

PORT ST. JOE
REDEVELOPMENT
AGENCY

ANNUAL REPORT FY 2005/20006

This document is prepared pursuant to FS 163.356(3)(c)

Board of Directors

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I. INTRODUCTION

This annual report covers the fiscal year of the PSJRA – October 1, 2005, through September 30, 2006.

Many questions have been posed this year about Community Redevelopment Agencies and how they operate. The following definitions may provide insight relative to the purpose and operation of redevelopment agencies in general.

1. Community Redevelopment Agencies

Community Redevelopment Agencies (CRAs) are specifically focused financing tools for redevelopment. CRA Boards do not establish policy for the city or county - they develop and administer a plan to implement that policy. The CRA acts officially as a body distinct and separate from the governing body, even when it is the same group of people. The CRA has certain powers that the city or county by itself may not do, such as establish tax increment financing and leverage local public funds with private dollars to make redevelopment happen. The CRA term is limited to 30 years, 40 years if extended.

The activities and programs offered within a Community Redevelopment Area are administered by the Community Redevelopment Agency. A five, seven or nine-member CRA “Board” created by the local government (city or county) directs the agency. The Board can be comprised of the governing body or other individuals appointed by the local government. Although one local government may establish multiple CRA districts, there generally may be only one CRA Board. Each district must maintain separate trust funds, and expend those funds only in that district.

2. Tax Increment Financing (TIF)

Tax increment financing is a unique tool available to cities and counties for redevelopment activities. It is used to leverage public funds to promote private sector activity in the targeted area. The dollar value of all real property in the Community Redevelopment Area is determined as of a fixed date, also known as the “frozen value.” Taxing authorities, which contribute to the tax increment, continue to receive property tax revenues based on the frozen value. These frozen value revenues are available for general government purposes. However, 95% of tax revenues from increases in real property value, referred to as “increment,” are deposited into the Community Redevelopment Agency Trust Fund and dedicated to the redevelopment area.

It is important to note that property tax revenue collected by the School Board and any special district are not affected under the tax increment financing process.

The tax increment revenues can be used immediately, saved for a particular project, or can be bonded to maximize the funds available. Any funds received from a tax increment financing area must be used for specific redevelopment purposes within the targeted area, and not for general government purposes.

3. Redevelopment Area

Under Florida law (Chapter 163, Part III), local governments are able to designate areas as Community Redevelopment Areas when certain conditions exist. Examples of conditions that can support the creation of a Community Redevelopment Area include, but are not limited to, the presence of substandard or inadequate structures, a shortage of affordable housing, inadequate infrastructure, insufficient roadways, and inadequate parking. There are currently over 140 Community Redevelopment Areas in the State of Florida.

4. Redevelopment Plan

The Community Redevelopment Agency is responsible for developing and implementing the Community Redevelopment Plan that addresses the unique needs of the targeted area. The plan includes the overall goals for redevelopment in the area, as well as identifying the types of projects planned for the area.

Examples of traditional projects include streetscapes and roadway improvements, building renovations, new building construction, flood control initiatives, water and sewer improvements, parking lots and garages, neighborhood parks, sidewalks and street tree plantings. The plan can also include redevelopment incentives such as grants and loans for such things as façade improvements, sprinkler system upgrades, signs, and structural improvements. The redevelopment plan is a living document that can be updated to meet the changing needs within the Community Redevelopment Area.

Information in #1 - #4 courtesy of the Florida Redevelopment Association

5. Sunshine and Ethics

CRA's are covered under Florida's Government-in-the-Sunshine law, which provides a right of access to governmental proceedings at both the state and local levels. It applies to any gathering of two or more members of the same board to discuss some matter which will foreseeably come before that board for action. There is also a constitutionally guaranteed right of access. The Sunshine law requires that 1) meetings of boards or commissions must be open to the public; 2) reasonable notice of such meetings must be given, and 3) minutes of the meeting must be taken.

FAQ's on Sunshine Law courtesy of the Florida Attorney General

II. THE YEAR IN REVIEW

1. CRA Status Formalized

- The Redevelopment Agency registered, as required by law, with the Department of Community Affairs in March 2006.
- The Redevelopment Agency paid the required dues to DCA.
- The Redevelopment Agency complied for the first time with the requirement to file an annual report.

2. PSJRA Board of Directors

Each Director was provided with a notebook containing informational and legal documents:

- PSJRA Organizational Chart
- PSJRA By-Laws
- Community Redevelopment Agencies: What, When and How? – *Florida Redevelopment Association*
- Efficient and Effective CRA Reporting – Department of Community Affairs
- FAQ's on Open Government Laws – *Florida Attorney General*
- Guide to the Sunshine Amendment and Code of Ethics – *State of Florida for Public Officers and Employees*
- Resolutions and Ordinances – *City of Port St. Joe*
- 1990 PSJ Downtown Redevelopment Plan
- Florida Special District Handbook – *Department of Community Affairs*
- Florida Statute 163 – Community Redevelopment
- Florida Statute 189 – Special Districts: General Provisions

The board of directors adopted the following:

- By-laws – August 10, 2006
- A local purchasing policy – September 12, 2006
- Personnel Policies and Procedures document is pending, awaiting review.

3. Waterfronts Partnership

The Waterfronts Partnership and the PSJRA worked in tandem until this year; however, because of the statutory requirements of TIF expenditures, WFP has become a separate entity, and the finances are no longer included as a line item in the PSJRA budget. The two groups continue a close partnership; however, the groups have different board of directors, different missions, different boundaries and different funding mechanisms. Whenever possible, the two agencies work together for the common good. The Waterfronts Partnership is thriving, with firm support from the City and a host of enthusiastic volunteers, capably led by Chair Jim Garth and Program Manager Carol McLeod.

4. Florida Coastal Management Grant

The Waterfronts Steering Committee applied for and was awarded a \$50,000 match grant from Department of Environmental Protection and National Oceanic and Atmospheric Administration. The scope of the grant included a redevelopment plan revision as well as a detailed master plan for the Waterfronts area. The consulting firm Land Design Innovations was awarded the contract to perform the work. The terms of the grant specified completion by 31 December 2006. The revised Redevelopment Plan is available at www.CelebratePortSaintJoe.com.

The original scope of work provided in the Request for Proposal did not include the detailed Waterfronts Master Plan, and the cost to include that scope added \$26,315 to the originally anticipated \$50,000 match.

The grant requirements have been satisfied, and the balance of the reimbursable funds were received in full (\$50,000) and will show as income in FY 2006/2007.

5. Redevelopment Plan Revision

- **Community Visioning**
The recent and extensive visioning of the Economic Development Council, Friends of North Port St. Joe and Waterfronts were included in the redevelopment plan revision.
- **Individual and Small-Group Interviews**
Community leaders, private stakeholders, government officials, local agency heads and individual residents were interviewed.
- **Community Workshop**
On August 31, approximately 70 people attended a workshop to prioritize and recommend additional ideas to incorporate into the plan.
- **Timeline**
The entire process began in March 2006 and continues to be in draft format until the final approval of the City of Port St. Joe.

6. Port St. Joe Redevelopment Agency Expansion

From October 11, 2005, through March 6, 2006, PSJRA board members Dannie Bolden and Carl White facilitated community meetings throughout North Port St. Joe to determine whether the community desired a separate CRA or to be included in an expanded boundary. Directors Bolden and White reported to the PSJRA that the community of North Port St. Joe wished to be included in the current CRA.

To qualify for inclusion in a redevelopment area, a survey of the proposed redevelopment area called a "Finding of Necessity" documents that required conditions exist. If the Finding of Necessity determines that the required conditions exist, the local government, by resolution, may include the study area into the Community Redevelopment Area to provide the tools needed to foster and support redevelopment of the targeted area. The cost to the PSJRA for the Finding of Necessity Study was \$15,170.

- North Port St. Joe Community Meetings were held, with Director Carl White as chair of the committee, to determine the expressed desire of the residents. The vote was taken at a February 27, 2006, meeting at New Bethel AME Church, with a 5/1 vote to become part of an expanded area of the existing CRA.
- Director Dannie Bolden reported the North Port St. Joe community's request for a boundary expansion and for inclusion in the existing redevelopment area to the PSJRA board of directors at the March 6, 2006, meeting.
- The approval for the PSJRA to begin the Finding of Necessity Study was by unanimous decision by the City Commission on May 2, 2006.
- The Finding of Necessity was distributed to the board of directors and the taxing authorities according to statutory requirements, and the approval to

expand the boundaries to include North Port St. Joe passed by a 4/1 vote of the City Commissioners on September 28, 2006.

- Status
The community of North Port St. Joe has organized an advisory committee to provide recommendations to the board of directors, and the board of directors has requested participation from the committee on several key topics.

7. Dr. Joe Memorial Parking Lot

- Integration of Form and Function
The Dr. Joe Memorial Parking lot at Fourth and Williams combined the necessity of increased parking with the beauty of a pocket park.
- Historic Component
Not only will Dr. Joe Hendrix be memorialized through a plaque written by his family, historic railroad ties from the old Apalachicola Railroad were used as wheel stops.
- Status
Signage will offer a brief history of the railroad, with small brass plates at the railroad ties. Horticulture signs will highlight the native landscaping. We are looking for just the right dog statue to place among the landscaping to recall Dr. Joe's dog, Gator. A shade feature will be added to provide a resting spot after shopping at the downtown business district.

8. Banner Program

- Historic Campaign
Artist Chuck Creasy again created wonderful art for our historic banner series, memorializing significant icons from the 1600's through the 1900's.
- Status
Collateral material such as posters and other memorabilia will display the banner art at sometime in the future and will be available for purchase through local retailers. Additional banner series are being created, with the next to highlight the history of North Port St. Joe.

9. Williams Avenue Infrastructure/Streetscape Improvements

- USDA Grant
A grant has been identified to fund improvements on Williams Avenue.
- Comprehensive Planning
Prior to any improvement, the PSJRA will fund a comprehensive survey to enable plans to address any infrastructure issues, such as drainage, prior to commencing the work.
- Status
The contract for the survey has been awarded.

10. Newsletter Implementation

- In July the first newsletter was created and distributed throughout the redevelopment area and mailed to out-of-area owners. The newsletter will continue to be published quarterly, or more often as needed, to provide information, updates and status of PSJRA activities.

11. Accounting and Fiscal Responsibility

- **Separation of Funds from City General Fund**
In a cooperative effort, the PSJRA opened a separate account for the trust fund. Prior to this, the TIF monies were managed by the city in a non-interest-bearing account.
- **Current Partnering Process**
The PSJRA submits invoices, along with a draw from the trust account to cover the total expense, twice each month to the City for payment to vendors. This creates an opportunity for ongoing checks and balance.
- **Interest Earned**
In two months' time from the date of separation of funds, \$1147.27 was earned from interest in the money market account. An additional \$1,912.28 was earned in the annual interest of the certificate of deposit for a total of \$3,359.55.

III. FINANCIAL

1. 2005/2006 Budget/Income and Expense – Exhibit A
2. Auditor's Report (DRAFT) – Exhibit B
Page 21 of the draft report presented to the City is included and describes the financial relationship and level of inclusion of the PSJRA in the City's audit.

IV. LEGAL

1. Resolution 06-06 Boundary Expansion – Exhibit C