



Legislation Text

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TO: Chair and Members of the Board

FROM: Samuel A. May, Executive Director

DATE: May 9, 2018

PROPOSED SHOPPING CENTER PROPERTY IMPROVEMENT PROGRAM

BACKGROUND: The overall goal of the Margate Community Redevelopment Agency is to reduce and eliminate slum and blighted conditions, stimulate the community, encourage economic revitalization and to increase property values in the MCRA area.

According to F.S. 163.370(c)(5) a community redevelopment agency can undertake and carry out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the community redevelopment plan.

According to the MCRA Implementation Plan from 2017, Part 2 - Planned Activities - Business Assistance and Economic Development Programs - The CRA will continue to provide grants for landscape and exterior building improvements to private commercial and mixed use properties, as well as initiatives such as the Development Infrastructure Assistance program to attract additional private investment.

Further, Part 3 - Plan Goals and Objectives states the following:

B. Redevelopment Policy

Goal II - Prevent the future occurrence of slum and blight - Objective No. 5 - The Agency will create programs promoting development and rehabilitation of properties including financial or other economic incentives to facilitate new investment in the Redevelopment Area thereby increasing the tax base.

C. Economic Development

Goal II - Invigorate the business community and revitalize existing commercial properties - Objective No. 3 - The Agency will consider the creation of programs to assist properties to implement the TOC zoning districts and develop strategies for public and private sector reinvestment in struggling commercial properties and target shopping centers with high vacancy rates to receive the benefits of such programs that may be developed.

Currently, the MCRA offers the following programs and incentives:

Commercial Property Façade Improvement Grant Program: The purpose of this program is to improve the appearance of street-facing exteriors of commercial structures with the MCRA. The mission of the program is to enhance curb appeal of commercial properties to retain and attract tenants and shoppers. This is a 50% match program up to \$50,000 depending on the square footage of the participating property's frontage.

Commercial Property Landscape Improvement Grant Program: The purpose of this program is to assist property owners and tenants to enhance the visible appearance of their commercial property by making substantial landscaping improvements. This is a 50% match program up to \$10,000 to assist with landscaping improvements.

Development Infrastructure Assistance Program: Projects that cost \$1 million or more in the MCRA may be eligible to participate in this program. This incentive is instituted to encourage property owners to make a substantial investment in the redevelopment area. The program allows for a reimbursement 50% of the costs of eligible site improvements for an eligible commercial project, up to an amount not to exceed 75% of the projected Tax Increment Funds (TIF) generated by the improvements over a three year period following the project completion, up to a maximum reimbursement of \$250,000.

The existing programs are very valuable but do not provide the opportunity to larger shopping plazas to make significant exterior and landscaping improvements.

Staff has identified a total of 43 shopping plazas within the MCRA district, which are indicated in the map provided as part of the background. The square footage for each identified plaza was gathered from the Broward County Property Appraiser's website resulting in an average of 38,307 SF (This average was taken into consideration to determine eligibility requirements for the proposed program). Also, most of these shopping plazas were built between the 1970's and 1990's and may have not been improved throughout the years and currently can benefit from major exterior and landscape improvements.

Consequently, MCRA staff is proposing the Shopping Center Property Improvement Program. This program has been designed to provide financial assistance to significantly improve the appearance of the street-facing exteriors and landscaping of commercial shopping centers within the Margate Community Redevelopment area. The program's mission is to stimulate revitalization and private sector capital investment by proactively addressing deteriorating property conditions and encouraging improvements which increase economic vitality.

RECOMMENDATION: To review and provide comment on the proposed program.

FISCAL IMPACT: To be determined.

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