

# Memorandum



**Date:** July 12, 2011

**To:** Honorable Joe A. Martinez, Chairman  
and Members, Board of County Commissioners

IMFR  
Supplement to  
Agenda Item No. 1 R.2

**From:** Alina T. Hudak  
County Manager

**Subject:** Ordinance appointing Board of Commissioners for the NW 79<sup>th</sup> Street Corridor  
Community Redevelopment Agency

This ordinance is part of a series of legislative items that, if approved, will result in the creation of the NW 79<sup>th</sup> Street Community Redevelopment Agency (CRA). The purpose of creating the CRA is to encourage redevelopment in the Area in accordance with the Plan. However, this item will have a countywide impact. Upon establishing a CRA and a trust fund (Fund), ad valorem revenues from the countywide and UMSA general fund will be used to encourage redevelopment in the N.W. 79 Street Corridor CRA in accordance with the Plan. The ad valorem revenues transferred into the Fund must be used to implement the CRA's Redevelopment Plan within the redevelopment area; these funds could otherwise be used for countywide and UMSA services. The area lies within Commission District 2.

The CRA's primary revenue source will be generated through the incremental growth of ad valorem revenues beyond an established base year, Tax Increment Financing (TIF), as defined in Section 163.387 of the Florida Statutes. Based on conservative estimates and a contribution of 75 percent of the increment, it is projected that the first ten years of TIF revenues will total \$3.7 million (\$2.6 million countywide and \$1.1 million UMSA), based on an annual growth rate in taxable values of five percent. The remaining 25 percent, \$1.223 million (\$846,000 countywide and \$377,000 UMSA) would remain in the County's general fund. The duration of the County's obligation to contribute TIF revenues is set at ten years, but can be extended by the BCC if it subsequently approves extensions to the life of the CRA, of up to 30 years in total. It is projected that a total of \$71.7 million (\$49.6 million countywide and \$22.1 million UMSA) in TIF would be generated over 30 years at a contribution level of 75 percent. The BCC may also extend the life of the CRA by approving a financing instrument that requires an extension of life in order to satisfy debt service requirements.

### Trust Fund Projected Revenue

	Revenue Contribution at 75%			Revenue to Remain with County 25%		
	County	UMSA	Total	County	UMSA	Total
10 Years	2,537,915	1,132,141	3,670,056	845,972	377,380	1,223,352
30 Years	49,548,516	22,122,884	71,671,400	16,516,172	7,374,295	23,890,467

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