




City of Naples Community Redevelopment Agency

FY 2014 Annual Report (October 1, 2013 – September 30, 2014)

TO: Honorable Mayor and Members of City Council
FROM: A. William Moss, City Manager 
CC: Collier County Government
Collier County Public Schools
Collier Mosquito Control District
Big Cypress Basin – South Florida Water Management District
DATE: March 31, 2015
SUBJECT: Naples Community Redevelopment Agency
FY2014 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 Government, Collier County Public Schools, Collier Mosquito Control District, Big Cypress Basin – South Florida Water Management District 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 Teresa Heitmann, Bill Barnett, Doug Finlay, Linda Penniman, Margaret "Dee" Sulick, and Mayor John F. Sorey III.

An advisory board, Naples Community Redevelopment Agency Advisory Board (CRAAB), assists 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.

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The members of the CRAAB during FY 2014 were: Chair John Nocera, Vice-Chair Robert DeCastro, Jeffrey Clapper, Julie Domenick, Clifford Olson, Alan Ryker. One position was vacant.

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 of the CRA (please see page 5 of this document).

OPERATIONS SUMMARY FISCAL YEAR 2013-2014

Budgeted Revenues

Revenues were budgeted at \$2,139,825, which is \$239,720 (or 12.6%) more than the adopted FY 12-13 budget. The primary revenue earned by the CRA is Tax Increment. The Tax Increment is equivalent to the amount of taxes generated from increased property values within the District in excess of the base year. The CRA receives these revenues from the City and the County, based on the increase over the 1993 property tax value (\$183,809,274). The taxable value of property in the District was \$631,026,496, for a tax incremental value of \$447,217,222. The FY 13-14 increment is an increase of 7.4% from the FY 12-13 increment. The budget was developed using a tax rate of 1.1800 from the City and 3.5645 from the County, to bring in \$527,720 and \$1,594,105 respectively. In addition to the tax increment revenue, the fund was expected to receive approximately \$18,000 in interest income.

Budgeted Expenditures

The work program for the CRA is represented in the annual budget. Total expenditures for the FY 2013-14 budget were \$2,061,375, which was a \$156,386 decrease from the FY 2012-13 budget.

Operating Costs

One of the goals for the CRA is to provide increased security and community policing in the District. To accomplish this, the CRA provided funding for three Community Police Officers who patrol on bicycles and on foot, as well as in patrol cars. They are responsible for enforcing State laws, City ordinances, responding to calls for service, solving problems, and engaging in preventive patrols in the CRA District. CRA Law Enforcement Operating Budget for FY 2014 was \$322,967, an increase of \$2,491 from the prior year.

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The CRA also provided \$173,303 for three Community Services Landscape Technicians. This was an increase of \$173,303 from the previous year. The increase was primarily due to an appropriation of \$160,000 to fund a second phase of maintenance activities at the parking garage at 8th Street South and 4th Avenue South constructed by the CRA in the late 1990's. These activities make sure the CRA district looks its best.

2013-14 Department Accomplishments

- Completed a public process amending and modifying the Redevelopment Plan to (1) extend the sunset date of the CRA and provide a time certain for completing all redevelopment financed by increment revenue, (2) provide a workable program for using public resources to fund redevelopment initiatives, and (3) provide a broad vision of redevelopment initiatives.
- Appropriated funds to design and construct Central Avenue improvements, including drainage improvements, at a total estimated cost of \$2,745,000 (\$2,230,000 from the Community Redevelopment Agency Fund and \$515,000 from the Stormwater Enterprise Fund).
- Approved an agreement with Kimley-Horn & Associates, Inc. for \$397,251 to provide professional design, engineering, permitting, and public outreach services to develop construction level plans and specifications for the Central Avenue Improvement project.
- Completed the second phase of required maintenance at the parking garage at 8th Street South and 4th Avenue South. This included power washing, sealing, and painting of the concrete structure.
- Continued Community Policing throughout the CRA.

BUDGET PREPARATION FISCAL YEAR 2014-2015

During the 2013-2014 fiscal year, the FY 2014-2015 budget was prepared. Highlights include:

Budgeted Revenues

Budgeted revenues are \$2,190,870, a \$51,045 increase (2.4%) over the adopted FY13-14 budget.

The taxable value of property in the District is \$672,539,587, for a tax increment value of \$488,730,313, \$41,513,091 (9.3%) more than the previous year. This budget was developed using a tax rate of 1.1800 from the City and 3.5645 from the County, to bring in \$547,870 and \$1,634,000 respectively, totaling \$2,181,870. In addition to the tax increment revenue, the fund is budgeted to receive approximately \$9,000 in interest income.

Budgeted Expenditures

The work program for the CRA is represented in the budget. Total expenditures for the FY 2014-15 budget are \$2,024,062, which is a \$37,313 decrease from the FY 2013-14 budget.

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Operating Costs

One of the goals of the CRA is to provide increased security in the redevelopment area. To accomplish this, the CRA will continue to provide funding for three Community Police Officers who patrol on bicycles and 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 FY2015 is \$350,022, an increase of \$29,805 from FY 2013-2014.

The CRA will provide \$333,131, a decrease of \$161,458, to fund three Community Services Landscape Technicians, repair and maintenance activities, and operating expenses. These activities make sure the CRA district looks its best. The large decrease is related to a large maintenance project budgeted and completed in the prior fiscal year as described above.

There are no planned changes to staffing in the CRA during FY 2015.

2014-15 Goals and Objectives

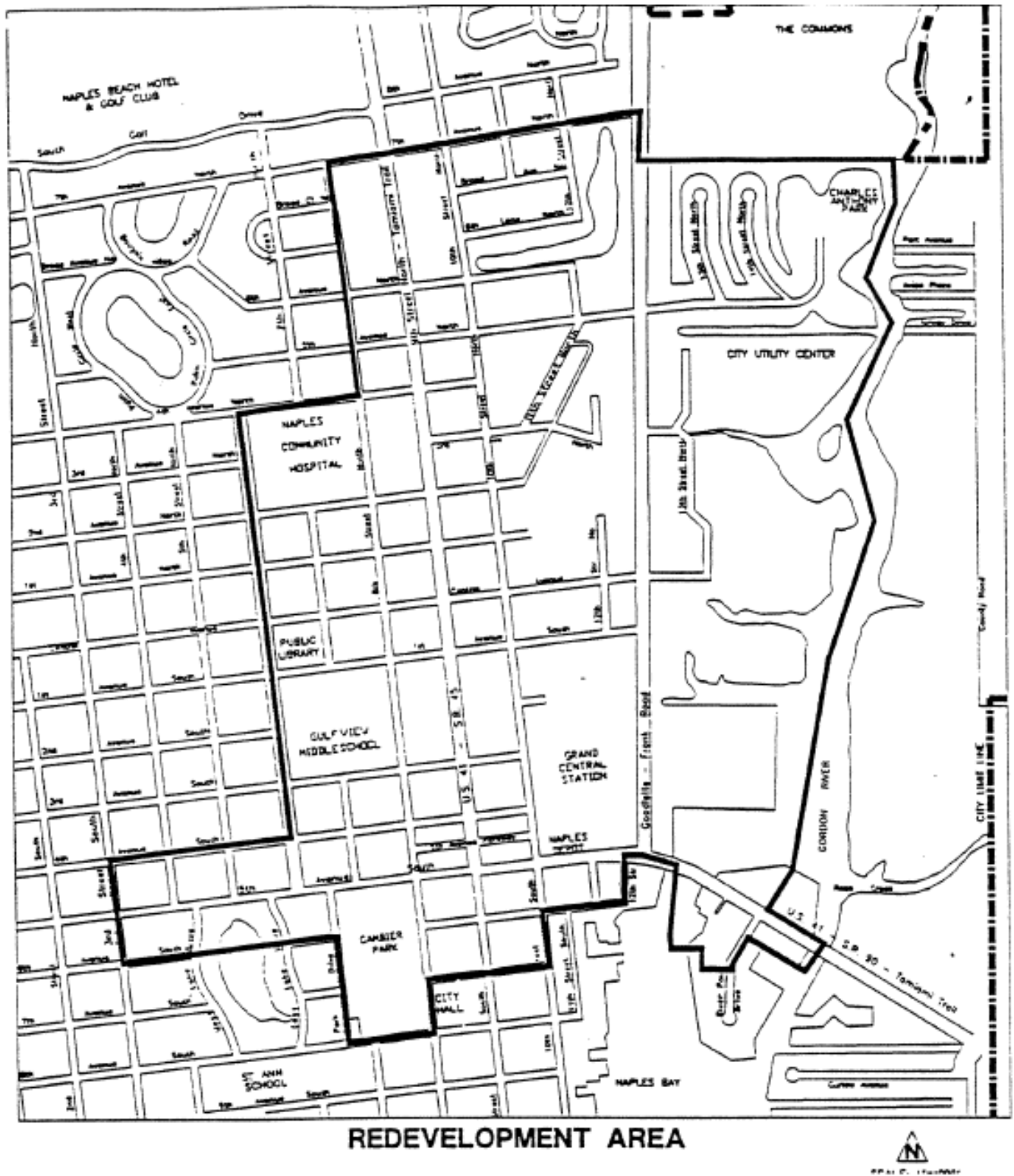
As part of Vision Goal 3, maintain an extraordinary quality of life by maintaining and improving amenities for residents:

- Design and construct Central Avenue improvements, including drainage improvements.
- Design a uniform wayfinding signage program.
- Cooperate with the Business Improvement District to stabilize and enhance the business district and ensure that budgets and reports are timely and appropriate.
- Ensure the redevelopment area is maintained to a high standard of aesthetics, code compliance, and public safety.

As part of Vision Goal 5, maintain and enhance governance capacity for public service and leadership:

- Undertake a strategic planning process identifying specific regulatory changes, staff action, and projects desired by the community.

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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, 2014										
										Variance
										With Final
										Budget
							Original	Final		Positive
							Budget	Budget	Actual	(Negative)
Revenues										
Taxes										
Ad valorem						\$	527,720	527,720	501,332	(26,388)
Intergovernmental							1,594,105	1,594,105	1,514,400	(79,705)
Interest							18,000	18,000	14,839	(3,161)
Total revenues							2,139,825	2,139,825	2,030,571	(109,254)
Expenditures										
Current										
Economic development							1,078,605	1,104,520	993,513	111,007
Capital outlay										
Economic development							0	2,356,000	78,720	2,277,280
Debt service										
Interest							2,710	2,710	2,710	-
Total expenditures							1,081,315	3,463,230	1,074,943	2,388,287
Excess of revenues										
over expenditures							1,058,510	(1,323,405)	955,628	2,279,033
Other financing sources (uses)										
Transfers out							(980,060)	(980,060)	(980,060)	-
Total other financing sources (uses)							(980,060)	(980,060)	(980,060)	-
Changes in fund balance							78,450	(2,303,465)	(24,432)	2,279,033
Fund balances, beginning of year							2,478,963	2,478,963	2,478,963	-
Fund balances, end of year						\$	2,557,413	175,498	2,454,531	2,279,033

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