EXHIBIT 1

City of Hallandale Beach
Economic Development Strategy (Draft)

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SECTION 1: CITY OF HALLANDALE BEACH – ECONOMIC DEVELOPMENT BRIEF

The detailed market assessment included within the Economic Development Strategy developed by Lambert Advisory indicates that there are three principal target land uses or industries which are best positioned to drive investment, job creation, and grow the commercial tax base of the City of Hallandale Beach (City) over the next five to seven year period.

- *Entertainment & Retail* – Principally oriented to Gulfstream Park and Mardi Gras as well as along Hallandale Beach Blvd, Hallandale Beach has become a powerhouse for retail and entertainment in the Southern half of Broward County. While this market continues to expand on its own momentum, the City would be wise to continue to support investment in entertainment and retail in the City in the sense that both of these uses attract visitors and residents from outside of Hallandale Beach to spend money in Hallandale Beach;

- *Class A Office Development/Knowledge Based Industries* - The City's proximity to the Aventura office market, one of strongest performing office markets in South Florida, the investment made by Gulfstream between the county line and to nearly Hallandale Beach Boulevard, the available of large tracks of underdeveloped land along Federal Highway between Hallandale Beach Blvd and the county line as well as underdeveloped parcels at the I-95 intersection and at the intersection of Dixie and Forster Road provides the opportunity to capture high quality office development and users in a way which the City has not been able to do so in the past. As the office market recovers, Hallandale Beach with the appropriate planning, strategy, and financial support is in a very strong position in key corridors or activity nodes to attract office and related investment;

- *Hospitality* – While Hallandale has much of the infrastructure to support tourism today: entertainment venues/casinos, high quality shopping, good quality beaches, the City has very little capacity in terms of hotel rooms. Hallandale Beach's inability to accommodate its own visitors in a significant number of quality hotel rooms has been Aventura's and Hollywood's gain. Full service, and to some degree limited service hotels, provide substantial job creation and tax revenue to the city's coffers. Attracting high quality waterfront or entertainment oriented traditional and branded hotel rooms as well as higher quality limited/select service hotels at the I-95 intersection should be a key focus of the city's economic development efforts. Demand for room nights continues to grow and average daily rates are now significantly recovering in the region.

While recognizing the opportunities which exist within a City is valuable to city government, existing businesses and the groups which are actively involved in business development within the City (i.e. Chamber of Commerce); the principal goal of this economic development strategy is to delineate what the City can and needs to do within its budget constraints to attract, support, and cement the large scale private investment necessary to create jobs and future opportunities. The remainder of this report highlights our recommendations with regard to the City/CRA's role as it relates to economic development. Beyond our research efforts associated with the Hallandale Beach market opportunities, we met with numerous stakeholders in the community and City staff to receive their input for this effort and will continue to do so as our recommendations are refined. Specifically, we recommend the City's role be expanded, redefined or developed in the following areas:

- *Data Gathering & Dissemination* – The City must become the credible source of information regarding Hallandale Beach, its economy and business environment. This becomes a principal marketing tool to businesses and investors. Currently the City does not organize or provide this information except on an ad hoc basis;

- *Marketing* – The City and CRA along with the Chamber of Commerce can play key roles in raising the visibility of Hallandale to the target industries. Some of this will come from partnership programs with Broward Alliance and the State of Florida's Enterprise Florida while other elements will be to strengthen industry specific and general media outreach as outlined within this strategy document;

- *Diversity as a Strength* – Hallandale Beach is now one of the most ethnically diverse cities in Broward County. By 2010, nearly 43 percent of the City's population was foreign born compared to 25 percent in 1990. Income levels indicate that these foreign born households have settled in Hallandale Beach once they have obtained a degree of income stability and are quite often middle class or above. As a result, the reach into other markets and international investors through the City's own population base can be quite significant. The detailed Economic Development Strategy makes specific recommendations of how to leverage the City's diverse population base, particularly among Spanish, Russian and French speakers to drive investment in Hallandale;

- *Regulations & Regulatory Management* – Our interviews with small and large businesses in the City provided an indication of areas of potential improvement as it relates to the day-to-day functioning of some areas of City government which interact with the business community on a regular basis. Generally, obtaining building permitting and obtaining land related approvals in particular was noted as areas of concern by both large and small businesses. Indeed, while this is not an atypical finding within many cities where our work is related to economic development because building associated regulations are challenging for laymen and even small contractors and architects, the level and degree of commentary was greater in Hallandale Beach than in many other municipalities in which we have worked. Our recommendation is that the City needs to do further investigation with regard to these regulatory functioning areas given that they are often the few divisions of the City where new and existing businesses interact with the City at one-time-or-another. Potential strategies to mitigate some of the concerns expressed by small businesses include creating a pool of permit expeditors who are housed within the building department but have the technical skills to advocate and provide guidance to small businesses, their contractors and architects;

- *Development Strategy* – While the City has a range of incentive and loan programs which are quite well funded and the maximum amounts of the loan/grants are at a significant enough level to really be of assistance to smaller businesses, this strategy makes specific recommendations of how to strengthen these programs in a way which makes them more flexible while also allowing for continuous oversight and control. However, given the target industries/uses highlighted above, we believe that the CRA should create a several million dollar pool which can help support larger scale catalytic investment projects, particularly related to full service hospitality with meeting and banquet space and Class A office development. Given the market timing and current market position of Hallandale Beach, we believe the CRA will be able to speed up investment or developer/landowner deals which would not exist but for the CRA's support. CRA dollars can be used to write down the cost of land or pay for certain infrastructure improvements including parking but the availability of these funds should be time limited and corridor limited to focus and incentivize development at a quickened pace. The structure of this financial support may be the use of tax increment or a direct grant/loan depending upon the scale of investment and City's evaluation of project need;

- *Job Linkage Effort*– While Hallandale Beach has some of the strongest opportunities for investment and job creation in the southern half of Broward County, the City also has pockets of substantial poverty. The strategy recommends that the CRA tie CRA residents to jobs and contracting opportunities through the hiring of a community organizer. The exclusive job of the organizer will be to identify and tie CRA residents to job and contracting opportunities within Hallandale Beach and beyond, building relationships with the community, employers, and non-governmental and community based job/training placement organizations;

- *Communications/Outreach* – The City of Hallandale Beach has a surprisingly high profile Mayor and Council given the City's relatively small size. We recommend that the City establish a formal annual budget for city official visits to Tallahassee and Washington DC for select events particularly around economic development opportunities. These would include establishing a regular schedule where members of the city commission and senior city staff would meet with the congressional and statehouse delegation with the aim of having the delegation advocate for Hallandale should any federal or State investment or grant opportunities become available for economic development. Likewise, meeting with key federal and state agencies including HUD, DOT, and Department of Commerce can be particularly valuable to learn about and begin a dialog regarding upcoming programs and opportunities. Additionally, senior City staff and elected officials should coordinate regular meetings with existing businesses and develop a quarterly economic development newsletter to inform City businesses, residents, and the media about trends, opportunities, and substantial investments in Hallandale Beach. This becomes a principal on-going outreach tool to the business community;

- *Staffing* – The recommendations within this strategy call for potential new staff additions to support the economic development and CRA staff already in place. This includes a financial analyst who will specifically focus on the CRA and its reporting/budgeting but will be housed in the Finance Department, the job linkage community organizer described above, potential internal expeditors for the building department, and the hiring or contracting for data organization, marketing, and incentive management/placement and on-going contract monitoring;

- *Budget Parameters* – Finally, the detailed strategy outlines an order-of-magnitude budget for each of the economic development efforts noted above. With the exception of the major development expanded incentive effort and any expediting effort within the Building Department, we estimate the additional cost associated with the economic development effort to be between $400,000 to $500,000 annually (2011 dollars).

SECTION 2: BACKGROUND TO THE HALLANDALE BEACH MARKET

As of part of the economic development strategic plan, Lambert examined demographic & housing trends in the City of Hallandale Beach compared with the County and State and surrounding communities. The demographic and economic profile herein focuses on those variables that form the formation and framework upon and within which economic development will be driven in the City.

In addition to the economic and demographic analysis, Lambert completed a comprehensive analysis of real estate market trends among a broad range of uses that will be instrumental in identifying and supporting both short term and long term development initiatives throughout the City of Hallandale Beach and help focus the City's business development and attraction efforts on those industries and uses which are most likely to flourish in the City and create employment opportunities and mitigate the tax impact on residents.

Section 2A: Demographics of Community and Changes over Time

The initial step to the economic and demographic assessment to place Hallandale Beach in a broader context is a comparison of Hallandale Beach to the State and County. This is followed by a comparative analysis of Hallandale Beach against the surrounding area, which is comprised of Hollywood, Aventura and Pembroke Park (Section 2b below).

Population and Households

Based upon US Census data, the State of Florida grew 2.1 percent average annually from 1990 to 2000. From 2000 to 2010 State population slowed to 1.6 percent average annual growth. Comparatively, from 1990 to 2000, the Broward County population increased at a faster pace as that of the State at 2.6 percent annual growth. Much of this growth was due to the influx of residents from Miami-Dade County during the aftermath of Hurricane Andrew (1992). From 2000 to 2010, the County's population growth rate significantly slowed, increasing at an annual rate of 0.7 percent.

Figure 1: Population and Household Trends – Florida, Broward County & City of Hallandale Beach, 1990-2010

Source: US Census

	1990-2000	2000-2010
Florida		
Population Annual Growth Rate	2.1%	1.6%
Household Annual Growth Rate	2.1%	1.6%
Countywide		
Population Annual Growth Rate	2.6%	0.7%
Household Annual Growth Rate	3.4%	-0.8%
Hallandale Beach		
Population Annual Growth Rate	1.0%	0.8%
Household Annual Growth Rate	0.5%	0.1%

From 1990 to 2000, the City of Hallandale Beach population grew at a rate slower than that of Broward County and the State, growing from 31,000 to 34,000, or 1.0 percent annually. Given the fact that the community was largely built out by the 1970s and has a significantly older population base than the County and State, the slower rate of growth during this period would be entirely expected. From 2000 to 2010, the City population grew 0.8 percent annually, which is consistent with the County, to 37,000 residents. Hallandale Beach generally represents approximately 2.1 percent of Broward County's total population. During the last ten years, major changes occurred in the City; dense waterfront development increased in line with almost all coastal communities in South Florida, the continuing replacement of older households with younger families and the fact that the racial/ethnic composition of the City has drastically changed over the last 20 years, discussed in greater detail below.

While all geographies have experienced a growth in average household size from 1990 to 2010, the Hallandale Beach average household sizes remain significantly lower than the State and County as a whole, currently averaging 2.02 persons per household, compared with 2.52 persons per household in Broward County, and 2.48 for the State. This is largely attributed to the fact that Hallandale Beach has a significantly older population with a relatively large number of retirees, as discussed in more detail below; however, as noted, Hallandale Beach's median age is declining notably and the demographics continue to change.

Going forward, according to projections developed by the Broward County Planning and Redevelopment Division, Hallandale Beach's growth is actually expected to significantly outpace that of the County overall. Between 2010 and 2020, Broward County is expected to grow 1.3 percent annually and Hallandale Beach is expected to grow to 2.1 percent annually.[1]

Figure 2: Broward County, and Hallandale Beach Population Projections

Source: US Census; Broward County Planning and Redevelopment Division; Lambert Advisory

	2010	2015	2020
Broward County	1,748,066	1,861,005	1,981,240
Hallandale Beach	37,113	41,177	45,686

Age of Population

Lambert examined population by age cohort based on US Census Data – illustrated in detail in Figure __. The current median age of Hallandale Beach (46.7 years) is higher than that of the State (40.7 years) and County (39.7 years). Hallandale Beach has a significantly older population than the State and the County; however, the percent of population aged 65+ in Hallandale Beach has markedly dropped from nearly half the population in 1990 to a quarter of the population in 2010. The percent of population over 65 in the State and County have dropped as well, however, not to the extent of the City. Currently, Broward County's population over 65 years of age is only 14 percent, while the population under 25 is 31 percent. In comparison, Hallandale Beach's under 25 years of age population comprises 22 percent of the total City population. While Hallandale

[1] County growth rate based on Broward County Forecast Modeling Annual Update, 2005 and City growth rate based on Municipal Population Forecasts, 2006-2030. Rates applied to 2010 Census population. Although projections and growth rates may be adjusted with the release of the 2010 Census, the changes will have no material impact on the Economic Development Strategy.

Beach's median age remains notably higher than the region, the strong decline in age indicates a significant shift in demographic composition, which will be an important factor for ongoing economic development efforts.

Figure 3: Florida, Broward County, and Hallandale Beach Aging Trends, 1990-2010 Source: US Census

	Florida			Broward County			Hallandale Beach		
	1990	2000	2010	1990	2000	2010	1990	2000	2010
% Under 25	31.5%	31.1%	30.4%	28.6%	30.8%	30.8%	15.2%	18.4%	21.9%
% 25-44	30.4%	28.5%	25.2%	31.9%	31.4%	27.2%	17.7%	22.9%	25.9%
% 45-64	19.8%	22.6%	27.0%	18.7%	21.7%	27.6%	18.6%	22.8%	27.1%
% 65 +	18.3%	17.6%	17.4%	20.8%	16.1%	14.3%	48.5%	35.8%	25.1%
Median Age	36.7	38.7	40.7	37.7	37.8	39.7	64.1	52.7	46.7

Race and Ethnicity

The racial composition of Hallandale Beach has largely tracked the State more than the County over the past 20 years; however, as it relates to ethnicity the Hispanic/Latino population has grown in the City substantially faster than the State or County. The State, which had a higher percentage of Hispanic population than both the County and City in 1990, now has a smaller percentage of Hispanic residents. The proportion of African American residents (in the single race classification category) in the County (27 percent) is significantly higher than that of Hallandale Beach (18.7 percent) today despite the fact that they were roughly similar in 1990. The racial mix of both the City and County in recent years has become more diversified, particularly in relation to the Hispanic population, which is a significant factor. Generally, the presence and growth of varied ethnic backgrounds provides an environment which encourages investment and support to attract and service dynamic interests.

Figure 4: Hallandale Beach Racial Profile Trends, 1990-2010
Source: US Census

	Florida			Broward County			Hallandale Beach		
	1990	2000	2010	1990	2000	2010	1990	2000	2010
White	83.1%	74.5%	75.0%	81.7%	70.6%	63.1%	84.0%	77.3%	73.7%
African American	13.6%	12.4%	15.9%	15.4%	20.5%	26.7%	14.2%	16.0%	18.7%
Other[2]	3.3%	13.1%	9.1%	2.9%	8.9%	10.2%	1.8%	6.7%	7.6%
Hispanic or Latino	12.1%	15.1%	22.5%	8.6%	16.7%	25.1%	8.8%	18.8%	31.8%

Over the previous two decades, the City of Hallandale Beach has become increasingly more diversified, both racially and ethnically. Although the State and County's Hispanic population have both significantly increased since 1990, the City is unique in the fact that while population has not increased substantially since 1990, the racial and ethnic composition of the City has significantly changed; particularly in the category of foreign born residents. The State's foreign born population in 2009 stood at 18.7 percent while the County's was at 29.6 percent. Since 1990, the City's foreign born population has been steadily increased in terms of percentage of total population. In 1990, the foreign born population comprised 25.0 percent of the population; whereas, in 2000, 36 percent of the Hallandale Beach population was foreign born, the majority originating from Latin America (44 percent of foreign born population and in 2009, nearly 43 percent of the population was foreign born. In 1990, 27.3 percent of the foreign born population (or 6.8 percent of the total population) was born in Latin America; however, according to the 2005-2009 American Community Survey, 58 percent of the foreign-born population in Hallandale Beach was born in Latin America, or a quarter of the entire City population.

Additionally, nearly 20 percent of the Hallandale Beach foreign-born population is from Eastern Europe (8.4 percent of the entire population). Although that percentage is down from 1990 (35.9 percent) and 2000 (23 percent) likely as a result of Eastern European refugees immediately prior to and subsequent to World War II passing away, the composition has changed, with a significant percentage increase in the Russian and Ukrainian population. It is difficult to obtain an accurate perception of the shift in European origin from 1990 to present due to the Soviet Union dissolving and splitting into numerous other states, which are spread across Eastern Europe and Asia.

Figure 5: Hallandale Beach Population Origin Profile Trends, 2000-2009 Source: US Census

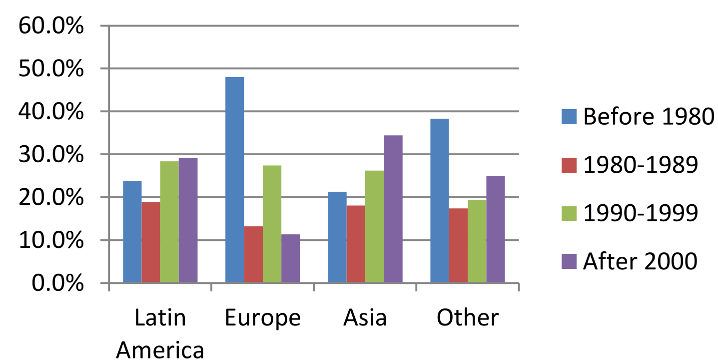
	1990		2000		2009	
Place of Origin	Percent of Foreign Born Population	Percent of Total City Population	Percent of Foreign Born Population	Percent of Total City Population	Percent of Foreign Born Population	Percent of Total City Population
Total Foreign Born		25.0%		36.4%		42.9%
Latin America	27.3%	6.8%	44.4%	16.1%	58.2%	24.9%
Eastern Europe	35.9%	9.0%	23.0%	8.3%	19.6%	8.4%
Romania	4.1%	1.0%	6.9%	2.5%	4.4%	1.9%
Russia[1]	11.5%	2.8%	2.8%	1.0%	4.1%	1.7%
Poland	12.3%	3.1%	5.8%	2.1%	3.5%	1.5%
Ukraine	N/A	N/A	1.0%	0.4%	2.8%	1.2%
Rest of Europe	5.4%	1.4%	12.7%	4.6%	8.0%	3.4%
Asia	5.1%	1.3%	4.8%	1.7%	6.9%	3.5%
Canada	8.9%	2.2%	12.8%	4.7%	5.3%	2.3%

[1] Includes all of Soviet Union for 1990

Although smaller in population, another major demographic shift was the decline in Canadian born residents and the increase in Asian born residents. The importance of evolving demographics is with increased diversification, components of the economic development strategy going forward must be made easily accessible to a wide range of ethnicities, particularly where language is concerned, given the ability to tap into foreign sources of income.

As shown in Figure __, nearly 50 percent of the foreign born European population arrived before 1980 and just over 10 percent have arrived since 2000. As noted above the majority of Europeans arrived before 1980; moreover, another spike in European immigration occurred in the 1990s as a result of the collapse of the Soviet Union. In comparison, almost 60 percent of the Latin American foreign born population has arrived since 1990 (29 percent since 2000).

Figure 6: Hallandale Beach Population Origin Profile Trends, Decade of Arrival
Source: US Census



As shown in the Figure below, only half of the City's residents speak English at home. Nearly a third of the residents speak Spanish at home as the primarily language, with only 45 percent of Spanish speakers proficient in English. The other major language group represented in the City of Hallandale Beach is Indo-European languages (other than Spanish or English)[2]. Over 16 percent of the population in Hallandale speaks an Indo-European Language, and just over 55 percent of them are proficient in English. Acknowledging these diverse language and demographic characteristics can help focus investment from a wide range of possible investors (particularly foreign investors), as well as make working with the City an easier process for residents and perspective businesses.

Figure 7: Hallandale Beach Resident Language Profile, 2009
Source: US Census

Language Spoken at Home	Percent Primary Language
English Only	49.90%
Spanish	30.90%
% of those who speak English less than "very well"	55.50%
Other Indo-European	16.30%
% of those who speak English less than "very well"	44.30%
Other	2.90%
% of those who speak English less than "very well"	43.10%

Household Income

Lambert analyzed household income, which is a critical element of identifying retail and entertainment demand and major commercial use in the City as well we define the extent internally driven investment may play in the City's future economic development.

Figure 8: Broward County & City of Hallandale Beach Household Income Profile, 2009
Source: US Census

	Florida	Broward County	Hallandale Beach
< $10,000	7.2%	6.6%	11.8%
$10,000 to $14,999	5.7%	5.3%	8.7%
$15,000 to $24,999	11.8%	11.1%	15.5%
$25,000 to $34,999	11.9%	10.8%	12.6%
$35,000 to $49,999	15.7%	14.7%	18.3%
$50,000 to $74,999	19.0%	18.7%	16.5%
$75,000 to $99,999	11.4%	11.8%	8.4%
$100,000 to $149,000	10.3%	12.3%	4.5%
$150,000 to $199,999	3.3%	4.5%	2.2%
$200,000+	3.5%	4.3%	1.4%
Median Household Income	$47,450	$51,731	$36,103
Mean Household Income	$65,961	$71,771	$49,650

Based on data from the US Census (2005-2009 American Community Survey), Broward has an estimated median household income of $51,731, which is 8 percent higher than the State's income and 30 percent higher than that of the City. In both the State and County, households that earn more than $100,000 represent over 17.1 percent and 21.1 percent of the total population, respectively; however, that income bracket represents only 8.1 percent of the City's population. The City of Hallandale Beach mean household income is significantly lower than both the State ($65,961) and the County ($71,771) as well. Despite the City's

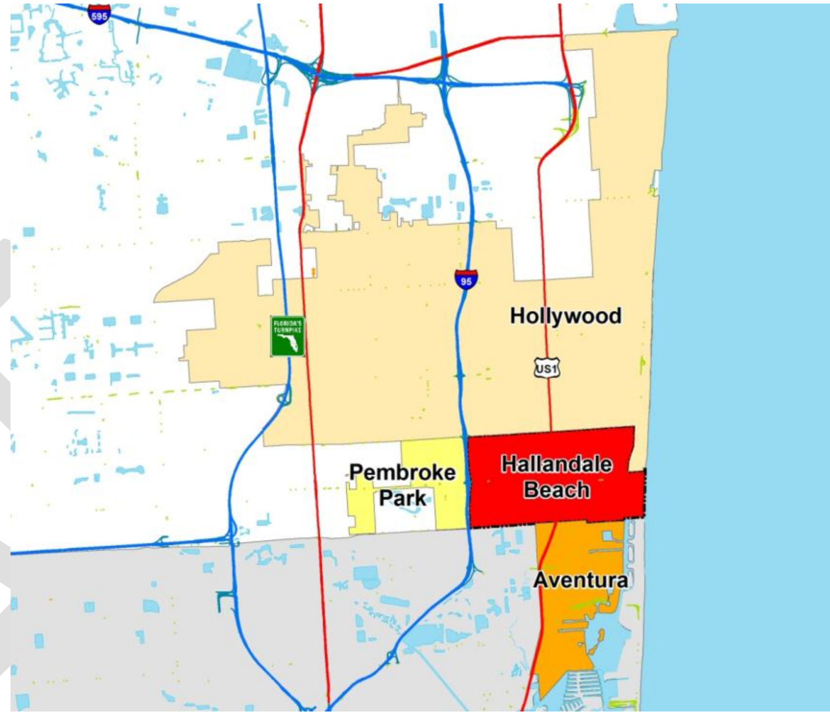
[2] Indo-European Languages other than Celtic (English) and Romance (Spanish) include Albanian, Balto-Slavic, Armenian, and Hellenic (Greek) subdivisions.

relatively modest mean income, the fact that the County and surrounding areas (discussed further below) have relatively strong mean incomes is positive for the City of Hallandale Beach, as the City has major retail and entertainment facilities that benefit from expenditures from the broader region.

Section 2B: Comparative Demographics of Hallandale to Surrounding Cities

As part of the Hallandale Beach market profile, Lambert also examined the economic and demographic characteristics of the three surrounding municipalities to establish the relationship Hallandale Beach has to its direct neighbors. The three municipalities profiled are Hollywood to the north, Pembroke Park to the west, and Aventura to the south, as shown in Figure 9 below.

Figure 9: Map of Surrounding Area Municipalities



Population

The four select cities, including Hallandale Beach, have a total of 219,745 residents according to the 2010 US Census, of which two-thirds live in Hollywood and 17 percent of which live in Hallandale Beach. The area's growth rate over the last 20 years has been modest, averaging 1.2 percent annual growth from 1990 to 2000. From 1990 to 2010, the four cities' population increased 1.2 percent annually; however, the majority of this growth is attributed to the City of Aventura, which grew of 4.5 percent annually. In 1990 Aventura's population was 52 percent smaller than Hallandale Beach and is now in line with Hallandale Beach's current population.

Figure 10: Population and Household Trends – Surrounding Area, 1990-2010 Source: US Census

	1990	2000	2010
Hallandale Beach			
Population	30,996	34,282	37,113
Households	17,135	18,051	18,301
Avg. Household Size	1.79	1.88	2.02
Hollywood			
Population	121,697	139,357	140,768
Households	52,904	59,673	58,438
Avg. Household Size	2.30	2.31	2.39
Aventura			
Population	14,914	25,267	35,762
Households	8,899	14,000	17,892
Avg. Household Size	1.68	1.79	1.99
Pembroke Park			
Population	4,933	6,299	6,102
Households	2,316	2,742	2,488
Avg. Household Size	2.13	2.29	2.42

In terms of household size, all four cities are below that of Broward County and the State; however, the City of Hollywood and Pembroke Park have considerable higher household sizes than Aventura and Hallandale Beach, which is attributed to population age, discussed below

Age

As previously noted, the City of Hallandale Beach population has steadily become younger over the last two decades dropping from 52.7 to 46.7 years of age from 2000 to 2010. Both figures are well above those for Broward County. As shown in Figure __, the City of Hollywood is in line with Broward County in both median age and the percent of residents over 65 years of age. In 1990, 23 percent of Hollywood's population was over 65 years of age (21 percent for Broward), and that number fell to 15.0 percent (14 percent for Broward). Similar to Hallandale Beach, the City of Aventura's over 65 population drastically changed over the previous 20 year period, dropping from 52 percent to 27 percent. While both the City of Hollywood and Pembroke Park have seen their median age increase, similar to Broward County, the City of Hallandale Beach and City of Aventura population have gotten younger. Though the median age of both cities is still higher than the County and two other cities in the surrounding area, the trend is likely to have considerable impact on economic development opportunities going forward.

Figure 11: Surrounding Area Aging Trends, 1990-2010
Source: US Census

	Hollywood			Aventura			Pembroke Park		
	1990	2000	2010	1990	2000	2010	1990	2000	2010
Total Population	121,697	139,357	140,768	14,914	25,267	35,762	4,933	6,299	6,102
% Under 25	27.0%	28.3%	28.1%	9.0%	14.7%	21.0%	22.0%	35.9%	33.7%
% 25-44	29.3%	31.3%	27.7%	16.2%	26.4%	27.8%	25.2%	28.0%	28.3%
% 45-64	20.7%	23.1%	29.1%	23.3%	23.6%	24.8%	25.1%	18.7%	21.2%
% 65 and Over	23.1%	17.4%	15.0%	51.5%	35.2%	26.5%	27.7%	17.4%	16.8%
Median Age	40.1	39.2	41.1	65.8	52.8	46.1	47.7	33.2	35.0

Race and Ethnicity

As discussed above, the City of Hallandale has become increasingly diversified over the past two decades, particularly among the Hispanic population. Similar to Hollywood and Aventura, in 1990 less than 10 percent of the population in Hallandale Beach was Hispanic; however, by 2010, over 30 percent of the population of all three cities was Hispanic.

Figure 12: Hollywood, Aventura, and Pembroke Park Racial Profile Trends, 1990-2010 Source: US Census

	Hollywood			Aventura			Pembro	
	1990	2000	2010	1990	2000	2010	1990	20
White Alone	88.2%	78.4	72.7%	97.8%	93.8%	90.4%	83.3%	42
African American Alone	8.5%	12.1	16.7%	0.3%	1.7%	3.9%	14.4%	49
Other	3.3%	9.5%	10.6%	1.9%	4.5%	5.7%	2.3%	8
Hispanic or Latino	4.0%	22.5%	32.6%	7.1%	20.7%	35.8%	11.3%	15

Over a third of the population in all surrounding area municipalities are foreign-born; however, only Aventura's population is in line with the foreign-born population figures of Hallandale Beach (42.9 percent in Hallandale Beach compared with 40.6 percent in Aventura). As with most cities in South Florida, the majority of all foreign-born residents are from Latin America, and the foreign-born Latin American population for all cities is between 22 and 24 percent of the total population. However, Aventura and Hallandale Beach stand out from the other municipalities in the European foreign-born population figures, particularly the Eastern European numbers. The City of Aventura's total population is comprised of over 10 percent of European born residents (half from Eastern Europe), while Hallandale Beach is comprised of 12 percent European born residents (two-thirds from Eastern Europe). This is a notable trend for Hallandale Beach as economic development opportunities will be driven by the shifting demographic base and compositions of neighboring Aventura, as well as the City of Hallandale Beach's own base.

Figure 13: Surrounding Area Population Origin Profile Trends, 2009, Source: US Census

	Hollywood		Aventura		Pembroke
	% Foreign Born Population	% Total Population	% Foreign Born Population	% Total Population	% Foreign Born Population
Total Foreign Born		31.4%		40.6%	
Latin America	70.2%	22.1%	57.5%	23.3%	66.8%
Eastern Europe	8.3%	2.6%	13.5%	5.5%	1.1%
Romania	3.4%	1.1%	1.5%	0.6%	0.6%
Russia	0.3%	0.1%	4.2%	1.7%	0.0%
Poland	1.1%	0.3%	2.5%	1.0%	0.0%
Ukraine	0.8%	0.3%	1.5%	0.6%	0.0%
Rest of Europe	6.3%	2.0%	11.8%	4.8%	3.3%
Asia	9.2%	2.9%	11.7%	4.7%	3.6%
Canada	4.3%	1.3%	2.6%	1.1%	24.7%

[1] Benchmarked against 2010 population, as 2005-2009 ACS total population estimate is substantially lower than 2010 actual figure.

Household Income

The City of Hallandale Beach has a median household income of $36,103 and 8.1 percent of households in the City earn more than $100,000 per year. Compared to cities in the surrounding area the median household income of Hallandale Beach is 21.2 percent lower than Hollywood, and 35.7 percent lower than Aventura, which has the highest median income of the group ($56,154). The relative strength of these two adjoining cities should be a benefit to Hallandale Beach's economic development opportunities.

Figure 14: Hollywood, Aventura, and Pembroke Park Household Income Profile, 2009, Source: US Census

	Hollywood	Aventura	Pembroke Park
< $10,000	7.6%	7.8%	11.3%
$10,000 to $14,999	5.6%	6.7%	5.7%
$15,000 to $24,999	12.8%	10.9%	21.7%
$25,000 to $34,999	12.5%	9.5%	17.2%
$35,000 to $49,999	15.5%	12.0%	14.2%
$50,000 to $74,999	18.7%	14.5%	18.2%
$75,000 to $99,999	10.6%	11.8%	9.0%
$100,000 to $149,000	10.0%	14.1%	2.0%
$150,000 to $199,999	3.3%	3.8%	0.0%
$200,000+	3.5%	9.0%	0.7%
Median Household Income	$45,803	$56,154	$32,067
Mean Household Income	$64,306	$89,478	$39,486

Section 2C: Unemployment and Workforce Profile and Projections

The economic development strategy for the City of Hallandale Beach (and most communities for that matter) relies heavily upon national, state, and regional employment growth.

From 2000 to 2006, the unemployment rate was relatively low in Florida and Broward County. Outside of the 12 to 18 month period following the calamitous events of 9/11, the State and County unemployment rate remained below 4.5 percent and dipped to 3 percent in 2006[3]. According to unemployment estimates generated by the Florida Department of Economic Opportunity, during that same time period, the unemployment rate for the City of Hallandale Beach was higher than both the State and County, generally ranging

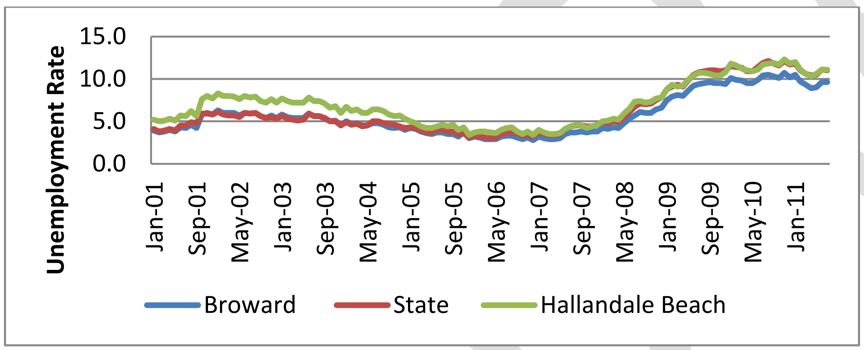
[3] Florida Department of Economic Opportunity

in the 6+ percent level; however, the City's unemployment rate did fall below 4 percent in 2006.

Since the national (and global) economic recession started in 2007, the State's unemployment rates topped 12 percent in late 2010/early 2011, which exceeded the nation's peak unemployment of 10.2 percent. Broward County, fared slightly better during this period with unemployment reaching slightly above 10 percent in mid-2010, before settling at current levels in the low- to mid- 9 percent range. The City of Hallandale Beach unemployment rates have actually mirrored the State and currently remain above 10 percent.

Figure 15: State, County and City Historical Unemployment Rate, 1/2001-7/2011

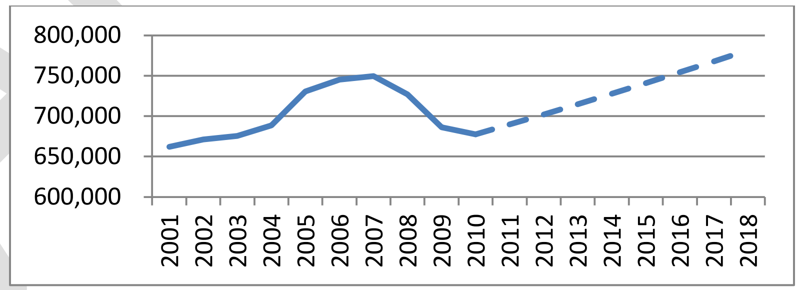
Source: Florida Department of Economic Opportunity; BLS



In terms of labor force, Broward County experienced relatively strong employment growth from 2001 to 2007. The County's non-agricultural and mining labor force increased from 652,000 in 2001 to 751,000 in 2007; or, an average annual growth of more than 16,000 jobs (2.4 percent growth per annum)[4]. However, following the recession in 2007, Broward County's employment base fell significantly in both 2008 (to 726,000) and 2009 (to 686,000). In 2010, the decline continued, but at a notably slower pace (to 676,000). However, for the first quarter of 2011 (the latest employment data available), Broward County's employment actually ticked up to 682,000, which hopefully signifies that a low-point has been reached and a turn to positive job growth is underway.

Figure 16: Broward County Employment Trends and Projections

Source: Florida Department of Economic Opportunity; Lambert Advisory



Based upon Florida Department of Economic Opportunity projections, Broward County is projected to add more than 115,000 total jobs from 2010 to 2018 (14,300 per year), a growth rate 1.8 percent annually. While the State's strong employment growth forecast is presumed to represent a trend to steady economic growth from a current low point, there still remains considerable uncertainty within the regional, national and global economy that may naturally impact the timing and/or pace of employment

[4] Based upon Quarterly Census of Employment and Wages and represents average monthly employment during the respective year.

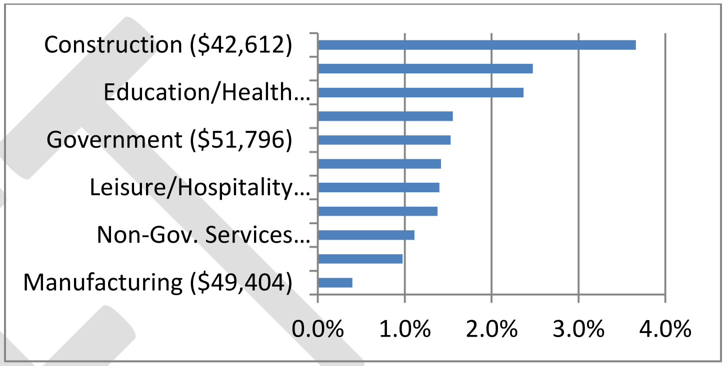
recovery. Regardless, the City's economic initiatives being considered today should be geared to the region's positive growth trends forecast over the next several years.

Trade, Transportation and Utilities Industry sector currently represents the largest employment sector in Broward County (21 percent), followed by Business/Professional Services (15 percent), Government (13 percent) and Education/Health Services (13 percent). According to the Florida Department of Economic Opportunity, the strongest employment growth in Broward County during the next eight years (in terms of growth rate) is anticipated to be in the Construction industry, which was among the hardest hit during the recession, and is expected to increase 3.7 percent per year through 2018. Professional and Business Services sector and Education/Health Services represent the next strongest sectors for growth, with 2.5 and 2.4 percent annual growth projections, respectively.

A detailed breakdown of the Broward County workforce is attached in Appendix and summarized in the following figure.

Figure 17: Broward County Projected CAGR (2010 to 2018) and Average Wage by Sector (2010)

Source: Florida Department of Economic Opportunity



Specific to office employment, which is a key factor in determining office space demand, the primary sectors represent Professional and Business Services, Financed Insurance and Real Estate (FIRE), and Information Services. These three sectors are projected to add an aggregated 31,000 jobs from 2010 to 2018, or 3,875 jobs per annum (2.0 percent growth per year). With an estimated 20 percent of employment within all other industry sectors considered office using positions, an additional 16,800 office jobs will be added in the County through 2018; or, 2,100 jobs per annum (1.7 percent per year). Therefore, in sum, office jobs in Broward County are expected to increase by approximately 5,900 per year from 2010 to 2018 (1.9 percent annual growth).

Although the Florida Department of Economic Opportunity does not provide employment projections at the City level, based on information from the 2005-2009 American Community Survey, the City of Hallandale Beach's largest employment sector in 2009 was the trade, transportation and utilities sector, which employed 25.7 percent of the workforce (over half of which is comprised of retail trade employment), followed by the leisure and hospitality sector

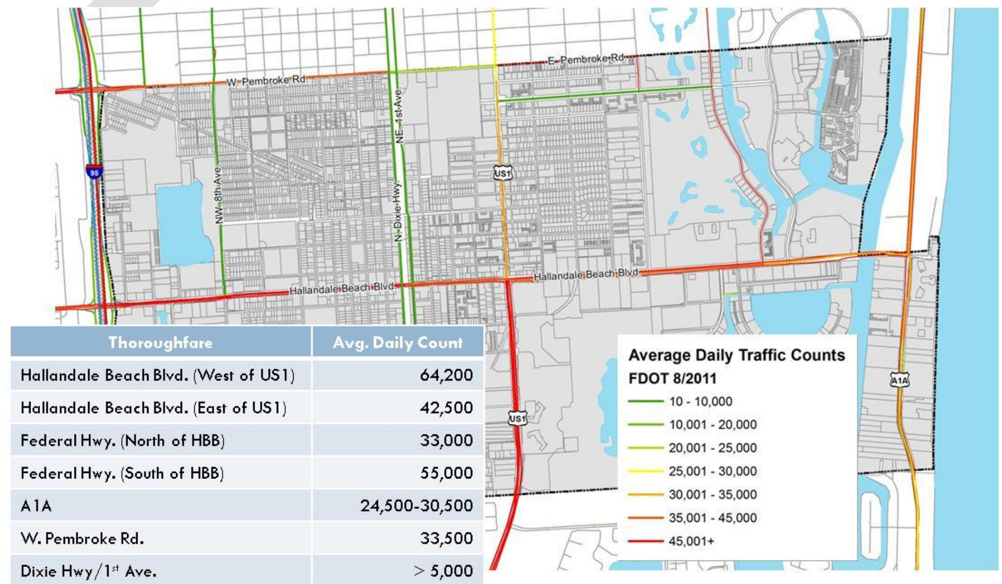
(14.2 percent of the workforce). As illustrated in Figure 17 above, these service sectors are among the bottom tier of average wages. However, with strong growth rates in the higher wage Professional and Business Services and FIRE sectors, a component of the City's economic development strategy should and can be oriented to capturing capture these higher wage industries based upon the City's location, and ability to leverage off of significant investment in and surrounding the City during the past decade which sets the basis for new investment by these employers.

Section 2D: Hallandale Beach Traffic Counts

As illustrated in Figure 18, the primary traffic arteries serving Hallandale Beach are Hallandale Beach Blvd. (east-west) and Federal Highway (north-south). Hallandale Beach Blvd. is the most utilized roadway in the City with average daily traffic counts (ADT) reaching slightly more than 64,000. This level of traffic is greater than all other southeast Broward County (south of I-595) corridors running from the beach to I-95. The next highest ADT of these corridors is Hollywood Blvd., which has a traffic count of 50,500 vehicles per day. Significant to note, the ADT along Hallandale Beach Blvd. drops from 64,200 east of I-95, to 43,500 west of I-95. This clearly indicates traffic flowing east into the City. As traffic moves east from I-95, ADT drops by approximately 15 percent after crossing Federal Highway. This drop is primarily the result of traffic transferring south toward Miami-Dade County. Consequently, ADT south of Hallandale Beach Blvd. on Federal Highway is 55,000, in comparison; ADT north of Hallandale Beach Blvd. along Federal Highway is lower at 33,000 vehicles. Notwithstanding, the level of traffic moving north is still relevant and capable of supporting strong commercial activity.

Figure 18: Average Daily Traffic Counts, City of Hallandale Beach

Source: FDOT (8/2011)



Thoroughfare	Avg. Daily Count
Hallandale Beach Blvd. (West of US1)	64,200
Hallandale Beach Blvd. (East of US1)	42,500
Federal Hwy. (North of HBB)	33,000
Federal Hwy. (South of HBB)	55,000
A1A	24,500-30,500
W. Pembroke Rd.	33,500
Dixie Hwy/1st Ave.	> 5,000

Hallandale Beach Blvd. and Federal Highway have been the beneficiaries of advanced traffic management systems which has helped alleviate traffic in the City. However, along roads that traverse the City, such as Dixie Highway and 1st Avenue, traffic has not been a significant issue. Dixie Highway and 1st Avenue both register lest than 6,000 vehicles per day and connect Hollywood to the north and Aventura to the south.

Section 2E: Market Background Conclusions

Current and future broader market conditions will likely define the success of the City's economic development strategy going forward, as market conditions will likely guide future retail, office and hospitality development and decisions. Below are key findings from the market background analysis:

- The City of Hallandale Beach population growth has slowed over the last two decades; however, based on Broward County Planning and Redevelopment Division the City is expected to grow at a faster pace than the County through 2020.

- The City's population has become much younger over the last two decades, with the median age currently at 46.7 years, as opposed to 52.7 in 2000 and 64.1 in 1990. Although the City has become younger, the City is still much older than the County and State, which is also reflected in the City's average household size.

- Although the City's population growth was modest over the previous decade, the racial and ethnic composition of the City and surrounding area (particularly Aventura) have markedly changed, particularly with an increase in the Hispanic and Eastern European populations. This creates more opportunity than limitation.

- Nearly half of the residents of the City do not speak English as a primary language, and nearly half of those who speak a language other than English at home do not speak English fluently.

- Compared to the State, County, and surrounding area (with the exception of Pembroke Park), the City of Hallandale income levels are relatively low. While creating higher paying jobs for City residents should be a focus of the economic development efforts, retail and entertainment development in the City are not as affected by the modest income because the majority of patrons to the major attractions originate from outside of the City.

- The City's estimated unemployment rate is in line with the State, but is higher than the County. Going forward, it is projected there will be demand for higher skill/higher pay jobs for residents of Hallandale Beach in the workforce as long as the City positions itself to capture this demand.
- The City's two major thoroughfares, Hallandale Beach Blvd. and Federal Highway, experience high traffic volumes; this will continue to drive investment among businesses which rely on vehicular trips and associated expenditure.

SECTION 3: PROFILE OF CURENT REAL ESTATE TRENDS AND OUTLOOK

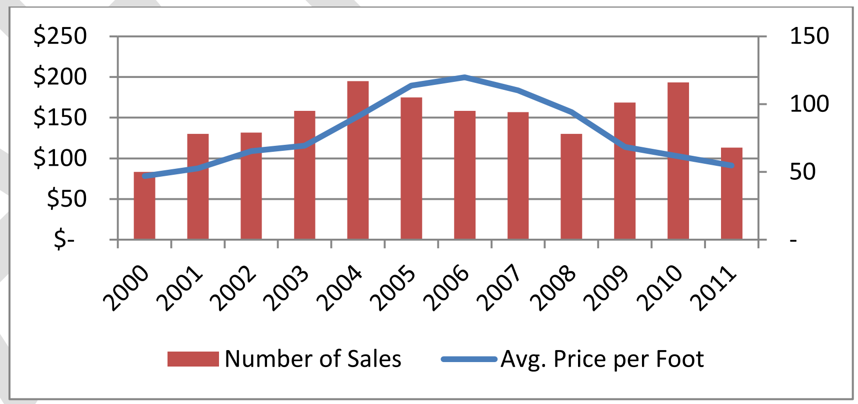
Section 3A: Broward County and City of Hallandale Beach – Housing Sales Activity

During the five to seven year period leading up to the housing crisis that started in 2007, new and re-sale housing activity within Broward County and the City of Hallandale Beach escalated rapidly in tandem with with regional and national housing market trends. Between 2000 and 2005, single family home sales in Broward County increased from $81 to $179 per square foot. Moreover, condo sale prices almost tripled from $70 per square foot to $195 per square foot. While 2005 was the peak in terms of sale volume, prices for single family homes reach $200 per foot in 2006 and condominiums reached $281 per foot that same year. Comparatively, in 2010 the average single family sold for $103 per square foot, while the average condominium sold for $94 per square foot.

During the time period between 2000 and 2005, single family home sales in Hallandale Beach jumped from 50 to more than 100 sales, while pricing more than doubled from $78 per square foot to $189 per square foot. Accordingly, condominium sales – driven by new construction – rocketed from less than 530 sales in 2000 to over 1,000 sales in 2005. While this level of sales and pricing activity was common among several markets throughout Florida, the effects of the subsequent downturn were particularly impactful to the South Florida region given the combination of speculative housing development/investment, and the combo of overbuilding and unemployment levels among the highest in the State. Between 2006 and 2010 prices for single family homes and condominiums within Hallandale Beach plummeted 50± percent, averaging $103 and $145 per square foot, respectively. The single family home market has fallen in line with the rest of the County; however, due to the significant volume of waterfront condominiums in Hallandale Beach, condominium prices have remained higher than the County overall.

Figure 19: New & Re-sale Single Family Housing Activity – City of Hallandale Beach (1996 to 2011[5])

Source: Broward County Property Appraiser



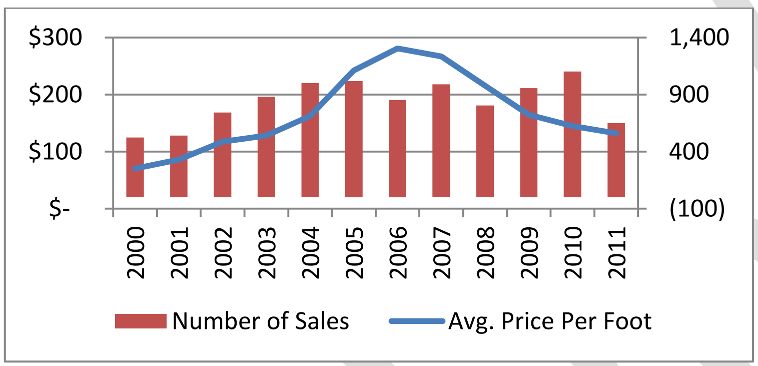
Nonetheless, and in support of the discussion above, current activity suggests a leveling off, or a relative "bottoming out" by 2010. In 2010, sales volume in both the single family and condominium housing increased dramatically, and based upon annualized (6 month) sales activity in 2011, housing sales volume will exceed that of peak years. Naturally, much of this activity comprises a considerable level of foreclosure related transactions

[5] 2011 "hashed" line represents annualized projection based upon sales activity through mid-year 2011 (solid red line)

(including short sales[6]). While sales activity has increased, the level of foreclosures has pushed housing values down to (and or below) that of more stable periods of 10± years prior. Although the foreclosure/short sale process remains a strong influence in the market's current housing activity, according to a profile of historic and current MLS reports provided by third party realtors, the proportionate share of foreclosure/short sale transactions (or sales also referred to as "bank infested" sales) to arm's length transactions[7] is becoming increasingly more balanced.

Figure 20: New & Re-sale Housing Activity of Condominiums – City of Hallandale Beach (1996 to 2011[8])

Source: Broward County Property Appraiser



[6] Short sale represents a process of avoiding foreclosure through agreement by both lender and owner to sell a property at a price below balance of debt on the property.

[7] A transaction in which the buyers and sellers of a product act independently and have no relationship to each other, ensuring that both parties in the deal are acting in their own self interest and are not subject to any pressure or duress from the other party.

[8] 2011 "hashed" line represents annualized projection based upon sale activity through mid-year 2011 (solid red line)

Overall, while Broward County's regional housing market has experienced very difficult conditions during the past 3 to 4 years, it is evident that the market is slowly shifting to more stable ground. As a result, the CRA's efforts to administering resident improvement programs (Section _) to improve upon current residential supply and stabilize residential neighborhoods is the greatest value to the broader economic development efforts as it relates to housing. This investment will also help assist the City maintain a workforce base for a variety of industries.

Assessed and Taxable Values

In total, according to the Broward County Property Appraiser the City of Hallandale Beach's taxable value is $3.4 billion. When broken down between the CRA and the area outside the CRA while 60± percent of the City's land area lies in the CRA, 70± percent ($2.9 billion) of the City's taxable and assessed values are outside of the CRA. As shown in Figure __, from 2009 to 2010, taxable values in the City dropped 15 percent; however, taxable values actually increase 0.5 percent from 2010 to 2011.

Residential is by far the primary use within the City, comprising $2.7 billion, or 78 percent of the total taxable value; as a result, the City's taxable base has taken a particularly hard hit during the past few years. Between 2009 and 2011, over all residential property value fell 13 percent, which was buoyed by the increase in residential property value outside of the CRA between 2009 and 2010; however, within the CRA, residential property values dropped from $650 million to $430 million (34.5 percent). The City of Hallandale

Beach impact on taxable housing values was exacerbated by the high level of density of condominium units which was among the hardest hit sectors in the South Florida housing market. However, in spite of the loss from residential values, the City benefited greatly from the addition of the Villages of Gulfstream, which added $129 million[9] to the tax rolls within the last two years. One principal reason the City should spend resources on focusing on economic and commercial development is to reduce the burden of City operations.

Figure 21: City of Hallandale Beach Taxable Values, 2009-2011

Source: Broward County Property Appraiser

	Land Use	Records	2009	2010	2011
Outside CRA	Residential	16,198	$2,585,000,000	$2,257,000,000	$2,271,000,000
	Commercial	118	$149,000,000	$143,000,000	$136,000,000
	Government	11	$170,000	$81,000	$81,000
	Institutional	3	$6,400,000	$6,000,000	$6,000,000
	Miscellaneous	13	-	-	-
	Subtotal	*16,343*	*$2,741,000,000*	*$2,406,000,000*	*$2,413,000,000*
Inside CRA	Residential	7,512	$652,000,000	$462,000,000	$427,000,000
	Commercial	472	$437,000,000	$460,000,000	$511,000,000
	Industrial	190	$94,000,000	$75,000,000	$71,000,000
	Government	125	$829,000	$360,000	$9,000
	Institutional	50	$5,000,000	$6,000,000	$5,000,000
	Agricultural	8	$610,000	$470,000	$163,000
	Miscellaneous	50	$4,000,000	$4,000,000	$4,000,000
	Subtotal	*8,407*	*$1,194,000,000*	*$1,007,000,000*	*$1,018,000,000*
	Total	**24,750**	**$3,934,000,000**	**$3,413,000,000**	**$3,432,000,000**

[9] Represents net new value above $26 million in 2009 due to new development.

Section 3B: Broward Office Market Overview

The City of Hallandale Beach is centrally positioned between two metropolitan office market comprising roughly 170± million square feet of office space[10], which includes all multi-tenant and single tenant (or owner occupied) office space. From a regional perspective, the Broward County office market comprises roughly 70 million square feet of office space, while the Miami-Dade County market totals nearly 100 million square feet of space. Overall, Broward County and Miami-Dade County are reporting approximately 87± percent occupancy, which is considerably lower than the 92± occupancy achieved in both markets in 2006/7 and prior to the recent economic recession; but, occupancy has strengthened a modest 1 to 2 percentage points during the past twelve months. In terms of lease rates (asking price), Class A/B+ office space in Broward County generally range from $23 to $25 (gross[11]), with premium Class A/B+ product at $28 to $30 per square foot (gross). Miami-Dade County's overall lease rates are in the range of $28 to $30 (gross), with Class A/B+ quality office space in the range of $32 to $37 per square foot (gross). Presently, Miami-Dade County is reporting approximately 1 million square feet of new space under construction, nearly two-thirds of which is situated in the Downtown/Brickell submarket. There is reportedly no new multi-tenant office construction in Broward County.

Specific to the Broward County office market, the County experienced net office absorption of approximately 10 million

[10] The CoStar Group – The CoStar Office Market Report (Broward County and Miami-Dade County); Mid-Year 2011
[11] Gross lease represents full rent paid by tenant inclusive of property tax, insurance and common area maintenance (CAM) charges.

square feet from 2000 to 2008, or more than 1.2 million square feet per annum. However, in 2009, the County lost more than 1.2 million square feet of occupied office space (negative absorption). Although absorption has been fluctuating during the past 18 months, Broward County has actually realized positive office absorption of 290,000 square feet during the past 12 month period.

According to CoStar, the Hallandale submarket comprises a total 1.6 million square feet of office (or 2 percent of the County's total inventory). The Hallandale Beach office submarket is performing considerably better than the region as a whole, with occupancy at 91 percent and lease rates at $24 to $26 per square foot. The Hallandale Beach office market is primarily characterized by small, local professional office users, with a relatively large segment of medical related business; to this, there are only six complexes or buildings in the market greater than 50,000 square feet. Furthermore, there is only one building in the market that is considered to be designated a Class A/B+ facility (which considers location, age, quality of construction/condition, and amenities), which is 89,000 square feet of leasable office space within the Village at Gulfstream Park introduced to the market in early 2010. Aside from Gulfstream, there has been one other building added to the market in the past fifteen years – Home Federal Bank Building in 2003 (24,000 square feet). Nonetheless, Hallandale has actually been one of the stronger office markets in Broward County with 70,000 square feet net positive absorption during the past 12 months.

This strong performance is in large part attributed to new office development/leasing activity at Gulfstream, which is presumed to benefiting from Aventura's office market, which is one of the strongest submarkets in the entire South Florida region. Aventura's office market has more than 2 million square feet and characterized by numerous Class A/B+ buildings that have an average of 91 percent occupancy and lease rates in excess of $30 per square foot. A measurable portion of Aventura's office space is medical related which supports Aventura Hospital and Medical Centers situated immediately south of the county line.

Overall, the Hallandale office market is relatively stable in comparison to surrounding submarkets and broader region. Though the Hallandale office market is relatively small compared to most submarket in the surrounding region, it is positioned immediately north of one the strongest office submarket in the entire Broward/Miami-Dade area. As such, there should be opportunities for potential office development that could support economic development opportunities within the City considering:

- Broward County office employment is projected to add an average 5,000 to 6,000 office jobs per year for the next five to ten years;
- The Villages at Gulfstream has blurred the distinction between Hallandale and Aventura in the southern part of the Federal Highway corridor and this lack of distinction can be further exploited as it relates to the development of professional office space.
- The Building Owners and Managers Association (BOMA) estimate of office space per employee (225 to 250

square feet per employee), based on a survey of office developments in Florida;

- In spite of the fact that Hallandale Beach has been one of the few submarkets with new office supply added during the past few years, office occupancy in excess of 90 percent indicates that at least some level of pent-up office demand exists within the Hallandale Beach submarket. Therefore, capturing its fair share of the County's historical office (2.5 percent) is plausible; and,
- The opportunity to focus longer term redevelopment within areas of the City with direct access and visibility to I-95, whereby office development could represent a strong anchor within this area.

Figure 22: Estimated Office Space Demand in Hallandale Beach – Five Year Projections, Source: Florida Department of Economic Opportunity; Building Owners and Managers Association

City of Hallandale Beach Estimated Office Space Demand Five Year Projections						
	Year 1	Year 2	Year 3	Year 4	Year 5	**Total**
Broward County						
Estimated Office Employment Growth						
Estimate	5,000	5,000	5,000	5,000	5,000	**25,000**
Aggressive	6,000	6,000	6,000	6,000	6,000	**30,000**
Estimate Net Absorption - Sq.Ft. (@ 235 sq.ft./employee)						
Estimate	1,175,000	1,175,000	1,175,000	1,175,000	1,175,000	**5,875,000**
Aggressive	1,410,000	1,410,000	1,410,000	1,410,000	1,410,000	**7,050,000**
City of Hallandale Beach - Net Absorption Sq.Ft. Capture (@ 2.5 ± % of County)						
Estimate	29,375	29,375	29,375	29,375	29,375	**146,875**
Aggressive	35,250	35,250	35,250	35,250	35,250	**176,250**

Source: Lambert Advisory

Based on these estimates of employment, the City of Hallandale Beach is projected to have total demand between 140,000 and 180,000 square feet of office space over the next five+ years. This figure is <u>net new space demanded</u> and it assumes that some portion of this demand is absorbed within the limited vacant and/or underutilized space. Furthermore, this does not necessarily mean that the City of Hallandale Beach will capture all of this demand since development costs for higher density product may be prohibitive to an extent; therefore, some of this demand may inevitably shift to other markets where land and development costs are not as high. Nonetheless, our analysis indicates that the City may be in a position to provide economic support necessary to effectuate office redevelopment.

Overall, the Hallandale Beach office market is quite stable in comparison to surrounding submarkets and broader region. Though the Hallandale office market is relatively small compared to most submarket in the surrounding region, it is positioned immediately north of one the strongest office submarket in the entire region. As such, the opportunities for potential office development that could support economic development opportunities exist within the City considering the following:

- In the wake of the global economic crisis and US recession in 2007 and slow recovery since, local, regional and national economic conditions remain relatively uncertain. However, based upon employment growth, and especially in the office employment sectors, there appears to be a shift to positive outlook during the next 5 to 8 years.

- Some Broward County and Miami-Dade County office submarkets show signs of having reached their low mark and have actually strengthened (albeit modestly) during the past 12 months. With limited new inventory currently under construction and/or planned, the market overall should continue strengthening.

- While the Hallandale submarket overall appears to be performing better than the region in terms of occupancy, quoted lease rates at $25 per square foot (gross) is notably lower than rates supporting new higher density development which is estimated to be closer to $29 per square foot when accounting for concession, vacancy factor and/or tenant improvement discounts.
- The strength of Aventura's office submarket should serve as a benefit to Hallandale Beach during the long term. Though Aventura will likely remain a niche submarket that is superior to most submarkets in the northeast Dade and southeast Broward County areas, Hallandale's proximity to a medical and corporate center to the south and blurring of the county line through Gulfstream Park's investment presents long term opportunities. Additionally, underutilized sites along I-95 at the Hallandale Beach Blvd intersection also create opportunities for investment.

- Based upon historical market trends, current market conditions and prospective County employment growth, net new office demand in Hallandale Beach is estimated to be 140,000 to 180,000 square feet during the 5± years. However, the level of demand to support new construction remains a factor.

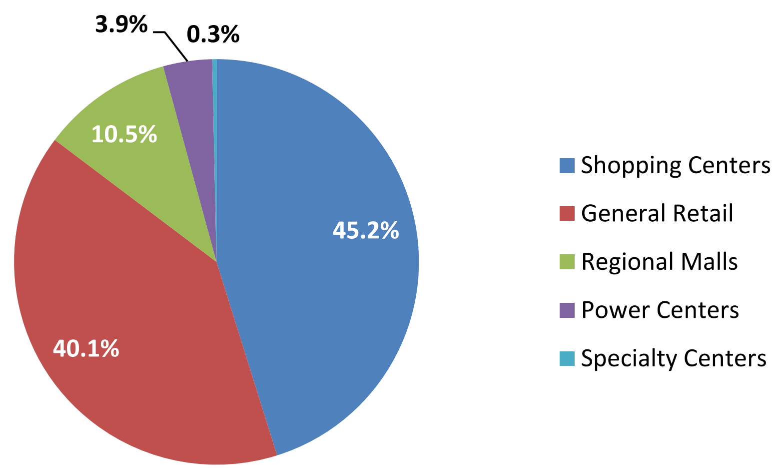
Section 3C: Retail Market Analysis

The focus of the retail analysis herein is to review and summarize retail market trends in Broward County, surrounding submarkets in south Broward County and the Hallandale Beach submarket.

As with most metropolitan markets in Florida, the economic downturn in real estate markets has significantly impacted the retail sector in Broward County and Hallandale Beach. Declining retail sales brought on by high unemployment and shaken consumer confidence, combined with tight credit markets and a "wait and see" strategy among retailers with regard to expansion plans, have contributed to a fragile real estate market for retail. In general, vacancies are up, rental rates are down, and tenant prospects have diminished. Within Broward County, the situation is compounded by the delivery of a significant amount of retail supply just prior to (and/or during) the recession.

Based upon CoStar[12] data, Broward County comprises a total 107 million square feet of retail space. From 1991 to 2000, Broward County added a total 13 million square feet of retail to the market; or, 1.3 million square feet per year. The pace of retail supply delivery picked up slightly from 2001 to 2005, adding 8.4 million square feet of total retail space; or, 1.6 million square feet per year during the five year period. However, from 2006 to 2008, the County's new retail inventory delivery was nearly 6.8 million square feet; or, 2.3 million square feet per annum. The abundance of new retail being added at the time of a serious economic downturn resulted in vacancy rates rising from a very strong 3.5± percent in 2006/7, to 8.2 percent in 2011. Although there is no debating the fact that from a broader retail market perspective, the addition to supply was warranted based given historical vacancy lows in 2006/7, the escalation in retail space delivery certainly impacted specific retail inventory sectors (and discussed further below). Accordingly, with lease rate quotes that reached the mid- to upper $19 per square foot (NNN[13]) range in 2006/7, dropped nearly 15 percent to current lease rates of $17.40 per square foot (NNN). The Broward County retail market is segmented into five primary categories illustrated in Figure ___ below, and summarized in the following:

Figure 23: Broward County Retail Market Segmentation
Source: CoStar Group



Regional Malls: Broward County has 15 regional malls totaling 11.2 million square feet. The only new notable supply added during the past several years was Villages at Gulfstream Park (400,000 square feet). In spite of limited new supply, the County's mall market has suffered dramatically since the recession, with vacancy rates increasing from 1.8 percent in 2007 to 14 percent currently. Quoted lease rates also declined from highs in the $21 per square foot range (NNN) to $14 per square foot currently.

[12] The CoStar Group – The CoStar Retail Market Report (Broward County; Mid-Year 2011)
[13] NNN represents the Base Rent paid by the tenant, in addition to charges for common area maintenance (CAM), insurance, and property taxes that is also paid for by the tenant (otherwise referred to as "pass-through" expenses).

Power Centers[14]*:* Power Centers represent 4.2 million square feet of total space, with less than 400,000 square feet having been added during the past five years. Power Centers have actually performed relatively well during the past few years with vacancy going from lows of 3.5 percent to a high of 10.6 percent at the end of 2010. However, vacancy has decline considerably to current levels of 6.9 percent, and lease rates (NNN) have steadily increased from $16 per square foot in 2008 to $19 per square foot in 2011.

Shopping Centers[15]*:* The shopping center sector comprises 48.6 million square feet, with slightly more than 4 million square feet having been added to the Broward County market since 2006. Following historical vacancy lows of 3.8 percent five years ago, the shopping center market is reporting nearly 11 percent vacancy today. Concurrently, lease rates (NNN) have dropped from nearly $20 per square foot to $17.50 during the same period.

General Retail[16]*:* General Retail totals 43.2 million square feet, with 2.3 million square feet having been added since 2006. This specific sector remains relatively strong with vacancy ranging from 1.9 percent to 3.5 percent during the past five years. Lease rates (NNN), however, have fallen from highs of $23 per square foot to approximately $18 per square foot currently.

Specialty Centers: Specialty centers is non-traditional retail locations, such as airport retail and comprises only 365,000 square feet in 3 centers with no new space added in more than five years. In spite of the limited space, vacancy has spike from 4 percent to 19 percent since 2006.

According to CoStar, the Hallandale submarket comprises a total 4.4 million square feet of retail space, or 4 percent of the County's total inventory; however, the specific submarket extends well beyond the City's boundaries reaching west to the Turnpike and includes Pembroke Park, a small portion of the City of Miramar and land in unincorporated Broward County. Accordingly, CoStar's retail inventory includes auto-related business, which is not traditionally accounted for in retail supply and demand analysis because these types of sales follow different monthly patterns than other retail sales and are not indicative of standard industry discretionary spending patterns. The BCPA indicates the City of Hallandale Beach has approximately 2.2 million square feet of retail and entertainment uses.[17] Nonetheless, the Hallandale submarket reported retail vacancies of approximately 3 percent in 2007/8; however, with the addition of Village at Gulfstream Park, which represents the only major new development delivered within the submarket during the past five years, vacancy climbed to 14 percent in late 2010 due to this new supply. This has since moved downward to 12.7 percent currently. Lease rates (NNN) in general declined from $20 per square foot to the upper $16 per square foot range.

[14] Power Centers represents development of freestanding anchors and minimal inline tenants and range from 250,000 to 600,000 sq. ft.
[15] Shopping Centers represent strip centers, community centers and neighborhood centers.
[16] General Retail represents single tenant freestanding commercial buildings.

[17] Based on BCPA land use codes 11, 13, 14, 15, 16, 21, 22, 23, 25, 30, 31, 32, 33, 34, 35, 37. Does not include casino properties and/or parcels classified as mixed-use.

As detailed in Section ___, Villages of Gulfstream Park represents a major regional lifestyle center that is located within the City of Hallandale Beach. Presently, Gulfstream comprises approximately 400,000 square feet of retail and restaurant. Anchors include Crate & Barrel, William Sonoma and restaurant chains such as the Yard House and Texas de Brazil. Additionally, inline tenants include Time Concepts, Adrenalina, and Roxtar. Currently, Gulfstream is over 85 percent occupied with in line tenant rates ranging from $25 to $40 per square foot before common area charges, other pass thrus and rent concessions. Mardi Gras is another notable regional entertainment destination; however this complex currently has limited retail and restaurant uses.

The only other major retail shopping centers in the Hallandale submarket include: a.) RK Diplomat Center, which has more than 350,000 square feet of space and anchor (and national) tenants that include but are not limited to Winn Dixie, Big Lots, Office Max, Ross, and Burlington Coat Factory. According to Loopnet, the center is currently leasing in-line space in the range of an estimated $24 to $32 per square foot (NNN) with occupancy consistently greater than 90 percent; b.) Walmart Supercenter, which is standalone 124,000 square foot facility located just east of Diplomat Center; and, c.) Hallandale Place and Hallandale Shopping Center, located across from Diplomat Center, represents a over 160,000 square foot center anchored by Publix and Dollar General. There is also a 126,000 square foot Winn Dixie shopping center with Guitar Center and discount shoe store located on Hallandale Beach Boulevard just east of I-95.

Furthermore, newer retail development at Aventura Commons in Aventura includes Target, Whole Foods, and Best Buy. Although this community center is located outside of the City of Hallandale Beach, it likely directly supports retail needs of a portion of the more affluent population base within Hallandale Beach that may be underserved within the City at the present time.

The balance of retail in Hallandale Beach represents small neighborhood shopping centers or convenience plazas occupied by a local tenant base. These complexes line the major thoroughfares including Hallandale Beach Boulevard and US 1. Overall, this specific retail segment is relatively stable with vacancy estimated to be in the 90± percent range. However, lease rates (NNN) for many of the plazas are in the $12 to $16 per square foot range, which is indicative of a sector comprising mostly older, Class B/C type facilities that are in fair condition. While there is a need to improve some of these smaller plazas from an aesthetic and/or functional basis, these properties provide the support for small local businesses and services that are integral to a community and serve as key resources for on-going investment and growth in the area.

It is important to note that strategic properties such as those on the corner of Hallandale Beach Blvd. and Federal Highway, which is situated at a premier location but largely underutilized, provide tremendous opportunities for mixed-use redevelopment. Furthermore, continued support for smaller retail/entertainment nodes such as the area commonly referred to as Fashion Row (generally located along Dixie Highway), should be become part of the redevelopment strategy since areas such as this have businesses stakeholders that are focused and motivated to create a destination that reaches beyond City residents. However, these redevelopment opportunities do not exactly consist of retail given their location outside of traditional retail corridors. Rather, a mix of restaurants, back offices, and related uses may be warranted.

Retail Demand Analysis

In the effort to identify prospective retail demand in Hallandale Beach during the 5± years on an order-of-magnitude basis, we created a *retail trade model* that forecast retail demand based upon resident expenditure growth and, importantly, takes into account expenditures by residents outside the retail trade area such as day time office employees and visitors.

The most important demographic information used to derive results from the retail trade model is population and per capita income. Per capita income is essentially the allotment every person would receive if annual income was distributed evenly among the population; moreover, it is used instead of household income because it more accurately represents discretionary income available for spending on retail purchases.

Utilizing a variety of data sources, we have built a of model that estimates expenditures by various demand segments and translates it into square feet of retail space. The demand segments account for resident, day time office employment (within the City), and visitors that are captured using inflow/outflow factors as described in detail in the following pages.

The methodology for estimating demand for retail space within the City of Hallandale Beach, utilizing the *Lambert Retail Trade Model,* is described in detail below.

- **Total Personal Income** – According to the Broward County municipal population projections, in 2011 there is expected to be approximately 38,000 residents (based on Broward County growth rate projections) in the retail trade area with an estimated per capita income of approximately $25,600, which yields $970 million in total personal income in 2011 and is expected to grow to $1.2 billion by 2016.
- **Total Non-Auto Retail Expenditure** – An estimate of non-automobile retail expenditure for the trade area is made by multiplying the total personal income by the percent of income that is spent on non-auto retail purchases in a given year. The percentage of household income spent on non-auto retail purchases (32.6%) was derived from the 2010 Consumer Expenditure Survey (the most recent data released for the State of Florida), which is both region and income cohort specific. Therefore, Non-Auto Related Expenditure for the trade area is $317 million today; it is projected this expenditure potential will be $390 million by 2016.
- **Expenditure by Store Type** – Non-auto expenditure by store type for the market area is derived using the percentage of total non-auto store sales by store type for Broward County (as a proportion of total non-auto sales) based on an analysis of the 2007 Economic Census.
- **Primary Market Area Retention** – This is estimated based upon a database of fieldwork, interviews, and location of competitive retail centers and is an estimate of the amount of retail purchases made by residents of the retail trade area which is made inside the retail trade area, by store type. Certain merchandise categories such as grocery or pharmacy have relatively high retention rates because people typically shop for these goods and services close to home. For goods such as furniture and home furnishings, the trade area retention rate is lower because people will typically travel

further to make these purchases since they are made less frequently, and/or because other areas have a greater concentration of a particular type of retailer.

- **Percent Sales Inflow from Secondary Market** – While there is resident expenditure leakage from the trade area there is also inflow from residents who live outside the bounds of the trade area, as well as from seasonal residents, visitors and workers not otherwise captured in statistical profiles. These inflow rates vary by type of merchandise, considering existing and potential trade area retailers, and change over the 2011-2016 period.
- **Sales per Square Foot** – The sales per square foot figures are estimated average sales per square foot figures for stores, by merchandise category, in the trade area based on interviews with local industry representatives and other sources of information, including the Urban Land Institute's Dollars & Cents of Shopping Centers, as well as field based research.
- **Warranted Square Feet** – Is calculated using the following formula: Net Sales Potential (by category)/Sales per Square Foot (by category)

We have estimated demand for the current year, and projected it for 2016. Below is a summary of implied demand for retail space in relation to the City of Hallandale Beach. A detailed Retail Trade Model is provided in Appendix __.

Figure 24: City of Hallandale Beach Retail Trade Analysis – Estimated Retail Demand (by Category)

Source: Lambert Advisory

	2011	2016	Change
Estimated Population	37,892	42,041	4,149
Per Capita Income	$25,611	$28,415	$2,804
Total Retail Expenditure Potential	$316,520,832	$389,632,847	$73,112,015
Expenditure Potential by Category			
Food Services & Drinking Places	$80,250,490	$98,787,263	$18,536,773
Shoppers Goods	$161,148,273	$198,371,337	$37,223,063
Convenience Goods	$110,156,475	$135,601,125	$25,444,650
Sales per Square Foot by Category			
Food Services & Drinking Places	$350	$350	$0
Shoppers Goods	$261	$261	$0
Convenience Goods	$304	$304	$0
Supportable Square Footage by Category			
Food Services & Drinking Places	229,287	282,249	52,962
Shoppers Goods	618,115	760,891	142,776
Convenience Goods	397,942	489,862	91,919
Total Supportable Retail Space	**1,245,345**	**1,533,002**	**287,658**

Based upon the retail trade area model, total retail demand (which accounts for inflow and outflow demand factors) in Hallandale Beach is estimated to be 1.25 million square feet. Although this is lower than the 2+ million square feet of retail/entertainment space indicated by BCPA, there is a general discrepancy between supply and demand attributed to natural market vacancy (typically 5 to 10 percent), as well as existing retail inventory that may be considered nonfunctional.

As highlighted in Figure __ above, Food Services and Drinking Places category includes restaurants and bars and accounts for more than 18 percent of total retail demand. The Shoppers Goods category includes clothing, accessories, general merchandise, and miscellaneous goods such as sporting goods, books, toys, office supplies, art, fabric/sewing materials, and souvenirs (50 percent of total retail demand). The Convenience category, which accounts for 32 percent of total square footage demand, includes pharmacy, personal care products, and supermarket spending (e.g., groceries, cosmetics, prescription drugs, and optical goods).

Based upon the retail trade model, retail demand within the City of Hallandale Beach is estimated to increase approximately 288,000 square feet over the next 5± years; however, a considerable portion of this net new retail demand presumes absorption of existing vacant space, as well as support for a repositioning of the underutilized or nonfunctional space.

Importantly, the mix of retail categories (i.e., the proportion of restaurant and entertainment space, shoppers goods space, etc.) implied by this estimate should be taken into consideration as the City formulates and refines its strategic priorities within its various sub-districts. At the same time, elements of the comparable/competitive retail market must be considered in the absorption analysis as well. Based upon demand estimates above, there is 52,000 square feet of food and beverage demand within the next 5 years in the City of Hallandale Beach. While some of this demand will naturally be captured along the major thoroughfares, some demand will potentially support secondary roadways. This generally applies to the 91,000 square feet of demanded convenience as well. Lastly, the potential demand for shopper's goods is estimated to be 140,000 square feet, which will likely be oriented to the major commercial corridors; however, secondary roadways can also potentially capture some of this demand.

The retail supply and demand analysis above provides considerable insight into the near and longer term redevelopment opportunities for Hallandale Beach. Moreover, it provides key insight into the strategic planning and promotion initiatives needed to retain existing businesses and target new prospects. The following are key retail supply and demand factors supporting economic development strategies:

- The existing major anchored retail centers in Hallandale Beach will continue to serve as key shopping destinations for the Hallandale Beach community. However, there are several key parcels and/or nodes within the City that can play an integral part of commercial redevelopment including Fashion Row and Forester Road among others.

- There is a strong opportunity during the next 5± years for the City of Hallandale Beach to capture approximately 285,000 to 290,000 square feet of retail demand among a mix of food and beverage, convenience and shopper's goods.

- The ability to support near term redevelopment and retail growth within tertiary commercial locations such as Foster Road and Dixie Highway will depend upon the ability to effectively shift traffic from the primary arterial roads to secondary roadways.

- The nearby Aventura mall and the move of Pottery Barn and Create & Barrel, among other retailers who could no longer afford Aventura mall rents given the sales per square foot generated, provides additional opportunity for Aventura driven higher end shopping opportunities to move north rather than south.

Section 3D: Industrial Market Overview

Broward County's industrial market has more than 100 million square feet of space. According to CB Richard Ellis, the County's largest industrial submarket is Pompano Beach with 22 million square feet, followed by Southeast Broward and Central Broward each with roughly 15 million square feet. Following years of vacancy of less than 5± percent during the early/mid-2000's, the County's industrial occupancy climbed to 10 percent in 2009 and has since leveled off to 8 percent currently. In similar fashion, asking lease rates (NNN) dropped from $9.50 per square foot in 2007 to just under $7.00 per square foot in 2011. More than 75 percent of the County's total industrial inventory is warehouse/distribution space, with 14 percent flex/showroom and 8 percent manufacturing.

Hallandale Beach is positioned within the Southeast Broward submarket, which is a relatively large area stretching south from I-595 (to the County line) and east from State Road 7 (to the ocean). Average asking lease rates (NNN) are slightly below that of the County at $6.32 per square foot, but less vacancy at 6 percent.

Hallandale Beach has a relatively small industrial sector comprising a total 1.2 million square feet.[18] The majority of industrial uses are positioned within the northeast quadrant of the Hallandale Beach/I-95 intersection, but there is also industrial use lining the Dixie Highway corridor. Based upon a cursory overview of the City's industrial sector, it appears that market conditions within the Hallandale Beach/I-95 are relatively stable. The area seems to be very well occupied, with a considerable amount smaller of automotive repair shops and industrial supplies.

As it relates to the economic development strategy, the focus is not aimed at expanding the industrial sector within the City given the overall composition of land use. Rather, the mid- to longer term goal may be to improve or enhance the existing inventory from a physical perspective and potentially create a commerce park type environment. Given direct exposure to I-95, the opportunity to incorporate showroom facilities (much like in Doral) could provide an immediate impact to the area.

Section 3E: Tourism/Hospitality Market Overview

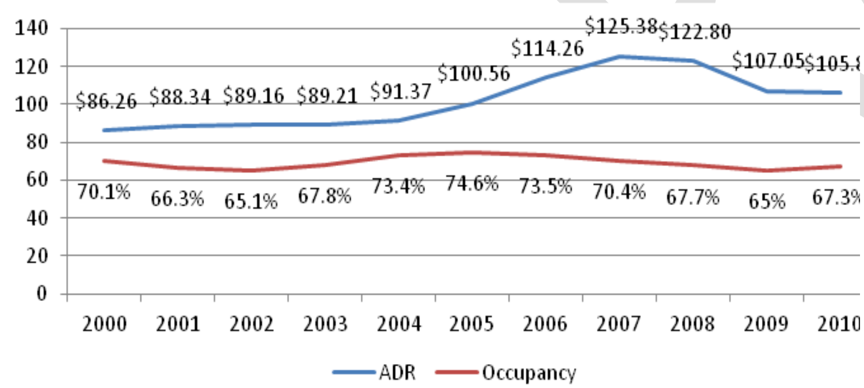
South Florida in general is an international tourism destination and Broward County gets its fair share of regional visitor demand. According to the Greater Fort Lauderdale Convention and Visitors Bureau (CVB), Broward County has steadily increased its visitor base from 7.5 million in 2000 to 10.5 million in 2009. Total visitor expenditures in the County currently exceed $8 billion. The ratio of domestic visitors to foreign visitors has been for the most part consistently 80/20. The top domestic markets represent Florida (30

[18] Broward County Property Appraiser (Industrial Land Use Codes)

percent), New York (9.2 percent) and New Jersey (7.5 percent), while the top foreign visitor market comprise Canada (33 percent), Latin America (22.5 percent) and Europe (16 percent).

Broward County's total hotel inventory comprises more than 34,000 hotel rooms among more than 565 hotel properties. As shown below, the region's occupancy from 2000 to 2007 mostly remained in the low- to mid-70 percent range, while average daily rates (ADR) climbed during the same period from $86 to $125. Since peak periods, occupancy dropped to the upper 60 percent range, while ADR declined to roughly $110. However, according to reports by the South Florida Business Journal, occupancy rates in the first quarter of 2011 are up 10 percentage points over prior year, while ADR is up more than four percent.

Figure 25: Greater Fort Lauderdale Hotel Trends (1999 to 2009), Source: Greater Fort Lauderdale CVB



Based upon information from Smith Travel Research (STR), the Hallandale Beach, Hollywood and Aventura hotel markets comprise 5,800 total hotel rooms. However, more than 70 percent of the total inventory in this specific sub-area is situated in Hollywood. Hallandale Beach has only 441 rooms among five operating properties. The Hampton Inn (on US1) and Best Western (I-95 and Hallandale Beach Boulevard) are the only branded hotel properties, both of which are limited service properties considered to 3.5 star and 2.5 star, respectively.

Presently, the local and regional hotel market is for the most part in a holding pattern following the recent addition of notable properties including W Fort Lauderdale Beach, Il Lugano Fort Lauderdale Beach and a few limited service properties serving the airport market. Rather than new product, the Greater Fort Lauderdale market is experiencing significant reinvestment in upgrading existing hotels among which include: the Marriott Harbour Beach; Hilton Fort Lauderdale Marina; and, Hyatt Regency Pier 66.

However, as general economic conditions begin to rebound and major regional activity centers such as Villages at Gulfstream Park and Mardi Gras continue to increase visitor draw from outside the area, the opportunity to incorporate hotel development within (or in close proximity to) these destinations should grow during the next three to five years. This includes premium waterfront/ocean view sites can also support hotel development in a way Hallandale Beach has not been able to achieve in the past.

Notably, City of Hallandale Beach serves its resident and visitor community with more than 10 quality parks and recreation centers stretching from the beach to I-95 and touching nearly every neighborhood within the City. In particular, the North Beach City

Center, which located on the beach at the foot of Hallandale Beach Boulevard. The complex offers more than 7,500 square feet of indoor/outdoor function space and has hosted a number of Chamber of Commerce events among other functions for condominium associations and parties/receptions. However, based upon conversations with community stakeholders, the facility is considered to be highly underutilized in terms of event business; particularly, given its superior location and quality condition. Although promotional material is provided on the City's website, the City's marketing efforts for this facility can be greatly enhanced. Though the facility does not provide for a full kitchen, it can support food/beverage catering needs that can be provided for by businesses and/or hotels within or outside of the City. Either way, enhancing the event activity in this venue can be a major economic benefit to the City, as well as provide the needed support for existing and/or new hotels that would utilize this function space.

Section 3F: Real Estate Conclusions

Going forward, the real estate market background will be a key determinant in how the economic development strategy unfolds. As discussed further below, the market ground will help focus strategies based on the following conclusions:

- Since 2009, the City's property tax base has declined 13 percent; however, value seem to be bottoming out, which should increase the City's and CRA's ability to budget for additional programs and incentives as part of the economic development strategy in the longer term.
- Both Broward County and Miami-Dade County office markets show signs of having reached their low points and have actually strengthened (albeit modestly) during the past 12 months. With limited new inventory currently under construction and/or planned, the market overall should continue strengthening.

- While the Hallandale submarket overall appears to be performing better than the region in terms of occupancy, quoted lease rates at $25 per square foot (gross) is notably lower than rates supporting new higher density development which is estimated to be closer to $29 per square foot when accounting for concession, vacancy factor and/or tenant improvement discounts).

- The strength of Aventura's office submarket should serve as a benefit to Hallandale Beach during the long term. Though Aventura will likely remain a niche submarket that is superior to most submarkets in the northeast Dade and southeast Broward County areas, Hallandale's proximity to a considerable amount of medical and corporate office space presents strong long term opportunities.

- The existing major anchored retail centers in Hallandale Beach will continue to serve as key shopping destinations for the Hallandale Beach community.

- As it relates to the economic development strategy, the focus is not aimed at expanding the industrial sector within the City given the overall composition of land use. Rather, the mid- to longer term goal may be to improve or enhance the existing inventory from a physical perspective and potentially create a commerce park type environment. Given direct exposure to I-95, the opportunity to incorporate showroom facilities (much like in Doral) could provide an immediate impact to the area.

- As general economic conditions begin to rebound and major regional activity centers such as Villages at Gulfstream Park and Mardi Gras continue to increase visitor draw from outside the area, the opportunity to incorporate hotel development within (or in close proximity to) these destinations should evolve during the next three to five years.

SECTION 4: FOCUSING ECONOMIC DEVELOPMENT EFFORTS

The economic and real estate analysis in the previous sections principally establishes the basis for our recommended focus of economic development efforts and investments as well as the City's role in promoting the investment and development.

Section 4A: Leverage Hallandale Beach's Strength for Future Development

The City of Hallandale Beach is currently in a strong competitive position compared to many other cities in the South Florida. Despite the relatively small population, the City is home to two major casino/entertainment properties that draw substantial visitation to the City. Also, as noted above, Hallandale Beach Blvd. has among the highest east-west average daily traffic counts in Broward County, which supports existing and potential businesses that line the street. Additionally, the City is positioned just north of the Aventura Mall and the core of Aventura's office district. Below is an overview of the major economic drivers, and how the City of Hallandale Beach can capitalize on these drivers to trigger investment and economic development. Key opportunities emerge as a possible focus for the City of Hallandale Beach economic development strategy. There are several strengths the City can use as a springboard for future development, and it is recommended that the City focus efforts on expanding and strengthening the City's efforts to better focus efforts and support to major economic conditions:

- *Diversity of the Community* – The City of Hallandale Beach has become increasingly diversified over the last 20 years in terms ethnic composition. The percent of foreign born residents has increased from 25.0 percent to nearly 43.0 percent. While the Hispanic population represents the majority of foreign born residents and 31.8 percent of the population, the Eastern European population represents a significant cohort within the City. Also, half of the City does not speak English as a primary language. This international diversity puts Hallandale Beach in the unique position to capitalize on its access to the international community in such a way to attract investment from outside of South Florida and the US as a whole; therefore, the City should take this into account as part of its economic development strategy.

- *Village at Gulfstream and Gulfstream Park* – Gulfstream Park, one of the most important thoroughbred race tracks in the nation, has been conducting races since 1944 and is home to the Florida Derby, a nationally recognized horse race with one of the highest purses in the racing circuit. Gulfstream is roughly located at the mid-point between Miami and Fort Lauderdale, putting it in a strong position to attract visitors from both geographic extremes in South Florida. In 2006, the facility was expanded to accommodate slot machines and poker and is one of 4 pari-mutuel casinos in Broward County. Currently, the casino houses 850 slot machines and approximately 20 tables for various poker games. In addition to racing and gambling, the Villages at Gulfstream, a new lifestyle center located at the front door of the property, can accommodate 750,000 square feet of retail, over half of which has been complete to date and is a mix between restaurants, both casual and formal dining, and offers a wide range of retailers, including large footprint stores such as Crate & Barrel and smaller retailers like West Elm, Pottery Barn and the Container Store. In addition, the complex has 90,000 square feet of office space built on property, and has room and approvals to expand the office and retail/entertainment offerings as well as develop residential and hotel uses in the future.

- *Mardi Gras Casino* – Mardi Gras Casino, which offers greyhound racing as well, is located on mile north of Gulfstream on the northern border of Hallandale Beach. Along with Gulfstream, Mardi Gras expanded operations in 2006 to include 1,100 slot machines and 30 poker tables in an effort to support greyhound racing, which has experienced declining attendance and wagering over the last ten years. According to the Miami Herald, between 2000 and 2010, the amount wagered on greyhound racing in the State of Florida has declined more than 50 percent. Although there is not a similar complex to Gulfstream at Mardi Gras, there are three varied restaurants at the facility and a flea market. Prior to the most recent economic downturn, our understanding was that Mardi Gras had major non-gaming expansion plans for the property and we would expect that as the market recovers some of these plans will be revisited.

- *Major Corridor Retail Development* – Currently, Hallandale Beach Blvd. has the highest traffic counts of any east-west corridor in southeast Broward and runs the length from I-95 to A1A; however, currently there is limited retail development of scale along the Boulevard (west of Federal Highway) that takes advantage of the strong traffic counts. Likewise, Federal Highway at the intersection and north and south of Hallandale Beach Blvd. offers additional opportunities. However, given parcel depth along the Federal Highway corridor, except at major intersections and for one of two particular parcels which have been prepped for larger scale development prior to the downturn, another corridor of focus, though for different reasons, is Dixie Highway. While traffic is not heavy along the corridor, the corridor can slowly be improved upon to accommodate lower scale office, residential and commercial uses. While the Fashion Row corridor is unlikely to reemerge as a major retail node, it does have some characteristics (narrow streets, base of diversity) which should allow it to participate in the City's broader growth as a restaurant and "shabby chic" node in the future.

- *Hospitality Market, Beaches and Intracoastal* – Although the City of Hallandale Beach has limited hotel supply within its boundaries, the City of Aventura and City of Hollywood have substantially more inventory. For 2010, the Broward County Hotel Market has a 67.3 percent occupancy rate and an ADR of $106. To the South, the Aventura/Sunny Isles hotel submarket comprises approximately 2,680 hotel rooms, or 6 percent of the County's total inventory, while the Bal Harbor/Surfside hotel submarket comprises 625 total rooms. According to the CVB, Aventura/Sunny Isles achieved occupancy of 73 percent in 2010, and in mid-year 2011 stands at 75 percent. Following a peak of $198 in 2008, ADR was $170 in 2010 increasing to $178 by mid-year 2011. In our respect the strength or strengthening of the surrounding hotel submarkets serves to have a ready group of visitors at all income levels to visit the City's two casino and entertainment properties, notwithstanding the State of Florida's pending decision to allow resort based casinos. However, not having a significant number of higher quality hotel rooms also is a lost opportunity for Hallandale Beach. The City should place itself in a position to retain the room nights, associated jobs, and fiscal benefit of hotel nights being generated by visitors to the City. Today, the vast majority of this locally generated demand (from visitors to the casino, family and friends, and City beaches, for example) is leaving the City every evening. It is to the City's benefit to fill the hole in the doughnut.

- *Adjacency to Aventura and Golden Beach* – Aventura, which is located directly south of Hallandale Beach, is home to the Aventura Mall, and a strong office market. The Aventura Office Market is home to over 2 million square feet of space and provides a great deal of support to the retail in the Village at Gulfstream Park. Although Aventura is not an anchor within Hallandale in the traditional sense, it may be that a substantial portion of retail demand is driven from Aventura. Golden Beach is just south of Hallandale and east of Aventura. Albeit, the population is small (919 according to the 2010 Census), with a median household income of $160,000 and a per capita income of over $83,000 (2005-2009 ACS), Golden Beach has tremendous purchasing power which Hallandale can make efforts to attract through targeted retail/entertainment investment and can serve as a potential location for business owners in Golden Beach to locate their businesses close to home.

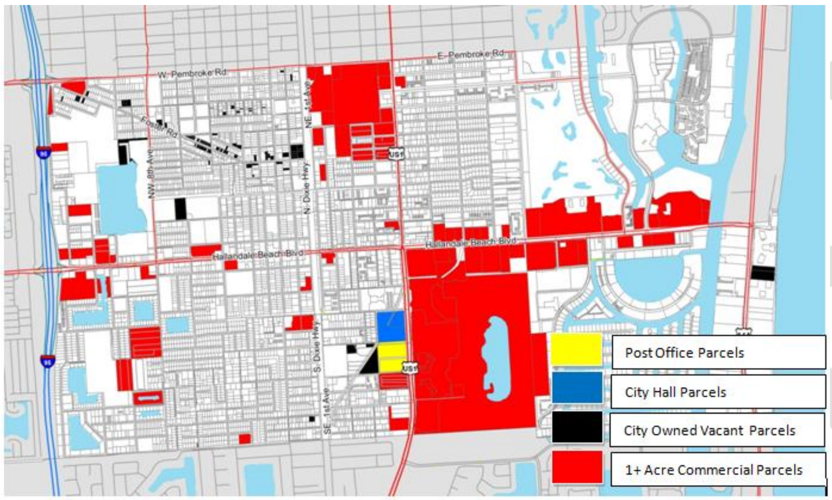
- *Interstate 95 Visibility and Access* – Although not necessarily an economic anchor, the City of Hallandale Beach's access to I-95 is, and can be in the future, a viable asset for the City's economic development strategy. As noted in Section__, Hallandale Beach Blvd. and Pembroke Rd. have average daily traffic counts of 64,000 and 33,500, respectively. Also, there are parcels/nodes along the I-95 corridor at these intersections which are currently underutilized, which offers excellent visibility and access for office or retail development, as discussed in Section __. In addition to the access to I-95, Hallandale Beach, and particularly Hallandale Beach Blvd., intersects with other major north-south thoroughfares in South Florida. Also, with the potential development of major office or retail along Federal Highway, and to a lesser extent Dixie Highway, these three streets can be developed as seamless transitions between Hallandale Beach and Aventura/Hollywood. As discussed in Section__, Federal Highway has strong traffic counts between 33,000 and 55,000, and is well positioned to create a transition from Aventura with additional office and retail development. Dixie Highway's development future is partially conditioned upon the FEC line's utilization for passenger rail.

Section 4B: Developable Nodes/Parcels

To better focus (re)development efforts, Lambert Identified nodes, parcels and corridors within the City that could be the focus of development efforts going forward to improve the city holistically and expand upon the major economic anchors listed above. More detailed development recommendations are discussed in the following section; therefore, this section is to provide an overview of the geographically important areas of the City, and the potential (re)development opportunities within those areas. A description of each node/corridor strengths, limitation and potential are as follows:

Figure 26: City of Hallandale Beach Development Nodes/Developable Parcels

Source: Broward County Property Appraiser; Lambert Advisory



- *I-95 and Hallandale Beach Blvd. and Pembroke Road.* – Circled on the western edge of the City at the intersections of I-95 and Hallandale Beach Blvd and Pembroke Rd., these two nodes provide excellent visibility for office development and access to I-95. With potential office as "gateway" developments to the City, the ability to support additional retail, hospitality and other development that leverages on I-95 visibility and office development is strong.

- *Foster Road Corridor* – Foster Rd. is an important corridor in the Northwest neighborhood and has acted as a strong community thoroughfare. As shown above, there are several small vacant City owned parcels that line the corridor, as well as 8.5+ acres of land (including Foster Park), which can be used as part of the improvements associated with the Foster Road Neighborhood. Given the relative proximity of Hallandale Beach Blvd. and Pembroke Road which have substantially higher traffic counts and despite its historical significance to the community in which it is located, we believe that Foster Road is unlikely to support broad commercial activity in the near term. Rather, the strategy should be to strengthen residential product along the corridor and tie local residents and entrepreneurs to opportunities which form the southern and western borders of the neighborhood and to projects throughout the City. These strategies are further delineated in Section 5 which follows.

- *Dixie Highway Corridor* – This section of Dixie Highway is home to Fashion Row. Although broad scale redevelopment investment is unlikely to yield substantial compounding private investment, small streetscape, façade and signage improvements along the corridor can serve as revitalization efforts. Within these improvements and new additional tenants, the proximity to Aventura and unique tenant mix can provide a vibrant retail atmosphere.

- *Casino Property Nodes* – There are two nodes associated with the casino properties. Mardi Gras Casino has abundance of vacant land, and as part of our overall economic development strategy, it is recommended that the City support both casino facilities in future development. In terms of Gulfstream, the adjacent commercial property can provide for development of an anchor node for the City of Hallandale Beach at the corner of Hallandale Beach Blvd. and Federal Highway, the two most heavily trafficked thoroughfares in the City, as well as potential hospitality components. Additionally, there are potential redevelopment opportunities of commercial properties along Hallandale Beach Blvd. east of Federal Highway, and along Federal Highway particularly south of Hallandale Beach Blvd.

- East Hallandale Beach Node – Although there are few commercial redevelopment opportunities in the City along the Intracoastal Waterway, as part of the overall economic development strategy, Lambert suggests investigating potential hotel development, not just associated with the casino properties, but along the natural attributes of the City.

Section 4C: Recommended Development Focus

As part of the overall economic development strategy, it is recommended that the City focus on certain projects and development opportunities throughout the City on a holistic level. As noted above, the best course of action in this effort is to focus on the City's strengths and expand upon them in the future, at which point the City can work from them to expand economic development and redevelopment efforts. Clearly, the two entertainment facilities in the City (Mardi Gras and Gulfstream) are economic strengths of the community, and efforts should be made to support them going forward, particularly with a hospitality component. Also, the City is well positioned geographically to support new retail and office development along I-95 and in northwest Hallandale Beach. Below of strategic elements the City should focus on to improve upon its strong points:

- *Support Entertainment Facilities* – As discussed above, the City is home to two of the 4 pari-mutuels in Broward County. The City, through the CRA, has support Gulfstream with retail and office development at the Villages of Gulfstream, creating a vibrant node of activity that can draw residents and visitors into the City of Hallandale Beach. It is recommended that the City continue to support and encourage additional development associated with the facilities. As noted above in Section __, there are developable parcels adjacent to the facilities that can be developed with retail, office and hospitality to support the casino and racing operations.

- *Support Hotel Development and Tourism Strategy* – Although the City has two major entertainment facilities and great access to beaches, there is a lack of hotel product, particularly upper scale inventory, throughout the City. As part of the economic development strategy it is recommended that the City focus on hospitality developments, particularly along the waterways and at the entertainment venues. A strong hospitality component in the city can support additional retail development due to the influx of visitor expenditures that would not normally be spend in the City outside of the entertainment venues. Also, the City would be in a position to capture more tourist development tax dollars from the County/CVB, due to the increased hotel inventory.

- *Support Retail in West Hallandale Beach* – As discussed above, Hallandale Beach Boulevard has some of the highest traffic counts in the County. Traffic counts are a key statistics retail developers examine in the site selection process; therefore, in addition to supporting current retail along Hallandale Beach Blvd., the City should focus on attracting new retail development along the corridor. There is a two pronged approach when encouraging retail development. The first is to focus improving current retail establishment. The CRA has tenant improvement programs (façade/signage programs) that are use to eliminate blight and improve the aesthetics of the area. Improving blight is a key component to attracting new business in west Hallandale Beach, more specifically northwest Hallandale Beach, which is traditionally underserved. Northwest Hallandale Beach retail is most comprised of small convenience and liquor, with limited large grocers. Therefore, supplementary to the focus along Hallandale Beach Blvd., efforts should be made to attract and improve retail development along Pembroke Road.

- *Office Development* – As noted above, Hallandale Beach is traversed by two major arteries, I-95 in the west and Federal Highway, which runs through the middle of the City and acts as a primary connector to Aventura to the south. Unlike many other markets throughout the country, the major interstate highway in South Florida (with the exception of Cypress Creek Rd.) is not a primary focus for office development. As noted above, Hallandale Beach is in a unique position in this context as there are two development nodes along I-95 in Hallandale Beach that can support new office development which can provide preferable visibility and excellent vehicular access – both being attributes potential office developers take strongly into account during the site selection process. In addition to development along I-95, the City can leverage from the strong Aventura office market and focus development along Federal Highway to create a seamless transition from one office node to the other. Not only does office development promote economic growth through job creation in the City, office employment is a supporter of retail development, particularly food and beverage during lunch time hours. In the case of office development along I-95, both development nodes are positioned on the periphery of the Northwest neighborhood; therefore, new office development at these nodes and additional retail work symbiotically to improve a traditionally underserved area. Considering the appealing office development sites, by utilizing incentive programs, as well as strategies discussed in the following sections, the City can make efforts to attract new office development as part of its economic development program.

SECTION 5: THE CITY OF HALLANDALE BEACH'S ROLE IN ECONOMIC DEVELOPMENT

Economic Development as a term-of-art is generally thought of as a governmental function despite the fact that the primary driver of the economy of any region or City is private investment and private business. As a result, a City's economic development policies and functions, to be most effective, should be oriented to supporting and enhancing private investment which is made in targeted industries or economic activity for which there is already inherent underlying market support.

To date, the City of Hallandale Beach has principally provided support to business investment and development in three key ways:

1) By making infrastructure improvements within public right-of-way above and below ground;
2) By providing incentive loan and smaller grant programs oriented to small and medium sized businesses; and,
3) By being responsive to requests for support associated with large scale investment activities in the City (i.e. Village at Gulfstream Park TIF Agreement).

An overview of the City's current economic development programs and investments, primarily administered through the CRA, are detailed in Appendix X. Additionally, there are a range of federal, state, and county programs which City businesses can access and which the City and Chamber of Commerce need to serve as the key clearinghouse of information. These programs are also described in the Appendix to this report and range from HUBZone benefits from the federal government to job creation incentives from the County. All are valuable program for certain types of employers, but at the end of the day, the City through its CRA and expediency of delivery of day-to-day municipal functions can become the primary governmental catalyst for investment and hasten the level of that investment and associated job creation.

To this end, this section of the strategy details what the City can and should do to focus and/or refocus its economic development and incentive efforts and enhance investment activity in the City over the next five to seven year window; the window within which we have a reasonably clear understanding of what the opportunities for investment may be.

Our recommendations do not suggest that what the City has done to date in the area of economic development and redevelopment have not had a substantial benefit to the City and businesses in the City. The investment in infrastructure has created the underlying foundation upon which broader scale investment can occur, the support of the Village at Gulfstream recognizes the importance of major projects as setting the stage from surrounding investment and job creation and the small and medium sized loan programs have supported small businesses despite lingering concerns about the monitoring and documentation of those program efforts.

Rather, through our work and economic analysis, we believe that the City can broadly benefit now by targeting incentives to certain key industries or land uses as well as improve upon the services and regulatory processes of the City as it relates to business activity and development. The remainder of this section provides the detailed recommendations which support this refocusing effort.

Section 5A: Target Industries/Principal Land Uses

Driven by the assessment of market opportunities, there are three principal target industries and more specifically land uses which the City should focus its attraction and incentive programs on:

- Class A Office Development and Knowledge Based Office Users – As poor as the office market has been during the past several years, the Aventura and Hallandale Beach submarket were not overbuilt during the period between 2004 and 2008 and the Aventura market in particular has continued to have the highest lease and occupancy rates in Miami-Dade County. The investment at Gulfstream Park and the Villages at Gulfstream has linked the corporate/medical district of Aventura practically to Hallandale Beach Boulevard. Importantly, along the U.S. 1 corridor south of Hallandale Beach Blvd there are several large parcels of land which are well positioned for office development and can support the development of larger buildings within the City. Additionally, several highly visible and underutilized parcels adjacent to the intersection of Hallandale Beach Blvd. and I-95 provides opportunity for redevelopment to include office use.

- Hotel/Hospitality – As has been described in other sections of this strategy; while Hallandale Beach has significant generators of hotel room nights, the municipalities surrounding Hallandale Beach have been the principal beneficiaries of the demand generated from within the City. As the tourism market recovers, Hallandale Beach is well positioned both on the waterfront sites and at the entertainment venues to be able to attract full service hotel investment. Likewise the Hallandale Beach Blvd and I-95 intersection provides an opportunity to capture a quality select service hotel if some of the larger parcels can be encouraged to redevelop at the intersection which is principally oriented to traffic along the Interstate.

- Entertainment/Retail – Hallandale Beach, with two paramutual casinos and one of the strongest automobile oriented retail corridors in Broward County continues to have strength with regard to its retail offerings and improving upon the mix of businesses already in the City. One of the challenges is to extend the strength of the retail east of U.S. 1 to the west and north of Hallandale Beach Blvd. Another is to encourage the investment within the Mardi Gras parcel to strengthen the Pembroke Road corridor and northern end of North Federal Highway. Finally, is to insure the development of City owned parcels which will establish a strong southern anchor for Forster Road.

Section 5B: Economic Development Strategies & Policies

In this section we recommend various economic development policies and strategies the City should consider in order to best position itself to accommodate and hasten investment and job creation within the City given the City's competitive advantages and target industries and tools with which it has at its disposal.

Several of our recommendations are at least partially driven by the [number] interviews we held with businesses and property owners in the City and others who engage with the City on a regular basis. As a result, these recommendations focus on making adjustments to some of the City's existing day-to-day activities.

Data Gathering and Dissemination

In order to become a highly desirable business activity center, the City must play a central role in data collection and dissemination. This data program, when fully implemented, will establish the City as the premier information source as it relates to Hallandale Beach activities, issues, and development. This section presents a directed plan and strategy for transforming the City from an organization which generally receives information, research, and data on an ad hoc basis into an organization that collects and disseminates information on a routine basis and is viewed as the central and most credible source for information about Hallandale Beach's past, present position, and future.

We developed the plan/strategy detailed herein through information gathering and researching how the most efficient organizations keep and disseminate large amounts of data, organize that data, and make it available to their customers, the resident and business community. Specifically, our interview and information gathering process included the following:

- *Other City/CRAs & Economic Development Agencies* – We reviewed the research/information gathered by a number of other agencies charged with economic or revitalization development in cities in Florida, Florida counties, and other states to understand their process of information gathering and dissemination.

- *Industry Organizations* – We reviewed the process of basic research and information dissemination done by major development and industry organizations including organizations such as the Urban Land Institute (ULI), International Council of Shopping Centers (ICSC), Building Owners & Managers Association (BOMA), and the International Facility Management Association.

- *Federal, State & Local Governmental Agencies* - We reviewed and researched the process for the collection and dissemination of the large amount of data available from a number of governmental agencies at the federal, state, and local levels. Particularly at the state and federal level, we have been impressed by the organization, scale, and timeliness of information available on the web, and have attempted to understand the process these organizations employ for organizing and disseminating information this way.

- *Information from Information Providers* – We identified and collected a wide range of information from data providers that may or may not serve the needs of the City. For each of these data sources we have identified the type of data offered, its usefulness to the City of Hallandale Beach, the cost of the information, and key contact information for ordering of the data/information.

- *Our Own Past Experience as Researchers* – Finally, several recommendations are based upon our firm's experience over the past several years conducting research locally and nationally for public and private clients and our own experience utilizing this information to help our clients make informed decisions. Some recommendations reflect our own frustrations with running up against broad gaps in information in certain areas of interest to the investment community.

We have organized the data gathering and dissemination process to answer three key questions:

- *Why Should Hallandale Beach Become a Premier Research Organization?* – The answer to this question outlines the rationale for the City to become a leading data organization around economic development.

- *What Information Should Be Collected and What Research Should Be Conducted?* - The type and mix of information that we recommend the City collect and the research that it should conduct where basic information is not readily available.

- *We've Collected the Information and Conducted the Research; Now What?* – The most appropriate ways of disseminating the information and research collected.

Why Should Hallandale Beach Become a Premier Research Organization?

In order for Hallandale Beach to better attract businesses to the City and enhance quality of life for its residents it must become a premier research organization. The rationale behind this is driven by a range of factors.

Indeed, the City could continue as an organization that only collects, analyzes, and disseminates research on an ad hoc basis or based upon certain directives of the Commission or senior staff of the City. However, a decision not to embrace research as a central role of the City in its economic development efforts has consequences with regard to the City's economic development objectives.

The principal reasons the City may want to evolve into an organization that engages in research as a central role include the following:

- *Lack of Existing Centralized Warehouse for Information about the CRA and City as a whole* – Currently, no agency collects and analyzes data in a truly meaningful way as it pertains to the City of Hallandale Beach and its CRA.

- *Poor Quality of Existing Publicly Available Information* – Not only is there not an existing centralized source for information about the City, the quality of publicly available information and research when it does exist is not complete and/or unorganized. For example, nobody quite knows how many people are employed within the City boundaries and within what industries and estimates to this point are unreliable despite the fact that this information can easily be collected through business licenses.

- *Enhance Promotion of Hallandale Beach* – Research can be a key tool for promoting the City. Most major retailers rely on data to make location decisions. Real estate developers, brokers and their financial partners (debt and equity) look for current information to make informed investment decisions and to promote specific projects. Existing and potential Hallandale Beach residents and property owners need quality information to identify home or land value trends in order to make informed purchase or sale decisions. The City, as a ready and well-organized source of information on the potential benefits of investing or establishing a business within its boundaries, can help remedy this disconnection.

- *Build Credibility as an Organization* – Evolving into a premier research organization will further the City's credibility with its residents, businesses, City, County and any other person or organization that comes in contact with the City or its staff. This will particularly be the case when the City is able to use its information to inform investment or policy decisions which may come with some level of controversy. In our experience, having a strong transparent foundation of data and information which is consistently collected (i.e., not only when the organization needs to prove a point or make a case for some decision) is one of the best tools to move investments, projects, and policies forward.

- *Provide Stakeholders with Tangible Return on Investment* – Because the City is a public agency, the information it collects and research it conducts will be widely available to residents, workers, businesses, other governmental entities, and visitors to the City. High quality of readily available information is a very tangible and real example of the benefit Hallandale Beach can provides each of these groups.

- *Inform City Staff and Board in Day-to-Day Decision Making, Policy Directives, and Investments* – Finally, the information that the City collects, research it conducts, and analysis it completes can consistently be utilized by staff, the Commission and Chamber to promote the City with potential investors, the press, and residents; and help senior staff make policy and budgetary decisions. Additionally, as the City's annual funding grows or diminishes, solid research will also inform specific investment decisions (i.e. job training and hiring program, provide "gap" funding for certain projects, etc.).

What Information Should Be Collected and What Research Should Be Conducted?

While the vast majority of information can be made available electronically, this is not true of all of the information we are recommending the City purchase or acquire. A physical library will still need to be designated for a) paper format research materials which for any reason cannot be acquired in or converted to electronic format and b) electronic information that is copyrighted or licensed and cannot be distributed over the web. However, this library should be contained within an area not much larger than a single bookshelf today.

The most challenging aspect of converting information to an electronic form which can be distributed is related to copyrighted source materials. While Hallandale Beach can highlight relevant findings from virtually any source materials on its web site or keep it in other electronic form (in ArcGIS maps, for example), the hard copy (and even electronic copy) of many publications will not be able to be widely disseminated and can only be viewed as library copies at the City. Of course, all public documents and any non-copyrighted research data and information should be distributed via the City's website.

The information that we are recommending the City collect, organize and disseminate falls into six broad categories as outlined below:

- *Prepackaged Data and Reports* – There is a variety of information that is relevant to Hallandale Beach that is produced and made available in prepackaged form, on a regular basis. This includes information about the office and industrial markets, hotel market, rental market, demographics, etc. To the extent that this information is made available for the County as a whole and/or for other submarkets, it will allow the City to benchmark itself against other areas of the region. However, the vast majority of this information, while relatively cost effective, is covered by copyright, and therefore the further dissemination of this data in its current form will be difficult. As a result, staff/contractor time should be allocated to summarizing the key information from each of these sources for the City's web site.

- *Organization of Local Reports & Information* – To the extent plans and reports are still available only in paper format, all of these sources can be scanned as Portable Document Format (PDF) form and loaded onto the City's website. While much of the information provided in these documents may be dated, by making them available on Hallandale Beach's web site the City will cement its role as central clearinghouse for data and information which has been produced for the City.

- *Purchasing Basic Research Services* – Because prepackaged information is not always available in a useful form for the purposes of Hallandale Beach or its users, the City should consider hiring firms at discrete times to conduct basic research which will enrich the knowledge base about the City. This includes a process of surveying residents, workers, and visitors in Hallandale Beach on a regular basis; collecting information on retail occupancies and mix of stores on a small areas basis; and organizing occupational license data to understand what businesses are located where in the City.

- *Link to Other Sources* – The web offers the ability to link to other providers of valuable information and research that may be of value to the City's user groups, similar to how the CRA website displays links to business resources. Generally, these will be sources that collect or analyze information on a different geographic basis than Hallandale Beach, but this information may be valuable to potential users, nonetheless. This includes information from other governmental and quasi-governmental organizations, key City businesses and institutions, and research organizations (e.g., Bureau of Economic and Business Research at the University of Florida, Enterprise Florida, and Broward Alliance).

- *Local Public Sector Information* – The research program should also collect information on local policy trends such as the enactment of land use changes, or rule and regulations that will impact development, the conducting of business, or life in Hallandale Beach. This information can then be organized, consolidated and used by staff and Commission members to react when needed or appropriate.

We've Collected the Information and Conducted the Research; Now What?

Once the information is collected it will need to be disseminated. This should be done carefully based on the type and format of the information, as well as on the copyrighting and licensing requirements of the key data sources. We recommend that the City utilize four key information/data dissemination methods based upon the type of data and its flexibility in use.

- *Copyrighted or Licensed Information* – As noted above, the dissemination of some information will be restricted by copyrights or license agreements. We specifically have tried to identify sources of information that, while possibly covered by copyright, are not licensed to a single user so that they can at least be reviewed within the confines of the City/CRA library. Information that is copyrighted and only available in paper format or electronic format, but that cannot be redistributed, will have to be cataloged. The catalog should be readily available on Hallandale Beach's website so potential users are able to see the information available for physical inspection and review.

- *Non-Copyrighted Information* – The best way to disseminate non-copyrighted information is via the City's web site. Documents received in paper format that are of value from a research or information perspective should, as a rule, be scanned into PDF format and put on the web. Likewise, all contracts for services that the City enters into with consultants should require that information produced and collected by the consultant and delivered to the City must be delivered in both paper and PDF format.

- *Organized Information* – While copyrighted/licensed information cannot, as a general rule, be directly copied or uploaded to the City's web site, it can be reorganized or presented in a different form and used, as long as the source is cited. For information that can be presented geographically, the use of ArcGIS mapping software is particularly useful. Summaries of and key findings from reports and publications can be uploaded to the web. Reorganizing and reformatting are key ways of widely (and legally) disseminating proprietary data and information. This ability to reframe copyrighted or licensed information is one of the key reasons why we believe that the City needs to be an organizer of information rather than just a collector and disseminator.

- *Regularly Updated Economic Development Report/Newsletter* – As noted throughout the report, communication between the City and public can impact aspects of its economic development efforts; therefore, Hallandale Beach should also consider producing a regularly updated report focused on three principal areas. These reports will summarize readily available information and trends, but are intended to do so in relatively brief form for potential users who are more likely to be passive rather than active users of the City's information and research.

These reports will provide current information about the City and better establish Hallandale Beach's credibility with key organizations and individuals. We recommend this report/newsletter be produced quarterly. The quarterly report/newsletter should principally be distributed in print form but also be made available on the City's web site. The quarterly report should cover four major issues: economic issues impacting Hallandale Beach (e.g., employment, economic impact of major events, new development in the City, etc.), real estate trends and investments (e.g., hotel rates/occupancies, retail rates/occupancies, industrial trends, office rents/occupancies and major leases signed, construction), updated progress of specific City investments or initiatives (e.g., street streetscaping, jobs program, etc.), and updated progress of major public works projects impacting the City (e.g., sewer pump station improvements, traffic improvements, etc.).

By utilizing each of the four methods of dissemination described above, Hallandale Beach will have established a way of serving the needs of both active and passive users of information regarding Hallandale Beach, and established a system by which proprietary data and information is organized and summarized for wider distribution. A detailed listing of sources of information and associated cost is provided in the Appendix.

Marketing

Hallandale Beach is a community with many positive attributes for business and investment, but from our interviews to date the City is somewhat indistinguishable among investors outside of South Florida. The principal goal of a marketing effort as it relates to economic development is to set Hallandale Beach apart as a center for retail, entertainment, hospitality, and office in relation to other communities in Southeast Florida. The process must be a sustained effort in order to be broadly effective, but should produce immediate benefits if successfully defined and implemented.

We believe the following tasks define an effective economic development marketing program for The City of Hallandale Beach.

Applications

The initial task will be to identify the applications which will define the overall marketing effort. A comprehensive marketing program should be developed to provide a strategic plan and timeline to coordinate efforts in order to appropriately brand and position the City of Hallandale Beach for economic development. A well balanced combination of Imaging, Public Relations, Online Marketing, Partnerships and Cooperative Efforts, Community Outreach, Direct Marketing, Advertising, and Event Marketing is recommended in order to efficiently reach desired results, provide greater return on investment (ROI), and effectively position and brand the City of Hallandale Beach. Finally, a coordinated effort will eliminate waste and duplication of efforts while utilizing existing resources readily available. These will overlap to some extent with other elements of the economic development effort but may include:

- Develop a marketing strategy;
- Analyze City resources to utilize as marketing vehicles;
- Meet with the community and industry specialists as focus groups;

- Meet and coordinate with City staff and CRA;
- Promote ongoing incentives and programs;
- Host and recruit special presentations and business programs;
- Participate in presentations hosted by others;
- Update collateral materials and develop a 2-3 minute DVD to run on the website, for ads, presentations, City channel, etc.;
- Promote through publicity, advertising, and event marketing; and,
- Track and measure results.

While advertising and publicity concentrate on reaching a wider audience, community relations and direct marketing efforts provide a personal touch, making the marketing plan more "human" and the message "approachable." The outreach and direct programs also provide valuable feedback that can only be received through direct contact. In addition, being visible in the right groups and directly working the target market is a very valuable social networking tool and effective grassroots approach. Successful plans always have an element of direct contact, person to person for these reasons.

Procedures

The second element will be to develop and implement the procedures associated with the marketing effort. These will include:

- Upgrade identity and image management
- Identify long term partnerships for sustainable development;
- Use public & community relations to efficiently enhance all other marketing efforts, create credibility, and encourage word of mouth marketing (WOM);
- Place on-line and land based niche advertising to target groups & areas; and,
- Utilize event marketing support (at conferences, meeting, etc.) for heightened visibility.

Image Management

The third element will be the image management of the City with industry groups and general media, specifically as it relates to economic development goals. Proper planning for coordination of image management and positioning are essential to effective branding and implementation of marketing initiatives. Follow up and appropriate tracking mechanisms should be added to the mix for accountability. These will include:

- Create imaging programs for proper representation;
- Brand and position image based on feedback and direction from the City, CRA and Chamber;
- Coordinate image consistency with overall strategy;
- Position City for continued growth and expansion; and,

- Apply aggressive direct marketing programs to better reach target groups.

Image Management Strategic Partners

There are a number of organizations which will serve as key partners in the marketing effort. These include the Greater Fort Lauderdale Convention and Visitors Bureau, Enterprise Florida, the Greater Fort Lauderdale Alliance, and corporations and corporate associations. However, it also includes the universities in South Florida and outreach to economic development organizations, both statewide and nationwide. These partnership efforts should be focused on:

- Increasing credibility, ROI, and branding through key public and private organizational partnerships;
- Utilizing and increasing marketing funds efficiently through cooperative efforts;
- Coordinating partnership programs to increase visibility;
- Setting up, coordinating, and attending special presentations to target groups for exposure, City coordination, and database development; and,
- Distribution of promotional materials to target industry users and groups for consideration.

Partnership programs enhance the credibility of the program and allow for corporate and community ownership and buy-in, thereby increasing exposure as well as return on investment. Creative branding and imaging programs are not limited and can be developed and extended to allow for more extensive reach and market connectivity.

It is recommended that the City coordinate with the CVB as part of its marketing program. During our interview process, many stakeholders felt the City and the CVB were not working closely enough together to help brand the City of Hallandale Beach as a whole, rather than focusing primarily on the entertainment facilities. Therefore, and along with the recommended focus on hospitality, the City should partner with the CVB enhance the brand and imagine of Hallandale Beach as a tourist destination once one or more major hotel developments have been permitted which will allow the City to begin to house a large number of its own visitors.

Marketing Through Communication

Since most people, including investors, often believe and remember what they read, publicity adds credibility to the program and implies media and industry endorsements, thereby increasing business interest and hype. In addition, publicity is less expensive and provides more reach than advertising with double exposure on the internet. By the same token, the combination of advertising and public relations is an ideal combination while both avenues enhance each other, providing even more value and return on investment.

While the City has a well-respected communications team associated with general City outreach and communication, as part of the economic development strategy there will be a need for a more directed economic development communications effort oriented to the specific targeted industries. This effort includes:

- Developing and maintaining appropriate and effective public relations contact lists;
- Producing and distributing regular press releases to appropriate media and target groups to increase publicity, credibility, exposure, partnerships, awareness of products and programs, and word of mouth marketing;
- Coordinate local/regional/national efforts to maximize exposure and coverage in appropriate media and on the web;
- Copyright, create, and coordinate presentations, white papers, speaking engagements, PowerPoint presentations, backup materials, etc.;
- Develop a social networking strategy; and,
- Uploading and updating information to social media on a regular basis.

Advertising

Advertising is the visual piece of the marketing plan. It provides an avenue of image promotion as well as a call to action. Advertising requires repetition, frequency, and definition of the target audience and should be well planned in advance for maximum effect and cost negotiation. Coordinated with the other pieces of the plan, advertising can be used more effectively with less financial commitment than placed separately and alone. Finally, advertising designs can be reused effectively on the web and as collateral pieces.

There are likely to be promotion and advertising opportunities in industry publications which will raise the profile of Hallandale Beach among target investors, specifically in general national and international trade and associated publications. The effort associated with advertising must include:

- An advertising plan to include creative plan, media buys, distribution of promotional pieces, budget, and time line;
- Ad design and copywriting for print and electronic media direct marketing pieces, collateral pieces, etc.;
- Research, negotiation, and placement of land based and online media buys;
- Creation of long term appropriate target group catch phrases and slogans;
- Translations as required; and
- Branding

Event Marketing

Event marketing is another cost efficient way to work with your target. Whether it is planning an event or presentation or participating in an appropriate event, the combination of direct marketing, community outreach, distribution of collateral materials, and networking available in event marketing programs allow us to bring the message home. In addition, those attending the event are more than likely pre-qualified on some level and usually accessible after the program, allowing for a more direct sales approach and follow up flow necessary to close a deal. It is important that the City be represented at a number of industry conferences and events including the key office and industrial brokerage/investment meetings and tourism conferences, if and when the tourism infrastructure of the City is in place. Specifically, the event marketing effort should include:

- Development of program efforts that effectively market and brand Hallandale Beach;
- Appropriately staffing of events;
- Coordination of appropriate marketing materials for events;
- Coordination of community partners for increased exposure;
- Continually research, negotiate, and develop a presence at other quality events and programs such as trade shows, and conferences; and,
- Coordinate database development, lead generation, and follow-up and research opportunities at events.

Leveraging the City's Diversity

One of the great strengths for Hallandale Beach going forward with regard to its economic development strategy particularly as it relates to small business development is the diversity of the City. As noted throughout the research for this strategy, Hallandale Beach has one of the highest percent of foreign born residents in South Florida with particular concentration from Spanish, French, and Russian speaking countries of origin.

However, unlike many immigrant communities, Hallandale Beach's immigrants are for the most part middle or higher income households and well established in the United States. This provides a unique opportunity for Hallandale Beach to have a much higher profile than its size would suggest when it comes to attracting investment and new smaller businesses. While familiar ties and other personal relationships will form the basis for most investment which the City will enjoy from abroad, the City can help and support this process in some key ways:

- *Translate all economic development information online into three languages other than English* - While English is the world's language of commerce; it is by no means universally spoken and even less well read. Particularly as it relates to small businesses which rely on family or relationship investments, providing their investors with information which they can understand in their own language is both a courtesy and provides a very clear statement of the City's interest in and commitment to the international community.
- *Identify and Designate Volunteer "Ambassadors"* - These should be members of the business community who speak English and Spanish, French, or Russian fluently. The City

and CRA should insure that they are kept up to date on opportunities, programs and trends in the City. These ambassadors can be called upon as needed when those with languages other than English as a first language reach out to the City.

- *Insure Awareness of City Economic Development Programs in Non-English Speaking Community* – It is important to insure that the Spanish, French, and Russian speaking resident/business community in Hallandale Beach is aware of what the City can provide investors and the City's ability to "speak their language" so to speak.

Overall, the City's diversity is one of its greatest economic strengths and the City will be well positioned if it makes a concerted effort to support and enhance the investment relationships these communities have around the World.

Regulations and Regulatory Management

There are several areas related to regulations and regulatory management which, if enhanced, could be of substantial benefit to the City's economic development efforts. Specifically, while development has slowed due to the economic climate, the land use approval and building permitting process both in terms of speed and cost is an area where the City can refine its approach to become more economic development oriented.

Indeed, it has become cliché of municipal economic development strategies to recommend "walk thru permitting," "one stop permitting" or other similar approaches to making the building permit process more business friendly. And, in fact, as with many other cities in which we work, several of our interviews did indicate that the building permit process in Hallandale Beach is cumbersome, complicated, slow, and costly for small business. However, unlike other municipalities, similar sentiments were echoed by larger real estate investors we interviewed as well.

While not entirely conclusive given the limited scope herein, our hypothesis is that smaller businesses including restaurateurs, retailers, and small building owners/developers, which generally rely on contractors and have more limited resources and advisors to assist them through the permitting process, are being challenged by the natural rigidness and detailed process that comes with building regulations. The concern is principally that larger investors, with the resources to hire consultants and other experienced advisors also see the City land use approval and building permit processes as being somewhat difficult to navigate. As a result this requires further investigation. However, as it relates to helping smaller and medium sized businesses expedite permits within the current system, the process can move at a much more rapid pace.

Expediting the permit process will require the City to provide advisors who can make a strategic review and targeted recommendations on plans prior to submission for permits under the "economic development" rubric while maintaining the sanctity of the plan review and inspection process under the regulator agenda. More specifically, we recommend the following:

- The City should issue a continuing service RFQ/RFP for a pool of architecture and engineering advisors who can serve as plan reviewers and expediters for applicants who are seeking permits for key smaller and midscale operating businesses including restaurants, retail establishments, historic rehabilitation efforts, and new building development. While clear lines need to be drawn to limit liabilities, both on behalf of the City and the hired professionals, this service should be available only at the option of the application, and almost serve as an informal "peer review" which is funded by the City through a select group of experienced advisors before a project ever hits the permit reviewers' desk. We believe such as system may provide small investors and developers with a sense of satisfaction with the City's building department. Without changing the inherent building permit process, which is difficult given the legal and regulatory requirements, the City can still begin to be viewed as friendly to business investment through this "peer review" or assistance process.
- The City should consider reorganizing certain areas of the first floor of City hall to make it more "business friendly." The counters dividing building and planning staff from applicants and contractors should be rethought. The current structure practically forces City staff to ignore visitors.

While the permit process is one area for refining how the City builds upon its current processes to further economic development goals, one other modest change, but tremendously important to the economic development effort is to modestly refine the City's Business License application.

This form can include more information about businesses in the City than any other source of data and is a treasure trove of information. Specifically, we would recommend that the number of employees requested and be broken down into full time and part time at the date of the application and further the application should ask how many full and part time employees were employed on the first day of the City's fiscal year by the business. In this regard there is always an annual benchmark of the number of workers in the City. Square footage a business occupies should also be requested and entered into a database. Likewise, business contact/owner emails should be collected and the data collected on the occupational license applications should be readily converted into a database or spreadsheet format for analysis on at least a monthly basis and forwarded to the City's economic development staff. Applicants should also be asked if they would like to receive an economic development newsletter from the City on a quarterly basis.

Development Strategy & Incentives

Given the recommended focus of the economic development strategy on retail/entertainment, office/knowledge based industries, and hospitality, the city can also further focus its development/planning efforts. The market assessment indicates that the strongest opportunity to attract and support major project is most likely to occurring in the following areas or nodes:

- Office, Retail/Entertainment and Hospitality development generally between the county line and Hallandale Beach Boulevard along Federal Highway and just to the east and west of Federal Highway along Hallandale Beach Boulevard;
- Office and limited service hospitality development within the City at the I-95 and Hallandale Beach Boulevard Intersection;
- Mixed use retail/entertainment driven development surrounding the Mardi Gras casino;
- Mixed use development to include office/flex space at the intersection of Forster Road and Dixie Highway; and,
- Hospitality oriented development on the rare intercostals and beach parcels remaining for development.

From a pure economic development perspective, we strongly recommend that the City review its land use and zoning regulations associated with these geographies to assess if the highlighted uses can be easily entitled in these areas and update plans and regulations to support these uses (node-by-node) to the extent that the regulations and zoning are not consistent with market demands.

While the neighbors surrounding these areas will clearly have their say if the uses are or are not consistent with their expectations for their communities, from an economic development perspective, any reduction in the time and cost of obtaining entitlements associated with a given project are of substantial savings and benefit to that project. As a result, to the extent that any barriers associated with the uses above can be mitigated prior to a specific project coming into the City, projects will naturally move faster which is a major savings to developers and more importantly, certain uses which the City is prioritizing as part of its economic development effort (as long as market support exists) will be prioritized by the development community as well.

For example, it would be a missed opportunity not to realize the development of substantial high quality/high density office space along the U.S. 1 corridor south of Hallandale Beach Boulevard for which we believe market demand will exist over the next five to seven year period. Insuring that larger office buildings and associated parking can be accommodated and supported from a regulatory perspective in contrast to single story retail is an encouragement to the development community to build office space in the area. For this reason, should this strategy be adapted, we recommend the City begin a process of reviewing codes and regulations to insure that they both allow these uses and that the regulations likewise allow building typologies which are likely to be demanded by the market.

Incentives

The incentive component to the economic development strategy can be extremely important. Furthermore, the general term "incentives" can be far reaching considering *where* incentives should be targeted (e.g. job creation vs. land acquisition) and/or *how* incentives are structured (e.g. tax credit for job creation vs. cash outlay for land acquisition). Considering this, the specific structure and policies associated with incentives can itself be a very complex procedure and goes well beyond the scope of this analysis but in general and given the market opportunities in Hallandale

Beach we recommend the following structure of incentives be considered:

Continuation and Modification of Commercial Grant and Loan Programs – As it relates to small business attraction and support, the CRA has a series of grant and loan programs detailed in the Appendix which provide adequate levels of maximum incentive to encourage applicants to go through the application process and allow for monitoring to insure that the jobs promised are actually created. However, there are several ways these programs can be simplified:

a. For those incentives less than $50,000 and are primarily related to a capital improvement to a property in the City including façade programs, the incentive should be structured as a grant rather than a loan. The incentive however should be paid on a reimbursement basis to insure that the improvement is in fact made;

b. For larger job created incentives above $50,000, businesses should be provided the option of taking the incentive as a loan or a grant. If the incentive is taken as a grant, it should be paid out if and when the business hits verifiable job creation targets over an extended time period (i.e. six months or a year) which are consistent with the City's goals for wages and types of employment created. If rather, the business requires an incentive at the outset, the incentive should be structured as a loan, with potential for write-off's if certain targets are met. We recommend however that the City expand its definition of "security" for loans to allow for property, personal guarantees, and in some cases personal property and machinery. This provides a wider range of options for the business owner and still allows the City to obtain reasonable security for the loan with the understanding that the security needs to be underwritten and examined for its strength and inherent value.

Create Large Scale Time Limited Catalytic Project Pool of Funding – Given the position of Hallandale Beach to be able to capture new Class A office development and hotel investment both for select service and full service properties in the foreseeable future, we recommend that the City create a time limited, 120 to 180 day available, multi-million dollar CRA pool of funds to try to spur redevelopment of key parcels in the corridors delineated above. The time limited nature of the pool is to force decisions by property owners and development partners in a timely fashion given that funding is likely not going to be available outside of the period and the funds are competitive. Requirements for projects should include a demonstrated need for the funds, site control, project description to an extent that the City can determine if the project is indeed of a catalytic nature, and that the project can be obtain a Certificate of Occupancy within 36 months of the award of the funds. Once proposals for use of pooled funds are received, the City/CRA would negotiate the terms of the City's investment in the project.

Reinvest Tax Increment on a Case-by-Case Basis – The CRA continues to have the ability to reinvest tax increment in major project development efforts as it sees fit and based upon the demands and needs of the project. We strongly support the CRA utilizing these funds for important projects however our experience both within and beyond the city limits of Hallandale Beach is that the need for tax increment has to be evaluated and negotiated on a project-by-project basis.

Separate Underwriting/Contracting from Monitoring

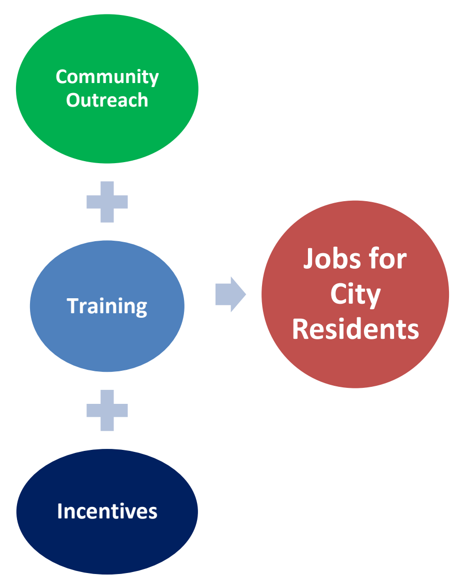
While not directly related to the Economic Development strategy, one area of implementing the strategy which will be increasingly important as the programs expand and become more complex is to insure that the grant and loan underwriting functions are separated from the monitoring functions. Much larger cities with large CDBG programs which are not significantly better funded compared to Hallandale Beach's CRA have learned from experience to have a clear delineation between the grant underwriting/contracting and monitoring functions. Separating these functions allows for another level of checks and regular rigorous monthly and quarterly monitoring, while not an audit function per se, is the best way of insuring problems or concerns are identified early.

Job Linkage

One of the long term challenges to community and economic development is connecting jobs within the City (and surrounding cities) with Hallandale Beach residents. Furthermore, unlike retail or personal services office jobs and to some extent hospitality jobs consistently produce wages at or above the overall median wage in the region. Moreover, jobs in these industries are the "good jobs" low and moderate income communities and their advocates often seek. Also, as noted in Section__, it is projected that the professional and business services and education and healthcare industry sector jobs will increase by 2018; therefore, as part of the economic development strategy, providing incentives and training programs for these types of jobs to Hallandale Beach residents can improve the economic climate within the City and ensure that companies hire from the local workforce.

While there are multiple factors which underlie the disconnect, most of which are out of the control of municipal government; based upon a series of interviews with education and job training professionals, there are several initiatives which Hallandale Beach can undertake to better link low and moderate income residents in the City to the jobs generated in Hallandale Beach. The model for job linkage illustrated below followed by a summary of each linkage factor:

Figure 27: Job Linkages



- *Linkage Through Institutional Community Organizing* – While the internet has made job searches easier in some fields, for unskilled or semi-skilled labor, these positions are often not directly listed through the traditional job search engines and there would be a tremendous benefit for the City to play an active role in having one or more community organizers both develop a database of potential job applicants in the neighborhoods of Hallandale Beach and continually work with employers to maintain a list of available jobs. This is an old style community development exercise which has proven to pay tremendous dividends given the level of personal bond of trust between potential employers and the community organizers and potential employees and the community organizers, which is generally engendered through this process. It is a very simple, but effective tool.

- *Linkage to Training Institutions* - The next link in the chain between employees and employers are training institutions or providers such as Workforce One Broward or Broward College and community based training organizations. These institutions often have the training programs employers require but also must be coordinated within the entire community organizing and linkage process. These organizations generally have the training programs in place but also require and benefit from links to residents. Together with incentive programs, Hallandale Beach business can hire locally trained residents of the City. Also, along with community organizers, linking job training for skills needed by businesses and residents located in northwest Hallandale Beach, these businesses would move closer to qualifying for the HUB Zone benefits described in the Appendix.

- *Incentives Tied to Job Creation* - Finally, any incentive which the City provides to businesses, particularly those which are direct tax or cash incentives, should be tied to hiring targets. With a ready outreach effort in place to identify potential employees and the ability to tie those potential employees to training as noted above, tying incentives to jobs and jobs to incentives is reasonable for businesses to embrace. However, without the ready pool of qualified employees, the incentive often becomes more trouble than it's worth for businesses, as employers now need to make a concerted (and often costly and time consuming) effort to identify qualified staff. As a result, employment based incentives only work well when the linkage efforts noted above are already in place. While very large cities can require that incentives only be paid when employers hire residents of that City, this is difficult in a City the size of Hallandale Beach where specialized skills are constrained by population size. Rather, the City needs to insure that incentives are tied to job creation in general and residents are made aware and have the opportunity to apply for the jobs when they do come available.

Communications

While a prior element of the strategy described marketing and outreach strategies, the economic development strategy also needs a more formalized communications effort......government-to-government as well as government-to-business.

Specifically, the Mayor, Commission and City Manager need to be able to travel to Washington, Tallahassee, and to key meetings and conferences to insure that relatively small Hallandale Beach continues to have a bigger presence than its size would suggest. Awareness among state economic development officials who are tasked with attracting business to the State, federal officials who make location decisions for key installations, and other elected officials in both the state and federal delegation who can support Hallandale Beach's economic development goals is quite important to achieving those goals.

Ironically, the current mayor and commission of Hallandale Beach have been able to establish a much wider footprint and presence than almost any other City of similar size. People in the economic development field know Hallandale Beach, what is happening in the City, and the evolving nature of the City's ability to attract and support businesses. As a result, while this recommendation may be obvious and second nature to the current commission, the experience in other cities has been just the opposite, and as a result this outreach needs to be institutionalized and budgeted.

At the city level, elected officials and the senior staff of the City should establish regular (annual) one-on-one meetings with major businesses in the City in their place of business and twice annually meetings through the Chamber with smaller businesses. Businesses tend to only interact with government when they have too, either because they have a problem or they require some approval or have to pay a fee. By reaching out and meeting with business managers and owners on a regular basis, City officials have the ability to change the nature of the relationship from one which is neutral or negative by its nature, to one which is positive and creates a sense of partnership and caring and concern when issues do arise. The meetings can be coordinated between the offices of the City Manager, Mayor and Commission members so that there is broad coverage, the schedule is spread out, and there is an updated and consistent set of information which the Commissioners can bring and provide businesses managers with whom they meet.

Finally, and as discussed elsewhere in this strategy, a key communication tool includes a quarterly economic development newsletter which is distributed to businesses, residents, governmental partners at other levels of government, and the media. The economic development newsletter becomes an informational tool about the City and its economic development efforts and successes without any fluff. Insuring that it provides just-the-facts is central to its usefulness and acceptance as a tool by readers.

SECTION 6: ECONOMIC DEVELOPMENT STRATEGY IMPLEMENTATION

There are three existing entities in Hallandale Beach which are positioned to have primary and direct roles in the implementation of the economic development strategy. These include the City, CRA and Chamber of Commerce.

The City and CRA as the regulatory bodies in the City and with existing staff infrastructure, will likely be the principal source of funding for the economic development efforts and are naturally the lead organizations as it relates to regulations, regulatory management, the development/planning strategy, providing linkages for jobs, and providing and approving incentives funded with public monies. The principal difference is the CRA is restricted by geography and has a directed funding source for economic development investments and the City does not. The City and CRA will also need to take the lead in data gathering and dissemination of information for several reasons. First, some of the information which the City already maintains about individual businesses is quite sensitive and businesses will likely be most comfortable with the City utilizing and organizing this data for economic development purposes (this is the case given the broad open public information laws in Florida). Secondly, the City/CRA will be able to utilize much of the economic development data for multi-service provision. For example, data on the location of daytime employees can be as valuable to police and fire service providers as it is for economic development purposes. Finally, the benefit of the City collecting and organizing economic development data and information and disseminating that information is that the City begins to enhance its credibility with the business community. Indeed, our experience has been that "business friendly" in practice translates into "business knowledgeable" as it relates to City government, its approval processes, and efforts to help business. Being the provider of good information is one way for the City to be able to very directly project to the world that it understands the information businesses need as well as which information is superfluous.

The CRA is the central organization for the City as it relates to business attraction and retention.

The CRA brings with it a number of unique elements. First, the agency controls substantial funding to attract business and includes within its boundaries the majority of the commercial land in the City. Secondly, the CRA is the natural marketing arm for economic development efforts in the City. While the City could contract out for marketing services to the target industries, the experience of the CRA's staff and their natural business orientation, both make the CRA the best positioned entity to both define and undertake the economic development marketing effort. At the end of the day, we recommend the CRA Board retain the power to approve all specific public expenditure of monies for incentives and should establish any incentive process in a way that the Commission debates the expenditure publically.

Finally, while the CRA is well positioned to address the communication and outreach to larger businesses, the Chamber of Commerce is the key conduit for marketing and communicating City policies and economic development initiatives and objectives to smaller businesses. Restaurants, retailers, local professional service provides, among others all depend upon the Chamber to promote Hallandale Beach and help strengthen expenditure in the City. To this end the Chamber of Commerce is the principal link for the City and its CRA's as it relates to any small business programs, development, and investment efforts. The Chamber of Commerce is also the most direct conduit for detailing City policies, regulations and procedures which may impact small businesses in the City and formal communication channels should be established to insure that this regular communication and information dissemination occurs.

Figure 28: Who does What?

City

- Data Gathering & Dissemination
- Regulations & Regulatory Management
- Development Strategy
- Job Linkage
- Incentives
- Funding
- Communication

Chamber

- Marketing
- Communication
  - Small Business
- Funding

Section 6A: Staffing/Contracting

The economic development efforts of the City outlined within this strategy should be able to be undertaken through a combination of limited staff investment and contract services.

Specifically, we would recommend that the CRA Director serve as the City's primary economic development officer. Give the geographic coverage of the CRA and the limited amount of non-residential parcels outside of the CRA, the CRA Director can take up the broader economic development tasks of the City with limited additional effort.

The principal roles for the economic development officer will include:

- Serve as the principal point person for communication between the City and Chamber;
- Contract for third party providers of economic information data and support;
- Develop the targeted marketing materials for the economic development efforts in the City;

- Write and distribute a quarterly economic development report;

- Coordinate the City Manager, Mayor and Commission involvement in economic development efforts;

- Structure incentive programs and review proposals for incentives with recommendations to the Commission/CRA Board;

- Participate in City planning and development to the extent that they impact economic development in the City with the express goal of insuring that the plans are consistent with the City's economic development objectives; and,

- Track and seek federal, state and county funding opportunities to further promote and support the economic development and job creation goals of the City.

A second recommendation related to staff is related to job linkage within and surrounding the CRA. As has been noted multiple times in this strategy, there is a disconnection between the tremendous historic employment activity in Hallandale and within and adjoining the northwestern area of the City and the poverty which is interspersed with this activity. While addressing this issue goes well beyond what a municipality can do by itself, Hallandale Beach can play a role in better tying residents to jobs and jobs to residents. To this end, we recommend hiring (likely through the CRA) an individual who can play a traditional community organizing role by, on the one hand, gathering information from businesses in the area with job openings, and on the other, with residents who are seeking jobs and have the requisite skill sets.

In the world of Monster.com and other internet job sites, this recommendation may be viewed as anachronism. However, many non-professional opportunities still are filled via word-of-mouth and are often not listed on the major internet job sites. Additionally, a good community organizer becomes the trusted link between employers and potential employees the lack of which is often one of the major hurdles facing local residents and businesses from being matched.

The community organizing role should also include working with area residents to identify appropriate third party provided training programs, other educational opportunities, and third party social services (i.e. child care) which are necessary to obtain local employment.

Third, we recommend, not unlike how many cities manage their CDBG programs which are reasonably flexible housing and economic development monies, there be a separation of tasks as it relates to incentive management. Application review, Award and contracting should be separated from on-going monitoring. This for a basis for a thoughtful separation of functions and requires that complete files are handed over to the monitor once the contracts are complete once monitors are provided direction to not accept files unless complete.

Finally, there are several economic development undertakings which can be directly, efficiently, and cost effectively contracted for.

These include:

- Data gathering, organization and analysis so that the information is organized and disseminated in a way to be specific and useful to the economic development goals of the City;
- Marketing with a marketing firm with broad experience marketing municipalities to businesses and investors; and,
- Review of the structure of incentives and necessity of incentives on a case-by-case basis as requests for certain large specific business incentives come before the City and Commission requiring both economic and financial analysis.

We recommend the City consider miscellaneous service contracts to be issued for each of these services so staff can access these services on an as needed basis without further procurement.

Section 6B: Budget Considerations

The analysis herein sets forth our recommendation for activities we believe are important to creating a comprehensive economic development strategy. Based upon our understanding of the City's current economic development infrastructure, each element herein largely requires the organization and implementation of programs beyond that of which exist today. To help the City/CRA assess the funding parameters needed to support the economic development strategy, we have created a budget of estimated annual costs for the primary elements referred to in preceding sections including:

Data Gathering/Dissemination: As outlined in Item 2a above, we propose a detailed research program where the City organizes and analyzes data, as opposed to simply gathering and disseminating information. As detailed, the estimated budget for this structure is approximately $75,000 per year including pre-packaged information, subscriptions, and field research/consulting.

Marketing: The principal goal of a marketing effort as it relates to economic development is to set Hallandale Beach apart as a center for office, industrial and tourism investment in relation to other communities in Southeast Florida. There are numerous tasks associated with the marketing effort as outlined in Item 2b, the critical (and costly) elements of which include advertising, program promotion and event marketing. The City and Chamber of Commerce can conduct the marketing process in a collaborative effort, although we recommend contracting out this function for a total annual budget considering direct costs of $110,000.

Regulations and Regulatory Management: The real economic development benefit of this effort is to reduce the cost of permits and help smaller and medium sized businesses expedite permits. Expediting the permit process will require the City to provide for advisors who can make a strategic review and targeted recommendations on plans prior to submission for permits under the "economic development" rubric while maintaining the sanctity of the plan review and inspection process. This process requires additional input from the City (and building department staff); therefore, budgeting is to be determined, although it is likely these costs can be covered by building department permit fees.

Incentives: While the incentive programs which the City manages need further refinement and adjustment, we believe that the current allocated budgets for existing incentives is adequate and the grant limits appropriate given the type of businesses which the City is targeting. However, in the effort to create they catalytic investment fund detailed in this strategy, we recommend the City pool at least $5.0 million in incentive funding available for large investment projects in the Class A office and hotel sectors.

Communication/Outreach: Communication and outreach is a critical part of the City's ability to effectuate its strategic planning process as it involved both public and private sector involvement. Though this effort does not require significant funding resources (estimated to be approximately $40,000), it does require the City to be diligent, persistent, and educational in its effort to promote its approach to informing the community of the benefits of the economic development plan and allow City officials to travel to meetings, conferences and other economic development oriented meetings and events in Tallahassee, Washington and other areas of Florida and, in select cases, country on a regular basis to promote the City.

Staffing/Contracting: Coordinating the elements of economic development requires personnel, contracting fees and related overhead costs. These resources are responsible for organizing, operating, and maintaining the daily activities of economic development. At a minimum, budgeting for staff and contract services is estimated to be $200,000 (plus benefits).

Based upon the categories of economic development outlined above, the estimated annual budget is summarized as follows:

Figure 29: Additional or Reallocated Budget

Category	Estimated Cost	Responsible Party
Data Gathering/Dissemination	$75,000	City
Marketing	$110,000	City/Chamber
Regulations & Regulatory Management	TBD	City
Incentives	Pool up to $5.0 million for major catalytic projects	City/CRA/State/County
Communication/Outreach	$40,000	City
Staffing/Contracting	$200,000 + benefits	City

In aggregate, the estimated annual additional cost for the economic development strategy as defined herein is generally ranges from $400,000 to $500,000 net of the large scale project incentive. Importantly, we are aware that even in relatively stable economic periods, this is a substantial amount of funding for these strategic activities.

However, and considering budget constraints, the City/CRA may contemplate prioritizing elements of the plan in the effort to phase the strategic plan around available funding. Therefore, at the very least, we recommend the City focus on:

1.) Putting in place staffing/contracting resources that will be needed to get the economic development strategy organized and operational.
2.) Forming the data gathering and dissemination program focusing on data collection and organization which can be completed at roughly half of the budget estimated above; and,
3.) Initiating the communication and outreach which is critical at any level of economic development.

While this budget may seem rather large by itself, it is important to consider the effects a program such as this can have on the City of Hallandale. Given the City will never truly "recapture" its investment in a traditional sense, the City can greatly benefit as a whole. Lambert used IMPLAN to test a likely scenario that can result from these efforts for illustrative purposes:

The addition of 225,000 square feet of office space would directly result in 900 employees, with an additional 460 jobs created indirectly or induced. The impacts of new office space as a result of the incentive program would result in $46 million in local wages and over $4 million in state and local taxes. According to the Urban Land Institute and ISCS, for each additional office work, $3,075 would be spent in retail stores around the office building. These examples show the effects a program of this nature can have on the local economy, so while the City many not directly obtain a reimbursement for its expenditure, it does reap broad scale benefits, both immediately and in the future.

APPENDIX 1

DATA SOURCE

As referenced in several section of this report, we provide a menu of data resources and services the City of Hallandale Beach should consider obtaining as part of its data gathering and dissemination program. The following provides a brief overview of the contents, contact, and estimated price for publications, documents and/or reports.

CB Richard Ellis MarketView

CB Richard Ellis (CBRE) produces quarterly MarketView reports for retail and office space in Broward County. The Retail MarketView covers retail in shopping centers, and includes major retailer news, construction activity, and submarket overviews, including inventory, vacancy, and absorption, under construction and planned square footage, and average lease rates. The Office MarketView covers office space in thirteen submarkets and includes major sales/lease transactions, inventory, vacancy, absorption, under construction and planned square footage, and average asking lease rates. CBRE also selects one submarket for a detailed office submarket write-up, each quarter.

All of these publications are free and available online. www.cbre.com.

CBRE Econometric Advisors (Formerly Torto Wheaton) Research Outlook

Torto Wheaton Research (TWR) Outlook provides clients with quarterly forecasts on real estate fundamentals and capital markets across office, retail, multi-housing, and hotel properties. Included in forecasts are supply and demand, rent and vacancy rates, as well as demographic and economic information for 71 markets and 85 MSAs, nationwide. The user-friendly interface, Outlook XL, will enable City staff to retrieve and sort data at the metropolitan, submarket and asset levels. Additionally, TWR produces quarterly single market publications for each property type. Reports start at $349 and can be ordered online at www.cbre-ea.com.

County-to-County/State-to-State Migration Data

A table shows the year-to-year changes in the addresses shown on the population of returns from the IRS Individual Master File system. This table presents data on migration patterns by county for the entire United States, including inflows and outflows. The data include the number of returns (which can be used to approximate the number of households), the number of personal exemptions (which can be used to approximate the population), total “adjusted gross income,” “median adjusted gross income”, total money income, and median total money income.

The historical data cost is $200 per year for the entire United States or $10 per state per year. All years for the entire United States are also available for $500. However, free migration data through 2005-2009 is available at www.irs.gov.

Order from:

Statistical Information Services (sis@irs.gov)

Internal Revenue Service

P.O. Box 2608 • Washington, DC 20013-2608

(202) 874-0410 • Fax: (202) 874-0964

Cushman & Wakefield MarketBeat Series and Local Market Reports, South Florida

The Cushman & Wakefield MarketBeat Series includes an inventory, vacancy, absorption, rental rates, and square footage under construction for the South Florida office market and selected submarkets. MarketBeat Snapshots are produced at the end of the 1st and 3rd quarters; MarketBeat mid-year and year-end reports are also available. Free local market reports are also available. www.cushwake.com.

Experience Exchange Report, BOMA

For over 80 years, BOMA's annual Experience Exchange Report (EER) has been a source for building performance data for the commercial real estate industry. The reports feature operating income and expense data on over 5,000 public and private sector commercial properties throughout North America. The book contains over 500 pages of benchmark data including:

- Line-item expenses for cleaning, repairs/maintenance, utilities, administration, and leasing;
- Breakdowns on city, private/government, downtown/suburban and building size;
- Expanded submarket (zip code) breakouts;
- Occupancy data in four ranges to help you identify how occupancy levels affect individual line-item expenses

The Experience Exchange Report is available online and costs for single market reports start at $103 and increase according to level of service. www.boma.org.

Florida Statistical Abstract

The Florida Statistical Abstract contains the largest collection of statistics on social and economic conditions in Florida. Selected national and comparative data for other states and countries are also included. Abstract sources include the Census Bureau, other federal and state agencies, and private organizations. It is compiled annually by the University of Florida Bureau of Economic and Business Research.

Costs start at $60 for print only versions. Order online. www.bebr.ufl.edu.

National Multi Housing Council

NMHC’s research products are designed to help guide members’ business decisions, improve the industry’s policy and regulatory environment and educate consumers more fully about their housing choices. Perhaps best known for the NMHC 50, its annual ranking of the 50 largest apartment owners and managers, the Council also investigates how political, financial, demographic and other trends influence multifamily housing. Members have access to research reports, market trends and newsletters.

The cost is $2,500 for an Associate Membership, which can be obtained online. www.nmhc.org.

Grubb & Ellis Office Market Trends and Forecasts

Grubb & Ellis produces this report with office trends and forecasts, an opportunities/challenges summary, major transactions, and inventory, vacancy, rents, and absorption by class and by submarket. www.grubb-ellis.com.

International Council of Shopping Centers Office Worker Retail Spending Patterns

Office Worker Retail Spending Patterns captures a snapshot of office workers and their retail spending habits. The data in this edition were gathered from a survey of 1,500 fulltime business professionals in five metropolitan markets (ten total submarkets) across the U.S. The study focuses on several characteristics and purchasing behaviors of today's office worker, including: shopping habits during the business day, after-hours shopping, socializing and dining, commute distances and primary modes of transportation, variations in purchasing behaviors based on gender, household income, and occupational level.

The cost is $39.95 for members, $49.95 for non-members. Order online. www.icsc.org.

International Facility Management Association

The IFMA provides reports that Contain statistics on square feet per person, space standards, support space, cost of moves; as well as recent research regarding open versus closed office space and forecasts.

Reports start at $39.99. Order online. www.ifma.org.

Smith Travel Research Custom Trend Reports

These reports provide average daily rate (ADR), revenue per available room (RevPAR), and occupancy for hotels in three custom categories: Luxury, Business, and Limited Service.

The cost is $475 per report. Order online. www.str.com.

The CoStar Office Report

CoStar provides Class A, B, and C inventory, rents, vacancy; planned and under construction developments for Broward County and multiple other office submarkets. Available only through a yearlong subscription with costs varying depending on the level of service. Visit the website (www.costar.com) to schedule a demonstration with a CoStar representative. Total cost should be less than $3,000 per year.

Daily and Weekly Periodicals

The City should review and catalog information about Hallandale Beach and the surrounding area, its residents, its businesses, and issues that might impact the City, as published in local periodicals. Staff should also review national and international dailies for broader trends. These may include the Daily Business Review, Sun-Sentinel, the Miami Herald, New York Times, Wall Street Journal, and the Washington Post, among others.

Dun & Bradstreet Professional Subscription

It is intended for use in generating mailing lists, but can be used to track and count companies by zip code and industry. The nationwide business-to-business database contains more than 15 million U.S. businesses, along with industry-specific data and contact names. Data is updated quarterly.

Online subscriptions start at $399 per year. www.dnb.com.

McGraw-Hill Construction News Releases

This free monthly e-mail shows monthly and year-to-date residential and non-residential construction figures. Quarterly construction outlook reports are also available for $1,900.

Subscribe online. www.construction.com.

WorldCity

WorldCity focuses on international business, multinationals, and trade, and their impact on South Florida using up to date data.

An annual subscription is $1,995. Order online. www.worldcityweb.com.

APPENDIX 2:

CITY'S DEPARTMENTS, EXISTING PROGRAMS, AND POTENTIAL FUNDING SOURCES

There are several ways the City of Hallandale Beach (and/or CRA) can utilize resources to encourage economic development within the City's boundaries. Although the private sector will essentially pioneer and future development, city government can play a role in attracting that investment and making it easier for the private sector to do business within the City. As far as internal players, the central participants driving the economic development efforts within the city government will be the Community Redevelopment Agency (CRA), Development Services Department and Finance Department. Below is a detailed profile of the City departments and their roles in the economic development process.

Section 5A: City Departments that Drive Economic Development

When determining a strategy for economic development, the starting point should be an internal audit of what the City is capable of providing the resident and business community to ensure the economic vibrancy and vitality of the City. Within the City, there are three key departments that contribute to the economic development of the City. One is the CRA. The main goal of the CRA is to eliminate blight within the designated boundaries; however, as part of those efforts, programs can be made available to attract perspective businesses and retain ones currently located within the CRA boundaries. Another key department in the City is the Development Services Department, and by extension the Planning and Zoning Division. The Development Services Department is responsible for code compliance, permitting and licenses, and acts on the "front lines" of all development in the City by working closely with residents, businesses, contractors and developers. Within this department is the Planning and Zoning Division, which is important for the future vision and development of the City. Less involved directly with the public and in the development process is the Finance Department. In order to ensure fiscal responsibility, the Finance Department sets guidelines through the budget process for what the City is capable of investing for future development or incentive programs. Although the Finance Department does not have direct involvement in the decisions of the economic development process, it indirectly affects how far reaching the City's efforts can be.

Community Redevelopment Agency

The Community Redevelopment Agency is perhaps the most vital tool the City currently has to encourage economic development. The CRA, which is bound by Federal Highway to the East, I-95 to the west and the northern and southern boundaries of the City, is specifically oriented to revitalizing the economic integrity of the area by eliminating blight through city operated programs.

Residential Programs

Neighborhood Improvement (Loan) Program (NIP) – The main goal of this program is to help residential property owners improve their property, particularly if it is not up to building code standards, to help enhance the aesthetics of the neighborhood and boost quality of life within the CRA. The program allows for repairs such as roof repair/replacement, parking (driveway) improvements, drainage improvements and other exterior improvements through a low interest loan by the CRA. The loan amounts are as followed:

The loan amounts are as followed:

Figure 30: CRA Neighborhood Improvement Program Loan Amounts

Source: City of Hallandale Beach

	<5 Units (Including SFH)	6+ Units
Driveway/General Repairs	$6,500	$10,000
Exterior Paint	$1,500	$2,500
Roof Repair/Replacement	$4,000	$4,000
Drainage Repair	$5,000	$5,000

In addition to these improvement loans, there are other programs available under the NIP umbrella. The CRA also administers a tree planting program, which provides residents within the CRA with trees and plants to improve the landscape on their property. The CRA also offers a paint voucher for up to $500 for CRA residents. A shutter assistance program is also available for residences located in the CRA. Although these programs do not directly assist businesses and economic development, the removal of blight within a neighborhood makes the area more attractive to perspective business, especially when this program works together with the other business oriented incentives.

Commercial Programs

Commercial Loan Program – The commercial loan program is similar to the Neighborhood Improvement Program in that it assists commercial property owners improve their property so it is in line with City Codes. This program allows for the CRA to offer a low interest loan for the amount of money needed to remedy code violations up to $100,000, with the owners being responsible for the additional costs (if any).

Business Incentive/Enticement Program – This program helps promote economic development in the CRA by offering financial assistance to new and expanding/upgrading businesses to locate within the City of Hallandale Beach CRA. The principal goal of the program is to create jobs in the City and offers up to $200,000 in assistance, which is determined on the number of created jobs. This program is the most far reaching of all CRA programs, as the loan can be used for a wide range of purposes. Eligible uses for the Business Incentive/Enticement Program include:

- Assistance in acquiring land for business location or expansion
- Subsidies for City permit fees for construction
- Payment of impact fees
- Payment of development and redevelopment costs associated with locating or expanding, such as for parking and drainage installations
- Loans for development and redevelopment costs associated with locating or expanding, such as property upgrades
- Other development purposes which appear to be necessary, such as moving expenses
- Assistance from City staff determining code regulations and permitting procedures

Small Business Retention & Expansion Program – The purpose of this program is to assist small businesses through hard times to ensure the economic vibrancy of the City and CRA. The program offers a $50,000 low interest loan to eligible small businesses.

Façade Signage Grant Match Program – This program is designed to improve the exterior appearance of a place of business, and not designed for code compliance. The grant is a 1:1 matching grant with a maximum $2,500 match from the CRA limited to improvements such as lighting, signage, gate/security bar removal, door/window replace, and other small exterior improvements.

According to a synopsis of the CRA budget plans, new programs are scheduled to come online. Resources are being allocated in an effort to get the community involved through three major programs. The CRA is developing a Neighborhood Enhancement Team to place greater emphasis on crime prevention and quality of life issues, which is budgeted for $561,000. Also as part of this efforts are the creation of the Community Involvement Unit ($317,000) and Community Action Team ($107,000). These programs focus on youth mentoring services, education and the City's schools and parks. Another community involvement program to be implemented is an annual business and industry survey and quarterly seminars that will be conducted in conjuncture with the Chamber of Commerce. In addition, the CRA is going to implement a Neighborhood Employability Enhancement Program to provide services to unemployed adults and youth.

CRA Budget Review

These programs are an excellent starting point for the City to expand upon in its economic development efforts. Programs similar to this (perhaps on a citywide scale) along with focused investment efforts can be a valuable tool for ensuring the economic stability and vibrancy in Hallandale Beach over the long term. A good barometer for measuring the City's ability to promote economic development in the City is to look at the previous efforts of the CRA and what CRA plans are currently in place. Below is an analysis of the CRA's previous budget and capital plans, as well as future capital improvement plans

Past Utilization

The Hallandale Beach CRA was formed in 1996, and will extend for a 30 year period that will sunset in 2026. The analysis herein provides a profile of historical trends based upon:

> *Schedule of Revenue, Expenditures and Changes in Fund Balance* that is incorporated in the City's Annual Budget and provides a summary budget and actual account activity based upon primary revenue and expenditure categories; and,
>
> *CRA Revenue Budget and Account Ledger* that provided more detailed revenue and operating categories. However, this report is very difficult to evaluate in the format presented given the level of detail that does not have an accompanying reconciliation summary.

It is important to note that the CRA budget and account ledger does not correlate to the City's budget information and, therefore, it is very difficult to reconcile the two reports. Considering this, we recommend at the outset that there be a more coordinated effort to correlate the two reports so there is a clear recognition of revenue and expenditure patterns.

Nonetheless, for purposes of this analysis, we presume the City's budget provides an accurate account of the CRA budget and, as such, reference is made to the CRA account ledger in order to provide insight into select revenue and/or expenditure detail.

As provided in Figure __ below, the CRA budget from FY05-06 to FY11-12 is summarized as follows:

Figure 31: CRA Budget, FY05-06 to FY10-11

Source: City of Hallandale Beach Annual Budget

Figure __: CRA Budget, FY05-06 to FY10-11
Source: City of Hallandale Beach Annual Budget

	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
Revenues						
Tax Increment Finance	$5,789,889	$8,011,366	$9,749,842	$9,654,181	$9,616,000	$7,304,325
Other Licenses & Permits	$1,634	$2,750	$1,940	$0	$0	$0
Loan/Application/Associated Fees				$10,000	$10,000	$8,000
Interest Income & Loan Repayment	$36,755	$183,000	$419,500	$401,809	$231,000	$446,000
Appr. from Un-appropriated Surplus						$7,972,788
Total Revenue	**$5,828,278**	**$8,197,116**	**$10,171,282**	**$10,065,990**	**$9,857,000**	**$15,731,113**
Expenditures						
Personal Services	$301,739	$592,306	$640,838	$468,038	$1,024,209	$1,138,854
Operating/Maintenance	$1,126,678	$2,119,441	$1,764,342	$1,818,415	$1,771,573	$1,270,502
Debt Service	$535,784	$538,454	$519,911	$98,421	$2,808	$0
Capital Outlay	$5,335	$560,000	$35,000	$89,400	$200,000	$29,200
Capital Improvements	$818,333	$1,617,900	$2,066,438	$3,083,600	$275,000	$7,616,807
Administrative Charges	$120,000	$397,763	$409,856	$508,564	$495,115	$900,000
Transfer for CIP Funding					$600,000	$0
Economic Incentives	$2,770,409	$1,421,161	$1,113,503	$632,173	$1,992,450	$1,697,750
Subsidized Loans/Land Acquisition	$100,000	$850,000	$1,421,394	$1,247,379	$480,000	$1,090,000
Transfers to Other Funds			$2,100,000	$2,000,000	$2,795,845	$1,988,000
Computer System Reserve				$20,000	$20,000	$0
Contingencies	$50,000	$100,000	$100,000	$100,000	$200,000	$0
Total Expenditure	**$5,828,278**	**$8,197,025**	**$10,171,282**	**$10,065,990**	**$9,857,000**	**$15,731,113**

In terms of CRA revenue, the CRA achieved revenue growth from $5.8 million in FY05-06 to $9.8 million in FY09-10. The large increase in revenue from FY09-10 to FY10-11 is due to the new method for allocating unused funds from the previous year. In FY10-11, that surplus was nearly $8.0 million; however, it is budgeted for only $2.3 million in FY11-12. The majority of CRA revenue is earned from tax increment funding (TIF) which grew rapidly in the mid-2000's in large part due to the real estate boom. However, as discussed in section ___, following market peaks in 2007/8 the taxable values declined rapidly. But, the decline in TIF revenue was not as dramatic as the real estate crisis would indicate considering the amount of new and/or redeveloped property that was added to the CRA tax rolls during (and shortly after) the market high. Accordingly, increased investment earnings and other revenue from sources such as interest earned on main accounts and infusion of capital from the City's general fund helped stabilize the revenue stream. Provided investment earning and other revenue remains relatively stable, the CRA should anticipate a steady increase in revenue during the next few years as real estate markets continue to stabilize and increased revenue from Villages of Gulfstream Park are realized.

On the expenditure side, the CRA expenditures ranged from $5.8 million and $15.7 million from FY05-06. The expenditure level primarily remained in the $8.0 to $10.1 million range, with FY10-11 significantly increasing $6.0 million from the previous year due to increased expenditure in capital improvements. The three primary expense categories represent personal services/operating expenses capital improvements and economic incentives/subsidized loans. Accordingly, the capital improvement expenditure varies significantly from year to year; however, these expenditures represent periodic investment in infrastructure improvements, business incubator and support programs, and private and public property enhancement programs.

Future Perspective

In terms of future utilization of the CRA, the City has outlined its capital improvement plan for the next 5 years. The City is making efforts to restructure its economic development program designed to identify and target future drivers of job growth and enhance the City's competitiveness. For the fiscal year that recently ended, the majority of the CRA capital improvement budget comprised drainage projects, which accounted for $3.8 million of the $4.5 million capital improvement budget, as shown in Figure __. Going forward, however, those projects have been completed and no other major capital improvements are scheduled over the next 5 years. In FY12, the CRA is focusing on corridor improvements, with $500,000 budgets for improvements along the NE 1st Ave./Dixie Highway corridor. In addition, the SE 2nd Street Extension, which began in FY11 is budgeted for $125,000 in FY12, and will continue through FY14 for a total of $755,000 in improvements in preparation for the expansion of the Villages of Gulfstream frontage (per the Citywide Master Plan) and providing improved linkage between Federal Highway and Dixie Highway. Also, the CRA, in conjunction with the Transportation Fund, has budgeted multiple programs for improved walk ability and way finding throughout the CRA. With the exception of the SE 2nd Street Extension, the improvement programs above will end in FY12; henceforth, starting in FY13, the CRA shifts focus to improving Foster Rd. between FY13 and FY16, which can help support plans for future retail and other improvements to the Neighborhood, such as improvements centered around Foster Park. During that same time frame, a street maintenance program will begin. In total, from FY12 to FY16, the CRA has budgeted $2.5 million for capital improvements.

Figure 32: CRA Neighborhood Improvement Program Loan Amounts Source: City of Hallandale Beach

	FY11	FY12	FY13	FY14	FY15	FY16	Total
Street Maintenance Program	$0	$0	$100,000	$50,000	$50,000	$50,000	$250,000
Drainage Improvements - CRA	$1,000,000	$0	$0	$0	$0	$0	$1,000,000
Model Block	$50,000	$0	$50,000	$50,000	$50,000	$50,000	$250,000
Affordable Housing	$450,000	$0					$450,000
Foster Road Improvements			$50,000	$50,000	$50,000	$50,000	$200,000
FEC Crossing			$25,000	$0	$0	$25,000	$50,000
Park Improvements			$50,000	$50,000	$50,000	$50,000	$200,000
HMGP NE Section Drainage Project	$2,811,881	$0	$0	$0	$0	$0	$2,811,881
SE 2nd Street Extension	$150,000	$125,000	$200,000	$300,000	$0	$0	$775,000
Pedestrian Improvement Program		$187,500					$187,500
HBB & I-95 Aesthetic Improvements		$50,000					$50,000
Crosswalk Upgrades		$150,000					$150,000
Wayfinding		$75,000					$75,000
NE 1st Avenue/Dixie Corridor		$500,000					$500,000
Total CRA Fund	$4,461,881	$1,087,500	$475,000	$500,000	$200,000	$225,000	$6,949,381

Many of these programs can help the City reach its economic development goals. As discussed in Section _, the City should continue to support the casino facilities, and the SE 2nd Street improvements are the first step in encouraging future expansion. Those improvements, along with the budgeted NE 1st Ave./Dixie Highway corridor improvements can help support Fashion Row and additional retail investment along the corridor by improving traffic flow and encouraging an alternate route to Federal Highway from Hallandale Beach Blvd. Also, the aesthetic improvements at the I-95/Hallandale Beach Blvd. node should play a key factoring in attracting office and improved retail as a gateway project. Additionally, the Foster Road improves can support subsequent redevelopment efforts in the Northwest Neighborhood and along Foster Road.

Development Services Department

As noted above, the Development Services Department interacts with the public on new building and development more intimately than any department in the City. The responsibilities under the Development Services Department include building permitting, code compliance, planning and zoning responsibilities. One of the most important functions of this department is building permitting. As discussed in further detail in Section __, the building permit process is one of the most laborious aspects for developers and contractors, and in the case of Hallandale Beach, that includes large scale developers and small development projects. During our stakeholder interviews, the difficult permitting process arose as a major hindrance to development within the city, particularly in our interviews with realtors. Going forward, it is recommended that the permit process be streamlined through permit expediters to make the process more customer friendly, which would help encourage new development. Along with the permit process, code compliance was another issue that arose during interviews, which also deterred renovations and expansions, as strict enforcement of the code, particularly where signage was concerned, made these efforts burdensome.

On a broader scale, the Development Services Department is responsible for business license applications. As discussed in Section __, this document supplies the City with a plethora of information pertaining to employees and business type that can be disseminated publicly for use by investors, developers and other members of the business community to help target investment and business efforts; however, the information collected through this process is not being utilized by the business community or the City of Hallandale Beach. Also on a broader, long range scale, the Planning and Zoning Division, which is also involved in the permitting process, is important in helping guide future commercial, entertainment and hospitality investment through zoning and land use laws and the master plan. With a thorough audit of the development code, the City may find ways to make it easier for future developers to invest within the City of Hallandale Beach.

Finance Department

Although not as involved as the two departments mentioned above, the Finance Department is an integral part of all activity undertaken by the City of Hallandale Beach. Through budgeting and fund allocation, the Finance Department essentially guides what is possible in terms of city administered programs and process changes. It is important for the other economic development oriented departments to have a close working relationship with the Finance Department to understand what is possible under the current fiscal year budget, and what will be possible in the future. The Finance Department plays a key role in interacting with the residents and business owners within the City; therefore, it is important for this department to be as customer service oriented as the Development Services Department and CRA.

Section 5B: Other Economic Development Funding Sources

In addition to programs administered by the CRA and the City, there are several outside agencies (Federal, State, and County) that offer economic development assistance to encourage economic development. Below is a profile of programs offered that the City of Hallandale Beach can make aware to the resident and business community to help encourage business expansion and investment. Currently the City does profile these agencies on the website, but as discussed further in Section _, it is recommended that the city make its awareness efforts more overt.

Federal Programs

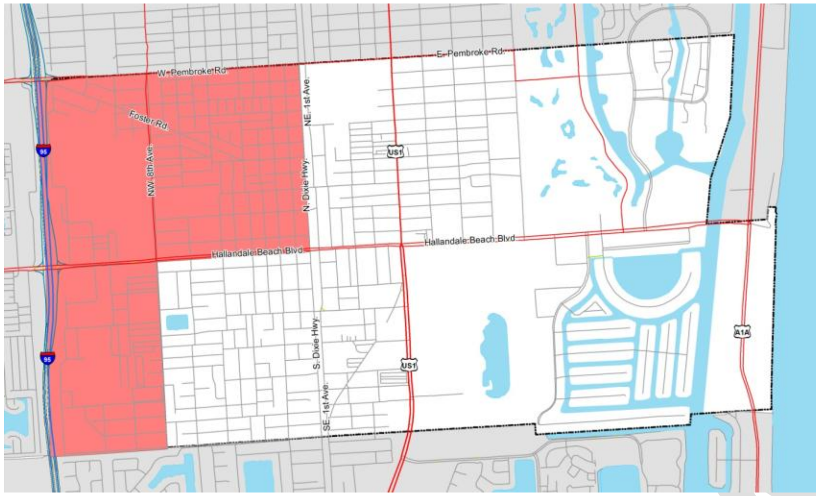
The Federal Government is a good place for a small business to start when looking for assistance; however the process and information gathering can be cumbersome. Therefore, as part of the economic development efforts of the City going forward, disseminating this information to current and perspective businesses is a critical component to achieving the City's goals. The Federal Government offers economic development and business assistance programs in a variety of ways. The Small Business Administration (SBA) offers low interest loans through the **7(a) Loan Program**. This program is the SBA primary loan program to assist start-up and small businesses obtain financing when traditional avenues are not available. The SBA does not loan money, but guarantees a portion of the loan, which is dispersed by private banks. This program is the most commonly used program that SBA offers; moreover, it is the most flexible since financing can be guaranteed for a variety of general purposes such as working capital, land acquisitions, machinery and equipment purchase and new construction.

The SBA also offers a **Microloan Program**. The Microloan Program provides small short-term loans for working capital, inventory purchase, furniture and fixture purchase and the purchase of machinery and equipment. The maximum loan is $50,000, but generally average $13,000 per loan. Similar to the 7(a) Program, loans are given through an intermediary, with the SBA guaranteeing the loan. In addition to short-term financing, the SBA also administers the **CDC/504 Program**, which is designed as a long-term financing tool to encourage economic development within an area. The maximum loan is $1.5 million; however, the amount of the loan is tied to the number of jobs created by the recipient. Generally, a business must create one job per $65,000 (small manufacturers must create or retain one job per every $100,000). Community Development Companies (CDC) work with the SBA and private sector lenders to provide financing. For more information on these loan programs, please visit www.sba.gov.

The above programs are geared more toward new businesses and, in conjunction with City administered programs, may assist the City of Hallandale Beach's efforts to attract new business; however, the SBA also administers the **HUBZone (Historically Underutilized Business Zones) Program**. The HUBZone Program is geared to help small businesses gain preferential access to federal procurement opportunities. As shown below, 27 percent of Hallandale Beach is comprised of a HUBZone. Businesses located in this area are eligible for preferential treatment under this program, including a 10 percent price evaluation preference. In addition to be located in the HUBZone, a business must meet the small business standards set by the SBA and 35 percent of its workforce must reside in a HUBZone. This program can help businesses in Hallandale obtain government contracts to supplement business they are regularly conducting.

Figure 33: City of Hallandale Beach HUBZone Map

Source: Small Business Administration; Lambert Advisory



The Federal Government also offers a program for attracting foreign investment in an area. The US Customs and Immigration Services offer the **EB-5 Program**. The program states that foreigners looking to obtain a visa can do so through a minimum qualified investment in new commercial enterprises located in the US. Considering the demographic composition within the City of Hallandale (and Aventura), this program can be utilized to attract foreign investment within the City by foreign-born residents who are not currently citizens. In order for a foreign national to obtain the visa, a total of $1 million must be invested and at least 10 permit jobs must be created and sustained by the investment. An investment of $500,000 can qualify if the investment is made in a targeted employment area, which is a rural area or urban area with an unemployment rate of 150 percent higher than the national unemployment rate. Currently, the City of Hallandale Beach and Broward County do not apply to this standard.

New Market Tax Credits

The New Market Tax Credit (NMTC) Program is administered by the Department of Treasury's Community Development Financial Institutions Fund (CDFI). The goal of the program is to encourage and stimulate revitalization efforts in low-income and impoverished areas. In order to qualify as an eligible census tract, the tract must have a poverty rate over 20 percent and have a median family income that is below 80 percent of the area median family income. Beyond the basic requirements, eligibility as a severely distressed tract can be obtained under two categories: Primary and Secondary. Primary criteria for severely distressed tracts that meet basic NMTC criteria plus having a poverty rate above 30 percent, below 60 percent of the median family income for the area or an unemployment rate at least 1.5 times the national average.

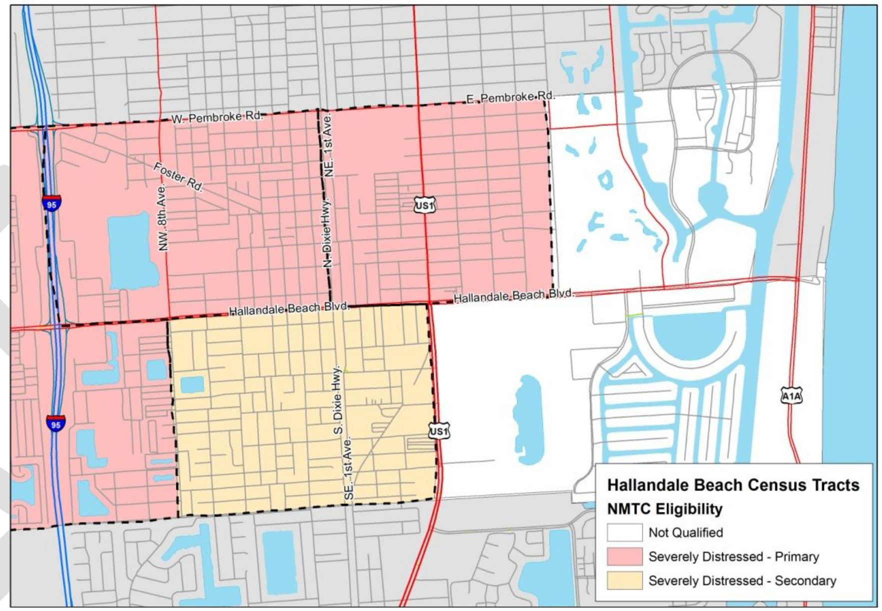
Secondary criteria is based on the basic NMTC eligibility in addition to the area being In a HUBZone, or another federal designated traditionally underserved area, such as a Federal Empowerment Zone. In the case of Hallandale Beach, tract 1003 qualifies as a severely distressed tract because it is in a Housing Hot Zone, which indicates that the median rent exceeds 30 percent of the monthly gross income of a low-income household. As shown in Figure __, the entire CRA qualifies for the program. For the most recent round of NMTC allocation, tract eligibility is based upon the 2000 Census; however, the next round of the program will be based upon the 2010 Census figures.

The program provides tax credit incentives to investors who provide equity investments in Community Development Entities (CDE), which are corporations that invest in these impoverished areas.

Since its inception in 2000, the program has allocated over $29 billion in tax credits that have spurred investment in low-income communities. The tax credit equals 39 percent of the investment from the CDE, which is allocated over seven years. In order to receive awards, the organization, in this case the City of Hallandale Beach, must become (or set up) a certified CDE. The CDE would identify private investors to provide equity for the CDE to implement its development plan; in turn, the CDE would allocate the tax credits to the investor as long as the CDE uses all of the invested funds in qualified areas, which are shown below for the City of Hallandale Beach. The program allows the CDE to allocate the investment through low interest loans to qualified low income businesses that have difficulty obtaining credit through traditional means or provide funding for large scale developments in the low-income neighborhoods.

Figure 34: City of Hallandale Beach New Market Tax Credit Tract Eligibility

Source: Department of the Treasury; Lambert Advisory



State of Florida Programs

Targeted Industries

In Broward County, Enterprise Florida works with the Greater Fort Lauderdale Alliance (formerly Broward Alliance) in efforts to attract and retain businesses through a variety of incentives and programs. As part of their initiatives, Enterprise Florida and the Alliance developed a list of industries that it believes will be driving the economy in the future to better focuses their efforts (detailed list of industries can be found in Appendix __).

As a State of Florida agency, Enterprise Florida's main goal is to improve the Florida economy. The Agency seeks to recruit new industries, support existing businesses, promote job growth, expand the local tax base and create a more diversified economic industry landscape. As part of their strategy, the State offers various incentive programs to businesses seeking to locate in Florida:

Qualified Target Industries Tax Refund

This program offers a refund on corporate taxes, sales taxes, property taxes, and other intangible taxes for companies that create high wage jobs in target industries. Companies who meet this qualification are eligible for $3,000 in tax refunds per each net new FTE job created. For business that create jobs with wages 150 percent higher than the area's average annual wage, an additional $1,000 in refunds can be obtained for each FTE job, and companies offering wages of 200 percent above the average annual wage can receive an additional $2,000 per job. This program can work in conjunction with other State funded programs, such as the Brownfield Incentive Program, which can increase tax refunds to the company depending on certain situations. A single applicant is limited to $5 million in incentives through this program. More information can be found at www.eflorida.com.

Capital Investment Tax Credit

This program's goal is to attract and grow capital-intense industries in Florida. The tax credit, which credits corporate taxes, is given on a annual basis for up to 20 years. This program is designed for high tech industries or corporate facilities and requires that at least 100 jobs be created and the firm investing at least $25 million in eligible capital costs. For more information on this program, visit www.eflorida.com.

High Impact Performance Incentive Grant

The goal of this program, which offers a cash grant, is to attract major high impact facilities to Florida. The State considers there areas to be clean energy, corporate headquarters, financial services, and other science related fields. To be eligible, a company must create 50 new FTE jobs (25 if in research and development) and invest $50 million ($25 million if in research and development) within a three year period. More information on this program can be found at www.eflorida.com.

Economic Development Transportation Fund

This program is an award targeted to local governments to make transportation improvements to alleviate problems that adversely impact a company's location or expansion decision. Therefore, the local government is award up to $3 million to make transportation improvements on behalf of a private enterprise in order to retain or create new jobs. Information on this program can be found at www.eflorida.com.

Other opportunities applicable to the City of Hallandale Beach available through the State of Florida include:

- *Urban Incentives*: Florida offers increased incentive awards and lower wage qualification thresholds for businesses locating in many urban core/inner city areas that are experiencing conditions affecting the economic viability of the community and hampering the self-sufficiency of the residents.

- *Brownfield Incentives*: Florida offers incentives to businesses that locate in brownfield sites, which in the case of Hallandale Beach would be the Harbor Cove Brownfield Area. The Brownfield Redevelopment Bonus Refund is available to encourage Brownfield redevelopment and job creation. Approved applicants receive tax refunds of up to $2,500 for each job created.

- ***Jobs for the Unemployed Tax Credit Program (JUTC)***: The Jobs for the Unemployed Tax Credit Program provides incentives to businesses throughout Florida to hire qualified employees who were previously unemployed. The program is available to all businesses that are identified as a "target industry". The business may receive a tax credit of $1,000 for every employee hired as of July 1, 2010. The business may claim only new hires that were previously unemployed for a minimum of 30 days, and that remain employed after a 12-month period at an average of 36 hours per week. This program will run until June 30, 2012 with a limit of $10 million available for tax credits.

- ***Local Government Distressed Area Matching Grant Program (LDMG)*****:** The Local Government Distressed Area Matching Grant Program stimulates investment in Florida's economy by assisting Local Governments in attracting and retaining targeted businesses. Applications are accepted from local governments/municipalities that plan on offering financial assistance to a specific business in the area. These targeted businesses are required to create at least 15 full-time jobs and the project must either be new to Florida; expanding operations in Florida; or leaving Florida unless it receives local and state government assistance. The amount awarded by the State of Florida will equal $50,000 or 50% of the local government's assistance amount, whichever is less, and be provided following the commitment and payment of that assistance.

- ***Manufacturing and Spaceport Investment Incentive Program (MSII)*****:** The Manufacturing and Spaceport Investment Incentive Program encourages capital investment and job creation in manufacturing and spaceport activities in Florida. Applications are accepted by eligible businesses from July 1, 2010 to June 30, 2012. A tax refund up to $50,000 will be given on the State Sales and Use Tax paid for eligible equipment purchases. Purchase cost must exceed a business' total expenditures on eligible equipment purchased and placed into service in this state during the 2008 tax year.

Greater Fort Lauderdale Alliance/Broward County Programs

On the local level (Broward County), agencies such as Workforce One (the regional affiliate of Workforce Florida) focus primarily on workforce training programs. As noted above, the City of Hallandale Beach workforce is expected to change over the next 8 years, shifting from sectors such as retail and hospitality to higher skill positions, such as professional services and education/health services; therefore, as a part of the economic development strategy, it is important to emphasize job training programs to ensure that Hallandale Beach remains competitive among other municipalities in Broward County. There are three primary programs offered by County agencies.

Workforce one offers the **Quick Response Training Program**. This is a grant program administered by Workforce Florida that provides customized training to new or expanding businesses. This grant is limited to businesses that produce exportable goods and services and the business must be creating a new job in order to receive the grant. The purpose is to train employees of high skill/high wage positions, and jobs located in areas of distress, such as enterprise zones or brownfields are given priority; moreover, the program is intended to quickly train employees within 24 months. In addition to training programs offered for new hires or expanding business, Workforce Florida also offers an **Incumbent Worker Training Program**. This program is intended for existing businesses (businesses with 25 employees or less are given priority) that have been operating in Florida for at least one year and can prove that they are financially viable. Another program is the **Employed Worker Training Program**. Rather than a grant, this program requires a fund match, the amount of which is determined by the size of the business (in terms of employees). For this program, training per employee should not exceed $2,500. Given the relatively low cost for this type of training program, it is recommended that the City of Hallandale Beach explore low costs options such as these to ensure a properly trained workforce. For more information on these programs, please go to www.wf1broward.com.

MetroBroward Programs

MetroBroward is the only Community Development Fund Institution (CDFI) in Broward County. MetroBroward makes loans to burgeoning small businesses that have difficulty obtaining credit by partnering with commercial banks until the business is able to meet requirements for a conventional business loan. MetroBroward provides technical assistance and acts as a small business incubator in addition to assisting in obtaining credit. Also, MetroBroward provides training and entrepreneurial advice to new companies. Below is a brief summary of the programs MetroBroward administers.

Small Business Revolving Loan Fund

Initially, the MetroBroward Small Business Revolving Loan Fund was a loan guarantee program that helped secure over $10 million in loans for small businesses in Broward County. In recent years, the program has shifted to a direct loan program, which has provided over $4 million in loans to date. Considering MetroBroward is a CDFI, the loans are essentially community development loans that have a series of prerequisites, such as the need to create jobs in low income neighborhoods and/or for residents of such neighborhoods. In addition, minorities must have a 51 percent ownership stake in the company. If the company meets the above two requirements, below are additional criteria that must be met:

- Business has operated for at least one year
- Business is a for profit enterprise
- Business will create at least one job with loan proceeds
- Business is not a retail or entertainment enterprise
- Business has growth capital needs between $25-$100,000
- Business needs working capital and/or equipment for growth
- Business is located in Broward County, Florida
- Business owner(s) will provide collateral for loan

Business Incubators

The program is administered by the MetroBroward Small Business Enterprise Center (SBEC), which provides training and advice in addition to financial assistance. The SBEC enters into an equity/royalty agreement with the startup company ranging from 1 to 3 percent, and provides the following services:

- Affordable Private Offices with Great Lease Terms
- High Speed Internet Infrastructure Included
- 10 Free Hours of Computer Support per Year
- Shared Office Equipment and Conference Room
- Administrative Services (8:00 a.m. to 5:00 p.m.)
- Access to Financial Markets and Financial Forums
- Access to Business and Academic Professionals for Mentoring
- Access to the SBEC Power Network of Professionals in Business Services such as Accounting, Legal, Marketing, Technology, etc.

The SBEC provides office space for $395 per month, with no lease requirement and offers full office amenities such as a conference rooms and internet, among others. The startup must be in business for 6 months and is required to graduate the incubation program within 3 years. Once admitted into the SBEC, a company is eligible for additional assistance programs, just as technology commercialization assistance. Although this program is run through this organization and its allotted rentable office space, the City of Hallandale Beach can investigate similar programs through city departments

More information about MetroBroward, the programs they offer, and how to apply can be found at www.metrobroward.org.

South Florida Regional Planning Council

The South Florida Regional Planning Council (SFRPC) offers a revolving loan program to young businesses located in Broward, Miami-Dade or Monroe County. The program offers general business loans to assist companies obtain credit from conventional lenders by filling the financial gap. The Revolving Loan Program offers financial assistance between $30,000 and $500,000 at an interest rate of at least 4 percent lower than "prime" rates (based on the Wall Street Journal's published money rate). Below are the criteria for receiving the assistance from the Revolving Loan Program administered by the SFRPC:

- Business must be located in Miami-Dade, Broward or Monroe counties
- Existing business looking to expand or relocate, create jobs and/or retain jobs
- Provide opportunities for business where credit is not otherwise granted:
    - Applicant must attempt to secure conventional financing first before applying
    - Must show proof of denial from conventional financier
    - Funds can only be used for gap financing when a bank is the first lien holder
- Owner must have a 10 to 20 percent equity stake in the project
- Funding cannot be used for the acquisition of a business, business assets or stock
- Funding cannot be used by churches, nonprofit, civic nor fraternal organizations

- Unsecured lending is not permitted
- Funding cannot be used as a line of credit
- Meet application requirements

More information on the SFRPC Revolving Loan Program and how to apply can be found at www.sfrpc.com.

Section 4C: Chamber of Commerce

Although the Chamber is not a funding mechanism for the City to leverage in its economic development efforts, the Chamber of Commerce can play a key role in forwarding the City's economic development agenda. The City's interaction with the Chamber is an integral part in the development process, as the Chamber acts as the City's "eyes and ears" on the ground. In terms of perspective business, the Chamber of Commerce is generally one of the first places a new business will contact to gather more information about the area; therefore, it is important that the City and Chamber have a good working relation and have an open line of communication. The CRA has plans to implement a business and industry survey and quarterly business seminars in conjuncture with the Chamber and it is recommended that the City and CRA build upon this program in the future to help focus economic development efforts where they are needed. Not only will this help the Chamber and City, it will also promote a business friendly environment that can separate the City of Hallandale Beach and its Chamber of Commerce apart from other municipalities in South Florida. The Chamber can also play a key role in helping new businesses through the process of working with the City considering they have experience and expertise in that area.