



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#21-0926

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: November 16, 2021

TITLE: Resolution Approving the Consolidated Budget Amendment to Fiscal Year
2022 – Appropriation - **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission adopt a resolution amending the Fiscal Year (FY) 2022 Budget.

Background

Examples of recommended actions within the budget amendment are:

- transfer between funds;
- transfer between capital and operating budgets;
- transfer between capital projects;
- acceptance and appropriation of grant funding;
- amendment to staffing level;
- appropriation from fund balance; and
- appropriation for modified revenue and related expenditures.

Staff recommends the City Commission amend the FY 2022 Final Budget and FY 2022 – FY 2026 Community Investment Plan, as revised, by approving the following transfers and appropriations:

Finance

A. Appropriation of Unanticipated Revenue – Northwest Progresso Flagler Heights Community Redevelopment Agency (CRA) Business Incentives Debt Fund and Tax Increment Revenue Loan Fund – CRA Business Incentive Projects - \$25,716,561

The Community Redevelopment Agency (CRA) is seeking a \$20,769,000 bank loan from Truist Bank, subject to the City of Fort Lauderdale's approval. (CAMs 21-0720 and 21-0721). The bank loan to the CRA will be secured by the anticipated CRA Tax Increment Financing (TIF) Revenue. Staff anticipates that the proposed taxable financial loan will be repaid in full by the CRA prior to the CRA sunset date of November 7, 2025.

Staff recommends an appropriation of the \$20,769,000 bank loan to allow for payment of incentives to developers for projects within the Northwest Progresso Flagler Heights Community Redevelopment Agency (CRA).

The bank loan will allow the approval of funding for three (3) major projects that the CRA will support. The CRA aims to provide incentives to developers, with purposes of attracting them to the area in an amount totaling \$14,450,000, in addition to other incentives, which will be identified at a later date, in the amount of \$5,550,000. The three (3) projects are described below:

1. A mixed-use Commercial Development Project located at 909 Sistrunk Boulevard. Total CRA contribution \$4,000,000.
2. A Property Disposition and Development Proposal for Sistrunk Apartments for "The Aldridge" and "The Laramore" Mixed Use Affordable Housing Projects located at 1204 Sistrunk Boulevard and 1620 NW 6th Street. Total CRA contribution \$8,000,000.
3. A Property Disposition and Development Proposal for the Victory Entertainment Complex located at 1017 Sistrunk Boulevard and 606 NW 10th Terrace. Total CRA contribution \$2,450,000.

The funding will allow for the described development projects to commence with predevelopment approvals and development actions based on a CRA commitment.

Additionally, \$769,000 of the loan proceeds, along with available cash in the amount of \$2,491,940, will be used to pay the outstanding balance on the loan the CRA secured in 2015 to fund the WAVE project in the amount of \$3,184,949 and \$75,991 for the cost of issuance for the loan.

The first Debt service payment for the Truist loan will be made in Fiscal Year 2022 in the amount of \$2,455,621.

Staff recommends the City Commission amend the FY 2022 Operating Budget in the amount of \$25,716,561 for Debt Repayment and for a taxable loan to provide developers with incentives to complete projects in the CRA. Funding is contingent upon the approval of the loan from Truist Bank (CAM# 21-0781).

Source:

Funds available as of October 29, 2021					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
120-CRA092113-T300	NWP CRA Business Incentives Debt	Other Financing Sources/Loans & Note Proceeds	\$0	\$0	\$20,000,000
288-FD288-T300	Tax Increment Revenue Loans	Other Financing Sources/Loans & Note Proceeds	\$0	\$0	\$769,000
288-FD288-GL103	Tax Increment Revenue Loans	Cash with Fiscal Agent	\$0	\$0	\$2,491,940
TOTAL AMOUNT →					\$23,260,940

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
120-CRA092113-4203	NWP CRA Business Incentives Debt	Other Operating Expenditures/ Redevelopment Projects	\$0	\$0	\$20,000,000
288-TIR15P-7103	Tax Increment Revenue 2015 Principal	Debt Service/ Loan Principal	\$734,000	\$734,000	\$3,176,000
288-TIR15I-7203	Tax Increment Revenue 2015 Interest	Debt Service/ Loan Interest	\$112,313	\$112,313	\$8,949
288-FD288-7305	Tax Increment Revenue Loans	Debt Service/ Other Debt Costs	\$500	\$500	\$75,991
TOTAL AMOUNT →					\$23,260,940

Source:

Funds available as of October 29, 2021					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
119-CRA092204-4203	Development Incentive Improvement Program FY 22	Other Operating Expense/ Redevelopment Projects	\$10,913,296	\$10,905,194.00	\$2,455,621
TOTAL AMOUNT →					\$2,455,621

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
288-TIR21-7103	Tax Increment Revenue 2021	Debt Service/ Loan Principal	\$0	\$0.00	\$2,284,000
288-TIR21-7203	Tax Increment Revenue 2021	Debt Service/ Loan Interest	\$0	\$0.00	\$171,621
TOTAL AMOUNT →					\$2,455,621

Strategic Connections

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

- The Internal Support Focus Area
- Goal 8: Be a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning

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

Related CAMs

CAM 21-0781

Attachment

Exhibit 1 – Resolution

Prepared by: Tamieka McGibbon, Senior Budget and Management Analyst

Department Director: Laura Reece, Office of Management and Budget