ SEOPW Resolution No. CRA-R-06-0045.

² SEOPW Resolution No. CRA-R-09-0009.

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2. **St. John Apartments (220-250 NW 13 Street and 1300 NW 2nd Avenue):** \$520,000 in total grant funds for roof repairs and building renovations.³ Property damage sustained during the 2005 Hurricane Season, and the owner’s deferred maintenance rendered the apartments largely inhabitable, with occupancy of less than 20%. As part of its Affordable Housing initiative, the SEOPW CRA provided the necessary funding to St. John Community Development Corporation, Inc. for the St. John Apartments renovation. Work is in progress and scheduled to be completed in 2010.



St John Apartments at 220-250 NW 13 Street in Overtown.

3. **1201-1221 N.W. 3rd Avenue:** \$550,000 purchase and redevelopment plan. The planned redevelopment will remove a blighting condition and further the revitalization of the N.W. 3rd Avenue Business Corridor. This property, and the adjacent CRA parking lot, is expected to be developed into a mixed-use building with an expanded Miami-Dade County library facility. Requests for Proposals for redevelopment will be issued in 2010.



CRA Property at 1201 NW 3rd Avenue



CRA Parking Lot P2 at 247 NW 12th Street

³ SEOPW Resolution Nos. CRA-R-08-0048 and CRA-R-08-0063.

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B. Infrastructure and Maintenance

1. N.W. 2nd Avenue Streetscape Improvements: \$1.8 million streetscape improvements between N.W. 3rd and N.W. 1st Avenues, and N.W. 10th and N.W. 14th Streets.⁴ These streets, sidewalks, and street gutters in this area had fallen into disrepair. The City of Miami’s Department of Capital Improvement Program supervised the project on behalf of the SEOPW CRA, and work was completed in November, 2009.



Road improvements along NW 11th Terrace between NW 1st Avenue and NW 1st Place included new asphalt, and sidewalk installation.



Infrastructure project improved drainage conditions along NW 2nd Avenue and NW 11th Terrace. This is a before picture showing prolonged water retention along these streets.

⁴ SEOPW Resolution No. CRA-R-09-0034.

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2. N.E. 14th Street Improvements: \$6 million streetscape improvement project along N.E. 14th Street from N.E. 2nd Avenue west to the Florida East Coast Railway tracks.⁵ The scope of improvements consists of roadway and sidewalk reconstruction, decorative lighting installation, and landscaping and hardscape to match the aesthetics of the CRA funded improvements surrounding the Adrienne Arsht Performing Arts Center (PAC Super Block). These improvements are expected to begin in 2010.



Road improvements are planned for NW 14th Street from NW 1st Avenue east to NE 2nd Avenue

3. North Bayshore Drive Improvements: \$5 million road improvement project from N.E. 17th Terrace to N.E. 19th Street, and along N.E. 18th Street from N.E. 4th Avenue to North Bayshore Drive.⁶ Inadequate roadway conditions led to frequent roadway flooding. The scope of work included new drainage, an increased road elevation, sidewalk reconstruction, landscaping, signage and pavement markings. The project was completed in 2009.



Road improvements along N.E. 17th Terrace in Omni.

⁵ Omni Resolution Nos. CRA-R-05-0052 and CRA-R-08-0047.

⁶ Omni Resolution No. CRA-R-07-0056.

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4. Upgrades to Water and Sewer Facilities: \$6.5 million for the design and installation of upgrades to the water and sewer facilities in the Omni Redevelopment Area.⁷ Upgrades are required to accommodate future projects and the growing capacity needs of the developing area. The City of Miami's Department of Capital Improvement Program will oversee this project, which is expected to be completed in January of 2011.

5. Repairs to Vandalized Public Property: a continuing plague within the redevelopment areas. The theft of copper wire for sale on the black market forms the largest portion of vandalism within the area. The resulting darkness from the theft of copper wires from street lights requires increased police resources to secure the area. The SEOPW and Omni CRAs conducted over \$46,000 in emergency repairs as a result of copper wire theft.



Images above are of the damaged streetlights along the Grand Promenade in Park West.

⁷ Omni Resolution No. CRA-R-08-0049.

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6. Downtown Enhancement Team in conjunction with Miami DDA: \$55,000

expansion of Downtown Enhancement Team (“DET”).⁸ The CRA partnered with the Miami Downtown Development Authority to expand the DET to include the Performing Arts Center entertainment district. DET provides litter cleanup, trash and graffiti removal, and landscape installation and maintenance. Within the Omni Redevelopment Area, DET collected over 3,500 bags of litter and trash; painted over 100 blighted areas including public property, signs and traffic control boxes sprayed with graffiti; and installed over 5,000 shrubs and flowering plants throughout the district. The DET expansion also served as an additional employment opportunity for residents within the redevelopment area, including the employment of four previously homeless and unemployed individuals.



C. Economic Development and Marketing

1. Economic Development

a. Small Business Economic Stimulus/Job Creation Program: created to provide individual grants, up to \$5,000, to small businesses for equipment, fixtures, interior renovations, insurance, security systems, marketing, advertising, and utilities.⁹ The CRAs awarded grants to Moselle’s Boutique, Liberty Cleaners and Remix Apparel in the Overtown area, and to Downtown Divas and Salad Creations in the Omni area.



⁸ Omni Resolution No. CRA-R-08-0036.

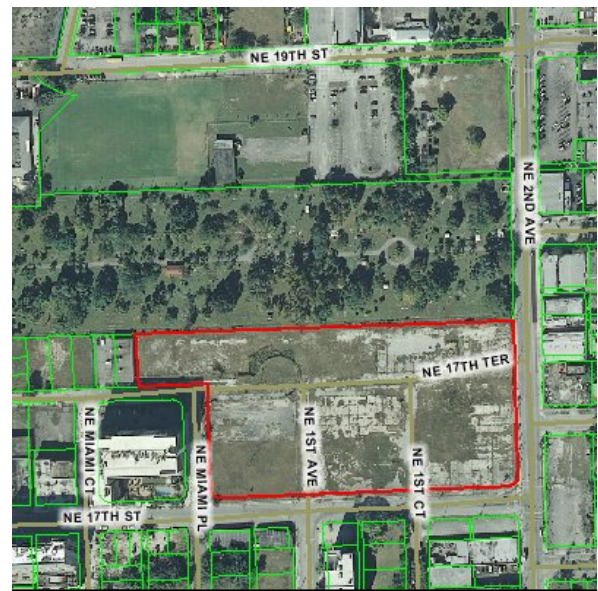
⁹ SEOPW & Omni Joint Resolution No. CRA-R-09-0004.

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b. **Botequim Carioca Brazilian Bar & Grill:** \$100,000¹⁰ to underwrite costs associated with permit and impact fees, the installation of ADA-compliant restrooms, life-safety items, and signage for the newly established restaurant at 900 Biscayne Boulevard, Miami, Florida. The total project investment was approximately \$1 million. Thirty-two employees were hired when the restaurant opened, including four residents from the redevelopment area.



c. **Bayview Market:** The Omni CRA executed a development agreement¹¹ with BDB Miami, LLC for its Bayview Market Project proposed for the property spanning 7.34 acres and referenced by folio address 01-3136-091-0010. The Project is to consist of a minimum of 400,000 square feet of retail and office space, 1,800 parking spaces, and is expected to create 380 jobs. BDB intends to invest \$110 million in the project and has requested funding assistance from the CRA in an amount not to exceed \$24 million for the development and construction of the project.



Bayview Market project site in Omni.

¹⁰ SEOPW Resolution No. CRA-R-09-0033

¹¹ Omni Resolution No. CRA-R-09-0023

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d. Downtown Miami Partnership’s (DMP) Wrap-Around Program & Façade

Program: \$450,000¹² to Downtown Miami Partnership, Inc. for its Wrap-Around Building Rehabilitation Program. The Wrap-Around Building Rehabilitation Program provides assistance to qualified business or property owners with building and property improvements that are directly related to opening a new business, improving an existing business, remedying code violations, providing ADA access, and eliminating blighting neighborhood conditions. Generally acceptable improvements under this Program include: paint/pressure clean, signage, tile, masonry/stucco, outdoor hardscape improvements, outdoor landscape, outdoor lighting, windows/doors, ADA compliance (restrooms/entrances), interior renovations or build out, plumbing upgrades, mechanical upgrades, electrical upgrades and life/safety (fire) system upgrades. The Façade Program, under a 2005 funding year allocation assists qualified businesses and property owners with facade improvements in the targeted area of the N.W. 3rd Avenue Business Corridor.

The following DMP projects were funded by the SEOPW CRA in 2009:

- Grand Central Lounge: 697 N. Miami Avenue - \$52,572 (interior improvements)
- Cortada Building: 1201 NW 3rd Avenue - \$2,100 (exterior repaint)
- CRA parking lot columns: various locations - \$6,360 (exterior repaint)
- St John’s CDC property: 1301 NW 3rd Avenue – \$1,920 (exterior repaint)
- Café China: 1300 NW 3rd Avenue - \$8,774.40 (exterior repaint, signage)
- Serve U Market: 1117 NW 3rd Avenue - \$66,253 (signage, interior improvements)
- Economy Shoe: 1034 NW 3rd Avenue – 20,177.42 (signage, façade improvements)
- Econo Meats: 1327 NW 3rd Avenue - \$27,660 (signage)
- St. John Baptist Church: 1328 NW 3rd Avenue - \$2,760 (signage)
- Two Guy’s Restaurant: 1205 NW 3rd Avenue - \$2,640 (AC repair)
- Just Right Barber : 1131-1133 NW 3rd Avenue - \$7,835 (awnings)
- Leila’s: 1109 NW 2 Avenue - \$6,210 (window/door replacement)
- New Arena Square: 268 NW 11 Street - \$118,767.60 (signage, window/door replacement)
- Church of Nazarene: 1042 NW 3rd Avenue - \$17,940 (exterior painting)



Before and after pictures reflecting façade improvements at the Cortada Building at 1201 NW 3rd Avenue in Overtown.

¹² SEOPW & Omni Joint Resolution No. CRA R-07-0032

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The following DMP projects were funded by the Omni CRA in 2009:

- Jersey Ltd: 1614-1632 N. Miami Avenue - \$94,000 (parking lot construction)
- Urbanite Bistro: 62 NE 14 Street - \$77,999 (interior improvements, signage)



Before and after pictures reflecting interior improvements at Urbanite Bistro, 62 NE 14th Street in Omni.



Before and after pictures showing improvements at 1614-1632 N. Miami Avenue in Omni

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2. Marketing

a. **Outdoor Banners Marketing:** \$20,000 for the design, manufacture and installation of banners on street light poles throughout the SEOPW and Omni redevelopment areas.¹³ The CRA partnered with AAA Flag and Banner to perform the work which resulted in unique branding for both redevelopment areas during regular and holiday seasons.



The CRA established holiday themed street banners to brand the Redevelopment Areas during the holiday season.



The CRA established themed street banners to brand the Redevelopment Areas.



"Shop, Dine, Explore" branded trolley circulate through Redevelopment Areas during 2009 ABFF Community Showcase.

¹³ SEOPW & Omni Join Resolution No. CRA-R-09-0003.

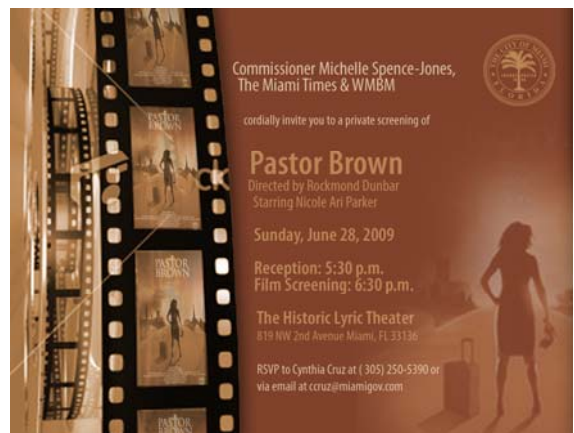
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b. **American Black Film Festival Community Showcase: \$50,000** marketing campaign to promote the businesses, cultural facilities and restaurants within the Redevelopment Areas.¹⁴ The CRA partnered with The Film Life, Inc., producer of the internationally recognized American Black Film Festival, to promote the Redevelopment Areas to the guests of the festival. The Community Showcase provided opportunities for 50 youths from the Redevelopment Areas and the City of Miami to attend for free the film workshops on South Beach, which typically would cost \$300, and the opportunity to network with acclaimed actors, filmmakers, and producers. A complimentary world premier screening of the acclaimed film, *Pastor Brown*, was held at the historic Lyric Theater in Overtown and the official ABFF VIP Reception was held at the Big Time Productions studio house in Omni. Several trolley buses were leased to provide free transportation between Miami Beach and the Redevelopment Areas, all featuring the “Shop, Dine, Explore” marketing brand developed by the CRAs in 2009.



The VIP Reception was held in Omni at the Ice Palace Studios and was a great success. Famed celebrities, dignitaries and City Officials were in attendance.

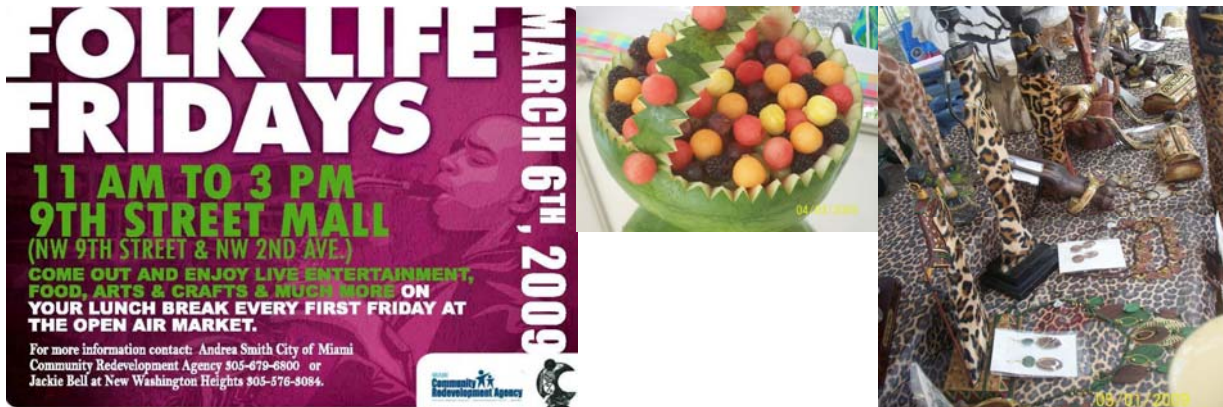
Several projects have subsequently developed as a result of the Community Showcase initiative. The CRA is looking at policy initiatives that will support the Fire Station No. 2 Motion Picture Media District, and promote the Community Redevelopment Areas as ideal locations for shoots and the establishment of businesses related to the film, music, and digital media industries. Additionally, there has been follow up interest from producers interested in filming within the CRAs, acquiring real estate property for seasonal residency, and establishment of a summer youth filmmaker workshop.



¹⁴ SEOPW & Omni Join Resolution No. CRA-R-09-0032.

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c. **Cultural Event - Folklife Fridays:** \$50,000, to New Washington Heights Community Development Conference, Inc. for production of “Folklife Fridays,” a monthly open-air market that is held for six (6) consecutive months on the 9th Street Pedestrian Mall in Overtown.¹⁵ Folklife Fridays attracted patrons from the Downtown area to the 9th Street Pedestrian Mall where approximately thirty local vendors showcased a variety of items, such as arts and crafts, books, jewelry, clothing, and food.



Folklife Fridays is held the first Friday of each month on the Ninth Street Pedestrian Mall in Overtown.

d. **Cultural Event – Junkanoo Fest:** \$10,000 for the Third Annual Junkanoo Fest held at Gibson Park on April 18.¹⁶ The event was a success with over four hundred guests and residents in attendance sampling the local cuisine and enjoying the sounds of the Bahamian band.



Junkanoo Festival held at Gibson Park in Overtown along the historic NW 3rd Avenue Business Corridor.

¹⁵ SEOPW Resolution No. CRA-R-08-0059.

¹⁶ SEOPW Resolution No. CRA-R-09-0017.

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3. Job Creation and Training

NANA Technical Assistance and Business Development Training:

\$20,000 to Neighbors and Neighbors Association, Inc. for the creation of a Business Development Training program to assist small businesses within the Redevelopment Areas.¹⁷ Business owners were trained in the areas of business customer service, marketing/public relations, accounting and were introduced to other financial and educational resources to improve their business operations. A total of 52 participants registered and participated in the five-week training program.



Weekly business training classes were held locally in Overtown (left) and in the Double Tree Hotel in Omni(right).

a. Youth on the Move Summer Training and Job Placement Program:

\$220,000 grant.¹⁸ to Work America Inc. to implement a summer youth training and job placement program. The program, which targeted youths ages 15-24, provided comprehensive job interviewing and resume preparation skills, on the job etiquette, and career counseling, which enabled these youths to be placed at businesses within the Redevelopment Areas and the City of Miami. The program operated five days a week with specific daily goals and objectives. A total of 72 students participated in the summer program.



¹⁷ SEOPW & Omni Joint Resolution No. CRA-R-09-0005.

¹⁸ SEOPW & Omni Joint Resolution No. CRA-R-09-0031.

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b. Hospitality Institute: \$100,000¹⁹ to Miami-Dade College for its Hospitality Institute, Job Training and Job Placement program. The Hospitality Institute successfully trained unemployed residents from Overtown in various hospitality trades, and provided program graduates with assistance in obtaining employment with major hoteliers in the surrounding area. During the program cycle December 2, 2008 thru December 2, 2009; the Hospitality Institute has registered over 500 participants with over 300 trainees having attended and graduated the program. Ninety-nine graduates were employed at the end of the program.



Hospitality Institute training in progress on site at Bethel AME Church in Overtown.

c. Restaurant Training Institute: a partnership with Miami-Dade College to provide training to restaurants in the SEOPW redevelopment area. The \$25,000 grant²⁰ helped to create a training program cycled from February 2, 2009 through December 31, 2009 that consisted of monthly workshops that focused on improving the customer and food quality service to the public. Patrons now experience faster service times, as well as an overall enhancement to their dining experience. The owners and all employees at Jackson Soul Food restaurant successfully completed the training program, and today, Jackson Soul Food restaurant hosts large celebratory events, weddings, campaign kick-offs, and community forums. It is the goal of the CRAs to continue this successful training program throughout the Redevelopment Areas.



Miami Dade College conducting restaurant training classes on site at Jackson Soul Food Restaurant in Overtown.

¹⁹ SEOPW Resolution No. CRA-R-08-0046.

²⁰ SEOPW Resolution No. CRA-R-08-0058.

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d. Landscape Institute: partnership²¹ with Roots in the City, Inc. for beautification, training in horticulture, and maintenance services along the N.W. 3rd Avenue commercial corridor in Overtown. On September 3, 2008, the CRA granted additional funding²² to Roots In The City for the continuation of the beautification and training program through extension to various locations throughout the Southeast Overtown/Park West Redevelopment Area, and establishment of a community garden. As a result of the Landscape Institute, the physical environ of the Southeast Overtown/Park West Redevelopment Area has been significantly enhances, residents can obtain free, organic produce, locally grown, and residents have been properly trained for jobs in the landscape industry. Additionally, the Institute has promoted awareness of historic Overtown by bringing students, civic organizations, and the public to participate in a community garden where training occurs. These guests of the area patronize the businesses on NW 3rd Avenue and eat at Jackson Soul Food Restaurant, thus stimulating the local economy.



Hands on training and classroom training takes place weekly in Overtown.

e. The Women’s Alliance d/b/a Chapter 2 Clothing: Since 2006, The Women’s Alliance, Inc., a non-profit corporation, operated a resale clothing store in the Dorsey House, catering to men and women seeking to re-enter the workforce. To assist the Hospitality Institute’s graduates in finding suitable interview attire, the Board of Commissioners of the SEOPW CRA authorized a grant²³, in an amount not to exceed \$25,000 to The Women’s Alliance, Inc., for inventory and wardrobe vouchers to be redeemed by the graduates. The grant also covered the cost of fixtures, fittings, and signage within the historic Dorsey House.



Chapter 2 at the Dorsey House, 250 N.W. 9th Street

²¹ SEOPW Resolution Nos. CRA-R-06-0050 and CRA-R-07-0052.

²² SEOPW Resolution No. CRA-R-08-0071.

²³ SEOPW Resolution No. CRA-R-09-0007.

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D. Historic Preservation

1. Trinity Episcopal Cathedral: \$1 million historic preservation.²⁴ This preservation project includes exterior repairs and 40-year recertification of the cathedral at 464 NE 16th Street. At the beginning of December 2009, R.J. Heisenbottle, Architects, P.A. of Coral Gables, FL. was awarded the recertification work, and engineers began the recertification evaluation process in February 2010.



The historic Trinity Episcopal Cathedral is located at 464 N.E. 16th Street, in Omni.

2. Miami Woman’s Club: \$1.8 million historic preservation of 1737 North Bayshore Drive.²⁵ The CRA’s commitment to historic preservation continues with the underwriting of costs associated with the repair and 40-year recertification of this nationally recognized historic site. The project is expected to be completed in 2010.



Miami Woman’s Club at 1737 North Bayshore Drive in Omni. Picture to the left is before work commenced. The picture to the right is of work in progress.

²⁴ Omni Resolution No. CRA-R-09-0013.

²⁵ Omni Resolution No. CRA-R-08-0009.

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E. Community Policing Initiatives

1. Police Visibility Pilot Program: \$344,000 policing initiative program with the City of Miami.²⁶ Both SEOPW and Omni Redevelopment Plans emphasize the importance of crime prevention and maintaining security in the area as a method for improving the quality of life of stakeholders of the Redevelopment Areas. CRA funding provided for enhanced overtime police services and has resulted in a dramatic decrease in drug related activities while enabling area residents and businesses to develop a working relationship with law enforcement.



Drug dealers use shoes dangling from utility wires to market the availability of specific type of drugs to users.

2. Police Camera Pilot Program: investing \$500,000 in innovative crime prevention technology.²⁷ The CRA has partnered with the City of Miami for the acquisition and installation of surveillance cameras at strategic locations throughout the Redevelopment Area. The project is an effort to aid law enforcement officers to more effectively serve area residents and businesses by decreasing police response time to area needs and deterring future crimes. It is expected that residents and stakeholders will enjoy an enhanced sense of security and improved quality of life.

²⁶ SEOPW & Omni Joint Resolution No. CRA-R-09-0022.

²⁷ SEOPW Resolution No. CRA-R-08-0023.

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3. Overtown Peacemaker Pilot Program: The SEOPW CRA awarded a grant²⁸ in an amount not to exceed \$150,000 to Progressive Land Development International, Inc. for its Overtown Peacemakers Project Pilot Program for the Southeast Overtown/Park West Area. The five month pilot is credited for improving the delivery of human services within the Redevelopment Area thus improving the quality of life of residents and addressing safety issues within the community.



Overtown Peacemakers at work cleaning up illegal trash piles in Overtown (left). Overtown Peacemakers on location in Overtown (right).

4. Ambassador Program in Conjunction with the Miami DDA: \$100,000 Ambassador Program extension to Omni Media and Entertainment District. The Program consists of uniformed personnel that will enhance the safety and security in and around the Media and Entertainment District by: monitoring and patrolling in the area before, during and after night time performances at the Performing Arts Center; providing tourist information; providing walking safety escort service to and from visitors' vehicles; and alerting of police and fire rescue personnel in emergency situations.



Ambassadors at work within the Omni Media and Entertainment District.

²⁸ SEOPW Resolution No. CRA-R-08-0025.

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F. Parks and Cultural Facilities

1. Biscayne Park: \$1 million towards the design and construction of a skate park at Biscayne Park, 150 N.E. 19 Street. To date, the City of Miami has authorized negotiations with the selected Design Build Team, and the Team is working with the City of Miami’s Capital Improvement Project Department to prepare the necessary work authorizations to commence construction.



Biscayne Park at 150 N.E. 19 Street, in Omni.

2. Gibson Park: \$1 million towards the renovation of Gibson Park at 401 NW 12 Street, Miami, Florida.²⁹ The project includes improving the sports field, constructing a new community center, Sports and Fitness Center with weight/exercise rooms, indoor basketball, concession area, and an aquatics center, along with landscaping improvements. .



Gibson Park is located at 401 NW 12th Street, in Overtown. The property fronts the historic NW 3rd Avenue Business Corridor.

²⁹ SEOPW Resolution No. CRA-R-09-0198.

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3. NW 3rd Avenue Mini-Park:



Before and after pictures of the miniature park at 1016 NW 3rd Avenue in Overtown.

4. **Fire Station No. 2:** \$4 million restoration and historic preservation project.³⁰ A nationally recognized historic building, Fire Station No. 2 is a structure of major architectural and historic significance to the Omni Redevelopment Area. The building and an adjacent vacant lot were transferred from the City of Miami to the Omni CRA and are intended to be restored and preserved with an adaptive reuse that is supportive of the Fire Station No. 2 Motion Picture Media District or the Omni Entertainment District. The work is being supervised by the City of Miami's Department of Capital Improvement Program and is expected to be completed in April 2011.



The historic Fire Station No. 2 is located at 1401 North Miami Avenue and is a contributing property to the historic Fire Station No. 2 Motion Picture Media District

³⁰ Omni Resolution Nos. CRA-R-06-0009 and CRA-R-08-0065.

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5. Lyric Theater: On June 9, 2009, the SEOPW CRA executed an agreement with The Black Archives, History and Research Foundation of South Florida, Inc. (Black Archives), for the conveyance of a portion of Block 36 located just east of the Lyric Theater in order to facilitate the expansion of the Lyric Theater



Ongoing construction at the historic Lyric Theater at 819 NW 2nd

behind its existing facility at 819 N.W. 2nd Avenue, Miami, Florida. Block 36, along with Blocks 45 and 56, is part of an ongoing Reverter Litigation between the City of Miami, the SEOPW CRA and Miami-Dade County. In order to facilitate the land conveyance request from the Black Archives; a necessity for the expansion of the Lyric Theater, the City of Miami, SEOPW CRA, and Miami-Dade County, over a two year period, negotiated a partial settlement of claims related to Block 36. As a condition of the grant agreement and partial settlement agreement, the Black Archives in turn conveyed certain parcels north of the Lyric Theater in support of the development of the Lyric Plaza, an open public space at 831 and 841 NW 2nd Avenue, and agreed to provide the use of the Lyric Theater and access to historic resources as part of a community benefit package.

6. Adrienne Arsht Performing Arts Center: In 2009, the Omni CRA paid out over \$6.44 million to Miami-Dade County to cover the entire annual debt service on the PAC bonds.



The Omni CRA remits annual payment to Miami-Dade County to reduce the outstanding debt service against the Performing Arts Center bonds.

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7. Ward Rooming House: Ward Rooming House is located within the proposed Overtown Folklife Village, a four-block area designed to retain the character and ambience of historic Overtown, while providing a central focus on the arts and culture of Overtown. The property is of historic significance having served as a robust bed and breakfast facility in the 1950s. The Ward Rooming House is slated to be placed into adaptive reuse as an art gallery. The CRA will solicit artists on a yearly basis to have their art work exhibited in the gallery.



The interior of Ward Rooming House during construction (left). The picture to the right shows the interior built out.



The structure of the Ward Rooming House had to be stabilized (left). The picture to the right shows the restored Ward Rooming House.

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G. Quality of Life Initiatives:

1. Code Enforcement Days:

The SEOPW and Omni CRAs, working with the City of Miami’s Code Enforcement and Neighborhood Enhancement Departments have begun documenting code enforcement issues plaguing the redevelopment areas, which reinforces the perception of crime and neglect.



The Community Redevelopment Agency works closely with the City of Miami’s Code Enforcement Department and Miami-Dade County’s 3-1-1 service to ensure property owners comply with the local zoning and building regulations. The images above and below reflect the type of code violations prevalent in the Redevelopment Areas.

2. Camillus House Courtyard Program: \$100,000³¹, to Camillus House, Inc., to underwrite costs associated with its courtyard program at 726 N.E. 1st Avenue, Miami Florida. The Courtyard program provides daily shelter in a safe environment for over 240 chronically homeless individuals. This program has dramatically reduced the number of persons living on the streets, utilizing the public sidewalks, open spaces and private property as shelter.



The CRA funded the construction of a covered shelter within the Camillus House at 726 N.E. 1st Avenue.

³¹ SEOPW Resolution No. CRA-R-09-0026.

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3. **Landscape Improvements:** Grant, in an amount not to exceed \$10,000, to Urgent, Inc. to underwrite a portion of the costs associated with the Youth Unite for Peace Week & Festival held at various locations within the SEOPW CRA boundaries from April 25 thru May 2, 2009.

H. Planning Activities: In addition to the community redevelopment initiatives reported above, the following constitutes other significant initiatives authorized by the Boards of Commissioners:

1. **Expansion of Community Redevelopment Areas:** In 2008, the Omni and SEOPW CRAs began the process to expand the boundaries of the Omni and Southeast Overtown/Park West Redevelopment Areas. The new Omni Redevelopment Area boundaries included the MacArthur Causeway, Bicentennial Park, and the Wynwood Free Trade Zone project area. The new SEOPW Redevelopment Area boundaries included areas west of Interstate 95 to NW 7th Avenue and north to N.W. 22nd Street and incorporated the new Camillus House complex project site and the Miami Life Science project area. In accordance with the 2007 "Global" Agreement executed between the SEOPW and Omni CRAs, Miami-Dade County, and the City of Miami, the Tax Increment Funds were to be used to fund the City of Miami's funding commitments for the construction of the Miami Port Tunnel Project, the Museum Park Project and the new Camillus House complex. The SEOPW and Omni CRA Boundaries were approved by Miami-Dade County in 2010.



In 2008, the CRAs initiated Finding of Necessity Studies to documents conditions of slum and blight impacting the existing Omni and SEOPW Redevelopment Areas

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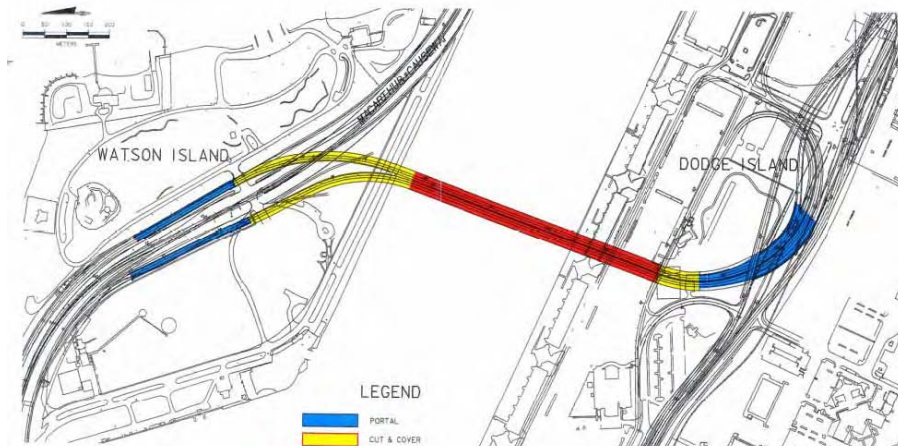


Image above shows the proposed tunnel that will span Watson Island and Dodge

2. **Development of Regional Impact (DRI), Increment III: \$743,500³²** to the Curtis Group for implementation of Increment III of the Master Development Order for the Southeast Overtown/Park West Redevelopment Area. The purpose of the SEOPW DRI is to determine the infrastructure capacity needs of the SEOPW Redevelopment Area necessary to accommodate existing and future growth in the area. The SEOPW CRA Board later exercised an option on the SEOPW DRI contract in an amount not to exceed \$500,000³³ to include an in-depth analysis of the Miami World Center Project, a dense mix-used project contemplated on 9 city blocks within the Park West area which is to include



Proposed Miami World Center development in Park West.



DRI community meeting in progress.

³² SEOPW Resolution No. CRA-R-08-0043.

³³ SEOPW Resolution No. CRA-R-09-0010.



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VI. PRESERVATION AND ENHANCEMENT OF TAX BASE: The Southeast Overtown/Park West Redevelopment Area experienced a fourteen percent (14%) increase assessed value, with the 2007 Tax Roll reflecting \$618,303,309 in assessed value, and the 2008 Tax Roll reflecting \$706,138,646

FY 2008-09 SEOPW CRA Current Year Actual Tax Increment Revenue

Preliminary 2008 assessed value of Tax Increment District	\$706,138,646
Taxable value in Base Year – 1983	(\$78,305,502)
Value of Increment	\$627,833,144
Revenue	\$2,885,524
Increase (reduced) for 2005 adjustment (detailed below)*	(\$179,702)
Revenue payable to CRA Miami	\$2,705,822
Dade County - Tax Millage Rate 4.8379	
Revenue payable to CRA – City of Miami – Tax Millage Rate 7.6740	\$4,309,075
*2006 Adjustment Detail	
Final 2006 Tax Roll	\$537,761,295
Preliminary 2006 Tax Roll	\$571,449,690
Revision per Value Adjustment Board	(\$33,688,395)
Actual 2005 Millage	5.615
Adjustment	(\$179,702)



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The Omni Redevelopment Area experienced a fifteen percent (15%) increase in assessed value, with the 2007 Tax Roll reflecting \$1,363,971,278 in assessed value, and the 2008 Tax Roll reflecting \$1,572,558,946.

FY 2008-09 Omni CRA Current Year Actual Tax Increment Revenue

Preliminary 2008 assessed value of Tax Increment District	\$1,572,558,946
Taxable value in Base Year – 1986	(\$246,898,822)
Value of Increment	\$1,325,660,124
Revenue	\$6,092,741
Increase (reduced) for 2006 adjustment (detailed below)*	(\$495,413)
Revenue payable to CRA Miami Dade County - Tax Millage Rate 4.8379	\$5,597,328
Revenue payable to CRA – City of Miami – Tax Millage Rate 14.522	\$8,925,576
 *2006 Adjustment Detail	
Final 2006 Tax Roll	\$1,174,957,635
Preliminary 2006 Tax Roll	\$1,267,831,573
Revision per Value Adjustment Board	(\$92,873,938)
Actual 2005 Millage Adjustment	5.615 (\$495,413)



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The Midtown Redevelopment Area experienced an two hundred and twenty-two (222%) increase in assessed value, with the 2007 Tax Roll reflection \$98,260,638 in the assessed value, and the 2008 Tax Roll reflecting \$317,114,379.

FY 2008-09 Midtown CRA Current Year Actual Tax Increment Revenue

Preliminary 2008 assessed value of Tax Increment District	\$317,114,379
Taxable value in Base Year – 2005	(\$29,281,592)
Value of Increment	\$287,832,787
Revenue	\$1,322,881
Increase (reduced) for 2006 adjustment (detailed below)*	\$0
Revenue payable to CRA Miami	\$1,322,881
Dade County - Tax Millage Rate 4.8379	
Revenue payable to CRA – City of Miami – Tax Millage Rate 7.6740	\$2,098,387
*2006 Adjustment Detail	
Final 2006 Tax Roll	\$52,200,590
Preliminary 2006 Tax Roll	\$52,200,590
Revision per Value Adjustment Board	\$0
Actual 2006 Millage Adjustment	5.615 \$0

VII. FINANCIAL STATEMENTS

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Basic Financial Statements

September 30, 2009

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Statement of Net Assets

September 30, 2009

	<u>Governmental Activities</u>
Assets	
Equity in pooled cash	\$ 20,677,370
Restricted cash	782,270
Other receivable	42,686
Interest receivable	45,178
Capital assets (net of accumulated depreciation):	
Land	3,944,507
Furniture and equipment	15,687
Infrastructure	<u>4,664,298</u>
Total assets	<u>30,171,996</u>
Liabilities	
Accounts payable and accrued liabilities	411,434
Due to other governments	284,921
Non-current liabilities:	
Due within one year:	
Bonds payable	200,000
Due in more than one year:	
Bonds payable	1,625,000
Notes payable	1,708,864
Compensated absences	<u>126,948</u>
Total liabilities	<u>4,357,167</u>
Net Assets	
Invested in capital assets, net of related debt	5,090,628
Restricted	20,406,071
Unrestricted	<u>318,130</u>
Total net assets	<u>\$ 25,814,829</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Statement of Activities

Year ended September 30, 2009

	<u>Governmental Activities</u>
Expenses:	
General government	\$ 1,325,921
Community redevelopment	5,230,177
Interest on long-term debt	<u>162,988</u>
Total program expenses	<u>6,719,086</u>
Program revenues:	
Intergovernmental revenue:	
Operating	717,723
Charges for services:	
Parking fees	<u>257,095</u>
Net program expense	<u>(5,744,268)</u>
General revenues:	
Tax increment revenue	7,848,613
Sale of property	739,468
Other	20,513
Interest revenue	<u>261,395</u>
Total general revenues	<u>8,869,989</u>
Increase in net assets	3,125,721
Net assets - beginning of the year	<u>22,689,108</u>
Net assets - end of the year	<u>\$ 25,814,829</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Balance Sheet

Governmental Funds

September 30, 2009

	General	Special revenue	Debt service	Capital projects	Total governmental funds
Assets					
Equity in pooled cash	\$ 495,210	17,049,099	-	3,133,061	20,677,370
Restricted cash	-	-	782,270	-	782,270
Other receivable	-	42,686	-	-	42,686
Interest receivable	-	38,273	-	6,905	45,178
Total assets	495,210	17,130,058	782,270	3,139,966	21,547,504
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 16,650	394,784	-	-	411,434
Due to other governments	33,482	251,439	-	-	284,921
Total liabilities	50,132	646,223	-	-	696,355
Fund Balances:					
Reserved for encumbrances	-	13,990,276	-	-	13,990,276
Reserved for debt service	-	-	782,270	-	782,270
Reserved for capital projects	-	-	-	3,139,966	3,139,966
Unreserved:					
Designated for redevelopment projects	-	2,493,559	-	-	2,493,559
Undesignated	445,078	-	-	-	445,078
Total fund balances	445,078	16,483,835	782,270	3,139,966	20,851,149
Total liabilities and fund balances	\$ 495,210	17,130,058	782,270	3,139,966	

Amounts reported for governmental activities in the statement of net assets consist of:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 8,624,492

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Bonds and notes payable	(3,533,864)	
Compensated absences	(126,948)	(3,660,812)
Net assets of governmental activities		\$ 25,814,829

The accompanying notes are an integral part of the basic financial statements.

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year ended September 30, 2009

	General	Special revenue	Debt service	Capital projects	Total governmental funds
Revenues:					
Tax increment revenues	\$ 582,277	7,266,336	-	-	7,848,613
Intergovernmental	417,723	-	300,000	-	717,723
Parking fees	257,095	-	-	-	257,095
Other	-	16,651	3,862	-	20,513
Interest	-	218,861	493	42,041	261,395
Total revenues	1,257,095	7,501,848	304,355	42,041	9,105,339
Expenditures:					
Current:					
General government	1,255,218	-	-	-	1,255,218
Community redevelopment	-	5,103,931	-	-	5,103,931
Debt service:					
Principal	-	-	185,000	-	185,000
Interest	-	-	162,988	-	162,988
Total expenditures	1,255,218	5,103,931	347,988	-	6,707,137
Excess (deficiency) of revenues over (under) expenditures	1,877	2,397,917	(43,633)	42,041	2,398,202
Other financing sources (uses):					
Transfers in	-	1,400,000	47,988	-	1,447,988
Transfers out	-	(47,988)	(1,400,000)	-	(1,447,988)
Sale of property	-	739,468	-	-	739,468
Total other financing sources (uses)	-	2,091,480	(1,352,012)	-	739,468
Net change in fund balances	1,877	4,489,397	(1,395,645)	42,041	3,137,670
Fund balances - beginning	443,201	11,994,438	2,177,915	3,097,925	17,713,479
Fund balances - ending	\$ 445,078	16,483,835	782,270	3,139,966	20,851,149

Net change in fund balances - total governmental funds 3,137,670

Amounts reported for governmental activities in the statement of activities are different because:

The issuance of long-term debt provides current financial resources to governmental funds, while repayments on long-term debt consumes the current financial resources of governmental funds:

Payment of principal on long-term debt 185,000

Items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds:

Increase in compensated absences (70,703)

The governmental funds reported capital outlays as expenditures, however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Expenditures for capital assets	550,000	
Less: depreciation expense	(676,246)	(126,246)

Change in net assets of governmental activities \$ 3,125,721

The accompanying notes are an integral part of the basic financial statements.

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

1. Summary of Significant Accounting Policies

This summary of the City of Miami Southeast Overtown Park West Redevelopment Agency (the Agency) significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Reporting Entity

The Agency was established in 1983, by the City of Miami, Florida (the City) under the provisions of Section 163, Florida Statutes. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the Agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity in the Southeast Overtown area. The board of directors of the Agency is comprised of the five members of the City commission and are separate, distinct and independent from the governing body of the City.

The City entered into Interlocal Cooperation Agreements, dated March 31, 1982, with Miami-Dade County, Florida (the County) and related ordinances of the City and County whereby tax increment revenue collected by the parties would be paid to the Agency and used in accordance with the approved budgets of the redevelopment plans and terms and conditions of the Interlocal Agreements for the benefit of the Agency.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's comprehensive annual financial report as a blended component unit.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all the nonfiduciary activities of the Agency. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Agency does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resource measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Agency reports the following major governmental funds:

- The **General Fund** is the Agency's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund;
- The **Special Revenue Fund** accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specified purposes;
- The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of, bond principal and interest; and
- The **Capital Projects Fund** accounts for the acquisition and/or construction of major capital facilities.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Equity in Pooled Cash

The Agency's cash, other than described below, is pooled together with the City's cash. All such cash is reflected as equity in pooled cash on the Agency's statement of net assets and governmental funds balance sheet.

E. Restricted Net Assets

The government-wide statement of net assets reports \$20,406,071 of restricted net assets, of which \$782,270 is restricted for debt service payments because their use is limited by applicable bond covenants and restrictions, \$3,139,166 is restricted for capital projects, and \$16,483,835 is restricted by enabling legislation (i.e. the use of tax increment funding for specific activities).

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

F. Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental type activities column in the government-wide financial statements. Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the Agency are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Furniture and equipment	5
Infrastructure	5-35

G. Long-term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

H. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. The description of each reserve indicates the purpose for which each was intended. Unreserved fund balance is the portion of fund equity available for any lawful use.

I. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

2. Cash Deposits

At September 30, 2009, the Agency's cash consisted of equity in pooled cash of \$20,677,370 and restricted cash of \$782,270. The Agency's funds participate in the City's pool on a dollar equivalent and daily transaction basis. Interest income (which includes unrealized gains and losses) is distributed monthly based on a monthly average balance.

Custodial Credit Risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. In addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC), deposits are held in banking institutions approved by the State of Florida, State Treasurer to hold public funds.

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

2. Cash Deposits (continued)

Under the Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

3. Sale of Property

On April 13, 2005, the Agency sold certain property to Bayview Towers Associates, LLC (Bayview) for a total purchase price of \$2,600,000, of which \$500,000 was paid upon closing. The remaining amount of \$2,100,000 was due within two years from the date of closing, and was paid by Bayview upon the closing of each condominium unit sold by Bayview, whereby 7% of the gross purchase price of each condominium unit sold was paid to the Agency, up to the \$2,100,000. Bayview is required to continue to pay the Agency 7% of the gross purchase price of each condominium unit sold thereafter. The total amount paid by Bayview during the fiscal year ended September 30, 2009 is \$739,468.

4. Capital Assets

Capital asset activity for the fiscal year ended September 30, 2009 was as follows:

	Balance September <u>30, 2008</u>	Additions	Deletions	Balance September <u>30, 2009</u>
Capital assets, not being depreciated:				
Land	\$ 3,688,307	256,200	-	3,944,507
Total capital assets, not being depreciated	<u>3,688,307</u>	<u>256,200</u>	<u>-</u>	<u>3,944,507</u>
Capital assets, being depreciated:				
Furniture and equipment	87,657	-	-	87,657
Infrastructure	8,758,800	293,800	-	9,052,600
Total capital assets, being depreciated	<u>8,846,457</u>	<u>293,800</u>	<u>-</u>	<u>9,140,257</u>
Less accumulated depreciation for:				
Furniture and equipment	61,895	10,075	-	71,970
Infrastructure	3,722,131	666,171	-	4,388,302
Total accumulated depreciation	<u>3,784,026</u>	<u>676,246</u>	<u>-</u>	<u>4,460,272</u>
Total capital assets, being depreciated, net	<u>5,062,431</u>	<u>(382,446)</u>	<u>-</u>	<u>4,679,985</u>
Total capital assets (net of accumulated depreciation)	<u>\$ 8,750,738</u>	<u>(126,246)</u>	<u>-</u>	<u>8,624,492</u>

During fiscal year 2009, depreciation expense in the amount of \$676,246 was charged to Community Development.

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

5. Long-Term Obligations

The changes in the long-term obligations for the year ended September 30, 2009 are summarized as follows:

	Balance September <u>30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance September <u>30, 2009</u>	Amount due within one <u>year</u>
Community Redevelopment Revenue Bonds, Series 1990	\$ 2,010,000	-	(185,000)	1,825,000	200,000
Gran Central Loan	1,708,864	-	-	1,708,864	-
Compensated absences	<u>56,245</u>	-	<u>70,703</u>	<u>126,948</u>	-
Total long-term obligations	<u>\$ 3,775,109</u>	<u>-</u>	<u>(114,297)</u>	<u>3,660,812</u>	<u>200,000</u>

A description of each obligation is as follows:

- (a) On November 8, 1990, the City issued \$11,500,000 aggregate principal amount of Community Redevelopment Revenue Bonds, Series 1990, maturing through 2015, with interest rates ranging from 7.15% to 8.5%. These bonds are secured by a pledge of guaranteed entitlement revenue received from the State of Florida and the tax increment revenue amounts received from the City and County on the Southeast Overtown/Park West Redevelopment area. The proceeds of the bonds were used mainly to refinance a \$5,958,000 Section 108 HUD promissory note, to reimburse the City for moneys advanced to the Agency by the City in an amount not to exceed \$750,000, and to finance the acquisition and clearing of certain real property and the construction of certain infrastructure improvements within the Southeast Overtown/Park West Redevelopment Area defined in the Phase I Development Programs of the Agency's Interlocal Agreement and related resolutions of the City and County.

The bonds are secured by a pledge of \$300,000 per year by the City from the proceeds of its Guaranteed Entitlement Revenue, in addition to the tax increment revenue received by the City and County. As a result, the City deposits \$300,000 per year with the trustees of the bond indenture, which represents its portion of the state of Florida's shared revenue for the payment of principal and interest on the bonds.

The principal and interest requirements on the special obligation bonds and loans are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 200,000	146,625	346,625
2011	220,000	128,775	348,775
2012	235,000	109,438	344,438
2013	255,000	88,613	343,613
2014	280,000	65,875	345,875
2015-2016	<u>635,000</u>	<u>55,037</u>	<u>690,037</u>
Total	<u>\$ 1,825,000</u>	<u>594,363</u>	<u>2,419,363</u>

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

5. Long-Term Obligations (continued)

- (b) On January 20, 1988, the City entered into a loan agreement with the Gran Central Corporation (GCC) to finance 50% of the cost to acquire a parcel of property within the SEOPW CRA Area and relocate and widen Northwest First Avenue between Northwest First Street and Northwest Eighth Street. The loan, in the amount of \$1,708,864, does not bear interest and is payable from tax increment funds received from the City and County within a designated area defined in the loan documents on a junior and subordinate basis to the lien granted to holders of the \$11,500,000 Community Redevelopment Revenue Bonds, Series 1990. GCC is to be fully repaid by the year 2008 with annual payments to be made to the extent funds are generated by tax increment revenue within the designated area, as defined in the loan document, is available after required payments for the Series 1990 Bonds debt service and any requirement of the reserve fund or reserve product, as defined in the Series 1990 Bond indenture. GCC has subsequently been acquired by another company (referred to as the "predecessor company"), which has taken over the loan.

The loan became due during fiscal year 2008. However, management believes that since no tax increment funds have been generated within the designated area, as defined in the loan documents, no payment on the loan is required, and will only become due when any such tax increment funds have been generated within the designated area. Management of the Agency is in the process of clarifying these terms with the predecessor company.

- (c) Related to the issuance of the Community Redevelopment Revenue Bonds, Series 1990 above, a reserve amount was required for the maximum debt service payment in the amount of \$554,148. However, as the debt was being paid by the City through to maturity, the Agency believed that the reserve amount of \$554,148 should be released from restriction and to fund the amounts to the Agency, as approved by Resolution No. 01-586, dated June 14, 2001. The advance of the debt reserve was recorded as a liability of the Agency at the government-wide level. During fiscal year 2004, the liability to the City was reduced by \$192,909, to \$361,239. The remaining advance of \$361,239 was accrued during fiscal year 2008 at the fund level and paid during fiscal year 2009.

6. Tax Increment Revenue

The Agency's primary source of revenue is tax-increment funds. This revenue is computed by applying the operating tax rate for the City and the County, multiplied by the increased value of property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5%. Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations.

On August 6, 2007, the City, County and The Children's Trust (the Trust) entered into an Interlocal Agreement with the Agency, whereby the Agency would receive from the Trust, on an annual basis, tax increment revenues derived from the imposition of a half-mil tax levied by the Trust against real property located within the redevelopment district (referred to as Trust revenues). The Agency agreed to use the Trust revenues for debt service on, and other obligations relating to, existing debts of the Agency only after all other available tax increment revenues have been exhausted for such purpose, and to remit to the Trust on the last day of the Agency's fiscal year, all of the Trust revenues that are not needed for debt service on, or other obligations relating to, existing debts of the Agency. As of September 30, 2009, the Agency recorded an amount due to the Trust totaling \$251,439.

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

7. Parking Lease Revenue

On February 23, 1988, the City and the Department of Off-Street Parking (DOSP), a discretely presented component unit of the City, entered into an agreement whereby DOSP leased certain lots surrounding the Miami Arena. The term of the lease agreement was for a period of five years, which commenced on June 1, 1988 and expired on June 1, 1993. DOSP paid the City \$500,000 upon signing the lease agreement and agreed to pay annually as rent eighty-five percent (85%) of gross revenue earned net of operating expenses incurred on the operations of the leased lots for each respective lease year.

On October 20, 1993, the City and DOSP entered into an agreement to extend the lease term of the original agreement, which expired on June 1, 2000. Currently, the City and DOSP have extended the lease agreement to an undetermined amount of time. All of the lots leased to DOSP are within the limits of the Southeast Overtown district, therefore, the City allocates all moneys received from DOSP to the Southeast Overtown district.

8. Interfund Transfers

During 2009, there was a transfer of \$47,988 from the special revenue fund to the debt service fund to cover debt service expenditures, and a transfer of \$1,400,000 from the debt service fund to the special revenue fund for use on the affordable housing program.

9. Special Benefit Plans

(a) 401(a) Deferred Compensation Plan

All employees, including executives and general employees, of the Agency are eligible, after one year of service, to join the ICMA Retirement Trust 401(a) Deferred Compensation Plan (the Plan). The Plan agreement requires the Agency to contribute 8% of each executive employee's earnable compensation, and 5% of each general employee's earnable compensation. Contributions by executive and general employees are not required. Participants may withdraw funds at retirement or upon separation based on a variety of payout options. The following information relates to the Agency's participation in the 401(a) Deferred Compensation Plan:

Current year's payroll for executive employees	\$ 91,000
Current year's payroll for general employees	356,355
Current year's employer contributions for:	
Executive employees (8% rate)	7,280
General employees (5% rate)	9,079

(b) 457(b) Deferred Compensation Plan

All employees, including executives and general employees, of the Agency are eligible to join the United States Conference of Mayors 457(b) Deferred Compensation Plan (the Plan). The Plan agreement requires the Agency to contribute 5% of each executive employee's earnable compensation, and is not required to contribute to general employee participants. Contributions by executive and general employees are not required. Participants may withdraw funds at retirement or upon separation based on a variety of payout options. The following information relates to the Agency's participation in the 457(b) Deferred Compensation Plan:

Current year's payroll for executive employees	\$ 91,000
Current year's employer contributions for:	
Executive employees (5% rate)	4,550

**CITY OF MIAMI SOUTHEAST OVERTOWN
PARK WEST REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

10. Commitment and Contingencies

The Agency is contractually obligated for approximately \$7.5 million at September 30, 2009, for construction projects.

The Agency is a defendant in several legal actions. The outcome of these actions cannot be determined at this time. Management believes that any liability from these actions will not have a material effect on the Agency's financial condition.

**CITY OF MIAMI OMNI COMMUNITY
REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Basic Financial Statements

September 30, 2009

CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Governmental Fund Balance Sheet/Statement of Net Assets

September 30, 2009

	<u>Special revenue fund</u>	<u>Adjustments</u>	<u>Statement of net assets</u>
Assets			
Equity in pooled cash	\$ 32,486,115	-	32,486,115
Interest receivable	62,042	-	62,042
Capital assets:			
Land	-	856	856
Total assets	<u>32,548,157</u>	<u>856</u>	<u>32,549,013</u>
Liabilities			
Accounts payable	\$ 1,535,206	-	1,535,206
Due to other government	530,934	-	530,934
Total liabilities	<u>2,066,140</u>	<u>-</u>	<u>2,066,140</u>
Fund Balance/Net Assets			
Fund balance reserved for encumbrances	27,513,954	(27,513,954)	-
Unreserved fund balance:			
Designated for redevelopment projects	2,968,063	(2,968,063)	-
Undesignated	-	-	-
Invested in capital assets	-	856	856
Restricted net assets	-	30,482,017	30,482,017
Total fund balance/net assets	<u>\$ 30,482,017</u>	<u>856</u>	<u>30,482,873</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Statement of Governmental Fund Revenues, Expenditures,
and Changes in Fund Balance/Statement of Activities

Year ended September 30, 2009

	<u>Special revenue fund</u>	<u>Adjustments</u>	<u>Statement of activities</u>
Expenditures/expenses:			
General government	\$ 388,185	-	388,185
Community redevelopment	<u>10,381,853</u>	<u>-</u>	<u>10,381,853</u>
Total expenditures/expenses	<u>10,770,038</u>	<u>-</u>	<u>10,770,038</u>
General revenues:			
Tax increment revenue	15,053,838	-	15,053,838
Interest revenue	<u>417,398</u>	<u>-</u>	<u>417,398</u>
Total general revenues	<u>15,471,236</u>	<u>-</u>	<u>15,471,236</u>
Excess of revenues over expenditures/increase in net assets	4,701,198	-	4,701,198
Fund Balance/net assets - beginning of the year	<u>25,780,819</u>	<u>856</u>	<u>25,781,675</u>
Fund Balance/net assets - end of the year	<u>\$ 30,482,017</u>	<u>856</u>	<u>30,482,873</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

1. Summary of Significant Accounting Policies

This summary of the City of Miami Omni Community Redevelopment Agency (the Agency) significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Reporting Entity

The Agency was established in 1986 by the City of Miami, Florida (the City) under the provisions of Section 163, Florida Statutes. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Omni area. The board of directors of the Agency are comprised of the five members of the City commission and are separate, distinct and independent from the governing body of the City.

The City entered into an Interlocal Cooperation Agreement on June 24, 1996 with Miami-Dade County, Florida (the County) whereby tax increment revenue collected by the parties would be paid to the Agency and used in accordance with the approved budgets of the redevelopment plans and terms and conditions of the Interlocal Agreement for the benefit of the Agency. In addition, on March 13, 2000, the Agency entered into an Interlocal Agreement with the City. As stated on the agreement, the City has agreed to provide financial support to the Agency for the planning, development, program management, technical assistance, coordination, monitoring and other services needed for the projects. In addition, the City has agreed to provide personnel and other resources including the use of the City attorney, which shall serve as counsel and the City Clerk, which will serve as the official custodian of records.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's comprehensive annual financial report as a blended component unit.

B. Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the financial activities of the Agency. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Agency does not have any *business-type activities* and has only one governmental activity. The accounts of the Agency are reported as a special revenue fund. The special revenue fund is the Agency's only fund and thus the Agency's only major fund.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The *Special Revenue Fund* is the Agency's only fund. It accounts for all financial resources of the Agency.

Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all tax increment revenues, net of distribution remittances to the County and The Children's Trust.

D. Equity in Pooled Cash

The Agency's cash is pooled together with the City's cash. All such cash is reflected as equity in pooled cash on the Agency's governmental fund balance sheet / statement of net assets.

F. Capital Assets

Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation, unless donated by a related entity (e.g. the City). Capital assets donated by a related entity are recorded at the net book value of the related entity at the time of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

G. Restricted Net Assets

The restricted net assets of \$30,482,017 reported on the government-wide statement of net assets is restricted by enabling legislation (i.e. the use of tax increment funding for specific activities).

H. Fund Equity

In the fund financial statements, the Special Revenue fund reports a reservation of fund balance for an amount that is not available for appropriation or is legally restricted by outside parties for use for a specific purpose. Unreserved fund balance is the portion of fund equity available for any lawful use.

CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

I. Tax Increment Revenues

The Agency's primary source of revenue is tax increment funds. This revenue is computed by applying the operating tax rate for the City and the County, multiplied by the increased value of property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5%. Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations.

On June 24, 1996, the City and County entered into an Interlocal Cooperation Agreement with the Agency, whereby the Agency will receive over a three year period, commencing on the date of the Agreement, a total of \$1.2 million of tax increment revenue contributed by the City and County. If within the three-year period the Agency receives more than \$1.2 million in tax increment revenue, the excess shall be remitted to the County for the Performing Arts Center Project. Thereafter, the Agency shall remit to the County tax increment funds received up to, but no more than \$1.43 million per year. The obligation to pay the \$1.43 million each year shall cease at such time that the County has no Performing Arts Center construction bonds outstanding.

On December 31, 2007, the City and County entered into an Interlocal Agreement with the Agency, whereby in addition to the \$1.43 million per year described above for the Performing Arts Center project, the Agency shall remit on March 31, 2009 and every March 31st thereafter ending on March 31, 2012 an amount equal to 35% of the amount by which the increment revenue exceeds \$1.43 million, and on March 31, 2013 and every March 31st thereafter until March 31, 2027, including any additional time extensions beyond March 31, 2027, an amount equal to the greater of \$1.43 million or 35% of the increment revenue, provided that the mounts remitted by the Agency do not exceed \$25 million in any fiscal year. For the fiscal year ended September 30, 2009, the Agency remitted a total of \$6,444,520 to the County.

On August 6, 2007, the City, County and The Children's Trust (the Trust) entered into an Interlocal Agreement with the Agency, whereby the Agency would receive from the Trust, on an annual basis, tax increment revenues derived from the imposition of a half-mil tax levied by the Trust against real property located within the redevelopment district (referred to as Trust revenues). The Agency agreed to use the Trust revenues for debt service on, and other obligations relating to, existing debts of the Agency only after all other available tax increment revenues have been exhausted for such purpose, and to remit to the Trust on the last day of the Agency's fiscal year, all of the Trust revenues that are not needed for debt service on, or other obligations relating to, existing debts of the Agency. As of September 30, 2009, the Agency recorded an amount due to the Trust totaling \$530,934.

J. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

2. Cash Deposits

The Agency's cash as of September 30, 2009, consisted of equity in pooled cash in the amount of \$32,486,115. The Agency's funds participate in the City's pool on a dollar equivalent and daily transaction basis. Interest income (which includes unrealized gains and losses) is distributed monthly based on a monthly average balance.

CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

2. Cash Deposits (continued)

Custodial Credit Risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. In addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC), deposits are held in banking institutions approved by the State of Florida, State Treasurer to hold public funds. Under the Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

3. Capital Assets

Capital asset activity for the fiscal year ended September 30, 2009 was as follows:

	Balance September <u>30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance September <u>30, 2009</u>
Capital assets, not being depreciated:				
Land	\$ <u>856</u>	<u>-</u>	<u>-</u>	<u>856</u>

4. Commitment and Contingencies

The Agency is contractually obligated for approximately \$21 million at September 30, 2009, for construction projects.

**CITY OF MIAMI MIDTOWN COMMUNITY
REDEVELOPMENT AGENCY**
(A Component Unit of the City of Miami, Florida)

Basic Financial Statements

September 30, 2009

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Governmental Fund Balance Sheet/Statement of Net Assets

September 30, 2009

	<u>Special revenue fund</u>	<u>Adjustments</u>	<u>Statement of net assets</u>
Assets	\$ -	-	-
Liabilities	\$ -	-	-
Unreserved fund balance/unrestricted net assets	\$ -	-	-

The accompanying notes are an integral part of the basic financial statements.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

**Statement of Governmental Fund Revenues, Expenditures,
and Changes in Fund Balance/Statement of Activities**

Year ended September 30, 2009

	<u>Special revenue fund</u>	<u>Adjustments</u>	<u>Statement of activities</u>
Expenditures/expenses:			
General government	\$ 29,538	-	29,538
Community redevelopment	<u>3,391,730</u>	<u>-</u>	<u>3,391,730</u>
Total expenditures/expenses	<u>3,421,268</u>	<u>-</u>	<u>3,421,268</u>
General revenues:			
Tax increment revenue	<u>3,421,268</u>	<u>-</u>	<u>3,421,268</u>
Total general revenues	<u>3,421,268</u>	<u>-</u>	<u>3,421,268</u>
Excess of revenues over expenditures/increase in net assets	-	-	-
Fund Balance/net assets - beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance/net assets - end of the year	<u>\$ -</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

1. Summary of Significant Accounting Policies

This summary of the City of Miami Midtown Community Redevelopment Agency (the Agency) significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Reporting Entity

The Agency was established in 2005 by the City of Miami, Florida (the City) under the provisions of Section 163, Florida Statutes. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Midtown area. The board of directors of the Agency are comprised of the five members of the City commission and are separate, distinct and independent from the governing body of the City.

On June 30, 2005, the Agency entered into an Interlocal Cooperation Agreement, as amended, with the City, Miami-Dade County (the County), and the Midtown Community Development District (the "District"), whereby tax increment revenues collected by the City and County would be paid to Midtown and used in accordance with the approved budget and redevelopment plan and terms and conditions of the Interlocal Agreement. In accordance with the redevelopment plan, the Agency has pledged the tax increments revenues received from the City and County to the repayment of the debt service of bonds issued by the District, which bonds were issued on July 28, 2004. Any shortfalls in the debt service are to be paid by the District, not the Agency.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's comprehensive annual financial report as a blended component unit.

B. Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the financial activities of the Agency. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Agency does not have any *business-type activities* and has only one governmental activity. The accounts of the Agency are reported as a special revenue fund. The special revenue fund is the Agency's only fund and thus the Agency's only major fund.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The *Special Revenue Fund* is the Agency's only fund. It accounts for all financial resources of the Agency.

Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all tax increment revenues, net of distribution remittances to the District.

D. Equity in Pooled Cash

The Agency's cash is pooled together with the City's cash. All such cash is reflected as equity in pooled cash on the Agency's governmental fund balance sheet / statement of net assets.

E. Fund Equity

Unreserved fund balance is the portion of fund equity available for any lawful use.

F. Tax Increment Revenues

The Agency's primary source of revenue is tax increment funds. This revenue is computed by applying the operating tax rate for the City and the County, multiplied by the increased value of property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5%. Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations. As noted in note 1(A) above, in accordance with the redevelopment plan of the Agency, the Agency has pledged the tax increments revenues received from the City and County to the repayment of the debt service of bonds issued by the District, which bonds were issued on July 28, 2004. Any shortfalls in the debt service are to be paid by the District, not the Agency. For the fiscal year ended September 30, 2009, the Agency remitted a total of \$3,387,055 to the District.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

CITY OF MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2009

2. Cash and Cash Equivalents

The Agency had no cash balance as of September 30, 2009. The Agency's funds participate in the City's pool on a dollar equivalent and daily transaction basis. Interest income (which includes unrealized gains and losses) is distributed monthly based on a monthly average balance.

Custodial Credit Risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. In addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC), deposits are held in banking institutions approved by the State of Florida, State Treasurer to hold public funds. Under the Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.