



# Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

<b>Meeting Date:</b>	May 5, 2021		<b>File No.</b>	<b>Item Type:</b> <i>(Enter X in box)</i>	<b>Resolution</b>		<b>Other</b>	
			21-016		X			
<b>Fiscal Impact:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Ordinance Reading:</b> <i>(Enter X in box)</i>		<b>1<sup>st</sup> Reading</b>		<b>2<sup>nd</sup> Reading</b>	
	X		<b>Public Hearing:</b> <i>(Enter X in box)</i>		N/A		N/A	
					<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
					X			
<b>Funding Source:</b>	multiple sources		<b>Advertising Requirement:</b> <i>(Enter X in box)</i>		<b>Yes</b>		<b>No</b>	
							X	
<b>Account Balance:</b>	N/A		<b>RFP/RFQ/Bid Number:</b>		N/A			
<b>Contract/P.O. Required:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Project Number:</b>		N/A			
		X						
<b>Strategic Priority:</b> <i>(Enter X in box)</i> <p><b>Capital Improvements</b></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><b>Promote Projects with Large-Scale Impacts</b></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><b>Priority Area:</b></p> <p>North West Quadrant <input type="checkbox"/></p> <p>FEC Corridor <input type="checkbox"/></p> <p>Southwest Quadrant <input type="checkbox"/></p> <p>Northeast Quadrant <input type="checkbox"/></p> <p>Southeast Quadrant <input type="checkbox"/></p>								
<b>Sponsor Name:</b>	Dr. Jeremy Earle, Executive Director		<b>Department:</b>		HBCRA			

**SHORT TITLE:**

**A RESOLUTION OF THE CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AN AMENDMENT TO THE FISCAL YEAR 2020-2021 BUDGET TO REFLECT CHANGES IN REVENUES, CARRY FORWARD FUND BALANCE, AND EXPENDITURES NECESSARY TO FUND REDEVELOPMENT INITIATIVES DETAILED HEREIN; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO IMPLEMENT THE AMENDMENT TO THE FISCAL YEAR 2020-2021 BUDGET AND TO MAKE CONTINUED ADJUSTMENTS TO THE FISCAL YEAR 2020-2021 BUDGET; AND PROVIDING AN EFFECTIVE DATE.**

**STAFF SUMMARY:****Background:**

On September 14, 2020, the Hallandale Beach Community Redevelopment Agency (HBCRA) Board of Directors adopted the HBCR Budget FY 20/21. The approved budgeted amount was \$42,740,581. Within the approved budget, the HBCRA allocated \$5,873,920 towards an estimate of carryforward fund balance to be used for specific redevelopment projects such as; Donaldson-West Venture, Hallandale City Center, NE 3rd Street Improvements, Atlantic Shores, Land Acquisition, Neighborhood Improvement Program, Commercial Investment Program Consultants Services, and Unsolicited Legal Fees. This amendment is intended to update the FY 20/21 CRA budget to reflect changes in revenue, available fund balance, and expenditures since adoption. Amendments are discussed in detail within the following sections.

**Revenue Summary**

SOURCES	ADOPTED	CHANGE(S)	PROPOSED
TAX INCREMENT	\$ 16,518,080	\$ (38,479)	\$ 16,479,601
LOAN REPAYMENTS/APPLICATION FEES	\$ 288,581	\$ -	\$ 288,581
INVESTMENT EARNINGS	\$ 150,000	\$ (80,000)	\$ 70,000
INFILL HOME	\$ -	\$ 267,190	\$ 267,190
MISC. REVENUE/CITY'S CARES ACT REIMBURSEMENT	\$ -	\$ 675,243	\$ 675,243
CARRYFORWARD FUND BALANCE	\$ 5,873,920	\$ 6,811,535	\$ 12,685,455
REVENUE NOTE, SERIES 2020	\$ 19,910,000	\$ 26,422	\$ 19,936,422
<b>TOTAL SOURCES</b>	<b>\$ 42,740,581</b>	<b>\$ 7,661,911</b>	<b>\$ 50,402,492</b>

**Tax Increment**

In FY20/21 adopted budget, the HBCRA budgeted \$16,518,080 in Tax Increment Financing, which was based on preliminary 2020 taxable values and an estimate of contributing taxing authority millage rates. The final certified taxable values as provided by the Broward County Property Appraiser which, coupled with adopted millage rates from our contributing taxing authorities, necessitates a minor reduction in estimated tax increment of -\$38,479.

Children's Service Council	\$ ( 367)
Broward County	\$ (16,769)
City of Hallandale Beach	<u>\$ (21,343)</u>
<b>Total Decrease in TIF</b>	<b>\$ (38,479)</b>

### **Investment Earnings**

The FY20/21 adopted budget included \$150,000 of Interest Income from Investment Accounts. The HBCRA is proposing a decrease of \$80,000 in Interest Income since interest rates decreased substantially in the past year, from 1.81% in January 2020 to 0.13% in March 2021.

SBA Investment Account	\$ (40,000)
SBA Debt Proceeds Account	<u>\$ (40,000)</u>
<b>Total Decrease in Investment Earnings</b>	<b>\$ (80,000)</b>

### **Infill Home Sale**

The FY20/21 adopted budget did not include estimated revenues from an infill home sale as the property was initially scheduled to sell in September 2020 (FY 2020). However, since the closing happened on October 10, 2020, the HBCRA is proposing an increase of \$267,190 to reflect the revenue received in the current fiscal year.

### **Miscellaneous Revenue/Coronavirus Aid, Relief and Economic Security Act (CARES) Reimbursement**

The FY20/21 adopted budget FY20/21 did not include any amounts for CARES Act reimbursements. HBCRA is proposing an increase of \$675,243 due to the City of Hallandale's CARES Subaward Reimbursements for Residential, and Small Business Assistance received on December 2020 and Shared Appreciation Revenue-from the sale of a property that increased in value.

City's CARES Subaward	\$ 595,243
Shared Appreciation	<u>\$ 80,000</u>
<b>Total Increase in Misc./CARES Act Reimb.</b>	<b>\$ 675,243</b>

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

The FY20/21 adopted budget included an estimate of available fund balance of \$5,873,920. After closing the books FY19/20, the HBCRA is proposing an increase in its Re-appropriations /carryforward balance in the amount of \$6,811,535, which is a result of carryforward balances from Consultants Services, HB medical, Atlantic Shores, Residential Programs, Art Program, Commercial Investment Programs and Redevelopment Agreements, as well as funds unspent and unencumbered from Personnel, Operations , land acquisition and legal fees for litigation services. This amendment appropriates the fund balance towards the

redevelopment initiatives described over the following pages, as the CRA cannot have a reserve balance (in accordance with Florida Statutes 163 Part III)

### **Expenditure Summary**

USES	ADOPTED	CHANGE(S)	PROPOSED
PERSONNEL	\$ 1,495,640	\$ -	\$ 1,495,640
OPERATIONS	\$ 2,176,275	\$ 144,549	\$ 2,320,824
CAPITAL PROJECTS	\$ 22,140,000	\$ 500,810	\$ 22,640,810
PROGRAMS	\$ 4,241,745	\$ 4,027,473	\$ 8,269,218
PROPERTY-LAND-CONSTRUCTION	\$ 2,400,000	\$ 1,430,000	\$ 3,830,000
INTERLOCAL AGREEMENTS	\$ 1,737,870	\$ 3,290	\$ 1,741,160
REDEVELOPMENT AGREEMENTS	\$ 3,049,332	\$ 1,555,789	\$ 4,605,121
DEBT SERVICE	\$ 5,499,719	\$ -	\$ 5,499,719
<b>TOTAL USES</b>	<b>\$ 42,740,581</b>	<b>\$ 7,661,911</b>	<b>\$ 50,402,492</b>

### **Operations**

The HBCRA is proposing to increase the Operation Expenses from \$2,176,275 to \$2,320,824. This amount includes an increase in Advertising for the Be Local Campaign, Specialized Supplies and encumbrances for Consultant/Professional Services, and Unsolicited Proposals for Legal Services.

### **Capital Projects**

The HBCRA is proposing to increase Capital Projects from \$22,140,000 to \$22,640,810. This increase includes funding for open encumbrances for the Atlantic Shores Blvd Improvement project to cover the project's architectural design, an encumbrance for the NE 1<sup>st</sup> Avenue/ Dixie Corridor and unspent funds from the 2020 Revenue Note.

### **Programs**

The HBCRA is proposing to increase programs from \$4,241,745 to \$8,269,218. The balance includes encumbrances for the Neighborhood Improvement (NIP), Windows/Shutter Program, Art in Public Places, and the Commercial Investment Program. This amount also includes an increase of \$700,000 to Residential Programs, approx. \$1.2 million to Commercial Grants and Incentives Programs and \$65,000 to Art in Public Places Events.

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

The HBCRA is proposing to increase the amount from \$2,400,000 to \$3,830,000. This balance includes \$1,200,000 increase in Land Acquisition to pursue properties beneficial to the HBCRA plan.

**Redevelopment Agreements**

The HBCRA is proposing to increase the balance from \$3,049,332 to \$4,605,121. This amount includes an encumbrance for redevelopment for Hallandale Land Venture as well as an increase for The Village at Gulfstream park TIF payment in FY20/21.

**Fiscal Impact:**

The Fiscal impact of the HBCRA budget changes total appropriations from \$42,740,581 to \$50,402,492

**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.

<b>PROPOSED ACTION:</b>
-------------------------

Staff recommends approval of the attached Resolution authorizing a Budget Amendment to the FY 20/21 HBCRA Adopted Budget.

<b>ATTACHMENT(S):</b>
-----------------------

Exhibit 1 – Resolution  
Exhibit 2 – FY 20/21 Adopted Budget  
Exhibit 3 – FY 20/21 Proposed Budget Amendment