# MEMORANDUM

**TO:** Honorable Chair and Members, CRA Board of Commissioners
City of Riviera Beach, Florida

**FROM:** Tony T. Brown
Executive Director, CRA

**DATE:** May 11, 2016

**SUBJECT:** Request to Create a Public-Public Partnership between the City of Riviera Beach and the Riviera Beach CRA for Program Sponsorships over a Three (3) Year Period.

**REQUEST FOR CRA BOARD APPROVAL**

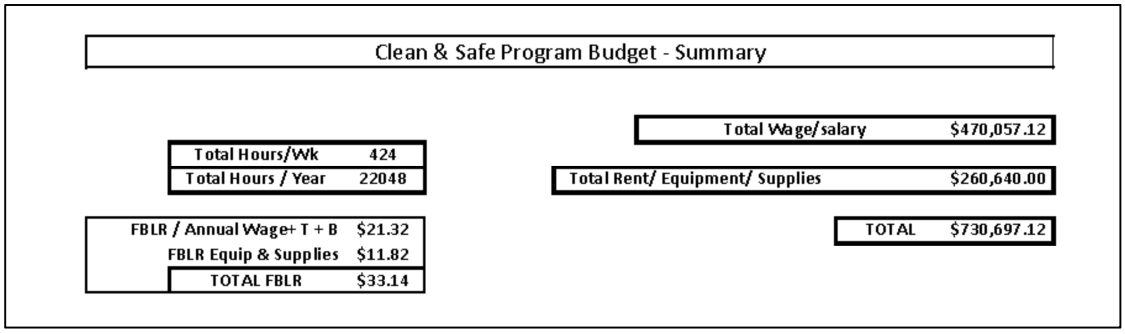
The Agency requests the Board of Commissioners to approve an Interlocal Agreement between the CRA and The City of Riviera Beach for Program Initiatives. The multi-year funding commitment allows the Agency to continue program initiatives started before the onset of its Marina Village responsibilities. The City is providing funding up to $1.3 million annually -- pending more profitable operations at the Marina Village-- to continue program initiatives.

| **CITY INTER-LOCAL PAYMENTS** | | | | |
|---|---|---|---|---|
| **FY 2016 - FY 2018** | | | | |
| | | | | |
| **CITY PAYMENTS** | **BUDGET (12-MONTH TOTAL)** | **FY 2016 REVISED** | **FY 2017 PROJECTED** | **FY 2018 PROJECTED** |
| | | | | |
| **CITY-CRA PROGRAM SPONSORSHIPS** | | | | |
| Clean & Safe | $ 360,711 | $ 500,000 | $ 550,000 | $ 550,000 |
| Loan Fund | $ 500,000 | $ 500,000 | $ 500,000 | $ 500,000 |
| Neighborhood Services | $ 150,000 | $ 141,607 | $ 150,000 | $ 150,000 |
| Special Events | $ 250,000 | $ 100,000 | $ 100,000 | $ 100,000 |
| Other | | | | |
| **Total Program Sponsorships** | **$ 1,260,711** | **$ 1,241,607** | **$ 1,300,000** | **$ 1,300,000** |

**INFORMATION AND DISBURSEMENT SCHEDULE**

## Riviera Beach Ambassador Program: $500,000

Retroactive to October 1, 2015, payable in quarterly payments of $125,000, the CRA is requesting funding of $500,000 to partly cover the costs to operate the Ambassador Program. The Agency's FY 2016 Budget for the Ambassador Program is $730,697. The City's funding covers sixty-eight percent (68%) of the Program's costs in FY 2016. The Ambassadors of the Clean and Safe Team are making a visible difference in Riviera Beach. Seven days a week, they are beautifying City streets and the CRA District, greeting guests and visitors at Ocean Mall and the Riviera Beach Marina Village, and working alongside law enforcement to provide an additional layer of safety and security. The City's funding ensures that the award winning program continues. In FY 2015, the Agency's Clean & Safe Program was recognized by the Florida Chapter of the American Planning Association with an "Award of Excellence for Best Practices."



Clean & Safe Program Budget - Summary

| | |
|---|---|
| Total Hours/Wk | 424 |
| Total Hours / Year | 22048 |

| | |
|---|---|
| FBLR / Annual Wage+ T + B | $21.32 |
| FBLR Equip & Supplies | $11.82 |
| TOTAL FBLR | $33.14 |

| | |
|---|---|
| Total Wage/salary | $470,057.12 |
| Total Rent/ Equipment/ Supplies | $260,640.00 |
| TOTAL | $730,697.12 |

## Riviera Beach Small Business Program: $500,000

Retroactive to October 1, 2015, the CRA is requesting funding of $500,000 annually over a 3-year period, to provide funds to capitalize the Riviera Beach Small Business Loan Fund. The CRA has launched a multi-million dollar loan program aimed at retaining local businesses and attracting new businesses to its primary business districts. The loans are targeted to establish businesses and tenants at the Ocean Mall, the Broadway and Blue Heron Corridors, and Marina Village. The Agency pledged an investment of $2,500,000 over 5 years, with the additional possibility of match funds to create a $5 million Small Business Loan Fund ("Loan Fund") to be administered by Neighborhood Lending Partners, Inc. ("NLP"). The City's funding will cover the Agency's match for FY 2016 – 2018. The FY 2016 funding will be used to finance tenant improvements for the tenant operating in the 2-story restaurant space at the Event Center.

NLP
Neighborhood Lending Partners, Inc.

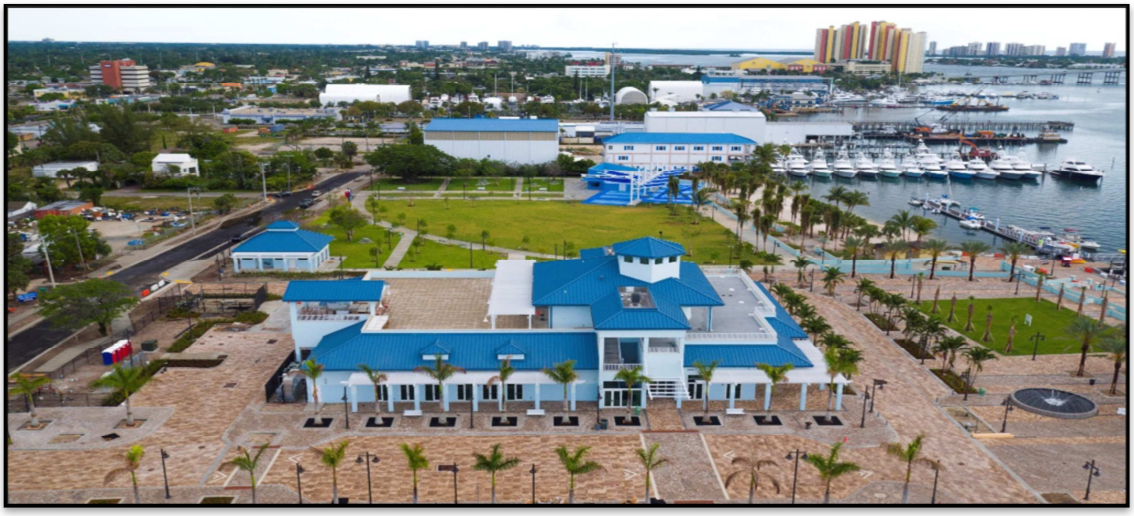
**Riviera Beach CDC Property Acquisition Fund: $141, 607**

Effective upon approval of the Interlocal Agreement, the Agency is requesting up to $141,607 to allow the Riviera Beach CDC to buy properties outside the boundaries of the CRA to effectuate improvements in the City's low income neighborhoods. Created by the Riviera Beach CRA in 2012, the goal of the RBCDC is to improve and redevelop neighborhoods in the city of Riviera Beach. The CRA is positioning the RBCDC to become one of Palm Beach County's premier non-profit developers. The Agency will administer the Property Acquisition Fund through a Management Agreement with the RBCDC.

RBCDC
RIVIERA BEACH COMMUNITY DEVELOPMENT CORPORATION
Innovation. Restoration. Beautification.

**Marina and Beach Park Special Events Fund: $100,000**

There is an increasing recognition of the importance of the urban experience to attract visitors, and Riviera Beach is in an excellent position to capitalize on this opportunity. Cultural programming will be key to leveraging Riviera Beach´s network of facilities and attractions. The Agency will use up to $100,000 from the City to present cultural events at the Marina and Beach Park. Riviera Beach´s cultural assets have a relatively low profile; there are currently many grassroots initiatives but the City lacks an overall strategy to leverage its cultural offerings and increase their visibility. The Riviera Beach Event Center at Marina Village, including the redesigned Bicentennial Park (shown below), will provide community facilities to present cultural assets. The City's funding will provide additional resources for the Agency to provide event programming.



**SUMMARY**

Board's approval of Staff's recommendation will provide the Agency the capacity to implement and continue various program initiatives and services that support the goals of the Agency and the City as a whole. The three year funding plan continues Agency initiatives in light of additional responsibilities assumed to manage the upland operations of the Marina.

**RECOMMENDATION**

Staff recommends that the Board of Commissioners approve an Interlocal Agreement between the Agency and The City of Riviera Beach for Program Initiatives as highlighted above.

# EXHIBIT A
# RECAP OF CITY FUNDING SOURCES

The City and CRA ("Parties") have agreed to establish $3 million as a threshold level of support in FY 2016. The total amount of funding is capped each year. The CRA will reduce its Program Sponsorship budget by an amount to remain below the annual threshold (see Exhibit A for details):

- In FY 2016, the City has agreed to fund $3,000,000.
- In FY 2017, total funding is capped at $2,887,645 (3.75% reduction).
- In FY 2018; total funding shall not exceed $2,768,825 (4.11% reduction).

**Public Improvement Reimbursements**

An annual payment of $500,000 is due effective on October 1st each year, to run concurrent with the earlier expected maturity date of the City's 2014 Revenue Bond Series ("2014 RBS Note") or the expiration of the CRA's statutory life. The annual payment from the City is a financial rebate due to the Agency's investment of public improvements at the City's Marina Upland Property, which improvements will inure to the benefit of the Utility District and City. The Infrastructure Reimbursement Interlocal Agreement, approved by the CRA Board on February 24, 2016, governs this payment.

**Marina Enterprise**

Common area maintenance (CAM) expenses are embodied in a number of agreements. The structure of these payments from the City will be reduced as private development is secured.

- Interlocal Funding Agreement
- Ground Lease for Marina Uplands
- Marina Operations Lease
- Event Center Facility Lease

**Marina Construction Expenses**

These one-time marina construction expense payments are embodied in several legal documents:

- Interlocal Funding Agreement – makes the city responsible for common area maintenance expenses and reimbursing the CRA for a change order pertaining to Avenue C improvements ($471,000).
- Marina Operations Lease – temporary trailers custom designed for marina operations and leased to the City and reimbursing the CRA for marina-related expenses (move and storage tank for $237,000)

**City-CRA Program Sponsorships**

An Interlocal Agreement between the CRA and the City of Riviera Beach for Program Initiatives. The multi-year funding commitment provides funding from the City for the Ambassador Program, Small Business Loan Fund, Neighborhood Services and Special Events.

EXHIBIT A: CITY-CRA PROGRAM SPONSORSHIP
3-YEAR FUNDING PLAN

| CITY INTER-LOCAL PAYMENTS | | | | |
|---|---|---|---|---|
| FY 2016 - FY 2018 | | | | |
| | | | | |
| CITY PAYMENTS | BUDGET (12-MONTH TOTAL) | FY 2016 REVISED | FY 2017 PROJECTED | FY 2018 PROJECTED |
| **PUBLIC IMPROVEMENT REIMBURSEMENT** | **$ 500,000** | **$ 500,000** | **$ 500,000** | **$ 500,000** |
| | | | | |
| **MARINA ENTERPRISE** | | | | |
| Marina Ops Facility Lease | $ 44,819 | $ 44,819 | $ 46,164 | $ 47,548 |
| Marina Ops Facility CAM | $ 24,820 | $ 12,410 | $ 25,565 | $ 26,332 |
| Promenade/Dock CAM | $ 124,396 | $ 62,198 | $ 128,128 | $ 131,972 |
| Bicentennial Park CAM | $ 369,025 | $ 184,513 | $ 380,096 | $ 391,499 |
| Event Center CAM - City | $ 189,584 | $ 94,792 | $ 195,272 | $ 201,130 |
| Total City CAM - Assigned | $ 752,644 | $ 398,732 | $ 775,223 | $ 798,480 |
| Event Center CAM - Private | $ 73,572 | $ 36,786 | $ 75,779 | $ 78,053 |
| Uplands CAM - Private | $ 229,750 | $ 114,875 | $ 236,643 | $ 243,742 |
| Total Private Sector CAM | $ 303,322 | $ 151,661 | $ 312,422 | $ 321,794 |
| Amount Paid by Private Sector | $ - | $ - | $ - | $ 151,449 |
| Amount Paid by City | $ 303,322 | $ 151,661 | $ 312,422 | $ 170,345 |
| **Total City CAM - Assigned & Subsidized** | **$ 1,055,966** | **$ 550,393** | **$ 1,087,645** | **$ 968,825** |
| | | | | |
| **MARINA CONSTRUCTION** | | | | |
| Marina Operations Move (Storage Tank) | $ 183,323 | $ 237,000 | $ - | $ - |
| Avenue C Change Order | | $ 471,000 | $ - | $ - |
| Total Marina Construction Contingency | $ 183,323 | $ 708,000 | $ - | $ - |
| | | | | |
| **CITY-CRA PROGRAM SPONSORSHIPS** | | | | |
| Clean & Safe | $ 360,711 | $ 500,000 | $ 550,000 | $ 550,000 |
| Loan Fund | $ 500,000 | $ 500,000 | $ 500,000 | $ 500,000 |
| Neighborhood Services | $ 150,000 | $ 141,607 | $ 150,000 | $ 150,000 |
| Special Events | $ 250,000 | $ 100,000 | $ 100,000 | $ 100,000 |
| Other | | | | |
| **Total Program Sponsorships** | **$ 1,260,711** | **$ 1,241,607** | **$ 1,300,000** | **$ 1,300,000** |
| | | | | |
| **TOTAL CITY PAYMENTS** | **$ 3,000,000** | **3,000,000** | **$ 2,887,645** | **$ 2,768,825** |
| | | | | |
| **Variance to Base Year Threshold ($3MM)** | **$ -** | **$ -** | **$ (112,355)** | **$ (118,820)** |
| | | | **-3.75%** | **-4.11%** |