

Minutes
Town of Lake Park, Florida
Community Redevelopment Agency Board Meeting
Wednesday, September 21, 2011, 6:30 p.m.
Town Commission Chamber, 535 Park Avenue

The Community Redevelopment Agency Board met on Wednesday, September 21, 2011 at 6:30 p.m. Present were Chair James DuBois, Vice-Chair Kendall Rumsey, Board Members Steven Hockman, Jeanine Longtin, Tim Stevens, and Christiane Francois, Executive Director Maria Davis, and Agency Clerk Vivian Lemley. Gladys Bryant arrived at 6:35 p.m.

Chair DuBois led the Pledge of Allegiance.
 Agency Clerk Vivian Lemley performed the Roll Call.

ADDITIONS/DELETIONS/APPROVAL OF AGENDA

Board member Hockman requested the addition of the CRA Board membership requirements. Chair DuBois explained that the membership requirements are part of Florida State Statute 163.153. The item was placed under Board Member Comments to allow staff to pull up the Statute.

Motion: A motion was made by Board Member Francois to approve the Agenda as amended; Board member Stevens made the second.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman	X		
Board Member Jeanine Longtin	X		
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 7-0

PRESENTATION:

CRA Budget

Finance Director Anne Costello provided the CRA Board with a brief presentation on the CRA budget (Exhibit A). She explained what a Tax Increment Fund (TIF) is as demonstrated on slide 3 of Exhibit A. She explained how the TIF is calculated on slides 4 and 5 of Exhibit A. She explained what the Taxable Value have been in the last 10 years in the CRA on slide 6 of Exhibit A. She showed the Comparison of Values on slide 7 of Exhibit A. She explained the Revenue on slide 8 of Exhibit A. She compared the TIF for fiscal year 2011 versus 2012 on slide 9 of Exhibit A. She gave a history of the TIF on slide 10 of Exhibit A. She moved on to the expenditures and explained what positions are funded by the CRA on slide 12 of Exhibit A. She continued to explain the expenditures as demonstrated on slide 13 through 16 of Exhibit A. She explained other expenditures represented in the budget on slide 17 and 18 of Exhibit A. She explained the Co-op expenditures on slide 19 of Exhibit A. She explained that there will be no Capital Improvement in this budget. She explained the programs on slide 21 of Exhibit A. She then opened the floor to any questions from the board members.

Board Member Francois had no questions at this time.

Board Member Longtin asked for clarification on the Cop-op Expenditures.

Executive Director Davis explained that there are not enough TIF funds available to continue to operate the Art Gallery and therefore recommended closing the Gallery.

Board Member Longtin asked if those numbers were in the budget that she had reviewed.

Executive Director Davis explained that on page six of the CRA Proposed Budget the last column shows dashes indicating no funds being allocated.

Board Member Longtin asked what was being proposed to be done with the building.

Executive Director Davis explained that it can either be rented or sold.

Board Member Longtin asked for clarification on the current year value of \$88 million and how that is calculated to get that figure.

Finance Director Costello explained that the figure is the value of all the properties within the CRA boundaries as provided by the Palm Beach County Property Appraisers Office.

Board Member Stevens had no questions at this time.

Vice-Chair Rumsey asked when was it decided to close the Art Gallery.

Executive Director Davis stated that the decision was made about a month ago when the budget was being prepared.

Vice-Chair Rumsey asked if anyone on the Board had been made aware of the closure.

Chair DuBois indicated that he had been made aware.

Board Member Stevens stated that he had been made aware yesterday.

No other Board members indicated that they had been made aware.

Executive Director Davis explained why the Board members were not made aware several weeks ago when the decision was made.

Vice-Chair Rumsey expressed concern with the closure of the Art on Park Gallery and how the Board members were made aware. He stated that several weeks ago he had requested information on grants that had been awarded in the CRA. He pointed out that in this budget there is a request for a \$40,000 grant for an anchor restaurant. He asked for clarification because the understanding had been that there was no money in the CRA for grants.

Executive Director Davis explained that due to several projects that fell through there were funds available, which she was recommending for the restaurant.

Vice-Chair Rumsey asked for clarification on the \$500,000 delinquent payment being made to the CRA and how it is broken down.

Finance Director Costello explained that it is the liability that is outstanding from the delinquent TIF, which is a payment from the General Fund to the CRA.

Vice-Chair Rumsey asked if it was the same as the \$250,000 that was in the General Fund budget.

Finance Director Costello explained the process for showing the payment being made from the General Fund to the CRA.

Vice-Chair Rumsey explained a proposal he had made to lower the payment from the General Fund to the CRA and the discussions that have taken place since then. He asked Finance Director Costello to explain what she had explained to him at their meeting.

Finance Director Costello explained that the money Vice-Chair Rumsey proposed to be used was not available to be allocated to the general expenditures of the Town. She explained that it is a liability on the Town's General Fund balance sheet, and as such a liability cannot be used to fund the General Fund appropriations to the CRA.

Vice-Chair Rumsey stated that since that conversation he requested information from the Agency Attorney on the TIF. He asked Agency Attorney Tom Baird to explain the memo (see Exhibit B) that was provided to the Board regarding how the TIF needs to be repaid to the Town.

Agency Attorney Baird explained that the memo provided has nothing to do with the issue Finance Director raised, which is an accounting issue. He explained that the auditors had provided a memo yesterday regarding repayment of the TIF. He stated that

he and the auditors discussed the issues and they are on the same page. He explained that in the current fiscal year if the Board decided to reduce the liability, then the liability could be allocated into the General Fund. He stated that the information he researched was regarding whether or not penalties and interest or any of the principal can be waived. He stated that he was not able to find any guiding opinions, included Attorney General opinions, therefore they revert back to general principles regarding debts and owed debts. He explained that there is no written agreement between the parties (CRA and the Town) and that repayment of the debt would need to be restructured. He stated that if the CRA is agreeable to restructuring the debt, then that new arrangement can be made. He explained the State Statute that was referenced in his memo (Exhibit B) to the Board, in that if a taxing authority fails to pay the TIF, the Board has a legal remedy to collect that TIF. He explained the process that could be followed and provided a recommendation of establishing an Interlocal Agreement between the Town and the CRA for repayment of the TIF. He explained that the members of the CRA Board are also the Commission and that legally they are two separate governmental entities. He provided an example of how the CRA Board could enforce the payment of the TIF.

Board Member Longtin clarified that the Board can forgive any or all of the debt the Town owes.

Agency Attorney Baird stated that he is not recommending that no payment be made to the CRA, but that legally there is no impediment in doing so and in good public policy there would need to be some reasons why the CRA would forgive the debt. He recommended leaving the principal intact and provided an example to explain further.

Board Member Bryant asked if both sides would win in this situation.

Agency Attorney Baird stated that the question was more of a policy or administrative question to be answered by staff.

Vice-Chair Rumsey asked additional questions regarding the total amount due with penalty, liabilities and the principal owed to the CRA.

Board Member Stevens clarified that the total amount due to the CRA will be \$140,000.

Board Member Hockman asked questions regarding the closure of the Art on Park and the possible relocation of the CRA office to that space.

Executive Director Davis stated that it would be more beneficial to the CRA to rent the facility.

Board Member Hockman questioned how high the CRA office phone bill is. He also questioned the number of cell phones that appear as Special Pay on the budget.

Executive Director Davis clarified that the bill included the office and cell phone. She stated that when it shows as a Special Pay it is a stipend.

Board Member Hockman asked for clarification on the amount of deputies that would be patrolling the CRA.

Executive Director Davis stated that the CRA would maintain one deputy and that Palm Beach County Sheriff's Office (PBSO) would provide adequate coverage on a regular basis.

Board Member Hockman continued to ask questions of staff on the CRA Budget and Executive Director Davis and Finance Director Costello responded to his questions.

Board Member Hockman questioned the Community Development Corporation (CDC) website because it shows that it was created by the Information Technology Department (IT).

Agency Clerk Lemley explained that the website created for the CDC was done by an independent webhost that was hired by the Town. The IT department has nothing to do with the website for the CDC or any other website.

CDC Board Member Virginia Martin explained that the CDC website was paid for by a donation from a private individual.

Board Member Hockman continued to ask questions of Ms. Martin regarding the CDC and she responded to the questions.

Board Member Longtin asked if the records of the 501(c)(3) were open to public inspection.

CDC Board Member Martin stated that the records are open to the extent that the Internal Revenue Service (IRS) makes them.

Chair DuBois stated that the time was quickly approaching 7:30 p.m., which was the time that the Final Public Hearing of the Budget had been advertised to begin.

Attorney Baird explained the procedure to recess this CRA Board meeting and convene the Final Public Hearing on the Budget, and that then the CRA Board meeting can be reconvened after the Final Public Hearing on the Budget has concluded.

Motion: A motion was made by to Board Member Francois to recess the CRA Board Meeting at 7:26 p.m.; Board Member Stevens made the second.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member			

Steve Hockman	X		
Board Member Jeanine Longtin	X		
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 7-0

The CRA Board Meeting reconvened at 9:25 p.m.

Public Comment:

1. *Richard Ahrens, 803 Park Ave.* - expressed his appreciation and support for the CRA and stressed that it should remain in existence.
2. *Giuseppe Cianflone, 850 Park Ave.* – expressed his appreciation and support for the Lake Park CRA.
3. *Patricia West, 748B Park Ave.* – provided a letter read by Mayor DuBois (Exhibit C)
4. *Bill Davison, 126 10th St.* – provided a letter read by Agency Clerk Vivian Lemley (Exhibit D)

Public Comment Closed.

Board Deliberation on the Budget:

Chair DuBois explained the process.

Board Member Christine Francois reassured everyone that she is still a CRA business owner. She believes the TIF should remain as it has been. She wanted to know if they did give the money back to the General Fund, what it would be used for.

Board Member Jeanine Longtin asked how much space in the CRA did the Town rent.

Executive Director Davis explained that it was one office.

Board Member Longtin asked what the possible anchor restaurant was going to be.

Executive Director Davis explained that she could not divulge that information at this time and why.

Board Member Longtin expressed her disappointment that the Art Gallery was closing and that the Board was not informed of it beforehand.

Board Member Tim Stevens expressed his appreciation that the staff was able to answer his questions. He mentioned that he read the article that was in the paper concerning the CRA. He wants to continue the events that we currently have. He stated that he does not know what can be cut out of the TIF.

Chair James DuBois explained that he is opposed to forgiving the principal portion of the TIF. He stated that he would be willing to forgive the penalty of that TIF. He stated that he would support the budget as proposed.

Vice-Chair Kendall Rumsey stated that the CRA is great for our Town and is not opposed to it. He stated that the Board should forgive the penalty. He stated that he is willing to do what is necessary.

Board Member Steve Hockman expressed his concern with the Art Gallery closing and its maintenance. He gave his suggestions for trimming some of the expenses of the CRA. He does not approve of the \$40,000 grant. He stated that he is in favor of eliminating the penalty as well as possibly the interest on the TIF.

Board Member Gladys Bryant stated she has seen the CRA just sit with no changes until the CRA office opened up and thinks Jennifer Spicer is doing a great job. She does not agree with forgiveness of the loan. She is also in favor of the new restaurant and would like to see more of a variety of businesses come in.

Board Member Jeanine Longtin does not agree with paying the penalty back.

Chair DuBois reminded everyone that the CRA does belong to the Town.

Board Member Stevens asked what the total payment due was.

Finance Director Costello informed the Board that the amount due as of September 30, 2011 is \$865,382.

Board Member Stevens asked a few other budget questions and Finance Director Costello answered them. He stated that the principal of the TIF should be paid. He stated we owe some interest, but not at 12 percent. He proposed that the penalty should be forgiven (\$69,000) and a portion of the interest if it is feasible. He suggested that the \$40,000 grant could be a possible cut and we could rebid the contractual services.

Discussion ensued.

Agency Attorney Tom Baird explained the interest collected.

Motion: A motion was made by Board Member Stevens to forgive the \$69,000 penalty and have staff engage in an austerity plan to possibly reduce the interest for future years; Vice-Chair Rumsey made the second.

Board Member Francois asked where they were going to cut the \$69,000 if they cut the penalty.

Finance Director Costello explained and Board Member Stevens gave an option.

Discussion ensued.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman	X		
Board Member Jeanine Longtin	X		
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 7-0

Agency Attorney Baird explained more on the penalty payment.

Motion: A motion was made by to Board Member Longtin to decrease the interest rate to four percent; Board Member Hockman made the second.

Board Member Hockman stated that he felt that we should possibly reduce it to half of the current rate to at least six percent.

Vice-Chair Rumsey stated that he supported Board Member Longtin's suggestion of reducing but not at four percent, but at six percent.

Board Member Hockman withdrew his second on the motion.

Motion: A motion was made by to Board Member Longtin to decrease the interest rate to six percent; Board Member Hockman made the second.

Agency Attorney Baird suggested the interest could be something that is discussed at a future meeting.

Board Member Stevens requested that the discussion on the interest be tabled.

Vice-Chair Rumsey suggested that it be brought back to the meeting in October.

Executive Director Davis stated that they could do that.

Board Member Hockman withdrew his second on the motion.

Board Member Longtin withdrew her motion.

DISCUSSION & POSSIBLE ACTION:

Resolution No. 33-09-11 Adoption of CRA Budget

Motion: A motion was made by to Board Member Francois to adopt Resolution No. 33-09-11 Adoption of CRA Budget; Board Member Stevens made the second.

Board Member Stevens asked questions concerning the budget.

Executive Director explained the answers to his concerns.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman		X	
Board Member Jeanine Longtin		X	
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 5-2

Renewal of the Property, Casualty and Liability Insurance

Ellen Jones from the Gehring Group explained to the CRA Board the property, casualty and liability insurance renewal proposal.

Board Member Longtin wanted to see what others are bidding for the future.

Motion: A motion was made by to Board Member Francois to accept the Renewal of the Property, Casualty and Liability Insurance; Board Member Stevens made the second.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman	X		
Board Member Jeanine Longtin	X		
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 7-0

CRA Board Requirements

Agency Attorney Baird read the Florida Statute 163.356 (3) (B) regarding the CRA board membership criteria.

Chair DuBois read the Florida Statute 163.357 (1) (A & C) on the same subject.

Agency Attorney Baird clarified the Statute for the Board – that the criteria does include being an owner of a business in the CRA.

Board Member Hockman stated the reason this was brought up was because he had been questioned about Board Member Francois meeting the requirements to stay on the Board.

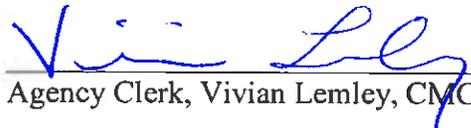
Discussion ensued.

It was determined that Board Member Francois did meet the requirements to stay on the Board.

ADJOURNMENT

There being no further business to come before the CRA Board and after a motion to adjourn by Vice-Chair Rumsey and seconded by Board Member Stevens, by unanimous vote, the meeting adjourned at 10:41 p.m.

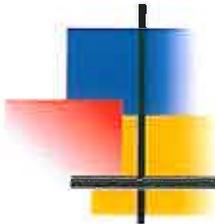

Chair, James DuBois


Agency Clerk, Vivian Lemley, CMC



FLORIDA

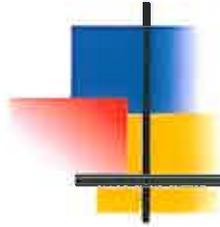
Approved on this 2 of November, 2011



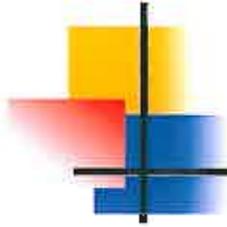
Community Redevelopment Agency

Budget Review
September 21, 2011

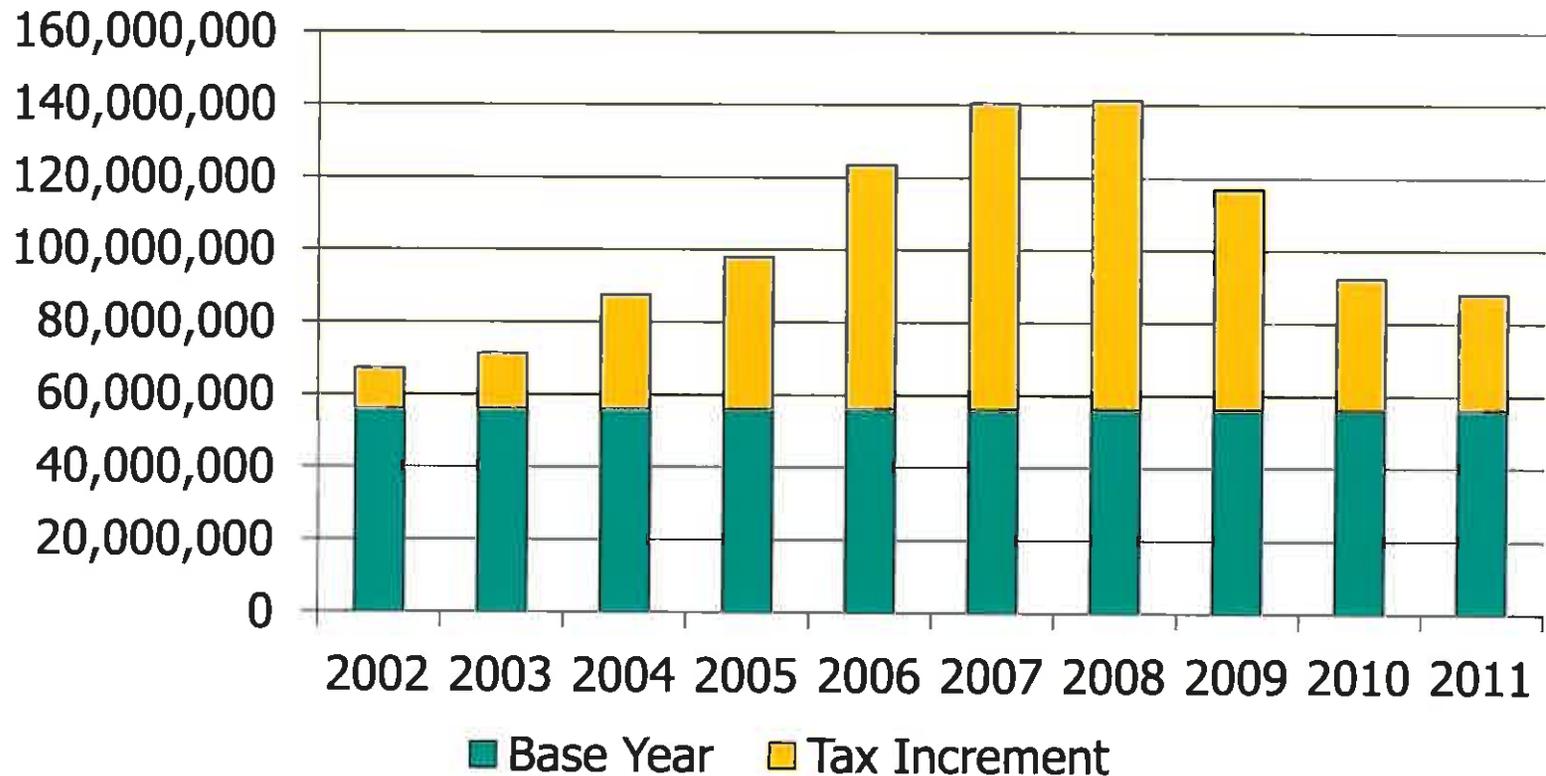
Proposed Budget FY 2012

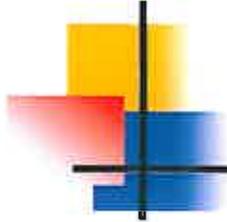


Revenue
Values and Tax Increments
Expenditures



Tax Increment – What is it?





How is the TIF Calculated?

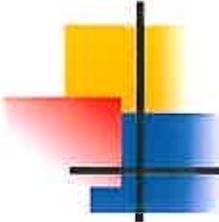
- Current year value 88,215,665
 - Minus Base year (56,070,754)
 - Tax Increment 32,144,911
-
- Tax Increment Funds? How are they determined?



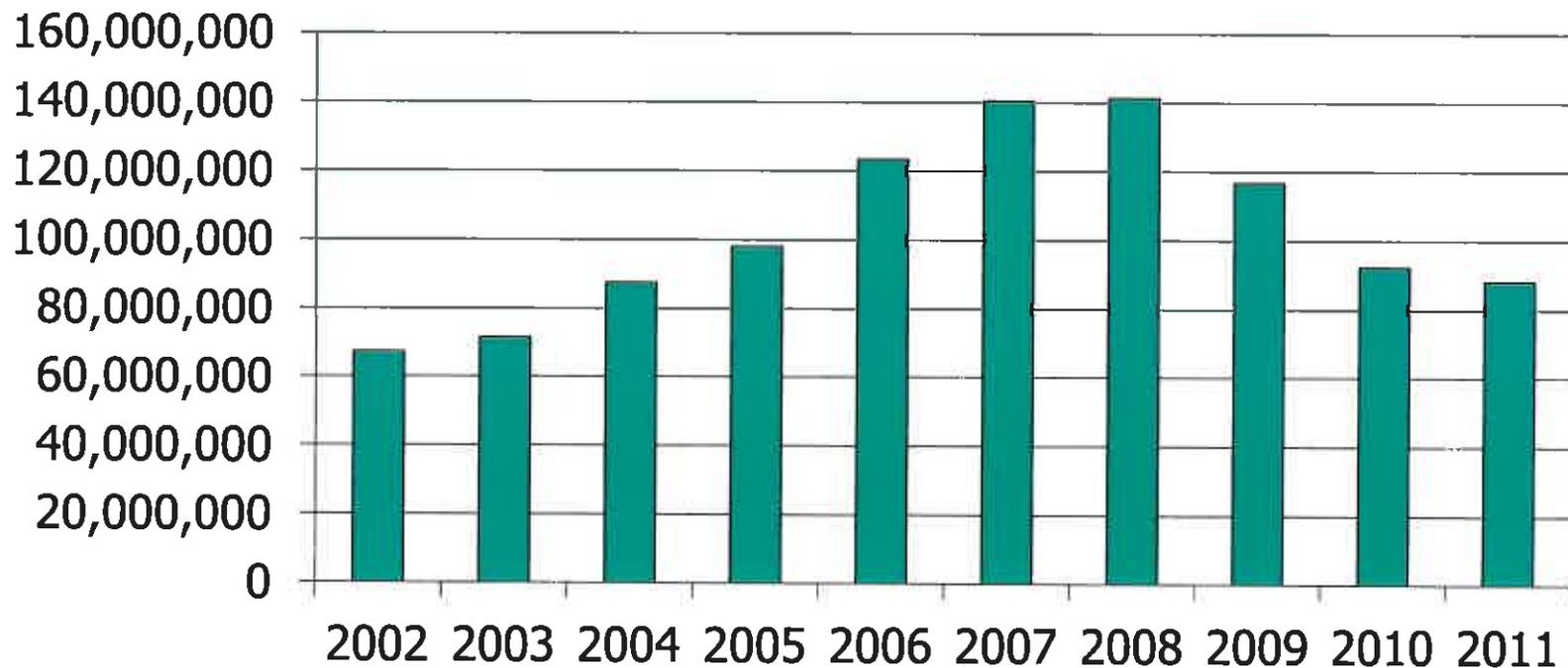
TIF Calculation Continued...

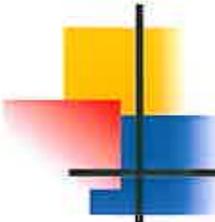
■ Tax Increment	32,144,911/ <u>1,000</u>
■ Divided by 1000	32,145
■ Mult. by 95%	x <u>.95</u>
■ = Value of 1 Mill	30,538
■ x Tax Rate (Millage Rate)	x <u>8.5163</u>
■ Tax Increment Funds (TIF)	<u>260,070</u>

Taxable Values in CRA Area Last 10 Years



Taxable Value





Revenue

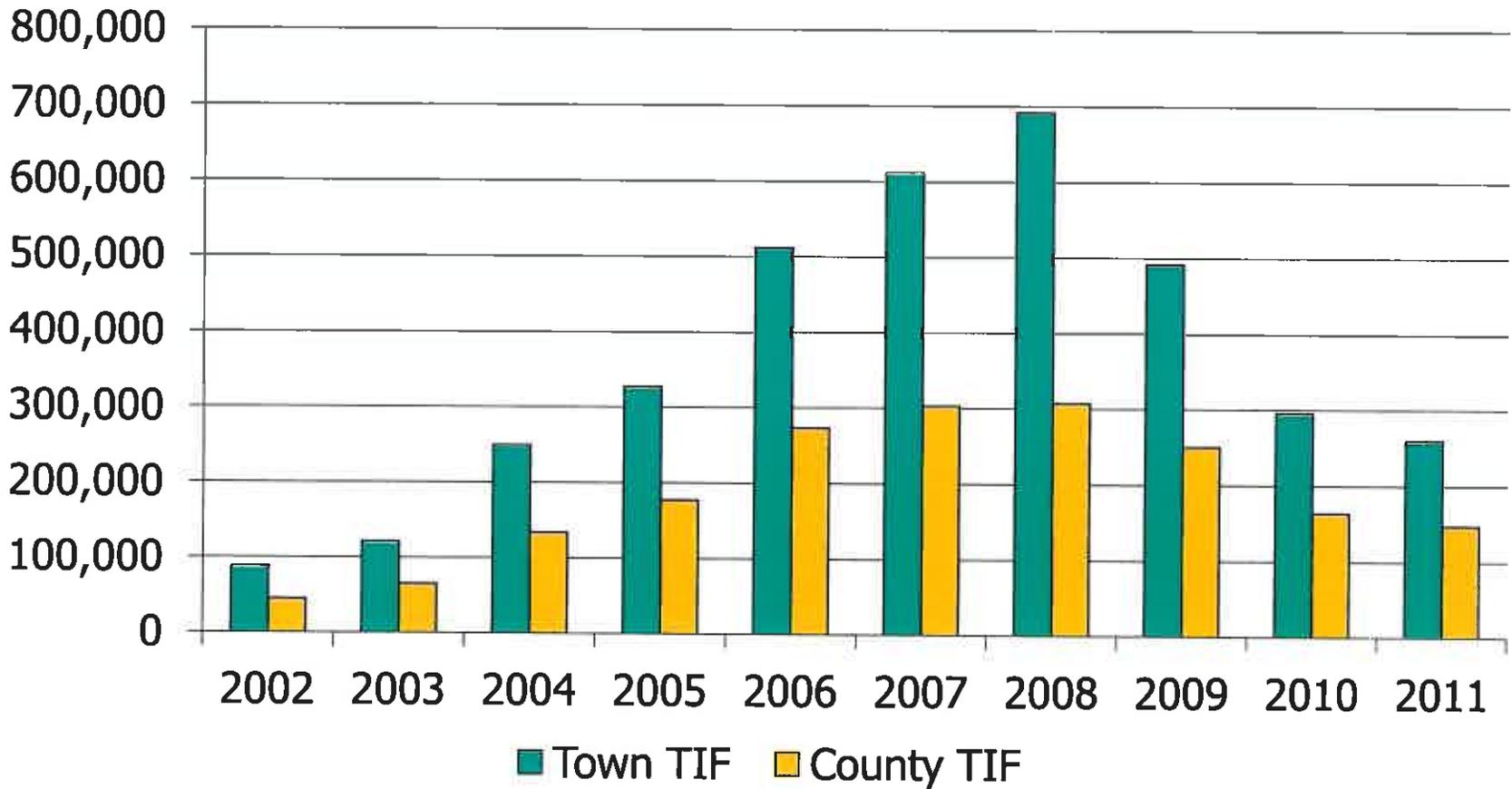
■ 1999 Base Year Value	\$ 56,070,754
■ 2011 Taxable Value	\$ 88,215,665
■ Tax Increment	\$ 32,144,911
■ Town Tax Increment Funds	\$ 260,070
■ County Tax Increment Funds	<u>\$ 148,550</u>
■ Total Tax Increment Funds	\$ 408,620
■ Delinquent Payment	<u>\$ 500,000</u>
■ Total Revenue	<u><u>\$ 908,620</u></u>

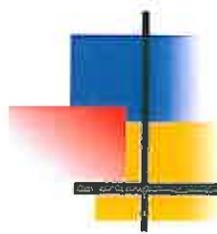


Tax Increment Funds FY 2011 vs. FY 2012

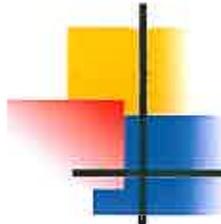
TIF	FY 2011	FY 2012	DIFF	% chg.
TOWN	295,600	260,070	(35,530)	-12.0%
COUNTY	165,050	148,550	(16,500)	-10.0%
TOTAL	460,950	408,620	(52,330)	-11.4%

History of Tax Increment Funds (TIF)



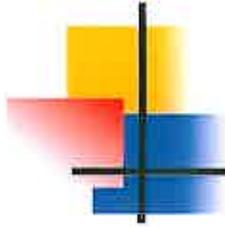


Expenditures



Expenditures

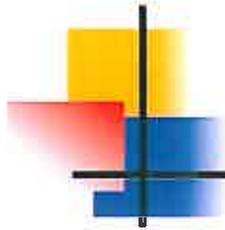
- Economic Dev. Dir. Full Time
- Project Manager 25 hrs/week
- Shared positions with General Fund:
 - Grants Writer 50%
 - Recreation Director 50%
 - Comm. Dev. Director 20%
 - Planner 10%
 - Code Comp. Officer 10%



Expenditures – continued...

- Professional Services \$ 13,500
 - Lobbyist – 50%

- Contractual Services \$104,020
 - Landscape Maintenance Contract
 - Holiday Decorations
 - Custodial Services
 - Telvue Bulletin Board for Ch. 18

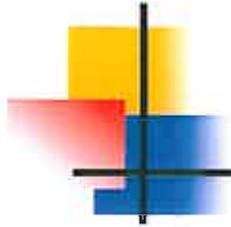


Expenditures – continued...

- Contract Services PBSO \$ 112,350
 - Cost of One Deputy for Downtown

- Administrative Fee to General Fund
 \$ 72,050

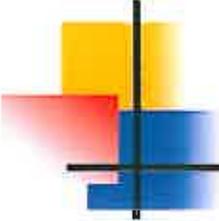
- Repair & Maintenance \$ 5,000
 - Repairs of Downtown Infrastructure



Expenditures – continued...

- Printing \$ 3,000
 - Newsletters

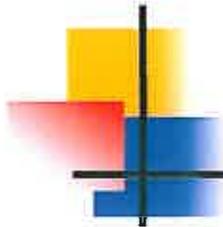
- Promotional Activity \$ 1,500
 - Tree Lighting Festival



Expenditures – continued...

- **Operating Expenses** \$ 2,000
 - Street Light Replacements
 - Paver Repairs
 - Holiday Lights and Decorations

- **Memberships & Dues** \$ 2,510
 - Business Development Board
 - NPB Chamber of Commerce
 - FL Redevelopment Association
 - State of FL Annual Fee



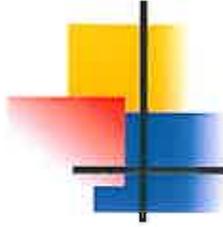
Other

- Trans. to General Fund \$ 84,250
 - One Deputy in General Fund Contract
- Trans. To Gen. Fd. – ILA 08 \$ 169,575
 - Contribution for Debt Service per Inter-local Agreement (ILA)
 - Alleyway Improvement Project
 - Purchase of Foresteria Property (725)



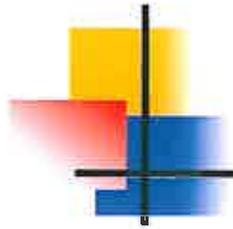
Other – continued...

- Trans. to Gen. Fd. – ILA 09 \$ 54,795
 - Contribution for Debt Service per Inter-local Agreement (ILA)
 - Foresteria Property (711 & 761) and site demolition and restoration



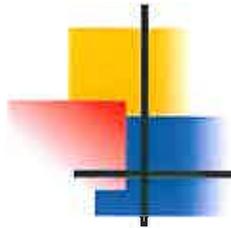
Co-op Expenditures

- Closure of Gallery Effective October 1st
- Trans. To Gen. Fd. – ILA 09 \$ 36,530
 - Contribution for Debt Service per Inter-local Agreement
 - Purchase of 800 Park Avenue Building and Renovations



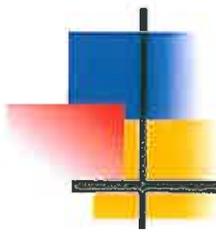
Capital Improvements

NONE



Programs

- Currently in Negotiations with Anchor restaurant on Park Avenue
 - \$40,000 Grant



Board Member Comments

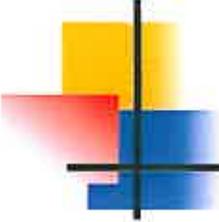






Business Development Grants

- 6/18/09 Brown Baggin It \$ 3,357
- 11/06/09 Prime Plaza Inc. \$ 12,500
- 12/16/09 Batho Trust \$ 8,030
- 2/03/10 Centered, LLC \$ 5,000
- 11/03/10 Mos Art Theater \$ 3,458
- 12/15/10 Hot Pot Restaurant \$ 25,000
- 1/05/11 Totally Wireless \$ 4,000



Business Development Loans

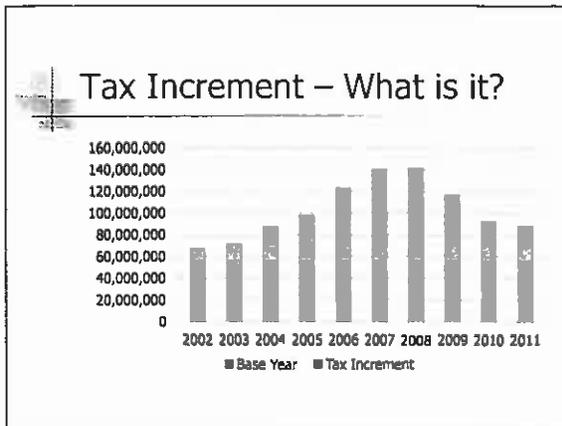
- 11/06/09 Prime Plaza Inc. \$ 50,000
- 1/12/10 Confusion Records \$ 6,000
- 2/3/10 Centered, LLC \$ 14,000
- 12/1/10 Casper's on Park \$ 10,000
- 12/15/10 Hot Pot Restaurant \$ 50,000

Community Redevelopment Agency

Budget Review
September 21, 2011

Proposed Budget FY 2012

Revenue
Values and Tax Increments
Expenditures



How is the TIF Calculated?

- Current year value 88,215,665
- Minus Base year (56,070,754)
- Tax Increment 32,144,911

- Tax Increment Funds? How are they determined?

TIF Calculation Continued...

- Tax Increment 32,144,911/
 1,000
- Divided by 1000 32,145
- Mult. by 95% x .95
- = Value of 1 Mill 30,538
- x Tax Rate (Millage Rate) x 8.5163
- Tax Increment Funds (TIF) 260,070

Taxable Values in CRA Area Last 10 Years

Year	Taxable Value
2002	70,000,000
2003	75,000,000
2004	85,000,000
2005	95,000,000
2006	115,000,000
2007	135,000,000
2008	135,000,000
2009	110,000,000
2010	90,000,000
2011	85,000,000

Comparison of Values

2010 Value \$ 92,402,211

2011 Value \$ 88,215,665

Decrease \$ 4,186,546

4.5% Decrease in Taxable Value

Revenue

▪ 1999 Base Year Value \$ 56,070,754

▪ 2011 Taxable Value \$ 88,215,665

▪ Tax Increment \$ 32,144,911

▪ Town Tax Increment Funds \$ 260,070

▪ County Tax Increment Funds \$ 148,550

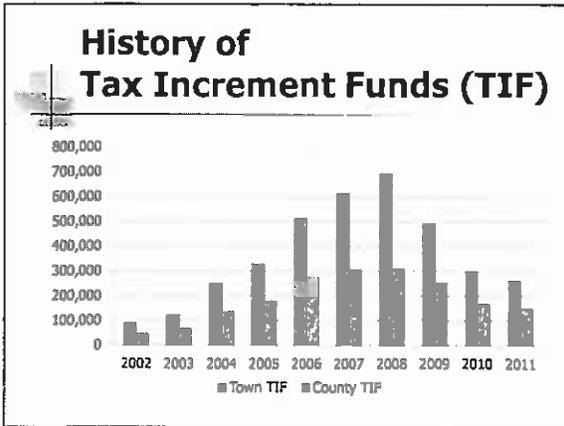
▪ Total Tax Increment Funds \$ 408,620

▪ Delinquent Payment \$ 500,000

▪ Total Revenue \$ 908,620

Tax Increment Funds FY 2011 vs. FY 2012

TIF	FY 2011	FY 2012	DIFF	% chg.
TOWN	295,600	260,070	(35,530)	-12.0%
COUNTY	165,050	148,550	(16,500)	-10.0%
TOTAL	460,950	408,620	(52,330)	-11.4%



Expenditures

- ### Expenditures
- Economic Dev. Dir. Full Time
 - Project Manager 25 hrs/week
 - Shared positions with General Fund:
 - Grants Writer 50%
 - Recreation Director 50%
 - Comm. Dev. Director 20%
 - Planner 10%
 - Code Comp. Officer 10%

Expenditures – continued...

■ Professional Services	\$ 13,500
■ Lobbyist – 50%	
■ Contractual Services	\$104,020
■ Landscape Maintenance Contract	
■ Holiday Decorations	
■ Custodial Services	
■ Telvue Bulletin Board for Ch. 18	

Expenditures – continued...

■ Contract Services PBSO	\$ 112,350
■ Cost of One Deputy for Downtown	
■ Administrative Fee to General Fund	\$ 72,050
■ Repair & Maintenance	\$ 5,000
■ Repairs of Downtown Infrastructure	

Expenditures – continued...

■ Printing	\$ 3,000
■ Newsletters	
■ Promotional Activity	\$ 1,500
■ Tree Lighting Festival	

Expenditures – continued...	
■ Operating Expenses	\$ 2,000
■ Street Light Replacements	
■ Paver Repairs	
■ Holiday Lights and Decorations	
■ Memberships & Dues	\$ 2,510
■ Business Development Board	
■ NPB Chamber of Commerce	
■ FL Redevelopment Association	
■ State of FL Annual Fee	

Other	
■ Trans. to General Fund	\$ 84,250
■ One Deputy in General Fund Contract	
■ Trans. To Gen. Fd. – ILA 08	\$ 169,575
■ Contribution for Debt Service per Inter-local Agreement (ILA)	
■ Alleyway Improvement Project	
■ Purchase of Foresteria Property (725)	

Other – continued...	
■ Trans. to Gen. Fd. – ILA 09	\$ 54,795
■ Contribution for Debt Service per Inter-local Agreement (ILA)	
■ Foresteria Property (711 & 761) and site demolition and restoration	

Co-op Expenditures

- Closure of Gallery Effective October 1st
- Trans. To Gen. Fd. – ILA 09 \$ 36,530
 - Contribution for Debt Service per Inter-local Agreement
 - Purchase of 800 Park Avenue Building and Renovations

Capital Improvements

NONE

Programs

- Currently in Negotiations with Anchor restaurant on Park Avenue
 - \$40,000 Grant

Board Member Comments

JONES
FOSTER
JOHNSTON
& STUBBS, P.A.

Attorneys and Counselors

Memo

To: CRA Board of Commissioners
From: Thomas J. Baird, Town Attorney
Date: September 21, 2011
Subject: Delinquent TIF

Commissioner Rumsey has requested that I respond to his question of whether the CRA Board can accept less than the full amount of the tax increments owed to it by the Town? A second question he posed was whether the current terms of the Town's repayment of the TIF to the CRA may be modified or re-structured. The short answer to both questions is: Yes

1. Once it was determined by the Town Manager that the Town had failed to pay to the CRA the tax increments due from 2000-2007, the Commission decided that it would repay the CRA the total amount of the delinquent increment, which includes: \$1,390,019 for tax increments, \$371,153 for interest and \$69,501 in penalties. This amount was based on Fla. Stat. §163.387(2)(b) which states:

Any taxing authority that does not pay the increment revenues to the trust fund ... shall pay to the trust fund an amount equal to 5% of the amount of the increment revenues [as penalty] and ... interest on the ... unpaid increment revenues equal to 1% for each month the increment is outstanding, provided the agency may waive such penalty ...

The obvious intent is to give CRA's a statutory remedy to collect the increment due from any taxing authority who does not pay it. While unlikely, it is possible that a taxing authority who did not pay the increment, or who disputed the amount of the increment due would leave a CRA with no choice to recover the amount due by filing suit to recover the increment. In such case, as in all cases, the parties to a litigation may elect to settle the dispute by compromising. The CRA and the delinquent taxing authority could then enter into a Settlement or other agreement regarding the amount of the repayment.

2. This same principal of entering into an agreement can be applied in this instance, regardless of whether there is threatened or actual litigation to enforce the statute. In other words, given that the CRA and Town are separate legal entities there is no legal impediment to the two entities agreeing to the terms of the repayment of the TIF. Because both parties are governmental entities the use of an Interlocal Agreement is a potential vehicle for agreeing to a repayment plan. . In this scenario, the CRA could agree that some or all of the TIF due to it be forgiven, or reduced, with the terms of the repayment expressed in the Interlocal Agreement. I am also aware of Interlocal Agreements between municipalities and CRA being used to loan one governmental entity funds. In fact, the Town and CRA currently have such an arrangement related to the alleyway improvements. The amount of the Town's debt could also be converted to a loan from the CRA to the Town with the amount due set forth in a payment plan.

CONCLUSION

Although Fla. Stat. §163.387 provides CRAs a remedy to collect delinquent tax increments, ultimately it is up to the CRA Board as to how to exercise that authority, and to what extent. From a legal perspective, there are no cases or Attorney General Opinion which express a contrary opinion. There are several reasonable choices for the Board to choose from, including the reduction of the payments the Town previously agreed to make. In some ways, the most reasonable choice, if the Board chooses to "forgive" some portion of the \$1.8+ million due would be to require only the repayment of the principal. Should the Board choose to do so the debt would be reduced by \$440,654 as this is the amount of the interest and penalty. The Board should be aware that any reduction in the current repayment schedule currently in place will have an effect on the CRA budget. Consequently, the Board may want to request that the Executive Director present it with the financial ramifications to its budget based on the amount, if any the Board agrees to forgive." Alternatively, the Board could choose to reduce this year's payment, extend the years of payment, or some variation of the two.

S-EGM PROPERTIES

RE: Jennifer Spicer

I have worked here in Lake Park for 3 years and lived here for 6. I see numerous activities taking place and I guess in the back of my mind I thought magic put it together. It was not until lately that I was able to see how that magic worked. Just recently I did a project for the Friends of the Lake Park Library and Jennifer came into the scene to create her magic. She knows every business in this town, the owners, the staff and their business concerns. She is able to pull resources from one business to help with efforts needed from another. Jennifer works behind the scene to bring new businesses to Lake Park in an everyday proactive role. If you have a concern about an opportunity, she is there to sort out any problems she can to the best of her knowledge. If she does not have the answer, she will direct you to the right source.

I know her position and salary are on the line and I can truly say as a town we need to try every means possible to keep her on staff. First of all it would take a new person, years to make the contacts she has secured in her period with Lake Park. Secondly, we need someone in that position or else we will never grow to be the town we want to be. Lastly, a new person would cost as much as her salary and not carry with it the history she has with the businesses here in Lake Park and North Palm. I am wondering how we cannot afford to keep her. I am asking you please; take a really long, hard and positive look at what she does before you decide to void her position.

Thank you for your consideration.

Sarah Mozley
Finance Manager
S-EGM Properties

SIGNS OF PROGRESS
126 10TH STREET
LAKE PARK, FL 33403
561-845-0080

September 21, 2011

Town of Lake Park
650 Park Ave.
Lake Park, FL 33403

To Town of Lake Park Council Members:

As a property and business owner in Lake Park, I am writing this letter to you let you know my feelings on the CRA located within the community. I feel that the CRA should remain in place so that as the economy gets better there is already an established liason to work with the business / property owner(s) and the town directly.

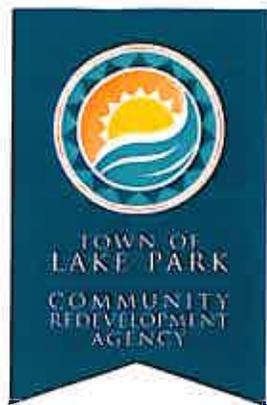
The communication between myself and your staff at the CRA office has been rewarding. It is nice to be able to call or walk into the office and get answers to some basic questions.

I personally like the fact that CRA is creating events to create a positive atmosphere for business owners like myself within the town. I was personally was involved in coordinating a motorcycle event.

I feel this division will help promote the future growth in Lake Park.

Bill Davison

Signs of Progress, Inc.
126 10th Street
Lake Park, FL 33403
561-845-0080



AGENDA

Community Redevelopment Agency Meeting
 Wednesday, September 21, 2011, 6:30 pm
 Lake Park Town Hall
 535 Park Avenue

James DuBois	—	Chair
Kendall Rumsey	—	Board Member
Steven Hockman	—	Board Member
Jeanine Longtin	—	Board Member
Tim Stevens	—	Board Member
Christiane Francois	—	Board Member
Gladys Bryant	—	Board Member
.....		
Maria V. Davis	—	Executive Director
Thomas J. Baird, Esq.	—	Agency Attorney
Vivian M. Lemley, CMC	—	Agency Clerk

PLEASE TAKE NOTICE AND BE ADVISED, that if any interested person desires to appeal any decision of the Town Commission, with respect to any matter considered at this meeting, such interested person will need a record of the proceedings, and for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. *Persons with disabilities requiring accommodations in order to participate in the meeting should contact the Town Clerk's office by calling 881-3311 at least 48 hours in advance to request accommodations.*

- A. **CALL TO ORDER**
- B. **PLEDGE OF ALLEGIANCE**
- C. **ROLL CALL**
- D. **ADDITIONS/DELETIONS - APPROVAL OF AGENDA**
- E. **PRESENTATION:**
 - 1. **CRA Budget**
 - **Staff Report**
 - **Public Comments**
 - **Board Deliberation**

- F. DISCUSSION:
 - 2. Resolution No. 33-09-11 Adoption of CRA Budget.
 - 3. Renewal of the Property, Casualty and Liability Insurance.
- G. BOARD MEMBER COMMENTS
- H. EXECUTIVE DIRECTOR COMMENTS
- I. ADJOURNMENT