



Legislation Text

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TO: Chair and Members of the Board

FROM: Diane Colonna, Executive Director

DATE: August 18, 2015

DISCUSSION OF PROPOSED CRA BUDGET FOR FY 15/16

BACKGROUND:

A presentation will be made on the proposed CRA budget for FY 2016. A brief description of the major components of the budget is as follows.

Revenues

Revenues for the CRA total \$21 million for FY 2016 and include the following:

<u>Tax Increment</u>	<u>\$ 4,477,379</u>
<u>Property Management:</u>	<u>601,500</u>
<u>Miscellaneous</u>	<u>36,500</u>
<u>Carryforward Fund Balance (from all funds)</u>	<u>\$15,561,580</u>
Total:	\$20,676,959

Tax Increment

The primary source of revenue for the CRA is derived of tax increment received from the City (est. millage rate: 6.3402 mills), County (est. millage rate: 5.4584 mills), and the North Broward Hospital District (est. millage rate: 1.5939 mills). The FY 2016 tax increment revenues for the CRA are as follows:

<u>City of Margate</u>	<u>\$ 2,119,655</u>
<u>Broward County</u>	<u>1,824,852</u>
<u>North Broward Hospital District</u>	<u>532,872</u>
Total:	\$ 4,477,379

Property values within the CRA for FY 2016 increased 3.4% to \$659 million. The Residential (11% growth) market segment was the primary growth driver.

Property Management

Represents rent receipts from CRA properties leased for private use and includes:

<u>Chevy Chase</u>	<u>\$ 320,000</u>
<u>Ace Plaza</u>	<u>280,000</u>
<u>Late Payment Fees</u>	<u>1,500</u>
Total:	\$ 601,500

Miscellaneous

Includes estimated revenue from the investment of CRA funds and event fees:

<u>Investment Earnings</u>	<u>\$ 21,500</u>
<u>Event Fees</u>	<u>15,000</u>
Total:	\$ 36,500

Expenditures

Expenditures for the CRA total \$18.8 million for FY 2016 and include the following:

<u>Operations</u>	<u>\$ 1,463,655</u>
<u>Debt Service</u>	<u>1,912,304</u>
<u>Redevelopment Projects</u>	<u>10,314,000</u>
Total:	\$ 13,689,959

Operations

Totals \$1.46 million for FY 2016 and includes the following components:

- New City Positions shared by CRA (Business Development Coordinator position and Accountant position each funded 75% by the CRA based on relative workloads); \$117,055.00
- CRA management which includes funding for a CRA Executive Director, CRA Project Manager, CRA Project Engineer, CRA Coordinator, and part-time CRA Marketing Coordinator: \$572,500.00
- Miscellaneous operating expenditures; \$174,445.00 and
- City administrative cost allocation which represents reimbursement to the City for administrative services provided to the CRA (e.g. Finance Department for payroll, vendor payments; City Clerk for agenda support) \$600,000.00

Debt Service

Represents funding for debt service on the Revenue Refunding Bonds, Series 2012 (taxable/tax-exempt).

Redevelopment Area Investment

Represents funding for redevelopment area investment and includes the following:

Infrastructure and Streetscape Initiatives

<u>Neighborhood Identification Signs</u>	<u>\$ 25,000</u>
<u>Copans Road Landscaping</u>	<u>350,000</u>
<u>Melaleuca Drive Sidewalks and Landscaping</u>	<u>250,000</u>
<u>Sports Complex (design)</u>	<u>250,000</u>
<u>David Park/Community Center Enhancements</u>	<u>50,000</u>
<u>Winfield Blvd. Improvements (design)</u>	<u>40,000</u>
<u>Kaye Stevens Statue-Park enhancements</u>	<u>30,000</u>
<u>Wayfinding Signage</u>	<u>50,000</u>
<u>Other 5-Year CIP Capital Projects</u>	<u>2,490,000</u>

Total: \$ 3,535,000

City Center Development

<u>Stormwater Improvements</u>	<u>\$ 550,000</u>
<u>Waterfront Park and Amphitheater (design)</u>	<u>200,000</u>
<u>State Road 7 Greenways (design)</u>	<u>150,000</u>
<u>Other City Center Capital Projects</u>	<u>970,000</u>
Total:	\$ 1,870,000

Redevelopment Initiatives, Marketing and Special Events

<u>Commercial Property Improvement Grants</u>	<u>\$ 200,000</u>
<u>Home Repair Grants</u>	<u>100,000</u>
<u>Economic Development Incentive Grants</u>	<u>50,000</u>
<u>Special Events/Event Sponsorships</u>	<u>168,000</u>
<u>Marketing and Promotions</u>	<u>100,000</u>
Total:	\$ 618,000

Property Acquisition and Management

<u>Property Acquisition</u>	<u>\$ 3,200,000</u>
<u>Property Mgmt., Maint., and Landscaping</u>	<u>360,000</u>
<u>Property Mgmt., Maint. (Chevy Chase)</u>	<u>155,000</u>
<u>Property Mgmt., Maint., (Ace Plaza)</u>	<u>130,000</u>
<u>Property Insurance</u>	<u>111,000</u>
<u>Property Taxes</u>	<u>110,000</u>
Total:	\$ 4,066,000

Professional/Design & Consulting Services

<u>Consultants/Professional Services</u>	<u>\$ 150,000</u>
<u>Redevelopment Plan Update</u>	<u>75,000</u>
Total:	\$ 225,000

Total Redevelopment Area Investment: \$ 10,314,000

Reserves

The FY 2016 budget includes an allocation to Reserve totaling \$7 million (\$200,000 within the CRA Trust Fund, \$5.8 million within the CRA Capital Improvements Fund/CRA Land Acquisition Fund, and \$960,000 for debt service escrow on the Series 2012 Revenue Refunding Bonds). Reserves are an integral part of the Plan and are necessary to cover deficiencies in revenue collection/forecasting as well

as provide flexibility to invest in redevelopment opportunities as they arise.

RECOMMENDATION: Discuss and provide direction.

FISCAL IMPACT: Total CRA proposed budget for FY 2016 is 22,911,763.

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