



Memorandum

DATE: March 22, 2023
TO: Planning and Zoning Board
FROM: Nguyen Tran, CRA Director
RE: LN-382 Old Town Square II – Text Amendment

CRA BOARD OF COMMISSIONERS

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The CRA has been actively involved in attracting economic activity to the CRA districts for decades. The economic impacts can be clearly measured in the East CRA with the dramatic increase in not only the tax base, but the new lease revenue coming from the new restaurants and shops at the pier project. The CRA is now focusing on the downtown core and is activity promoting redevelopment of underutilized parcels to capture new dense development in the downtown area where it should be. Downtowns are the economic engines of most cities, and the City of Pompano Beach is lacking that influx of taxes due to limited or no commercial development occurring downtown.

The CRA is currently seeking proposals for a qualified master developer for the new downtown with an anticipated investment of over \$1 billion dollars over the next decade. The CRA's goal is to continue to attract private sector development which helps remove blight on vacant land, increases the city tax base, and creates an inviting area with new shops, restaurant and cultural activities for residents and visitors.

The CRA recently hired a world renowned economic urban consulting firm (Urban P3) to analyze land valuations regionally and the impacts that dense, compact mixed-use developments bring to an area, specifically, Pompano Beach. The analysis demonstrated that commercial and rental properties pay higher taxes than single family residential properties as most single family properties are homesteaded and capped at a 3% increase.

This area is still an unproven investment area and developers as well as lenders are still cautious about investing in the downtown. CRA Staff is confident that the text amendment will bring about a quality, value added mixed-use development that meets the goals and objectives of the CRA by providing new and additional residential living options downtown, creating new commercial and retail activity, and bringing more disposable income to the downtown area to support new restaurant and retail establishments. The CRA supports these types of development in the downtown due to their ability to transform areas of the city that are underserved and therefore support the text amendment before the Board.