

# Community Redevelopment Agency (CRA) Fund 117



## **Community Redevelopment Agency (CRA) Fund – 117**

In 1986, business and civic leaders in Mount Dora decided that there was a need to improve business conditions downtown and in other commercial areas of the city. After exploring various alternatives, this group of residents decided that the creation of a Community Redevelopment Agency (CRA) would provide the means to improve these business districts. They felt that through the CRA, revenue would become available to make public improvements and that these public improvements would serve as a catalyst to encourage property and business owners to make improvements to their properties. The CRA is geographically located in the downtown area, Highland Street, 5th Avenue, and Donnelly Street.

On May 1, 2012, City Council adopted Ordinance 2012-05 replacing the “Mount Dora CRA Redevelopment Plan of 2010” with the “Mount Dora CRA Redevelopment Plan of 2019.” Based on findings of capital improvements needs, the CRA recognized the necessity to extend the duration of the CRA for an additional period of 30 years to 2047 in order to complete the required projects.

Like most CRAs, the Mount Dora CRA is funded through Tax Increment Financing (TIF). Tax increment funds are derived from ad valorem property taxes. The CRA is not a taxing authority nor does it set millage rates or assess property. Tax increment funds come through existing taxing entities including the City of Mount Dora and Lake County, but not including the school district or the water management district.

In accordance with the Florida Statute 163.360 and the adopted Mount Dora Redevelopment Plan of 2012 (Ordinance 2012-05), the CRA Advisory Committee began the process by developing strategies and solutions to improve parking conditions in the downtown area.

The agency is made up of a board, an Advisory Committee, and city staff. The board, which consists of the seven members of City Council, is the decision-making body. The Advisory Committee is a seven-member volunteer committee made up of city residents and business owners appointed by the City Council. The staff of the Planning and Development Department works with the CRA Board and Advisory Committee to carry out the agency’s responsibilities and activities.

### **Tax Increment Financing (TIF)**

Tax Increment Financing (TIF) is defined as the ability to capture and use most of the increased local property tax revenues from new development within a defined geographic area for a defined period of time without approval of the other taxing jurisdictions. It is a tool that cities, counties, economic development authorities (EDAs), port authorities, and housing and redevelopment agencies (HRAs) can use to spur private development.

There are four main reasons for using TIF:

- Redevelopment of substandard or obsolete buildings, such as revitalizing a downtown area or former industrial site.
- Provide affordable housing, including rental or owner occupied housing for low to moderate income persons.

- Create jobs and new tax base, such as develop an industrial park or other manufacturing facilities.
- Clean-up environmental issues, such as remediating contamination in brownfield areas.

The first assessed valuations for the District were established on May 26, 1987. This became the base year tax value, with an amount of \$27,520,350. Each year the values increase or decrease based on the market. The difference between the new value and the base value is the assessed value, which is applied to the District. As of Last Year, the gross taxable value in the District was \$133,497,059, which was an 8.08% increase over 2019. The taxable value attributed to the District is as follows:

Current Year:

Gross CRA District Taxable Value	\$144,284,255
Less CRA District Base Taxable Value	<u>(27,520,350)</u>
Current CRA Districts Incremental Taxable Value	<u><b>\$ 116,763,905</b></u>

The taxing districts which must submit the incremental taxes to the Downtown/Highland Community Redevelopment Agency are as follows:

- |  |              |
|--|--------------|
| • City of Mount Dora –                           | 5.9603 mills |
| • Lake County – Millage rate of                  | 5.0327 mills |
| • Lake County Water Authority – Millage rate of  | 0.3368 mills |
| • Northeast Ambulance District – Millage rate of | 0.4629 mills |

In May 2013, the City issued CRA Redevelopment Revenue Note, Series 2013, (Series 2013 Note) in the amount of \$2,500,000, with a fixed interest rate of 2.17%. The proceeds were used to fund the Downtown Streetscape Project and to pay issuance costs.

The Series 2013 Note is payable from a secured lien and pledge of the Community Redevelopment Agency revenues with a secondary pledge of public services tax pursuant to Section 166.2331, Florida Statutes. Annual principal and interest on the bonds are expected to require approximately 22.71% of such tax revenue and are payable through 2028.

Budget Highlights

The items identified in this proposed budget are consistent with and pursuant to the short and long term recommended solutions proposed in the Implementation Plan for this study, which are consistent with the CRA Redevelopment Plan and in accordance with F.S. 163.387 (6).

**FULL-TIME EQUIVALENTS (FTE'S)**

<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
4.20	4.78	4.90	4.90	4.25

Capital Improvement and Capital Outlays – Capital assets are tangible items (e.g. land, buildings, building improvements, vehicles, machinery, equipment and infrastructure) or intangible items (e.g. easements, water rights) with original cost or value of \$5,000 or more, with an estimated useful life of at least one (1) year following the date of acquisition. Capitalization thresholds are to be applied to individual items rather than groups of similar items (e.g. desks and tables), unless the effect of doing so would be to eliminate a significant portion of total capital assets.

Capital Outlay is defined as a one-time expenditure of equipment and/or machinery or program which exceeds \$5,000.

Capital Improvement Projects are projects and/or programs that exceed \$25,000 or extend over multiple years.

Each year all departments submit their requests for capital outlays. Once these requests are approved by the City Council, they become part of the budget. The following capital projects are requested to be funded from the CRA:

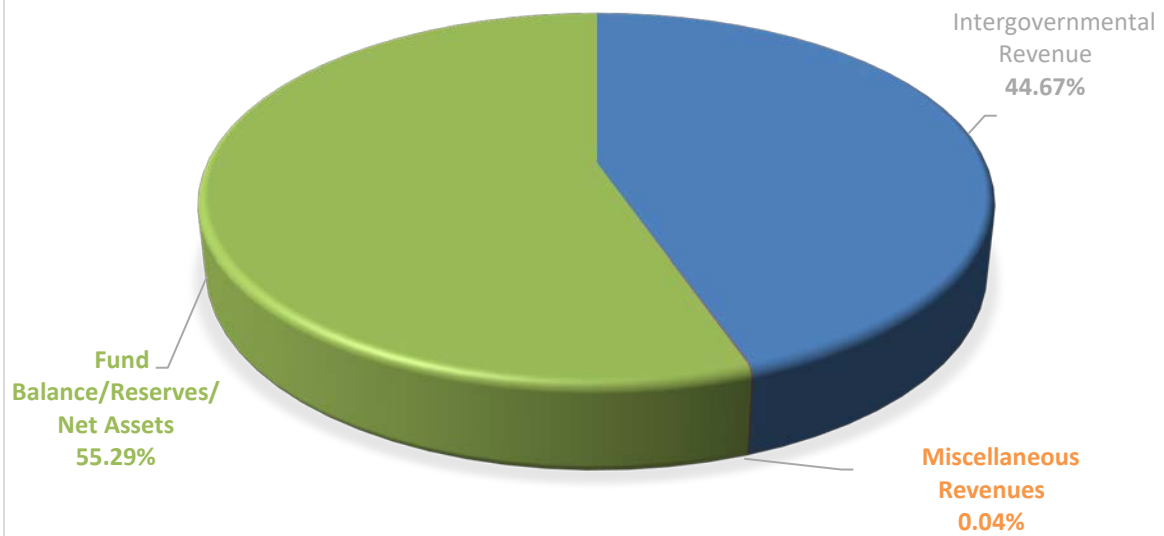
**New Projects**

Accounting String Project Number	Project #	Project Name	117
310-5555-563.00-00	CRA013	Information Kiosks - CRA	10,000
310-5555-563.00-00	CR2109	Parking Solutions - CRA	1,624,966
310-5555-563.00-00	CRA010	Signage - CRA	30,000
310-5555-563.00-00	CR1801	Streetscape Repair Design - CRA	80,000
<b>TOTAL USES</b>			<u>\$ 1,744,966</u>

**Prior Year Projects Carried Forward**

Accounting String Project Number	Project #	Project Name	117
310-555-563.00-00		Donnelly Garage Feasibility & Repair Assessment	8,500
			<u>\$ 8,500</u>

### CRA BUDGETED REVENUES FY 2020-21



### CRA BUDGETED EXPENDITURES FY 2020-21

