

**Minutes**  
**Town of Lake Park, Florida**  
**Community Redevelopment Agency Budget**  
**Workshop**  
**Wednesday, August 18, 2010, 7:00 p.m.**  
**Town Commission Chamber, 535 Park Avenue**

The Community Redevelopment Agency Board met on Wednesday, August 18, 2010 at 7:00 p.m. Present were Vice-Chair Patricia Osterman, Board Members Steven Hockman, Christiane Francois, Kendall Rumsey, Leila Kidd-McCann, Executive Director Maria Davis, and Agency Clerk Vivian Lemley. Chair Desca DuBois was absent. Board Member Longtin was running late.

Vice-Chair Osterman led the Pledge of Allegiance.  
Agency Clerk Vivian Lemley performed the Roll Call.

Vice-Chair Osterman explained that Chair DuBois was not able to make it to the meeting since she was doing legislative activities with the League of Cities, and Board Member Longtin would be late. She welcomed new Board Member Leila Kidd-McCann.

**DISCUSSION**

**Community Redevelopment Agency Budget**

Executive Director Davis welcomed new Board Member McCann. She explained that she would be presenting a review of the activities, revenues and expenses that happened in the CRA over the last fiscal year. She stated that the CRA has taken a significant hit in revenue due to declining assessments and the budget has been reduced dramatically. She began a PowerPoint presentation to discuss and explain the CRA Budget (see Exhibit "A"). She reviewed and explained the CRA's "Accomplishments FY 2010" (see pages 3 through 4 of Exhibit "A"). She reviewed and explained the CRA's "Accomplishments FY 2009" (see pages 5 through 6 of Exhibit "A"). She discussed and explained "Upcoming Events" in the CRA (see pages 7 through 8 of Exhibit "A").

Finance Director Anne Costello continued the presentation and began to discuss the "Proposed Budget 2011, Revenue Values and Tax Increments" (see page 9 of Exhibit "A"). She explained what a "Tax Increment" was (see page 10 of Exhibit "A"). She explained "How is the TIF Calculated?" (see page 11 of Exhibit "A"). She explained that the current year value was 92,643,094 minus base year 1999 value of 56,070,754 and came up with a tax increment of 36,572,340. She continued to explain TIF Calculation (see page 12 of Exhibit "A"). She reviewed and explained the "Taxable Values in the CRA Area Over the Last 10 Years" (see page 13 of Exhibit "A"). She reviewed a "Comparison of Values" (see page 14 of Exhibit "A"). She stated that there was a 20.7% decrease in taxable value. She reviewed and explained the "Revenue" of the CRA (see page 15 of Exhibit "A"). She stated that the total TIF revenue was \$710,950. She explained "Tax Increment Funds FY 2010 vs. FY 2011" (see page 16 of Exhibit "A").

She explained that the Town's Tax Increment Funds would be \$195,700 less in 2011, the County's would be \$85,310 less in 2011 and the total difference from 2010 to 2011 would be \$281,010. She reviewed and explained the "History of Tax Increment Funds (TIF) from 2001 to 2010 (see page 17 of Exhibit "A"). She turned over the presentation to Executive Director Davis.

Executive Director Davis continued the presentation and discussed and reviewed "Expenditures" (see pages 19 through 24 of Exhibit "A"). She reviewed and discussed "Co-op Expenditures" (see page 25 of Exhibit "A"). She discussed and explained the "Other" portion of the presentation (see page 26 of Exhibit "A") which included Debt Service of \$91,325, Contribution to the General Fund of \$169,575 and Transfer to the General Fund of \$84, 250. She stated that there were no "Capital Improvements" and no "Programs" (see pages 27 through 28 of Exhibit "A").

Board Member Hockman asked for clarification of the proposed banners for the CRA.

Executive Director Davis explained that a consultant was being paid to design the banners.

Board Member Hockman asked if the contract for the lawn service was just for the Park Avenue, 10<sup>th</sup> St., and the alleyway areas specifically.

Executive Director Davis explained that the contract covered Park Avenue, 10<sup>th</sup> St., the alleyways, the Fire Station, and the grass alleyways and also the Foresteria property.

Board Member Hockman asked if the contract was for \$95,000.

Executive Director Davis explained that the contract was for two contractors.

Board Member Francois stated that the Sherriff's office has made a great difference in the CRA District with the two deputies that were added. She asked if the cost of those deputies could be deferred by those establishments that have the worst crime hiring their own security.

Executive Director Davis explained that they were successful in having one specific property owner obtain their own security due to the number of calls they received for police services. She stated that it had gotten to the point where the Town was virtually paying to secure a private property and they successfully declared it a nuisance and were able to get them to provide their own security instead of using the Town's deputies as their security officers. She stated that there was another property that was not within the CRA District and was having a crime issue that has been brought before the Special Magistrate. She asked Community Development Director Sullivan to give a status update on that property.

Community Development Director Sullivan explained that the property owner would be fined since they have not complied.

Vice-Chair Osterman asked what would need to be done to declare the other nuisance properties a nuisance.

Community Development Director Sullivan explained it has already occurred for that property and the Magistrate has ordered that property owner to comply by next week.

Executive Director Davis explained how action was being taken on nuisance properties.

Vice-Chair Osterman explained how there has been a big difference in the traffic of crime in the alleyways along 10<sup>th</sup> Street since the deputies were hired.

Board Member Rumsey stated that he thought that one of the best things that CRA has done was its grant and loan program. He stated that he did not see any money budgeted for those programs for next year.

Executive Director Davis explained that unfortunately the CRA would not be able to afford those programs next year.

Board Member Rumsey asked how the programs were budgeted for in the past.

Executive Director Davis explained she budgeted the money in 2008 and 2009 when there was a little more money in the budget, but since the values of properties have dropped so dramatically the cuts had to be made across the board.

Board Member Rumsey stated that sponsorship was important and could be used for additional money for the grants and loans programs. He asked when the security cameras would be installed.

Executive Director Davis explained that CRA Project Manager Pittman was working on the bid project.

CRA Project Manager Pittman explained that he hoped to get the security camera bid project put together within the next six weeks.

Board Member Rumsey asked for an explanation since the grant money was awarded approximately one year ago.

Executive Director Davis explained that they were having trouble finding a 24 hour power source without being conspicuous for the proposed security cameras.

Board Member Rumsey stated that he did not mean anything derogatory to Mr. Pittman by requesting the security camera status. He stated that he knows it has been a difficult task. He asked for the PowerPoint slide of the TIF increments for each year be brought back up on the projector. He asked from what year to what year there was no money put into the CRA TIF.

Finance Director Anne Costello explained that the Town did not make the contribution to the CRA from 2000 to 2007. The first year that the money was put into the CRA TIF was 2008.

Board Member Rumsey asked what that dollar amount was.

Finance Director Costello explained that the figure was 1.8 million dollars with fines and penalties.

Board Member Rumsey stated that the Commission was not paying back the 1.8 million dollars to the CRA. He asked how much of that figure was being paid back this year.

Finance Director Costello explained that \$250,000 was being paid back to the CRA TIF this year.

Vice-Chair Osterman clarified and stated that Commission in previous years had asked about the TIF funds at least once a year and were repeatedly told by staff that it was being done correctly but they were misled.

Board Member Rumsey stated that there was now competent staff leading them in the right direction. He asked how much longer the Town would have to pay back the money.

Finance Director Costello stated that it would take seven to eight years to pay back the money in full.

Executive Director Davis explained that there would be whole different Park Avenue now if they had those funds back then.

Board Member Rumsey asked how much the five furlough days was saving the Town budget.

Finance Director Costello stated that the furlough days were saving the Town approximately \$50,000.

Board Member Rumsey stated "shame on" former Town managers and Town staff that did not properly allot those funds in former years because the Town now this year alone has to use \$250,000 out of its General Fund for back payment on the CRA TIF fund. He asked if the Communications consultant for \$40,000 was a yearly fee or per project.

Executive Director Davis explained that the \$40,000 was a yearly consultant fee that fluctuates from year to year.

Board Member Rumsey asked if the General Fund contribution of \$169,000 was a set amount every year.

Finance Director Costello explained that the Town needed to take a loan to fund the Alleyway Project and the purchase of the Foresteria property because the CRA was

unable to because of the pending "Strand" case. She explained that it was the debt service that is required to be paid to Bank of America for that loan.

Board Member Rumsey asked how many years the loan was for.

Finance Director Costello stated that the loan was for 20 years.

Board Member Longtin arrived at the meeting.

Vice-Chair Osterman asked Board Member Longtin if she had any questions or comments.

Board Member Longtin apologized for being late to the media and stated that she would ask her questions to the Executive Director later.

Vice-Chair Osterman stated that she wanted everyone to be aware that there would be a significant drop in the CRA contributions at the end of that seven year period. She explained that the reality was she was on the CRA Board for 10 years and they barely met and it was frustrating to have the funds and not doing much with them. She explained that she was happy to have the surplus now while there was Board actively trying to develop the CRA.

Executive Director Davis stated that staff would return with a Resolution to be voted on at a future meeting either September 8<sup>th</sup> or 15<sup>th</sup>.

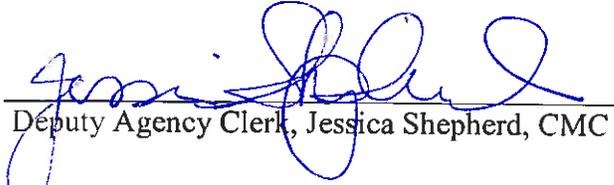
Vice-Chair Osterman encouraged residents to join the Park Avenue Lake Park Facebook group.

Board Member Rumsey stated that other Lake Park business had Facebook pages such as the Art Co-op, Brown Baggin It, and Someplace Restaurant. He encouraged residents to join those pages as well.

ADJOURNMENT

There being no further business to come before the Board and after a motion to adjourn by Vice-Chair Osterman adjourned the workshop at 7:55 p.m.

  
Chair Desca DuBois

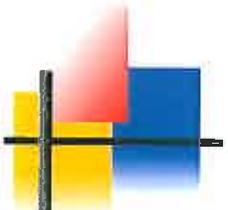
  
Deputy Agency Clerk, Jessica Shepherd, CMC



FLORIDA

Approved on this 15 of September, 2010

Exhibit "A"

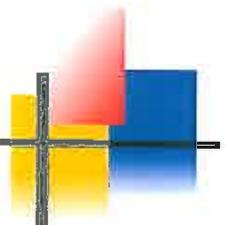


# Community Redevelopment Agency

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Budget Workshop

August 18, 2010



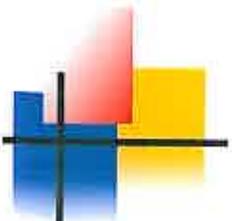
# Review of Current Year

## Accomplishments



## Accomplishments FY 2010

- Established the Town Green
- Demolition of Foresteria Properties
  - 711 Foresteria
  - 761 Foresteria
- Continued Façade Grant Program
- Continued Revolving Loan Program



## Accomplishments FY 2010

- Recruited Dockside Sea Grill To Open a Second Location on Park Avenue
- Persuaded Kelsey Market to Upgrade Business to Eating Establishment
- Installed Banner Poles on 10<sup>th</sup> Street
- Obtained a \$42,000 Grant for Security Cameras on Park Avenue



## Accomplishments FY 2009

- Sidewalk Replacements
- Renovation of 800 Park Avenue
- Opened Art Studios & Gallery
- Window Design Coverings
- Downtown Awnings
- Established Community Garden



## Accomplishments FY 2009

- Hosted Holiday Tree Lighting Event
- 5K Run
- Hosted 1<sup>st</sup> Fine Arts Festival
- Hosted Classic Car Show



## Upcoming Events

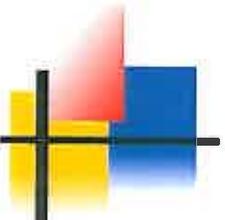
- Children's Street Painting Festival
- Vintage Motorcycle Show
- Beer & Wine Festival
- Seafood Festival
- Grand Opening & Dedication of the Art Studios & Gallery



## Upcoming Events – Cont.

- Costume Pet Parade
- Bicycle Event
- Holiday Arts & Crafts Fair
- Tree Lighting Event
- 2<sup>nd</sup> Annual Fine Arts Festival

# Proposed Budget 2011



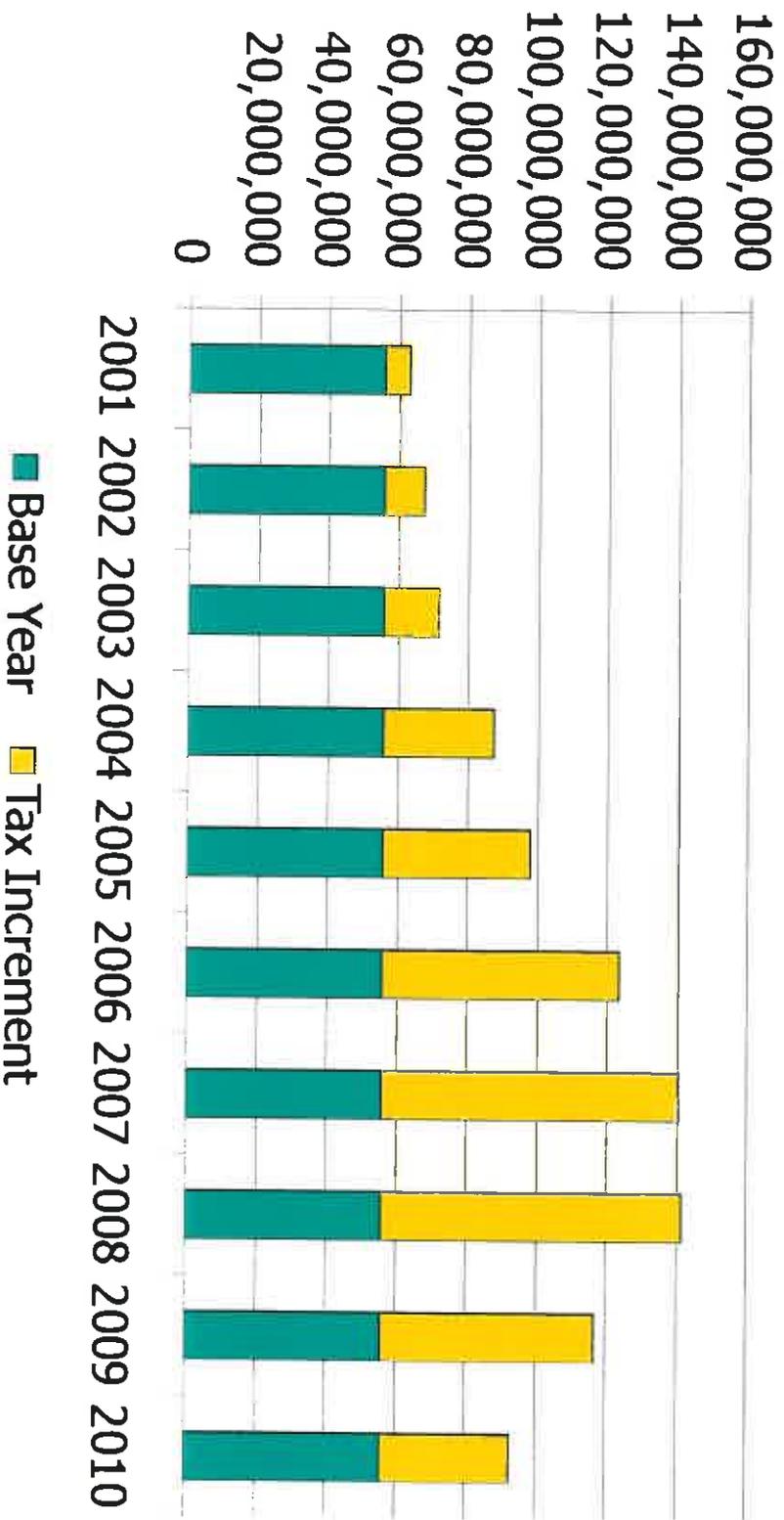
Revenue

Values and Tax Increments

Expenditures



# Tax Increment – What is it?





# How is the TIF Calculated?

- Current year value 92,643,094
- Minus Base year 1999 (56,070,754)
- Tax Increment 36,572,340
- Tax Increment Funds?

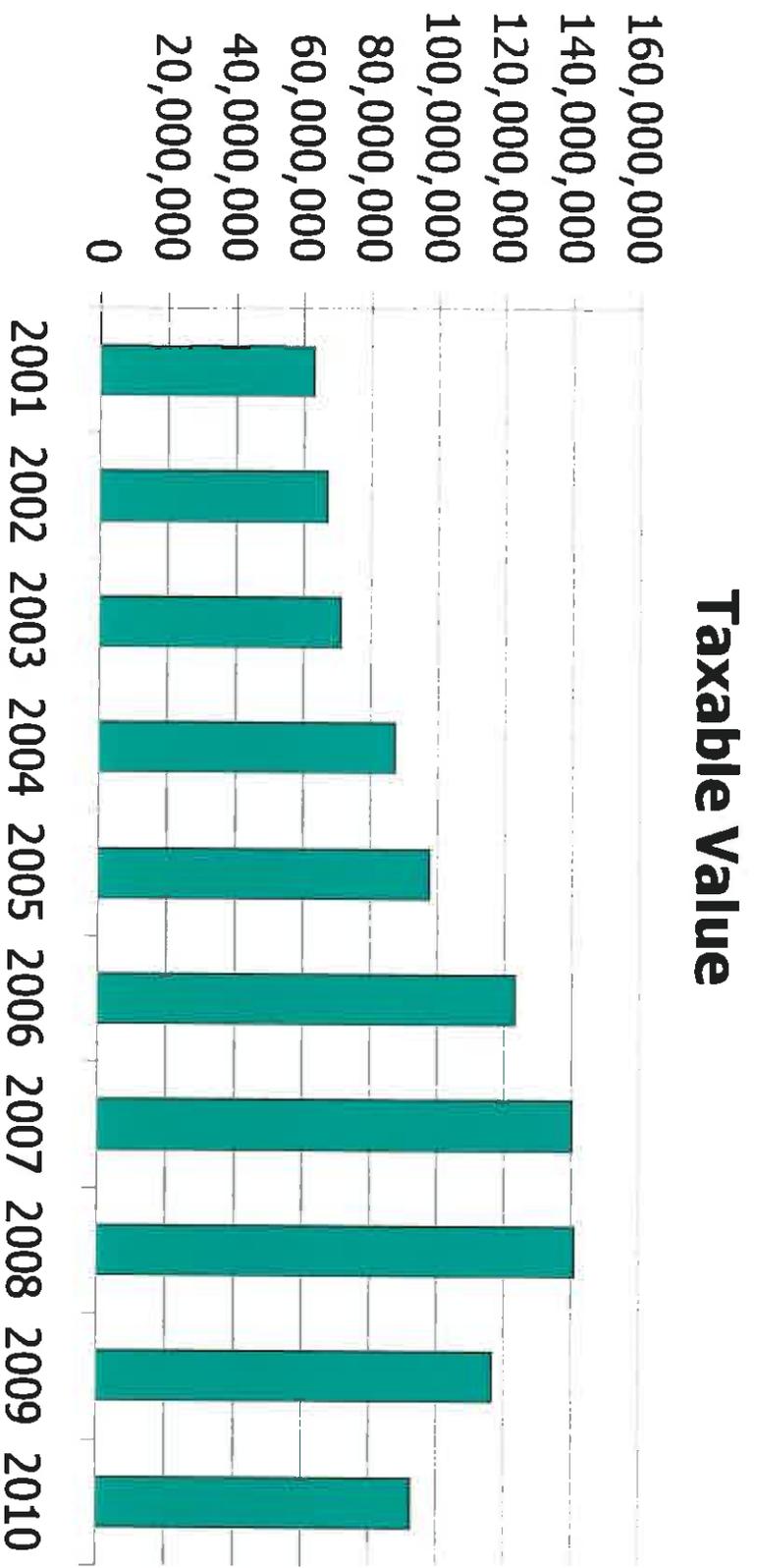


## TIF Calculation Continued...

- Tax Increment  $36,572,340 /$   
1,000
- Divided by 1000 36,572
- Mult. by 95%  $\times$  .95
- = value of 1 mill 34,743
- X Tax Rate (millage rate)  $\times$  8.5163
- Tax Increment Funds (TIF) 295,882



# Taxable Values in CRA Area Over Last 10 Years





# Comparison of Values

2009 Value

\$ 116,833,685

2010 Value

\$ 92,643,094

Decrease

\$ 24,190,591

20.7% Decrease in Taxable Value



# Revenue

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|                              |                          |
|------------------------------|--------------------------|
| ■ 1999 Base Year Value       | \$ 56,070,754            |
| ■ 2010 Taxable Value         | \$ 92,643,094            |
| ■ Tax Increment              | \$ 36,572,340            |
| ■ Town Tax Increment Funds   | \$ 295,900               |
| ■ County Tax Increment Funds | \$ <u>165,050</u>        |
| ■ Total Tax Increment Funds  | \$ 460,950               |
| ■ Delinquent TIF             | \$ <u>250,000</u>        |
| ■ Total TIF Revenue          | \$ <u><u>710,950</u></u> |

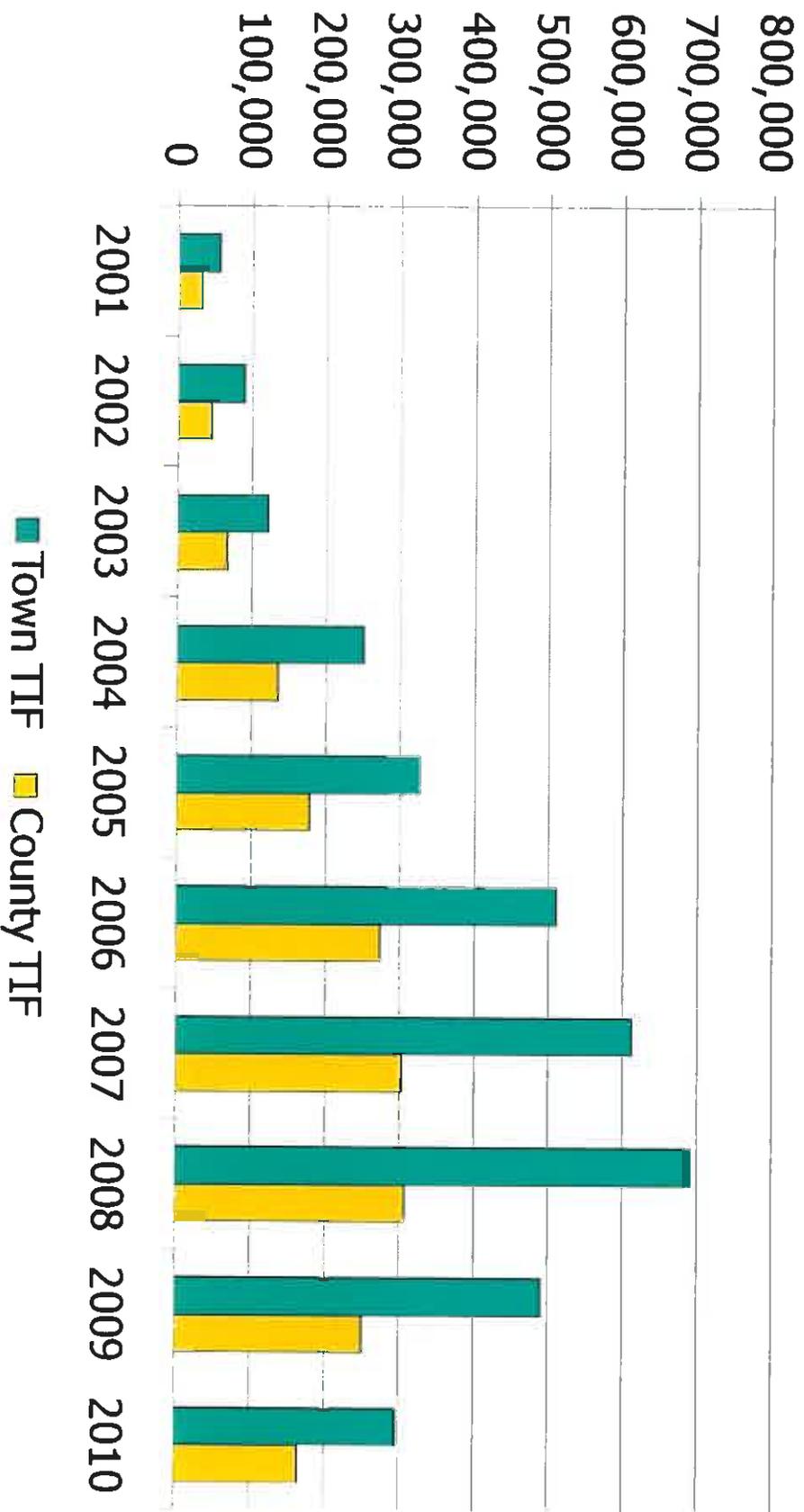


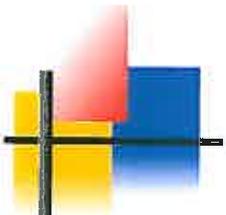
# Tax Incremental Funds

## FY 2010 vs. FY 2011

| TIF    | FY 2010 | FY 2011 | DIFF      | % chg. |
|--------|---------|---------|-----------|--------|
| TOWN   | 491,600 | 295,900 | (195,700) | -39.7% |
| COUNTY | 250,360 | 165,050 | (85,310)  | -34.1% |
| TOTAL  | 741,960 | 460,950 | (281,010) | -37.9% |

# History of Tax Increment Fund (TIF)





# Expenditures



# Expenditures

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- Economic Dev. Dir.      Full Time
- Project Manager      25 hrs/week
- Shared positions:
  - Grants Writer      50%
  - Comm. Dev. Director      20%
  - Planner      10%
  - Code Comp. Officer(2)      10%
  - Recreation Director      50%



## Expenditures – continued...

- Professional Services \$ 65,500
  - Lobbyist – 50%
  - Communications Consultant
  - Retainer for Sponsorship Consultant
  
- Contractual Services \$104,020
  - Landscape Maintenance Contract
  - Holiday Decorations
  - Custodial Services



## Expenditures – continued...

- Contract Services PBSO      \$ 228,425
  - Cost of Two Deputies for Downtown
  
- Administrative Fee      \$ 72,050
  
- Repair & Maintenance      \$ 8,000
  - Repairs of Downtown Infrastructure



## Expenditures – continued...

- **Printing** \$ 3,000
  - Newsletters
  - Promotional Material
  
- **Promotional Activity** \$58,850
  - Festivals, Downtown and Holiday Events
  - Banners, Signs & Entertainment



## Expenditures – continued...

- Advertising \$ 5,000
  - Newspaper & Radio Ads
  
- Operating Expenses \$ 5,000
  - Street Light Replacements
  - Irrigation Supplies
  - Holiday Lights and Decorations



## Expenditures – continued...

- Memberships & Dues      \$ 2,510
  - Business Development Board
  - NPB Chamber of Commerce
  - FL Redevelopment Association
  - FL Dept. of Comm. Affairs Annual Fee



## Co-op Expenditures

- Regular & Part Time Wages \$ 39,780
  - Art Studio Gallery Manager and PT Hours to Cover Studio in Manager's Absence
- Promotional Activity \$ 5,000
  - Promotion of Gallery, Art Openings & Art Events



# Other

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- **Debt Service** \$ 91,325
  - Foresteria Property (711 & 761) and site restoration
  - 800 Park Avenue
- **Contribution to General Fd.** \$ 169,575
  - Contribution for Debt Service
    - Alleyway Improvement Project
    - Purchase of Foresteria Property (725)
- **Trans. to General Fund** \$ 84,250
  - One Deputy in General Fund Contract



# Capital Improvements

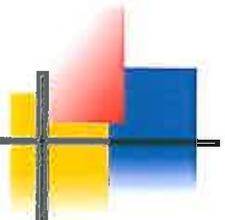
**NONE**



# Programs

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**NONE**



# Board Member Comments