MINUTES OF MEETING
DANIA BEACH COMMUNITY REDEVELOPMENT AGENCY
WORKSHOP – BUDGET ALLOCATIONS
MONDAY, SEPTEMBER 30, 2019 – 10:00 A.M.

1. Call to Order/Roll Call

Chair Lewellen called the meeting to order at 10:02 a.m.

Present:

Chair:	Lori Lewellen
Vice-Chair:	Lauren Odman
Board Members:	Chickie Brandimarte
	Bill Harris
	Tamara James
Executive Director:	Rickelle Williams
City Attorney:	Thomas Ansbro
CRA Secretary:	Thomas Schneider

City Manager Garcia gave an update on The Place at Dania Beach relative to the water leak over the weekend.

2. Items for Discussion

2.1 FY2020 Budget: Unallocated Funds- Potential Project(s)

Director Williams noted the CRA Board determined that several line items for projects be reduced or removed from the budget when it was adopted on September 12th.

Board Member Harris addressed the $15,000.00 left over for Board initiatives. He suggested allocating $5,000.00 to Gangrel's Wrestling, $5,000.00 to the City's anniversary celebration (and selling tickets for $10.00, which will go to the Historical Society), and the third $5,000.00 to keep for sponsorships for the Mayor's gala or the Broward League of Cities or Lions Club or any of those events the Board attends.

Board Member James felt the fair thing to do would be to look at the seniority of the items and consider allocations in that order.

Chair Lewellen felt the wrestling should be moved to the top, and she favors donating $7,500.00. She thought the remaining funds should stay in Reserves; they can be held there and used if we need it for something.

Board Member Brandimarte noted Gangrel's lowered the price to $8,000.00; she informed the CRA Director of this.

Vice-Chair Odman commented on the 115th Anniversary event. She felt it is worthy of looking at and putting in a small investment to have it. She would like to put it back on as it had been advertised and ties into a Historical Society that is in the process of being formed. She did not see us removing the event altogether, just the funding allocated for it.

Board Member James said when the funding was removed for Dania After Dark, the event was removed for DAD. She has not been a part of any subsequent discussions regarding the 115th event; all of the funding was taken from DAD. She would favor just giving the money to the Historical Society. She does not want to give a dime to an event that is not open to the public or does not have a process to purchase tickets. It is not a good look to just give a small piece to the CRA to try to make something happen at DAD since the event is next month.

Vice-Chair Odman noted there have been no meetings and no specific planning for the anniversary. It can be done without the money; it is going to be a public event and will be a much more homegrown, fun event. We can sell tickets and it would be open to everyone from the City.

Discussion ensued regarding the Tropical Acres event.

Vice-Chair Odman said she is trying to save the event.

Board Member Harris reiterated the proceeds from the ticket sales should go to the Historical Society or a scholarship fund; he suggested moving the event out in order to have time to do this properly.

Board Member Brandimarte suggested the event be open to everyone; the 115th is not such a big deal, but the 120th would be. This is either a fundraiser for the organizations mentioned or it is for our residents to celebrate; she is not for picking and choosing who may attend a celebration. She suggested holding off on this as it is not planned right at all.

Chair Lewellen suggested $8,000.00 for Gangrel's, and putting some of the $7,000.00 left over into DAD and some into Tropical Acres for the 115th.

Director Williams clarified no funding in the CRA's budget could be used for the Tropical Acres event since it is outside the CRA. She noted DAD was for the general public with free admission.

Chair Lewellen suggested the CRA give some of the money it was allocated back to the City for the event.

Nicki Satterfield, Director of Finance, said both CRA and City budgets could be amended at any time, with the approval of both bodies.

Board Member James does not support the CRA giving money back to the City. She does favor changing the date as she does not want to do things that are thrown together. It takes more than a month to put something together. She would rather give the money to the Historical Society.

Chair Lewellen asked about putting money aside for Gangrel's.

The Board consensus was to give Gangrel's Wrestling $8,000.00.

Bobbie Grace, 110 NW 8th Avenue, spoke about how functions were put together in the past and suggested everyone who is a resident be invited to the event. We could open up the week after DAD, have tables in the Nautilus, music and entertainment. She spoke of the 110th anniversary event where everyone was included. She felt the Broward County Commission would support this event. The event should be rethought.

Chair Lewellen said we are trying to do something with DAD, which would be an inclusive project.

Director Williams questioned if the Board wanted the balance after the $8,000.00 is taken out for Gangrel's to go toward the DAD anniversary event.

Discussion ensued.

Board Member James noted we allocated $10,000.00 initially. She would like to sit down as a group at a separate workshop with Tropical Acres so we could all be a part of the planning and all be on board. There are a lot of decisions to be made; it is not fair for one or two to make the decisions.

Chair Lewellen noted we did not workshop anything with DAD regarding the agenda. Staff could bring us an agenda to look at; she does not know that we need an entire workshop for this.

Board Member Brandimarte questioned how many people Tropical Acres intends to serve and noted she does not favor having a workshop.

Further discussion ensued.

The Board consensus was to use the remaining amount of money for the augmented DAD event.

2.2 Budget strategy beyond FY2020

Director Williams reviewed the information included in the agenda packet and explained TIF funding of the CRA. She would like to get to a justifiable contribution for funding the CRA; it would provide less ambiguity and more certainty. She referenced and spoke about the handout provided by Director of Finance Satterfield, which is attached to and incorporated into these minutes. She would like the Board to discuss how to move forward so we do not again have the situation we had this year.

Nicki Satterfield, Director of Finance, explained the handout provided to the Board. The City has basically cumulatively met the requirements of the ordinance regarding TIF funding Director Williams described.

Vice-Chair Odman asked why the ordinance was never put into effect.

Director of Finance Satterfield responded she did not know and explained how the City budget likely could not bear the impact of TIF equivalency funding for the CRA. With increased development comes increased demand for services. From a financial perspective, applying this ordinance would restrict the Board from having flexibility. Only the elected officials know what they want to provide to their residents.

Board Member Brandimarte noted when the ordinance was enacted in 2011, the TIF was never set up.

Director of Finance Satterfield felt that TIF funding is not financially sustainable and takes away the Board's flexibility. She recommended rescinding the ordinance and establishing whatever the new criteria would be administratively, which would give complete flexibility to do what you need to do.

Board Member James noted the allocation has been flat and we need to come up with a strategy for funding. Because the ordinance was not enforced, the CRA was unable to have a Reserve.

Director of Finance Satterfield explained the methodology used in the past.

Board Member James recommended that the CRA take over the cost of certain services provided by the City. The goal of this is to have a CRA that is independent of the City. The ordinance was put in place for a reason even if it was not enforced. She asked if the CRA could take over some of the services the City provides.

Director Williams noted state statute does allow CRAs to provide services such as code enforcement and police services.

Director of Finance Satterfield said this would need to be looked at logistically; also, it would be very expensive and she is doubtful the CRA could absorb those costs. It would not change the overall dollar affect.

Board Member James would like to workshop this to see how to make this work.

Board Member Harris felt we should repeal the ordinance and come up with a better formula and better ordinance.

Vice-Chair Odman commented she is not in favor of repealing the ordinance; we need to agree on a solution. She suggested the ordinance not be repealed, but instead be amended as needed.

Director of Finance Satterfield suggested amending the ordinance to remove the TIF requirement.

Chair Lewellen said the CRAs with a TIF are getting money from the County. She has a serious concern about having separate code enforcement and police set up in the City. City services are involved in public safety; CRAs are traditionally redevelopment. What we need to focus on is getting back to what the CRA was created for, which was economic redevelopment. She does not want to divide; we should take a step back and go back to economic development and housing with the CRA. An issue was that we did not get the CRA budget until a week before it was to be adopted.

Director Williams reviewed the goals of the CRA as specified in the CRA Plan. Everything the CRA does is done with the intent of economic development. She also addressed Florida Statute Chapter 163. She agreed with amending the ordinance, but absent of a TIF, which can be more clearly defined, the CRA will face situations similar to this year. She would like a consensus for the funding and have it formula-based.

Board Member James confirmed that the CRA would not hire code enforcement officers but that the CRA would receive the funding to pay for the officer. She would like to know if the Board would want to stagger the amount, for example 75% of the TIF for funding.

Chair Lewellen noted it would still be a significant amount of money coming from the City.

Vice-Chair Odman said the services portion of this discussion does not make sense to her; she questioned if it could be a separate thing. There are several different ways we could build up the funding. She confirmed the CRA funding is currently at 50% of TIF.

Director Williams addressed projections for 2021 and noted we are currently at $1.4 million; going to 75% of next year's projected TIF would be $2.1 million, which would be an increase of approximately $700,000.00.

Vice-Chair Odman reviewed the various percentages of TIF funding. She is looking at 65-70% which would be the first meaningful increases in funding.

Chair Lewellen noted we need to make sure we are not taking away from the City to an extent that core services would have to be cut. She would like to see a financial analysis done to know what the impact to the City would be.

Vice-Chair Odman felt we need to pursue this to the end; otherwise, we will be back to where we were.

Chair Lewellen repeated her concern about having to cut the City budget. We have not discussed ways we could cut some things in the CRA to make it more sustainable.

Board Member Harris reiterated we should repeal the ordinance and questioned whether the CRA was instrumental in Dania Pointe or Project Magic. He wants to see projects on Federal Highway, and requested a projects list and performance related items.

Director Williams addressed CRA economic development projects.

Chair Lewellen noted Director Williams is asking for more funding, but the problem is to see when additional revenues would be coming in. She had asked for a project list a long time ago. You need to be able to show that the focus of the CRA is being addressed; if you are going to increase the revenue coming into the City, you have to increase the number of businesses.

Board Member Brandimarte said if we do not give the CRA the money, they cannot get anything done. We have to support the CRA no matter what.

Director of Finance Satterfield recommended the Board keep its flexibility; we cannot predict the revenue coming in. A financial analysis would definitely need to be done before any final decisions are made on a funding mechanism. If the Board and Commission decide they are going to increase the contribution to the CRA, she recommends they should look at increasing the cost allocations to the CRA for core services provided by the City, such as police and code enforcement.

Discussion ensued regarding code enforcement and police services specific to the CRA area.

Board Member Brandimarte favored police and code officers designated for the CRA area.

Board Member James addressed cost allocations to the CRA, development on Federal Highway and Dania Beach Boulevard, and projects outside of the CRA. She is okay with 70% TIF funding that Vice-Chair Odman felt was appropriate in order to provide the resources needed by the CRA. If we go line item by line item, we could come up with something that would work for both the City and the CRA.

Chair Lewellen asked for a financial analysis of the impact to the City, regardless of the percentage decided upon. Once the analysis is done, we should then look at the ordinance and decide what should be done with it. We have time to do this; it does not have to be done today.

Vice-Chair Odman does not have a problem with waiting, but she wants a financial analysis of 65%, 70% and 75% of TIF funding and then a discussion. Regarding the ordinance, she would want Director of Finance Satterfield's recommendation on how it should be amended to be reviewed by the CRA Board.

Director Williams asked that any financial analysis be reviewed independently by the CRA; she wants the CRA to be provided with any information produced prior to it being introduced.

Vice-Chair Odman is fine with the CRA seeing the analysis beforehand. She is looking to make a decision and to feel we are looking forward.

Chair Lewellen repeated there could be things that might be cut in the CRA; ways to be more efficient could be looked at.

Director of Finance Satterfield recommended giving the new Finance Director 30 days after his start date to perform the requested analysis.

City Manager Garcia recommended waiting until the new calendar year to hold a workshop on this.

Chair Lewellen felt we should give the new Finance Director time to get his schedule set.

Director of Finance Satterfield noted this is too important to not have the new Finance Director involved.

Discussion ensued regarding the logistics and timetable for the financial analysis and follow-up discussions.

Chair Lewellen felt we should hold off until the new Finance Director begins working. After he starts, something can be scheduled.

Board Member James is okay with holding off until the new Finance Director gets here as long as we are doing something before Director Williams goes out on maternity leave.

Vice-Chair Odman noted if Director Williams goes out earlier than expected, we should agree to pause the conversation until she returns.

The Board consensus was to move forward as discussed.

3. <u>Adjournment</u>

Chair Lewellen adjourned the meeting at 12:43 p.m.

ATTEST:

THOMAS SCHNEIDER, CMC
CRA SECRETARY

COMMUNITY REDEVELOPMENT AGENCY

LORI LEWELLEN
CHAIR – CRA

Approved: November 12, 2019

DANIA BEACH
COMMUNITY REDEVELOPMENT AGENCY

CRA of Dania Beach
TIF vs Annual Funding Analysis

	Fiscal 04-05	Fiscal 05-06	Fiscal 06-07	Fiscal 07-08	Fiscal 08-09	Fiscal 09-10	Fiscal 10-11	Fiscal 11-12	Fiscal 12-13	Fiscal 13-14	Fiscal 14-15	Fiscal 15-16	Fiscal 16-17	Fiscal 17-18	Fiscal 18-19	Fiscal 19-20	CUMALTIVE TOTAL	TOTAL 2012-PRESENT
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
CRA Taxable Value - Original Boundaries	-	233,372,870	266,507,430	312,456,800	293,947,520	276,714,880	252,370,700	220,323,790	219,469,440	225,683,520	245,913,760	255,671,150	271,631,690	342,126,380	388,054,400	457,846,830		
Base Year	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440	172,715,440		
Incremental Value	-	60,657,430	93,791,990	139,741,360	121,232,080	103,999,440	79,655,260	47,608,350	46,754,000	52,968,080	73,198,320	82,955,710	98,916,250	169,410,940	215,338,960	285,131,390		
City TIF Original Less Statutory Reduction of 5%	-	368,221	553,941	717,457	622,427	578,757	454,020	271,359	266,489	301,908	417,217	472,832	563,804	965,610	1,227,391	1,625,195		
CRA Taxable Value - Expanded Boundries		-	-	-	-	-	-	302,087,340	286,578,780	294,529,160	316,080,540	350,496,240	386,044,250	418,193,930	452,211,440	559,796,040		
Base Year								(302,087,340)	(302,087,340)	(302,087,340)	(302,087,340)	(302,087,340)	(302,087,340)	(302,087,340)	(302,087,340)	(302,087,340)		
Incremental value								-	(15,508,560)	(7,558,180)	13,993,200	48,408,900	83,956,910	116,106,590	150,124,100	257,708,700		
City TIF Expanded Less Statutory Reduction of 5%									(93,048)	(45,348)	83,956	290,444	503,725	696,616	900,715	1,546,201		
Combined TIF Calculation		368,221	553,941	717,457	622,427	578,757	454,020	271,359	173,441	256,560	501,173	763,276	1,067,528	1,662,226	2,128,106	3,171,395	13,289,888	9,995,064
Annual Funding				**324,369**	**611,721**	**693,283**	**822,150**	**822,150**	**2,093,528**	**832,150**	**890,000**	**890,000**	**890,000**	**890,000**	**1,110,227**	**1,197,450**	12,067,028	9,615,505
Cost Allocation Funds										**279,170**	**279,170**	**279,170**	**279,170**	**224,331**	**233,080**	**247,098**	1,821,189	1,821,189
Broward County Loan														**250,000**			250,000	250,000
																	14,138,217	**11,686,694**
Millage Rate		6.39	6.2169	5.4044	5.4044	5.8579	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998	5.9998		
Funding Differential																	**(848,329)**	**(1,691,630)**