



Fort Myers  
Community Redevelopment Agency  
&  
Tax Increment Financing



***Community  
Redevelopment  
Agency (CRA)***



# Enabling Legislation

- Authorization for CRA's was passed in the Redevelopment Act of 1969 which became Chapter 163 Part III of the Florida Statutes
- CRA's may be created by a City or County to assist in the elimination of slum and/or blighting conditions
- State is not involved in the creation of CRA's

# Planning for Redevelopment

- **First:** The Findings Of Necessity - Slum or Blight
- **Second:** Prepare And Adopt The CRA Plan which also defines the Area

The Governing Body must adopt a Community Redevelopment Plan that outlines the **Area, Projects, and Programs** that will be undertaken by the CRA to eliminate the slum and/or blighting conditions over a defined period of time.

- **Third:** Create The TIF Area

# Finding of Necessity

- Governing Body – City or County – **must adopt** a Finding of Necessity.

*An in-depth study which outlines the conditions of slum and/or blight in a defined area within the jurisdiction and which declares the need for a Community Redevelopment Agency*

# Finding "Slum"

An area having physical or economic conditions conducive to disease, infant mortality, juvenile delinquency, poverty, or crime because there is a predominance of buildings or improvements, whether residential or nonresidential, which are impaired by reason of dilapidation, deterioration, age, or obsolescence, and exhibiting one or more of the following factors:



McCollum Hall

# Finding "Slum" (con't)

- Inadequate provision for ventilation, light, air, sanitation, or open space
- High density of population, compared to the population density of adjacent areas within the county or municipality; and overcrowding, as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code
- The existence of conditions that endanger life or property by fire or other causes.

# Finding Slum or “Blight”

- **Must Be Found:** Substantial number of deteriorated or deteriorating structures
- **Two or More of the Following Must Be Found:**
  - Real estate values showing no appreciable increase
  - Faulty lot layout in relation to accessibility, adequacy, usefulness
  - Unsafe or unsanitary conditions
  - Deterioration of site or other improvements
  - Inadequate or outdated building density patterns
  - Falling commercial lease rates compared to the rest of the City/County
  - Tax or special assessment delinquency exceeding the value of the land

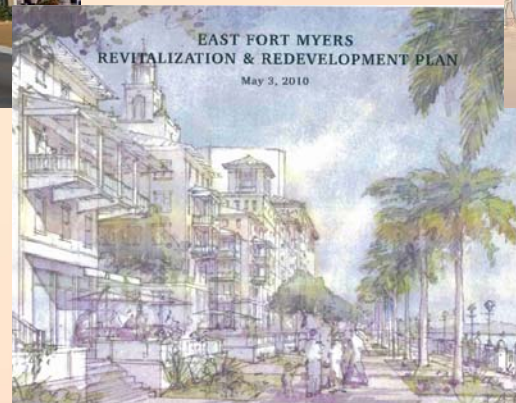
# Finding Slum or "Blight" (con't)

- Residential and commercial vacancy rate higher than the City/County
- Incidence of crime higher than the remainder of the City or County
- Higher rate of calls for Fire/EMS than the remainder of the City or County
- More violations of the Building Code than in the remainder of the City/County
- Diversity of ownership affecting the free alienability of land
- Governmentally-owned property with adverse environmental conditions



# The Redevelopment Plan

The Governing Body must then adopt a Community Redevelopment Plan that outlines projects and programs that will be undertaken by the CRA to eliminate the slum and/or blighting conditions over a defined period of time.



# \$\$\$\$\$\$TIF

- The dollar value of all real property in the Area is determined as of a fixed date, also known as the “frozen value.”
- Taxing authorities, which contribute to the tax increment, continue to receive property tax revenues based on the frozen value.
- These frozen value revenues are available for general government purposes.
- However, any tax revenues from increases in real property value, referred to as “increment,” are deposited into the Community Redevelopment Agency Trust Fund and dedicated to the redevelopment area.

# Sample TIF Calculation

Current Year Taxable Value	\$333,977,000
Base Year "Frozen" Value	<u>\$113,969,000</u>
Increment Value	\$220,008,000
<u>x 95% (per State Statute)</u>	<u>\$209,007,600</u>
<hr/>	
City mill rate 7.4	\$1,546,656
County mill rate 3.6	<u>\$752,427</u>
Total Increment Revenue	\$2,299,083

# A CRA Can ...

- Acquire and hold property
- Demolish buildings
- Dispose of property at Fair Value
- Develop property (including affordable housing)
- Install, construct, and repair
  - Streets
  - Parks
  - Utilities
  - Playgrounds
  - Other public improvements



# A CRA Can ...



- Carry out a voluntary or compulsory repair and rehab of buildings (Code Enforcement)
- Solicit proposals for re/development (Developer RFP's)
- Borrow money or accept funds/grants from any source
- Close, vacate, plan, replan streets, sidewalks, other places
- Enter into contracts and agree to appropriate conditions

# A CRA Can't....

- Suddenly start paying for something the City/County has always paid for
- Undertake a project in another public entities Capital Improvement Program unless specifically mentioned as a funding source
- Repair utilities usually paid by a user fee
- Reimburse City/County for expenses unless fully documented
- Pay for any project or program outside of the Redevelopment Area

# A CRA Can't...

- Construction or expansion of administrative buildings for public bodies or police or fire buildings (unless all taxing authorities agree)
- Installation, construction, repair or alteration of any publicly owned capital improvements if the projects are normally funded by the governing body or user fees or if the project would be funded within 3 years under any existing CIP or Funding Plan
- Pay Board Members/Commissioners for their service as a CRA Board member
- General government operating expenses unrelated to planning and carrying out the CRP

# But Even If Allowed by the Statute...

Any project or program a CRA wishes  
to undertake must be outlined in the  
Community Redevelopment Plan (CRP)

**If it is not in the plan  
you can't (don't) do it !!!!!**



# TIF

Money in the Trust Fund may be expended for projects and programs pursuant to an adopted CRP including:

- Administrative expenses
- Plans, financial analysis, surveys
- Acquisition, clearance, preparation of property in the CRA
- Site preparation and relocation of occupants
- Repayment of borrowed funds
- Development of affordable housing within the area
- Development of community policing innovations.

Section 163.387, Fla. Stat. provides for a limitation of the pledge of tax increment financing for a term of 30 years after the community redevelopment plan is adopted or amended up to a maximum of 60 years. Section 163.385, Florida Statutes. Community redevelopment agencies created after July 1, 2002, are limited to 40 years.

# Money in the Trust Fund at End of the Fiscal year

Funds left on the last day shall be:

- Returned to the taxing authorities, **UNLESS** committed to a project or,
- Used to reduce debt, or
- Deposited in an escrow account for reducing debt later or
- Appropriated to a specific project contained in the CRP that will be completed within three (3) years

# Summary

- CRAs are a specifically focused financing tool for redevelopment.
- CRA Boards do not establish policy for the city or county - they develop and administer a plan to implement that policy.
- The CRA acts officially as a body distinct and separate from the governing body, even when it is the same group of people.

# Summary (con't)

- The CRA has certain powers that the city or county by itself may not do, such as establish tax increment financing, and leverage local public funds with private dollars to make redevelopment happen.
- The CRA term is limited to 30 years, 60 years if extended or 40 years if established after July 1, 2002.
- After that time, all revenues (presumably much increased from the start of the CRA) are retained by each taxing entity that contributed to the CRA trust fund.

# Fort Myers Community Redevelopment Agency

CRA  
Mayor and Council

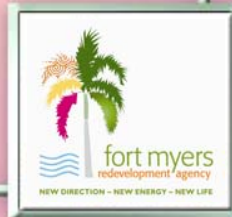
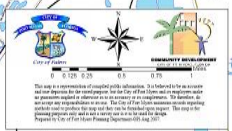
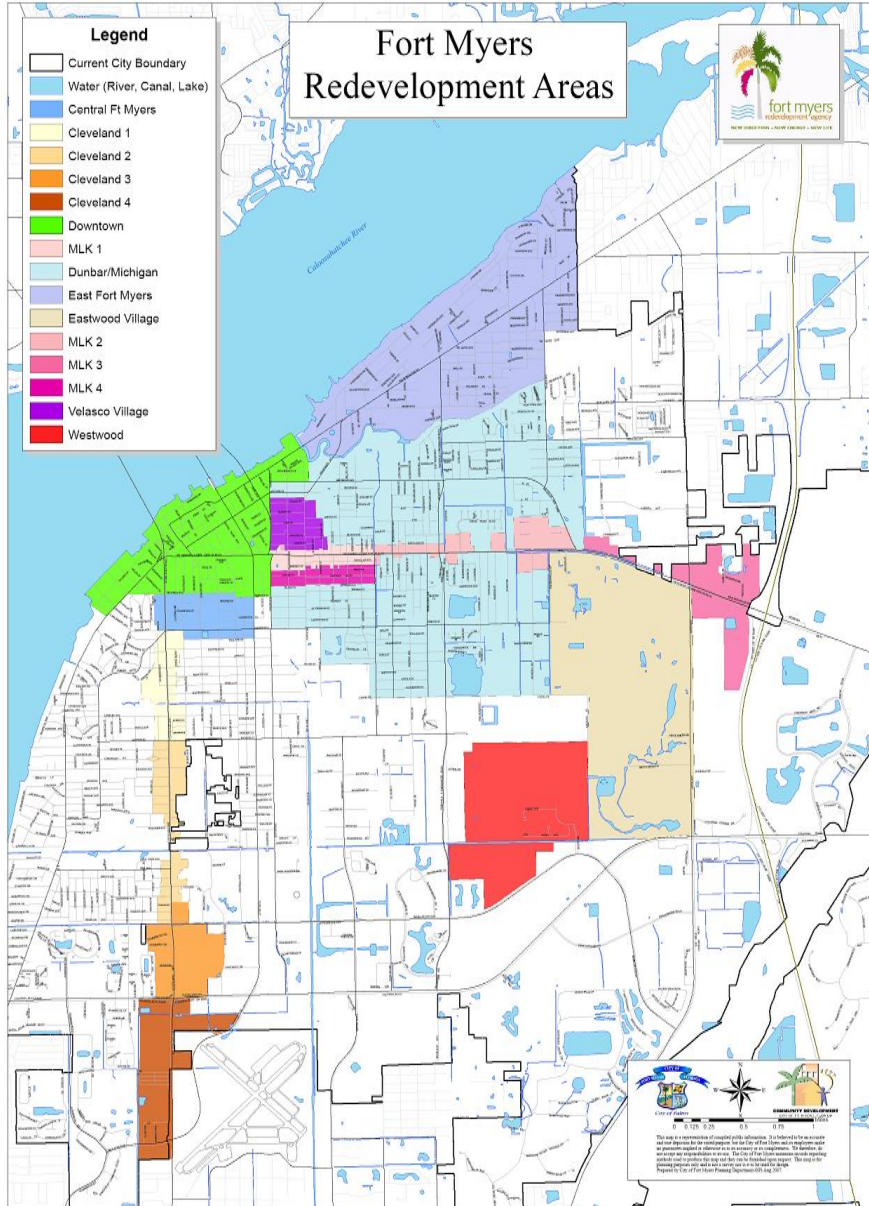
Fort Myers Redevelopment Agency  
Advisory Board

Fort Myers Redevelopment Agency

Southwest Florida Enterprise Center

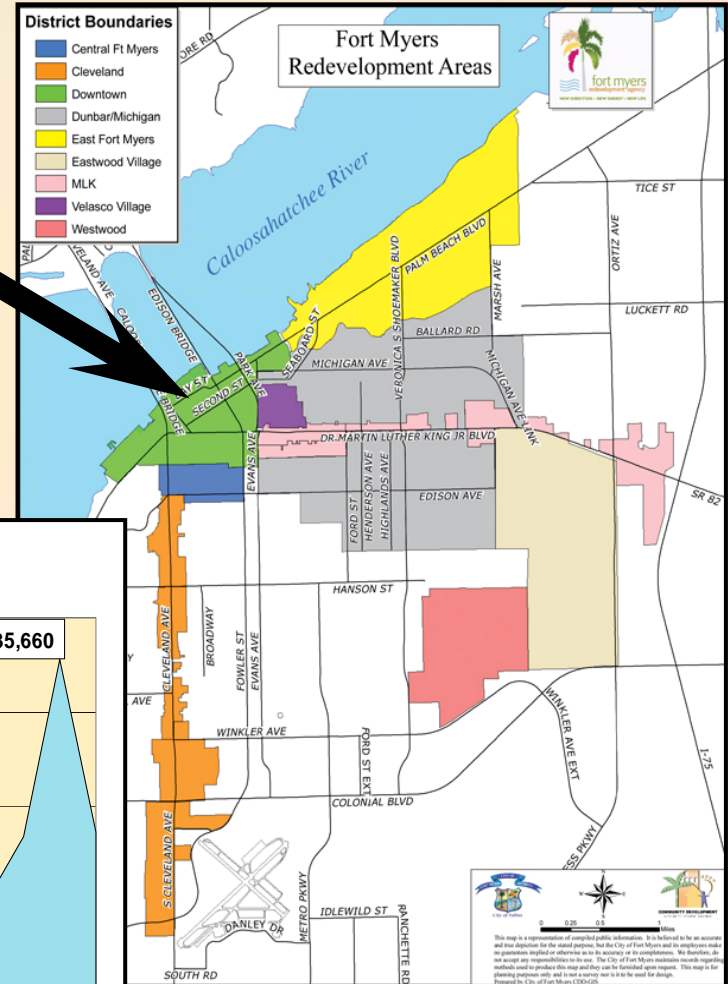


# Fort Myers Redevelopment Areas

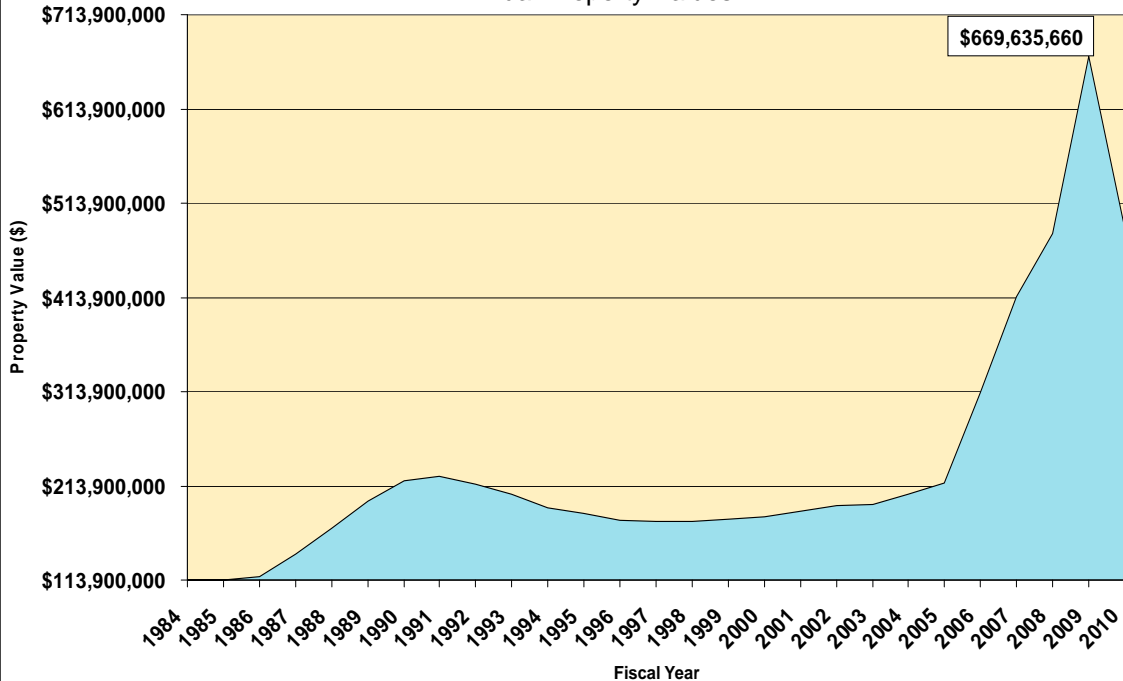


# Downtown

- **Established: 9/17/1984**
- **Amended: 11/16/1987**
- **Amended: 4/7/2003**
- **Ordinance No. 2249, 2426, Res. 2003-20**
- **Sunset Date: 11/18/2032**
- **Base Year Value: \$113,969,750**

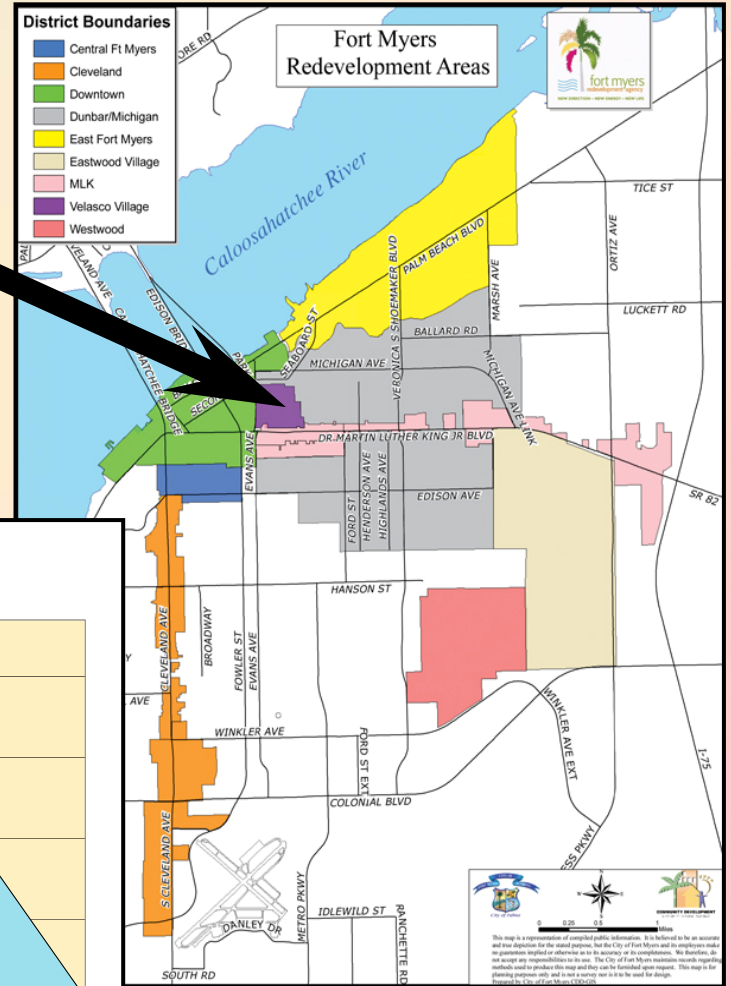


**Downtown District**  
Annual Property Values

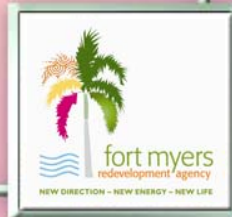
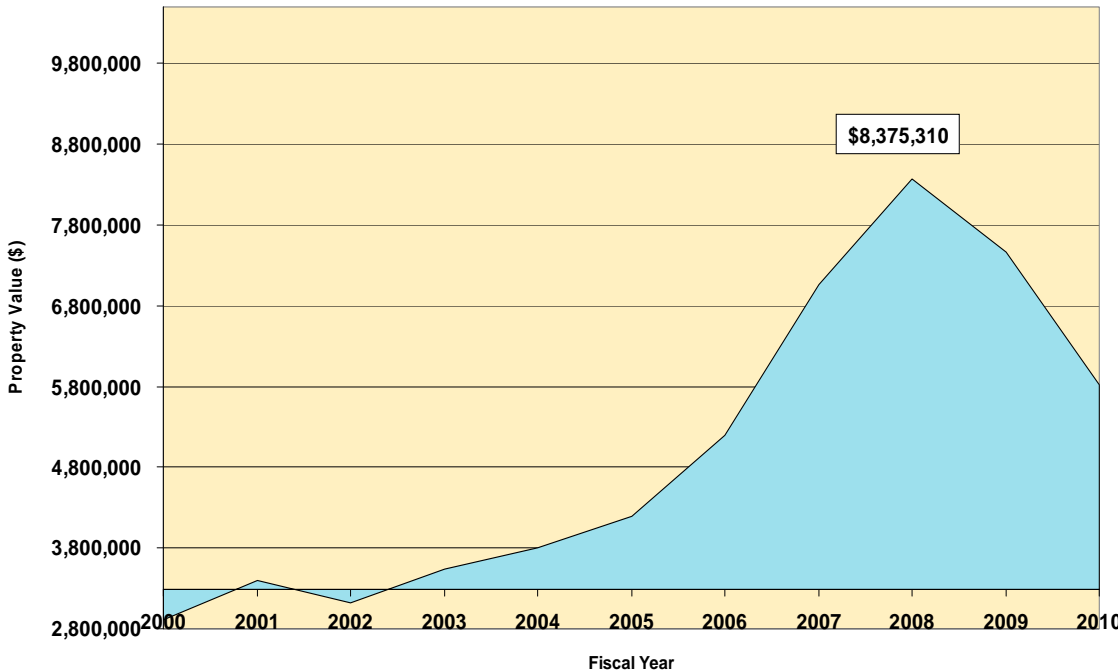


# Velasco Village

- **Established: 8/22/1987**
- **Ordinance No. 2426, Res. 87-7**
- **Sunset Date: 8/22/2017**
- **Base Year Value: \$3,291,160**



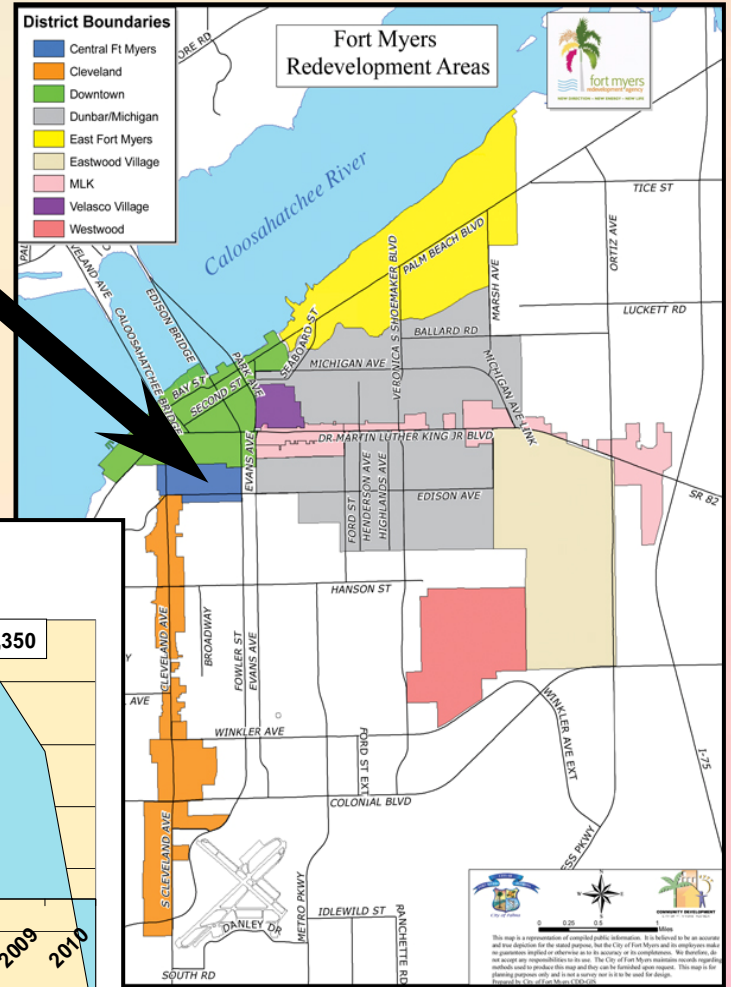
**Velasco Village District**  
Annual Property Values



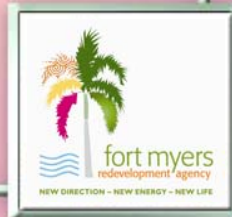
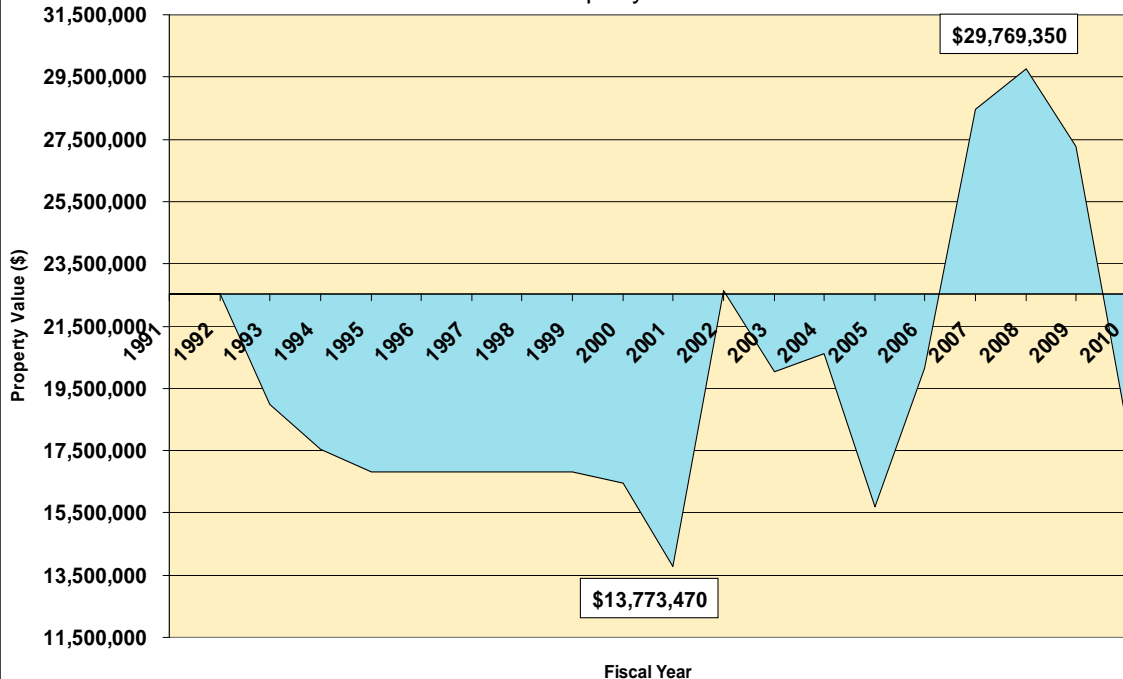


# Central Fort Myers

- **Established: 8/6/1990**
- **Amended: 1997**
- **Amended: 1999**
- **Ordinance No. 2564**
- **Sunset Date: 8/6/2020**
- **Base Year Value: \$22,542,840**



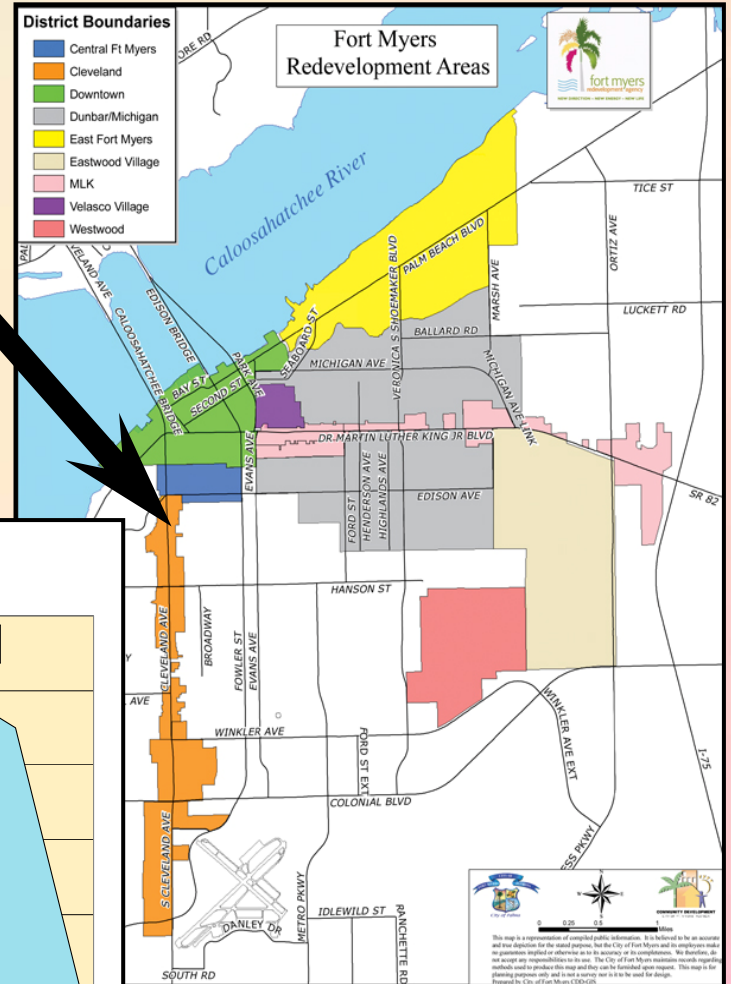
**Central Fort Myers District**  
Annual Property Values



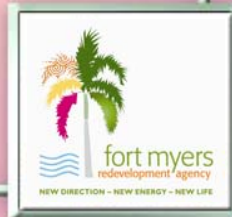
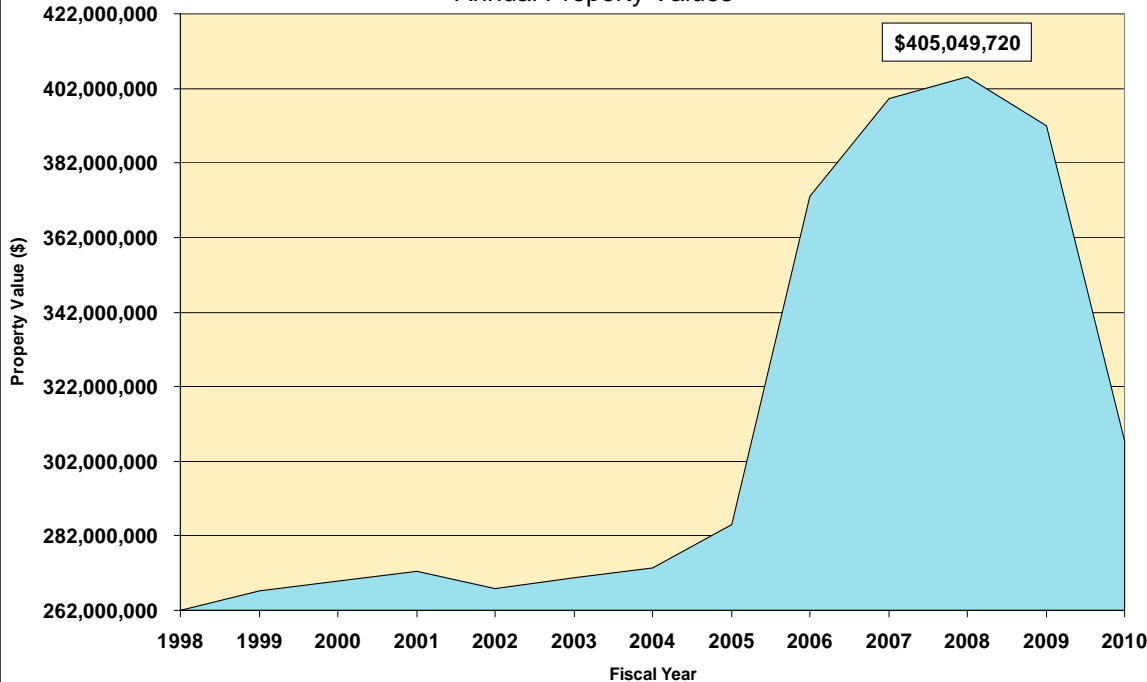


# Cleveland I - IV

- **Established: 4/20/1998**
- **Ordinance No. 2842, 2843, 2844, 2845**
- **Sunset Date: 2028**
- **Base Year Value: \$262,018,560**

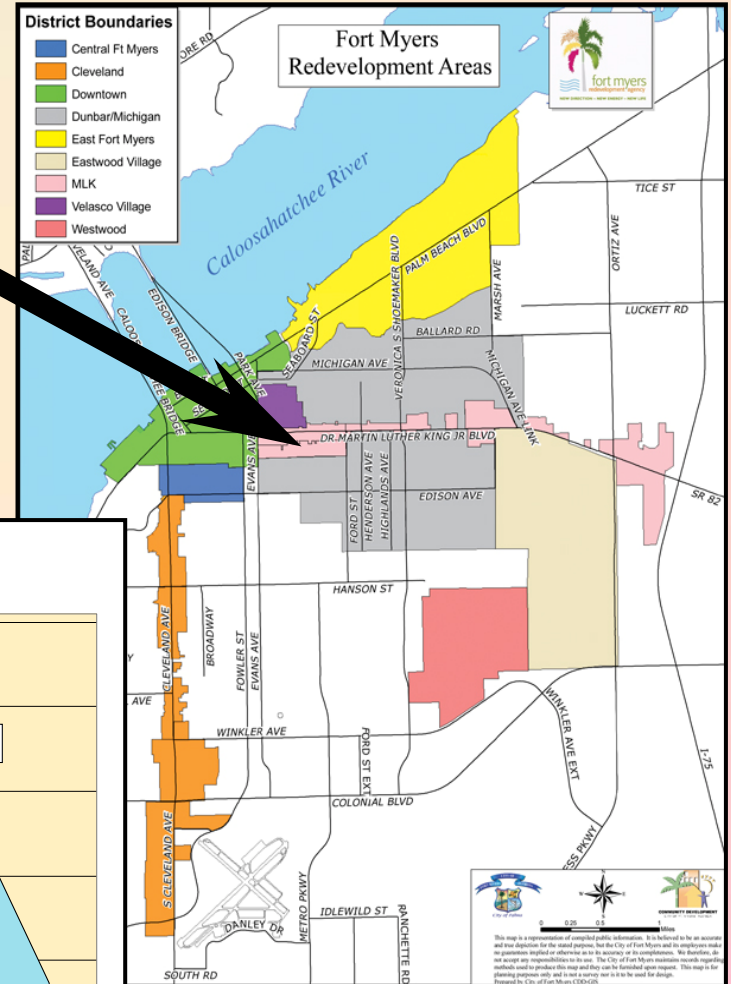


**Cleveland I - IV Districts**  
Annual Property Values

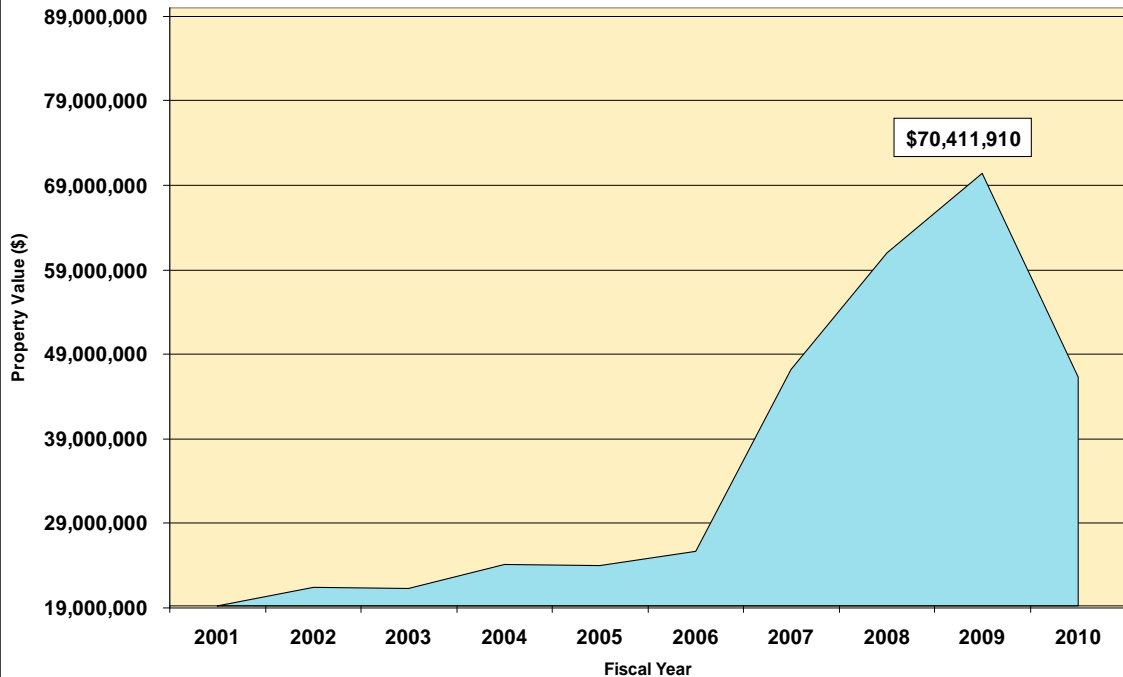


# Dr. Martin Luther King, Jr. I - IV

- **Established: 4/3/2000**
- **Ordinance No. 2946, 2947, 2948, 2949**
- **Sunset Date: 4/3/2030**
- **Base Year Value: \$19,207,850**

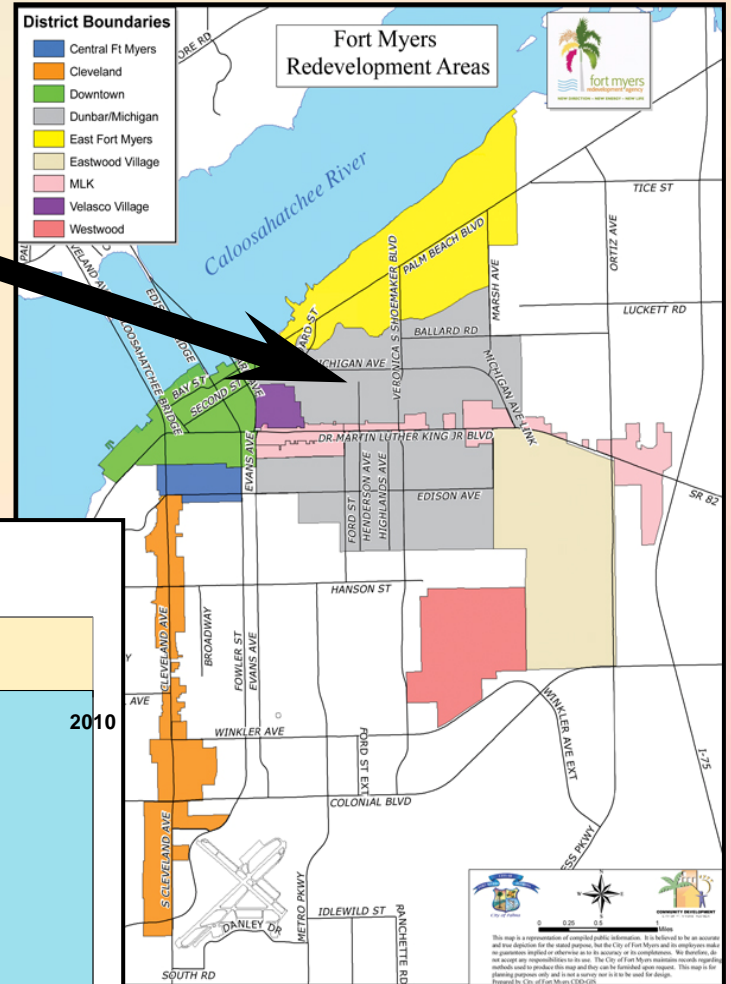


Dr. Martin Luther King, Jr. Districts  
Annual Property Values

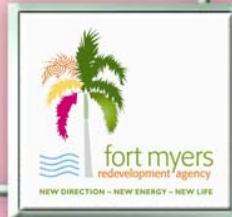
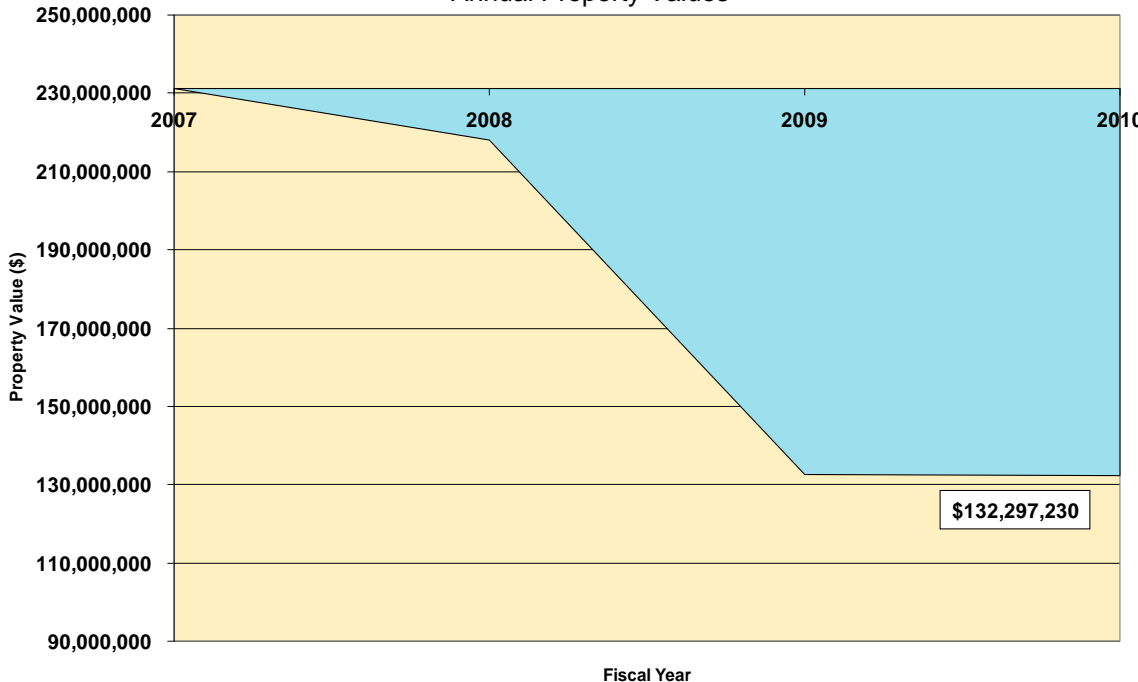


# Dunbar/Michigan

- **Established: 5/21/2007**
- **Ordinance No. 3400**
- **Sunset Date: 5/21/2047**
- **Base Year Value: \$231,195,750**

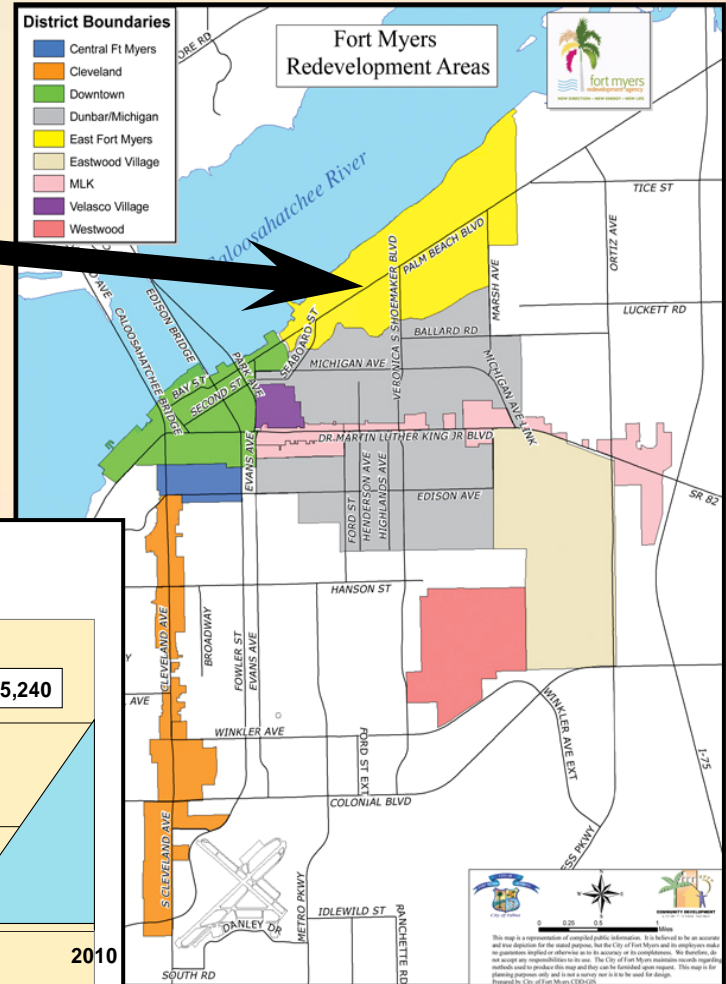


**Dunbar/Michigan District**  
Annual Property Values

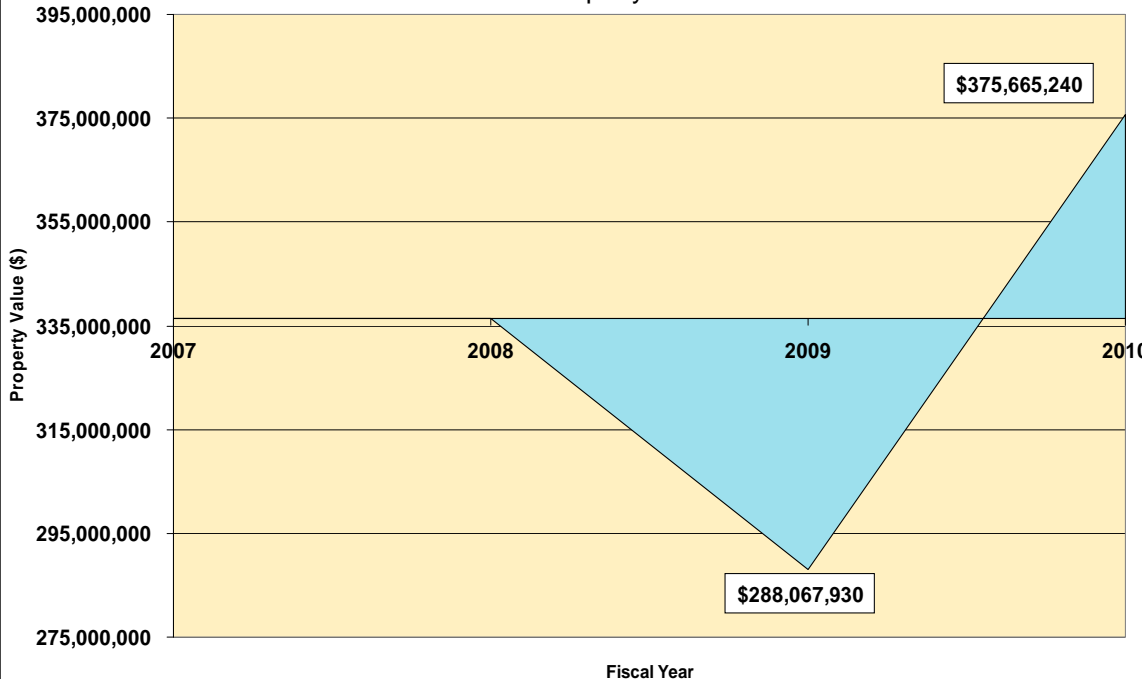


# East Fort Myers

- **Established: 5/21/2007**
- **Ordinance No. 3401**
- **Sunset Date: 5/21/2047**
- **Base Year Value: \$336,451,130**

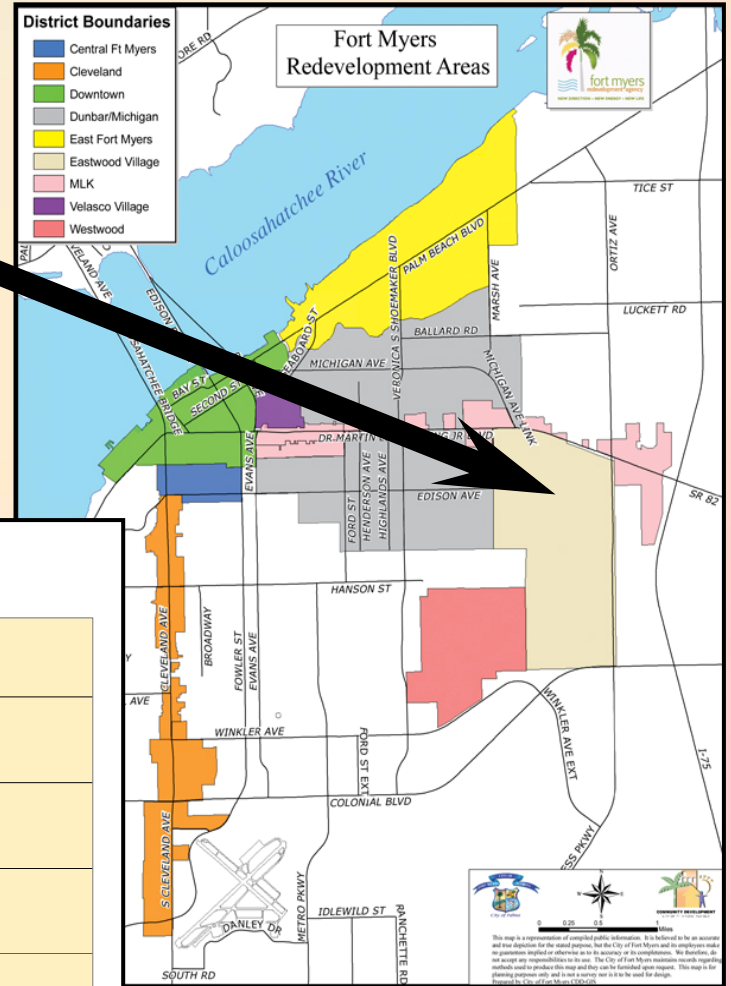


**East Fort Myers District**  
Annual Property Values

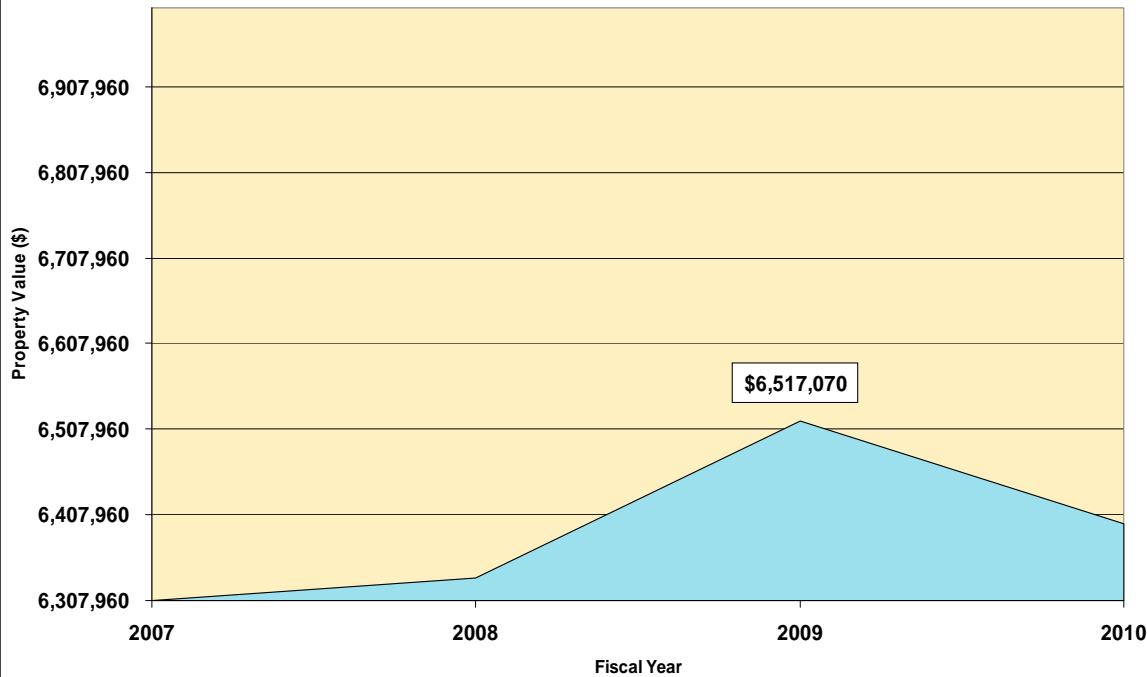


# Eastwood

- **Established: 5/21/2007**
- **Ordinance No. 3399**
- **Sunset Date: 5/21/2047**
- **Base Year Value: \$6,307,960**



**Eastwood District**  
Annual Property Values



Questions?