FINDING OF NECESSITY
City of Opa-Locka, Florida

April 2010





City Commission

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ACKNOWLEDGE



Finding of Necessity

Prepared for the City of Opa-Locka
by Carras Community Investment, Inc.

Staff Acknowledgements

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Carras Community Investment, Inc. (CCI, Inc.) was hired by the City of Opa-Locka to examine the slum and blight conditions within the city boundaries, assess the need for a Community Redevelopment Area, and complete a Finding of Necessity.

CCI, Inc. is a nationally recognized leader in implementing asset-based strategies for community economic development. Assignments have ranged from influencing national policy on community investment and economic development to creating local financing and funding partnerships across the country. Over the past thirty years, CCI, Inc. has provided planning services to over 200 clients across the country, resulting in over \$10 billion of investment in underserved communities. Our experience ranges from providing market analysis and strategic planning to developing finance and implementation plans. Our professional expertise in affordable housing, redevelopment, and economic development includes advisory services in market analysis, strategic planning, and financing.

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PURPOSE

Community Redevelopment

There are hundreds of agencies across the State of Florida focused on eliminating and preventing slum and blight, reducing and preventing crime, and providing affordable housing in redevelopment areas.

According to Florida Statutes, a Community Redevelopment Area (CRA) is "a slum area, a blighted area, or an area in which there is a shortage of housing that is affordable to residents of low or moderate income, including the elderly, or a coastal and tourist area that is deteriorating and economically distressed due to outdated building density patterns, inadequate transportation and parking facilities, faulty lot layout or inadequate street layout, or a combination thereof which the governing body designates as appropriate for community redevelopment".

By designating a set of boundaries as a CRA, local governments can create a Community Redevelopment Agency with powers and authority to eliminate slum and blight in the community. Most notably, a jurisdiction may use a portion of the property taxes within a CRA to finance redevelopment (i.e. Tax-Increment Financing). The projected "tax increment", or difference between the current taxes generated under blighted conditions and future taxes anticipated after improvements, is set-aside in a Redevelopment Trust Fund to finance necessary public investments in the area. The Community Redevelopment Agency may also use these funds to issue revenue bonds. Eligible investments include those activities previously identified in the area's Community Redevelopment Plan.

Legal Framework

In Florida, the creation of a CRA is governed by the Redevelopment Act of 1969. The legislation outlined in Florida Statutes allows local governments to designate a CRA if and when certain conditions exist (such as substandard structures, inadequate infrastructure, and a shortage of affordable housing). In order to do so, the governing authority must first complete a Finding of Necessity, a detailed study documenting the conditions.

Florida Statutes, Chapter 163, Part III

163.355 Finding of necessity by county or municipality.--No county or municipality shall exercise the community redevelopment authority conferred by this part until after the governing body has adopted a resolution, supported by data and analysis, which makes a legislative finding that the conditions in the area meet the criteria described in s. 163.340(7) or (8). The resolution must state that:

- (1) One or more slum or blighted areas, or one or more areas in which there is a shortage of housing affordable to residents of low or moderate income, including the elderly, exist in such county or municipality; and
- (2) The rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas, including, if appropriate, the development of housing which residents of low or moderate income, including the elderly, can afford, is necessary in the interest of the public health, safety, morals, or welfare of the residents of such county or municipality.

In Section 163.340 F.S. the terms "slum" and "blight" are defined as follows:

- (7) "Slum area" means an area having physical or economic conditions conducive to disease, infant mortality, juvenile delinquency, poverty, or crime because there is a predominance of buildings or improvements, whether residential or nonresidential, which are impaired by reason of dilapidation, deterioration, age, or obsolescence, and exhibiting one or more of the following factors:
 - (a) Inadequate provision for ventilation, light, air, sanitation, or open spaces;
 - (b) High density of population, compared to the population density of adjacent areas within the county or municipality; and overcrowding, as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code; or
 - (c) The existence of conditions that endanger life or property by fire or other causes.
- (8) "Blighted area" means an area in which there are a substantial number of deteriorated, or deteriorating structures, in which conditions, as indicated by government-maintained statistics or other studies, are leading to economic distress or endanger life or property, and in which two or more of the following factors are present:

- (a) Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;
- (b) Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such conditions;
- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (d) Unsanitary or unsafe conditions;
- (e) Deterioration of site or other improvements;
- (f) Inadequate and outdated building density patterns;
- (g) Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality;
- (h) Tax or special assessment delinquency exceeding the fair value of the land;
- (i) Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality;
- (j) Incidence of crime in the area higher than in the remainder of the county or municipality;
- (k) Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;
- A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality;
- (m)Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area; or
- (n) Governmentally owned property with adverse environmental conditions caused by a public or private entity.

However, the term "blighted area" also means any area in which at least one of the factors identified in paragraphs (a) through (n) are present and all taxing authorities subject to s. 163.387(2)(a) agree, either by interlocal agreement or agreements with the agency or by resolution, that the area is blighted. Such agreement or resolution shall only determine that the area is blighted. For purposes of qualifying for the tax credits authorized in Chapter 220, "blighted area" means an area as defined in this subsection.

OVERVIEW

The City of Opa-Locka

The Arabian-themed City of Opa-Locka once rivaled the Spanish-renaissance of Coral Gables. Over one hundred Islamic-inspired buildings canvased the landscape - the greatest collection of Moorish Architecture in the western hemisphere.

Founded during the real estate boom of the 1920s and incorporated in 1926, nothing not even a hurricane - could stop the City's initial growth. During it's heyday, the City of Opa-Locka boasted a zoo, golf course, swimming pool and one of South Florida's first airports. Much of the economy during that time was surrounded around the aviation industry. The airport was home to the Glenn Curtiss Aviation School and Naval Reserve Aviation Training Base (later becoming the Naval Air Station Miami and Marine Corps Air Station Miami). The Opa-Locka Airport was also the site of famous voyages, including the All-American Air Races and Maneuvers, the international Graf Zeppelin flights, and Amelia Earhart's attempted journey around the world.

A Community in Decline

Built on the aspirations of an aviator in the mid-1920s, the City has struggled to fit into a post-World War II society. As the war came to a close, military uses steadily declined, and, in 1962, the armed forces transferred the final portion of their air station to Miami-Dade County. The City's economy suffered immensely with the closure of the air base, leaving many residents without jobs. Most of the passenger and cargo air traffic was transferred to the newer and larger Miami International Airport, and many of the residents moved to the suburbs. The result was a drastic shift in economics and demographics, from a predominately white middle-class community to a minority-based low-income area.

The City has yet to fully recover. Over the past twenty years, Opa-Locka has seen little development and stagnant population growth. The low-income, high-poverty community faces serious economic and social challenges in the next decade, including rising crime and crumbling infrastructure.

Study Area

While conditions in most parts of the City could be considered "blighted", Florida Statutes state that a new CRA cannot be greater than 80 percent of the City. Therefore, the City focused the study on the Ali Baba Corridor, where much of the deterioration has occurred.

Ali Baba Corridor

The original Opa-Locka streets are all named after characters and places from the Arabian Nights, a popular series of books and movies when the City was founded. The most famous Arabian-themed street is Ali Baba.

Ali Baba Avenue serves as one of the City's primary corridors, connecting the community to major thoroughfares and highways and running alongside the City's only rail line. Much of the City is centered along the roadway, including residential (Magnolia North, Magnolia Gardens, and the Barracks), industrial (Opa-Locka and Le Jeune Industrial Parks), and commercial areas (City Center). The street itself is encompassed by low end commercial and industrial uses.

Magnolia North

The nine-block "triangle" forming Magnolia North is well known for it's violence and drug use, giving Opa-Locka the reputation as one of the most dangerous cities in America. Churches and religious institutions are dispersed throughout the residential neighborhood, but widespread vacancies have become breeding grounds for unlawful activity. Nearly all the buildings in the area are in some form of deterioration, needing either mild improvements or major repairs. The City has condemned several unsafe structures and boarded several blocks of multifamily housing. However, visual inspection reveals that some of these homes are still being occupied by homeless individuals or being used for illicit crimes.

Further, the neighborhood is completely isolated from the rest of the City. None of the roadways align with the surrounding community and almost every street terminates in a dead end. In 1986, the City added metal guardrails to restrict traffic in and out of the area, but the barriers have also resulted in further isolation.

Magnolia Gardens

Magnolia Gardens consists mostly of single family homes, most of which require some form of rehabilitation. It also encompasses a 7.5-acre site zoned for townhouse development. The vacant land abuts Ingram Park, but, the contaminated site has yet to be developed.

Opa-Locka Industrial Park

Immediately adjacent to Magnolia North is the Opa-Locka Industrial Park. Although most of the area is industrial, portions of Northwest 27th Avenue are zoned for commercial use. Numerous vacancies, including large vacant warehouses and scattered commercial sites, plague the neighborhood.

City Center

The City of Opa-Locka is centered on Ali Baba Avenue and Opa-Locka Boulevard. The City core once contained a brilliant collection of Moorish Architecture. Although some structures still exist, many of the historic buildings - including the Opa-Locka City Hall and Opa-Locka Railroad Station - are decaying. Other properties in the area are simply underutilized.

The Barracks

The old army barracks are located directly across the street from the former airbase. While they provided adequate living quarters for the soldiers both before and after World War II, they have since become antiquated. Still, the small quarters were converted to condominiums and sold during the housing boom. Now, many face foreclosure. The multifamily homes to the north, many built during the 50s and 60s, are aging and deteriorating.

Le Jeune Industrial Park

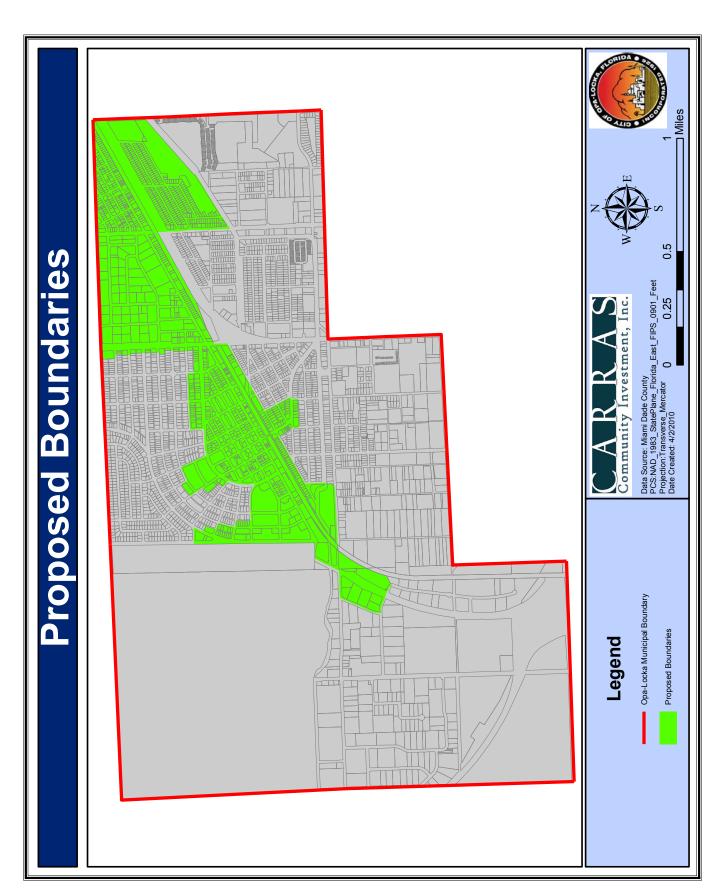
With a strong cluster of businesses supporting the airline industry, most of the Le Jeune Industrial Park is thriving. However, the portion of the industrial park that is included within the boundaries contains large vacant parcels.

Boundaries

The City of Opa-Locka is located in the northwest quadrant of Miami-Dade County, Florida, surrounded by Miami Gardens, Hialeah, and unincorporated areas of the County.

The proposed CRA follows the Ali-Baba Corridor, which runs on a diagonal through the center of the City. A description of the CRA boundaries is as follows:

Commencing at the intersection of Ali Baba Avenue and Northwest 151st Street, the CRA boundaries extend east approximately 0.12 miles to the Opa-Locka city limits, then south approximately 0.25 miles following the northeast city border, then southwest on a 230 degree angle 0.35 miles to Burlington Street, then southwest on Burlington Street to Northwest 22nd Avenue, then north to the northside of State Road 9, then southwest to Burlington Street, then southwest to Sinbad Avenue, then southeast to Opa Locka Boulevard, then south for approximately 0.3 miles, then west to Perviz Avenue, then north to West Drive, then northwest for approximately 0.7 miles to Burlington Street, then southwest to Sesame Street, then south to Northwest 135th Street, then southwest along the railroad tracks for approximately 0.23 miles, then southwest for approximately 0.05 miles to the intersection of Northwest 38th Avenue and Northwest 132nd Street, then west on Northwest 132nd Street to Northwest 38th Court, then northeast to Northwest 135th Street, then east to Northwest 37th Avenue, then northeast to Ali Baba Avenue, then west to Northwest 37th Avenue, then north to Golf Course Boulevard, then east to Jann Avenue, then southwest approximately 0.05 miles, then southeast on a 295 degree angle approximately 0.03 miles, then southwest to Beder Street, then west to Sharar Avenue, then south to Curtiss Street, then west for approximately 0.03 miles, then south to Sabur Lane, then west to Sharazad Boulevard, then northeast to Bagdad Avenue, then northwest approximately 0.06 miles, then northeast at a 215 degree angle for approximately 0.03 miles, then northwest at a 314 degree angle for approximately 0.03 miles, then northeast to Perviz Avenue, then northwest for approximately 0.07 miles, then northeast to Banu Avenue, then southeast to Dundad Avenue, then northeast to Bahman Avenue, then southeast to Sharazad Boulevard, then west to Codadad Street, then north to Sesame Street, then west to Kalandar Street, then south approximately 0.03 miles, then west approximately 0.1 miles, then north following the property boundaries to Northwest 151st Street, then west to the point of commencement.



Criteria for Determining Slum and Blight

In order to designate a CRA, a governing authority must identify at least one (or in some cases, two) slum or blight conditions. The proposed Opa-Locka CRA meets all of the criteria for slum and blight.

Conditions of Slum

- ✓ Inadequate provision for ventilation, light, air, sanitation, or open spaces
- ✓ High density of population and overcrowding
- ✓ Conditions that endanger life or property

Conditions of Blight

- ✓ Inadequate street layout, parking, roadways, bridges, or transportation
- ✓ Stagnant property appreciation
- √ Faulty lot layout
- ✓ Unsanitary or unsafe conditions
- ✓ Deterioration of site or other improvements
- ✓ Inadequate and outdated building density patterns
- √ Falling lease rates
- ✓ Tax or special assessment delinquency
- ✓ Higher residential and commercial vacancy rates
- ✓ More incidences of crime
- ✓ Increased in fire and emergency medical service calls
- ✓ Prevalence of code violations
- ✓ Ownership or title conditions preventing free alienability of land
- ✓ Governmentally owned property with adverse environmental conditions

ANALYSIS

Demographic Conditions

Population Stagnation

Over the past fifty years, Opa-Locka has grown at a much slower pace than the rest of Miami-Dade. During that time, the County's population, estimated at 2.5 million residents by the Florida Office of Economic and Demographic Research (EDR), has grown three times as fast as the City's populace. Moreover, growth in the City over the past two decades has been stagnant. The City's population in 2009 (estimated by EDR at 15,284 residents) is roughly the same as it was in 1990, with a net growth of only one person in 19 years. The chart below illustrates the City and County population growth from 1960 to 2009.

TABLE 1: Population Growth from 1960 to 2009

	2009*	2000	1990	1980	1970	1960
Miami-Dade	2,477,289	2,253,779	1,937,194	1,625,781	1,267,797	935,047
County	1 0%	1 6%	▲ 19%	▲ 28%	▲ 36%	A
Opa-Locka	15,284	14,951	15,283	14,460	11,902	9,810
City	▲ 2%	▼ 2%	▲ 6%	▲ 21 %	A 21%	A

Source: U.S. Census Bureau, 2000 Census; Florida Office of Economic and Demographic Research

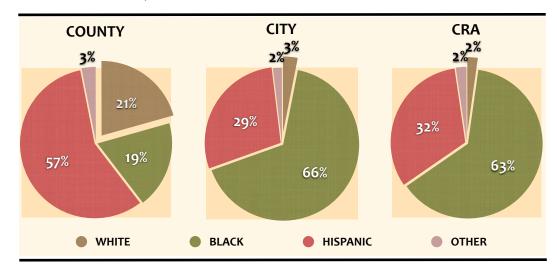
*Estimate

Minority Concentration

Opa-Locka's population began to shift during the 50s and 60s. White residents moved to the suburbs, making room for growing black populations. The City soon became a predominately minority community, with a large base of black residents and a growing Hispanic population. By 2000, the U.S. Census estimated that 97 percent of the City's population was black, hispanic, or some other minority. This accounts for the highest concentration of minorities in Miami-Dade County. The following graphs show the minority distribution for the County, City and CRA.

TABLE 2: Population by Type (County, City and CRA)

Source: U.S. Census Bureau, 2000 Census



A block by block analysis of the U.S. Census reveals that demographics within the CRA boundaries are similar to that of the City. In 2000, approximately 98 percent of the residents - or 3,360 persons - in the CRA were minorities. Maps 5 and 6 in the Appendix illustrate where the blacks and hispanics live in the City.

Low-Income Concentration

Opa-Locka has become a predominately low-income community. In 2000, the median household income in the City - only \$19,631 - was half that of the State and County¹. Further, Opa-Locka had the second highest concentration of low-income residents in Miami-Dade, with 73 percent of the residents earning less than 80 percent of the area median income.²

Housing Assessment

According to Miami-Dade Property Appraiser's records, there are currently 5,713 residential units in the City and 1,644 units in the CRA. Most of the units (1,108) in the CRA are multifamily dwellings with more than three units. Other housing types include single family homes (447 units), duplexes (72 units), and mixed use buildings (17 units).

¹ U.S. Census Bureau, 2000 Census

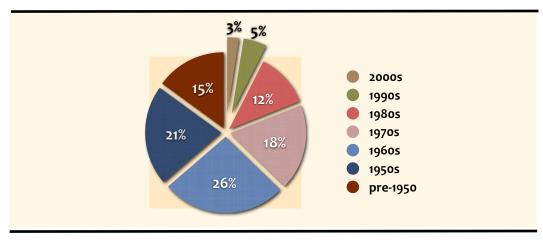
² Miami-Dade County Consolidated Plan, FY 2008-2012

Poor Housing Conditions

Housing conditions are determined by reviewing the age of the housing stock and identifying substandard housing.

Half of Opa-Locka's housing stock was built in the 1950s and 1960s. It is important to note that while older homes tend to be more affordable, they are also exposed to more housing problems (i.e. deferred maintenance, hurricane vulnerability, and substandard housing conditions). Older buildings are also at-risk for lead-based paint hazards and asbestos issues. This is of particular concern in Opa-Locka, where nearly all of the housing stock is 25 years or older and over a third of the units are more than 50 years old. Within the CRA, only three new residences have been built over the past 10 years. The chart below shows the age of existing housing in Opa-Locka and Map 11 in the Appendix illustrates the location of housing by year built.





Housing units are generally considered substandard if they lack complete kitchen or plumbing facilities, have insufficient heating, or are overcrowded. Since Opa-Locka is located in a warm, tropical environment (USDA Zone 10B), lack of heating is not considered a substandard criteria in this analysis. The 2000 Census estimated that 30 percent of households in Opa-Locka were living in substandard conditions, mostly as a result of overcrowding. Approximately 1,420 units in the City were overcrowded, with more than one occupant per room.

Visual inspection of the area identified an even greater issue: an aging inventory combined with years of disinvestment have left most of the housing units in some form of disrepair. Many of the occupied units are now either unsanitary or unsafe. These decaying homes have become a dangerous breeding ground for crime and a potential fire and health hazard for the neighborhood. Code enforcement has worked to

condem a number of these structures, particularly within Magnolia North, but many homeless individuals are still occupying these buildings.

Lack of Affordable Housing

According to the U.S. Census Bureau, the median value of a single family home in the City (\$69,700) was 44 percent less than that of the County (\$124,000) in 2000. In 2009, the Miami-Dade Property Appraiser estimated the median market value had increased to \$123,900. However, most of the sales over the past year were under \$50,000.

Despite relatively low housing costs, most of the City's residents still cannot afford to live in the community. In the 2000 Census, nearly 3,000 households were cost-burdened, spending more than 30 percent of their income on housing costs. With 68 percent struggling to afford their home, households in Opa-Locka have a limited amount of disposable income for other needs (such as transportation and health care).

Further, homeownership rates in the City are extremely low. Only 36 percent of residents in Opa-Locka - as compared with 70 percent in Miami-Dade - own their home.³ Ownership rates are generally linked to neighborhood stability, with low levels often signaling a variety of social problems (i.e. poverty, unemployment, education), as is the case in Opa-Locka.

Social Problems

Poverty Stricken

Miami-Dade is continually ranked as one of the most poverty stricken counties in the country, and Opa-Locka is one of the County's hardest hit communities. The U.S. Census Bureau estimates that 35 percent of individuals and 32 percent of families in Opa-Locka live below the poverty level.

Many of the residents are unemployed or underemployed. In 2009, median wages increased by only 2 percent, while unemployment jumped to 10.7 percent in Miami-Dade County⁴. This is of particular concern in the City, where median wages are traditionally lower and unemployment historically higher.

³ U.S. Census Bureau, 2000 Census

⁴ State of Florida Agency for Workforce Innovation, Labor Market Statistics

In many ways, the residents of Opa-Locka are at a competitive disadvantage when it comes to jobs: the Census estimated that 18 percent reported that they do not speak English very well and 48 percent of the population older than 25 does not have a high school diploma.

Crime Laden

In 2003 and 2004, the Federal Bureau of Investigation (FBI) ranked Opa-Locka as the most dangerous city of its size. While violent crimes have decreased substantially since then (30 percent), overall crime rates have remained the same. In 2008, there were 432 violent crimes and 1,716 property crimes reported. The table below details crime in the City by type and year.

TABLE 4: Crime Statistics (2003-2008)

	2003	2004	2005	2006	2007	2008
Murder/Manslaughter	6	10	8	11	12	13
Forcible Rape	19	14	4	8	7	10
Robbery	227	217	176	182	285	206
Aggravated Assault	381	335	164	226	242	203
Burglary	285	468	703	797	745	818
Larceny-Theft	692	853	626	558	595	570
Motor Theft	159	279	200	237	276	328
Arson	8	26	0	30	1	8
TOTAL	1,769	2,176	1,881	2,019	2,162	2,148

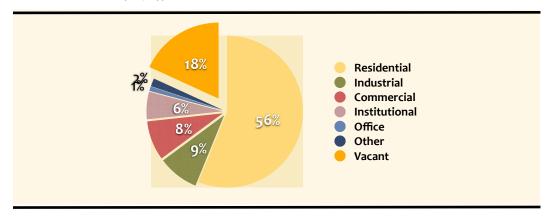
Source: Federal Bureau of Investigation

Physical Conditions

A variety of land uses can be found within the CRA boundaries. Tucked within less than a half square mile are warehouses, manufacturing plants, single family homes, duplexes, apartments, offices, government buildings, schools, parks, and vacant properties. Most of the properties (587) are residential. Other current land uses include industrial (91), commercial (88), institutional (61), office (10), and other (18) property types including parking, utility, and rail. In addition, there are 190 vacant lots in the CRA. The following graphic shows the current land use by type in the CRA.

TABLE 5: Current Land Use in CRA

Source: Miami-Dade Property Appraiser



Unfortunately, many of the uses are either incompatible or outdated. In some instances, heavy industrial zones abut residential properties. Families live across the street from manufacturing plants, and children share the streets with semitrailer trucks. In other instances, the land is simply underutilized. Ali-Baba Avenue is lined with low-end commercial and industrial uses that could be transformed into premiere retail space. The City's central corridor has a number of vacant properties that would provide a good opportunity for transit-oriented development. Maps 8 and 9 in the Appendix illustrate the Zoning Districts and Current Land Use for the City. Some zoning changes may need to be made to insure the future success of the CRA.

Deteriorating Conditions

Vacancies, deterioration, and decay are all evidence of disinvestment in the CRA. The pictures below demonstrate the neglect.

More than half of the City's vacant land can be found in the CRA. Both infill lots and large vacant parcels are scattered throughout the community. Some provide opportunities for redevelopment, others exemplify the need for revitalization. Most of the City's brownfield areas and contaminated lots are contained within the CRA boundaries. Environmental assessments and cleanup are needed to bring these properties back into use. Maps 3 and 10 in the Appendix locate the brownfields and vacant property in the City.







Piles of decaying automobiles, forgotten furniture, and rotting garbage can be found on almost every street corner, signaling the utter distress in the community. Over 500 citations were issued in the last quarter of 2009. Issues ranged from unsightly conditions (overgrown grass, trash, and debris) to safety concerns (lack permits and licenses) to hazardous conditions (illegal dumping and inhabitable buildings).







In some neighborhoods, such as Magnolia North, every building is in some form of disrepair. During physical inspection, special note was taken of unsafe structures or inhabitable living conditions. The consultant team found 22 dilapidated buildings in the nine-block triangle that required either major repairs or demolition. Most had sagging or leaking roofs, broken windows, and unsupported beams. Some have already been condemned, but others are still being occupied.

Lack of Infrastructure

An old wastewater treatment plant sits on the corner of Burlington Street and Codadad Street. The dormant pump station requires substantial updates in order to be brought up to code. In the meantime, the vacant site remains overgrown with brush and overcome by garbage.

Without internal systems, the City of Opa-Locka must contract with the Miami-Dade Water and Sewer Department for potable water and wastewater services. The City also outsources its garbage collection, solid waste removal, and recycling to Waste Management and Miami-Dade County. The City spends millions of dollars each year for these services.

Flooding has become a major issue in the City. Map 12 in the Appendix shows the City's major flood zones, which carry into most of the CRA. The drainage system throughout the City must be updated to regulate flow levels and alleviate stormwater runoff. In addition to updating the water pipes and meter systems, the City needs to improve its roadways, curbs, gutters, and swales.

Defective Street Layout

Opa-Locka is less than one mile away from 1-95 and the Palmetto Expressway. Both State Road 9 and the Gratigny Expressway provide direct access to the highway systems. Other major arterial roads include Northwest 22nd Avenue and Northwest 27th Avenue which run through the CRA.

The City itself is designed on multiple axises. The City Center is aligned around Opa-Locka Boulevard and Ali Baba Avenue which run from the northwest to southeast and northeast to southwest. Curvilinear streets such as Sharazad Boulevard, Sesame Street and Dunad Avenue encompass the historic City Hall, and cross streets like Perviz and Sinbad Avenues radiate into the old residential neighborhoods. Some residential neighborhoods, including Magnolia North and Magnolia Gardens, follow Ali Baba's axis. Other parts of town follow a traditional north-south / east-west grid. When the different grid systems collide, streets terminate in dead ends and dangerous intersections. Angled crossroads lead to poor site lines, difficult crossings, and potential traffic hazards.

Poor Maintenance

While some of the highways have been updated with new pavement and curbing, others are in dire need of maintenance. Conditions include potholes and surface wear on the side streets and gravel access roads along the alleyways. Most notably, however, is the lack of adequate sidewalks and streetscape. A recent survey by the City identified the need for over 100,000 linear feet of new sidewalks in both the residential and industrial neighborhoods.

With thirty percent of households without an automobile, the residents of Opa-Locka rely heavily on public transportation. Several bus lines, including seven North-South routes and three East-West, service the City. Residents also have access to Tri-Rail with a station conveniently located on Ali Baba Avenue. A MetroRail stop has been proposed on the corner of Ali Baba and Northwest 22nd Avenue, but specific plans have not yet been drafted.

Economic Indicators

Decreasing Value

Both property values and rental rates are well below that of the County. Further, market values within the CRA are decreasing. Over the past year, the total property value of the CRA decreased by more than 5 percent, with the largest drops in residential and commercial properties (15 and 17 percent respectively).

City revenue is also affected by tax delinquency. According to the Miami-Dade County Revenue Department, there are 850 delinquent properties in the City of Opa-Locka. Delinquent taxes have accrued over several years, and in some instances, properties owe a substantial sum (more than \$50,000). As of January 2010, a total of \$3,442,534 was owed.

Fiscal Impact

As the City developed the CRA boundaries, it was important to:

- 1) Target redevelopment efforts
- 2) Focus on areas of need
- 3) Ensure the success of CRA
- 4) Maintain adequate revenue for the City

To that end, the City targeted the Ali Baba Corridor and surrounding neighborhoods. The CRA boundaries encompass 0.54 square miles, or 13 percent of the City. The CRA includes 21 percent of the assessed property value, 23 percent of the population, and 29 percent of the housing units. By targeting the redevelopment efforts, the boundaries will allow both the CRA to grow and the City to prosper.

Financing Improvements

The primary tool of a CRA is their ability to generate funding through Tax Increment Financing (TIF). The projected "tax increment", or difference between the current taxes generated under blighted conditions and future taxes anticipated after improvements, can be used to finance necessary public investments in the CRA.

TIF is dependent upon the increase in property values. If there is no increase in value from one year to the next, then there is no TIF. This is of particular concern in the current economy, as decreases in property values are coupled with increases in tax exemptions. The result is a loss in tax revenue for Counties, Cities, and CRAs.

However, a down economy can also be a good time to start a CRA. The CRA may not be able to capture immediate TIF, but, by freezing property values at historic lows, the CRA will fully take advantage of rise in values in the future rise. In the meantime, the City must develop other resources to leverage CRA investment.

RECOMMENDATIONS

Summary

In accordance with Florida Statutes, CCI, Inc. completed a comprehensive analysis of conditions within the City of Opa-Locka and determined that the redevelopment of the community is necessary to ensure the health, safety, morals, and welfare of the residents. The findings are documented throughout this report. Although it is only necessary to meet one or two criteria, the CRA met all of the measures for slum and blight.

Next Steps

CCI, Inc. recommends that the City Commission approves the Finding of Necessity by resolution. The City must give proper notice for the public hearing and inform all other taxing authorities of their desire to approve the findings 15 days prior to the actual adoption of the report. Next, the Finding of Necessity must be approved by the Miami-Dade County Commission. The County follows a three tiered process, meeting first with the TIF Committee, then with the Commission Committee, and finally with the County Commission. In the meantime, the City should begin developing their CRA Plan. The process will include extensive public input, through neighborhood meetings and charrettes. Once both the Finding of Necessity and CRA Plan have been approved, the City can develop a Redevelopment Trust Fund for purposes of funding projects within the CRA.

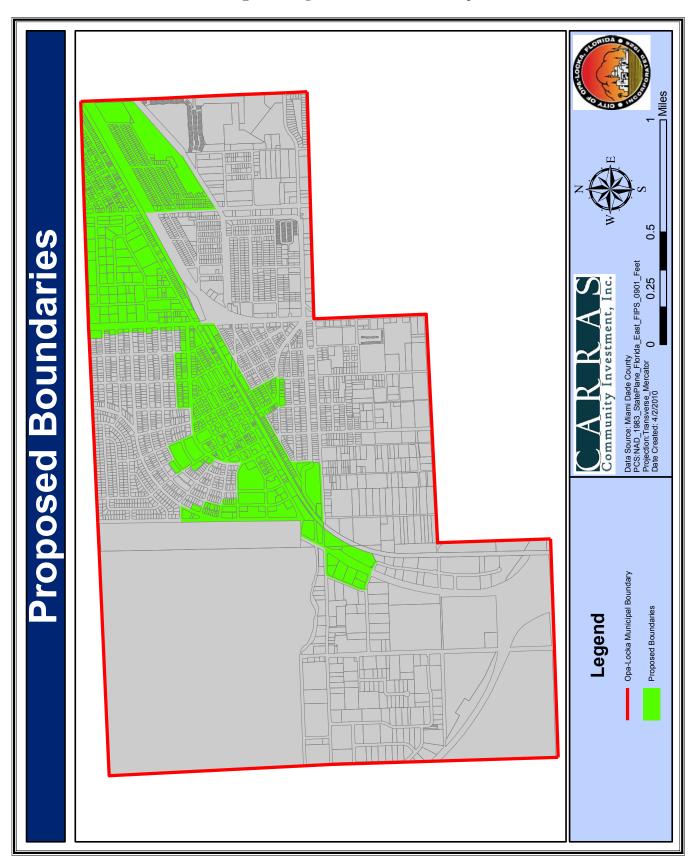
APPENDIX

- Map 1: Muncipal Boundary
- Map 2: Proposed CRA Boundary
- Map 3: Brownfield Areas
- Map 4: Redevelopment Areas
- Map 5: Race: Where Blacks Live (2000)
- Map 6: Ethnic: Where Hispanics Live (2000)
- Map 7: Population Density (2000)
- Map 8: Zoning Districts
- Map 9: Current Land Use
- Map 10: Vacant Land
- Map 11: Year Built
- Map 12: Flood Zones

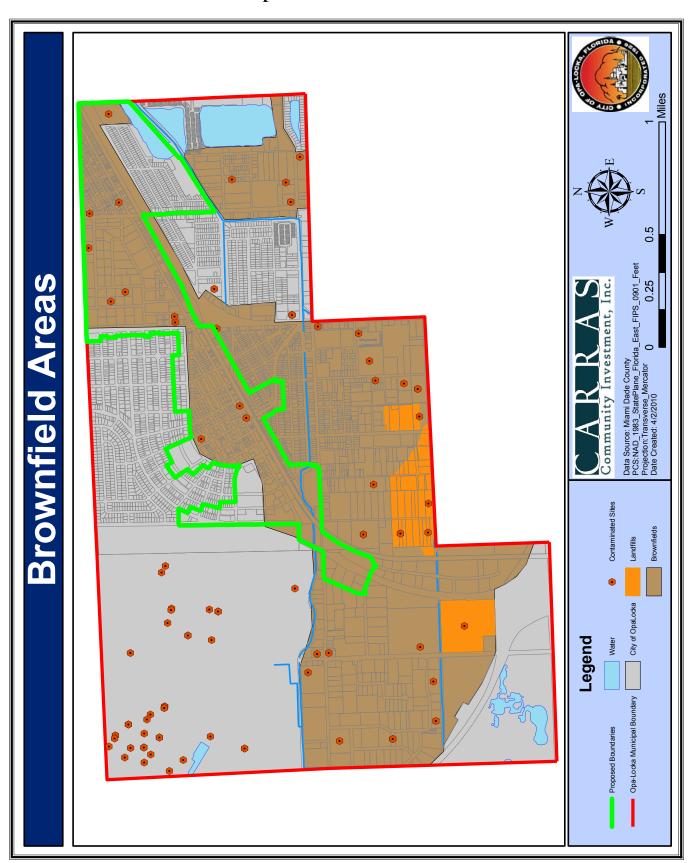
Map 1: Muncipal Boundary



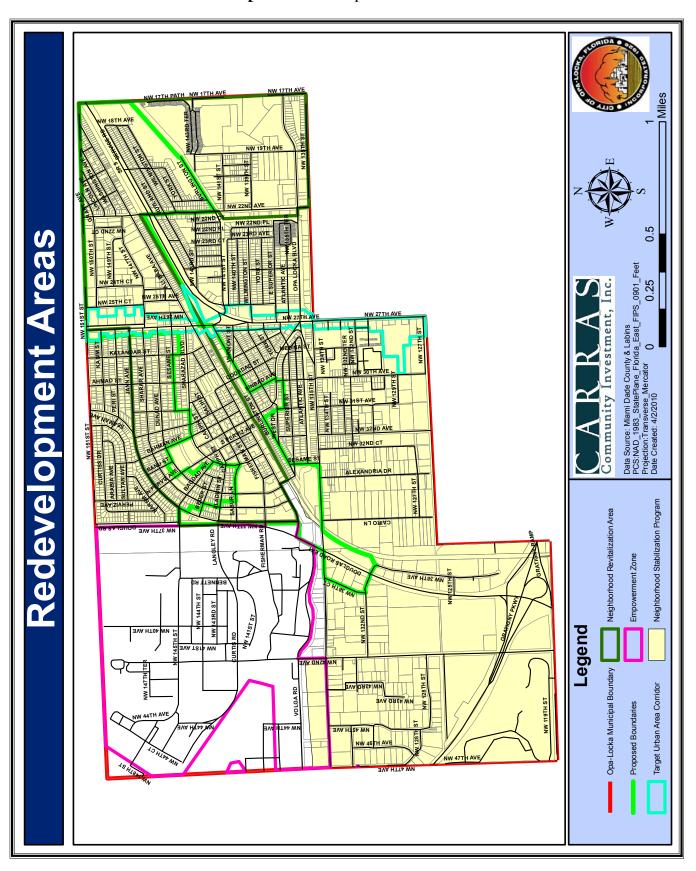
Map 2: Proposed CRA Boundary



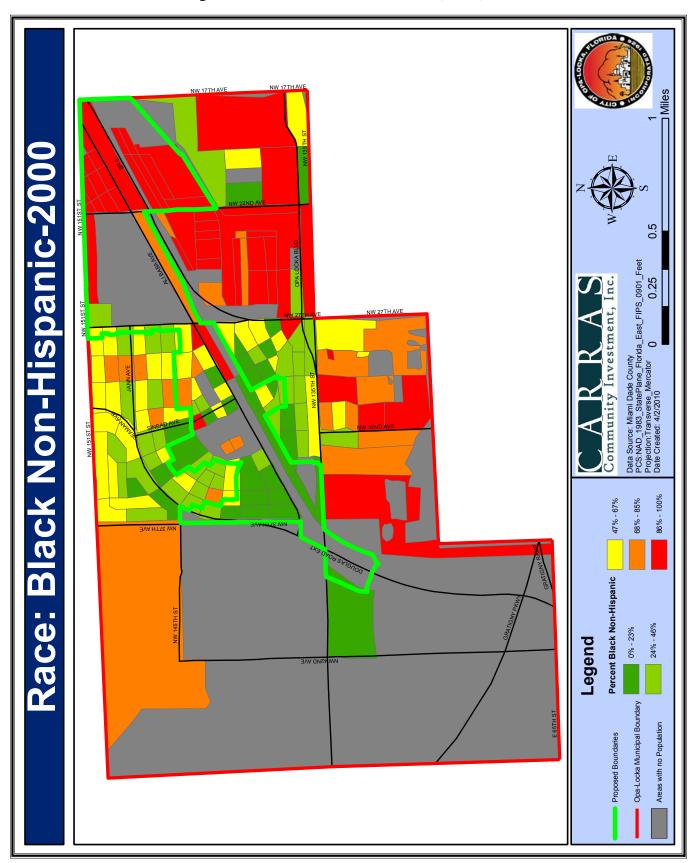
Map 3: Brownfield Areas



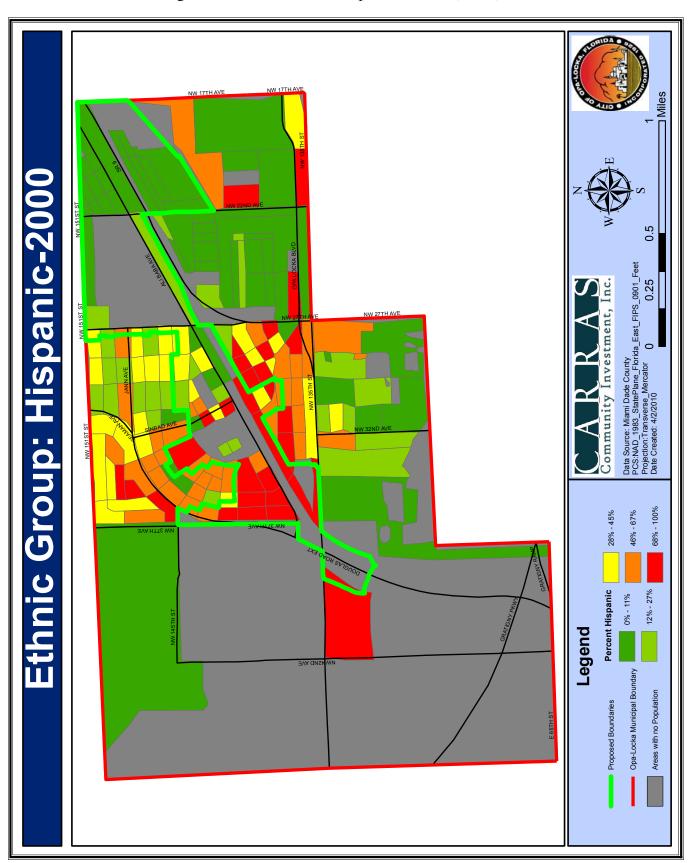
Map 4: Redevelopment Areas



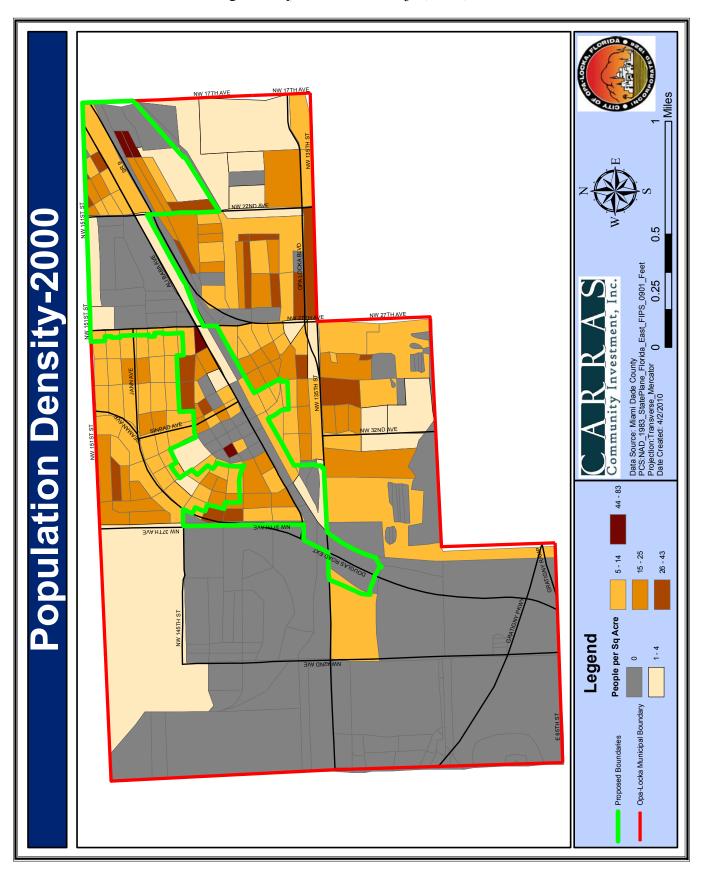
Map 5: Race: Where Blacks Live (2000)



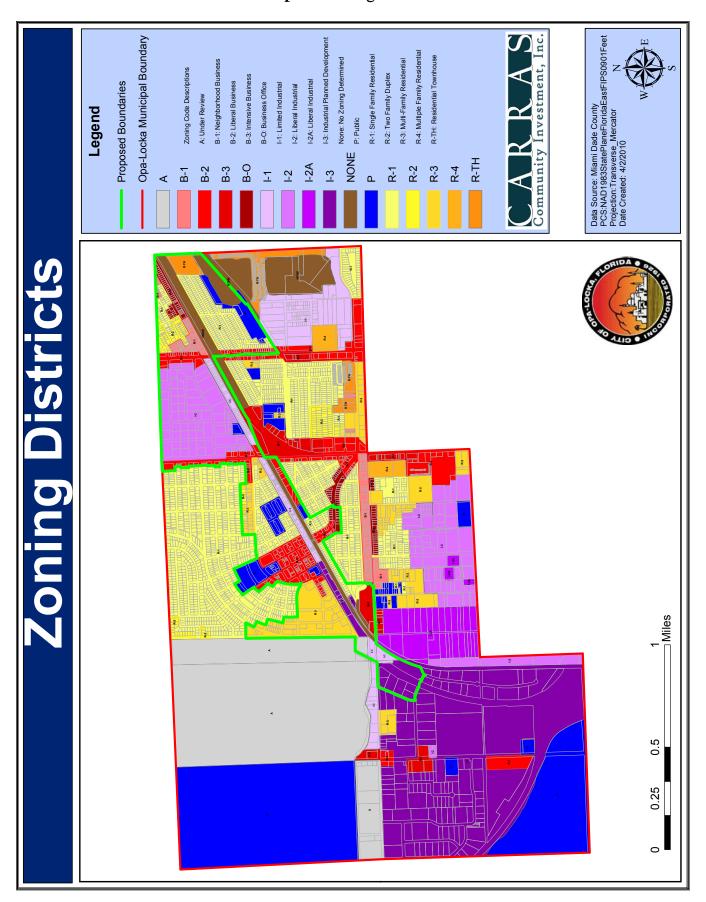
Map 6: Ethnic: Where Hispanics Live (2000)



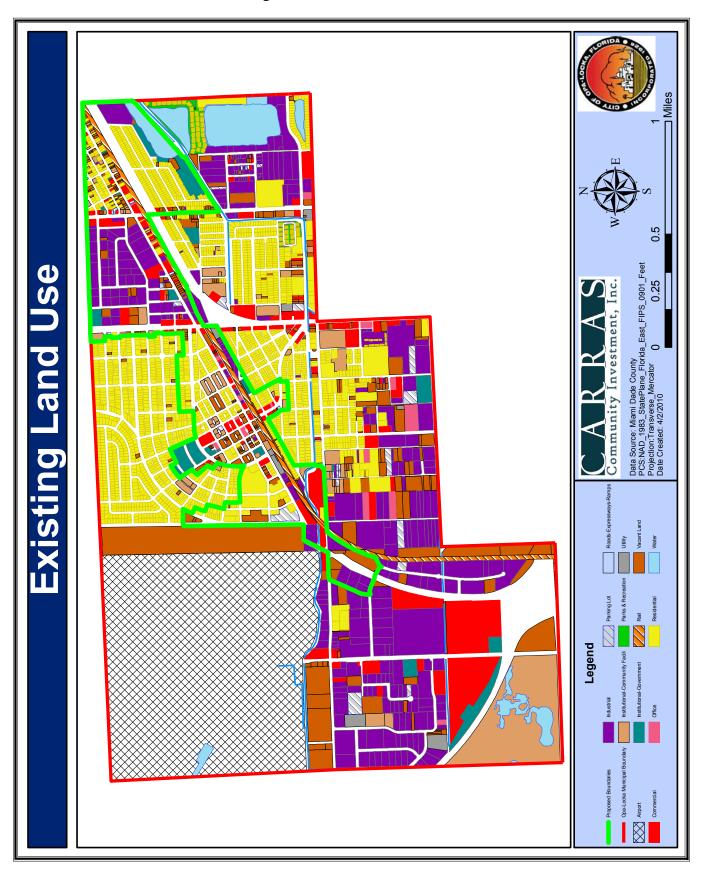
Map 7: Population Density (2000)



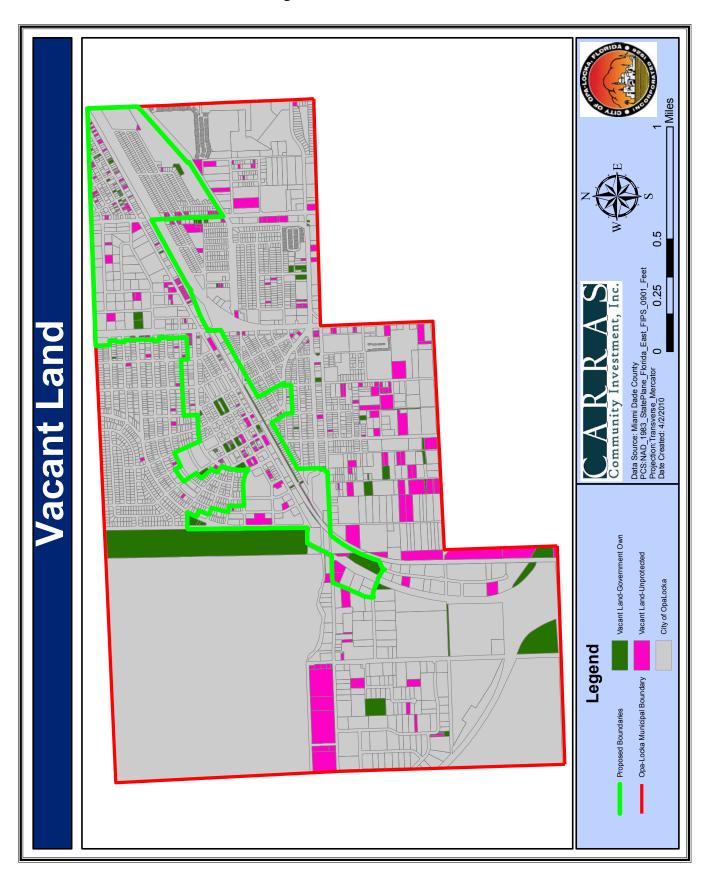
Map 8: Zoning Districts



Map 9: Current Land Use



Map 10: Vacant Land



Map 11: Year Built

