



City of Naples Community Redevelopment Agency

FY 2012 Annual Report (October 1, 2011 – September 30, 2012)

TO: Honorable Mayor and Members of City Council
FROM: A. William Moss, City Manager *7*
CC: Leo Ochs, Collier County Manager
DATE: March 15, 2013
SUBJECT: Naples Community Redevelopment Agency
FY2012 Annual Report

Florida Community Redevelopment Agencies are required by law to file an annual report of activities and a financial statement for the preceding fiscal year. A copy of this report is provided to Collier County through County Manager Leo Ochs and a copy is on file with the City Clerk of the City of Naples.

Mission and Governance

The mission of the CRA is to implement the Community Redevelopment Plan as adopted by the Naples City Council pursuant to Chapter 163, Part III of the Florida Statutes, and to use tax increment financing (TIF) as the source of funding for capital improvement projects identified in the plan and to ensure that development within the CRA district meets the quality standards consistent with the community's vision for Naples.

The CRA is governed by a Board consisting of seven commissioners who are the same individuals as those serving as the City Council. The terms of office of the commissioners are concurrent with the terms of the Mayor and the members of the City Council.

The Chair and Vice-Chair are designated by majority vote of the City Council. The current commissioners are: CRA Chair Sam J. Saad III, Vice-Chair Margaret "Dee" Sulick, Bill Barnett, Doug Finlay, Teresa Heitmann, Gary B. Price II, and Mayor John F. Sorey III.

An advisory board, Naples Community Redevelopment Agency Advisory Board (CRAAB), is provided to assist the Naples City Council in its role as the Community Redevelopment Agency by providing public input and technical advice, making recommendations including, but not limited to, land use, economic and cultural vitality and diversity, acquisition/condemnation/demolition of properties, funding alternatives, and manpower needs for the Community Redevelopment Agency.

The members of the CRAAB during FY 2012 were: Chair Willie Anthony, Vice-Chair John Nocera, David Alger, Jeffrey Clapper, Robert DeCastro, and Alan Ryker. One position was vacant.

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CRA Purpose

Florida State Statute Chapter 163 allows a community redevelopment agency to be created for one or more of the following purposes: the elimination and prevention of blight; or the reduction or prevention of crime; or for the provision of affordable housing; or the rehabilitation and revitalization of coastal resort and tourist areas that are deteriorating and economically distressed.

Background

The CRA was created in 1994 by Resolutions 94-7098 and 94-7099. The boundaries of the CRA district were determined at the time and are shown on the map (please see last page of this document) of the CRA.

OPERATIONS SUMMARY FISCAL YEAR 2011-2012

Budgeted Revenues

Budgeted revenues are \$1,952,090, a \$365,643 decrease (16%) under the FY 2010-2011 adopted budget. The primary revenue earned by the CRA is ad valorem taxes from Tax Increment Financing. Tax Increment Financing, or TIF, is the amount of taxes generated from increased property values within the District. The CRA receives TIF money from the City and the County, based on the increase over the 1993 property tax value (\$183,809,274).

The taxable value of all property in the District is \$608,535,705, for a tax incremental value of \$424,726,431. This budget was developed using a tax rate of 1.18 from the City and 3.5645 from the County, to bring in \$476,120 and \$1,438,240 respectively.

Budgeted Expenditures

The work program for the CRA is represented by the budget and the total budgeted expenditures for the FY 2011-2012 budget were \$2,151,712, which was a \$1,301,600 decrease from the FY 2010-2011 budget. Preliminary figures for year-end show that the fund ended the year on September 30, 2012 within budget.

Operating Costs

One of the mandates for the CRA is to increase security in the District. To accomplish this, the CRA provided funding for three Community Police Officers who patrol on bicycles, on foot, as well as in patrol cars. They are responsible for enforcing State laws, City ordinances, responding to calls for service and preventive patrols in the CRA District. CRA Law Enforcement Operating Budget for FY 2012 was \$318,925, a decrease of \$7,187 from the prior year.

The CRA also provided \$158,415 for three Community Services Landscape Technicians. This is a reduction of one Landscape Technician and \$68,487 from the prior year. These positions ensure the CRA district always looks its best. Repairs and maintenance in the District are budgeted at \$179,900, a decrease of \$19,200.

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2011-12 Department Accomplishments

- Design and permitting of the Four Corners Pedestrian Crosswalk
- Opening of the new River Park Pool constructed with partial funding from the CRA
- Continued Community Policing throughout the CRA
- Maintained the landscape in the right-of-way with fewer personnel
- Engaged in a strategic planning process to prepare for the scheduled sunset of the CRA
- Updated the City's CRA website and completed required administrative activities despite the elimination of the CRA Coordinator position.

BUDGET PREPARATION FISCAL YEAR 2012-2013

During the 2011-2012 fiscal year, the FY 2012-2013 budget was prepared. Highlights include:

Budgeted Revenues

Revenues and property values are projected to continue to decline, although less dramatically than the two previous years.

Budgeted revenues are \$1,900,105; a \$51,985 decrease (3%) under the adopted FY 2011-2012 budget. The primary revenue earned by the CRA will continue to be from ad valorem taxes from Tax Increment Financing.

The taxable value of all property in the District is \$600,047,968, for a tax incremental value of \$416,238,694, 1.5% less than the previous year. This budget was developed using a tax rate of 1.18 from the City and 3.5645 from the County, to bring in \$466,605 and \$1,409,500 respectively.

Budgeted Expenditures

The work program for the CRA is represented in the budget. Total budgeted expenditures for FY 2012-2013 are \$2,217,761, a \$66,049 decrease under the FY 2011-2012 budget.

Capital Projects

- | | |
|--|-----------|
| 1. Waterproof and Seal the Parking Garages | \$ 50,000 |
| 2. Four Corners Intersection Pedestrian Crosswalk | \$200,000 |
| 3. Traffic Signal Mast Arm at 5 th Avenue South and 3 rd Street
(to be handled by the Streets Department) | \$ 50,000 |

Operating Costs

One of the mandates for the CRA is to increase the security in its district. To accomplish this, the CRA will continue to provide funding for three Community Police Officers who patrol on bicycles, on foot, as well as in patrol cars. They are responsible for enforcing State laws, City ordinances, responding to calls for service and preventive patrols in the CRA District. The CRA Law Enforcement Budget for FY2013 is \$325,458, an increase of \$6,533 from FY 2011-2012.

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The CRA will provide \$151,786, a decrease of \$6,629, for three Community Services Landscape Technicians. These positions make sure the CRA district looks its best. Repairs and maintenance in the District are budgeted at \$169,500, a decrease of \$10,400 from the previous fiscal year.

There are no planned changes to staffing in the CRA during FY2013. Two full time positions were eliminated from the FY2012 CRA budget, one position of Landscape Technician and one position of CRA Coordinator.

2012-13 Goals and Objectives

As part of Citywide Vision Goal 3, maintain an extraordinary quality of life by maintaining and improving amenities for residents:

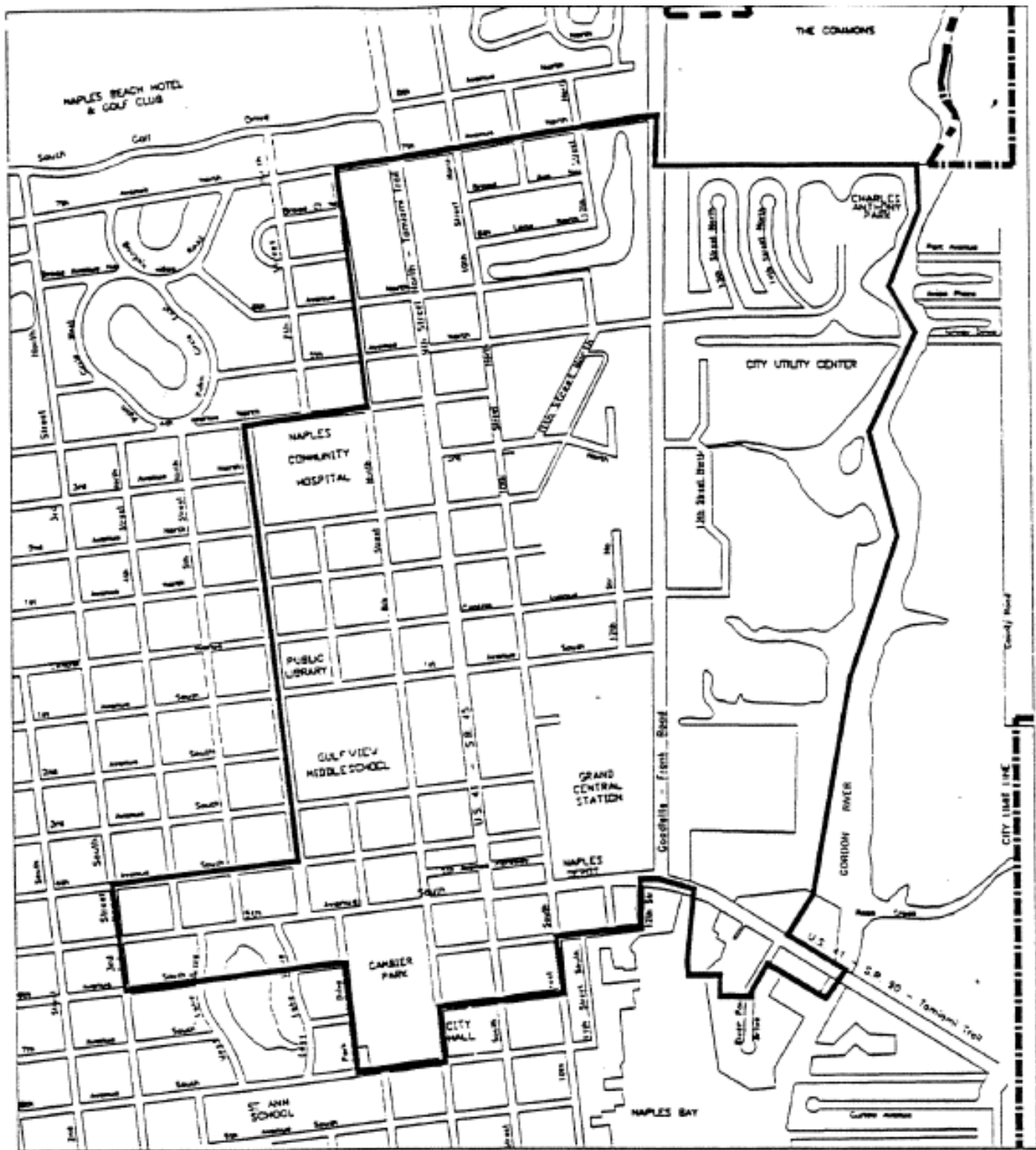
- Work with the Fifth Avenue South Business Improvement District to ensure that budgets and reports are timely and productive and the District remains successful.

As part of Citywide Vision Goal 3, maintain an extraordinary quality of life for residents by enhancing mobility, promoting active lifestyles, and improving amenities for residents:

- Ensure the area is maintained to a high standard of aesthetics, code compliance and public safety, reflecting the character of the Naples community.
- Update the City's website as related to the CRA to promote activity and recognition.
- Create a crosswalk at the Four Corners Intersection to promote pedestrian connectivity.

As part of Citywide Vision Goal 4, strengthen the economic health and vitality of the City:

- Contract an independent planning consultant to work cooperatively with staff and the CRA to engage the community in a strategic planning process to identify future capital projects and project future tax increment funding, to continue to redevelop the area in a manner that is consistent with the Vision Plan and character of the community.



REDEVELOPMENT AREA



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CITY OF NAPLES, FLORIDA
Community Redevelopment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended September 30, 2012

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:				
Taxes:				
Ad valorem	\$ 476,120	476,120	476,120	-
Intergovernmental	1,438,240	1,438,240	1,438,240	-
Charges for services	-	-	-	-
Interest	36,500	36,500	13,254	(23,246)
Miscellaneous	1,230	1,230	-	(1,230)
Total revenues	<u>1,952,090</u>	<u>1,952,090</u>	<u>1,927,614</u>	<u>(24,476)</u>
Expenditures:				
Current:				
Economic development	934,979	935,935	818,718	117,217
Capital Outlay:				
Economic development	200,000	284,839	37,850	246,989
Debt service:				
Interest	-	-	-	-
Total expenditures	<u>1,134,979</u>	<u>1,220,774</u>	<u>856,568</u>	<u>364,206</u>
Excess of expenditures over revenues	<u>817,111</u>	<u>731,316</u>	<u>1,071,046</u>	<u>339,730</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(1,016,733)	(1,566,733)	(1,528,569)	38,164
Bond proceeds	-	-	-	-
Total other financing sources (uses)	<u>(1,016,733)</u>	<u>(1,566,733)</u>	<u>(1,528,569)</u>	<u>38,164</u>
Net changes in fund balances	<u>(199,622)</u>	<u>(835,417)</u>	<u>(457,523)</u>	<u>377,894</u>
Fund balances—beginning of year	3,116,863	3,116,863	3,116,863	-
Fund balances—end of year	<u>\$ 2,917,241</u>	<u>2,281,446</u>	<u>2,659,340</u>	<u>377,894</u>

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