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Date: July 21, 2026
To: CRA Board of Commissioners
From: Kimberly Vazquez, Redevelopment Project Manager III
Through: Gregory P. Harrison, Executive Director
Nguyen Tran, Director
Subject: East CRA District Financing and Implementation Plan
(FYs 2027-2031)

Background

In 2009, the Board of the Pompano Beach Community Redevelopment Agency (CRA) determined that a more aggressive approach was needed to effectively address the blighted conditions in the East CRA District (the "District"). In response, a five-year financing and implementation plan (the "Plan") was created utilizing the District's financial resources to fund the Plan initiatives.

Formulation of the Plan involved all of the following:

- analysis of existing planning documents;
- conducting public forums to discuss the redevelopment options with the community at large; and
- multiple Plan presentations to the CRA Advisory Committee.

Formal approval of the Plan solidifies the redevelopment approach for many years. The result is increased private sector investment because the development community, residents, lenders and all others involved in redevelopment will see that a solid financial commitment has been made by the elected officials presiding over the District.

The 1st year of the Plan (FY 2027) serves as the budget for the District with FYs 2028–2031 serving as the strategic vision that guides redevelopment planning.

The following section provides an overview of the Plan and is followed by a detailed discussion of the budget for FY 2027.

Executive Summary of 5-Year Plan

The following section provides a summary of the Plan's sources and uses over the five-year period (i.e., FY 2027 – FY 2031).

Plan Sources

Tax Increment

Tax increment is remitted to the District from the City of Pompano Beach, Broward County, and the North Broward Hospital District (NBHD).

The July Certification of taxable value provided by the Broward County Property Appraiser highlights a tax base that experienced overall tax base growth of 4.5% with the commercial (6.5% growth) market segment being the primary growth driver.

During the forecast period, the Plan conservatively factors real estate value growth of 3.5% (FY's 2028-2031). Estimates of new construction are forecasted for several of the larger planned developments including the W Pompano Beach, 2400 E. Atlantic Blvd, Pompano Hotel, Azure, and Atlantico. Please note, tax increment from new developments planned, but not currently under construction, is being reserved to highlight potential new resources available for redevelopment investment but not being relied upon to fund general redevelopment operations or debt service.

Miscellaneous

Includes estimated revenue from the District's building rentals (e.g. 110/119/122-124 S. Federal Highway and 23 SE 22nd Avenue) as well as anticipated investment earnings.

Tax Increment Revenue Bonds, Series 2027 (proposed):

The Plan forecasts the issuance of \$19 million in Series 2027 Tax Increment Revenue Bonds to fund multiple redevelopment projects.

Carryforward Fund Balance

Represents the carryforward of fund balance (i.e. unspent cash balance) within the District that is available for investment in redevelopment projects.

Plan Uses

Operations

Consists of funding for personnel, general operating expenditures, reimbursement to the City for administrative services provided to the District (e.g. Finance Department for payroll, vendor payments, etc.), and forecasted values for tax increment sharing arrangements (development agreements).

Debt Service

Represents funding for debt service on the Tax Increment Revenue Refunding Bonds, Series 2013A, Tax Increment Revenue Bonds, Series 2013B, and forecasted debt service/costs-of-issuance on the proposed Series 2027 Tax Increment Revenue Bonds (discussed above).

Redevelopment Area Investment

Represents funding for redevelopment area investment over the five-year plan and includes the following:

Infrastructure and Streetscape Initiatives	
Redevelopment Initiatives	
Area Stabilization	
Property Acquisition	
Consultants and Professional/Design Services	

Please refer to the Plan for a detailed listing of redevelopment projects.

Reserve

Represents the estimated reserves generated over the five-year period. Reserves are an integral part of the Plan and are necessary to cover deficiencies in revenue collection/forecasting as well as provide flexibility to invest in redevelopment opportunities as they arise.

Also, within the Reserve, as previously noted, is tax increment from new developments planned, but not currently under construction, that is being reserved to highlight potential new resources available for redevelopment investment but not being relied upon to fund general redevelopment operations or debt service.

Fiscal Year 2027 Budget (1st year of Plan)

The following section provides a narrative of the District's FY 2027 budget.

Revenues

Revenues for the District total \$42 million and include the following:

Tax Increment	\$ 8,204,731
Miscellaneous	275,697
Tax Increment Revenue Bonds (proposed)	18,984,300*
Carryforward Fund Balance	14,518,616
Total:	\$41,983,344

** Please Note: Tax Increment Revenue Bond (proposed) activity would not be appropriated into the CRA budget until required approvals are obtained, and bonds are issued. The bond related financial information contained in the Plan is for illustrative purposes only.*

Tax Increment

The primary source of revenue for the District is derived of tax increment received from the City (est. millage rate: 5.2181 mills), County (est. millage rate: 5.6658), and NBHD (est. millage rate: 1.2391) and totals \$8,204,731 for FY 2027.

Property values within the District (July Certification) for FY 2027 increased 4.5% with the commercial (6.5% growth) market segment being the primary growth driver

Miscellaneous

Includes revenue from District's loan programs, events, as well as estimated investment earnings:

<u>Building Rentals</u>	<u>\$194,097</u>
Investment earnings	<u>81,600</u>
Total:	\$275,697

Carryforward Fund Balance

Represents the carryforward of fund balance (i.e., unspent cash balance) within the District that is available for investment in redevelopment initiatives.

Tax Increment Revenue Bonds (proposed)

The Plan forecasts the issuance of \$19 million in Series 2027 Tax Increment Revenue Bonds to fund multiple redevelopment projects. Assumptions include:

- Principal Amount = \$19 million (\$18.8 million for redevelopment initiatives and \$184K for issuance costs).
- Amortization Period = 25 years (maturity on or before 9/30/2052).
- Interest Rate = 5%.

Debt Service structure is mindful of the reduction in tax increment during the extension period (starting with FY 2032) as the City of Pompano Beach will be the only contributing taxing authority.

Expenditures

Expenditures for the District total \$39.5 million and include the following:

<u>Operations</u>	<u>\$ 1,062,508</u>
Tax Increment Split (Mayla Pompano)	1,051,900
Debt Service	
<u>Series 2013 Obligations</u>	<u>1,100,889</u>
<u>Tax Increment Bonds (proposed)</u>	<u>736,300*</u>
Redevelopment Projects	
<u>General</u>	<u>16,761,747</u>
<u>Tax Increment Bonds (proposed)</u>	<u>18,800,000*</u>
Total:	\$39,513,344

** Please Note: Tax Increment Revenue Bond (proposed) activity would not be appropriated into the CRA budget until required approvals are obtained and bonds are issued. The bond related financial information contained in the Plan is for illustrative purposes only. Debt service for FY 2027 would consist of partial-year debt service (\$552,000 interest payment) and costs-of-issuance (\$184,300) and will be placed in a reserve account pending formal approval and issuance.*

Operations

Totals \$2,114,408 for FY 2027 and consists of the following:

- Personnel - Represents an allocation of the following staff positions: CRA Director (50%), Redevelopment Project Manager III (50%), Redevelopment Project Manager I (50%), Community Development Housing Inspector (25%), Real Property Manager (25%), Department Head Secretary (50%), CRA Executive Director/City Manager (6%), Assistant City Administrator (15%), City Clerk (6%).
- Miscellaneous operating expenditures.
- Tax increment split agreement (Mayla Pompano). FY 2027 will be the 2nd remittance under this agreement which has a max obligation of \$9.1 million. After accounting for the FY 2027 estimated remittance, the remaining maximum obligation will total \$7 million.
- City administrative cost allocation which represents reimbursement to the City for administrative services provided to the District (e.g. Finance Department for payroll, vendor payments, etc.).

Debt Service

Represents funding for debt service on: (1) Tax Increment Revenue Refunding Bonds, Series 2013A (\$705,475); (2) Tax Increment Revenue Bonds, Series 2013B (\$395,414); and (3) forecasted debt service on the proposed Series 2027 Tax Increment Revenue Bonds (partial year debt service of \$552,000 interest payment) and costs of issuance (\$184,300).

Please note - debt service appropriations for the proposed Series 2027 Tax Increment Revenue Bonds will be placed in a reserve account pending formal approval and issuance.

Redevelopment Area Investment

Represents funding for redevelopment area investment and includes the following:

Infrastructure and Streetscape Initiatives	
McNab House & Gardens	
General	\$ 9,296,534
Tax Increment Revenue Bonds (proposed)	18,800,000
Public Parking and Capital Improvements	3,137,213
	<u>\$31,233,747</u>
Redevelopment Initiatives	
Incentive Programs	\$ 200,000
Dissemination of Information	50,000
Total:	<u>\$ 250,000</u>
Area Stabilization	
Redevelopment Ambassadors	\$ 168,000
Property Acquisition	\$ 3,740,000
Consultants and Professional/Design Services	\$ 170,000
Total Redevelopment Area Investment:	<u>\$35,561,747</u>

Reserves

The FY 2027 budget includes an allocation to Reserve totalling \$2.47 million. Reserves are an integral part of the Plan and are necessary to cover deficiencies in revenue collection/forecasting as well as provide flexibility to invest in redevelopment opportunities as they arise.