CITY OF NAPLES
COMMUNITY
REDEVELOPMENT
AGENCY

FY 2008
ANNUAL REPORT

(OCTOBER 1, 2007 - SEPTEMBER 30, 2008)
TABLE OF CONTENTS

Community Redevelopment Agency Board..................................................3
Staff.............................................................................................................4
Mission Statement......................................................................................4
Community Redevelopment Agency Advisory Board (CRAAB)...................5
Introduction and Background...................................................................6
Tax Increment Finance (TIF) ......................................................................6
Map of the CRA........................................................................................7
Capital Improvement Projects and Other Initiatives.................................8
CIP Projects located on map of CRA District...........................................9
Garage....................................................................................................10
10th Street.................................................................................................12
Spring Lake Overlook..............................................................................13
5th Avenue South Lighting Plan..............................................................14
Community Redevelopment Plan Update 2008......................................15
12th Street Improvements......................................................................17
Trolley & Valet Service...........................................................................17
Pathways.................................................................................................17
Recent Private Development in the CRA..............................................18
Operations...............................................................................................19
Financial Report......................................................................................19
Community Redevelopment Agency
Board of Commissioners

The CRA Board Members consist 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 Chairman and Vice-Chairman are designated by majority vote of the City Council.
2008
Naples Community Redevelopment Agency Staff

Bill Moss
City Manager
239.213.1028
bmoss@naplesgov.com

Russ Adams
Director
239.213.1029
radams@naplesgov.com

Lee Willer-Spector, MPA
Senior Administrative Specialist II
239.213.1030
lspector@naplesgov.com

Mission:
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 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.

City of Naples Department Directors

Building Official Paul Bollenback
Chief of Police & Emergency Services Tom Weschler
Community Service Director David M. Lykins
Construction Management Director Ronald A. Wallace
Finance Director Ann Marie S. Ricardi
Human Resource Director Denise Perez
Planning Director Robin Singer
Public Works Director Bob Middleton
Technology Services Director Stephen A. Weeks

Other City of Naples Officials

City Attorney Robert D. Pritt
City Clerk Tara Norman

735 8th Street South Naples, FL 34102
Community Redevelopment Agency
Advisory Board
(CRAAB)

Lou Vlasho - Chairman
Willie Anthony - Vice-Chairman
Jacques Groenteman
Alexander Pezeshkan
Carl Suarez
Wynn Phillips
Fred Hirschovits

The purpose of the Naples Community Redevelopment Agency Board is 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.

Regular meetings are held at 9:00 a.m. on the fourth Monday of the month in the City Council Chambers unless otherwise designated in advance by the CRAAB Chairman.
Introduction

Requirement for an Annual Report

The Community Redevelopment Agency Board shall file with the City of Naples and with the Auditor General of the State of Florida, on or before March 31 of each year, a report of its activities for the proceeding fiscal year, which report shall include a complete financial statement setting forth the CRA’s assets, liabilities, income and operating expenses as of the end of such fiscal year. At the time of filing this report, the CRA shall publish in a newspaper of general circulation in the City a notice to the effect that such report has been filed with the City and that the report is available for inspection during business hours in the office of the Clerk of the City.

CRA Purpose

Florida State Statute 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 Naples Community Redevelopment Agency (CRA) is governed by a board comprised of the members of the City Council. Under the enabling legislation for CRAs, the governing body of a local community can also serve as the CRA Board. The CRA is assisted by input from the Community Redevelopment Agency Advisory Board whose members are primarily property and/or business owners from the district and appointed by City Council. The CRA was created in 1994 by resolutions 94-7098 and 94-7099. The boundaries of the CRA district were determined at that time and are shown on the map of the CRA.

Tax Increment Financing (TIF)

The primary revenue earned by the CRA is Ad Valorem Taxes from Tax Increment Financing. Tax Increment Financing, or TIF, is the amount of tax specifically due to increased property values within the District. The CRA receives TIF money from the City and the County, using the 1993 property tax value as a base.
CRA District Boundary Map

The Redevelopment area, established in 1994, is shown below in relation to the Fifth Avenue Overlay and the D. Downtown district.
# Community Redevelopment Agency
## Capital Improvement Projects and Other Initiatives
### Status Report FY 2008
**October 1, 2007 – September 30, 2008**

<table>
<thead>
<tr>
<th>Capital Improvement Projects</th>
<th>Budget</th>
<th>Actual To Date As of 9.30.2008</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>10th Street Improvements</td>
<td>$1,083,677</td>
<td>$896,672</td>
<td>Roadway improvements on 10th Street North between Central Avenue and 7th Avenue North Active.</td>
</tr>
<tr>
<td>12th Street N. Improvements</td>
<td>$250,000</td>
<td>$29,546</td>
<td>Improved drainage to 12th Street N. in front of new Fun Time Nursery. Active.</td>
</tr>
<tr>
<td>New Parking Garage 8th Ave S &amp; 6th St S</td>
<td>$9,000,000</td>
<td>$4,333,438</td>
<td>Design and construction of the 327 space garage at 8th Street South and 6th Avenue South in FY 2008. Active.</td>
</tr>
<tr>
<td>Spring Lake Overlook</td>
<td>$150,000</td>
<td>$24,925</td>
<td>Wood decking, railing and landscaping on the north end of the lake. Active.</td>
</tr>
<tr>
<td>Pathway Improvement</td>
<td>$100,000</td>
<td></td>
<td>Sidewalk work began near Library 9.3.08. Active.</td>
</tr>
<tr>
<td>Industrial Rider Scrubber</td>
<td>$35,000</td>
<td>$41,670</td>
<td>Sidewalk scrubber. Complete</td>
</tr>
</tbody>
</table>

### Other Initiatives

<table>
<thead>
<tr>
<th>Other Initiatives</th>
<th>Budget</th>
<th>Actual</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lighting Design Plan</td>
<td>$130,930</td>
<td>$106,258</td>
<td>JRL Design presented a lighting plan for Fifth Avenue South to the CRA on 9.17.08. The CRA approved the proposal. Active.</td>
</tr>
<tr>
<td>Trolley &amp; Valet Service</td>
<td></td>
<td>$21,269</td>
<td>Trolley service began on January 17th and ran for 10 weeks. Valet service ran 17 weekends parking 1332 cars. Complete.</td>
</tr>
<tr>
<td>Community Redevelopment Plan Update 2008</td>
<td>$91,247</td>
<td>$87,246</td>
<td>Ilr Planning Group created the CRA Vision Plan Update 2008 submitted 9.08 to the CRA for review. Active.</td>
</tr>
</tbody>
</table>
New Downtown Naples Garage

In response to “Strengthen the economic health and vitality of the City” (Vision Goal #4), the CRA funded and coordinated the construction of the new garage located at 6th Avenue South and 8th Street South with the Construction Management Department. The project start date was delayed in honor of the Coopers Hawk family (a protected species) nesting at the site, but once the 2 fledglings left the nest groundbreaking began.

By September 2008 the foundation work had been completed. (View from 8th Street South looking east)
The new garage, with 327 parking spaces, replaces a former City parking lot which had 119 parking spaces. The site is a half block south of 5th Avenue South.

In 1994 Andre Duany provided a master plan for 5th Avenue South which designated this parking lot as a potential garage site in order to stimulate the development of the area. This will be the second free public parking garage in the district.

The garage is expected to be completed in mid-March 2009. The final design includes extensive trellis work and landscaping as well as public artwork.
10th Street Improvements

The core visioning goal for the City of Naples is to “Preserve the Town’s distinctive character and culture” and in order to address goal #3 to “Maintain an extraordinary quality of life for residents” and to “maintain and improve public amenities” the CRA invested nearly a million dollars in roadway improvements in FY 2008 in the area of the 41-10 District, specifically on 10th Street North between Central Avenue and 7th Avenue North for the purpose of providing maintenance, and improvements of streets, alleys, sidewalks and related infrastructure.

Decorative brickwork, landscaping and lighting 10th Street

In addition, coordinating bike racks, lighting fixtures, benches and trash receptacles were installed along with tropical trees and other landscaping. These enhance the ambiance in the commercial and residential neighborhoods adjacent to the district including the George Washington Carver housing complex.
Spring Lake Overlook

The Spring Lake Overlook is located a half block south of 5th Avenue South between East and West Lake Drives. The wood deck and railing extend out over the water and offer a wonderful view overlooking Spring Lake and the newly installed fountain. There are also benches for lingering and admiring the new landscaping in this peaceful retreat very close to the business area. The Spring Lake Overlook addresses the Vision Goal to “Establish more open and green space in the City” helping to make “Naples the green jewel of southwest Florida”.

Spring Lake Overlook Deck and Railing

The project can be easily accessed through the Merrihue pocket park on 5th Avenue South or from the alleyway, ½ block south of 5th Avenue South, between East and West Lake Drives.

The plans call for the addition of an expanse of trellis along the full length of the deck which will provide shade from the mid-day sun. The project is expected to be completed by the end of 2008.
**Fifth Avenue South Lighting Design Plan**

The City Council and the CRA authorized JRL Design to provide landscape architectural design services for the Fifth Avenue South Lighting Design Plan. JRL Design, in coordination with the staff of the CRA, conducted field trips with members of the public to discuss the lighting issues and to explain their method of addressing them. The members of the lighting sub-committee contributed their perceptions of light levels in several locations including alleyways and side streets.

The resulting report identified the appropriate light levels and presented a choice of lighting fixtures for the Council to choose from, as well as a choice of implementation schemes over varying periods of time.

**5th Avenue South Lighting: Fixture Details**

<table>
<thead>
<tr>
<th>Adjacent Street &amp; Ave. Fixtures</th>
<th>5th Ave. Fixtures</th>
<th>Common Base</th>
</tr>
</thead>
</table>

Additionally, the JRL proposal will reduce the energy needs of street lighting on Fifth Avenue by 50 percent. The Council is considering implementing the installation on an expedited schedule.
CRA Plan Update 2008

The original CRA Plan was developed in 1994. In order to re-evaluate the Plan in the context of multiple, subsequent and over-lapping other City plans, assessments, studies and reports the CRA contracted with the Iler Planning Group to develop the Naples CRA Plan Update 2008. The Plan Update proposes a strategic implementation plan composed of short-term, mid-term and long-term vision plan projects (see page 16).

Redevelopment Sub-Areas

The most transformational project proposed would create a grand entrance for those entering into the City after crossing the Gordon River Bridge by creating an elegant new boulevard extending up to Central Avenue. The plans call for streamlining the Four Corners Area in the process and developing safer pedestrian passage across U.S. 41.
The resulting document was adopted by the City Council December 3rd, 2008:

### Vision Plan Projects Summary

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>TIME FRAME</th>
<th>COST</th>
<th>POTENTIAL FUNDING SOURCES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short - term</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Land Use Plan</td>
<td>Adoption: 2 years</td>
<td>$20,000 - $30,000</td>
<td>Tax Increment, General Fund, Staff Time</td>
</tr>
<tr>
<td>• Zoning Code Amendments</td>
<td>Adoption: 1 year</td>
<td>$10,000</td>
<td>Staff Time</td>
</tr>
<tr>
<td>• Four Corners Intersection</td>
<td>Planning: Six Months</td>
<td>$100,000 - $200,000</td>
<td>Tax Increment, General Fund</td>
</tr>
<tr>
<td></td>
<td>Implementation: 1 year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• River Park Master Plan</td>
<td>Planning: six–nine months</td>
<td>N/A</td>
<td>Staff Time</td>
</tr>
<tr>
<td></td>
<td>Implementation: 1 – 5 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mid - term</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Special Features Plan:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Gateways</td>
<td>Planning: 1 - 2 years</td>
<td>$500,000 - $1,000,000</td>
<td>Tax Increment, General Fund, FDOT, Private Sector</td>
</tr>
<tr>
<td></td>
<td>Implementation: 2 – 3 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cultural Plaza</td>
<td>Planning &amp; Design: 1 year</td>
<td>$1,000,000 - $2,000,000</td>
<td>Tax Increment, General Fund, FDOT, Private Sector, Historic Preservation</td>
</tr>
<tr>
<td></td>
<td>Construction: 2 - 5 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Long - term</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• U.S. 41 Boulevard (U.S. 41 Gordon River to Central Blvd.)</td>
<td>Planning &amp; Design: 1 year</td>
<td>$5,000,000 - $7,000,000</td>
<td>Tax Increment, General Fund, FDOT</td>
</tr>
<tr>
<td></td>
<td>Construction: 5 - 7 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Sixth Avenue Promenade</td>
<td>Planning &amp; Design: 1 year</td>
<td>$500,000 - $2,000,000</td>
<td>Tax Increment, General Fund</td>
</tr>
<tr>
<td></td>
<td>Construction: 2 - 5 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Waterfront Connection</td>
<td>Planning &amp; Design: 1 year</td>
<td>$2,000,000 - $4,000,000</td>
<td>Tax Increment, General Fund, FDOT, FDEP, Private Sector</td>
</tr>
<tr>
<td></td>
<td>Construction: 3 - 7 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Pedestrian Bridge</td>
<td>Planning: 3 – 5 years</td>
<td>$2,000,000 - $5,000,000</td>
<td>Tax Increment, General Fund, FDOT, Private Sector</td>
</tr>
<tr>
<td></td>
<td>Implementation: 7 – 10 years</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Council is in the process of taking the vision plan project proposals, which could total $21 million, into consideration as it reviews the CRA 15-year Strategic Budget Plan.
12th Street North Improvements

Funtime Nursery is moving from its current location to a new building on 12th Street North. The road leading to the new building from Central Avenue was prone to flooding and required improvements. The improvements including street grading and resurfacing are estimated to cost $52,000 when completed. To date the project is well under way and anticipated to be completed in February 2009.

Trolley and Valet Service

As result of Council’s concern regarding the economic conditions on 5th Avenue South raised in the Assessment and Action Plan for 5th Avenue South presented in October 2007, the CRA and Council approved both a trial trolley route and valet service. The trolley service began on January 17th and ran for 10 weeks. The route was expanded from solely traversing 5th Avenue to eventually include Bay Front, Tin City and 3rd Street South. The expansion extended beyond the borders of the CRA and the City shared the costs for this portion of the route.

There were reported to be on average 200 trolley riders during each of the first 6 weekends and during the Easter weekend, after the route expansion, the ridership jumped to 600. Although the numbers dropped down to 400 the weekend following the holiday, the expanded route still doubled the earlier average number of riders, indicating the real potential is in connecting key downtown districts. The trolley program cost $29,870 including $8,600 for advertising. The City paid for $6,357 for those portions of the route outside the CRA.

The valet program ran for 17 weekends beginning January 18th and running through May 3rd. The total number of cars parked was 1332 averaging 40 per night. The program helped to address parking concerns on 5th Avenue South by encouraging access to more remote private parking lots used by the valet vendors. The fee collected by the vendors was $5 per car plus tip. The overall success of these trial programs led to proposals to re-implement them for the 2008-2009 season.

Pathways

As a part of Vision Goal 3(c) to “Enhance the mobility in the City”, areas of non-contiguous sidewalk had been previously identified and this year sidewalks were underway to be created to fill in some of these areas, notably, along Central Avenue near the library and along 6th Street South just north of 5th Avenue South.
Recent Private Development in the CRA

555 5th Avenue S
Retail & Residential

6th Avenue N & 8th Street
Condominiums

6th Avenue N & 9th Street
Commercial & Offices

6th Avenue N & 10th Street
Condominiums

5th Avenue N & 10th Street
Ballet Academy
CRA District Operational Expenses

Protecting and Maintaining
Part of the mandate for the CRA is to increase the security in its district. To this end, the CRA provided funding for 3 Community Police Officers who patrol on foot and on bicycles as well as in patrol cars. The budget for this was $263,000.

The CRA also provided $202,000 for 3 Community Services Maintenance personnel who made sure the CRA district always looked its best and functioned properly. To assist them the CRA purchased a Sidewalk Scrubber Rider Sweeper this year for $41,670. Repairs and maintenance in the district are ongoing especially in the more heavily used commercial districts.

The CRA contracted nearly $20,000 for the upgraded festive specialty lighting along Fifth Avenue South from 9th Street to 3rd Street South. The upgraded lights are expected to reduce the associated repair and maintenance costs.

Maintenance and repair projects in the CRA district, such as refurbishing an elevator in the public parking facility located at 4th Avenue South and 8th Street South ($45,000), amounted to nearly $100,000 this year.

Finance Report

2007-2008 Financial Statements
In 2008 there was uncertainty regarding the ability of CRAs in Florida to be able to use TIF funds for long term bonds or loans. This was brought about by a Florida Supreme Court ruling known as the Strand decision. As a result, the city secured a bank qualified loan of $6.8 million at an interest rate of 4.04% for the construction of the new garage. The CRA contributed an additional $1.7 million to meet the garage budget of $8.6 million.

The loan proceeds are anticipated to be deposited in FY2009. Therefore, the following FY2008 Financial Statements (pages 20-21) do not reflect the $6.8 million loan as revenue, while over $4 million was disbursed in garage construction costs resulting in a negative year end fund balance of $271,501.

Shrinking TIF revenues resulting from falling appraised values and a substantial debt repayment schedule for CRA construction projects over the past 10 years will result in more modest capital spending in the immediate future. The FY 2008-2009 projected fund balance of $1.8 million includes proceeds from the $6.8 million bank loan.
## Community Redevelopment FY 2008 Financial Statements

### CITY OF NAPLES, FLORIDA

**Balance Sheet**  
**September 30, 2008**

### Assets:
- Cash and investments: $2,007,942
- Receivables (net, where applicable, of allowance for uncollectible):
  - Accounts: —
  - Special assessments: —
  - Utility taxes: —
  - Accrued interest receivables: 15,755
- Due from other funds: —
- Advances due from other funds: —
- Due from other governments: —
- Inventories: —
- Prepaid items: —

**Total assets:** $2,023,697

### Liabilities:
- Accounts payable: $1,216,347
- Accrued payroll: 28,023
- Due to other funds: —
- Advances payable to other funds: 1,050,828
- Deferred revenue: —
- Customer deposits: —

**Total liabilities:** $2,295,198

### Fund balances:
- Reserved:
  - Encumbrances: 4,206,127
  - Advances: —
  - Inventories: —
  - Prepaid items: —
  - Debt service: —
- Unreserved, designated:
  - Reported in general fund: —
  - Reported in special revenue funds: —
  - Reported in capital projects funds: —
- Unreserved, undesignated:
  - Reported in general fund: —
  - Reported in debt service fund: —
  - Reported in special revenue funds: —
  - Reported in capital projects funds: $(4,477,628)

**Total fund balances:** $(271,501)

**Total liabilities and fund balance:** $2,023,697
CITY OF NAPLES, FLORIDA  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Year ended September 30, 2008

<table>
<thead>
<tr>
<th>Community Redevelopment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues:</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Taxes</td>
</tr>
<tr>
<td>Licenses, permits and fees</td>
</tr>
<tr>
<td>Intergovernmental</td>
</tr>
<tr>
<td>Charges for services</td>
</tr>
<tr>
<td>Charges to other funds</td>
</tr>
<tr>
<td>Fines and forfeitures</td>
</tr>
<tr>
<td>Impact fees</td>
</tr>
<tr>
<td>Interest</td>
</tr>
<tr>
<td>Donations</td>
</tr>
<tr>
<td>Miscellaneous</td>
</tr>
<tr>
<td>Total revenues</td>
</tr>
</tbody>
</table>

| Expenditures:          |
|                        |
| Current:               |
| General government     | — |
| Public safety          | — |
| Physical and economic environment | 1,458,465 |
| Transportation         | — |
| Culture and recreation | — |
| Capital outlay:        |
| General government     | — |
| Public safety          | — |
| Physical and economic environment | 5,434,500 |
| Transportation         | — |
| Culture and recreation | — |
| Debt service:          |
| Principal              | — |
| Interest and fiscal charges | 56,226 |
| Total expenditures     | 6,949,191 |

Excess (deficiency) of revenues over expenditures
(3,750,560)