

Implementing Your Plan

The New Realities of CRAs

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ABC's of CRA's
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The Refresher Course

What Can a CRA Do?

- **Acquire and hold property**
- **Demolish buildings**
- **Dispose of property at FAIR VALUE**
- **To develop property (including affordable housing)**
- **Install, construct, and repair**
 - **Streets**
 - **Parks**
 - **Utilities**
 - **Playgrounds**
 - **Other public improvements**
- **Carry out a voluntary or compulsory repair and rehab of buildings (Code Enforcement)**

A CRA CAN ...

- **Enter property or buildings to make inspections, surveys, appraisals, etc**
- **Solicit proposals for redevelopment (Developer RFP's)**
- **To invest Funds if not needed immediately**
- **To borrow money or accept funds/grants from any source (borrowing subject to approval of GB)**
- **To prepare surveys, plans and other studies necessary to carry out the CRP**
- **To close, vacate, plan, replan streets, sidewalks, other places**
- **To develop and implement community policing innovations**
- **Enter into contracts and agree to appropriate conditions**

THE REDEVELOPMENT TRUST FUND

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 of property in the CRA**
- **Site preparation and relocation of occupants**
- **Repayment of borrowed funds**
- **Development of affordable housing**
- **Development of community policing innovations**

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 DO IT !!!!!**

Don't Get in Trouble !!!

WHAT IS NOT APPROPRIATE UNDER F.S. 163 PART III

- **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**
- **General government operating expenses unrelated to planning and carrying out the CRP**

A CRA CAN'T....

- **Suddenly start paying for something the City/County has always paid for**
- **Build a fire station (unless all ok)**
- **Refurbish City Hall**
- **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**
- **Pay Board Members/Commissioners for their service as a CRA Board member**

The New Realities of CRAs

THE NEW REALITIES OF CRA'S

- **2007 Legislative Session Tax Reductions**
- **Amendment 1 Tax Reductions**
- **The Movement to Dependence**
- **The Florida Auditor General's Office**
- **Kelo v. City of New London**
- **Strand v. Escambia County**
- **??????????**

THE NEW REALITY - TAXES

- **Watch your existing debt – current and future payments**
- **Review plan timelines and workloads and scale back ambitious programs**
- **Review cost/benefit of programs – property improvements, incentives**
- **Review your administrative expenses**
- **Avoid maintenance and other recurring expenses**
- **USE OPM – grants, matches, allocations**

THE NEW REALITY - DEPENDENCE

More often CRA's are being administered by Coordinators instead of Executive Directors and more CRA Boards are the Governing Body leading to:

- Dependence on Governing Body**
- Control by City/County Managers**
- CRAs with no "in-house" advocate**
- Greater illegal use of Increment Revenue on projects not allowed by Statute or an adopted CRP**

THE NEW REALITY – AG's INTERPRETATIONS

The Florida Auditor General's Office has been interpreting F.S. 163 Part III more and creating findings that show there should be:

- No promotional activity by CRAs**
- Clear decision making by CRA Board**
- Greater detail of projects in CRPs**
- Clear delineation of time spent on CRA activities by those whose job encompass more than the CRA responsibilities**
- Need for structure of grants to outside agencies**

THE NEW REALITY - KELO

The need to find ways to remove noxious uses

- **Straight purchase at FAIR VALUE**
- **Zoning out of existence - alter allowed uses and have a strong “loss of non-conforming use” provision**
- **Enhanced requirements to minimize impacts**
 - Landscaping
 - Parking
 - Architectural Guidelines
 - Conditional Use Guidelines

THE NEW REALITY - KELO

The need to find new ways of land assembly

- **Straight purchase at FAIR VALUE**
- **Owner participation in public Developer RFP**
 - **Owner stake**
 - **Pre-set sales price**
 - **Encouragement of Owner Collaboration**

THE NEW REALITY - KELO

The need to find new ways of land assembly

- **Public inducement to Owner Participation**
 - **Direct incentive**
 - Land additions
 - Cash
 - **Indirect incentive**
 - Development of RFP
 - Creation of legal documents
 - Relocation assistance
 - Development bonuses

THE NEW REALITY - STRAND

The need to find new ways to finance large projects

- **Put borrowing to the vote**
 - **Who votes?**
- **Short-term borrowing (less than 12 months)**
- **Phase your projects**
- **Phasing with short-term borrowing**
- **The TIF Bank – for those with multiple districts**

MONEY IN THE TRUST FUND AT END OF THE FISCAL YEAR

Funds left on the last day shall be:

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

THE NEW REALITY - ??????

- **Taxation and Budget Reform Commission**
- **2008 Legislature – 4 current proposals**
 - **Uniform Reporting**
 - **Former Military Bases eligible for CRA Designation**
 - **Limitation of CRA's to 15 years and sunset of those of that age in 2009**
 - **Allowance to pay public safety from Tax Increment**

**It is Now More Important
Than Ever to...**

MORE IMPORTANT TO...

- **Look for projects that are highly visible and relatively low cost**
 - Landscaping
 - Entrance signage
 - Façade improvement programs
- **Seek other people's money**
 - FDOT Highway Beautification
 - Expanding other entities roadway projects
 - Community Development Block Grants (CDBG)
 - Recreation Grants
 - Other innovative sources

MORE IMPORTANT TO...

- **Promote accomplishments**
 - Take credit !!
- **Network, Network, Network**
 - International Council of Shopping Centers
 - Urban Land Institute
 - Local Chamber of Commerce
 - Builders Association
 - Realtors Association

MORE IMPORTANT TO...

- **Learn about what it takes to implement the projects you want**
 - **Real estate**
 - **Developer RFP's**
 - **What attracts businesses/developers**
 - **What the real project costs are**
 - **What businesses are viable**
 - **When are roadway projects scheduled and who is in charge**
 - **Median/landscape design standards**

MORE IMPORTANT TO...

- **READ F.S. 163 PART III AND UNDERSTAND IT !!!!**
- **Insure that projects are allowable by Statute and contained in your CRP**
- **You keep current of the Auditor General's latest interpretation of F.S. 163**

MOST IMPORTANTLY...

**INSURE YOUR PROJECT IS
IN YOUR PLAN....**

OR

YOU CANT DO IT !!!!!

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