

**CITY OF BROOKSVILLE
COMMUNITY REDEVELOPMENT AGENCY
ANNUAL REPORT
for the
2014-2015 FISCAL YEAR**



Filed: March 1, 2016

*The cover photo shows an "AFTER" picture of "The Law Offices of Jimmy Brown" at 211 S. Main Street. This beautiful house was built in 1912 and has served as a law office since 1986. As evidenced by the "before" pictures on pages 8-9, the structure was starting to show its age when the property owner applied for and was awarded a Community Redevelopment Area Commercial Property Improvement Matching Grant to partially fund its' restoration. See Exhibit "A" of this report for more photos of this and other properties that have benefitted from this grant program.

HISTORY:

In 1999, the City of Brooksville formally instituted a Community Redevelopment Area in its downtown core. In accordance with Chapter 163, F.S., the City adopted Ordinance No. 590 and Resolution No. 98-18, which delineate and establish the Community Redevelopment Area, the Tax Increment Financing (TIF) District, the Community Redevelopment Agency (CRA) and the related Agency Trust Fund. The City also adopted a Community Redevelopment Plan (CRP) for this area as well as a Revitalization Plan that addresses the entire City. Florida Statutes and the City's Ordinance No. 590 provide for all applicable taxing authorities within the Project Area to pay into the Trust Fund each year, the incremental increase of tax revenues produced by the taxing authority's millage rate that is applied to the increase in total assessed value over the assessed value amount set by the established base year. Ordinance No. 590 established the base tax year as 1998. The following table represents the TAX INCREMENT FINANCING BILLING HISTORY through the 2015 calendar year:

<i>TIF Billing Year</i>	<i>Date Billed</i>	<i>Assessed Value Increment over base year</i>	<i>City of Brooksville TIF Amount</i>	<i>City Millage Rate</i>	<i>Hernando County TIF Amount</i>	<i>County Millage Rate</i>	<i>Annual TIF Revenue Subtotal</i>	<i>Cumulative TIF Revenue Subtotal</i>
1999	12/08/99	\$55,260.00	\$419.98	8.0000	\$455.14	8.6695	\$875.12	\$875.12
2000	10/25/00	\$233,144.00	\$1,771.89	8.0000	\$1,865.00	8.4204	\$3,636.89	\$4,512.01
2001	11/01/01	\$2,132,735.00	\$16,208.79	8.0000	\$17,060.56	8.4204	\$33,269.35	\$37,781.36
2002	11/25/02	\$2,902,420.00	\$22,058.39	8.0000	\$24,789.22	8.9904	\$46,847.61	\$84,628.97
2003	10/21/03	\$4,280,409.00	\$32,531.11	8.0000	\$36,494.62	8.9747	\$69,025.73	\$153,654.70
2004	10/25/04	\$5,086,492.00	\$38,029.16	7.8700	\$44,578.67	9.2254	\$82,607.83	\$236,262.53
2005	10/13/05	\$5,883,236.00	\$41,918.06	7.5000	\$50,947.76	9.1156	\$92,865.82	\$329,128.35
2006	10/12/06	\$6,880,577.00	\$49,024.11	7.5000	\$56,316.29	8.6156	\$105,340.40	\$434,468.75
2007	10/22/07	\$6,944,362.00	\$41,713.74	6.3230	\$46,449.82	7.0409	\$88,163.56	\$522,632.31
2008	11/04/08	\$10,393,781.00	\$59,925.86	6.0690	\$69,284.54	7.0168	\$129,210.40	\$651,842.71
2009	10/16/09	\$8,402,952.00	\$48,447.64	6.0690	\$56,013.75	7.0168	\$104,461.39	\$756,304.10
2010	10/06/10	\$7,126,453.00	\$43,125.73	6.3700	\$47,504.66	7.0168	\$90,630.39	\$846,934.49
2011	10/18/2011	\$7,089,377.00	\$42,901.36	6.3700	\$47,958.61	7.1209	\$90,859.97	\$937,794.46
2012	10/05/2012	\$5,793,796.00	\$36,327.10	6.6000	\$41,249.43	7.4943	\$77,576.53	\$1,015,370.99
2013	10/04/2013	\$6,125,883.00	\$39,175.73	6.7317	\$48,613.93	8.3535	\$87,789.66	\$1,103,160.65
2014	10/06/2014	\$6,321,841.00	\$40,215.70	6.6962	\$50,915.53	8.4778	\$91,131.23	\$1,194,291.88
2015	10/06/2015	\$6,636,400.00	\$41,887.00	6.6439	\$54,184.08	8.5944	\$96,071.08	\$1,290,362.96
TOTAL			\$595,681.35		\$694,681.61			

STAFFING:

The City of Brooksville provides management, planning and financial services to the CRA for an annual fee. Additionally, in November 2010, the Community Redevelopment Agency hired a consultant to update the Community Redevelopment Plan (CRP) and assist with implementing the CRP Goals, Objectives and project plans.

MEETINGS:

The CRA met three times during the 2015 calendar year (May 18, September 16 & October 5, 2015) Minutes for the meetings are on file in the office of the City Clerk. Topics addressed at these meetings included review of contractual matters related to the wayfinding signage project, the CRA consultant and current Task Order projects, final adoption of the 2015-16 budget resolution and Capital Improvement Plan for fiscal years 2015-16 through 2019-20, and a one-year extension on the consultant contract.

CRA staff and its' consultant continue to attend and participate in quarterly meetings with the Brooksville Vision Foundation Stakeholders Council (a private non-profit corporation whose purpose is to work side-by-side with local partners to promote and implement positive economic development/redevelopment in Brooksville). Activities of the Stakeholders Council include the establishment of the Brooksville 2050 vision document for the City and providing a forum for community input and projects. The Brooksville Vision Foundation has been vital in its grass roots efforts to promote transportation projects such as reversing the one-way pairs in the downtown and establishing a viable route to close the Coast-to-Coast Trail gap between the Suncoast Trail and the Good Neighbor Trail that will maximum its social and economic benefit to the City and County.

PROJECTS:

In the year 2000, the City/CRA initiated a Main Street Revitalization Project, which included four blocks of Main Street from Fort Dade Avenue to just south of Liberty Street. Funding was obtained through CDBG-CR & MPO Enhancement Fund grants leveraged with local revenues. The project included placing utilities (electric, cable, phone, etc.) underground, installing decorative brick pavers and crosswalks, landscaped bulb-outs at the intersections, old-style street lights, tree planting, benches and trash receptacles. The project was completed in 2004. The City subsidized the CRA with matching funds for this project in the amount of \$150,000. A payment schedule was proposed for reimbursing the City for this loan as well as management fees that accumulated in the early years of the CRA. As part of the budgeting process for the 2008-2009 fiscal year, the City put the money previously allocated for the above-referenced debt service (\$8,975 plus all future year debt service for this loan) back into the CRA TIF trust fund to be used for redevelopment purposes. Forgiving this debt obligation effectively converted the balance of future year debt service (in the amount of \$192,383) into future year revenues that may be used for redevelopment activities as outlined in the Community Redevelopment Plan.

CRA staff administer a commercial exterior improvement grant program (initially adopted/implemented June 1, 2009) to benefit properties located within the redevelopment area. To date, 20 business properties have taken advantage of this grant program. The CRA anticipates

more businesses taking advantage of this program as the economy improves and the capability for private property investment improves with it. Exhibit “A” displays “before and after” pictures of properties that recently utilized the CRA grant program.

As previously noted, a planning/design consultant was selected by the Community Redevelopment Agency in the latter part of 2010 to work with staff in updating the Community Redevelopment Plan and subsequently move forward with assisting the CRA in implementing future projects. The CRA Plan update was completed on January 7, 2013. An important component of the Plan update was the inclusion of a five-year Capital Improvement Program (CIP). The current CIP targets close to \$602,000 worth of projects and improvements over the next five years which may be leveraged with other funding sources and investments to make significant improvements within the downtown district.

The updated Community Redevelopment Plan now specifies several projects, including a Downtown Beautiful Program (which augments the existing Commercial Property Exterior Grant program and encourages private-public partnerships to improve and enhance the “look” and “feel” of the Community Redevelopment Area). Another active project specified within the Plan provides for installing gateway improvements and wayfinding signage. This past year the signage project was bid and a contract was awarded to a contractor to refine the design, obtain permits (through the FDOT as applicable), construct and install the signs. The Community Redevelopment Agency accepted and approved Recreation and Stormwater Master Plans for the CRA in the 2014-15 fiscal year, which will help to guide public and private development activities within the CRA for years to come. Other projects/programs targeted by the CRP include developing cultural event and business recruitment and retention programs; developing a CRA webpage; and it further provides for the development of a parking improvement plan.

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FINANCIALS:

Revenues Expenses Report - By Period

615 - Community Redevelopment Agency

10/01/2014-09/30/2015

		<u>Actual</u>	<u>Budget - Revised</u>	<u>Variance \$ - Revised</u>
Taxes				
40000	Ad Valorem Taxes	91,131.23	90,480.00	651.23
	Total Taxes	91,131.23	90,480.00	651.23
Grants from Other Local Units				
47000	Grants from Other Local Units	0.00	0.00	0.00
	Total Grants from Local Units	0.00	0.00	0.00
Interest Earnings/ Dividends				
48806	Interest - CD	0.00	00.00	0.00
48810	Interest Earnings/Dividends	327.11	500.00	(172.89)
48811	Interest SBA	0.00	0.00	0.00
	Total Interest Earnings/Dividends	327.11	500.00	(172.89)
	Total Revenues	91,458.34	90,980.00	478.34
Operating Expenses				
53200	Accounting & Auditing	0.00	0.00	0.00
53400	Other Contractual Services	27,950.00	54,950.00	27,000.00
54800	Advertising Activities	0.00	6,000.00	6,000.00
54900	Other Current Charges	0.00	0.00	0.00
55210	Operating Supplies	0.00	0.00	0.00
55400	Books Subscription Membership	175.00	870.00	695.00
	Total Operating Expenses	28,125.00	61,820.00	33,695.00
Other Services & Charges				
55500	Uncapitalized Equipment	0.00	0.00	0.00
55630	Improvements Other Than Building	0.00	65,000.00	65,000.00
55650	Construction in Progress	2,237.50	180,000.00	177,762.50
58300	Other Grants & Aids	9,000.00	30,000.00	21,000.00
	Total Other Services & Charges	11,237.50	275,000.00	263,762.50
	Total Expenditures/Expenses	39,362.50	336,820.00	297,457.50
	Net income/(Net Loss)	52,095.84	(245,840.00)	297,935.84

BALANCE SHEET:

Balance Sheet Per Fund

615 - Community Redevelopment Agency

As of 09/30/2015

		<u>Prior Year</u>	<u>Current Year</u>	<u>Current Year Change</u>
Cash				
10008	Cash - Certificate of Deposit	29,862.43	29,899.76	37.33
10009	Cash - CRA Money Market	440,629.80	492,688.31	52,058.51
10011	Cash- CRA Checking Account	0.00	0.00	0.00
10701	Interest & Dividends Receivable	0.00	0.00	0.00
Total Cash		470,492.23	522,588.07	52,095.84
Total Assets		470,492.23	522,588.07	52,095.84
Other Liabilities				
20101	Due to General Fund - 001	0.00	0.00	0.00
20131	Due to CDBG (Redevelopment) - 131	0.00	0.00	0.00
Total Other Liabilities		0.00	0.00	0.00
Total Liabilities		0.00	0.00	0.00
Equity				
30060	Fund Balance- Unreserved	470,492.23	522,588.07	52,095.84
Total Equity		470,492.23	522,588.07	52,095.84
Total Liabilities and Fund Balance/Retained Earnings		470,492.23	522,588.07	52,095.84

This Annual Report of the City of Brooksville Community Redevelopment Agency is being filed with the office of the City of Brooksville City Clerk and the Brooksville Community Development Department, consistent with the requirements of Section 163.356(3)(c), Florida Statutes. The Report provides a summary of CRA activity through the 2014-2015 fiscal year. The report is a compilation of information obtained from public records and staff acting on behalf of the CRA. If there are any questions concerning the City of Brooksville Community Redevelopment Agency, please contact the City's Community Development Department at (352) 540-3810.

This report has been officially filed with the local government(s) on March 1, 2016.

Sincerely,

Bill Geiger

Bill Geiger
CRA Executive Director

pc: City of Brooksville Council/Community Redevelopment Agency Members
T. Jennene Norman-Vacha, City Manager
Ginny Wright, City Clerk
Tannette Gayle, Finance Director
Thomas Hogan, City Attorney
George Zoettlein, Dir., Off. of Mngmt. & Budget/Hernando County Taxing Authority
CRA file

ATTACHMENTS:

Exhibit "A" – The "Law Offices of Jimmy Brown" & "Great Stuff" properties "Before & After" Pictures & List of Successful Grant Projects Completed or Active to Date

Exhibit "B" – City of Brooksville Historic District/Community Redevelopment Area (graphic)

Exhibit "C" – "Community Redevelopment Agencies: What, When and How"; a publication of the Florida Redevelopment Association

EXHIBIT "A"

*Community Redevelopment Agency Commercial Property Improvement Matching Grant Program
211 S. Main Street*

BEFORE



AFTER



*Community Redevelopment Agency Commercial Property Improvement Matching Grant Program
211 S. Main Street*

BEFORE



AFTER



*Community Redevelopment Agency Commercial Property Improvement Matching Grant Program
211 S. Main Street*

BEFORE



AFTER



BEFORE

503 S. Main Street

AFTER



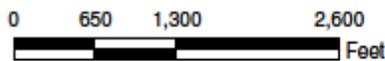
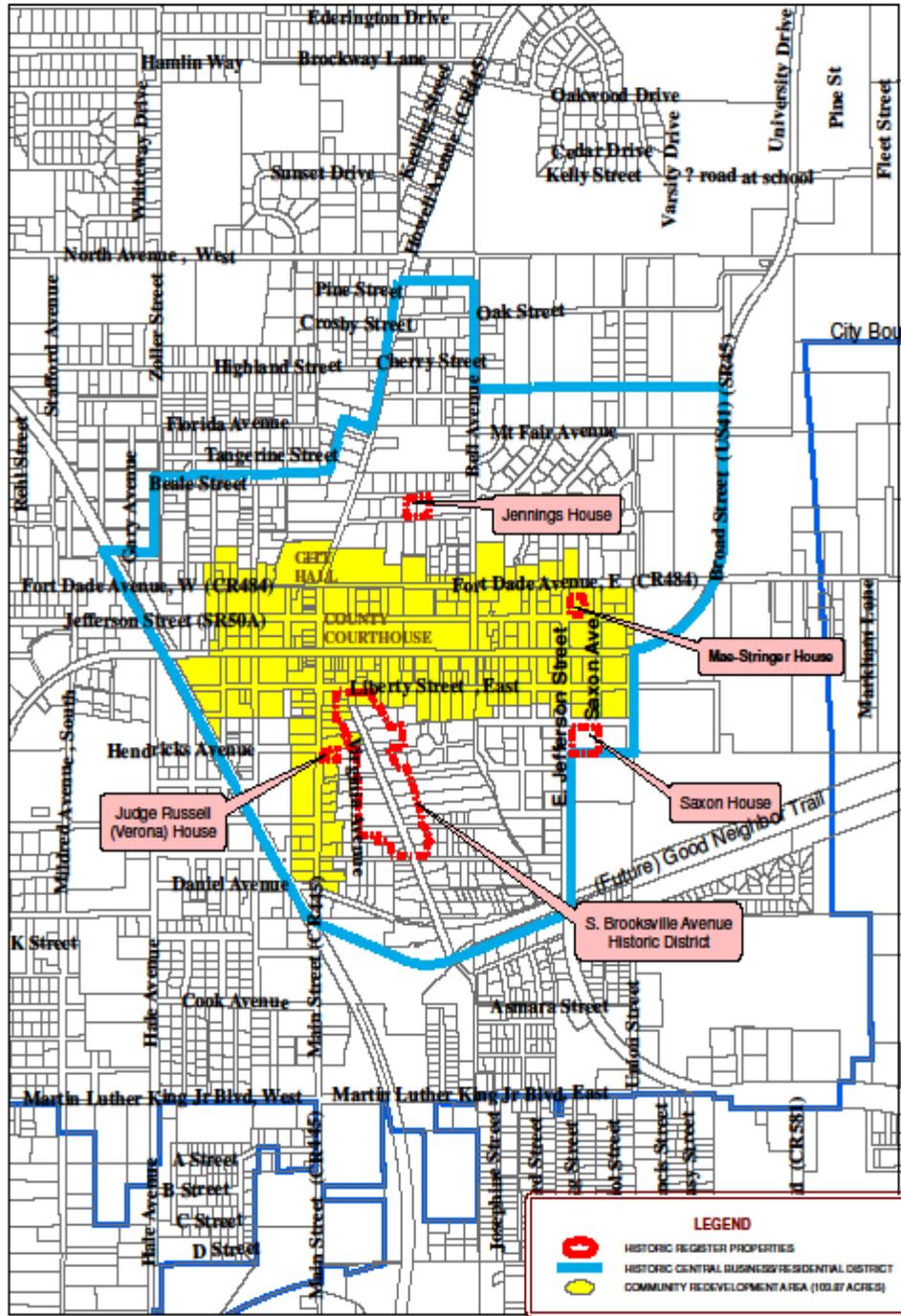
LIST OF SUCCESSFUL GRANT APPLICANTS

#	NAME	ADDRESS	DESCRIPTION	BID AMT	GRANT AMT	APPROVED	PAID	COMMENTS	IN EZ
1	Anna Smith (Comm. Bldg.)	318 N Broad St	parking lot, painting	\$9,886.98	\$4,943.49	2/19/2010	4/20/2010 Ck # 0522	Complete	No
2	Lynn Mountain / Manuel LLC	161 E Jefferson St	parking lot, painting, landscaping, shutters	\$4,206.76	\$2,103.38	10/28/2010	3/11/2011 Ck # 0529	Complete	No
3	Joseph Lowman / Lowman Properties	31 S Main St	balcony, drainage, ADA ramp, painting	\$55,800.00	\$10,000.00	5/10/2011	6/4/12 Ck # 0541	Complete	Yes
4	Mark Browning / Browning Ins. Co.	1 N Main St	painting, awning	\$13,810.00	\$5,000.00	2/22/2012	4/12/2012 Ck # 0537	Complete	Yes
5	Robert Riley/ Pronto Cleaners	104 S Main St	new roof, new siding	\$44,250.00	\$10,000.00	4/23/2012	7/13/2012 Ck #0543	Complete	Yes
6	Darlene Wylie - White Daisy Salon & Spa	414 E Liberty St	pressure wash, painting	\$5,100.00	\$2,550.00	3/23/2012	5/15/2012 Ck # 0540	Complete	Yes
7	James Tsacrios / Mallis Brothers Construction	12 N Broad St / 15 S Main St	window replacement on 2nd story	\$10,560.50	\$5,000.00	4/17/2012	5/7/2012 Ck # 0539	Complete	Yes
8	Richard Tombrink, Jr./The Tilted Cup	200 W Fort Dade Ave	pr. wash/paint roof, ext. walls, shutters, front porch; trim tree	\$7,664.00	\$3,832.00	5/24/2012	10/15/2012 Ck # 0547	Complete	Yes
9	Patricia Bechtelheimer /Westover's Flowers & Gifts	510 E Liberty St	parking area repaving; new shingled roof	\$40,238.48	\$10,000.00	6/22/2012	12/27/2012 Ck # 0549	Complete	Yes
10	Adele Vansciver /Women's Club	131 S Main St	driveway & sidewalk repairs	\$4,993.00	\$2,496.50	6/25/2012	8/20/12 Ck # 0545	Complete	Yes

#	NAME	ADDRESS	DESCRIPTION	BID AMT	GRANT AMT	APPROVED	PAID	COMMENTS	IN EZ
11	Zeneda Partners/ Powers Dorsett III	36 N. Broad St.	Tile work on mansard roof edge	\$15,030.64	\$1,950.00	4/4/2013	9/10/2013 Ck #0555	Complete	No
12	Brooksville Commons	109 S. Broad St.	Beautification project & park common are to be open to the public	\$240,000.00	\$10,000.00	6/27/2013	8/21/2014 Ck #0569	Complete	Yes
13	Zeneda Partners/Powers Dorsett III	36 N. Broad St.	Stucco exterior walls, new windows, handicap ramp at door, painting ext.	\$4,295.00	\$2,147.50	10/30/2013	5/19/2014 Ck #0563	Complete	No
14	Weeks Hardware Joseph Weeks	115 N. Main St.	Pressure washing, painting, new awning, window repair	\$1,281.00	\$640.00	5/16/2014	7/1/2014 Ck #0566	Complete	Yes
15	McCrary Building Robert Buckner	11 N. Main St.	Remove/replace soffit, remove/replace light cans, add electric outlet	\$5,007.26	\$2,503.63	6/5/2014	7/8/2014 Ck #0567	Complete	Yes
16	Brown Law Office	211 S. Main St.	Painting exterior and metal roof	\$8,000.00	\$4,000.00	3/24/2015	6/15/2015 Ck #0574	Complete	Yes
17	Great Stuff	503 S. Main St.	Remove/replace metal roof	\$10200.00	\$5,000.00	6/29/2015	9/17/2015 Ck #0576	Complete	Yes
18	Lowman Law Firm	15 E. Liberty St.	Stucco, painting, doors, windows, steps awnings	\$33,800.00	\$10,000.00	8/11/2015		In-progress	No
19	Brooksville Women's Club	131 S. Main St.	Outside electric, porch and steps renovation, rain gutters	\$5,000.00	\$2,500.00	10/15/2015		In-progress	Yes
20	Archer Painting	114 E. Liberty St.	Painting/repair or replace shingles	\$5,900.00	\$2,900.00	12/14/2015	1/29/2016 Ck #0580	Complete	No
	TOTALS			\$525,023.62	\$97,617.00				



EXHIBIT "B" - CITY OF BROOKSVILLE HISTORIC DISTRICT/COMMUNITY REDEVELOPMENT AREA



*Base map information provided by the Hernando County Property Appraiser's office.
Map created by the Brooksville Community Development Department.
Disclaimer: This map is intended for planning purposes only, and should not be used to determine the precise location of any features shown thereon.
E:\Data\ArchMap\Projects\CRA_HISTORIC_12122008.mxd

EXHIBIT “C”

Community Redevelopment Agencies: What, When, and How

CRAs, as they are known, are quite common, but often there are many questions in the minds of those who don't work with them every day. How are they authorized? Who oversees them? What is involved in their operation? How are they funded? This article is intended to simply answer those questions. It also summarizes the legislation passed in session 2002 relating to CRAs. For further information, please contact Carol Westmoreland of the Florida Redevelopment Association at cwestmoreland@flcities.com or call (850) 222-9684 ext. 115.

What is a Community Redevelopment Area or District?

Under Florida law (Chapter 163, Part III), local governments are able to designate areas as Community Redevelopment Areas when certain conditions exist. Since all the monies used in financing CRA activities are locally generated, CRAs are not overseen by the state, but redevelopment plans must be consistent with local government comprehensive plans. 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. To document that the required conditions exist, the local government must survey the proposed redevelopment area and prepare a Finding of Necessity. If the Finding of Necessity determines that the required conditions exist, the local government may create a Community Redevelopment Area to provide the tools needed to foster and support redevelopment of the targeted area.

There are currently 178 Community Redevelopment Areas in the State of Florida. The designation is used by Florida cities of all sizes, from Jacksonville and Tampa to Madison and Apalachicola. Many familiar locations, such as Church Street in Orlando, Ybor City in Tampa and the beachfront in Ft. Lauderdale are successful examples of Community Redevelopment Areas.

What is a Community Redevelopment Agency?

The activities and programs offered within a Community Redevelopment Area are administered by the Community Redevelopment Agency. A five-to-seven member CRA “Board” created by the local government (city or county) directs the agency. The Board can be comprised of local government officials and 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.

What is a Community 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; however, the boundaries of the area cannot be changed without starting the process from the beginning.

What is 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 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, 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 property tax revenue collected by the School Board and any special district are not affected under the tax increment financing process. Further, unlike in some states, Florida taxing entities write a check to the CRA trust fund, after monies are received from the tax collector. In California, the increment is sent to the CRAs directly out of collected county tax revenues, before they are distributed to each taxing

entity.

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.

How does the CRA Process Work?

A public meeting begins the designation process. Several steps will have to be accomplished before the Community Redevelopment Area becomes a reality. These steps are briefly outlined below.

I. Adopt the Finding of Necessity. This will formally identify the blight conditions within the targeted area and establish the area boundary.

II. Develop and adopt the Community Redevelopment Plan. The plan addresses the unique needs of the targeted area and includes the overall goals for redevelopment in the area, as well as identifying specific projects.

III. Create a Redevelopment Trust Fund. Establishment of the Trust Fund enables the Community Redevelopment Agency to direct the increase in real property tax revenues back into the targeted area.

The Florida Legislature addressed CRAs in 2002 from an intergovernmental point of view, to strengthen the ability of cities and counties to manage CRA creation, notices and term issues. Disputes between cities and counties involving CRAs can be resolved locally by interlocal agreements, and should be, since they usually involve growth management issues other than just funding.

Florida Redevelopment Association Legislative Position

The FRA supports the ability of local governments to create and effectively use community redevelopment agencies to redevelop and revitalize their urban areas. This includes the use of tax increment financing. They further support local control and disposition of any disputes between local governments over the use of such agencies and financing. The Florida Redevelopment Association is available for technical assistance, legislative advocacy and redevelopment educational resources.

For copies of current or past bills, statutes or further legislative information, you may visit www.leg.state.fl.us or call the FRA at (800) 616-1513 ext. 115.

About the FRA

The Florida Redevelopment Association (FRA) is dedicated to the revitalization and preservation of Florida's communities. Operated under a contract with the Florida League of Cities in Tallahassee, its purpose is to promote the improvement of downtowns and other urban areas through redevelopment and development activities under the Florida Statutes; encourage Florida's communities to create a healthy mix of affordable workforce and market rate housing; and provide a forum for networking, training and technical assistance; be an advocate for its membership; and monitor legal and legislative issues. The FRA currently has more than 300 public and business agency members.

Summary

CRA's are a specifically focused financing tool 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. After that time, all revenues (presumably much increased from the start of the CRA) are retained by each taxing entity that contributed to the CRA trust fund.