



## Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

<b>Meeting Date:</b>	September 16 ,2019		<b>Item Type:</b> (Enter X in box)	<b>Resolution</b> x	<b>Ordinance</b>	<b>Other</b>	
<b>Fiscal Impact:</b> (Enter X in box)	<b>Yes</b>	<b>No</b>	<b>Ordinance Reading:</b> (Enter X in box)	<b>1st Reading</b>		<b>2nd Reading</b>	
	x		<b>Public Hearing:</b> (Enter X in box)	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
<b>Funding Source:</b>	Tax Increment Funding (TIF) - Broward County, City Of HB, South Broward Hospital District, Children's Services Council		<b>Advertising Requirement:</b> (Enter X in box)	<b>Yes</b>		<b>No</b>	
						X	
<b>Account Balance:</b>			<b>RFP/RFQ/Bid Number:</b>	N/A			
<b>Contract/P.O. Required:</b> (Enter X in box)	<b>Yes</b>	<b>No</b>	<b>Project Number:</b>				
	x						
<b>Strategic Priority:</b> (Enter X in box) <b>Capital Improvements</b> Goal 1 - Undertake Total Improvements of Public Realm <input type="checkbox"/> Goal 2 - Promote Public/Public and Public/Private Partnership <input checked="" type="checkbox"/>  <b>Promote Projects with Large-Scale Impacts</b> Goal 1 - Issue a Request for Proposals (RFP) for NW infill Housing <input type="checkbox"/> Goal 2 - Issue a Request for Qualifications (RFQ) for Dixie Highway/Foster Road parcel <input type="checkbox"/>  <b>Priority Area:</b> North West Quadrant <input type="checkbox"/> FEC Corridor <input type="checkbox"/> Southwest Quadrant <input type="checkbox"/> Northeast Quadrant <input type="checkbox"/> Southeast Quadrant <input type="checkbox"/>							
<b>Sponsor Name:</b>	Dr. Jeremy Earle, Executive Director		<b>Department:</b>	HBCRA			

**Short Title:**

**A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH, FLORIDA; ADOPTING THE FINAL ESTIMATES OF REVENUE AND EXPENDITURES FOR THE FISCAL YEAR COMMENCING ON OCTOBER 1, 2019, AND ENDING ON SEPTEMBER 30, 2020 (FISCAL YEAR 2019-2020); APPROPRIATING THE FUNDS SHOWN THEREIN AS MAY BE NEEDED OR DEEMED NECESSARY TO DEFRAY ALL EXPENDITURES AND LIABILITIES OF THE HBCRA FOR FISCAL YEAR 2019-2020; APPROVING THE FISCAL YEAR 2019-2020 BUDGET; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO IMPLEMENT THE FISCAL YEAR 2019-2020 BUDGET; AND PROVIDING AN EFFECTIVE DATE.**

**Staff Summary:**

**Background:**

Florida Statutes 163.387 (1)(a) requires that annual funding of the redevelopment trust fund shall be in an amount not less than that increment in the income, proceeds, revenues, and funds of each taxing authority derived from or held in connection with the undertaking and carrying out of community redevelopment under this provision. Such increment shall be determined annually and shall be that amount equal to 95 percent of the difference between:

1. The amount of ad valorem taxes levied each year by each taxing authority
2. The amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority.

**Fiscal Year 19/20 Budget**

The following section provides a narrative of the Agency's FY 2020 budget.

**Revenues**

Revenues		
Tax Increment	\$	15,800,771
Property Sales	\$	250,000
Miscellaneous	\$	494,615
Carryforward Fund Balance	\$	2,578,476
<b>Total Revenues</b>	<b>\$</b>	<b>19,123,862</b>

### Tax Increment

The primary source of revenue for the Agency is derived of tax increment received from the City (est. millage rate: 7.4074 mills), County (est. millage rate: 5.4792 mills), South Broward Hospital District, and Children's Services Council (est. millage rate: 0.4882 mills). The FY 2020 tax increment revenues for the District are as follows:

City of Hallandale Beach	<u>\$8,637,272</u>
Broward County	<u>6,389,073</u>
South Broward Hospital District	<u>200,000</u>
Children Services Council	<u>574,426</u>
Total:	\$15,800,771

Property values within the Agency for FY 2020 increased 11% to \$1.6 billion. The Residential (18% growth) market segment was the primary growth driver.

### Property Sales

Estimate of workforce/affordable housing sales for 2020 and totals \$250,000

### Miscellaneous

Includes revenue from Agency's loan programs as well as estimated investment earnings:

Loan Programs	
Loan Repayments	<u>\$ 239,615</u>
Application Fees	<u>35,000</u>
Investment earning	<u>220,000</u>
Total:	\$ 494,615

### Carryforward Fund Balance

Represents the carryforward of fund balance (i.e. unspent cash balance) within the Agency that is available for investment in redevelopment projects.

## **Expenditures**

Expenditures for the Agency total \$19.1 million for FY 2020 and include the following:

Expenditures		
Personnel	\$	1,216,491
Operations	\$	2,281,528
Capital Projects	\$	350,000
Redevelopment Programs	\$	3,020,000
Land	\$	996,631
Interlocal Agreements	\$	2,230,758
Redevelopment Agreements	\$	4,598,062
Debt Service	\$	4,430,392
<b>Total Expenditures</b>	<b>\$</b>	<b>19,123,862</b>

### **Personnel**

Includes full funding (salary/benefits) for the following positions: Office Manager, Economic Development Manager, Finance/ Budget Analyst, (2) Project Coordinators, Residential Program Manager, Economic Development Manager, Redevelopment Manager, CRA Planner, CRA Construction Manager/ Engineer.

Includes partial funding (salary/benefits) for the CRA Executive Director (57%).

### **Operations**

Totals \$2.2 million for FY 2020 and consists of funding for Agency Staff and associated operating expenditures (e.g. legal services, insurance premiums, supplies, and consultant services). It is important to note that the CRA has budgeted \$1.4 million towards consultant services for the design of new infrastructure projects including new sidewalks, landscape, streetlights, and new roadway and mobility projects throughout the CRA, an increase of approximately 377% over FY 18/19 figures.

### **Capital Projects**

Foster Road Plaza and Awning Cover	\$	150,000
Community Garden		200,000
<b>Total:</b>	<b>\$</b>	<b>350,000</b>

### **Redevelopment Programs**

Paint Voucher Program	\$ 200,000
Window/Shutter Program	100,000
Down payment Assistance Program	720,000
Neighborhood Improvement Program	400,000
Business Incentive Loan Program	200,000
Art in Public Places	400,000
Commercial Investment Program	1,000,000
<b>Total</b>	<b>\$ 3,020,000</b>

### **Land**

Land Surveys, appraisals	\$ 80,235
Land Acquisition	406,396
Utilities	10,000
Construction	500,000
<b>Total</b>	<b>\$ 996,631</b>

### **Interlocal Agreements**

City of Hallandale Beach Services	
Police Services	\$ 1,100,000
Operational Support (cost allocation)	344,625
Property Maintenance	35,000
Code Officer	110,000
Community Partnership Grants	35,000
Transit Services	606,133
<b>Total:</b>	<b>\$ 2,230,758</b>

### **Redevelopment Agreements**

Village at Gulfstream Park (FY 18/19 tax increment)	500,000
Village at Gulfstream Park (FY 19/20 tax increment)	500,000
Hallandale City Center	916,666
Donaldson-West Construction	716,000
3 <sup>rd</sup> Street Improvements (Pmt #2 of 3)	832,493
3 <sup>rd</sup> Street Improvements (Pmt #3 of 3)	832,493
Icebox Café (financing)	300,410
<b>Total:</b>	<b>\$4,598,062</b>

### **Debt Service**

Represents funding for debt service on existing obligations including the Redevelopment Revenue Note (Series 2015; \$1.6 million) and Capital Improvement Refunding Bonds (Series 2016; \$1.3 million), as well as an allocation of \$1.5 million for debt service on the potential bond/line-of-credit previously discussed. Debt service for the potential financing is currently structured to escalate through sunset: (1) as funding is finalized on existing redevelopment agreements in 2020-2021; and (2) to take advantage of tax base growth.

As the Hallandale Beach Community Redevelopment Agency (the "Agency") approaches its sunset date, it is vital that investment decisions maximize redevelopment potential. Inherent in this process is a strategic view that not only encompasses the next budget year but forecasts financial activity through sunset.

Accordingly, Staff created a strategic plan (exhibit 3) that conservatively forecasts revenue activity (e.g. taxable property valuations, new construction, and associated tax increment) and expenditure activity through sunset (Financing and Implementation Plan – the "Plan"). This Plan is a working document that will evolve, and change based on the direction of the Board, stakeholders, and city Staff while also serving as a unifying vision of redevelopment priorities.

### **Why Action is Necessary:**

Staff recommends approval of the attached Resolution adopting the Hallandale Beach Community Redevelopment Agency Proposed Annual Budget for FY 2019/2020.

Staff also recommends approval for Amendment(s) to the FY 2019/2020 HBCRA Adopted Budget and authorizing the Executive Director to make continued adjustments to the HBCRA Annual Adopted Budget once the previous Fiscal Year has closed. The FY 2019/2020 Budget is automatically amended to appropriate encumbrances, outstanding contracts, capital outlay of projects reserved or unexpected from the FY 2018/2019, said appropriation has been previously approved by the HBCRA Board of Directors. These adjustments do not create any new projects or change the allocation amounts unless such changes are enumerated in the FY 2019/2020 Budget.

Staff also recommends authorizing the Executive Director to adjust the HBCRA Annual Adopted Budget to amend the budget based upon receipt of grant funds. The budget shall be automatically amended upon the adoption of a resolution to accept a grant or donation. Such amendments shall be automatic

only when such amendments are authorized in the resolution accepting the grant or donation.

**Fiscal Impact:**

\$ 19,123, 862

<b>Attachment(s):</b>
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Exhibit 1- Resolution

Exhibit 2- Proposed FY19/20 Budget

Exhibit 3- HBCRA Finance Plan

Exhibit 4 – FY2020 Budget Presentation