

# Community Redevelopment Agency (CRA) Fund 117



## **Community Redevelopment Agency (CRA) Fund – 117**

In 1986, business and civic leaders in Mount Dora decided that there was a need to improve business conditions downtown and in other commercial areas of the city. After exploring various alternatives, this group of residents decided that the creation of a Community Redevelopment Agency (CRA) would provide the means to improve these business districts. They felt that through the CRA, revenue would become available to make public improvements and that these public improvements would serve as a catalyst to encourage property and business owners to make improvements to their properties. The CRA is geographically located in the downtown area, Highland Street, 5th Avenue, and Donnelly Street.

On May 1, 2012, City Council adopted Ordinance 2012-05 replacing the “Mount Dora CRA Redevelopment Plan of 2010” with the “Mount Dora CRA Redevelopment Plan of 2019.” Based on findings of capital improvements needs, the CRA recognized the necessity to extend the duration of the CRA for an additional period of 30 years to 2047 in order to complete the required projects.

Like most CRAs, the Mount Dora CRA is funded through Tax Increment Financing (TIF). Tax increment funds are derived from ad valorem property taxes. The CRA is not a taxing authority nor does it set millage rates or assess property. Tax increment funds come through existing taxing entities including the City of Mount Dora and Lake County, but not including the school district or the water management district.

In accordance with the Florida Statute 163.360 and the adopted Mount Dora Redevelopment Plan of 2012 (Ordinance 2012-05), the CRA Advisory Committee began the process by developing strategies and solutions to improve parking conditions in the downtown area.

The agency is made up of a board, an Advisory Committee, and city staff. The board, which consists of the seven members of City Council, is the decision-making body. The Advisory Committee is a seven-member volunteer committee made up of city residents and business owners appointed by the City Council. The staff of the Planning and Development Department works with the CRA Board and Advisory Committee to carry out the agency’s responsibilities and activities.

### **Tax Increment Financing (TIF)**

Tax Increment Financing (TIF) is defined as the ability to capture and use most of the increased local property tax revenues from new development within a defined geographic area for a defined period of time without approval of the other taxing jurisdictions. It is a tool that cities, counties, economic development authorities (EDAs), port authorities, and housing and redevelopment agencies (HRAs) can use to spur private development.

There are four main reasons for using TIF:

- Redevelopment of substandard or obsolete buildings, such as revitalizing a downtown area or former industrial site.
- Provide affordable housing, including rental or owner occupied housing for low to moderate income persons.

- Create jobs and new tax base, such as develop an industrial park or other manufacturing facilities.
- Clean-up environmental issues, such as remediating contamination in brownfield areas.

The first assessed valuations for the District were established on May 26, 1987. This became the base year tax value, with an amount of \$27,520,350. Each year the values increase or decrease based on the market. The difference between the new value and the base value is the assessed value, which is applied to the District. As of Last Year, the gross taxable value in the District was \$133,497,059, which was a 7.8% increase over 2018. The taxable value attributed to the District is as follows:

Current Year:

Gross CRA District Taxable Value	\$144,284,255
Less CRA District Base Taxable Value	<u>(27,520,350)</u>
Current CRA Districts Incremental Taxable Value	<u><b>\$ 116,763,905</b></u>

The taxing districts which must submit the incremental taxes to the Downtown/Highland Community Redevelopment Agency are as follows:

- |  |              |
|--|--------------|
| • City of Mount Dora –                           | 5.9770 mills |
| • Lake County – Millage rate of                  | 5.0734 mills |
| • Lake County Water Authority – Millage rate of  | 0.3557 mills |
| • Northeast Ambulance District – Millage rate of | 0.4629 mills |

In May 2013, the City issued CRA Redevelopment Revenue Note, Series 2013, (Series 2013 Note) in the amount of \$2,500,000, with a fixed interest rate of 2.17%. The proceeds were used to fund the Downtown Streetscape Project and to pay issuance costs.

The Series 2013 Note is payable from a secured lien and pledge of the Community Redevelopment Agency revenues with a secondary pledge of public services tax pursuant to Section 166.2331, Florida Statutes. Annual principal and interest on the bonds are expected to require approximately 22.71% of such tax revenue and are payable through 2028.

Budget Highlights

The items identified in this proposed budget are consistent with and pursuant to the short and long term recommended solutions proposed in the Implementation Plan for this study, which are consistent with the CRA Redevelopment Plan and in accordance with F.S. 163.387 (6).

Personnel Summary

*CRA Administrator* (0.50) – The CRA Administrator is responsible for the day-to-day operation and activities of the two Community Redevelopment Agencies as it pertains to physical planning and research, coordinating redevelopment board activities with property owners, businesses, and public and private agencies, and implementation of programs and projects.

*Park Specialist (2.55)* – Park Specialists are assigned to keep the grounds in shape with mowing and debris removal. There are immediate needs for landscaping, brick work, re-painting of street light poles, litter patrol, pressure washing, etc. These positions ensure the CRA boundary areas (Donnelly Street, 5<sup>th</sup> Avenue, Highland Street, and Downtown) are maintained consistent with the objectives of the redevelopment plan.

*Parks Foreman (0.85)* – The foreman supervises the activities of the crews and orders necessary materials and schedules out the work for the various projects in the area.

*Administrative Coordinator (CRA) (0.50)* – The supervisor spends approximately 50% the time performing administrative details. Performs administrative level work, including highly responsible administrative support to the CRA. Responsible for secretarial and recordkeeping duties requiring considerable judgment in the daily activities of the CRA. Assists in special projects and coordination.

*Community Officer (0.50)* – The community officer will spend 50% of his or her time serving as an ombudsman to the CRA and will be tasked with community policing, parking regulation enforcement, code compliance, and assisting business/property owners with their needs.

**FULL-TIME EQUIVALENTS (FTE'S)**

<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
3.55	3.55	4.20	4.78	4.90

Capital Improvement and Capital Outlays – Capital assets are tangible items (e.g. land, buildings, building improvements, vehicles, machinery, equipment and infrastructure) or intangible items (e.g. easements, water rights) with original cost or value of \$5,000 or more, with an estimated useful life of at least one (1) year following the date of acquisition. Capitalization thresholds are to be applied to individual items rather than groups of similar items (e.g. desks and tables), unless the effect of doing so would be to eliminate a significant portion of total capital assets.

Capital Outlay is defined as a one-time expenditure of equipment and/or machinery or program which exceeds \$5,000.

Capital Improvement Projects are projects and/or programs that exceed \$25,000 or extend over multiple years.

Each year all departments submit their requests for capital outlays. Once these requests are approved by the City Council, they become part of the budget. The capital projects requested for the following:

**Needs Update**

Project #	CO#	Fund	Project Name	Account Number	2018-19
<u>117 - CRA</u>					
51	CRA08		Downtown Parking Safety Improvements	117-5151-563-00.00	\$ 42,500
52	CRA09		Downtown Parking Enforcement Equipment	117-5151-564-00.00	-
			Ford Interceptor	117-5151-564-00-00	25,010
<b>Total Capital Projects CRA Fund</b>					<b>\$ 67,510</b>

Project #	Fund	Project Name	Account Number	2018-19
<b>117 - CRA</b>				
CRA005		Downtown Parking Shuttles	117-5151-564-00.00	\$ 75,000
CRA006	CRA	Downtown Parking One Way Streets	117-5151-563-00.00	-
CRA003		Downtown Streetscapes - Future Phases	117-5151-563-00.00	-
CRA010		Downtown Parking Wayfinding Signage	117-5151-564-00.00	16,000
CRA011		Special Event Shuttle Program	117-5151-564-00.00	40,000
CRA013		Information Kiosk	117-5151-563-00.00	26,000
CRA017		Valet Program	117-5151-563-00.00	-
CR1801		Completed Downtown Streetscape-Updates & Modificati	117-5151-563-00.00	24,000
CRA015		Downtown Street Bollards	117-5151-564-00.00	61,000
		New Dumpster Enclosure	117-5410-563-00.00	-
CW1801	City-Wide*	Replace Portable Radios-city wide	Multiple	505
CRA004	Planning and Development	Debt - Parking Lots-Post Office	117-5151-563-00.00	60,900
CR1810		Debt - Parking Lots - 3rd & Baker	117-5151-563-00.00	750,000
<b>Total Capital Projects CRA Fund</b>				<b>\$ 1,053,405</b>

