



STAFF REPORT

CITY OF GREEN COVE SPRINGS, FLORIDA

TO: Community Redevelopment Agency **MEETING DATE:** May 25, 2023
FROM: Michael Daniels, AICP, Planning & Zoning Director
SUBJECT: Resolution R-06-2023, the CRA Redevelopment Plan. *Michael Daniels*

BACKGROUND

In February of 2022, the City Manager presented the City's proposal to develop a Community Redevelopment Area (CRA) within the City of Green Cove Springs to the Board of County Commissioners. As a result, of the discussion at the Board meeting, City staff has put together a statutorily required Finding of Necessity determination regarding the existence of slum and blight within the downtown and US 17 Corridor sections of the city.

The objective of the creation of a CRA is to revitalize slum and blighted areas through fostering new development, providing necessary infrastructure, creating job opportunities, and focusing public investment within the Community Redevelopment Area (CRA) to stimulate additional private investment. The creation of a CRA creates an additional funding source for infrastructure through the use of Tax Increment Financing.

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 CRA 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, any 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 taxes collected through special districts such as the School Board or Water Management District are not affected by the creation of a CRA.

In April of 2022, the first task in the creation of a CRA is the preparation of a Finding of Necessity (FON) Report for the City and identification of the proposed CRA boundaries area to determine eligibility as a Community Redevelopment Area under Chapter 163 Part III, Florida Statutes was approved by the City Council. Subsequently, the Finding of Necessity and corresponding items were submitted to the Board of County Commissioners (BOCC) for their permission to create a CRA. The County approved a Resolution subject to the following conditions:

- The composition of the CRA shall consist of two-member appointed by the City, two by the BOCC and one at large member chosen by the other four members, and
- The sole power initially delegated to the CRA is to adopt a plan of redevelopment to be submitted for approval by the City and the County
- Additional delegation shall be considered upon completion of the redevelopment plan upon subsequent resolution of the BOCC.

As a result, staff has put together a draft Redevelopment Plan for review by the Planning and Zoning Commission. The Plan will also be reviewed by the CRA Board and the City Council and County Commission.

All projects to be funded with CRA monies must be identified within the approved CRA Redevelopment Plan. Staff has identified the following 10 Redevelopment Objectives for improvements to the CRA. They include:

- **Objective 1:** Create a multimodal, pedestrian friendly transportation system.
- **Objective 2:** Create a vibrant Downtown area with a mixed-use, development pattern.
- **Objective 3:** Increase the Downtown Parking Supply
- **Objective 4:** Incorporate housing revitalization through housing maintenance programs and rehabilitation services.
- **Objective 5:** Establish a creative, equitable, efficient and practical funding and financing mechanism to properly implement this Plan.
- **Objective 6:** Ensure the Redevelopment Area is safe and clean over the life of the CRA.
- **Objective 7:** The City may plan, design, and deliver additional infrastructure improvements or services within the Redevelopment Area, if deemed those improvements enhance the quality or attractiveness of the Redevelopment Area especially with regard to public amenities.
- **Objective 8:** Preserve the Historic Facilities within the CRA
- **Objective 9:** Provide support, including funding for construction and operation of facilities for Parks and public spaces that will draw visitors to the CRA district while simultaneously building a sense of “Place” in the Downtown Area.
- **Objective 10:** Redevelopment Administration

After approval of the CRA Redevelopment Plan and Interlocal Agreement by City Council on April 4, 2023, City staff provide the approved documents to the County. The County staff made changes predominantly to the Interlocal Agreement. The major changes that were revised include:

- The County has agreed to pay 90% of the increment of their ad valorem taxes (not including the fire MSTU fee) to the CRA for the first 20 years and then 80% of the ad valorem for the final 10 years.
- The powers of the CRA were specifically enumerated in the agreement.
- Clarification of the ad valorem taxes that would be contributed to the CRA.
- Language specifying the “sunsetting” of the CRA.

The following timeline outlines the steps completed and remaining steps regarding the creation of the CRA as set forth in the table below:

4/14/2022	City Council	Finding of Necessity and request delegation of authority from the Clay County BOCC
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8/9/2022	Clay County BOCC	Approved limited Resolution for the City to create a CRA to: approve CRA appointments and create CRA Redevelopment Plan
9/20/2022	City Council	Appointed Mitch Timberlake and Van Royal to the CRA Board
9/27/2022	Clay County BOCC	Appointed Heather Boucher and Kristin Burke to the CRA Board
10/27/2022	Initial CRA Meeting	1. Appointed Andrea Vallencourt as the 5 th CRA Member 2. Identified term limits for each member 3. Elected a Chair / Co-Chair
11/15/2022	City Council	1. Approved CRA Creation Ordinance at 1 st Reading
11/17/2022	CRA Meeting	Schedule Review Redevelopment Plan Review
11/29/2022	Planning and Zoning Commission	Review and Approve CRA Redevelopment Plan
12/13/2022	City Council	Adopt Ordinance creating CRA Final Reading,
1/10/2023	CRA	1. Approved Redevelopment Plan and 2. Interlocal Agreement
4/4/2023	City Council Meeting	1. Review and Approve Redevelopment Plan 2. Interlocal Agreement
4/25/2023	BOCC	Resolution delegating the authority to create a CRA to the City of Green Cove Springs through approval of the Redevelopment Plan and Interlocal Agreement
5/16/2023	City Council	Approved revised resolution regarding the CRA Redevelopment Plan and Interlocal Agreement
6/6/2023	City Council	Approve Final Reading of the CRA Trust Fund Ordinance

FISCAL IMPACT

An estimated \$8 to \$31 Million could be generated within the proposed Community Redevelopment Area if said area comes to fruition.

RECOMMENDATION

Staff recommends approval of Resolution R-06-2023, CRA Redevelopment Plan and CRA Interlocal Agreement.

RECOMMENDED MOTION:

Motion to approve Resolution R-06-2023, CRA Redevelopment Plan and CRA Interlocal Agreement.