

II. SECTION TWO – BACKGROUND

A. Introduction

The City of Pompano Beach is located in Broward County, Florida; more specifically in the eastern part of the county along the shores of the Atlantic Ocean. The population of the City within the incorporated area is estimated at 104,275 in 2007. Broward County grew from 1,623,018 in 2000 to an estimated 1,754,846 in 2008, an increase of 8%. The establishment of the Pompano Beach Redevelopment Agency (NW CRA) in 1989 and a new district (East CRA) in 2001 was intended to help address the slum and blighted conditions of two blighted areas of the city.

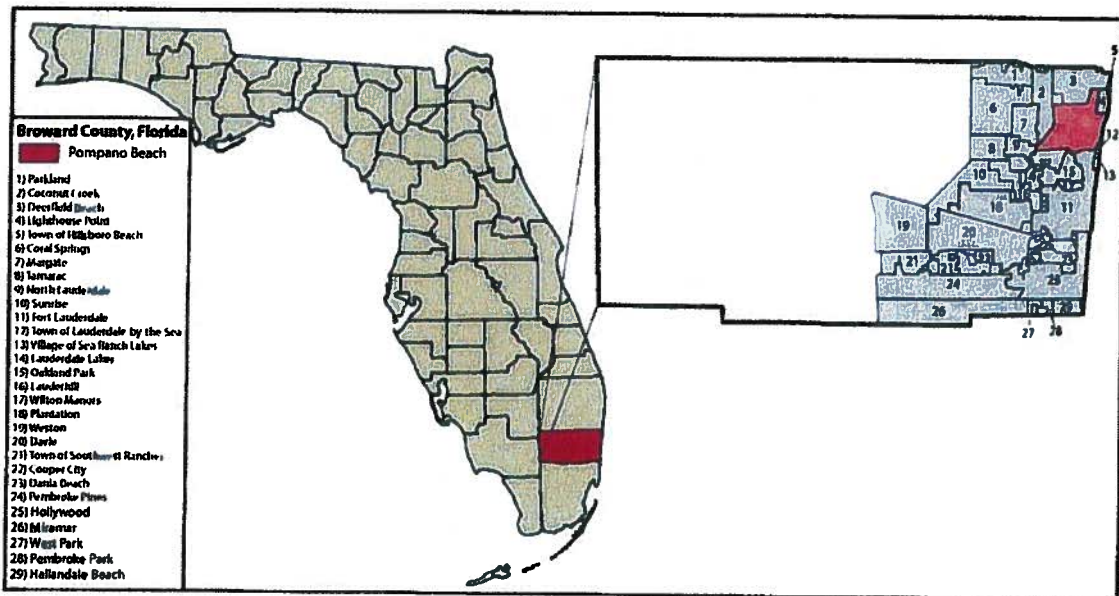


Figure 2.1 – Map of Broward County

The purpose of the East CRA District is to revitalize both the physical and economic environment of the area, which contains 158 acres and is dominated by poor economic conditions within the public and commercial areas.

The City began to focus on its blighted area in the 1980s and viewed revitalization and rehabilitation of its industrial and commercial areas and its blighted neighborhoods as an important strategy to deal with the declining economic conditions. The areas of decline and deterioration have been incorporated within the geographic boundaries of the East CRA District. The redevelopment area is depicted graphically in Figure 2.2. Appendix A provides a legal description of the boundaries of the East CRA Area. The Area, which contains a significant amount of vacant, under-developed, or deteriorating residential, commercial and public property, is an important growth area for the city.

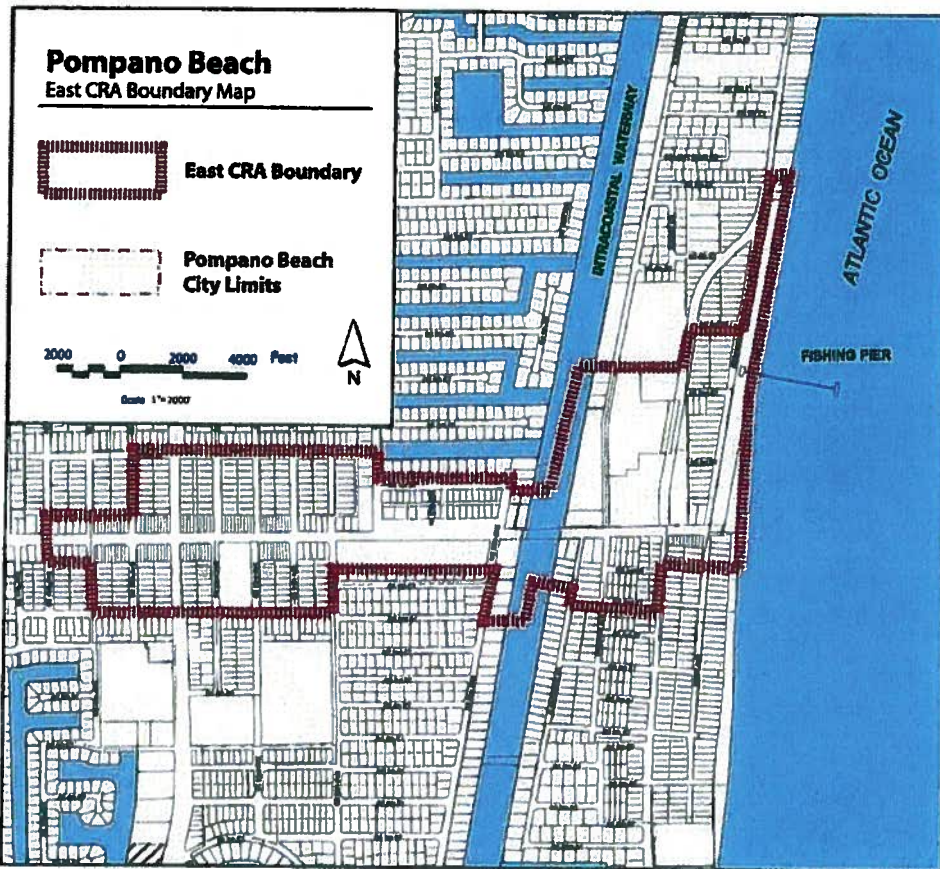


Figure 2.2 – Pompano Beach East CRA Area Boundary

The City of Pompano Beach Community Redevelopment Plan for the East CRA, established in 2001, provides the framework for programming redevelopment activities within the CRA Area. Since it is not practical for the CRA Agency to fund and implement all redevelopment projects within the CRA, the plan sets forth a series of implementation steps and specific projects intended to leverage or stimulate the type of public interest and private investment necessary to achieve the revitalization. The City Commission, by Ordinance No. 2002-58 formally adopted the current version of the Plan on November 13, 2001.

This amendment, when duly adopted by the City Commission, will serve as the Community Redevelopment Plan for the East CRA Redevelopment Area.

B. Authority to Undertake Community Redevelopment

This document has been prepared under the direction of the Pompano Beach Community Redevelopment Agency in accordance with the Community Redevelopment Act of 1969, F. S. 163, Part III, as amended. In recognition of the need to prevent and eliminate slum and blighted conditions within the community, the Act confers upon counties and municipalities the authority and powers to carry out “Community Redevelopment.” For the purposes of this Community

Redevelopment Plan, the following definition, taken from the Florida State Statutes, Section 163.340, shall apply:

“Community redevelopment” or “redevelopment” means undertakings, activities, or projects of a county, municipality, or community redevelopment agency in a community redevelopment area for the elimination and prevention of the development or spread of slums and blight or for the provision of affordable housing, whether for rent or for sale, to residents of low or moderate income, including the elderly, and may include slum clearance and redevelopment in a community redevelopment area, or rehabilitation or conservation in a community redevelopment area, or any combination or part thereof, in accordance with a community redevelopment plan and may include the preparation of such a plan.”

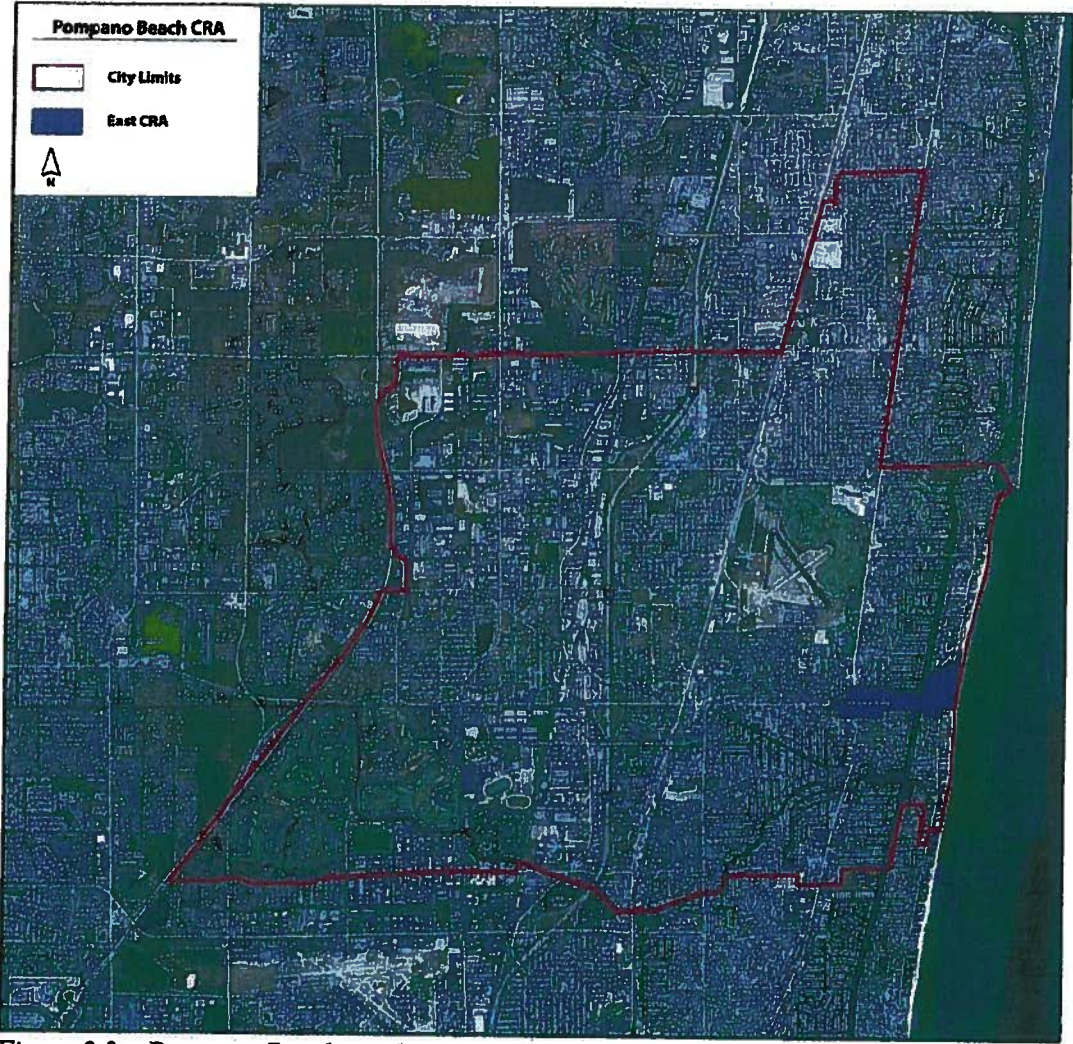


Figure 2.3 – Pompano Beach city limits and CRA Boundary

The ability of a county or municipality to utilize the authority granted under the Act is predicated upon the adoption of a "Finding of Necessity" by the governing body. This finding, as stated in FS 163.355, must demonstrate that:

- (1) One or more slum or blighted areas, or one or more areas in which there is a shortage of housing affordable to residents of low or moderate income, including the elderly, exist in the county or municipality; and,
- (2) The rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals, or welfare of the residents of the county or municipality.

C. Creation of the Community Redevelopment Agency

Upon the adoption of a "Finding of Necessity" by the governing body and upon further finding that there is a need for a Community Redevelopment Agency to function in the county or municipality to carry out community redevelopment purposes, any county or municipality may create a public body corporate and politic to be known as a "Community Redevelopment Agency." The Agency shall be constituted as a public instrumentality, and the exercise by the Agency of the powers conferred by Florida Statute Chapter 163, Part III, shall be deemed and held to be the performance of an essential public function. (Section 163.356(1))

The City Commission of Pompano Beach on September 12, 2000, determined the existence of slum or blighted conditions and designated a certain area appropriate for community redevelopment by Resolution 2000-285.

Broward County passed a resolution delegating and conferring certain powers to the City for the East CRA on July 10, 2001 by Resolution 2001-758. The specific powers conferred to the City were:

1. To make a finding that there is a need for a community redevelopment agency to function in the City;
2. to adopt a resolution declaring the need for an agency in the City;
3. to create an agency;
4. to appoint a Board of Commissioners of the agency;
5. to designate a chair and vice chair from among the commissioners appointed by the agency;
6. to employ an executive director, technical experts, and such other agents and employees it deems necessary for the agency;
7. to employ or retain legal counsel and staff;
8. to appropriate to the agency, from City funds, such amounts as the City deems necessary for the administrative expenses and overhead of the agency as those terms are further defined in the Agreement of Understanding;
9. to remove a commissioner from the agency;
10. to prepare a community redevelopment plan.

The County Resolution also requires that the City and County enter into an Agreement of Understanding which will outline a number of issues in connection with the proposed CRA's obligations and responsibilities to each taxing authority, including:

1. Limiting the size of the proposed East Pompano Beach CRA area to the area defined in the East Pompano Beach District Study Area comprised of approximately 158 acres;
2. agreeing that the County's share of tax increment from the proposed CRA shall not be used for administrative purposes;
3. using tax increment from the East Pompano Beach CRA for those projects within the Community Redevelopment Plan;
4. establish a "Critical Path Timeline" for the East Pompano Beach CRA project(s);
5. agreeing to provide a financial plan within the Community Redevelopment Plan to include making CRA financing and/or investment available only after firm financial commitments are in place for any project(s) as provided in the Agreement of Understanding.

The County Resolution further requires the City to minimize the new fiscal impact from the proposed CRA by including the following restrictions and covenants in the Agreement of Understanding:

1. Limit the County's contributions via tax increment revenues to an amount and term that are mutually agreed to in order to meet the minimum requirements of the adopted development and financial plans;
2. any and all tax increment revenues generated in excess of minimum revenue coverage of debt service requirement, if such requirements exist, will be returned to each taxing authority annually or utilized to accelerate the repayment of outstanding principal.

The East Community Redevelopment Agency (East CRA) was created by the City by Ordinance 2002-11.

D. Amendment to the Community Redevelopment Plan

This amendment to the Plan is allowed in FS 163 and was approved by the City Commission on _____, 2011 by Ordinance _____.

E. Powers of the Community Redevelopment Agency

As authorized by the Community Redevelopment Act, a wide variety of powers are available to the City of Pompano Beach to carry out redevelopment activities. These powers were delegated to the City by Broward County pursuant to Resolutions No. 80-534 and 2001-758. By the adoption of Ordinance No. 2002-11, the City Commission of Pompano Beach declared itself to be the Community Redevelopment Agency for the East CRA District, and may exercise the following powers conferred upon it by the Community Redevelopment Act, Section 163.370:

- a. To make and execute contracts and other instruments.
- b. To disseminate slum clearance and community redevelopment information.

- c. To undertake and carry out community redevelopment projects and activities including acquisition of a slum or blighted area, the demolition and removal of buildings, installation of streets, utilities, parks, playgrounds and other improvements, disposition of acquired property at its fair market value, carrying out plans for a program of repair and rehabilitation in accordance with the Community Redevelopment Plan, acquisition of real property in the Community Redevelopment Project area (under the Community Redevelopment Plan) is to be repaired or rehabilitated for dwelling use, acquisition of real property when necessary to eliminate unsafe conditions or eliminate obsolete uses detrimental to the public welfare, and the acquisition of air rights in an area consisting principally of land in highways, railway tracks, bridge entrances or other similar facilities which have a blighted influence on the surrounding area.
- d. Construction of foundations and platforms necessary for the provisions of air rights site of housing for low and moderate income persons.
- e. To recommend by four-fifths vote of the agency to the City Commission the condemnation of property under this ordinance.
- f. To provide for streets, roads, public utilities or other facilities.
- g. To acquire, lease or option any real property to hold, improve or prepare for redevelopment.
- h. To mortgage, pledge, hypothecate or otherwise encumber to dispose of any real property.
- i. To insure or provide for insurance of any real property against risks or hazards.
- j. To invest Community Redevelopment Funds held in reserve.
- k. To borrow money and to apply for and accept advances, loans, grants, contributions and any other form of financial assistance from the Federal Government, the State, County or other public body or from any sources, public or private and to give security as may be required.
- l. To make surveys and plans necessary to carry out the purposes of the agency.
- m. To develop and demonstrate new or improved means of providing housing for families and persons of low income.
- n. To prepare plans for and assist in the relocation of persons displaced from a Community Redevelopment Area and to make relocation payments for moving expenses and losses of property.
- o. To develop and implement community policing innovations.

F. The Community Redevelopment Area

Pursuant to Statutes, a community redevelopment area must be a slum area, a blighted area, or an area in which there is a shortage of housing that is affordable to residents of low or moderate income, including the elderly. The City of Pompano Beach Community Redevelopment Agency generally consists of the older central core of the city and surrounding neighborhoods, which have become deteriorated due to age, obsolescence, and the lack of investment. Unfortunately, a deteriorating area is self-propagating, and as conditions worsen, residents and private businesses become less willing to put their financial resources into the area. This cycle severely limits the ability of private enterprise to stop the spread of slum and blight without public assistance.

G. The Community Redevelopment Plan

All public redevelopment activities expressly authorized by the Community Redevelopment Act and funded by tax increment financing must be in accordance with a redevelopment plan approved by the City Commission. Like the City's Comprehensive Plan, the Community Redevelopment Plan is an evolving document, which is evaluated and amended on a regular basis in order to accurately reflect changing conditions and community objectives. City Ordinance No. 2002-58 adopted the current Plan on November 13, 2001.

In accordance with FS 163.362, the Community Redevelopment Plan must include the elements enumerated below. In the following discussion, the language from the statute is shown in italic type, and a brief response to each point follows in normal type.

- 1) Contain a legal description of the boundaries of the community redevelopment area and the reasons for establishing such boundaries shown in the plan.*

A description of the boundaries of the ECRA is included in Appendix A. The area within these boundaries was found to contain slum and blight in Resolution 2000-285, adopted by the City Commission. This Resolution is included in Appendix B.

- (2) Show by diagram and in general terms:*

- (a) The approximate amount of open space to be provided and the street layout.*

- (b) Limitations on the type, size, height, number, and proposed use of buildings.*

- (c) The approximate number of dwelling units.*

- (d) Such property as is intended for use as public parks, recreation areas, streets, public utilities, and public improvements of any nature.*

Maps of the ECRA and a general description of the existing physical and regulatory conditions are included in Section 3. The area within the ECRA remains subject to the City's Comprehensive Plan and zoning regulations, which stipulate limits on locations, sizes, height, etc. of dwelling units, streets, and park and recreations areas, among other things. Recommendations and programs to correct specific deficiencies in any of these elements are detailed in the Plan.

- (3) If the redevelopment area contains low or moderate income housing, contain a neighborhood impact element which describes in detail the impact of the redevelopment upon the residents of the redevelopment area and the surrounding areas in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population, and other matters affecting the physical and social quality of the neighborhood.*

Neighborhood impacts of the redevelopment plan are addressed in Section 4.D of the Plan.

(4) Identify specifically any publicly funded capital projects to be undertaken within the community redevelopment area.

Section 6 of the Plan includes revenue and expense projections for the next five years. Specific public capital projects are identified in these projections. Further publicly funded projects are anticipated beyond that time, but will be evaluated on an ongoing basis.

(5) Contain adequate safeguards that the work of redevelopment will be carried out pursuant to the plan.

Specific programs and expenditures must be enumerated in the Plan in order for the CRA to have the authority to undertake them. CRA activities are overseen by a Board of Commissioners that meets periodically in public session to review and monitor all CRA activities.

(6) Provide for the retention of controls and the establishment of any restrictions or covenants running with land sold or leased for private use for such periods of time and under such conditions as the governing body deems necessary to effectuate the purposes of this part.

Regulatory and zoning authority over any parcel in the CRA is reserved to the City. The CRA may recommend, draft, and administer certain regulatory amendments and design guidelines to assist with redevelopment efforts, but these amendments will be implemented by City ordinance.

(7) Provide assurances that there will be replacement housing for the relocation of persons temporarily or permanently displaced from housing facilities within the community redevelopment area.

The discussion of neighborhood impacts of redevelopment in Section 4.D calls specifically for the CRA to adopt a relocation policy to provide adequate protections and assistance for any persons displaced by redevelopment activities.

(8) Provide an element of residential use in the redevelopment area if such use exists in the area prior to the adoption of the plan or if the plan is intended to remedy a shortage of housing affordable to residents of low or moderate income, including the elderly, or if the plan is not intended to remedy such shortage, the reasons therefore.

Portions of the ECRA consist of residential uses. The Plan contemplates strengthening existing neighborhoods and providing for additional housing to improve and diversify the housing stock, and to create additional housing opportunities with a range of affordability.

(9) Contain a detailed statement of the projected costs of the redevelopment, including the amount to be expended on publicly funded capital projects in the community redevelopment area and any indebtedness of the community redevelopment agency, the county, or the municipality proposed to be incurred for such redevelopment if such indebtedness is to be repaid with increment revenues.

Detailed financial projections for the next five years are provided in Section 6 of the Plan. These financial projections will be reviewed and updated at least annually so that the CRA is always able to look ahead and plan for adequate financial resources to undertake its activities.

(10) Provide a time certain for completing all redevelopment financed by increment revenues. Such time certain shall occur no later than 30 years after the fiscal year in which the plan is ~~was originally adopted on November 13, 2001, approved, adopted, or amended pursuant to s. 163.361(1).~~ However, for any agency created after July 1, 2002, the time certain for completing all redevelopment financed by increment revenues must occur within 40 years after the fiscal year in which the plan is approved or adopted.

~~As stated earlier, in Section 2.D, this amendment to the Plan will extend the life of the BCRA for a period of thirty years from the date of formal adoption of the amendment by the City Commission. This date should be noted in the Resolution to adopt the Plan as the time certain for completing all redevelopment activities.~~

(11) Subsections (1), (3), (4), and (8), as amended by s. 10, chapter 84-356, Laws of Florida, and subsections (9) and (10) do not apply to any governing body of a county or municipality or to a community redevelopment agency if such governing body has approved and adopted a community redevelopment plan pursuant to s. 163.360 before chapter 84-356 became a law; nor do they apply to any governing body of a county or municipality or to a community redevelopment agency if such governing body or agency has adopted an ordinance or resolution authorizing the issuance of any bonds, notes, or other forms of indebtedness to which is pledged increment revenues pursuant only to a community redevelopment plan as approved and adopted before chapter 84-356 became a law.