

SUMMER STUDIES 2017

Transportation Fund

Summer Study 17-016
Office of the City Manager
August 11, 2017

Summer Studies

Transportation Fund

Executive Summary

This Summer Study is different than the rest because it does not pose a solution(s) to generate new revenues or reduce expenditures in order to balance the FY17/18 Budget without using reserves. This Summer Study will pose long term solutions to evolve the Transportation Fund to solve the much larger challenge of mobility and how it impacts the quality of life and the long term future of our community.

Background

The Transportation Fund has been used over the years to provide resources to maintain our roadways. This is done for landscape maintenance on roadways that are the City's responsibility as well as State roads which the City maintains under contract with the Florida Department of Transportation District 6 (FDOT D6).

The City's community bus system is partially funded in this manner as are capital projects, including the design of Atlantic Shores Blvd., in FY17/18.

The Transportation Fund has operated in deficit for the past five fiscal years. This deficit was funded with reserves which have been depleted. The FY16/17 Transportation Fund Budget (current) was balanced with a loan from the Utility Fund in the amount of \$725,013 of which approximately \$650,000 will be needed during FY16/17. Unfortunately, this loan and other issues put the Utility Fund in its current technical default position (See Summer Study No. 17-012, Water/Sewer/Stormwater Consultant Study, on how

this situation is being resolved). There are no funds to repay this loan in the FY17/18 Budget.

What is the Financial Bottom Line?

This deficit spending cannot continue and the loan must be repaid. The FY17/18 Budget does not include the repayment of the loan because the need to remove the technical default from the Utility Fund and the need to balance the General Fund did not allow this to occur. It will be the goal of the FY18/19 Budget to repay the loan.

The FY17/18 Transportation Fund Budget stops the deficit spending. In order to achieve this, all operational expenses have been reviewed and evaluated in great detail, and the only new capital project is the design for the Atlantic Shores project. There will eventually be a \$3.5 Million payment from the Diplomat developers for the construction of Atlantic Shores Boulevard.

Simply stated, the current approach will never make a dent in the need to resolve our mobility requirements. Mobility in this case includes a broad spectrum of solutions including but not limited to:

- ✚ New road connectors such as the completion of the soon to be built Diana Drive Project. Eventually, this Project should continue all the way to Federal Highway as a by-pass to Hallandale Beach Boulevard.
- ✚ Improvements to our community bus system to reduce headways and expand the number of stops.
- ✚ Improvements to our traffic signalization system to make it more on-demand and special event sensitive.

- ✚ Sidewalks and pedestrian-friendly pathways.
- ✚ Bicycle path improvements.
- ✚ Intelligent transportation and other technological innovations that better link socially networked people to the transportation options available. An example would be information regarding the next bus arrival at a bus stop.
- ✚ The critical need to ensure that Hallandale Beach builds a transit station on the FEC right-of-way near Bluesten Park.
- ✚ Land use planning that ensures our future developments are not vehicle oriented, but are life style oriented. We are not a suburban commuter community.
- ✚ Sustainability should be incorporated in the mobility plan. This means, for example, that the plan should reduce our carbon footprint by requiring new buildings to have electric vehicle recharging stations as a small but important acknowledgement of this goal coupled with many others. This goal will tie in with the City Commission's recent decision to support the Paris Accords.
- ✚ Public Private Partnerships (PPP) parking structures that serve public uses (areas of the City with parking deficits) with private buildings. These facilities could be located near the transit station or other vehicular entry points to the City and will be linked to our bus system.
- ✚ The roads, drainage systems and sea walls need to be protected from sea level rise and above ground utilities must be hardened or placed underground to protect the City from more frequent and severe storms.

While this list is not complete, the key issue is that the Transportation Fund annual appropriation can only be relied on for operating costs in the long term without a millage increase. The long term capital needs should be funded through long term

sources, such as a well-crafted and cost effective bond issue, or a dedicated source such as transportation impact fees, so that future generations who will benefit from the foresight of this generation share the costs with current taxpayers.

Challenge: How do we become a Next Era City?

Both the elected policy makers and the administration believe we should be stewards of the community. This means that we all want to mobilize scarce resources to make Hallandale Beach a better place for the long term. The problem is that a common and mutually acceptable strategy to guide us in becoming a Next Era City has not been achieved nor have we even begun the process to achieve a unified undertaking. The Next Era cities blend the capabilities and resources of government with the entrepreneurship of the private sector to maximize the utilization of technology. Simply stated, the future successful cities will be built on technology, quality of life and superior infrastructure funded through government and private sector partnerships.

The Bloomberg Mayor's Challenge Grant provides a pathway to set the stage for the future. This program will provide an initial grant of \$100,000 to 35 communities down-selected from 300 cities that have received training. Hallandale Beach's training was held August 8, 2017, and 15 employees including Mayor Cooper attended a full-day session. Many other cities that did not attend training sections will be allowed to apply for the initial grant as well. The grand winners will have the potential to receive one of four \$1 Million grants and a grand prize \$5 Million grant.



In addition, the Broward Metropolitan Planning Organization's (MPO's) Complete Streets and other Localized Initiatives Grant Program (CSLIP) provides funding for small local transportation projects which improve the safety and mobility for all

transportation users in Broward. The Administration intends to submit two grant applications to support the Hallandale Beach Boulevard/US-1 corridor traffic signal upgrades, as well as a complete streets extension project on Northwest Third Street near the Public Works facility. The applications must be submitted before November 15, 2017.

Given the limited resources available to pursue both important opportunities, the HBCRA Board was asked to discuss priorities during the August 14, 2017 meeting. The Administration believes that we will be ready with a unified vision by the next Bloomberg Philanthropies funding cycle. Accordingly, the determination was reached to focus on the MPO process. This study acknowledges the extraordinary potential of the Bloomberg Mayors Challenge, however, the probability of success in relation to the work required makes the choice of the MPO potential much greater.

Staff thanks Mayor Cooper and the Bloomberg Philanthropies for the opportunity provided by the day long training.

Action Items:

-  Staff will continue to prepare the grant applications to the MPO for the Hallandale Beach Boulevard/US-1 signalization upgrade and the Northwest Third Street Complete Streets extension projects. The City Commission/HBCRA Board will be kept up to date as this process evolves.
-  Staff is investigating the possibility of an application to the Florida Job Growth Grant Fund through the Department of Economic Opportunity. This grant will provide \$85M state-wide for public infrastructure and job training. Public infrastructure projects can include transportation and

utilities needed to support economic development. There is a rolling deadline on these, which means that applications are reviewed as they are received.

- ✚ Staff will further develop the concept of long term mobility funding and consider recommending that Hallandale Beach be declared a Next Era City.