



City of Naples Community Redevelopment Agency

FY 2015 Annual Report (October 1, 2014 – September 30, 2015)

TO: Honorable Mayor and Members of City Council
CC: Collier County Government
Collier County Public Schools
Collier Mosquito Control District
Big Cypress Basin – South Florida Water Management District
FROM: A. William Moss, City Manager *7*
DATE: March 22, 2016
SUBJECT: Naples Community Redevelopment Agency
FY2015 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 Community Redevelopment Agency (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 2015 were: Chair John Nocera, Vice-Chair Robert DeCastro, Jason Andis, Julie Domenick, Clifford Olson, Alan Ryker and William Stephens.

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 2014-2015

Budgeted Revenues

Revenues were budgeted at \$2,190,870, which is \$51,045 (or 2.4%) more than the adopted FY 13-14 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 \$672,539,587, for a tax incremental value of \$488,730,313. The FY 14-15 increment is an increase of 8.9% from the FY 13-14 increment. The 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. In addition to the tax increment revenue, the fund is expected to receive approximately \$9,000 in interest income.

Budgeted Expenditures

The work program for the CRA is represented in the annual budget. Total expenditures for the FY 2014-15 budget were \$2,024,062, which is a \$37,313 decrease from the FY 2013-14 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 2015 was \$352,772, an increase of \$29,805 from the prior year.

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The CRA budgeted \$333,131, a decrease of \$161,458, for three Community Services Landscape Technicians, repair and maintenance activities, and operating expenses. The decrease was primarily due to an appropriation in the previous budget year of \$160,000 to fund 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.

2014-15 Department Accomplishments

- Engaged a consultant to design a comprehensive wayfinding program as part of a strategy to direct residents and visitors to key locations, support business, increase connectivity within the CRA, and enhance the efficiency of the multi-modal transportation system. The design work is expected to continue into FY2015-16 and be followed by implementation of the program.
- Completed 60% of the design of the proposed Central Avenue streetscape and roadway improvements. Drainage improvements are a major part of this project being undertaken in collaboration with the Streets and Stormwater Department.
- Recommended an accelerated capital improvement program designed to increase public redevelopment efforts to coincide with private development, improve connectivity, and create a sense of place as envisioned for the Heart of Naples. This accelerated program was approved by the CRA.
- Completed the installation of new signage, parking garage counters, and access control systems at the two Downtown parking garages.
- Continued Community Policing throughout the CRA.
- Continued an enhanced level of right-of-way maintenance.

BUDGET PREPARATION FISCAL YEAR 2015-2016

During the 2014-2015 fiscal year, the FY 2015-2016 budget was prepared. Highlights include:

Budgeted Revenues

Budgeted revenues are \$2,836,152, a \$645,282 increase (29%) over the adopted FY14-15 budget.

The taxable value of property in the District is \$743,245,359, for a tax increment value of \$559,436,085, \$70,705,772 (13.5%) 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 \$627,130 and \$1,894,450 respectively, totaling \$2,521,580. In addition to the tax increment revenue, the fund is budgeted to receive approximately \$9,000 in interest income. For FY 15-16, \$305,572 will be transferred from the Parking Trust Fund to pay for a portion of the parking garage related debt service, \$267,672 is from the Fifth Avenue Payment in Lieu of Parking account and \$37,900 is from an unassigned fund balance.

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Budgeted Expenditures

The work program for the CRA is represented in the budget. Total expenditures for the FY 2015-16 budget are \$4,415,279, which is a \$2.39 increase from the FY 2014-15 budget.

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 FY2016 is \$338,104, a decrease of \$14,668 from FY 2014-2015.

The CRA will provide \$184,097, a decrease of \$1,659, to fund three Community Services Landscape Technicians, repair and maintenance activities, and operating expenses. These activities make sure the CRA district looks its best.

There are no planned changes to staffing in the CRA during FY 2016.

2015-16 Goals and Objectives

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

- Complete design and begin construction of Central Avenue streetscape, roadway and drainage improvements.
- Complete design and begin implementation of a uniform wayfinding signage program.
- Design 1st Avenue South improvements.
- Design 3rd Avenue South improvements.
- Ensure the redevelopment area is maintained to a high standard of aesthetics, code compliance, and public safety.
- Continue Community Policing throughout CRA.

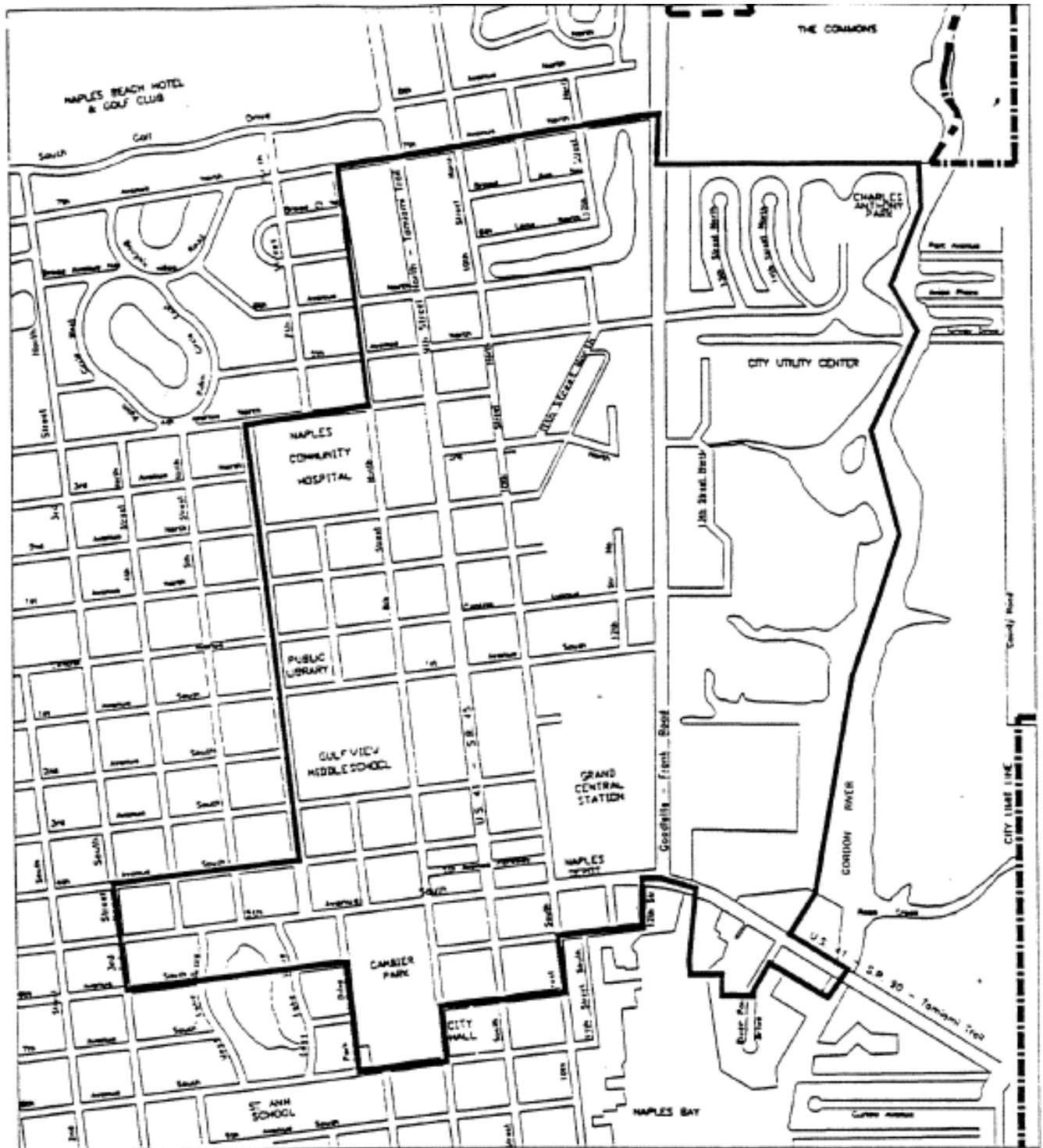
As part of Vision Goal 4, strengthen the economic health of the City

- Cooperate with the Fifth Avenue South Business Improvement District to stabilize and enhance the business district and ensure that budgets and reports are timely and appropriate.

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

- In conjunction with the City Planning Department, undertake a review of the D-Downtown zoning district regulations and boundaries, identifying specific regulatory changes and staff action required.

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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, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
Ad valorem	\$ 547,870	547,870	547,870	-
Intergovernmental	1,634,000	1,634,000	1,654,975	20,975
Interest	9,000	9,000	29,475	20,475
Miscellaneous	-	-	-	-
Total revenues	<u>2,190,870</u>	<u>2,190,870</u>	<u>2,232,320</u>	<u>41,450</u>
Expenditures				
Current				
Economic development	1,023,079	1,023,079	865,429	157,650
Capital outlay				
Economic development	-	442,480	376,714	65,766
Debt service				
Interest	-	-	1,827	(1,827)
Total expenditures	<u>1,023,079</u>	<u>1,465,559</u>	<u>1,243,970</u>	<u>221,589</u>
Excess of revenues over expenditures	<u>1,167,791</u>	<u>725,311</u>	<u>988,350</u>	<u>263,039</u>
Other financing sources (uses)				
Transfers out	<u>(1,000,983)</u>	<u>(1,000,983)</u>	<u>(958,105)</u>	<u>42,878</u>
Total other financing sources (uses)	<u>(1,000,983)</u>	<u>(1,000,983)</u>	<u>(958,105)</u>	<u>42,878</u>
Changes in fund balance	166,808	(275,672)	30,245	305,917
Fund balances, beginning of year	<u>2,454,530</u>	<u>2,454,530</u>	<u>2,454,530</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,621,338</u>	<u>2,178,858</u>	<u>2,484,775</u>	<u>305,917</u>