

ITEM #78

(County Administrator's recommendation for a conceptual counterproposal)

ADDITIONAL MATERIAL 10:00 A.M. REGULAR MEETING

MARCH 20, 2018

SUBMITTED AT THE REQUEST OF

COUNTY ADMINISTRATION

Broward County Response to City/CRA Conceptual Counter-Counterproposal

1. Taxing authorities (County, City, Hospital District and Children's Services Council) shall pay normal TIF for the NW CRA through expiration of original term of the NW CRA (with the last payment being made on or around December 2019).

2. County provides a \$10M fund that County funds and controls to directly eliminate residential slum & blight (~~timing of expenditures to be determined~~ funded per attached table and fully expended or encumbered by 3/31/25) in the NW CRA area. The funds ~~will be placed by the County in a segregated account and~~ may only be used for projects that will improve the Residential District ~~and are recommended by an 11~~. The County shall create a 9-person advisory board (the "Residential District Advisory Board"). Ten) to advise and recommend projects to the County that will improve the Residential District. Up to three members may be County Commissioners, including at least (a) the County Commissioner who represents the County Commission District that encompasses the Residential District, and (b) a County Commissioner significantly familiar with the needs of the Residential District. The remaining members of the Residential District Advisory Board will ~~shall~~ be at-large members appointed by the County Commission, each of whom must be either a resident of the Residential District or ~~be~~ a full-time employee of a religious, cultural, or social services entity that primarily serves residents in the Residential District. ~~The County Commissioner who represents the County Commission District that encompasses the Residential District shall be the final member of the Residential District Advisory Board.~~, but no appointed at-large member may be or have been within the past 5 years either an employee or vendor of the City or the CRA, or a family member of any current board member of the City or the CRA. The Residential District Advisory Board shall recommend projects to be performed by the County within the Residential District. County may impose any additional terms on the use or expenditure of the \$10M that the County determines are beneficial to the CRA or the residents of the CRA.

3. ~~County shall pay to the NW CRA A) a Lump Sum payment (to be paid on 12/31/2020) of \$7 million and (B) a payment stream (commencing 12/31/2021) of \$1.5 million each year for five years (with the last payment made on 12/31/2025), which funds can~~ The following sums shall be paid to the NW CRA by the taxing authorities (allocated as stated in Paragraph 10 below): A) \$5.2M on or before 12/31/20; B) \$3.3 million on or before 12/31/21 (comprised of the balance of the \$7 million proposed to be paid up front, plus an initial payment of \$1.5 million); and (C) three (3) \$1.5 million payments, being paid on or before each of the following dates: 12/31/22, 12/31/23, and 12/31/24. A final \$1.5 million payment will be paid on or before 12/31/25, if the City and CRA accept the condition stated in the below footnote.¹ All

¹ If, prior to December 31, 2025, the Florida Legislature enacts legislation that, but for this settlement, would have the effect of terminating the CRA prior to 12/31/40, or would have

sums referenced in this paragraph may only be used to alleviate slum and blight in the downtown portion of the NW CRA (the "Downtown District") for specific projects or defined types of projects agreed by the parties and shown on Exhibit A, which shall be ~~part of~~ developed by the parties and attached to the settlement agreement. In approving the specific projects, the County will consider, *inter alia*, whether and the extent to which the specific project benefits the residents of the CRA.

4. County will approve the extension of the term of the NW CRA with only City TIF through 2040.

5. There will be no additional extensions or expansions of the NW CRA without prior written express County approval.

6. This settlement will have no effect on TIF payments to the East District.

7. The CRA will obtain an annual independent audit of the CRA's financial statements and which includes the auditor's opinion on the CRA's compliance with Section 163.387, Florida Statutes. The parties recognize that all payments made by County to NW CRA or the City pursuant to this Settlement Agreement are not subject to the requirements of Section 163.387(7), Florida Statutes, and that the Settlement Agreement releases all claims regarding the compliance of current and prior appropriations by the CRA with Section 163.387(7).

8. This settlement would fully and completely resolve the litigation. Lawsuit (including the Complaint and Counterclaim) shall be dismissed with prejudice per settlement agreement. Parties will submit agreed motion to dismiss. All parties bear their own costs and fees.

9. The County will adopt ~~clarifying~~ Resolutions ~~to clarify the authority of the CRA, as necessary, amending and~~ ratifying ~~and amending~~ Resolution 80-254, nunc pro tunc, to ~~clarify that~~ authorize the ~~power~~ City to create the CRA, to issue bonds, and to delegate powers from the City to the CRA ~~that~~ were delegated by the County to the City, and to affirm that the CRA was properly created, has the power to issue bonds, has the power ~~to be~~ delegated ~~authority~~ from the City, and is in full force and effect.

10. The settlement is conditioned on the other taxing authorities' commitment or obligation to pay their *pro rata* share of the ~~monetary value of the settlement. All TIF obligations of the other taxing authorities other than City would~~ above-referenced sums as follows: the North Broward Hospital District will pay the CRA \$1M on each of 12/31/20 and 12/31/21, and \$750k on each of 12/31/22, 12/31/23, and 12/31/24 (and \$275k on 12/31/25, if the fifth \$1.5 million payment is included); Children's Services Council will pay the CRA \$350k on each of

required County approval for the CRA to continue for any time period after 12/31/19, the taxing authorities shall not be obligated to make, after the effective date of such legislation, any further payments required hereunder.

12/31/20 and 12/31/21, and \$300k on each of 12/31/22, 12/31/23, and 12/31/24 (and \$100k on 12/31/25, if the fifth \$1.5 million payment is included); and County shall be pay the remainder of any amounts due to the CRA under this settlement. All TIF obligations of the other taxing authorities other than City will be fully resolved in this settlement.

11. The settlement agreement will expressly recite that the \$10M ~~monetary payment~~funding and expenditure obligation in ~~p~~Paragraph 2 above is only to alleviate residential slum & blight.

Payment and Funding Schedule:

<u>Month/ Year</u>	<u>Fund 1</u>	<u>Fund 2</u>	<u>Fund 3</u>	<u>Annual Total</u>	<u>County share (74.5%)</u>	<u>Hospital Share (18.5%)</u>	<u>CSC Share (7%)</u>
<u>12/20</u>		<u>5.2M</u>		<u>5.2M</u>	<u>3.85M</u>	<u>1M</u>	<u>350K</u>
<u>12/21</u>	<u>2.1M</u>	<u>1.8M</u>	<u>1.5M</u>	<u>5.4M</u>	<u>4.05M</u>	<u>1M</u>	<u>350K</u>
<u>12/22</u>	<u>2.7M</u>	<u>--</u>	<u>1.5M</u>	<u>4.2M</u>	<u>3.15M</u>	<u>750K</u>	<u>300K</u>
<u>12/23</u>	<u>2.6M</u>	<u>--</u>	<u>1.5M</u>	<u>4.1M</u>	<u>3.05M</u>	<u>750K</u>	<u>300K</u>
<u>12/24</u>	<u>2.6M</u>	<u>--</u>	<u>1.5M</u>	<u>4.1M</u>	<u>3.05M</u>	<u>750K</u>	<u>300K</u>
<u>12/25</u>	<u>--</u>	<u>--</u>	<u>1.5M*</u>	<u>1.5M*</u>	<u>1.125M*</u>	<u>275K*</u>	<u>100K*</u>
<u>TOTAL</u>	<u>10M</u>	<u>7M</u>	<u>7.5M*</u>	<u>24.5M*</u>	<u>18.275M*</u>	<u>4.525M*</u>	<u>1.7M*</u>

* Contingent on inclusion of footnote term.