



COMMUNITY REDEVELOPMENT

Mini-budget Presentation – Overview of
Community Redevelopment Areas (CRAs)

January 24, 2013

Overview of CRAs

- What are they?
- How do they work?
- What are Volusia's existing CRAs?

Purpose of a CRA

- Florida Statutes, Chapter 163
 - Slum and blighted areas “decrease the tax base and reduce tax revenues”
 - And “*salvageable* slum and blighted areas can be conserved and rehabilitated through appropriate public action”

What is a CRA?

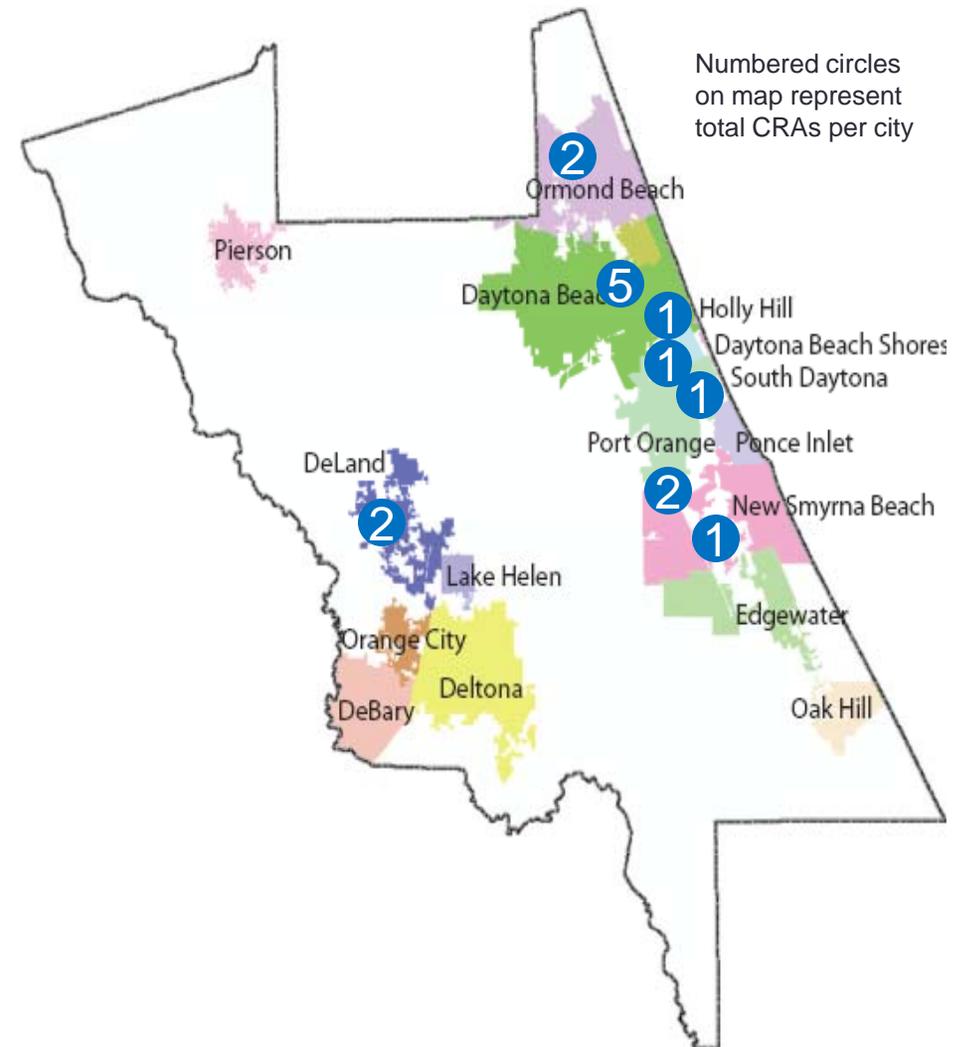
- “A dependent special district
- in which any future increases in property values
- are set aside
- to support economic development projects within that district.”

What is the theory behind a CRA?

- Projects increase property value
- Generate more tax revenue vs. the blighted area
- CRA captures the difference or the “increment”
- Tax Increment Financing (TIF)
- For defined period

Volusia County's 15 CRA's

CRA	Acres	Established
Daytona Beach Ballough Road	69	1985
Daytona Beach Downtown	499	1982
Daytona Beach Main Street	294	1982
Daytona Beach Midtown	810	1997
Daytona Beach South Atlantic	83	2000
Daytona Beach Shores	109	2005
DeLand Downtown	92	1984
DeLand Spring Hill (city/county)	698	2004
Holly Hill	711	1995
New Smyrna Beach	599	1985
Ormond Beach Downtown	372	1985
Ormond Crossings	3,085	2006
Port Orange Eastport	270	1995
Port Orange Town Center	271	1998
South Daytona	679	1997



Creating a CRA

- Volusia County has delegated the authority to create CRAs to the municipalities
- Delegation is conditional
- County Council must approve:
 - all new CRAs
 - any boundary or duration changes to existing CRAs

Volusia County CRA Resolutions

- **County Resolution 2001-233 (for existing CRAs)**
 - Obtain council approval to create a new CRA or amend boundaries of an existing CRA
 - Sunset in 2036 unless otherwise specified
- **County Resolution 2010-19 (for existing CRAs)**
 - Provide annual audited reports to county, with financial summary using standard categories
 - Provide proposed budget for county review
 - Make annual presentation to county council
- **County Resolution 2010-20 (for new CRAs)**
 - Calculate county contribution using the lower of county or city millage rates
 - Restrict county contribution to specific project(s)
 - Set ceiling on county contribution
 - Set sunset date based on CRA Redevelopment Plan and bonding obligations
 - Limit non-capital costs

Creating a CRA in Volusia County

- A city requests authority to create a new CRA
 - Identifies district area
 - Submits evidence area is blighted
 - Creates a proposed redevelopment plan

Blight Study

- F.S. 163.340(8) two or more qualifying conditions, including:
 - Inadequate transportation facilities, including street layout
 - Unsafe/unsanitary conditions
 - Relative to the rest of the city, higher:
 - Vacancy rates,
 - Code enforcement violations,
 - Crime rates, or
 - Fire and emergency medical service calls.

Community Redevelopment Plan

- Addresses unique needs of blighted area
 - land acquisition,
 - demolition,
 - zoning changes,
 - maximum densities,
 - building requirements
 - capital projects,
 - with safeguards that redevelopment will be according to plan
 - detailed costs/indebtedness
 - time certain
 - community policing innovations

Creating a CRA in Volusia County

- If County Council concurs with blight finding and approves the proposed plan, the type and scope of delegated authority is provided
 - Which taxing districts will be supporting the CRA
 - Sunset date
 - Allowable expenses
 - Defined scale and ceiling for county contribution

Creating a CRA in Volusia County

- City creates CRA and establishes
 - a board to implement plan and
 - a trust fund to account for revenues and expenses.

Tax Increment Financing Illustration—

Daytona Beach Main Street CRA - FY 2012

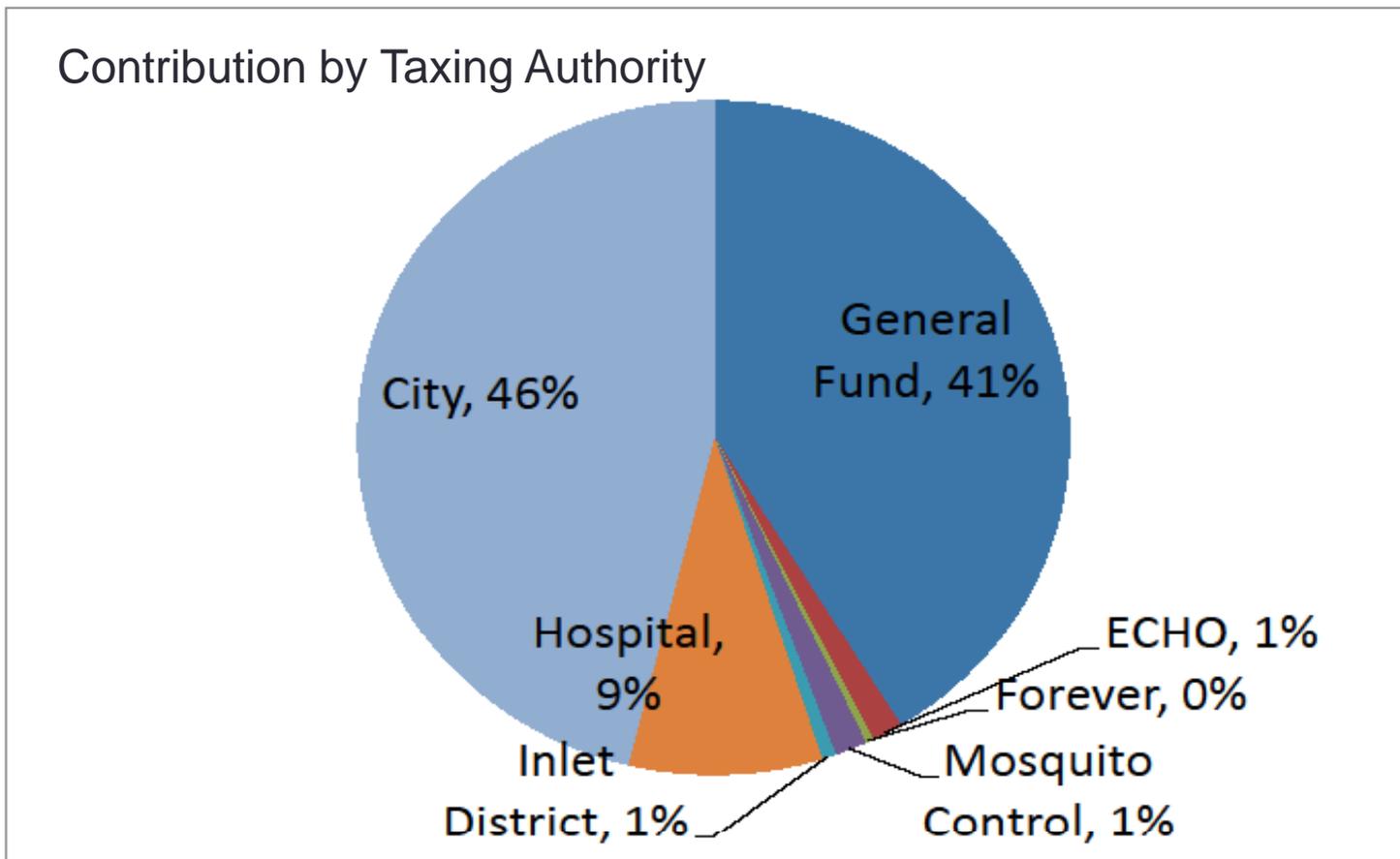
Total Taxable Value	\$306,100,954
- Tax Base (1982)	<u>68,695,639</u>
=CRA Taxable Value	\$237,405,315
x Millage Rate	<u>14.2545</u>
=CRA Taxes	<u><u>\$3,384,094</u></u>

County Contribution	
General Fund	\$1,395,682
ECHO	47,481
Forever	12,179
Mosquito Control*	49,380
Inlet District*	22,055
Hospital	296,757
City - Operating	<u>1,560,560</u>
Total Contribution	<u><u>\$3,384,094</u></u>

* East side contributing fund

Tax Increment Financing Illustration—

Daytona Beach Main Street CRA – FY 2012



CRA Expenses

Example from Daytona Beach Main Street – FY 2012 Budget

Capital Related (72%)

Debt Payments	\$2,589,815
Capital Projects	80,000
Property improvement grants awarded to area businesses/residents	<u>120,123</u>
	\$2,789,938

Non Capital Related (28%)

Policing/enforcement programs above and beyond ordinary service	\$150,000
Operating/maintenance of CRA improvements	347,795
Administration related to CRA	<u>565,829</u>
	\$1,063,624

Overview of County TIF for Existing CRAs

	1991-2012 cumulative	2013-2036 Projected
Daytona Beach (5)	\$37,502	\$83,975
Daytona Beach Shores	2,144	159
DeLand (2)	2,743	4,067
Holly Hill	6,467	13,663
New Smyrna Beach	16,445	4,285
Ormond Beach (2)	7,315	21,118
Port Orange (2)	2,232	7,605
South Daytona	5,416	9,284
	<u>\$80,264</u>	<u>\$144,156</u>