



# Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

<b>Meeting Date:</b>	February 10, 2020		<b>File No.</b> 19-559	<b>Item Type:</b> (Enter X in box)	<b>Resolution</b> <b>X</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>N/A</b>		<b>2nd Reading</b> <b>N/A</b>	
	<b>X</b>		<b>Public Hearing:</b> (Enter X in box)	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
<b>Funding Source:</b>	<b>130-338310</b>		<b>Advertising Requirement:</b> (Enter X in box)	<b>Yes</b>		<b>No</b>	
						<b>X</b>	
<b>Account Balance:</b>	<b>N/A</b>		<b>RFP/RFQ/Bid Number:</b>		<b>N/A</b>		
<b>Contract/P.O. Required:</b> (Enter X in box)	<b>Yes</b>	<b>No</b>	<b>Project Number:</b>		<b>N/A</b>		
		<b>X</b>					
<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 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; APPROVING AN AMENDMENT TO THE FISCAL YEAR 2019-2020 BUDGET TO REFLECT A \$53,784 REDUCTION IN REVENUES DUE TO THE FINAL TAXABLE RATES AND VALUES BY THE BROWARD COUNTY PROPRIETY APPRAISER PUBLISHED IN OCTOBER 2019 RESULTING IN TOTAL REVENUES OF \$16,026,588, AND AN INCREASE OF \$1,575,434 IN THE CARRYFORWARD BALANCE TOWARDS LAND ACQUISITION, PERSONNEL, AND PROGRAMS; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO IMPLEMENT THE AMENDMENT TO THE FISCAL YEAR 2019-2020 BUDGET AND TO MAKE CONTINUED ADJUSTMENTS TO THE FISCAL YEAR 2019-2020 BUDGET; AND PROVIDING AN EFFECTIVE DATE.**

## **STAFF SUMMARY:**

### **Background:**

On October 21, 2019 the Hallandale Beach Community Redevelopment Agency (HBCRA) Board of Directors approved the HBCRA the first budget amendment for FY19/20. The approved budgeted amount was \$20,133,187. The budget amendment was based on 7.00 millage rate approved by the City Commission on September 23, 2019. Within the approved budget amendment, the HBCRA allocated \$4,052,815 and an ending cash balance of \$ 2,760,665 towards a carryforward fund balance to be used for specific redevelopment projects such as; Donaldson-West Venture, Hallandale City Center, Gulfstream Redevelopment Agreement TIF, NE 3<sup>rd</sup> Street Improvements, Land Acquisition, Neighborhood Improvement Program, Commercial Investment Program and Unsolicited Legal Fees. It is important to note that according to Florida Statutes 163 Part III, the CRA cannot have a reserve/fund balance.

### **Current Situation**

On October 2019, The Broward County Property Appraiser published the final millage rates and taxable values. Since the revised millage rate is lower than the projected millage rate, a second budget amendment is required. The budget amendment will include a reduction of TIF payment from the City of Hallandale Beach, Children's Services Council and Broward County resulting in a fiscal impact of \$53,784.00 as well as an increase in the ending cash balance in the amount of \$1,575,434 due to year end closings.

## **REVENUES:**

### **Tax Increment Financing**

In FY19/20 adopted budget the HBCRA budgeted \$15,335,757 in Tax Increment Financing which was based on 2018 TIF Taxable Rates and Values. The Final Taxable Rate and values for 2019 published on October 2019 by Broward County Property Appraisers is \$15,281,973, a decrease of \$ 53,784 in Tax Increment Financing.

Children's Service Council	\$ 1,577
Broward County	\$22,943
City of Hallandale Beach	<u>\$29,264</u>
<b>Total Decrease in TIF</b>	<b>\$53,784</b>

### **Re-Appropriations / Carryforwards**

The FY19/20 adopted budget included \$4,052,815 of carryforward reappropriations and an ending cash balance of \$ 2,760,665. The HBCRA is proposing an increase of \$1,575,434 which is a result of year end reconciliations.

### **Notable Revenues Adjustments**

BUDGET DESCRIPTION	ADOPTED	CHANGE(S)	PROPOSED
INTEREST INCOME	\$ 220,000	\$ -	\$ 220,000
TAX INCREMENT FINANCING	\$ 15,335,757	\$ (53,784)	\$ 15,281,973
LOAN APPLICATION / SATISFACTION FEES	\$ 35,000	\$ -	\$ 35,000
LOAN REPAYMENTS (INTEREST)	\$ 33,671	\$ -	\$ 33,671
LOAN REPAYMENTS (PRINCIPAL)	\$ 205,944	\$ -	\$ 205,944
INFILL HOME	\$ 250,000	\$ -	\$ 250,000
<b>TOTAL REVENUES</b>	<b>\$ 16,080,372</b>	<b>\$ (53,784)</b>	<b>\$ 16,026,588</b>
<b>TOTAL FY 18/19 REAPPROPRIATIONS</b>	<b>\$ 4,052,815</b>	<b>\$ -</b>	<b>\$ 4,052,815</b>
<b>TOTAL FY 18/19 ENDING CASH BALANCE</b>	<b>\$ 2,760,665</b>	<b>\$ 1,575,434</b>	<b>\$ 4,336,099</b>
<b>TOTAL REVENUE + REAPPROPRIATIONS</b>	<b>\$ 22,893,852</b>	<b>\$ 1,521,650</b>	<b>\$ 24,415,502</b>

## **EXPENSES:**

### **Notable Expenditures Adjustments over 100k**

FY 19/20 AMENDED BUDGET			
BUDGET DESCRIPTION	ADOPTED	CHANGE(S)	PROPOSED
PERSONNEL	\$ 1,219,346	\$ 225,805	\$ 1,445,151
OPERATING	\$ 2,593,998	\$ 25,845	\$ 2,619,843
CAPITAL PROJECTS	\$ 1,585,841	\$ 100,000	\$ 1,685,841
PROGRAMS	\$ 6,190,292	\$ 1,180,000	\$ 7,370,292
PROPERTY / LAND	\$ 496,631	\$ 100,000	\$ 596,631
CONSTRUCTION	\$ 491,018	\$ -	\$ 491,018
INTERLOCAL AGREEMENTS	\$ 2,267,659	\$ (110,000)	\$ 2,157,659
REDEVELOPMENT AGREEMENTS	\$ 3,618,675	\$ -	\$ 3,618,675
DEBT SERVICE	\$ 4,430,392	\$ -	\$ 4,430,392
<b>TOTAL EXPENDITURES</b>	<b>\$ 22,893,852</b>	<b>\$ 1,521,650</b>	<b>\$ 24,415,502</b>

### **Personnel**

In the adopted budget FY 19/20 the HBCRA had allocated \$1,216,491 towards Personnel Salaries and Benefits. The HBCRA is proposing to allocate an additional \$225,805 to personnel expenses to fund three new proposed positions to our task force; Deputy Director, Residential, Housing Specialist and Community Outreach-Event Specialist, as well as reallocating the Code Officer expense of \$110,000 from our Interlocal Agreements to Personnel Expenses.

### **Capital Projects**

The HBCRA is proposing to increase the FADD Parking Lot Project to \$325,636 from the original amount of \$225,636. This will allow the HBCRA to begin its permitting and construction. The amended budget also includes an encumbrance for the Atlantic Shores Blvd Improvement project to cover the architectural design of the project.

### **Programs**

The HBCRA is proposing the following changes to the programs category of the budget. The changes are as follows:

- The Down Payment Assistance Program will be increased by \$180,000 to assist more first-time home buyer applicants.

- Business Incentive Loan program will be increased by \$200,000 to help more business applicants invest and create business opportunities in our city.
- Art in Public Places will be increased by \$200,000 to accommodate our Cultural Arts Initiatives.
- The Commercial Investment Program will be increased by \$500,000 assist more applicants.
- A new rental assistance program will be created to assist residents. \$100,000 will be allocated towards this program.

### **Property / Land / Construction**

Land Acquisition will be increase by \$100,000 to pursue the purchase of properties beneficial to the HBCRA plan.

### **Interlocal Agreements**

In the adopted FY 19/20 budget the HBCRA had allocated \$2,230,758 towards Interlocal agreements. The HBCRA is proposing to allocate \$2,120,758 towards the General Fund Reimbursements and reallocate \$110,000 from the General fund to Personnel expenses to have a Code Officer solely dedicated to HBCRA area.

### **Fiscal Impact:**

The Fiscal impact of the HBCRA budget changes from \$22,893,852 to \$24,415,502

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

Under the By-Laws Section 5.2, the HBCRA shall not expend any funds other than those in the budget or otherwise authorized by the Board, provided that the Directors shall have the power to amend its budget as may from time to time be necessary.

### **PROPOSED ACTION:**

Staff recommends approval of the attached Resolution authorizing a Budget Amendment to the FY 19/20 HBCRA Adopted Budget.

### **ATTACHMENT(S):**

Exhibit 1 – Resolution  
Exhibit 2 – FY 19/20 Proposed Budget Amendment