

CRAs: CRA Board Member Training

Redevelopment in a Changing Economy



What will you hear today?

- role and responsibilities of the CRA
- legal requirements for operation and administration
- best practices
- sunshine requirements for board and staff
- Inter local agreements
- if you want to ask a question that comes to mind as we go along, please feel free to interrupt me

What did you come to learn?

IF we have not covered your question by the end of the training, please write it down after the last break and we will collect them and answer as many as we can ...

More

- What are CRAs?
- Open Government Laws
- Public Meeting Protocols & Best Practices
- Ethics
- What is “Not Legal?”
- What are the “Rules of Engagement”?
- How to be an effective CRA Leader
- What are the Best Practices?

Top Ten Reasons

- Remove Slum & Blight
- Create Clean and Safe Places
- Prevent Crime
- Encourage Economic Development
- Build or Enhance Affordable Housing
- Fund Streetscape and other Capital Improvements
- Preserve Historic Buildings/Resources
- Retain and Recruit Business
- Enhance Parks and Recreation
- Increase the Tax Base of the CRA District

What is Redevelopment?

ANY activity authorized under Ch 163, Part III, Florida Statutes.

Relative to your CRA, activities are authorized by your approved Redevelopment Plan and funded by the increase in assessed values over time, called increment.

What is a CRA?

- Dependent Special District
- Created by a city or county by resolution or ordinance
- Board Members appointed by local government -- elected officials or appointees
- CRA may have multiple CRA districts
- Law generally says only one CRA Board per municipality

How is a CRA Created? *All Local*

- Finding of Necessity and “blight” as defined by statute, not Mr. Webster
- Establish CRA Board
- Create Trust Fund
- Adopt Redevelopment Plan
- No state approval required, but there are four (count em) annual reports required

CRA Facts

- Chapter 163 Part III was first passed in 1969. At that time, there were 15 legislatively created Downtown Development Authorities, which collected ad valorem for redevelopment.
- It wasn't until State v. Miami Beach Redevelopment Agency was decided in 1980, that CRAs proliferated. Strand v. Escambia County in 2007 affirmed the Miami Beach case.
- Charter counties “delegate” authority to city CRAs
- Non charter counties can challenge the creation of city CRA by statutory process

More CRA Facts

- More than 200 CRAs in the state – DEO keeps list
- The fiscal year of all CRAs is October 1 – September 30
- CRAs in Florida have terms from 7-30 years, avg. 20
- School boards, water management districts, and most other special districts do not pay into CRA trust funds
- CRAs can give public dollars to private sector – WHY? their mission and process is a public benefit per the courts and statute.

The Redevelopment Plan is the Blueprint for CRA Activities

- A publicly drafted master plan for redevelopment
- Addresses unique customized needs of a specific CRA district
- Sets goals, specifies priorities , identifies projects
- Project revenues and expenses – 5 year
- Roadmap for private sector, consistency is good
- Living document can be amended without limit

Amending a Plan

- **Recommended: update plan every 5 yrs / re-set goals**
- Amendment process is similar to creation of CRA
- Proposed by the CRA Board, sent to local planning agency, to governing body, notices, public hearing, governing body, then charter county approves
- Options
 - Expand or contract boundaries
 - Extend term of CRA
 - General updates, additions, edits

What is Increment Financing?

- Ad valorem property values frozen (base year) for area
- Yearly increase in property values applied to millage is “increment”
- 95% of amount is sent to CRA trust fund
- County and city write check annually
- CRA adopts budget based on amounts plus donations, loans, bonds, interest

How Can the Funds be Spent?

*ANYTHING IN THE PLAN that is in the DISTRICT
(preferably to remove blighted conditions)*

- Reimbursement for CRA start up costs
- Administrative and overhead to carry out adopted plan
- Planning, surveys, and financial analysis
- Acquisition of real property in the redevelopment area
- Clearance and preparation of sites in redevelopment area
- Economic development/business incentives
- Streetscape/capital improvements
- Affordable housing within the area
- Community policing innovations
- Cost of issuance, sale, redemption, retirement, or purchase of revenue bonds
- Repayment of loans, advances, bonds, bond anticipation notes, and other debt

Powers of a CRA

Chapter 163, Part III

(highly recommended reading)

- 163.358 Exercise of powers in carrying out community redevelopment and related activities.
- 163.370 Powers; counties and municipalities; community redevelopment agencies.
- 163.400 Cooperation by public bodies.
- 163.410 Exercise of powers in counties with home rule charters.
- 163.415 Exercise of powers in counties without home rule charters.

Interlocal Agreements

- Alternative funding provisions to the statute and the plan may be mutually agreed to by the taxing authorities.
- But, if you spend money outside the district, you are on your own!
- Also, 163.387 (3)(b) states: Alternate provisions contained in an inter local agreement between a taxing authority and the governing body....may supersede the provisions of this section with respect to that taxing authority. The community redevelopment agency may be an additional party to any such agreement.

Open Meetings

(check with your attorney)

- Sunshine Law
- Notices
- Protocol
- Best Practices

Open Records

- Public Access
- Home computer communications
- Dealing with media requests
- Does it have to be in writing?
- Do we have to charge for it?
- Best Practices

Ethics

CHECK WITH YOUR ATTORNEY and get the question and answer in writing if appropriate...

- Conflicts of interest
- Voting conflicts
- Doing business in the area
- Doing business with the agency
- Gifts

CRA or City Attorney?

- Cost
- Pay now or pay later for not getting legal review
- Free advice is worth what you pay for it
- CRA attorneys represent only the CRA
- City attorneys can represent the city and the CRA
- If conflicts occur, could be problem, but helps keep everyone on same legal page
- FRA offers legal advice in consultation with your attorney (FLC and FAC also consult through your attorney)

Generally Not CRA Legal (check with your attorney)

Trust fund money for any project, program, donation, sponsorship, grant that is not expended in the area and is not clearly in the redevelopment plan.

Exceptions by interlocal agreement

Also not CRA Legal

- Construction or expansion of administrative buildings for public bodies (exception for policing innovations)
- Projects under any previously existing CIP or non CRA funding plan until they are off that list for three years
- General government operating expenses unrelated to planning and carrying out the community redevelopment plan

Exceptions by inter local agreement

What Redevelopment is Not

- Outside the CRA area
- Eminent domain for redevelopment
- General government line items
- Grants or donations to non-profits generally except by contract and in the plan
- Salaries for staff that do not work on CRA activities
- Maintenance normally done by city or county
- Comprehensive planning, zoning or land use regulation

*Indeed, it has been said that
democracy is the worst form of
government except all those other
forms that have been tried from
time to time.*

-- Winston Churchill

Redevelopment - a Contact Sport

- Chapter 163, Part III encourages government to invest public funds with private enterprise to ultimately bring an area back to life
- Local funds, generated by cities and counties, can be a political football
- Diverse groups have vastly differing ideas on how to use the money
- Lack of vision, leadership, buy-in, and responsible implementation can lead to mission drift
- Public does not understand the 'Who, What, When, Where and How' of the process

'Is there a sound bite?'

- Message can be complex/create misunderstandings by citizens who don't hear the rest of the story.
- What do CRAs do? "CRAs use, for a limited period of time, tax revenue increases within a deteriorating area to transform it into one that again contributes to the overall health of the community."

Things to Know About Your CRA

- What is the history of your CRA?
- What has been accomplished?
- What are the current projects?
- What programs does the CRA offer?
- What's in the plan? Read it in entirety.
- How much money is in the trust fund?
- How much does the county v. city contribute?
- How much longer has the CRA to operate?
- When was the last time the plan was amended?

How to be a 'CRA Leader'

- Do your homework (benefit from FRA experience)
- Seek out comment from citizens, businesses – build consensus
- Adopt the shared vision and make a personal commitment to it
- Explain 'Who, What, When, Where and How' as many times as necessary
- Utilize cost benefit analysis at each phase
- Get out of the way – steer don't row
- Work for redevelopment success, not credit

Successful CRAs

- Vision
- Leadership
- Plan the work, then work the plan
- A passion for partnerships
- Community support and trust
- Patience and the “guts” to stick with it
- Wisdom to evolve and embrace the next opportunity

Building the Consensus *To Vision or Not to Vision . . .*

- No one right way to build consensus
- You can over think it – ask yourself:
 - Is it time to get the community involved?
 - Is it time to move charge forward regardless?
- Identify easy-to-understand measurement for progress and success
- Continuously build support for the program

The Municipal Cycle

- October – False Start
- November/December – Where is Everyone?
- January – Angst!!!!
- February through June – The Real Deal
- July/August – At Last Staff Can Get Something Done
- September – It's the Budget, Stupid!
- Start All Over Again . . .

Good Ideas

- Be realistic about what can be accomplished, but...be **bold** in setting goals
- Mission, Goals, Objectives – keep them up front
- Understand the private sector/profit motive
- Annual strategic planning workshop (two hours)
- Let the annual budget tell the story
- Communicate, Communicate, Communicate

Best Practices

- Understand the Market
- Review Land Use & Zoning
- Create Successful Partnerships
- Track Your Progress and IF IT IS MEASURABLE, DO IT
- Promote Projects and Success Stories
- Create Themes, Campaigns, Events, and “Buzz” in the district

More Best Practices

- Consider joint procedures for CRA and city, eg. Personnel
- Maintain separate insurance (errors/omissions, liability)
- Closely monitor CRA contracts
- Complete all appropriate reports and make sure they are done timely, as you are ultimately responsible

Trends

- Inter local agreements will be used more to outline who pays for what, when, how and why
- Cooperative instead of competitive approach to governing
- Dialogue, not monologue
- Strong legislative defense - any changes to the redevelopment act should empower, not limit.

Other Association Resources

- www.floridaplanning.org
- International Council of Shopping Centers www.icsc.org
- Urban Land Institute www.uli.org
- Florida Brownfields Association www.fba.org
- Florida League of Cities www.flcities.com
- Florida Association of Counties www.flcounties.com
- Working Waterfronts Program www.myflorida.com
- Florida Main Street Program www.myflorida.com

www.redevelopment.net

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