



CITY OF FORT PIERCE

PLANNING DEPARTMENT

REBECCA GROHALL, AICP, PLANNING MANAGER
COMPREHENSIVE PLANNING ♦ DEVELOPMENT REVIEW
HISTORIC PRESERVATION ♦ URBAN DESIGN ♦ URBAN FORESTRY ♦ ZONING

TO: Robert Bradshaw, City Manager

FROM: Rebecca Grohall, Planning Manager

RE: CRA Expansion

DATE: February 5, 2013

Current FPRA accounts for roughly 47% of the city's geography, 3,154 acres. Additional proposed 1,020 acres this would bring the total acreage within the FPRA to 4,174 or 62% of the total City within a redevelopment district.

In dollars, approximately a fourth of the City's tax base is directed into the existing FPRA districts, by increasing the area that City would be dedicating almost one-third of all property tax revenues into the CRA (please refer to Table 4 in the attached report). In conversations through FRA (Florida Redevelopment Associations) colleagues, this percentage appears to be higher than what most cities and counties think is palatable.

Assuming a 2014 base year establishment for expanding the CRA, the new incremental revenue coming into the CRA for the next ten years is \$1.6 million total (see Table 5 of the attached report). Assuming the County agrees to participate, the total would add \$835,000 (see Table 6 of the attached report). It's unclear if the County will agree to participate in the expansion and to what extent, and from previous efforts, it is assumed they will request enter into a joint public hearing process as outlined in Sec. 163.361 F.S. (essentially triggering a 90-120 day mediation session).

The entire City has seen values plummet and if the two proposed areas are added into the CRA, new incremental revenues are not significant enough for at least a decade (possibly longer) before capital projects can be undertaken under the guise of the FPRA. Nor are they significant enough to help reduce the City's payment towards FPRA's debt service (see the attachment with the Debt Service information).

It's my recommendation that the FPRA not be expanded at this time. As an alternative, any future growth in the ad valorem base for the City may be dedicated for specific projects. Several places are doing this in lieu of creating new CRA's. For example, Osceola County recently developed a "Dedicated Ad Valorem" program that allows increases in the tax collections (incremental funds) to be utilized for specific capital projects, in their case – roadway maintenance, including personnel costs for repairs and renovations. In Escambia County, the elected officials there have decided to set aside a portion of new growth into economic development programs. Both of these programs effectuate the same goals of a CRA to bring growth to an area through capital improvements, yet eliminate restricting the funds. As indicated in the Considerations outlined in the report (page 6) this leaves the City covering the FPRA budget shortfalls and making hard decisions regarding services, deferring maintenance on infrastructure, and handicapping the City's general fund.