



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#25-0190

TO: CRA Chairman & Board of Commissioners
Fort Lauderdale Community Redevelopment Agency

FROM: Susan Grant, Executive Acting CRA Director

DATE: February 18, 2025

TITLE: Resolution Approving Early Loan Forgiveness to the YMCA for the Forgivable Loan of \$10,000,000 as of December 31, 2024, and Authorizing the Executive Director to Negotiate and Execute Any and All Documents or Instruments Necessary or Incidental to Consummate the Transaction – **(Commission District 3)**

Recommendation

Staff recommends the Community Redevelopment Agency (CRA) Board of Commissioners approve the early forgiveness of the Development Incentive Program (DIP) forgivable loan in the amount of \$10,000,000, as of December 31, 2024; and authorize the Executive Director to negotiate any and all documents or instruments necessary or incidental to the transaction, subject to the review of the CRA General Counsel.

Background

The Northwest-Progresso-Flagler Heights (NPF) CRA has received a request from the Young Men's Christian Association of South Florida, Inc. (YMCA) for early forgiveness of the Development Incentive Program loan in the amount of \$10,000,000. Copies of the Location Map; Broward County Property Appraiser Information; the YMCA's Request for Early Loan Forgiveness; CAM #17-0875; Development Incentive Program Agreement dated May 4, 2018; the Certificate of Occupancy issued on May 25, 2022; the Jobs Report for Fiscal Year 2024; and the Resolution are attached as Exhibits 1 through 8.

On May 4, 2018, the CRA entered into an agreement with the YMCA to provide a forgivable loan of \$10,000,000 for the construction of the LA Lee YMCA/Mizell Community Center, located at 1409 Sistrunk Boulevard, Fort Lauderdale, FL 33311 (Exhibit 5). The agreement specifies that the loan will expire on its own on November 1, 2025.

The YMCA has requested early forgiveness of the CRA loan, valid as of December 31, 2024, the end of the YMCA's fiscal year (Exhibit 3). The purpose of this request is to enable the YMCA to apply for a bank loan related to the Holiday Park YMCA project, without the CRA loan reflecting as a liability on their audited financial statements.

Forgiving the loan at this stage would enhance the YMCA's ability to secure additional funding, which is crucial for their ongoing operations and future projects.

Since opening its doors in May 2022, the YMCA has been a vital community partner, offering invaluable services, programs, and facilities that benefit our residents, from reducing youth delinquency rates, providing childcare and promoting healthy lifestyles among residents. Their commitment to community well-being and development is evident through their extensive programs and outreach efforts. By forgiving the CRA loan early, the CRA would support the YMCA's ability to leverage additional funding sources, allowing them to continue and expand their impactful work, without the financial strain of outstanding debt.

The benefits of early forgiveness will allow the YMCA enhanced financial flexibility. It will improve the YMCA's financial statements, making it easier for them to obtain new financing, specifically for the Holiday Park project in early 2025. The YMCA has a 50-year land lease with the City to build a new YMCA on the site, in front of the Parker Playhouse.

Early loan forgiveness is a strategic investment in the future of the community. It would enable the YMCA to continue making a positive impact, secure additional funding, and ensure the long-term success of their programs. With additional funding opportunities, the YMCA could further invest in community programs, infrastructure, and services. Demonstrating the CRA's continued support for the YMCA reinforces our commitment to partnerships that enhance the quality of life for our residents. The YMCA's Jobs Report for fiscal year 2024 (Exhibit 7) shows that, despite its good faith efforts to comply with the terms of the Agreement, the YMCA was only able to hire approximately 32% of its employees from within the CRA's boundaries, rather than the required 50%. However, the job creation requirement would have been achieved if employees hired from the areas surrounding the CRA were to be included in the calculations.

As an additional community benefit, Broward Community College (BCC) within the YMCA offers accessible, affordable, and high-quality higher learning options to individuals of all ages and backgrounds. BCC ensures that education is not just a privilege for the few but a right for everyone, from young students to working adults seeking career advancement. By aligning educational opportunities with the demands of the job market, BCC prepares students for successful careers. The college provides relevant skills and knowledge, enhancing employability and contributing to the local economy. Graduates emerge as competent, confident professionals ready to make a positive impact.

Considering the significant contributions of the YMCA to our community and the potential benefits of early loan forgiveness, it is recommended that the City Commission approve the early forgiveness of the \$10,000,000 CRA loan to the YMCA.

Resource Impact

There is no fiscal impact associated with this action.

Strategic Connections

This item is a FY 2025 Commission Priority, advancing the Public Spaces and Community Initiatives.

This item supports the *Press Play Fort Lauderdale 2029* Strategic Plan, specifically advancing:

- The Business Growth and Support Focus Area, Goal 6: Build a diverse and attractive economy

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are Prosperous

This item supports the Advance Fort Lauderdale 2040 Comprehensive Plan, specifically advancing:

- The Neighborhood Enhancement Focus Area
- The Urban Design Element
- Goal 2: Encourage urban design which responds to the climate and character of Fort Lauderdale, is pedestrian friendly, human-scaled and contains the infrastructure and amenities to create a vibrant public realm.

- The Business Development Focus Area
- The Economic Development Element
- Goal 2: Enhance the economic competitiveness of Fort Lauderdale through policies that encourage retention and recruitment of business and industry which provide living-wage employment and increased training and competitiveness of the local workforce

- The Education Element
- Goal 2: Encourage traditional and non-traditional educational opportunities beyond K-12, including higher educational institutions, continuing education, workforce development and Career Technical Education by developing strategic alliances with business associations, colleges, and universities to connect skills development with jobs.

Attachments

Exhibit 1 - Location Map

Exhibit 2 - Broward County Property Appraiser Information

Exhibit 3 - YMCA Request for Early Loan Forgiveness

Exhibit 4 - CAM #17-0875

Exhibit 5 - Development Incentive Program Agreement

Exhibit 6 - Certificate of Occupancy

Exhibit 7 - Jobs Report for Fiscal Year 2024

Exhibit 8 - Resolution

Prepared by: Eleni Ward, CRA Housing and Economic Development Manager
Clarence Woods, CRA Manager

Acting CRA Executive Director: Susan Grant