

CITY OF HALLANDALE BEACH, FLORIDA
MEMORANDUM
CM17-099

DATE: September 6, 2017

TO: Honorable Mayor and City Commissioners
HBCRA Board of Directors

FROM: Roger M. Carlton, City Manager/CRA Executive Director 

SUBJECT: Interlocal Agreements between HBCRA and City of Hallandale Beach.

State law and good controllership require that the financial relationships between cities and Community Redevelopment Agencies (CRA's) be codified in Interlocal Agreements (ILA's). These agreements state specifically how much money and what services will be provided by the city and the CRA. Florida Statute 163.400 allows for what it terms the "Cooperation by Public Bodies." The statute deems that the cooperation between a municipality and its CRA is for the "purpose of not only "aiding in the planning, undertaking, or carrying out of redevelopment related activities," but for "any and all things necessary to aid or cooperate in the planning or carrying out of community redevelopment plan and related activities," as long as these things are in accordance with the rest of Florida Statutes and are allowable as outlined within the approved CRA Community Redevelopment Plan. The ILA's for both direct and indirect services between the Hallandale Beach Community Redevelopment Agency (HBCRA) and the City of Hallandale Beach (COHB) represent the spirit and letter of the law in regards to helping the HBCRA carry out the functions that are necessary for the elimination of slum and blighted conditions within the community redevelopment area.

For FY 2016-2017 there are eight of these agreements representing seven direct services and one indirect service. Although the current COHB and HBCRA budgets financially account for the dollar amounts contained within these agreements, the agreements themselves were never approved by the City Commission. Therefore in order for the HBCRA to remunerate the COHB for these services which have already been performed, the ILA's need to be approved by both the COHB and the HBCRA.

The agreements related to direct services include: The Hallandale Opportunity Project (HOP), Code Compliance Specialists, Non-Compliant and Unpermitted Conversion Amnesty Program (NUCAP), Community Involvement Unit (CIU), Neighborhood Enhancement Team (NET), Capital Improvement Project Management Services, Transit Services. The eighth agreement relates to the indirect services that the COHB will provide to the HBCRA including Finance, Budget, City Clerk, Human Resources, Development Services, Procurement, Public Works, and Innovative Technological Services. For FY 2016-2017, the total cost associated with the eight agreements is \$2,542,655.

For FY 2017-2018 the HBCRA has simplified the number of agreements from eight down to five. There are four agreements relating to direct services, these include: Code Compliance Specialists, Police Department Neighborhood Enhancement Team, Capital Projects Management, and Transit Services. The fifth agreement relates to indirect services that the COHB will provide to the HBCRA, which will include the same functions as in FY 2016-2017. A percentage of the City's costs is used to calculate the amount. The percentage is derived from an independent study, which was prepared by the Maximus firm in 2015, and the percentage is slightly adjusted each year based on actual expenditures. For FY 2017-2018, the total cost associated with the five agreements is \$1,913,322 which represents a reduction of \$629,333 from the previous year.

It is important to note that the detail of the FY 2016-2017 ILA's allow for an accurate and auditable methodology for demonstrating work that was actually done even though some of the programs will not continue in FY 2017-2018. If these FY 2016-2017 ILA's are not approved in full, the FY 2017-2018 General Fund budget will become out of balance because the \$2,542,655 that the ILA's represent is a revenue in the current year to the General Fund. If the funds are not transferred the proposed carryover in FY 2016-2017 will not be a resource in FY 2017-2018.

Prepared by Jeremy Earle, Ph.D., AICP, Assistant City Manager

A handwritten signature in black ink, appearing to be 'J. Earle', written over a horizontal line.