

ADDENDUM TO OMNI AREA REDEVELOPMENT PLAN  
PREPARED JUNE 17, 1987

ADDENDUM TO  
OMNI AREA REDEVELOPMENT PLAN

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ADDENDUM TO OMNI AREA REDEVELOPMENT PLAN

PREPARED JUNE 17, 1987

This addendum has been prepared to respond to a list of questions and concerns for Miami additional detail presented to the City of Miami following a review by consultants to Metropolitan Dade County. In some cases the questions and concerns, listed below, have been satisfied by directing attention to specific sections of the original September 1986 Plan. In other cases, additional information or detail has been added to more fully explain the redevelopment plan in terms of the requirements of F.S. Chapter 163.

The list is as follows:

1. Additional responses to 163.360 (2):

A. Under (a); additional detail on conformance with comprehensive plan is included in a revised and expanded Section I.B. (Revised Page 3(a).)

B. Under (b); clarification of relocation component is provided through a revised and expanded Section V.C. (Revised Page 28.)

2. Additional responses to 163.360 (6):

A. Under (a); concerning relocation of families, no public acquisition of residential properties is proposed (see Revised Section V. C.; Revised Page 28). Also, see Section IV. F. (Neighborhood Impact).

B. Under (c); concerning plan consideration of adequate park and recreation facilities, this is covered in Section IV. C. (Community Facilities and Services) on page 16 of the September 1986 Plan.

C. Under (d); concerning maximizing opportunities for participation by private enterprise in the redevelopment plan, see Section V. F. (Economic Development Plan); generally, which discusses strategies to attract new private economic activity into the redevelopment area; and Section V. D. (Disposition of Property); which describes the process by which private enterprise will be enlisted and selected to take the lead in a catalytic project as a major component of the redevelopment activities.

3. Additional responses to 163.360 (7):

A. Under (a); a response is not applicable; since residential reuse of acquired open land is not proposed.

B. Under (b); the required responses are included in Sections I. A. (Purpose); I.B. (Planning Process); IV. A. (Concept) and V.F. (Economic Development Plan) of the September 1986 Plan.

4. Additional responses to 163.362:

A. Under (1); information as to reasons for establishment of the project areas boundaries as proposed in the plan and an explanation of changing conditions since the 1981 Central Area Redevelopment Plan boundaries were designated is included as a revised Section II. A. (Revised Page 4.)

B. Under (3); a Neighborhood Impact element has been added as a new Section IV. F. to the plan.

C. Under (4); Section V. B. (Capital Improvements) of the September 1984 Plan has been expanded to include a specific Capital Improvements Plan (Phase I and Phase II). This covers the capital improvements budget and implementation schedule for those improvements proposed to be funded from the tax increment revenues. Included in this expanded section is an Acquisition Plan, Acquisition Map and a list of proposed list of properties for acquisition.

D. Under (5); descriptions of safeguards; and under (6) controls for the carrying out of the redevelopment plan, and adherence thereto; are described in Section V. D. which contains, as an attachment; City of Miami Charter Section 53(c) (Unified Development Projects), which calls for a specific Development Agreement to be executed with private redevelopment entities having been selected to undertake development on City-acquired or City-owned real property.

E. Under (8); the elements of residential use are included in the September 1984 Plan under Sections IV. B. (Land Use), V. A. (Zoning); and in the new Sections IV. F. (Neighborhood Impact).

F. Under (9); additional responses to this plan requirement are included in the revised and expanded Section V. B. (Capital Improvements); which contains.

G. Under (10); the timetables for completion of all actions to be funded with tax increments are detailed in the revised and expanded Section V. B. (Capital Improvements).



I. B. PLANNING PROCESS

The Omni Area Redevelopment Plan has been prepared according to the requirements specified by the Community Redevelopment Act of 1969, as amended (Fla. Statutes 163.330 et. seq.) As mandated by the Act, the redevelopment plan must conform to the adopted comprehensive plans for the City of Miami and Dade County. Final approval must be granted by the Miami City Commission and the Board of Dade County Commissioners following recommendations by their respective planning advisory agencies.

~~Since the mid 1970's, the City of Miami has undertaken three major planning programs which address development opportunities for the Omni area. In 1976, the City adopted the Miami Comprehensive Neighborhood Plan 1976-86 which provides the framework for the overall development of the municipality. The Omni neighborhood is identified in this document as an area suitable for residential, industrial, and commercial uses.~~

This redevelopment plan conforms with the City of Miami's official comprehensive plan, which is entitled Comprehensive Neighborhood Plan, City of Miami, September 1985. It is consistent with the comprehensive plan land use map and the "Planned Strategies Development Areas 1982-1988" which reads:

"16. Omni/Midtown: Encourage the development of a high intensity commercial/office/residential district with pedestrian amenities, adequate parking, improved vehicular access, and preservation of historic structures."

In addition to the comprehensive plan, two specific planning studies have helped to define the objectives of this redevelopment plan.

The Southeast Overtown/Park West Redevelopment Plan, adopted in 1981, identifies the Omni West area (area west of NE 2nd Avenue) as a primary relocation area for commercial services and light industrial uses displaced by redevelopment within the Southeast Overtown/Park West project area.

In 1985, the City began the process of preparing an updated and more detailed master plan for Downtown Miami, whose boundaries incorporate all of the redevelopment area plus Southeast Overtown/Park West, the Central Business District, and Brickell. This plan provides policies and guidelines for implementation of all downtown development and provides the foundation for the preparation of a Development of Regional Impact application for the area within the jurisdiction of the Downtown Development Authority.

A Citizen's Advisory Committee was established to provide input to the master plan. This group includes representatives from the Omni neighborhood and provides a forum where interested citizens, civic leaders, and public officials join forces to address development issues and community concerns. During a series of workshops, held over a six-month period, a draft downtown policy plan has been formulated. The document identifies development objectives for the Omni neighborhood including the following: establishment

of strong functional and visual connections with the Central Business District through a redeveloped Bayfront open space, baywalks, redesigned Biscayne Boulevard, and extension of Metrorail and Metromover; development of a high quality "uptown" district with a viable mixture of hotel, residential, and retail uses; promotion of a nightlife and entertainment district; creation of a special use district to attract new types of specialized commercial activity to the area including media and fashion related businesses; and reinforcement of the area west of N.E. 2nd Avenue as a commercial/industrial area serving the downtown and Seaport.

~~The major recommendations from all three planning programs have been further refined and incorporated into this redevelopment plan.~~

The Dade County Comprehensive Development Master Plan designates the Omni Area as a metropolitan activity center in the south and central portions of the area and for high and medium-high density residential and industrial/office development in a east to west pattern in the remainder of the area. The CDMP guidelines for activity centers call for these design-unified complexes to have commercial facilities, offices, high-rise apartments, and public facilities, having direct mass transit access. The development proposed for the portion of the Omni Area south of N.E. 17th Terrace and east of N.E. 2nd Avenue corresponds to these guidelines. Also the development pattern in the remainder of the Omni Area conforms to the generalized patterns of the CDMP map.

## Y. C. RELOCATION

The Community Redevelopment Act specifies that any plan prepared under this Act provide assurances that there will be replacement housing for the relocation of persons temporarily or permanently displaced from housing facilities within the redevelopment area [Fla. Stats. 163.362(7)]. Chapter 163 also mandates that an appropriate procedure be established and adhered to which insures that such families are relocated to decent and safe housing without any undue hardship [Fla. Stats. 163.360(6)(a)].

~~Because no public acquisition activities are currently being proposed a relocation plans not included at this time. Public demolition activity, consistent with City wide policies, will be limited to those cases where a health or safety problem is present which can not be resolved through code enforcement. In the event that public acquisition and subsequent relocation proves necessary, a detailed relocation plan in full conformance with Chapter 163 (and the Uniform Relocation Assistance and Real Property Acquisition Properties Act of 1970) will be developed and submitted for public review and approval, as required with any plan amendment under this Act.~~

No public acquisition of residential properties are proposed.

Priority consideration for the acquisition of properties will be given to vacant land and vacant commercial structures.

Parcels 8, 5, and 6 as delineated in the Acquisition Plan entail commercial relocation and include only 4 businesses.

All business displaced by proposed public acquisition will be provided technical assistance by the City of Miami. This assistance will be provided by the Department of Development and will include the utilization of a Business Retention Counselor.

Adequate facilities exist within the proximity of proposed acquisition for the relocation of the affected businesses.

Revised Page 28

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BCCK 209 M1268

## II. BACKGROUND INFORMATION

### A. GEOGRAPHIC LOCATION AND BOUNDARIES

The Omni Redevelopment Area is located in the northern most section of Downtown Miami, adjacent to the planned Southeast Overtown/Park West residential community. It is within 1/2 mile of the heart of the Central Business District and within 1 mile of the rapidly growing office district along Brickell Avenue. The geographic location and boundaries of the area are illustrated on the Location Map (see page v). A legal description of the site is provided in Appendix A.

The redevelopment area is strategically positioned within the City of Miami and the metropolitan area. It has convenient access to the Miami International Airport, Miami Beach and the regional highway system. The Port of Miami, the Civic Center, and other major business and activity centers in the City of Miami are within easy reach of the Omni neighborhood residents and employees. The planned Metromover extension will provide a direct link to the CBD and the existing Metrorail system.

The redevelopment area is bounded by I-395 on the south, Biscayne Bay on the east, N.W. 20th Street on the north, and the FEC Railway on the west. These boundaries were selected because they represent significant geographic features that provide physical demarkation of a "neighborhood" or "district" commonly known as the "Omni Area". It is necessary to include the entire neighborhood within the redevelopment area to comprehensively and effectively implement strategies aimed at the elimination slum and blight. The slum and blight conditions themselves, while not uniformly distributed throughout the neighborhood, have negative effects on development and revitalization efforts throughout the area. The proposed redevelopment district boundaries also coincide with the Downtown Master Plan boundaries for the Omni sub-area.

The Central Miami Community Redevelopment District boundaries were amended in 1981 to include the portion of the Omni area located to the west of Biscayne Boulevard. At that time, the Omni West area contained most all of the classic signs of slum and blight; however, the Omni East area appeared to be on the verge of widespread redevelopment. However conditions changed and no new redevelopment occurred, aside from completion of the Venetia complex which was underway at that time. Instead, conditions declined in the East Omni area: two major retail stores closed and remain vacant, numerous smaller retail spaces are vacant, petty crime has increased to the highest localized rate in the City of Miami, and from 1985 to 1986, the assessed value of properties declined a total of 2.3 percent. For these reasons, it is necessary to expand the Community Redevelopment Area boundary eastward to Biscayne Bay.



#### IV. F. NEIGHBORHOOD IMPACT

The Omni Redevelopment area contained a total of 1800 housing units in 1980, according to the U.S. Census. Approximately 800 units have recently been added to this total with the opening of the new Venetia condominium. The majority of the housing units are located in two distinct areas. The largest concentration is in the East Omni area, located to the east and north of the Omni shopping mall. It is generally middle to upper income in cost and is in good condition. The second concentration of existing housing is in the central portion of the Omni West area from N.E. 1st Court to N.W. Miami Court. This housing is generally very old, deteriorated (15% of the structures are dilapidated), and priced for the low and moderate income market.

1. Housing displacement - This redevelopment plan does not recommend public acquisition of land that is currently developed with housing. However, if initiatives in this plan are successful in stimulating redevelopment of anchor commercial uses on any of the parcels indicated in the Land Acquisition map, a long term indirect effect may be to increase the value of land in the Omni West area for commercial uses. It is important to note that the Omni West area has been zoned for commercial uses for over 25 years; therefore, this redevelopment plan is not responsible for initiating a policy that would displace housing. The effect of this plan may be to speed up a process of transition from residential to commercial uses that has been slowly occurring over the past 25 years.

If the private sector chooses to acquire land and replace residential units with commercial units, the displaced low and moderate income households will have the opportunity to find housing in the nearby Southeast Overtown Park West redevelopment area, where over 9000 housing units are planned by the year 2005. Of the Phase I, Stage I projects that are committed and scheduled for construction in 1987, 147 units will be reserved for low and moderate income households.

In addition, this redevelopment plan proposes that a "housing linkage" program be established in connection with the creation of a new SPI-6.1 zoning district in the Omni East area (see page 23). The recommendation is to establish an Affordable Housing Trust Fund in the Omni area (similar to an existing program in the Brickell area) to subsidize low and moderate income housing construction within the redevelopment district and its immediate surroundings. The concept is for commercial development to contribute to the Trust Fund in exchange for a floor area ratio bonus.

Housing in the Omni East area is not expected to be displaced by commercial uses due to the residential zoning limitations in the area north of N.E. 17th Terrace and the substantial investment in new housing along the bayfront.

2. Traffic Circulation - Traffic volumes are projected to increase steadily through future years, due to intensified development both internal and external to the redevelopment district. Biscayne Boulevard and the I-395 entrance and exit at N.E. 1st and 2nd Avenues are projected to operate at or

below level of service E during peak hour within the next 5 to 10 years. Because the Omni area is in a downtown location, traffic congestion is expected and considered to be an acceptable condition. This redevelopment plan provides the potential for use of tax increment funds to implement numerous roadway improvement projects that have been identified to improve alternate routes of travel (see Section IV D., pages 18 through 20). Most importantly, construction of the Metromover extension through the Omni area will create a link to the CBD and the Metrorail system, providing an alternative means of travel for Omni area residents.

3. Environmental Quality - Redevelopment in the Omni area will help to improve water quality in Biscayne Bay by eliminating existing surface water runoff from private property, and by redirecting runoff into the groundwater via various types of drainage structures approved by the City and Dade County.

Air quality within the redevelopment area will be negatively affected by increased traffic congestion. As a condition of the Downtown Development of Regional Impact project, a carbon monoxide monitor will be funded by the City of Miami to measure CO concentrations at the most congested intersection in the Omni area. If CO concentrations begin to approach the federal EPA standards, a series of traffic management strategies will be implemented to assure that violations do not occur. Any such CO concerns are limited to an 8 hour exposure in a localized area along the public sidewalks and are not expected to have any significant effect on residents of the neighborhood.

The visual environment is expected to be upgraded substantially by private redevelopment and the public improvement projects described in the Proposed Open Space Plan (Map 7).

4. Community Facilities and Services - These elements are addressed in Section IV.C., pages 16 and 17.

V.I.B. CHART I

Phase I Capital Improvement Projects

To Be Funded With Tax Increment Revenue Bond

Projected earliest date of Issuance: Jan 1, 1989

Improvements to Biscayne Boulevard	\$ 2,000,000
Public Acquisition of Site for Catalytic Project*	9,000,000
TOTAL	\$11,000,000

\* The specific site for the Catalytic Project will be selected through a competitive proposal process in which private development entities will be invited to submit joint public-private development proposals for one or more of the proposed sites (see New Page 29.) The proposals will be evaluated on a number of criteria, including proposal feasibility, benefit to area, ability to proceed quickly, and conformity to the overall redevelopment plan for the Omni Area. The financial participation by the City would be limited to the amount that could be issued in tax increment revenue bonds on January 1, 1989 for this purpose. The current best estimate is \$9 million.

REV 500 47315  
V. B. CHART II

Phase II Capital Improvement Projects To Be Funded With Tax Increment Revenue

Acquire right-of-way and construct N.E. 20th Street connection between N.E. 2nd Avenue and Biscayne Boulevard	\$1,000,000
Acquire right-of-way and construct N.W. 1st Avenue (Westside Corridor) extension between N.W. 14th Street and I-395	\$300,000
N.E. 14th Street corridor enhancement	\$910,000
Pedestrian baywalk connection to Bicentennial Park (1/2 cost)	\$250,000
Landmark feature at N. Miami Avenue and 14th Street	\$100,000
Transit connection to Miami Beach Convention Center	undetermined

All Phase I and Phase II activities will be completed by the 20th year of the project. All indebtedness will be retired by the 30th year.



BOOK 500 #1512  
V. B. 1 - ACQUISITION PLAN

In order to implement proposed economic development activities planned; public involvement in land acquisition is planned.

The parcels indicated on the Land Acquisition Map shall be acquired in order to: (1) eliminate unhealthful, unsanitary or unsafe conditions; (2) lessen densities; (3) eliminate obsolete or other uses detrimental to the public welfare; or (4) remove or prevent the spread of blight, economic disuse or deterioration; (5) remove incompatible land use relationships; or (6) provide land for new housing, public facilities and economic development.

It should be noted that the map shows maximum acquisition and not all parcels designated may be acquired.

It is anticipated that some of the parcels designated on the Land Acquisition Map may be only partially acquired.

Buildings of historic and/or cultural significance may be acquired in order to preserve the structure. Priority acquisition will be given to presently vacant parcels at strategic locations that have maximum redevelopment potential. Recommended land acquisition for economic redevelopment and housing activities include the following parcels:

Proposed Acquisition

Parcel No.	Legal	Approx. Acreage	Existing Land Use
1-	<u>Boulevard Tract 100-65</u> <u>Sears Parking</u>	4.4	Vacant structure & parking
2-	<u>Nelsonville Amend 4-81</u> <u>Lots 39-56</u> <u>Jefferson Add 108-55</u>	2.2	Vacant structure & parking
3-	<u>Alcie Baldwin Add</u> <u>Block 25</u> <u>Lots 1-8</u>	1	Vacant
4-	<u>Robbins-Graham</u> <u>Chillingworth</u> <u>Block 12</u> <u>Lots 5,8,9,10,11,12</u>	1	Vacant
5-	<u>Biscayne Federal Plaza</u> <u>Amended 109-77</u> <u>Tract A</u>	1.3	Commercial & vacant
6-	<u>Biscayne Federal Plaza</u> <u>1st Add 116-7</u> <u>Tract B</u>	0.7	Commercial & vacant
7-	<u>Miramar PB 5-4</u> <u>Block 4</u> <u>Lots 7,10,11,12</u>	0.3	Vacant
8-A	<u>W.T. Heslington Sub B-97</u> <u>Lots 1-8</u> <u>Seitter Add Amend 2-60</u> <u>Lots 1,2</u>	1.7	Commercial
8-B	<u>Robbins-Graham</u> <u>Chillingworth</u> <u>Block 1</u>	1.3	Commercial

NEW PAGE 27.1

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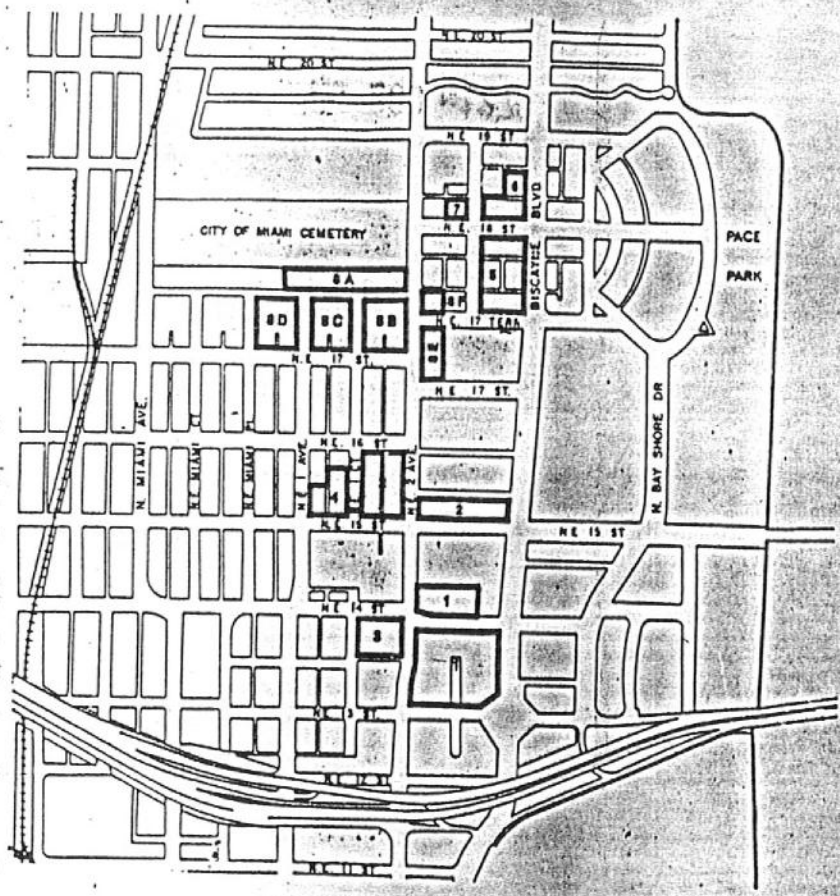
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Proposed Acquisition

Parcel No.	Legal	Approx. Acreage	Existing Land Use
8-C	<u>Robbins-Graham-Chillingworth</u> Block 2	1.3	Commercial & vacant
8-D	<u>Robbins-Graham-Chillingworth</u> Block 3	1.3	Vacant
8-E	<u>Rice &amp; Sullivan Sub 4-164</u> Block 4 Lots 22 & 23	.9	Commercial Parking
	<u>Miramar 3rd Amend</u> Block 12B Lots 3 & 4		
8-F	<u>Miramar 3rd Amend</u> Block 11 Lots 13 & 14	.2	Commercial

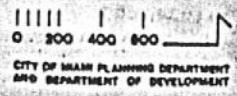
NEW PAGE 27.2

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BOOK 209 P. 1276



Acquisition Plan  
**OMNI AREA REDEVELOPMENT PLAN**





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V. B. 2 -Financial Strategy and Timetable for Phase I Improvements

Plans call for the Issuance of an \$11.5 million tax increment revenue bond at such time tax increment revenue reach point that a bond of this size can be issued. This requires approximately \$1.5 million in annual tax increment revenues, assuming a taxable bond. Current estimates indicate that this increment revenue could be achieved as early as 1988, assuming a plan enactment in July of 1987. The initial TIRB would fund the Phase I Capital Improvements, which would be implemented under a timetable as shown below:

- January 1, 1989 - Initiate engineering drawings, plans and specifications for Biscayne Boulevard improvements.
- July 1, 1989 - Call for Phase I catalytic Project Proposals from potential developers.
- October 1, 1989 - Begin construction of Biscayne Boulevard Improvements.
- December 1, 1989 - Select developer and Phase I catalytic Project.
- October 1, 1990 - Completion of Biscayne Boulevard Improvements.
- October 1, 1990 - Land Development agreement approved with developer.
- October 1, 1991 - Public land acquisition is initiated.
- October 1, 1991 - Public land acquisition is completed.
- Deadline for developer to begin construction.

All activities will be completed by the 20th year of the project. All indebtedness will be retired by the 30th year.

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V. D. DISPOSITION OF PROPERTY

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Any publicly acquired property to be used or transferred for private development as part of this redevelopment plan will be either sold in conformance with Section 18 of the Miami City Code, or will be made available on a long-term lease basis. Private redeveloper(s) of leased property will be selected under the procedures of the Unified Development Process (UDP) Ordinance of the City of Miami Ordinance 9572 (See Appendix).

The following sites may be acquired for redevelopment purposes. The proposed reuse of each of these sites is listed on the following table (Note Acquisition Plan Map for location).

Proposed Land Reuse

<u>PROPOSED SITES FOR CATALYTIC PROJECTS</u>	<u>ACREAGE</u>	<u>PROPOSED REUSE</u>
1	4.4	Commercial
2	2.2	Commercial
3	1.0	Commercial
4	1.0	Commercial
5	1.3	Commercial
6	0.7	Commercial
7	0.3	Commercial
8A-8F	6.7	Commercial

New Page 29

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CITY OF MIAMI  
Charter Section 53 (c)

UNIFIED DEVELOPMENT PROJECTS

Definition

Unified development project shall mean a project where an interest in real property is owned or is to be acquired by the city, and is to be used for the development of improvements, and where the commission determines that for the development of said improvements it is most advantageous to the city that the city procure from a private person, as defined in the Code of the City of Miami, one or more of the following integrated packages:

- (i) Planning and design, construction, and leasing; or
- (ii) Planning and design, leasing, and management; or
- (iii) Planning and design, construction, and management.

So long as the person from whom the city procures one of the above mentioned integrated packages provides all of the functions listed for that package, such person need not provide each listed function for the entire unified development project nor for the same part of the unified development project.

Requirements of Requests for Proposals

Requests for proposals for unified development projects shall generally define the nature of the uses the city is seeking for the unified development project and the estimated allocations of land for each use. They shall also state the following:

- (i) The specific parcel of land contemplated to be used or the geographic area the city desires to develop pursuant to the unified development project.
- (ii) The specific evaluation criteria to be used by the below-mentioned certified public accounting firm.

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- (iii) The specific evaluation criteria to be used by the below-mentioned review committee.
- (iv) The extent of the city's proposed commitment of funds, property, and services.
- (v) The definitions of the terms "substantial increase" and "material alteration" that will apply to the project pursuant to subsection (e)(iv) hereof.
- (vi) A reservation of the right to reject all proposals and of the right of termination referred to in subsection (e)(iv), below.

Issuance of Request for Proposals; Selection of C.P.A. Firm; Appointment of Review Committee

After public notice there shall be a public hearing at which the commission shall consider:

- (i) The contents of the request for proposals for the subject unified development project;
- (ii) The selection of a certified public accounting firm, which shall include at least one member with previous experience in the type of development in question;
- (iii) The recommendations of the City Manager for the appointment of persons to serve on the review committee. Said review committee shall consist of an appropriate number of city officials or employees\* and an equal number plus one of members of the public, whose names shall be submitted by the City Manager no fewer than five days prior to the above mentioned public hearing.

At the conclusion of the public hearing the commission shall authorize the issuance of a request for proposals, select a certified public accounting firm, and appoint the members of the review committee only from among the persons recommended by the City Manager.

Procedure for Selection of Proposal

The procedure for the selection of an integrated package proposal shall be as follows:

\*Dade County officials or employees shall also be appointed.



After receiving the direct recommendations of the review committee, the commission shall by an affirmative vote of a majority of its members:

- (1) Accept any recommendation of the review committee; or
- (2) Accept any previous recommendation of the City Manager; or
- (3) Reject all proposals.

Execution of Contracts

All contracts for unified development projects shall be signed by the City Manager or his designee after approval thereof by the commission. . . . The provisions of this charter section shall supersede any other Charter or Code provision to the contrary.

TO: Honorable Mayor and Members  
Board of County Commissioners

DATE: July 7, 1987

SUBJECT: Omni Area Redevelopment  
Plan

FROM: Sergio Pereira  
County Manager

RECOMMENDATION:

It is recommended that a portion of Downtown Miami, specifically the Omni Area bounded by North 20th Street on the north, the Florida East Coast (the "FEC") Railway right-of-way on the west, Interstate 395 on the south, and Biscayne Bay on the east, be designated as a slum or blighted area and that rehabilitation, conservation, or redevelopment of the Omni Area (the "Area") is necessary and in the public interest. It is also recommended that the Omni Area be deleted from the Central Miami Urban Renewal Area in order to enable the creation of a tax increment redevelopment district, pursuant to the Community Redevelopment Act of 1969, as amended.

DISCUSSION:

In 1969 the Florida Legislature enacted the Community Redevelopment Act of 1969 as is presently contained in Part III of Chapter 163, Florida Statutes, as amended. The Act authorizes counties and municipalities in the State of Florida to create community redevelopment agencies and prepare community redevelopment plans for certain defined areas within their boundaries, to be designated as community redevelopment areas within which community redevelopment projects may be undertaken to eliminate and prevent the development and spread of slum and blighted areas through the use of creative financing mechanisms. The Act authorizes counties through 163.410 F.S. to be the duly empowered and authorized redevelopment agencies.

In order to use the redevelopment authority conferred by the Act, the authorized redevelopment agency must find that:

1. One or more slum or blighted areas exist in the county; and
2. That rehabilitation, conservation, or redevelopment, or a combination thereof, of the Area is necessary in the interest of the public health, safety, morals or welfare of the residents of the County.

The Omni Area contains one of the worst concentrations of slum and blight in all of Dade County (the "County"). In fact, a large portion of the Omni Area is already contained within the Central Miami Urban Renewal Area. Redevelopment in the Omni Area has been unsuccessful to date. While substantial redevelopment has occurred in the Central Business District (the "CBD") of the City of Miami, this redevelopment pattern is not evident in the Omni Area located just north of the CBD. Some of the parcels in the Area that have been improved on a scale comparable to the CBD have not generated significant redevelopment spin-offs. Instead the developers of these projects have been confronted with high vacancy rates.

Several different types of land uses are present in the Omni Redevelopment Area, with varying degrees of structural condition. Of the 292 buildings surveyed, 109 are dilapidated or in need of major repair, representing almost forty percent of the structures in the redevelopment Area. In addition, almost 35 percent of the land is vacant or used for surface parking. With the exception of a few megastructures, the Area has seen little change (other than decline) in the past 40 years. For example, during the period between 1970 and 1980, only sixteen building permits for new construction or renovation were filed in the 260 acre area, which is now closed. Two major retailers in the Area, Jefferson's and Sears, are no longer in operation leaving the once-active department stores vacant.

The entire Omni Area is experiencing a high level of distress, as verified by the State of Florida Department of Community Affairs (the "Department"). The Department ranked every census tract in the State of Florida for level of distress, based upon eleven variables, which included percentage of housing units in the area that lack some or all plumbing facilities, percentage of persons in the area unemployed for greater than 15 weeks, and per capita taxable value of property in the area. Three of the four census tracts in the Omni Area scored in the top ten for the City of Miami in terms of highest level distress. Even the area east of Biscayne Boulevard received a distress score higher than the City-wide average.

Interestingly enough, the Community Conservation Index (CCI) failed to consider crime rate in determining level of distress. The Omni Area has the highest petty crime rate in the City of Miami and has one of the highest rates of reported Part I Crimes, which includes both violent and nonviolent crimes within the City of Miami Area. The Area is also prone to storm water flooding problems, and it is difficult to maneuver in several parts of the Area due to the inefficient and faulty street layout (e.g., numerous no-thru and one way streets).

In order to spur growth and improvement of the existing conditions in the Omni Area, the City of Miami initiated the preparation of the Omni Area Redevelopment Plan, attached as Exhibit "B". Preparation of the Plan was undertaken jointly by the City of Miami Department of Development and its Planning Department. In order to determine the extent of blighted conditions in the Area, the Dade County Department of Housing and Urban Development and the City of Miami jointly undertook a building by building structural condition analysis of the Omni Area.

The City of Miami is requesting the creation of a tax increment redevelopment district for the Omni Area. In order to accomplish this, they seek a declaration of the entire Area to be slum or blighted, and in need of rehabilitation, conservation, or redevelopment. Based on the survey data provided, the Omni Area contains sufficient blight in order to make these findings.

MEMORANDUM REPORT

TO: Office of Community and Economic Development  
Metropolitan Dade County, Florida

FROM: GA/Partners Incorporated

SUBJECT: Omni Area Redevelopment Plan

DATE: June 30, 1987

This Memorandum Report is prepared in accordance with our contract with the Office of Community and Economic Development (OCED) approved by the Board of County Commissioners on May 19, 1987. The purpose of this report is to provide our assessment of the Omni Area Redevelopment Plan, dated September, 1986 and amended June 17, 1987. Associated with us in the preparation of this report are the following three firms: WRT, Inc.; Casella & Associates; and Holland & Knight.

Report Context

GA/Partners, in association with the three firms named above, was selected to conduct a study designed to assist OCED and the Board of County Commissioners in formulation of a Redevelopment Designation Policy. A primary focus of the study is to determine whether use of tax increment financing as a redevelopment tool is desirable and to what extent. As originally envisioned, the study was to be conducted in two phases. The first phase, estimated to require 60 to 75 days to complete, was to evaluate the advisability of undertaking redevelopment through the use of tax increment financing and to define policies and procedures for designating tax increment redevelopment districts, if appropriate. Then, in the second phase of the study, we were to evaluate up to six proposals by specific areas seeking to use tax increment financing to stimulate redevelopment. The evaluation of these proposals was to be made in the context of the policies and procedures recommended at the conclusion of the study's first phase. It was anticipated that a proposal by the Omni Area for designation as a tax increment redevelopment area, first considered in ordinance form by the County Commissioners in December, 1986, would be one of those evaluated. As originally envisioned, the evaluation of this proposal would be completed within six months of the study's commencement date.



After our firm was selected to perform the study but prior to the time our contract was approved, it became apparent that the study timetable originally envisioned could negatively impact the Omni Area Redevelopment Plan which is, in part, predicated on receipt of designation and establishment of the redevelopment trust fund prior to the time the Dade County's interim taxroll for 1987-88 is approved by the State of Florida's Department of Revenue. State approval is expected in July or August, 1987. Specifically, a major assumption of the Omni Area Redevelopment Plan is that the district will immediately capture the increment that will result from the placement of the Plaza Venetia Condominiums on the taxrolls. Capture of this increment will only be possible if the area is designated as a redevelopment district and the trust fund established prior to the time the interim taxroll is approved by the State.

Given the circumstances just described, we were requested to modify the original study approach to provide for an evaluation of the Omni Area Redevelopment Plan as the study's first task. It was recognized by OCED that such modification would mean that we and the firm's associated with us would only be able to evaluate the Omni Area Redevelopment Plan based on our general expertise rather than in the context of the recommended set of policies and procedures for Redevelopment Designation that will result from the study effort.

#### Summary of Findings

The following are our principal conclusions regarding the proposed Omni Area Redevelopment Plan:

- Given conditions in the Omni Area, we believe that a resolution declaring the area to be slum and/or blighted merits support. Factors contributing to this conclusion are: the presence of a substantial number of dilapidated structures, both residential and non-residential; the presence of vast amounts of vacant and underdeveloped land; an increasing number of vacant and/or abandoned structures; and a high crime rate. Also contributing to this conclusion is the decline in assessed valuation within the area between 1985 and 1986.

- Based on our review of the Omni Area Redevelopment Plan dated September, 1986 and its addendum dated June 17, 1987, we believe that the plan as amended generally conforms with the requirements for such a plan stated in Subsections 360 and 362 of F.S. Chapter 163.
- Adoption of the Omni Area Redevelopment Plan will represent a first year commitment of approximately \$640,000 in revenues which the County would have available for other uses if the Plan were not adopted. This figure represents the County's share -- 42.6 percent -- of the estimated \$1.5 million in total tax revenues expected from the Plaza Venetia project when it is placed on the taxrolls. The figure equates to approximately .2 percent of the funds raised by the County in 1986 for its general fund through ad valorem taxes. The dollar value of the County's commitment will vary after the first year based on revisions in the assessed value of Plaza Venetia and the other property in the Omni Area.
- A decision to not adopt the Omni Area Redevelopment Plan would mean that the County would have the monies defined above for use with respect to its other pressing needs. This potential benefit could, all or in part be transitory if the decline in assessed valuation within the Omni Area experienced between 1985 and 1986 continues. The extent to which such continued decline occurs is difficult to predict. However, we believe that continued decline is likely given conditions in the area.
- The fact that an area is slum and/or blighted and assessed valuations within it are declining does not necessarily mean that it should be designated a tax increment financing district. Experience shows that the efficacy of tax increment financing as a redevelopment tool is sensitive to the

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existence of market supports within the Redevelopment Area.

- The Omni Area Redevelopment Plan recognizes that redevelopment in the area is not likely to occur if reliance is placed solely on the normal commercial and residential markets. In order to stimulate the market, the Plan proposes to use proceeds from a tax increment revenue bond to acquire sites for a catalytic use or uses. The Plan identifies several potential catalytic uses including an apparel mart, exhibition center and media/film district. The Plan states that the feasibility of none of these uses has been determined. (Note: Market and financial feasibility analysis is not specifically required for inclusion in a Redevelopment Plan under F.S. Chapter 163.)
- The catalytic uses identified in the Plan may be conceptually valid given existing activities within the area; however, the probability of attracting any such uses, their feasibility, and the extent to which they are likely to stimulate other redevelopment activity is uncertain. In our opinion, detailed market and economic feasibility studies are essential and ought to be provided prior to actions to implement (but not necessarily to adopt) a Redevelopment Plan.
- As a result of the questions concerning Plan feasibility just described, the decision confronting the County Commission is one of risk assessment. Essentially, it must make a judgement whether to adopt a plan which is uncertain in terms of its probabilities for success or not adopt the plan, thereby taking no overt action to stem a possible continued decline in assessed valuation within the area.
- While a decision to adopt the Omni Area Plan has risks associated with it, steps can be taken up front to manage the risks.

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Illustratively, the County can insert a "sunset" provision into the interlocal agreement delegating redevelopment powers to the City of Miami which causes adoption of the Plan and establishment of the tax increment district to be repealed if progress toward plan implementation is not achieved in a reasonable timeframe. It can also retain oversight regarding the developer solicitation process including approval of the intended catalytic use and the studies documenting the feasibility of such use and effects on the market. Further, it can insist in its delegation of powers that all modifications to the Plan, including its stated uses of funds and financing approach, require County approval. Finally, it can retain authority for the issuance of bonds.

-- A factor to be considered in deciding whether or not to adopt the Plan and create the redevelopment trust fund relates to the Plan's proposed financing approach. Specifically, the Plan proposes the issuance of \$11.5 million worth of tax increment bonds in 1988 or 1989 to finance Phase I capital improvement projects. The monies required to service this obligation would solely be tax increment revenues. Bonds solely backed by tax increment revenues have been successfully sold by a district in Orlando and will be issued by Clearwater this summer. However, the sale of such bonds requires an established track record for generating increment. Typically, the first bonds issued by a district requires a pledge of revenues from a secondary source such as parking or utility taxes.

-- The specific facts and circumstances associated with proposed Omni district if approved at this time are such that it will generate immediate increment revenues as a result of Plaza Venetia's inclusion in the 1987-88 taxrolls. Accordingly, the district's ability to establish credibility in terms of increment generation likely will

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be more quickly achieved than is typically the case.

- Bonds issued by other districts with tax increment as the sole pledge have all been tax exempt. Based on the data provided in the Plan, it is not possible to determine whether this will be the case for the proposed Omni District.
- In conclusion, adoption of the Omni Area Redevelopment Plan is by no means certain to cause revitalization to occur in its target area. Nevertheless, the County Commission should give careful consideration to its adoption since it represent a possible method for reversing area deterioration which, in turn, is causing the County's tax base to erode. If the plan is adopted, appropriate action should be taken to establish procedures for managing the risk associated with the Plan.

#### Tax Increment Financing for Redevelopment

Tax increment financing was first conceived as a tool for financing redevelopment in California in 1952. By 1985, thirty-three states in the United States had adopted enabling legislation in one form or another. Florida's enabling legislation was passed in the 1977 legislative session as an amendment to F.S. Chapter 163. Since its passage, in excess of 30 Florida cities have taken steps to use tax increment financing for redevelopment. Within Dade County, there are presently two redevelopment districts capable of utilizing tax increment financing, South Beach in Miami Beach and Southeast Overtown/Park West in Miami.

The basic procedures for establishing a redevelopment district capable of utilizing tax increment financing are outlined in F.S. Chapter 163, as amended in 1984. Also affecting the establishment of a tax increment redevelopment district are provisions of the Federal Tax Code, particularly if the intent of the district is to issue tax exempt bonds. It should be noted that there are certain areas of discrepancy between F.S. Chapter 163 and the 1986 Tax Law.

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The process for establishing a redevelopment district capable of using tax increment financing begins with adoption of a resolution by the appropriate local governmental body(ies) that finds that the subject area is "slum" or "blighted" and that rehabilitation or redevelopment of the area is necessary "in the interest of public health, safety, morals or welfare of the residents" of the county or municipality in which the area is located. Within F.S. Chapter 163, a number of factors are identified as causing an area to be slum or blighted and a finding of necessity can be made based on the presence of one of more of these factors in the subject area. The 1986 Tax Law is more restrictive, stating that if tax exempt bonds are to be issued more than one factor must be present.

Once an area is designated as slum or blighted, F.S. Chapter 163 provides for establishment of a community redevelopment agency. The next step in the process is preparation of a community redevelopment plan, the specifications for which are set forth in subsections 360 and 362 of the Statute. Approval of the redevelopment plan is a precondition for the creation of a redevelopment trust fund, which represents the first step in the redevelopment implementation process. It is at this point that the tax base in the designated redevelopment area is "frozen".

Based on the experience of the firms comprising our consulting team and our review of the experience of other redevelopment areas utilizing tax increment financing, the procedures just described are usually taken in a series of steps. In the case of the Omni Area, the proposed approach is to move through all the steps including the finding of necessity, plan adoption, and establishment of the trust fund at one time in order that all requisite actions are completed prior to the approval of the 1987-88 interim taxroll by the State of Florida. As we proceed through our study to the point of formulating recommended policies and procedures for Redevelopment Designation, it is our intention to examine whether the approach being used for the Omni Area is one which should be continued. However, the focus of this analysis is an evaluation of the merits of the Omni request for designation not the procedures being used.

#### Omni Area Redevelopment Plan Summary

The area being considered for designation as a redevelopment area under the provisions of F.S. Chapter 163 is located within the City of Miami, immediately north of that City's Central

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Business District and in close proximity to the Southeast Overtown/Park West redevelopment area. The area is bounded by I-395 to the south, the FEC right-of-way to the west, N.E. 20th Street to the north, and Biscayne Bay to the east. The Plan notes that while the area has been the location of some major investment in recent years, notably the Omni/Venetia complex, it remains generally underdeveloped and, in fact, has evidence of blighting. The objective of the Plan would be to encourage development of the Omni Area consistent with the City of Miami's Comprehensive Neighborhood Plan, dated September, 1985, as a "high intensity commercial/office/residential district with pedestrian amenities, adequate parking, improved vehicular access, and preservation of historic structures".

Within the Plan, the approach for accomplishing the above stated objective is outlined to include the following elements:

- Zoning modifications.
- Specified traffic and streetscape improvements.
- Improved code enforcement and police protection.
- Land acquisition/disposition to provide sites for "catalytic" commercial development.
- Establishment of a tax increment district.

The Plan recommends establishment of a tax increment district as a means for funding certain of the identified traffic and streetscape improvements and for land acquisition of one or more identified target parcels. It further indicates that no public acquisition of residential properties is proposed and that "priority consideration" for the acquisition of properties will be given to vacant land and vacant commercial structures. It anticipates issuance of an \$11.5 million tax increment bond in 1988 or 1989, the proceeds of which would be for first phase capital improvement projects which would include:

Streetscape Improvements on	
Biscayne Boulevard	\$2,000,000
Land Acquisition	\$9,000,000

The initial bond issue proposed in the Plan was sized to be supportable by an annual tax increment of \$1.5 million. The primary source of the anticipated increment is expected to be Plaza Venetia, assuming that the project comes into the taxrolls after the redevelopment district is designated and trust fund created, as described previously. Tax increment revenue is the only identified source of debt service monies for the proposed bond issue in the Plan. Based on current millage rates, 42.6

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percent of the increment would be funded with County funds, 57.4 percent with City of Miami funds.

The Plan indicates that Phase II Capital Improvement projects would include additional transportation and streetscape work totalling \$2.56 million and a transit connection to the Miami Beach Convention Center at undetermined cost. Specific timing and financing approaches for the Phase II Capital Improvements are not provided, though the Plan indicates that all Phase I and Phase II activities will be completed by the project's 20th year and that all indebtedness will be retired by the 30th year.

A central element of the Plan is the concept of land acquisition as the sites for catalytic projects. In essence, the Plan recognizes that while the area is generally desirable in terms of location and likely to be positively impacted by continued growth in the Central Business Districts immediately to the south, substantial redevelopment will probably not occur if reliance is placed solely on the primary commercial and residential markets. Accordingly, it anticipates that the catalyst to redevelopment will have to be attraction of a special use or uses to the area that will spin-off additional opportunities for development. Several such uses are suggested in the Plan including a media/film district, exhibition center, and apparel mart. However, the Plan clearly states the feasibility of none of these uses have not been determined to date. The Plan also does not attempt to predict the level of spin-off development which could result from such catalytic project or projects.

#### Finding of Necessity

As previously discussed, the first step that must be taken before an area can be designated as a redevelopment area capable of using tax increment financing under F.S. Chapter 163 is adoption of a resolution finding that the area is slum or blighted in a manner consistent with definitions provided within the Chapter and that rehabilitation of redevelopment of the area is in the public interest. The City of Miami has already made such a finding which assures that the district can, if appropriate, issue "qualified redevelopment bonds" in the future under the provisions in the 1986 Tax Law. While there is uncertainty in our minds whether the County also needs to take such action, it is the opinion of the County Attorney that it must to be in compliance with State law.

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Evidence of slum and/or blighted conditions within the Omni Area has long been recognized. This is particularly true of the area west of Biscayne Boulevard, south of N.E. 17th Street, which was declared slum and/or blighted by a resolution passed by the Board of County Commissioners in January, 1981. Factors contributing to the declaration of West Omni as a slum and/or blighted area included: the presence of a substantial number of dilapidated structures, both residential and non-residential; the presence of non-conforming uses; a vast number of vacant lots; and an increasingly high crime rate. Since that time, few major improvements have been undertaken within the West Omni Area and two major facilities, the Sears and Jefferson's stores, have been vacated.

At the time the West Omni Area was declared slum and/or blighted in 1981, the area east of Biscayne Boulevard appeared to be relatively healthy and, indeed, on the verge of redevelopment. However, other than from the Venetia Complex, no significant redevelopment has occurred with the result that the area today continues to be underdeveloped with 30 to 35 percent of the area being used for surface parking and the majority of structures only one to two stories in height. In addition, the area seems to be showing signs of decline with vacant stores present both along the Biscayne Boulevard frontage and in a number of residential structures on side streets that were converted to retail use over the years. Other signs of decline are the fact that assessed values in the area declined by 2.3 percent between 1985 and 1986 and that the area has the highest localized rate of petty crime within the City of Miami. It was these factors that caused the City of Miami to declare the entire Omni Area, including the portion east of Biscayne Boulevard, slum and/or blighted.

Our firm and others on our consulting team have inspected the Omni Area and reviewed data on conditions within the area contained in the Plan together with other materials provided to us by OCED, Dade County's Department of Housing and Urban Development as well as by the City of Miami's Department of Development. Based on the facts set forth in the Plan and other materials reviewed and our tour of the area, we believe that a resolution by the Board of County Commissioners declaring the entirety of the Omni Area as slum and/or blighted at this time is supportable.

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Evaluation of the Redevelopment Plan

As presently discussed, F.S. Chapter 163 requires that a redevelopment plan be adopted by the governing body prior to the creation of a redevelopment trust fund for an area designated as slum and/or blighted. Specifications for the requisite redevelopment plan are outlined in Subsections 360 and 362 of the Statute. We have reviewed the Omni Area Redevelopment Plan dated September, 1986 and the addendum dated June 17, 1987 to ascertain whether the Plan as amended is in compliance with the statutory specifications. At this time, we believe that the Plan generally conforms and, therefore, should be considered on its merits by the Board of County Commissioners.

Designation of the Omni Area as a redevelopment area and creation of its trust fund prior to State approval of the 1987-88 interim taxroll essentially means that the County will be immediately committing approximately \$640,000 in annual tax revenues to the area which would otherwise be available for other purposes. This figure represents 42.6 percent -- the County's share -- of the estimated \$1.5 million in tax revenues that Plaza Venetia is expected to produce. (This figure assumes that millage levied by the County for the Library District (.450) and Fire and Rescue District (2.255) would be exempted from the increment calculation, leaving the increment to be based solely on the 7.295 mills levied for County-wide operations.) Given that Dade County is at its 10 mill cap and must carefully ration its available resources, the central question in deciding whether or not to designate Omni a tax increment district is whether commitment of these monies is sufficiently in the public interest.

As indicated previously, a decision to not adopt the Omni Plan would make the tax revenues generated from Plaza Venetia available for other pressing needs within the County. However, if the decline in assessed valuation experienced in the Omni Area between 1985 and 1986 continues, the benefit produced by taxes on Plaza Venetia could, all or in part, be transitory. It is, of course, difficult to predict in specific terms whether the decline will continue and to what extent. However, it is our opinion that conditions within the area are such that a continued decline in the area's assessed valuation is possible if actions to redevelop the area are not taken.

The fact that an area is slum and/or blighted and has declining assessed valuations does not necessarily mean that it should be designated a tax increment district. Indeed, there are

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many slum and/or blighted areas where tax increment financing will never stimulate redevelopment. Our review of other tax increment districts shows that an essential ingredient for the successful use of tax increment financing for redevelopment purposes is the presence of market supports that will respond once primed by catalytic projects and/or necessary infrastructure or beautification efforts.

As discussed previously, the Omni Area is a desirable one in terms of its location and is likely over time to be positively impacted by continued growth in Miami's Central Business District. However, as the Plan states, substantial redevelopment of the area will probably not occur if reliance is placed solely on the primary commercial and residential markets. We believe that the drafters of the Omni Plan should be complemented for their frankness in this regard because experience elsewhere has all too frequently shown that many redevelopment plans are based on overly optimistic projections of market support. We further believe that their concept of seeking a catalytic or anchor use for the area as a way to stimulate the market is a potentially meritorious one, depending on the nature of the catalytic use and its feasibility.

Within the Plan, several potential catalytic uses are suggested including a film/media district, an exhibition center, and an apparel mart. The desirability of the Omni Area relative to other areas of the City and/or County for an exhibit center is one that is being deliberated in other forums; therefore, suffice it to say that the ability to locate an exhibit center within the area is uncertain. The feasibility of the other two proposed catalytic uses has, according to the Plan, not been fully studied prior to formulation of the Plan.

Conceptually, an apparel mart and/or media/film district would appear reasonable propositions given certain existing activities within the area. We are, however, concerned whether either or both are feasible since our prior experience with "created projects" such as these has shown that they are frequently quite difficult to implement. Perhaps as important, we are uncertain, from other comparable situations we can identify, as to the extent to which such projects cause spin-off development to occur. The experience of the Omni itself shows that not all anchor uses produce spin-off effect since the area is in decline despite the presence of the Miami Herald, WLRN and the School Board complex within it.

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Stated another way, the Omni Plan embodies a concept for area redevelopment that may be conceptually valid but one which is undefined in terms of its probability for success. Accordingly, when the County Commission considers its adoption, it will essentially be asked to assess the relative risks associated with the Plan and those associated with the potential for continued decline in the area's assessed valuations and to decide which risk it is willing to accept.

A decision to not adopt the Plan means that an opportunity to reverse the deterioration of the area's tax base will pass. It is uncertain when another such opportunity will again be available. By contrast, the County can manage the needs associated with the adoption of the Plan. Illustratively, the County can insert a "sunset" provision in the interlocal agreement delegating redevelopment powers to the City of Miami which will cause adoption of the Plan and the establishment of tax increment district to be repealed if progress toward plan implementation is not achieved in reasonable timeframes. It can also retain oversight regarding the developer solicitation process including approval of the intended catalytic use and the studies documenting the feasibility of such use and effects on the market. Further, it can insist in its delegation of powers that all modifications to the Plan, including its stated uses of funds and financing approach, require County approval. Finally, it can retain authority for the issuance of bonds.

A factor that must be considered in making the decision just framed relates to the feasibility of the proposed financing approach. As previously indicated, if the Plan is adopted and the redevelopment trust fund created, the intention is to float a \$11.5 million bond issue in 1988 or 1989 to fund the Phase I capital improvement projects. The only stated source of monies to repay this obligation would be tax increment revenues. Our research of other tax increment districts in Florida indicates that bonds for which the sole pledge has been tax increment revenues have been successfully marketed. However, bonds solely backed tax increment revenues are typically saleable only after the district has an established track record for generating increment revenues. Before that occurs, a pledge of secondary revenues from parking or utility taxes are usually required.

Given the specific circumstances associated with the proposed Omni district, particularly its ability if approved in a timely manner to immediately capture increment from Plaza Venetia, it is possible that the credibility of the district in terms of its revenue generating capacity will be more quickly

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established than is typically the case. Risks relating to continued downward adjustments in the area's existing tax base either by actions of the Property Appraiser or the appellate procedures available to property owners will, of course, exist. However, these are considered normal risks for such issues, are fully disclosed in the offering document and have not prevented Orlando from successful bond offerings based solely on tax increment revenues. Clearwater anticipates the sale of bonds solely backed by increment revenues this summer with similar disclosures being made.

It should be noted that the experience of the other districts referred to all related to the issuance of tax exempt bonds. Based on the information contained in the Omni Area Redevelopment Plan, it is not possible to determine whether the proposed bond issue would be tax exempt. The uncertainty relates to the fact that a portion of the monies raised will be used for the acquisition of land which may subsequently be transferred to persons other than governmental bodies and for uses not specifically defined. Depending on the specific facts and circumstances which emerge, a portion of the bonds may, in fact, be private activity bonds. A determination of whether or not such bonds will be "qualified redevelopment bonds", therefore tax exempt, will be based factors which are presently unknown.

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