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Date: September 16, 2025
To: CRA Board of Commissioners
From: Kimberly Vazquez, Redevelopment Project Manager III
Through: Gregory P. Harrison, Executive Director
Nguyen Tran, Director
Subject: Northwest CRA District Financing and Implementation Plan (FYs 2026-2030)

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 Northwest 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 2026) serves as the budget for the District with FYs 2027–2030 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 2026.

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 2026 – FY 2030).

Plan Sources

Tax Increment

Tax increment is remitted to the District from the City of Pompano Beach.

The July Certification of taxable value provided by the Broward County Property Appraiser highlights a tax base that experienced strong overall tax base growth of 16% with the residential (27% growth) and Industrial (10% growth) market segments being the primary growth drivers. Included in the values above is \$125 million in new construction (Old Town Square, Highland Oaks, etc.).

During the forecast period, the Plan conservatively factors real estate value growth of 4% (FY's 2027-2030). While low compared to recent valuation trends, this rate reflects a long-term conservative growth rate.

Intergovernmental

In lieu of tax increment, Broward County, North Broward Hospital District (NBHD), and Children's Services Council (CSC) contribute to the CRA the following funding allocations for approved projects as set forth in the Interlocal Agreement:

- Project Funding: \$7 million (total) between fiscal years 2021-2022.
- Annual Funding: \$6.75 million (total) between fiscal years 2022-2026.

Disbursements received by the District to-date total \$13 million. Remaining disbursements total \$750,000 and will be received in FY 2026.

Residential Funding: Additionally, the County funded \$10 million (total) between fiscal years 2022-2025 to address slum and blight in the Northwest District. These funds are possessed, controlled, and disbursed by the County.

Land Sales:

The Plan forecasts land sale revenues under the Downtown Public/Private Development Agreement (RocaPoint).

Miscellaneous

Includes estimated revenue from the District's loan programs (e.g. micro-enterprise loan program); building rentals; as well as anticipated investment earnings.

Tax Increment Revenue Bonds, Series 2026 and 2028

The Plan forecasts the issuance of \$64.6 million in Tax Increment Revenue Bonds, to be issued separately in two series, 1st in 2026 (\$32.3 million) and the 2nd in 2028 (\$32.3 million), to fund multiple redevelopment projects related to the Downtown Public/Private Development Agreement (RocaPoint).

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 Series 2022 Tax Increment Revenue Bonds and forecasted debt service/costs-of-issuance on the Series 2026 and Series 2028 Tax Increment Revenue Bonds (discussed above).

Redevelopment Area Investment

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

Downtown Public/Private Development Agreement
Infrastructure and Streetscape Initiatives
Vertical Project Development and Assistance
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.

Included within the Reserve is Tax increment and land sale revenue generated by the Public/Private Downtown Development that will be reserved until there is a clear and sufficient surplus ILA Rent Payment revenue trend. At that point, remaining Reserve funding will be reprogrammed to eligible redevelopment initiatives.

Fiscal Year 2026 Budget (1st year of Plan)

The following section provides a narrative of the District's FY 2026 budget.

Revenues

Revenues for the District total \$57 million and include the following:

<u>Tax Increment</u>	<u>\$ 9,449,549</u>
<u>Taxing Authorities Interlocal</u>	<u>750,000</u>
<u>Miscellaneous</u>	<u>285,127</u>
<u>Carryforward Fund Balance</u>	<u>13,986,062</u>
<u>Tax Increment Revenue Bonds</u>	<u>32,300,000*</u>
Total:	\$56,770,738

** Please Note: Pursuant to Resolution No. 2024-154 (City) and Resolution No. 2024-33 (CRA), adopted on June 20, 2024, the City and the CRA approved the Master Development Agreement (the MDA) between the City, CRA and RocaPoint and authorized the issuance of bonds required by the funding obligations of the MDA.*

Tax Increment

The primary source of revenue for the District is derived of tax increment received from the City (est. millage rate: 5.2443 mills) and totals \$9,449,549 for FY 2026.

Property values within the District (July Certification) for FY 2026 increased 16% to \$2.2 billion. The residential (27% growth) and Industrial (10% growth) market segments being the primary growth drivers. Included in the values above is \$125 million in new construction (Old Town Square, Highland Oaks, etc.).

Taxing Authorities Interlocal (project funding)

In lieu of tax increment, the County, NBHD, and CSC will contribute to the CRA specific funding allocations for approved projects as set forth in the Interlocal Agreement:

- Project Funding: \$7 million (total) between fiscal years 2021-2022. The entire \$7 million has been collected and is reflected as Carryforward Fund Balance in the Plan; and
- Annual Funding: \$6.75 million (total) between fiscal years 2022-2026. Collections during FY's 2022-2025 totaled \$6 million with \$2.3 million allocated towards the Dixie Highway/Atlantic Boulevard Improvement Project and all remaining funds (including the \$750,000 to be collected in FY 2026) allocated towards the Downtown Public/Private Development.

Miscellaneous

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

<u>Micro-enterprise loan program</u>	<u>\$ 3,000</u>
<u>Building Rentals</u>	<u>82,127</u>
Investment earnings	
Northwest CRA Dist. Fund	<u>200,000</u>
Total:	\$285,127

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. The breakdown is as follows:

Carryforward Fund Balance

<u>Northwest CRA Dist. Fund</u>	<u>\$ 7,131,076</u>
<u>Taxing Authorities Interlocal</u>	<u>6,398,874</u>
<u>Series 2022 Tax Increment Bonds</u>	<u>456,112</u>
Total:	\$13,986,062

Tax Increment Revenue Bonds

The Plan forecasts the issuance of \$64.6 million in Tax Increment Revenue Bonds, to be issued separately in two series, 1st in 2026 (\$32.3 million) and the 2nd in 2028 (\$32.3 million), to fund multiple redevelopment projects related to the Downtown Public/Private Development Agreement (RocaPoint).

Debt Service is structured to wrap around the existing Series 2022 obligations.

Expenditures

Expenditures for the District total \$55 million and include the following:

<u>Operations</u>	<u>\$ 2,144,004</u>
Debt Service	
<u>Series 2022 Tax Increment Bonds</u>	<u>1,260,900</u>
<u>Tax Increment Bonds (costs of issuance)</u>	<u>375,000*</u>
Redevelopment Projects	
<u>General</u>	<u>19,165,834</u>
<u>Tax Increment Bonds</u>	<u>31,925,000*</u>
Total:	\$54,870,738

** Please Note: Tax Increment Revenue Bond 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 2026 is currently forecasted to include costs-of-issuance (\$375K). Pursuant to Resolution No. 2024-154 (City) and Resolution No. 2024-33 (CRA), adopted on June 20, 2024, the City and the CRA approved the Master Development Agreement (the MDA) between the City, CRA and RocaPoint and authorized the issuance of bonds required by the funding obligations of the MDA.*

Operations

Totals \$2,144,004 for FY 2026 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%), Redevelopment Project Coordinator (50%), Community Development Housing Inspector (25%), Real Property Manager (25%), Department Head Secretary (50%), City Clerk (6%), Service Worker I (100%), Service Workers (3 FTE; 100%), Part-Time Grounds Crew (3 positions; 100%), Part-Time Staff (2 positions; 50%).

- Miscellaneous operating expenditures.
- Tax increment split agreement (Old Town Square).
- 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 the Series 2022 Tax Increment Revenue Bonds (\$1.26 million) and forecasted costs of issuance on the Series 2026 Tax Increment Revenue Bonds (debt service forecast to begin in FY 2027).

Redevelopment Area Investment

Represents funding for redevelopment area investment and includes the following:

Downtown Public/Private Development Agreement

Downtown District Infrastructure

<u>Tax Increment Revenue Bonds</u>	<u>\$24,757,793</u>
<u>General CRA Funding (incl. fund balance)</u>	<u>3,710,243</u>
<u>Taxing Authorities Interlocal (incl. fund balance)</u>	<u>1,400,000</u>

Downtown District Land Acquisition

<u>Tax Increment Revenue Bonds</u>	<u>7,167,207</u>
<u>General CRA Funding (incl. fund balance)</u>	<u>101,336</u>
<u>Taxing Authorities Interlocal (incl. fund balance)</u>	<u>5,748,874</u>
Total:	<u>\$42,885,453</u>

Infrastructure and Streetscape Initiatives

<u>11 NE 1st Street Building Improvements</u>	<u>\$ 550,000</u>
<u>Sonata Infrastructure Improvements</u>	<u>300,000</u>
<u>Infrastructure and Streetscape Improvements</u>	<u>1,509,458</u>
Total:	<u>\$ 2,359,458</u>

Vertical Project Development and Assistance

<u>Tenant Improvements</u>	<u>\$ 50,000</u>
<u>CRA Building Maintenance</u>	<u>300,000</u>
<u>Rentals & Leases</u>	<u>176,123</u>
Total:	<u>\$ 526,123</u>

Redevelopment Initiatives

<u>Incentive Programs</u>	<u>\$ 400,000</u>
<u>Dissemination of Information</u>	<u>100,000</u>
Total:	<u>\$ 500,000</u>

Area Stabilization

<u>Redevelopment Ambassadors</u>	<u>\$ 369,800</u>
<u>Additional Safety/Security</u>	<u>50,000</u>
<u>Emergency Rehabilitation of Housing Stock</u>	<u>20,000</u>
Total:	<u>\$ 439,800</u>

Property Acquisition	
<u>Property Maintenance/Special Services</u>	<u>\$ 30,000</u>
Miscellaneous Property Acquisition	<u>4,000,000</u>
Total:	\$ 4,030,000
Consultants and Professional/Design Services	
<u>Demolition Services</u>	<u>\$ 50,000</u>
Consultants/Professional Fees	<u>300,000</u>
Total:	\$ 350,000
Total Redevelopment Area Investment:	<u><u>\$51,090,834</u></u>

Reserve

Reserves for FY 2026 total \$1.9 million and are necessary to cover deficiencies in revenue collection/forecasting as well as provide flexibility to invest in redevelopment opportunities as they arise.

The Northwest CRA Advisory Committee unanimously (Smith absent) approved the FY2026 Budget and 5-year Strategic Finance Plan at their meeting of September 9, 2026.