



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CONFERENCE MEETING**

#22-0815

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Greg Chavarria, City Manager

DATE: September 22, 2022

TITLE: Expansion of the Beach Business Improvement District (BBID) -
(Commission Districts 2 and 4)

The Beach Business Improvement District (BBID) advisory committee has expressed interest in expanding the BBID's geographical boundaries westbound to the intracoastal waterway and southbound beyond the east-west part of Holiday Drive. The expansion will add the commercial properties in the area that both contribute to the success of the district and gain the benefits from BBID funded and supported initiatives. Including additional properties will allow the BBID to expand and diversify initiatives that enhance visitors' experiences, which in turn will benefit the businesses and further improve the district.

The advisory committee and staff are requesting support from the City Commission to initiate the process of expansion.

Benefits of Expansion

The BBID members consist of commercial properties only within the general boundaries along State Road A1A between Sunrise Boulevard to the north and the east/west portion of Holiday Drive to the south.

Increasing the geographical area of the BBID and inclusion of more commercial properties will generate additional non-ad valorem assessment and will allow for the assessment to be used for physical improvements and financial support for initiatives, activations, and programming to a larger area, extending beyond just the area along A1A. The Map of Proposed Expanded BBID Boundaries Option 1 and Option 2, Exhibit 1 and Exhibit 2 respectively, illustrate the existing BBID boundaries as well as two options for expansion. The primary difference between the two options is the inclusion of Lago Mar Beach Resort and Club which is a private section of the beach and will require further discussion to determine whether or not inclusion is appropriate.

The Creation of BBID

The Beach Business Improvement District (BBID) was created via Ordinance C-06-34 in 2006 when the Fort Lauderdale Beach was in an on-going transition to become a world class beach resort. The district was created to assist the City in:

- Establishing Fort Lauderdale Beach as a premiere resort destination;
- Significantly increase tourism in the area;
- Expanding business revenue and increasing economic growth;
- Enhancing the physical appearance and increasing the attractiveness of the district;
- Developing pedestrian friendly sidewalks;
- Creating a unique sense of place for visitors to enjoy; and
- Improving the overall image of the beach.

The current BBID boundary was determined when the BBID was established in 2007 and is based on a feasibility study conducted in 2006. The feasibility study evaluated the existing conditions at Fort Lauderdale Beach at that time and it determined that in order to enhance the Fort Lauderdale's beach assets the physical appearance had to be improved, branding and image had to be developed, and security enhanced. Creating a Business Improvement District allowed for the local businesses to contribute funding to enhance the area and supplement services the City already provided. A key component to keep in mind is that all events, projects, or activations funded by the BBID have to benefit the business owners within the BBID.

In 2007, the Beach Business Improvement District Advisory Committee was created via Resolution No. 07-114, to monitor the progress of the Beach Business Improvement District, to make recommendations about services, enhancements, and special programs and events. The advisory committee consists of eight members, seven representatives from the ten highest assessed properties in the district, and one representative from the Greater Fort Lauderdale Chamber of Commerce's Beach Council. Currently the advisory committee meets monthly.

Fort Lauderdale Beach looks vastly different today than 16 years ago when the BBID was established. At that time, the area was challenged with poor overall appearance of public spaces, limited streetscape landscaping and beautification, inadequate maintenance of the wave wall, insufficient signage and branding identification, minimal marketing of the area, and a low level of security and public protection. Fort Lauderdale Beach has evolved into a flourishing world-class destination that attracts many residents, visitors, new businesses, hotels, and small to large scale events year around. Consequently, the needs of the area have evolved, and so has the advisory committee's focus. Expanding the BBID boundaries allows current and future commercial properties that are in the Fort Lauderdale Beach area, but not in the current BBID area, to actively participate in the development, support, and improvements of the area.

The non-ad valorem special assessment of the properties is currently \$0.8525 per \$1,000 of the property value, imposed by the City Commission, collected on the tax bill, (pursuant to the Uniform Assessment Collection Act), and redistributed in its entirety to fund services in the district. The FY 2023 revenue is estimated to be \$1,091,572.

Steps to Expansion

The imposition of assessment on more properties or to expand the boundaries to include more properties is regulated in the home rule Ordinance C-06-34. According to the Ordinance it is necessary to illustrate that payers within the assessed area are benefitting from the imposed assessment. The steps to expansion are:

1. Identify the properties and define the geographical area to be included in the proposed expansion.
2. Conduct a study that evaluates if the beach improvement services, facilities, and programs provide a special benefit to the assessed properties. The legislative determination of the special benefit is outlined in section 1.04:

"It is hereby ascertained and declared that the beach improvement services, facilities, and programs provide a special benefit to business property located within the beach area that is used for commercial purposes based upon the following legislative determinations:

(A) Beach Business Improvement services possess a logical relationship to the use and enjoyment of improved property by: (1) producing a clean, safe and more attractive business environment (2) increasing the number of visitors, (3) increasing commerce and investment (4) increasing property values."

3. Prepare a fair and equitable assessment methodology to the benefiting property owners.
4. Adoption of Assessment Resolution
5. Preparation of Assessment Roll
6. Notice by Publication
7. Notice by Mail
8. Adoption of Final Assessment Roll

Although the expansion does not require majority support from the affected properties, staff will conduct stakeholder outreach to the properties, the Chamber of Commerce's Beach Council, and other interested parties.

Resource Impact

The BBID will realize increased revenue if the boundaries are expanded. The estimated cost associated with the expansion process, which will be funded from the BBID fund, is \$45,000.

Strategic Connections

This item is a *2022 Commission Priority*, advancing the Economic Diversification initiative.

This item supports the *Press Play Fort Lauderdale 2024 Strategic Plan*, specifically advancing:

- The Business Development Focus Area
- Goal 5: Build an attractive global and local economic community marketplace

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

Attachments

Exhibit 1 – Map of Proposed Expanded BBID Boundaries Option 1

Exhibit 2 – Map of Proposed Expanded BBID Boundaries Option 2

Prepared by: Sarah Hannah-Spurlock, ICMA-CM, Nighttime Economy Manager

Department Director: Christopher Cooper, AICP, Development Services Department