



Hallandale Beach Community Redevelopment Agency

Board of Directors Meeting

Agenda Cover Memo

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|--------------------------------|------------------------------------------------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------|
| Meeting Date: | February 20, 2018 | Item Type: | Resolution X | Ordinance | Other |
| Fiscal Impact: | Yes | No | Ordinance Reading: | 1st Reading | 2nd Reading |
| | | X | Public Hearing: | Yes X | No X |
| Funding Source: | 5910-583050 Business Incentive Loan Program | | Advertising Requirement: | Yes | No |
| | | | | | X |
| Account Balance: | | | | | |
| Project Number : | Façade Improvement Grant | | RFP/RFQ/Bid Number: | N/A | |
| Contract/P.O. Required: | Yes | No | Strategic Priority (Enter X in box): | | |
| | | X | <p>Capital Improvements</p> <p>Goal 1 - Undertake Total Improvements of Public Realm <input type="checkbox"/></p> <p>Goal 2 -Promote Public/Public and Public/Private Partnership <input type="checkbox"/></p> <p>Promote Projects with Large-Scale Impacts</p> <p>Goal 1 – Issue a Request for Proposals (RFP) for NW infill Housing <input type="checkbox"/></p> <p>Goal 2 – Issue a Request for Qualifications (RFQ) for Dixie Highway/Foster Road parcel <input type="checkbox"/></p> <p>Priority Area:</p> <p>North West Quadrant <input checked="" type="checkbox"/></p> <p>FEC Corridor <input checked="" type="checkbox"/></p> <p>Southwest Quadrant <input type="checkbox"/></p> <p>Northeast Quadrant <input checked="" type="checkbox"/></p> <p>Southeast Quadrant <input type="checkbox"/></p> | | |
| Sponsor Name: | Roger M. Carlton, HBCRA Executive Director | | Department: | Roger M. Carlton, HBCRA Executive Director | |



Short Title:

A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING THE REVISION OF THE COMMERCIAL INVESTMENT INCENTIVE POLICY AND TO MOVE AWAY FROM A SINGLE POLICY MANUAL FOR THE INDIVIDUAL COMMERCIAL INVESTMENT INCENTIVE POLICY AND, INSTEAD, COMBINE POLICIES AND APPLICATIONS INTO ONE DOCUMENT IN ORDER FOR APPLICANTS TO BETTER UNDERSTAND THE APPLICATION AND PROCESS; AND FOR STAFF TO BETTER MANAGE THE COMMERCIAL INVESTMENT INCENTIVE PROGRAMS; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL STEPS NECESSARY AND APPROPRIATE TO IMPLEMENT THE REVISED TERMS OF THE COMMERCIAL INVESTMENT INCENTIVE PROGRAMS; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

Florida Statute(FS.) 163.345 states in part, that "any county or municipality, to the greatest extent it determines to be feasible...shall afford maximum opportunity, consistent with the sound needs of the county or municipality as a whole, to the rehabilitation or redevelopment of the community redevelopment area by private enterprise."

Based on this statement by the statute, the mission of the Hallandale Beach Community Redevelopment Agency (HBCRA) was created in order to "promote economic development and enhance the quality of life by eliminating and preventing blighted conditions through the facilitation of community partnerships, business growth, job creation and neighborhood revitalization."

In furtherance of the goals of the statute, the HBCRA in 2013, created its Policy Manual which described the types of programs and incentives which the agency would develop and implement. The Policy Manual was updated in April of 2016 and contains the policy guidelines for both the Commercial Incentive and Residential Incentive Programs. The Policy Manual, regulates the procedures used to accomplish the goals of the HBCRA's Implementation/Vision Plan. It was originally designed to work in conjunction with the various applications that both residents and business owners have to complete to receive a variety of grants and loans.

Currently, the HBCRA has two (2) primary incentive programs for commercial businesses/properties. To maximize outcomes in the current remaining eight years of the HBCRA, the mix of programs and their focus needs to be greatly expanded. The existing commercial programs are as follow:

Commercial Programs

1. Business Incentive Loan Program (BILP)- The purpose of the BILP is to create avenue of funding that businesses located within the HBCRA can utilize. The BILP is designed to provide another funding source that businesses can leverage to make improvements to their buildings, expand their businesses or relocate to the HBCRA area.



2. **Façade Improvement Grant Program (FIGP)**- The purpose of the FIGP is to promote the redevelopment and revitalization of the commercial areas of the Community Redevelopment Area (CRA) improving the overall economic vitality and quality of life in the CRA, supporting existing businesses, and taking the steps necessary to attract new businesses to the City of Hallandale Beach. Improving the physical appearance of buildings brings numerous economic benefits to the community such as increased sales, retention of existing businesses and the attraction of new businesses.

Since FY13/14, the Commercial Programs has invested \$1,708,972 in new and existing businesses within the CRA. To date, approximately 100 business have applied for funding.

| Fiscal Year | Façade Grant | Business Incentive Loans | TOTAL |
|--------------|------------------------|--------------------------|------------------------|
| 12/13 | MUNIS DATA UNAVAILABLE | | |
| 13/14 | \$ 6,708.90 | \$ 237,986.72 | \$ 244,695.62 |
| 14/15 | \$ 402,834.30 | \$ 214,821.68 | \$ 617,655.98 |
| 15/16 | \$ 348,524.82 | \$ 198,771.00 | \$ 547,295.82 |
| 16/17 | \$ 101,451.63 | \$ 197,873.50 | \$ 299,325.13 |
| TOTAL | \$ 859,519.65 | \$ 849,452.90 | \$ 1,708,972.55 |

In the adopted FY 17/18 HBCRA Budget, the HBCRA Board approved \$613, 269 for the Façade Improvement Program, and \$500,000 for the Business Incentive Loan Program.

In FY 16/17 and the beginning of FY 17/18, HBCRA staff conducted an evaluation of both the Commercial and Residential Programs. This evaluation was started in July of 2017 and it was completed in December of 2017. For any type of incentive program, it is a best practice to evaluate those programs on a yearly basis to ensure that they are up to date, are still effective at eliminating slum and blight, supporting the retention and expansion of existing businesses, following required financial controls, and attracting new businesses to the HBCRA area. Currently, the two incentive programs offer the following amounts:

Business Incentive Loan Program - The program offers assistance of up to \$50,000 for business owners currently leasing their storefront and up to \$200,000 for commercial property owners. The loan will cover up to 80% of the total project cost. Awards are given on a first come, first serve basis, subject to HBCRA Board approval.

Façade Improvement Program - The amount of the award funding under the FIGP is based on the square footage of the commercial property as follows:

Up to 4,000 SF \$10,000



| | |
|-----------------------|----------|
| 4,001 SF- 10,000 SF | \$20,000 |
| 10,001 SF – 20,000 SF | \$30,000 |
| 20,001 SF - 30,000 SF | \$40,000 |
| More than 30,001 SF | \$50,000 |

In addition, a 40% mandatory matching of the total value is required from the business owner when the project scope is limited to a business sign.

Current Situation: The Need to Expand Our Thinking and How We Do It:

The HBCRA which was created in 1996, sunsets (or ends) in 2026. The HBCRA therefore only has 8 years left to leverage its resources including Tax Increment Financing (TIF), community partnerships, and business relationships, to aggressively eliminate slum and blight, increase the quality of life for its residents, attract new businesses to the community, and help existing business to thrive and grow.

To that end, Staff is recommending the adoption of a package of aggressive new incentives that have been designed to "afford maximum opportunity to the rehabilitation or redevelopment of the community redevelopment area by private enterprise" as stated by FS. 163.345, while increasing the fiscal responsibility of the applicant themselves.

Due to the limitations in funding for projects throughout the CRA, specific areas have been prioritized. Although funding is available for commercial projects throughout the CRA, these Priority Areas are areas in which there is greater funding availability in order to maximize not only high visibility corridors, but also special areas of interest such as the Fashion, Art and Design District, and the area along Foster Road.

The designated Priority Areas defined as:

1. Pembroke Rd, from I-95 to one block East of US-1
2. US-1 from Pembroke Rd, to South East 3rd Street
3. South Dixie Hwy from Pembroke Rd, to SW 11th Street
4. Hallandale Beach Blvd from I-95 to NE 14th Avenue
5. Foster Rd from NW 11th Avenue to South Dixie Hwy
6. NE 1st Avenue from Hallandale Beach Blvd to NE 5th Street

The proposed incentives have been divided into two separate categories that will afford greater clarity to potential applicants. Each of the Programs is designed to achieve one or more of the following objectives:



- Achieve/accelerate the goals of the Plan and other planning documents;
- Improve the overall economic vitality and quality of life in the CRA;
- Support existing businesses and attract new businesses to the CRA, with a priority to attract new businesses most needed in the CRA such as grocery stores, art galleries, clothing stores, general merchandise stores, family-oriented restaurants, ice cream shops, coffee shops, destination retail, art studios, creative arts business, micro-breweries, professional services, small theatres (movies and live performances), and fitness facilities);
- Supports the financial health, expansion, and success of existing businesses in the CRA;
- Stimulates new development/investment to the CRA;
- Creates a sense of urgency for property owners and investors;
- Other objectives specific to each program

The first series of incentives fall under what will be called Commercial Investment Incentives. The second series of Incentives fall under what will be called Fashion and Arts District Incentives Program.

Commercial Investment Incentives –Priority Areas and Entire CRA

The Programs are available to all properties and businesses within the CRA, subject to specific terms and conditions.

Most programs are structured as a grant with ongoing obligations/covenants for five (5) years. If the recipient of a grant award defaults on the obligations/covenants within five (5) years, the grant will be converted to a loan with interest, starting from the initial grant funding and continuing until the entire funded balance is repaid. The ongoing obligations/covenants will be protected by a lien on the applicant's property. Therefore, the property owner (Owner) must be the applicant or co-applicant for Programs that support improvements on the property.

Most programs require a financial investment of the property owner/applicant (Required Match) to achieve a prudent and equitable balance of public sector investment and private sector investment. It is intended that the property owner/applicant contribution is reasonable and feasible while mitigating the risk of the public investment.

Benefits of the programs are provided by CRA tax increment funds, as available and allocated to any given program. Awards will be made on a "first come, first served" basis for qualified and approved applications after broad notice that these programs are available. Programs will reimburse direct costs associated with satisfying the program requirements/application.

This program consists of the following:



Commercial Façade Improvement Grant (CFIG) – The goal of this program is to eliminate functional obsolescence, remove deterioration, and update the exteriors of existing buildings, with an emphasis on improving the viability of desirable and financially stable retail uses and generally increasing the "curb appeal" of the business corridors in the CRA.

The program and funding are available to all properties within the CRA based on the designations below:

| Priority Area | Matching Amount | Maximum Award |
|-----------------------------------------------------------------------------------|------------------|---------------|
| | HBCRA/ Applicant | Dollar Value |
| Pembroke Rd from I-95 to one block East of US-1 | 80/20 | \$100,000 |
| US-1 from Pembroke Rd to South East 3rd Street | 80/20 | \$100,000 |
| South Dixie Hwy from Pembroke Rd, to SW 11th Street | 80/20 | \$100,000 |
| Hallandale Beach Blvd from I-95 to NE 14th Avenue | 80/20 | \$100,000 |
| Foster Rd from NW 11th Avenue to South Dixie Hwy | 90/10 | \$ 75,000 |
| NE 1 st Avenue from Hallandale Beach Blvd to NE 5 th Street | ** | ** |
| Any Area within the CRA outside of these Priority Areas | 70/30 | \$ 40,000 |

**A separate and specific Fashion, Arts and Design District Incentive Program has been created. Please refer to that Program for incentive details.

Commercial Interior Renovation Grant (CIRG) – The goal of this program is to eliminate functional obsolescence, remove deterioration, and improve the "energy efficiency" of existing buildings in the CRA, with an emphasis on bringing these buildings up to current building codes and making them more viable for occupancy.

The program and funding are available to all properties within the CRA based on the designations below:

| Priority Area | Matching Amount | Maximum |
|---------------|-----------------|---------|
|---------------|-----------------|---------|



| | | Award |
|-----------------------------------------------------------|------------------|--------------|
| | HBCRA/ Applicant | Dollar Value |
| Pembroke Rd from I-95 to one block East of US-1 | 80/20 | \$75,000 |
| US-1 from Pembroke Rd to South East 3rd Street | 80/20 | \$75,000 |
| South Dixie Hwy from Pembroke Rd, to SW 11th Street | 80/20 | \$75,000 |
| Hallandale Beach Blvd from I-95 to NE 14th Avenue | 80/20 | \$75,000 |
| Foster Rd from NW 11th Avenue to South Dixie Hwy | 90/10 | \$50,000 |
| NE 1st Avenue from Hallandale Beach Blvd to NE 5th Street | ** | ** |
| Any Area outside | 70/30 | \$ 40,000 |

**A separate and specific Fashion, Arts and Design District Incentive Program has been created. Please refer to that Program for incentive details.

Commercial Kitchen Grant (CKG) - The goal of the CKG is to encourage restaurant development within the Fashion, Art and Design District (FADD), and along Foster Road. The HBCRA desires to improve the operating efficiency of existing restaurants in the CRA and attract new restaurants to the CRA, with an emphasis on creating a dining destination within the City. Funding priorities for the CKG will apply specifically to the following types of businesses:

- Microbreweries/ Wine Bars
- Specialty Coffee shops
- Trendy urban restaurants (including health food)
- Specialty bakery shops
- Family oriented restaurants

The program and funding are available to all properties within the CRA based on the designations below:



| Priority Area | Matching Amount | Maximum Award |
|------------------------------------------------------------------------------------------|------------------|---------------|
| | HBCRA/ Applicant | Dollar Value |
| NE 1 st Avenue from Hallandale Beach Blvd to NE 5 th Street (FADD) | ** | ** |
| Foster Rd from NW 11th Avenue to South Dixie Hwy | 90/10 | \$270,000 |

**A separate and specific Fashion, Arts and Design District Incentive Program has been created. Please refer to that Program for incentive details.

Property Tax Reimbursement (PTR) – The goal of this program is to eliminate functional obsolescence, remove deterioration, update existing buildings, and encourage new investment/development with an emphasis on enhancing the overall CRA, improving the quality of existing buildings within the CRA, and attracting new construction to the CRA.

The benefits of this program are not directly based on project costs. Rather, the benefits of this program are based on capital improvements on existing properties or the development cost of new buildings that result in a substantial increase of Ad Valorem Tax (Property Tax).

PTR is a "grant" based on the reimbursement of real property Ad Valorem Taxes paid on the subject Property and shall only be disbursed upon verification that said payment has been made.

A PTR grant award will run for a maximum of five (5) years and the annual grant limits are:

- Year 1 – 95% of real property Ad Valorem taxes paid
- Year 2 – 95% of real property Ad Valorem taxes paid
- Year 3 – 50% of real property Ad Valorem taxes paid
- Year 4 – 50% of real property Ad Valorem taxes paid
- Year 5 – 25% of real property Ad Valorem taxes paid

Neighborhood Amenity Incentive (NAI) – Accelerate the availability of desirable goods and services needed by residents, businesses, and employees in the CRA. NAI is a grant based on the reimbursement of fees paid to the City of Hallandale Beach associated with the build-out of space and tenant improvements in preparation of occupancy by a Qualified Retail business. The grant award \$15,000. The NAI is paid to the applicant on a reimbursement basis. Fees paid to the City of Hallandale Beach, include:



- Plan review fees;
- Building permits;
- Water meters/connection fees;
- Tap fees;
- Inspection fees; and
- Impact fees.

Tenant Lease Surety / Tenant Rent Subsidy (TLS/TRS) – The goal of this Program is to Accelerate the attraction of new start-up businesses and reduce the vacancy of commercial space in the CRA, with an emphasis on energizing ground-floor space and creating job opportunities in the CRA. An additional objective is to reduce the risk of developing/constructing speculative commercial space in the CRA.

The TLS/TRS will apply specifically to the following Priority Areas: Foster Road from NW 11th Avenue to South Dixie Hwy. A FADD specific incentive has also been created.

The TLS and the TRS are not cost based programs. TLS is the CRA's guarantee of twenty-five (25%) percent of a qualified tenant's financial obligation under a proposed lease for three (3) years. TRS is a grant subsidy that funds the gap between market rate rent and the specific tenant's capability for three (3) years.

Commercial Business Low-cost or No-interest loan – Commercial Bank Loan Guarantee or Commercial Bank Interest subsidy (Guarantee a portion of the loan to reduce borrower equity requirements and/or reduce interest rates. Subsidize a portion of the monthly interest cost to provide a lower effective interest rate to the borrower).

The goal of this program would be to accelerate the expansion of existing businesses and the attraction of new start-up businesses in the CRA, with an emphasis on attracting the availability of new goods/services, creating job opportunities, and improving the quality of life in the CRA.

A low-cost/no-interest loan program can be developed using just CRA funds. However, the program(s) would be more effective and have less administrative cost if CRA funds are used to leverage loans from commercial banks. It is recommended that we partner with banks serving Hallandale Beach that have "community lending" programs (banks have Community Reinvestment Act requirements for investing in local communities). The ideal solution would be to assemble a consortium of participating banks that will accept a CRA guarantee of (10%) of the principal to relax credit/equity criteria for a new business to qualify for a loan. Further, the CRA would provide an interest reimbursement to the banks to enable the borrower to pay at or below Prime Rate on borrowed funds. In effect, this would be a locally (CRA) sponsored SBA loan. In fact, staff has recently met with three banks located in Hallandale Beach that are members of the Hallandale Beach Chamber of Commerce and are actively working on the



details of programs that would support this initiative. This will help the Chamber of Commerce to meet their request for continued support by the City.

Eligible costs for this program are generally, all costs directly associated with the opening of a new business or expanding business. The maximum loan amount for this program will not exceed \$200,000 subject to specific terms.

Economic Development Incentives Program – The goal of this program is to accelerate the attraction of new major businesses within the CRA. An additional objective is to reduce the risk of developing/constructing speculative commercial space in the CRA.

Director Cash/Job Creation Program. The Direct Cash/Job Creation incentive is an incentive program paid solely by the HBCRA. Through this program, HBCRA may provide direct cash payments of up to \$2,000 per new Job created, to a maximum of \$200,000, to companies starting, relocating, or expanding within the CRA.

Qualified Target Industry (QTI) Tax Refund Incentive. The QTI Refund Incentive Program is a tax refund program wherein eligible companies may receive refunds of taxes paid to the State of Florida on corporate income, sales, and insurance premiums, as well as certain other taxes paid to the State of Florida. The State of Florida provides 80% of the total incentive paid to the company. The remaining 20% must be matched locally. The 20% local match may comprise contribution from Broward County and the municipality/CRA within Broward County where the project will be located. The incentive program payment amount per new job created is as follows by average annual wage. The HBCRA may also pay the 20% local match in its entirety.

1. 115% of the County's average annual wage - \$3,000
2. 150% of the County's average annual wage - \$4,000
3. 200% of the County average annual wage - \$5,000

Additional bonus incentive amounts are available under the QTI Refund Incentive Program as follows:

1. High-Impact Bonus. Companies that meet the eligibility requirements for the QTI Refund Incentive Program and operate in certain high-impact industry sectors as determined by the State of Florida pursuant to Section 288.108, Florida Statutes, may be eligible for an additional refund of up to \$2,000 per new job created.
2. Brownfield Bonus. Companies that meet the eligibility requirements for the QTI Refund Incentive Program, and are in HBCRA-designated Brownfield areas, may be eligible for an additional refund of up to \$2,500 per new job created.



3. Enterprise Zone Bonus. Companies that meet the eligibility requirements for the QTI Refund Incentive Program, and are in an HUB-Zone, may be eligible for an additional refund of up to \$2,000 per new job created. The potential justification for such a zone will be the subject of a future report.

Alternative State or Federal Local Match Program. The HBCRA may elect to provide local matching dollars as part of an overall job creation incentive to companies starting, relocating, or expanding in Hallandale Beach. The company would be required to meet all criteria set forth in any new State or Federal incentive program. A program of this nature could be targeted to the industrial area north of Hallandale Beach Blvd. and east of I-95.

Economic Inducements. Requests for economic inducements such as public facilities improvements and permitting facilitation shall be outlined in writing and submitted to the HBCRA for consideration. The HBCRA may conduct a Tax Revenue/Cost Analysis of the requested inducements to determine the economic impact to the CRA. The Executive Director may request of The Greater Fort Lauderdale Alliance (the "Alliance" or such other designated organization), additional information for inclusion in the analysis.

Fashion, Design and Arts District Incentives – Specific to FADD Priority Area

The Programs are available to all properties and businesses within the FADD Priority Area, subject to specific terms and conditions.

Each Program is designed to achieve one or more of the following objectives:

- Achieve/accelerate the goals of the Implementation / Vision Plan and other planning documents;
- Improve the overall economic vitality and quality of life in the CRA;
- Support existing businesses and attract new businesses to the CRA, with a priority to attract businesses most needed in the CRA such as grocery stores, art galleries, clothing stores, general merchandise stores, family-oriented restaurants, ice cream shops, coffee shops, destination retail, art studios, creative arts business, micro-breweries, professional services, small theatres (movies and live performances), and fitness facilities);
- Supports the financial health, expansion, and success of existing businesses in the CRA;
- Stimulates new development/investment to the CRA;
- Creates a sense of urgency for property owners and investors; and/or
- Other objectives specific to each Program.

The Fashion, Art and Design District (FADD) has been deemed a Priority Area for the purposes of promoting the renovation of building facades, and encouraging the development of such uses including but not limited to:



- Microbreweries/ Wine Bars
- Specialty Coffee shops
- Trendy urban restaurants
- Specialty Donut shops/bakeries
- Family oriented restaurants
- Music Venues
- Art Galleries
- Artist Lofts

Most of the FADD Priority Area incentives are structured as a grant with ongoing obligations/covenants for five (5) years. If the recipient of a grant award defaults on the obligations/covenants within five (5) years, the grant will be converted to a loan with interest, starting from the initial grant funding and continuing until the entire funded balance is repaid. The ongoing obligations/covenants will be protected by a lien on the applicant's property. Therefore, the property owner (Owner) must be the applicant or co-applicant for Programs that support improvements on the property.

Most Programs require a financial investment of the property owner/applicant (Required Match) to achieve a prudent and equitable balance of public sector investment and private sector investment. It is intended that the property owner/applicant contribution is reasonable and feasible while mitigating the risk of the public investment.

The University of Miami conducted a façade study for the FADD. That study supplemented the ideas of HBCRA Staff regarding the redevelopment of the area and provided some guidance regarding the importance of updating the appearance of the entire district through façade improvements and other investments.

Commercial Façade Improvement Grant (CFIG) for FADD – The goal of this program is to eliminate functional obsolescence, remove deterioration, and update the exteriors of existing buildings, with an emphasis on improving the viability of healthy retail uses and generally increasing the “curb appeal” of the business corridors in the CRA.

The program and funding are available to all properties within the FADD based on the designation below:



| Priority Area | Matching Amount | Maximum Award |
|-----------------------------------------------------------------------------------|------------------|---------------|
| | HBCRA/ Applicant | Dollar Value |
| NE 1 st Avenue from Hallandale Beach Blvd to NE 5 th Street | 90/10 | \$100,000 |

Commercial Interior Renovation Grant (CIRG) for FADD - The goal of this program is to eliminate functional obsolescence, remove deterioration, and improve the "energy efficiency" of existing buildings in the CRA, with an emphasis on bringing these buildings up to current building codes and making them more viable for occupancy.

The program and funding are available to all properties within the FADD based on the designation below:

| Priority Area | Matching Amount | Maximum Award |
|-----------------------------------------------------------------------------------|------------------|---------------|
| | HBCRA/ Applicant | Dollar Value |
| NE 1 st Avenue from Hallandale Beach Blvd to NE 5 th Street | 90/10 | \$90,000 |

Commercial Kitchen Grant (CKG) for FADD - The goal of the CKG is to encourage restaurant development within the Fashion, Art and Design District (FADD). The HBCRA desires to improve the operating efficiency of existing restaurants in the CRA and attract new restaurants to the FADD that will help create a "buzz and sizzle." Funding priorities for the CKG will apply specifically to the following types of businesses:

- Microbreweries/ Wine Bars
- Specialty Coffee shops
- Trendy urban restaurants
- Specialty Donut/bakery shops
- Family oriented restaurants
- Music Venues
- Art Galleries

The program and funding are available to all properties within the FADD based on the designations below:



| Priority Area | Matching Amount | Maximum Award |
|------------------------------------------------------------------------------------------|------------------|---------------|
| | HBCRA/ Applicant | Dollar Value |
| NE 1 st Avenue from Hallandale Beach Blvd to NE 5 th Street (FADD) | 90/10 | \$300,000 |

Tenant Lease Surety / Tenant Rent Subsidy (TLS/TRS) in FADD– The goal of this program is to accelerate the attraction of new start-up businesses and reduce the vacancy of commercial space in the FADD, with an emphasis on energizing ground-floor space and creating job opportunities CRA. An additional objective is to reduce the risk of developing/constructing speculative commercial space in the CRA.

The TLS and the TRS are not cost based programs. TLS is the CRA's guarantee of thirty-five (35%) percent of a qualified tenant's financial obligation under a proposed lease for three (3) years. TRS is a grant subsidy that funds the gap between market rate rent and the specific tenant's capability for three (3) years, subject to terms and conditions.

Fiscal Impact:

There will be no fiscal impact as the variety of programs designed to accelerate the tax base of the HBCRA are made known, applications are developed and projects are brought to the Board for approval. The budget will be established for each program annually. The key in adjusting this report is that it will launch the HBCRA in a new direction that will maximize its impact for the next eight years. It should also be clear that the proposed expansion of the programs will require staff to ensure that these monies are being well spent, FS. 163 requirements are being met and the selection of program participants is being handled with minimum repayment risk. The details of staffing needs will be more specifically defined once the HBCRA adopts and begins to implement this program of services.

Why Action is Necessary:

The Hallandale Beach CRA Board of Directors sets the policies of the Community Redevelopment Agency. In order to ensure greater transparency and accountability, staff recommends combining policies and applications into one document. It has been found that there may be discrepancies between the Policy Manual and the respective applications. Greater transparency and accountability for both applicants and staff can be provided by all information pertaining to an application or program is one place.

Proposed Action:



Staff recommends adoption of the attached resolution approving the creation of the new Commercial Investment Programs and the Fashion, Art and Design District Incentive Program.

Attachment(s):

- Exhibit 1- Resolution
- Exhibit 2- Commercial Investment Program
- Exhibit 3- HBCRA Business Policy Manual November, 2016
- Exhibit 4- Commercial Façade Incentive Program
- Exhibit 5- FADD Incentive Program

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

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