

**CITY OF APALACHICOLA
COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
SEPTEMBER 29, 2020 AT 5:00 PM
1 BAY AVENUE
APALACHICOLA, FL 32320**

I. CALL MEETING TO ORDER

II. AGENDA ADOPTION

III. APPROVAL OF MINUTES

- A. March 3, 2020
- B. May 5, 2020
- C. August 11, 2020
- D. August 18, 2020

IV. PUBLIC COMMENTS

- A. Diane Brewer – City Squares

V. CRA BOARD MEMBERS COMMENTS

- A. Update: Historic Marker - Commissioner Ash (Action Item)
 - 1. St. Paul AME Church
 - 2. Orman House Slave Quarters

VI. CITY MANAGER COMMENTS

- A. Update: 6th Street Tennis/Basketball Court

VII. FINANCE DIRECTOR COMMENTS

- A. Update: 2019-2020 Budget (Action Item)
- B. 2020-2021 BUDGET (Action Item)

VIII. UNFINISHED BUSINESS

IX. NEW BUSINESS

- A. FY 2020-2021 CRA Meeting Schedule – Commissioner Ash
- B. 2020 CRA Members Proposed Projects
 - 1. Budget Considerations - Mayor Begos (Action Item)
- B. CRA Trust Fund Balance – Commissioner George (Action Item)
- C. Compliance Checklist – Commissioner George (Action Item)
- D. Other CRA Member Considerations

X. ADJOURNMENT



Despina George <dgeorge@cityofapalachicola.com>

Apalachicola CRA

Christopher H. Moran <cmoran@moransmithcpa.com>
To: Despina George <dgeorge@cityofapalachicola.com>

Thu, Sep 24, 2020 at 4:07 PM

Despina, check out the first attachment i have included, this is an overview of the legislation that passed. you must read it all to see where they are going with this --- i highlighted a lot of the areas we will have to look at - pay particular attention to stuff highlighted in yellow on pages below:

- Page 1 make sure they understand the urban blight and slum part --- this thing is not an extension of "Main Street" this must be reflected in the approved plan . The approved Plan is a key part
- take a look at page 4 - 5 - Big reporting requirements
- take a look at page 6 about transferring all funds to the trust fund by Jan 1
- page 8 yellow and in bold ... you must deal with unspent funds /
- the ethics training of course
- page 15 and 16 reporting requirements please emphasize the requirements highlighted

I attached the Florida Statutes 163.387 portion - The auditor is now required to report in the affirmative the CRA's compliance with sections 163.387(6) and 163.387(7) ... but as everyone is now realizing the FS requirements have not changed ... (just now more in the spotlight) and any issue of non-compliance that has a material effect on the reporting is still a violation and could be reported on if it is material . So you are required to comply with areas not necessarily in 163.387(6 - 7) and if you have not it may still be a compliance issue that needs to be commented on.

call me if you have any questions - 850-510-5334

thanks

Chris

[Quoted text hidden]

--


Christopher H Moran CPA LLC


Moran & Smith LLP
Certified Public Accountants
www.moransmithcpa.com

2260 Wednesday Street, Suite 400
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32308-8307
850-879-0636 Main Office
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2 attachments

 **CRA changes 2019.docx**
53K

 **FS 163.387 CRA .docx**
22K

MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY MEETING OF THE CITY OF APALACHICOLA, HELD TUESDAY, MARCH 3, 2020, at 6:00 PM, AT THE APALACHICOLA COMMUNITY CENTER.

PRESENT: Mayor Kevin Begos Christopher Holley, City Manager
Commissioner Despina George Deborah Guillotte, City Clerk
Commissioner Adriane Elliott Kristy Banks, City Attorney
Commissioner Anita Grove

Absent: Commissioner Brenda Ash

CALL TO ORDER

Mayor Begos called the Community Redevelopment Agency meeting to order at 6:00 PM.

**NEW BUSINESS
POTENTIAL NEW CITIZEN BOARD MEMBERS AND SECRETARY**

Mayor Begos stated that all new, potential, board members and secretary are not present, due to sickness and recovery.

Jeff Lockley and Leslie Coon have submitted applications to be the two, voting members of the CRA, in addition to the five Commission members. Liz Early has volunteered to be this year's secretary for the CRA, and she has agreed to help with minutes and social media.

**UNFINISHED BUSINESS
UPDATE ON FUNDING**

Discussion held on the proposed budget amendment of the Community Redevelopment Agency, the County's contribution, and the City's portion of funding.

Commissioner George made a motion that we recommend this budget amendment to the Commission, with the correction made to correct the repayment part of the debt from \$11,700 to \$10,000. Commissioner Elliott seconded and the motion carried 4-0.

**UNFINISHED BUSINESS
SUMMARY OF EARLY COMMUNITY FEEDBACK**

Mayor Begos gave a brief review of feedback from the community on the different projects they would like to see completed through the Community Redevelopment Agency.

Numerous citizens commented on the projects that need to be completed on the Hill district which include: cleaning of alleys, sixth street park, tennis courts, ball courts, stop signs, basketball courts, hours the public courts stay open, and the time the police are asking kids to leave the parks. Also, in the downtown district these projects are needed: extra trash pick-up regularly, dumpster placement, and better janitorial service during events. Discussion held on revising the CRA Plan.

Commissioner Elliott made a motion to recommend Jeff Lockley and Leslie Coon as the two new Community Redevelopment Agency Board Members. Commissioner George seconded and the motion carried 4-0.

ADJOURNMENT

Commissioner George made a motion to adjourn the meeting at 5:40 PM. Commissioner Elliott seconded and the motion carried 4-0.

Kevin Begos, Mayor

Deborah Guillotte, City Clerk

Apalachicola CRA

Meeting Minutes

Date: May 19, 2020

Present: Mayor Kevin Begos
Commissioner Adrienne Elliott
Commissioner Brenda Ash
Commissioner Despina George
Commissioner Anita Grove
Board Member, Jeff Lockley
Board Member, Leslie Coon, via zoom
Acting City Manager, Chris Holly
Incoming City Manager, Travis Wade

Mayor Begos called the meeting to order. Prior to agenda adoption, Mayor Begos invited public comment from David Walker, Weems Memorial CEO, regarding the CRA in general. David Walker encouraged the CRA to move forward with some of the simple fixes as listed on the agenda. He supports the CRA addressing issues on the Hillside are.

Mayor Begos invites opening comments from other members of the board. Mayor Begos passed on opening comments, Commissioner Elliott passed until further discussion, and Commissioners Ash and George passed on opening comment.

Mayor Begos moved on to unfinished business. Budget Review: the Mayor advised passing on any detailed discussion on the budget until the audit numbers are finalized.

Commissioner George brought up the question of reimbursement monies owed by Main Street for the prior CRA Executive Director's salary in the amount of \$3935.98. Prior to sending Main Street a bill, Commissioner George advocated double checking the amounts due. Discussion ensued about details of the employment contract, how salary payments were made, etc. Discussion also included the questions surrounding the prior CRA board purchasing a Dell Laptop computer, which the Mayor was using, and some office furniture. Commissioner George indicated that these items could be confirmed by going back through old invoices.

The Mayor suggested moving on to new business. Mayor opened discussion on suggested projects for FY 19/20. Mayor read through the list of proposed projects as listed on the agenda, highlighting and detailing specific items, such as refurbishing the 6th Street

basketball/tennis courts, replacing stop signs on the hill, installing two metal, historic markers: one in front of the St. Paul's AME Church on Avenue I and the other on 5th Street in front of Ormond House, detailing the slave quarter history. Mayor indicates that these are small budget items that can be completed with current CRA funds.

Commissioner Ash commented that she is in favor of moving forward with more specific cost detail on these projects. She advocates finalizing the budget before moving forward with any project. Commissioner Ash then entered discussion on the make-up of the current CRA board. She advocated for a more community based, citizen board, one with greater diversity and flexibility, as opposed to a board consisting of mainly city commissioners. Mayor Begos added to the discussion stating that the CRA bylaws advocate a citizen board as outlined by Commissioner Ash, and that he's unclear when exactly the board makeup changed in the previous CRA. Commissioner Ash suggested that the board makeup was changed at the city commission level and that the details might be found in the city meeting minutes, not the CRA minutes.

Commissioner Grove offered comments indicating that it was always the goal of the CRA to preserve and highlight the history of the Hill District. She brought up the CRA Plan and the need to update it. She advocated for public workshops to highlight issues and get them onto the CRA Plan. She mentioned storm drains and street signs and historic markers. She advocated for revisiting the current CRA plan, and updating it with both the short-term and long-term projects, essentially creating the plan, and then executing the plan. She also spoke in favor of a more community focused citizen board for the CRA. Some discussion regarding dumpsters, as part of the CRA plan, and trash overall, was brought up.

Commissioner Elliott entered the discussion, bringing up the Sylvester Williams Park, questioning its location within the CRA district. Mayor Begos indicated that part of the park is inside the CRA district. Commissioner Elliott commented that this issue is one of her reasons for expanding the CRA district. Commissioner Elliott added to the stop sign discussion by mentioning that the signage painted on the roadways needs to be updated as well. There are places where stop signs have been removed, but the roadway signage remains. Commissioner Elliott then brought up the idea of sidewalks inside the CRA district, mentioning safety, trash pickup and suggested amnesty days, and large dumpsters brought in a couple times per month that can take household items to discourage dumping on streets and alley, specifically on 5th Street. Commissioner Elliott pointed out the CRA guidelines mentioning reduction of criminal activity, and since illegal dumping is illegal, it falls in line with CRA guidelines. She mentioned a trash mitigation fund to help support dumpsters for business use. To close out her comments, Commissioner Elliott requested adding a mask making project.

Commissioner George feels that the projects listed and discussed are all good. However, she wants to see more community input and participation in the CRA, including the Recreation Committee. She advocated updating the CRA Plan.

Jeff Lockley, Board Member, advocated moving forward with some of the items on the project list. He just wants to see something happen. Yes, items can be added later, but he feels we need to act on some of the items now.

Leslie Coon, Board Member, addressed the trash issue. She supports projects on the list, but wants to see updated budget.

Mayor Begos asks for a motion to move forward on some of the CRA projects

Commissioner Ash makes a motion to move forward with the following projects:

- 6th street Basketball court/tennis court refinish**
- Stop Sign replacement**
- Historic Markers**
- Boat Launch Repairs at Battery Park**

But she requested that a detailed cost proposal be provided for all four items for commission approval, prior to moving forward. Commissioner Elliott seconds the motion. Mayor Begos calls for vote, all members in favor, motion passes.

Discussion held about updating the CRA Plan. Per the agenda, Mayor Begos discussed the proposed additions to the plan. Commissioner Ash asked specifically for Commissioner Grove's input on updating the plan. The Mayor asked Commissioner Grove to review the existing plan and look at adding the agenda items, as well as any other items she feels should be addressed, and provide a draft for the next meeting.

Commissioner Elliott comments on expanding the plan. She wants to see the plan updated to focus more on the black community and fishing community. Mayor Begos and Commissioner Grove provided input on the plan expansion, and both agree that there needs to be considerable research into what's involved in expanding the CRA Plan and its area of coverage.

Mayor Begos made a motion to adjourn, which was seconded by Commissioner Elliott. The meeting was adjourned.

Apalachicola CRA

Meeting Minutes - Draft

Date: Tuesday, August 11, 2020

Present: Mayor Kevin Begos
Commissioner Adrienne Elliott
Commissioner Brenda Ash
Commissioner Despina George
Commissioner Anita Grove
Board Member Jeff Lockley
Board Member Leslie Coon – absent

Mayor Begos called the meeting of the Community Development Agency to order.

Agenda Adoption: A suggestion was made to move public comments to the section of the agenda that is after unfinished business, but before new business. Commissioner Grove made the motion to accept public comments after new business and to adopt the agenda. The motion was seconded by Commissioner Elliot. The motion passed unanimously, 6-0, with all board members voting in favor.

Mayor Begos highlighted his discussion with Dan Hartman, Attorney for the City of Carrabelle, regarding specific details about CRA operation.

Unfinished Business:

Discussion held regarding the resurfacing of the 6th street tennis/basketball courts.

Commissioner Ash and Mayor Begos discussed some details of the proposals provided.

Commissioner Elliot voiced some concerns about the project, including that the courts would be wiped out in favor of pickle board courts. She also proposed that the tennis court be eliminated and replaced with a seconded basketball court. Commissioner Elliot made a motion to table the entire discussion and reschedule after a public forum had been held. No second was offered, and the motion died. Discussion returned to the topic of resurfacing the courts. Board Member Lockley encouraged the board to move forward. Commissioner Ash made a motion to move forward with the resurfacing project after obtaining opinions from tennis professionals. Motion was seconded by Commissioner George.

The motion carried 5-1, with Commissioner Elliott opposed.

The CRA meeting is scheduled for the following Tuesday, August 18th, to review the final details of the tennis court proposal, after review by the tennis experts.

Discussion held about Historic Markers: Commissioner Ash indicated that she was obtaining feedback from members of the AME church on the history detail. Mayor Begos asked if it was time to move forward with the actual application process, and Commissioner Ash asked to table the topic until weigh in from the church community could be completed.

The board moved on to discuss the alley and street cleaning project. Mayor Begos suggested moving forward with developing an RFP for the specific alleys involved and what specifically is needed to be done to those alleys. Commissioner Grove asked that the downtown be included in those RFPs. Commissioner Ash asked the city attorney for clarification on the CRA border, which appears to lie in the alley between 9th and 10th.

Discussion was held about suggested updates to the CRA Plan. Anita distributed a printed copy of the plan. Liz will distribute an electronic version of the plan (Word Document) where board members can make suggested edits and additions to the plan. A public meeting will be scheduled to review the CRA plan and the proposed changes.

Discussion held regarding public bathrooms for 10ft. Hole. Commissioner Elliot proposed that the work to repair and update the public restrooms at the Community Center at Battery Park be repaired by city workers. She does not believe it needs to be done with an RFP. Commissioners Grove and George are of the opinion that the work should be subcontracted out by private contractors. Mayor Begos turned it over to Manager Wade to investigate if city workers can do it and if not, to obtain some bids from outside plumbers for the work.

Commissioner Grove made a motion to proceed with obtaining bids to repair the 10ft Hole bathrooms. Commissioner Grove seconded.

The motion passed unanimously, 6-0, with all board members voting in favor.

Discussion held regarding the naming of CRA Chair/Vice-Chair. Mayor Begos recommended Commissioner Ash for the position of CRA Chair. Discussion held regarding who should take the Vice-Chair position. There was concern about having 2 commissioners serve. Discussion held about having a citizen member of the CRA as Vice-Chair. A motion was made by Commissioner George that Brenda Ash be the Chair and Anita Grove be named Vice-Chair until the end of the physical year, where at that time the Vice-Chair position would be revisited. This motion was seconded by Commissioner Elliot.

The motion passed unanimously, 6-0, with all board members voting in favor.

Public Comments:

Diane Brewer, speaking for the Recreation Committee provided information about the city owned lot adjacent to the 6th St. tennis/basketball courts. This area is also known as Franklin Square. She Suggests that the CRA have this area surveyed and proposes using the vacant lot for parking, for the courts.

Other citizen commented on supporting the tennis court/basketball resurfacing project.

New Business:

Audit Findings

Commissioner George leads the discussion on the recent audit findings.

Apalachicola CRA

Meeting Minutes

Date: Tuesday, August 18, 2020

Present: Mayor Kevin Begos
Commissioner Adrienne Elliott
Commissioner Brenda Ash
Commissioner Despina George
Commissioner Anita Grove
Board Member Jeff Lockley
Board Member Leslie Coon

Mayor Begos called the regular meeting of the Community Redevelopment Agency (CRA) to order.

A technical note regarding the appointment of the CRA Chair and Vice Chair: according to CRA statute, these positions must be appointed and confirmed by the City Commission, not the CRA Board. Therefore, these positions will not be confirmed until the next city commission meeting, which will be held on September 8, 2020.

Unfinished Business: 6th street basketball and tennis court resurfacing

Commissioner Ash reported to the board that she spoke with Tom Wade, Tennis trainer/expert, and he recommend the proposal submitted by Sports Surfaces. This bid only covers the resurfacing of the courts; it does not include nets, fencing, etc. No pickle ball court was recommended.

Diane Brewer, representing the Recreation Committee, presented a proposal to have the tennis/basketball courts surveyed, as well as the city owned lot adjacent to the courts. Diane also noted that the Recreation Committee supports this project. The CRA board will review the survey proposal and determine if it fits with the project.

A motion to move forward with the 6th street basketball and tennis court resurfacing was made by Commissioner Ash and seconded by Commissioner George.

The motion passed unanimously, 7-0, with all board members voting in favor.

New Business: Amended CRA Budget for FY 19/20

Discussion held among the board regarding the existing CRA budget and statutes that require the CRA to spend the monies budgeted. The budgeted amount covers all the projects currently under discussion, as including: the tennis/basketball resurfacing, historic markers, alley improvements and stop signs. The only thing required to move forward are detailed proposals for all projects. Commissioner Grove indicated she thought the budget line item for alley improvements should be increased by \$7000.

Commissioner Grove made a motion to add \$7000 to the alley improvement project and adopt the CRA budget. Motion was seconded by Commissioner George.

The motion passed unanimously, 7-0, with all board members voting in favor.

Mayor Begos made a motion to adjourn the CRA meeting. The motion was seconded by Commissioner George and the CRA meeting was adjourned.

**Diane K. Brewer
159 Avenue B
Apalachicola, Fl. 32320**

September 22, 2020

Mayor Kevin Begos
Commissioners Ash, Elliott, George and Grove
192 Coach Wagoner Blvd.
Apalachicola, Fl. 32320

Dear Mayor and Commissioners,

Thanks for giving me time at the CRA and City Commission meetings to bring to your attention a vacant City-owned lot adjacent to Franklin Square and 2 more vacant City-owned lots just ½ block away from Madison Square. Since none of the squares has any dedicated parking, it important that these 3 lots NOT BE SOLD. At little cost to the City, these 3 lots can be easily converted to parking spaces that can facilitate events on the squares such as the African American History Festival and other events it is hoped will take place on these historic squares.

Restoring the squares is a long term project that began in earnest 5 years ago when City Square was being threatened by an unwelcome CVS megastore. The plight of the squares first came to prominence in 1975 when native son and architect Willoughby Marshall wrote his award-winning study Apalachicola: Economic Prosperity through Historic Preservation noting in it “the squares are not lost forever. They are hiding in plain sight and can be recovered.” His work led to the creation of Apalachicola’s nationally designated historic district and was adopted by the City in its Land Development Code.

Inspired by Marshall, what began as a grass roots movement has steadily gained momentum. The following are the project’s recent achievements:

- 1) The Restore the Squares project is endorsed by the Apalachicola Area Historic Society (AAHS), the City’s Recreation Committee and Rotary Club, and Historic Apalachicola Plat Protection, Inc. (HAPPI)
- 2) The Apalachicola City Commission unanimously passed resolutions in 2015 and 2017 protecting the squares from development and long term leases that could inhibit restoration
- 3) Historic Apalachicola Foundation (HAF), another private nonprofit, formally adopted the project and paid for the survey of one square
- 4) A facebook page now with more than 500 followers and go fund me site were created
- 5) A public fund raiser was held that helped raise enough money to pay for the survey of another square
- 6) A presentation was given at the Raney House in the 2018 AAHS series
- 7) A brochure on the squares was created and distributed in 2019 paid for by the TDC.

- 8) WFSU-TV (PBS) created and aired a 6 ½ minute show on the squares with drone photos taken 500 feet up (2020)
- 9) FAMU-FSU College of Engineering chose the restoration of the squares as one of its 2020-21 Senior Design Projects

When the College's work is done in November/December this year, the Restore the Squares project will be ready for public presentation of the restoration design and grants for buildable plans and construction for the approved design can be applied for. Though Willoughby Marshall did not live to see restoration completed, thank you for recognizing the long-term benefits of restoration of these historic assets to Apalachicola.

Sincerely,

Diane K. Brewer

Cc: Travis Wade, City Manager
Kristy Branch Banks, City Attorney

Division of Historical Resources, Bureau of Historic Preservation Historical Markers Application

- [My Application](#)
- [Return to Application Later](#)
- [Logout](#)

Florida Historical Marker Application

Application Number: **HM-0926**

- [Part 1:
Resource Information](#)
- [Part 2:
Marker Information](#)
- [Part 3:
Contact Information](#)
- [Review
Application](#)

Please review the your application below. Use the navigation above to go back and make changes. When all errors are correct and you are satisfied with your application, submit the application to get to your signature page.

Part 1: Resource Information

Name and Location

What is the Historic Name of the Resource?
St. Paul African Methodist Episcopal Church
Address
81 Avenue I
City
Apalachicola
Zip Code
32320

Details

What type of resource will you be marking?

Building (e.g., commercial, educational, religious, residential)

If other, please explain:

Is the resource listed in the National Register of Historic Places?

Yes

Description and Significance

Please describe the resource

The current St. Paul AME Church was built between 1913 and 1921. An earlier church on the same site dates to the 1860s. The Gothic revival style building is built of red brick with red mortar. Two towers of unequal height frame the southeastern façade. The entry doors in the towers are surmounted with Gothic transoms with Gothic windows in the walls. Above each doorway and at the apex of the gable on the southeast façade are bull's eye windows. George H. Marshall was the builder. The stained glass windows were made in Germany.

Provide a statement explaining the significance of the resource

African American churches have stood on this spot for more than 150 years, playing a vital role in the spiritual, educational, and economic growth of the community. The Methodist Episcopal Church purchased two lots from the City of Apalachicola on April 16, 1866. Newspaper reports suggest a local church for African Americans existed as far back as 1858. The first services were held in a nearby blacksmith's shop. A small wooden church was soon built, which was also used as a schoolroom. Emmanuel Smith was the first Steward. The name was changed to the St. Paul African Methodist Episcopal Church around 1870, and a Parsonage was built next door in 1882. In 1892 the congregation took out a \$890 loan from Cypress Lumber Co. to construct a larger wooden building. Construction of the current Gothic Revival brick church began in 1913 and was completed in 1921. The stained glass windows were made in Germany. A thriving African American community surrounded the church at that time, including a Masonic Lodge on 6th Street and numerous grocery stores and oyster houses.

Part 2: Marker Information

Marker Details & Location

Will this be a new or replacement marker?

New Marker

Will this be a single or double-sided marker?

Single-sided marker (identical text on both sides)

Will the marker be located at the resource?

Yes

If no, please explain:

In which county will the marker be located?

Franklin

What are the **geographic coordinates** of the proposed marker location?

Please use decimal fractions. (Example: 30.438659 or -84.284451). See [How to Determine Marker Coordinates](#) for instructions.

Longitude

29.728680

Latitude

-84.990735

What days and times will the marker accessible to the public?

24 hours a day, seven days a week.

Marker Text

What is your proposed Marker Title

St. Paul African Methodist Episcopal Church

Please provide your proposed **Marker Text**

The marker text may not exceed 1,235 characters per side. This character limit includes punctuation and spaces. See [Tips for Writing Marker Text](#) for additional instruction.

Side One

African American churches have stood on this spot for more than 150 years, playing a vital role in the spiritual, educational, and economic growth of the community. The Methodist Episcopal Church purchased two lots here from the City of Apalachicola on April 16, 1866. Newspaper reports suggest a local church for African Americans existed as far back as 1858. The first services were held in a nearby blacksmith's shop. A small wooden church was soon built, which was also used as a schoolroom. Emmanuel Smith was the first Steward. The name was changed to the St. Paul African Methodist Episcopal Church around 1870, and a Parsonage was built next door in 1882. In 1892 the congregation took out a \$890 loan from Cypress Lumber Co. to construct a larger wooden building. Construction of the current Gothic Revival brick church began in 1913 and was completed in 1921. The stained glass windows were made in Germany. A thriving African American community surrounded the church at that time, including a Masonic Lodge on 6th Street and numerous grocery stores and oyster houses. The St. Paul AME Church suffered serious damage from 1951 and 1986 fires, but the community always came together to fund repairs.

Side Two (double-sided markers only)

What organization(s) and or individual(s) are sponsoring the marker?

City of Apalachicola Hillside Coalition of Laborers for Apalachicola

Close

Close

Part 3: Contact Information

Resource Owner

If the resource is owned by an organization, provide the name and information of a contact person in that organization.

What is the name of the resource owner or organization contact?

First name
Sherry
Last name
O'Neal

Organization name (if owned by an organization)

St. Paul African Methodist Episcopal Church

What is the address of the resource owner?

Address
81 Avenue I
City
Apalachicola
State
Florida
Zip Code
32320

Phone number of owner

850 323 1021

Email address of owner

soneal1958@gmail.com

Will the resource owner also be responsible for installation and maintenance of the marker?

Yes

Is the resource owner also the person that prepared this application?

Yes

Marker Caretaker

Please provide the contact information for the person responsible for installing and maintaining the marker if different from the resource owner. If this will be an organization, provide the name and information of a

contact person in that organization.

What is the name of the of the marker caretaker?

First name
Leo
Last name
Bebeau

Organization name (If an organization will be the marker caretaker)

City of Apalachicola

What is the address of the marker caretaker?

Street Address
192 Coach Wagoner Blvd.
City
Apalachicola
State
Florida
Zip Code
32320

Phone number of caretaker

850 653 9319

Email address of caretaker

lbebeau@cityofapalachicola.com

Person That Prepared the Application

Please provide the contact information for the person that prepared the content of this application (if different from resource owner).

What is the name of the of the person that prepared the application?

First name
Kevin
Last name
Begos

What is the address of the of the person that prepared the application?

Street Address
192 Coach Wagoner Blvd.
City
Apalachicola
State
Florida
Zip Code
32320

Phone number of preparer

850 653 9319

Email address of preparer

kbegos@cityofapalachicola.com

Submit the Application

Check the box to confirm you wish to submit this application. You will not be able to edit the application after submission.

If you need assistance, please email michael.hart@dos.myflorida.com or call 850.245.6333.

City of Apalachicola
 Community Redevelopment Authority

Schedule of Funds Available for Projects

Cash Balance as of 9/21/2020

\$219,124.99

Outstanding Contracts

	Obligated	16866.66
Basketball Court/Tennis Court Resurfacing	Appropriated	5,000.00
Historical Marker (2)	Appropriated	17,000.00
Alley Improvement	Appropriated	6,100.00
Stop Signs (50 @ \$ 122)		

44966.66

Net Balance of Funds Not Obligated as of 9/30/2020

\$174,158.33

2020-2021 Income

Past Due from City of Apalachicola	75581.00
2020-2021 City of Apalachicola Contribution	60097.00
2020-2021 Franklin County Contribution	53914.00

Additional Funds Available in Fiscal 2020-2021

189592.00

TOTAL FUNDS AVAILABLE BY SEPTEMBER 30, 2021

\$363,750.33

CITY OF APALACHICOLA-CRA
2020-2021 MEETING SCHEDULE
CRA MEETINGS WILL BE HELD THE 3RD TUESDAY EACH MONTH AT 5:00 P.M.
(Unless otherwise stated)

October 20, 2020
November 17, 2020
December 15, 2020
January 19, 2021
February 16, 2021
March 16, 2021

April 20, 2021
May 18, 2021
June 15, 2021
July 20, 2021
August 16, 2021
September 21, 2021

Note: CRA Budget may be an agenda item at each meeting

- All submittals for the CRA must be made at least seven (7) business days prior to the next scheduled meeting.
- Unless otherwise posted, all meetings are held on the 3rd Tuesday of each month at 5:00 PM located at:
Apalachicola Community Center
1 Bay Avenue
Apalachicola, FL 32320

Meeting Agenda will be posted on the City of Apalachicola's bulletin boards and website prior to the meetings. Prior notification will be given if the meeting scheduled is changed.

**CITY OF APALACHICOLA
COMMUNITY REDEVELOPMENT AGENCY
REQUEST FOR BOARD ACTION
Meeting Date: Sept. 29, 2020**

SUBJECT: CRA Budget Items

AGENDA INFORMATION:

Agenda Location: New Business, Item A

Department:

Presenter: Mayor Begos

BRIEF SUMMARY:

The CRA has approximately \$202,258.33 in its current budget, and \$28,100 already appropriated. That leaves \$174,158.33 to be budgeted.

Several urgent needs have become apparent in recent weeks, and it is suggested that these projects be budgeted:

Roof repairs at Holy Family Senior Center: \$25,000

Urgent safety upgrades and electrical work at Scipio Creek Boat Yard: \$10,000

a. Lift tires and repairs, underground 220v electric, lighting.

Downtown and Hill Community FloVac Stormwater system: \$125,000

Removing blighted structures in Hill area: \$5,000

Legal/Professional research into CRA Plan revisions: \$5,000

Total suggested new budget items: \$170,000

FUNDING SOURCE: CRA

ATTACHMENTS: Holy Family leak pictures; pictures of Boat Yard; FloVac Wireless Monitoring proposal

STAFF'S COMMENTS AND RECOMMENDATIONS:



Deborah Guillotte <deborahguillotte@cityofapalachicola.com>

CRA 9/29 Agenda item with new budget proposals

1 message

Kevin Begos <kbegos@cityofapalachicola.com>

Tue, Sep 22, 2020 at 11:22 AM

To: Leo Bebeau <lbebeau@cityofapalachicola.com>, Deborah Guillotte <deborahguillotte@cityofapalachicola.com>

Request for Action Attached. Please share with Commissioner Ash.
Pictures are of Boat Yard needed repairs and Holy Family roof leaks.

Mayor Kevin Begos

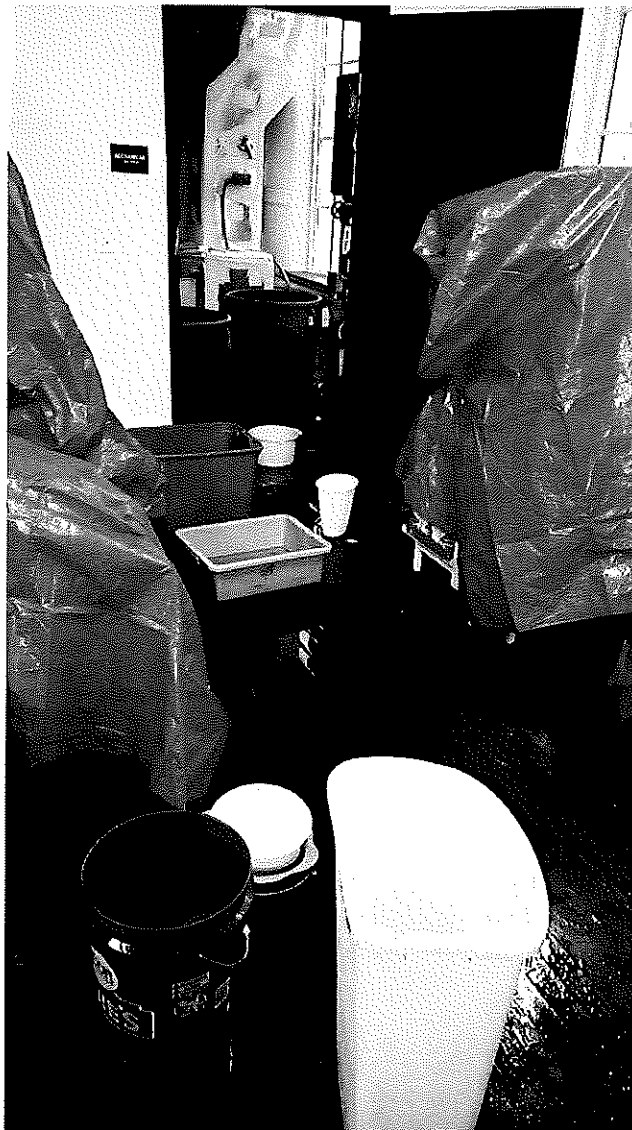
Cell: 850 323 1867

Office: 192 Coach Wagoner Blvd. (14th Street)

Apalachicola, FL 32320

City Hall: 850 653 9319





2 attachments



Wireless Monitoring System
Wireless Monitoring Proposal
City of Apalachicola, Florida
One of Florida's Oldest Historic Seaports

Clients: Kevin Begos, Travis Wade, Robert Graham, Rhett Butler

Date: Sept, 2020



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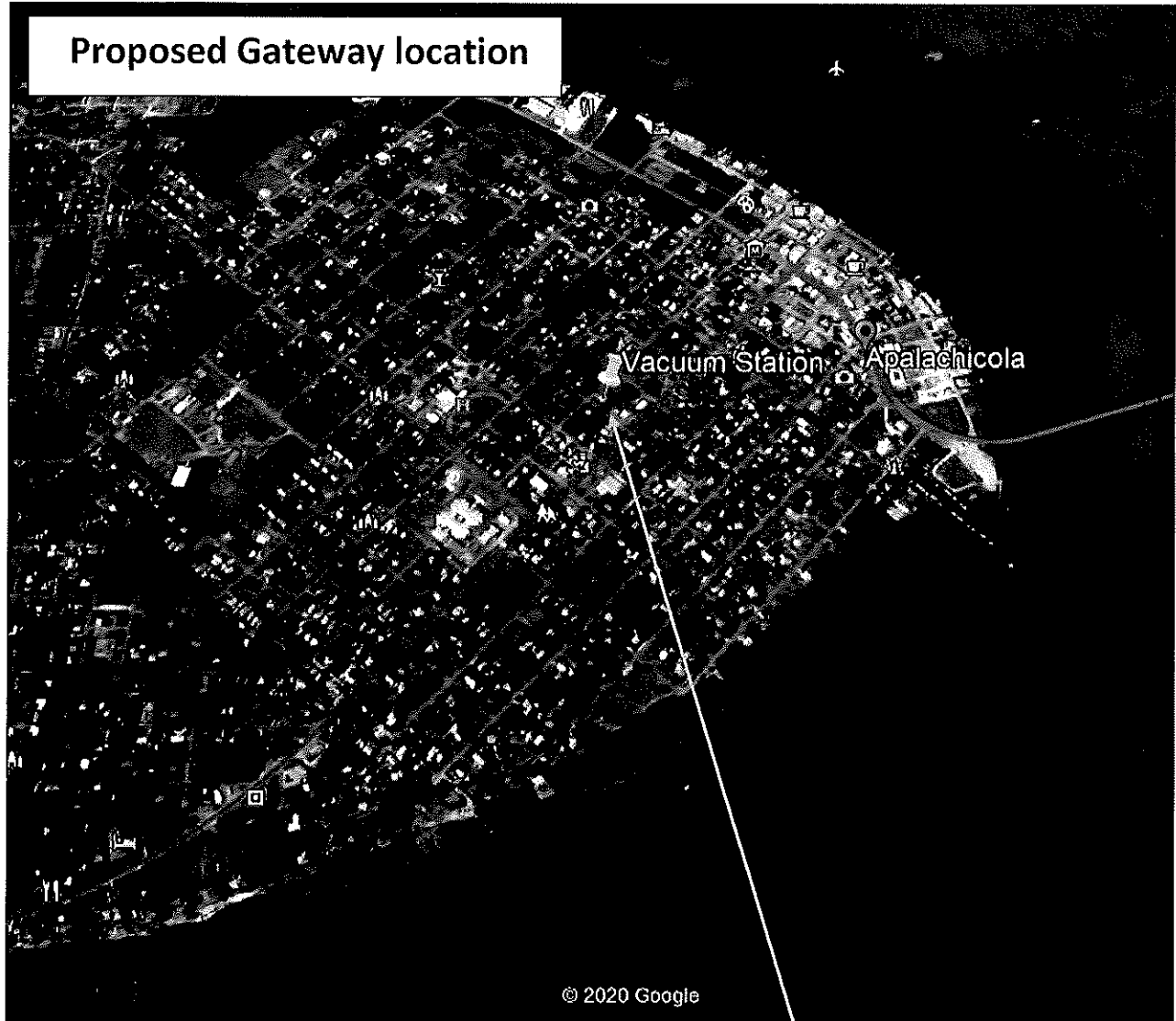
1) Executive Summary

FLOVAC has been operating successful wireless monitoring systems in USA since 2016 Showcasing the benefits of a wireless monitoring system for its vacuum/ pressure sewer network. Such system allows for a 24/7 status report of the vacuum valves and collection pits, including: (i) detection of abnormal conditions in the vacuum valves/ pumps; (ii) record of valves/pump open/close cycles; (iii) alarm for valves stuck open; (iv) alarm for wastewater high-level in the tanks; and (v) reading of vacuum/pressure level at valves, allowing operators to respond quickly to any call-outs and have a proactive approach to system maintenance. The system also offers an automatic air inlet system, which automatically reads the pressure differential between the end of vacuum mains and the vacuum tank and injects air at key locations of the vacuum network to clear the lines.

FLOVAC's Smart Monitoring System uses a LoRaWan communication protocol, which allows for much greater range of its wireless signal, virtually eliminating the need for repeaters. FLOVAC also uses a cloud-based software, which allows for visualization and control of the system anywhere with an internet connection on desktops, laptops, tablets, and smartphones.

In a recent presentation of its Smart Monitoring System, FLOVAC and the CITY OF APALACHICOLA team have discussed the implementation of a gateway to allow for the monitoring and collections of data at any point within the CITY OF APALACHICOLA Service Area. To that effect, FLOVAC has viewed, virtually, the area intended for the installation of its Smart Monitoring System and based on information provided by CITY OF APALACHICOLA and obtained onsite has prepared the following proposal.

2) Vacuum Sewer System Layout



Gateway located on high pole at vacuum station with back-up generator for continuous monitoring. Red radius from gateway is a conservative estimate of signal range for a monitoring module to connect.

3) Wireless Monitoring System Overview

FLOVAC's Wireless Monitoring System provides a 24/7 status report of the vacuum/ pressure sewer system, detecting abnormal conditions in the vacuum valves, sewer collection network and vacuum stations, allowing the operators to respond quickly to any call-outs and have a proactive approach to system maintenance.

One of the most important features of FLOVAC's System is its two-way or bi-directional radio network, allowing for seamless communication interaction between all devices in the system.

FLOVAC's System is capable of monitoring the following items:

- High Level Alarm Valve stuck open
- Valve stuck open
- Open/close cycles (allowing detection of unwanted storm or ground water infiltration)
- Negative and pressure in lines
- Automatic air injection with remote valve control (open/closed)
- Alarms
- Alerts via SMS / e-mail (optional)
- Battery, solar, or mains power operated
- Integration with existing SCADA systems

FLOVAC's System also features the following benefits:

- No need for external power supply (batteries included)
- Battery life up to 10 years
- Wireless operating range up to 4 miles (6 km)
- LoRaWan protocol allows for many different modules to operate within the same system
- Universal module for many different sensors
- Dedicated network with unlimited number of devices in a single network

FLOVAC's Wireless Monitoring System is compatible with most sewer systems provided by other major suppliers, allowing it to be integrated into existing and new systems. Since the system is battery powered and communication between all devices is made through a wireless protocol, there is no need for expensive infrastructure. The system is developed in different layers, making it easily customizable according to the client's preferences.

4) Network Layout

4.1) Network LoRaWan

LoRaWan is a new, private and spread-spectrum modulation technique which allows data transmission at extremely low data-rates to very long ranges. LoRaWan is a Low Power Wide Area Network (LPWAN) specification intended for wireless battery-operated Things in a regional, national, or global network. LoRaWan targets key requirements of Internet of Things such as secure bi-directional communication, mobility, and localization services. The LoRaWan specification provides seamless interoperability among smart Things without the need of complex local installations and gives back the freedom to the user, developer, businesses enabling the roll out of Internet of Things.

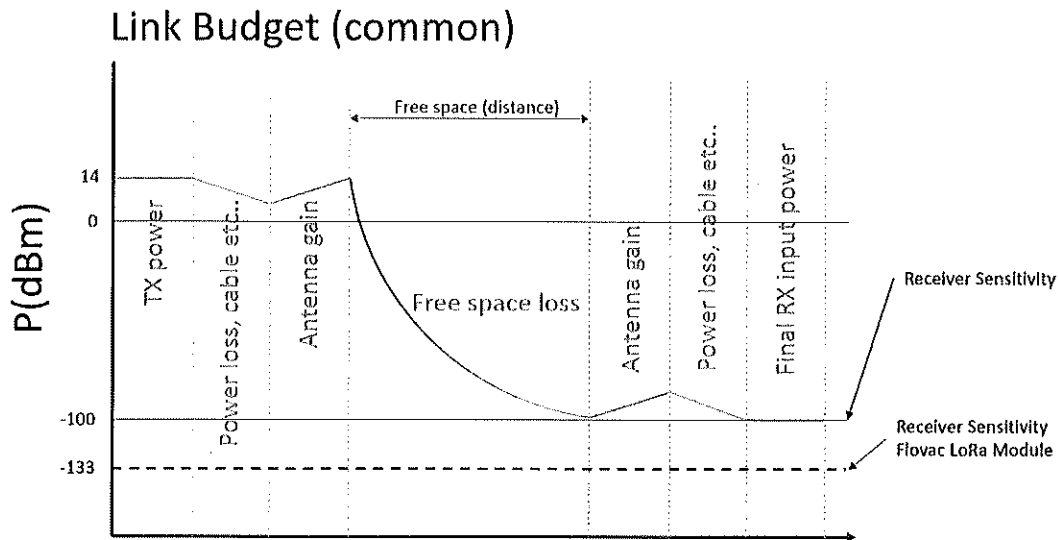


Figure 1 Sensitivity of the Flovac LoRaWan Module

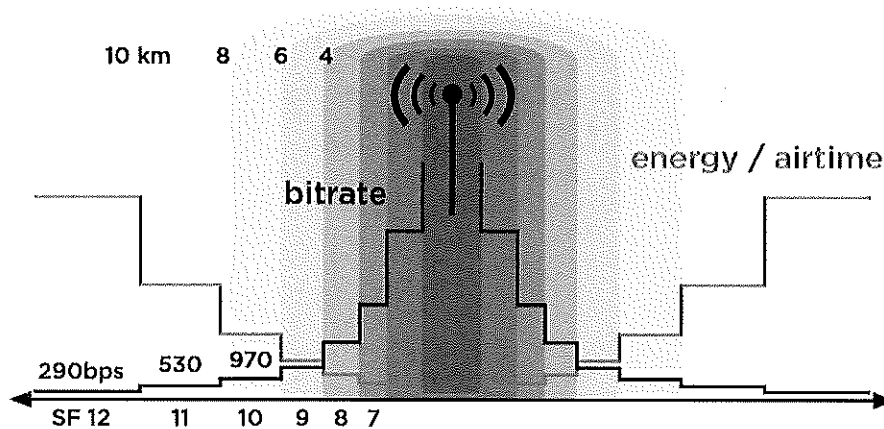


Figure 2 Distance vs Energy vs Bitrate

FLOVAC's LoRaWan supports different frequencies for each country where the system is to be installed. Modules automatically connect to the closest gateway, which can cover an area of up to 4 miles (6 km). In larger areas, multiple gateways could be installed to increase the coverage area. The gateway is connected to the WAN by default, through a GPRS/GSM connection or a local ethernet connection. The gateway only communicates through a secure server, which collects and sorts all data collected from the modules into databases.

4.2) WAN / LAN Network Connections

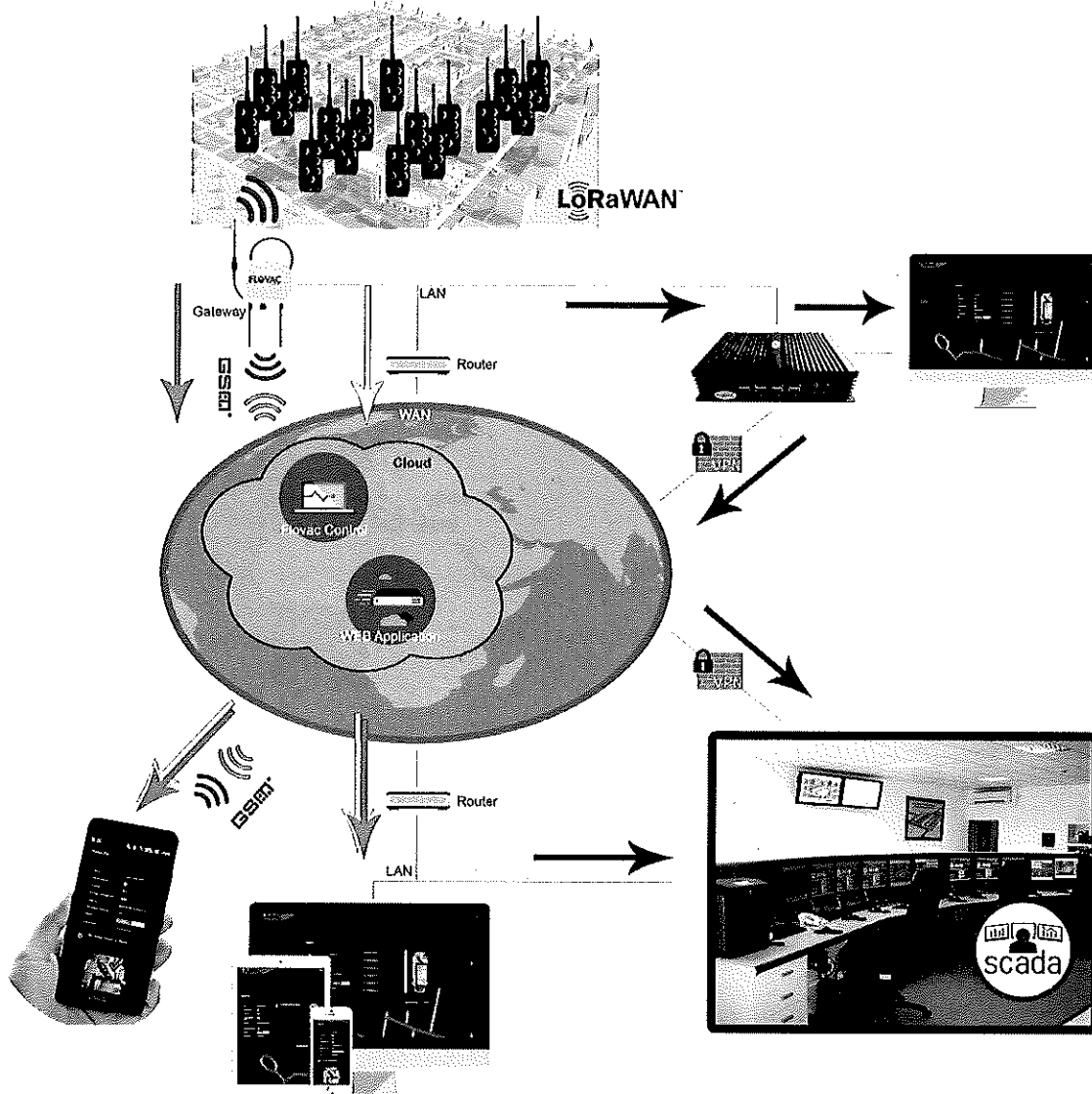


Figure 3 Network Examples

Green Routing: Most flexible. Gateway only needs power and can be placed anywhere in the area, with the best LoRaWan network performance.

Yellow Routing: Less flexibility. Gateway needs power and wired ethernet connection to internet for cloud hosting. Placement of the gateway at the best spot could be impacted by power and wired internet connection requirements, sometimes requiring the installation of a second gateway to cover the entire monitoring area.

Red Routing: Less flexibility. Gateway requirements are the same as the Yellow Routing. Cloud hosting will not be used, requiring an IPC computer and screen to be installed at the same location as the gateway to host the monitoring software and data on a local network.

Blue Routing: Optional. Custom made depending on the local network condition.

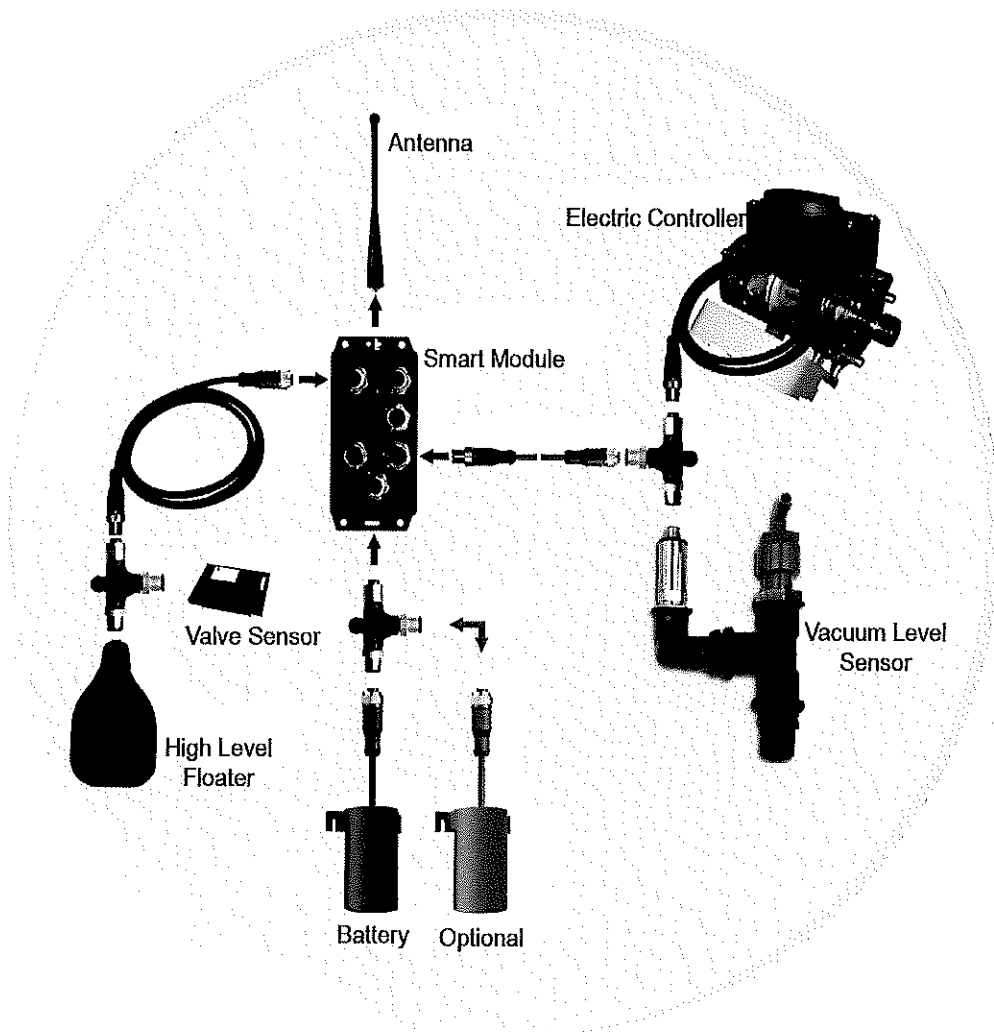
4.3) Gateway

The FLOVAC gateway communicates wirelessly with the monitoring modules in the field. All information received from the modules is transferred to the FLOVAC control server through GPRS/GSM or by wired LAN (figure 3). The best spot to install a gateway is in the center of the coverage area. The gateway needs power 100-240VAC-1A and ethernet connection when the GSM function is not utilized. Large coverage areas may require multiple gateways.



4.4) Smart Modules

FLOVAC has developed a smart LoRaWan module specifically for vacuum sewage monitoring. Our module is powered by 3.6 volt batteries and can be custom programmed to handle many different I/O's. The module is IP68 weatherproof rated and can be installed outside or inside the valve pit (installation inside the valve pit may require a shorter distance between the module and the gateway).



Flovac Valve Module Configuration Table

Configuration Parameter	Default Value	Description
Heartbeat Time	3600 seconds	Time the module will send a message with current openings, average opening time.
Vacuum Time	900 seconds	Time the module will measure the vacuum.
Vacuum Setpoint	30	If vacuum is below setpoint, module will enable low vacuum alarm.
Vacuum Delay	180 seconds	Delay before module will enable low vacuum alarm.
Floater Delay	10 seconds	Delay before module will enable high level alarm
Valve Alarm Delay	60 seconds	Delay before module will enable valve error alarm.
Maximum Open Time	15 seconds	If the valve opens longer then this value, the module will send an alert.
Minimum Open Time	3 seconds	If the valve opens less then this value, the module will send an alert.
Transfer Retries	5 times	Times the module will retry a transfer when no acknowledge was received from gateway.
Join Retries	5 times	Times the module will retry to join a gateway.

Valve Module Message Table

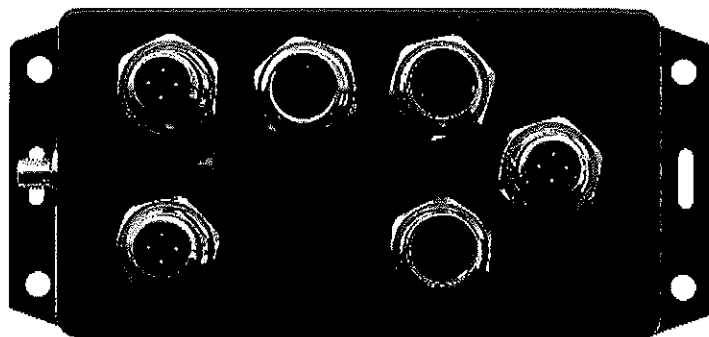
Message Name	Format
Heartbeat	0,(Current Counter),(Average Open Time)
Vacuum Level	1,(Vacuum Level)
Alarm	2,(Alarm Type), (Enabled/Disabled)
Alert	3,(Alert Type),(Value 1)

Valve Module Alarm Types

Alarm Name	Alarm Description
Low Vacuum Alarm	When vacuum is below setpoint for x time.
High Level Alarm	When floater is high for x time.
Valve not closing Alarm	Valve is not closing for x time.

Valve Module Alert Types

Alert Name	Alert Description
Openings time to long	Opening time exceeded the configured maximum open time.
Openings time to short	Opening time exceeded the configured minimum open time.
Failed Transfers	Times the module failed to transfer a message when first message was successful.

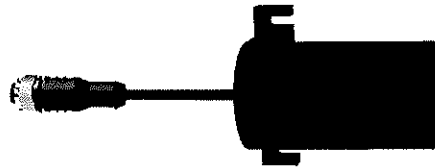


5) Components/Sensors

5.1) Battery

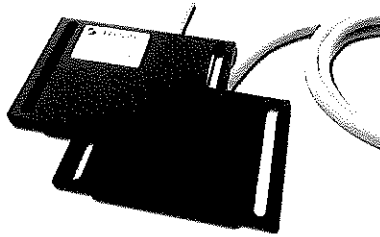
Every module is powered by battery by default. The battery life depends on the transmit rate, and in a default configuration the battery can power the module for up to 10 years. When additional sensors are installed such as vacuum sensors or electrical controllers requiring greater power consumption, the use of additional battery packages is recommended.

Battery is completely sealed and IP68 weatherproof rated.



5.2) Valve Sensor

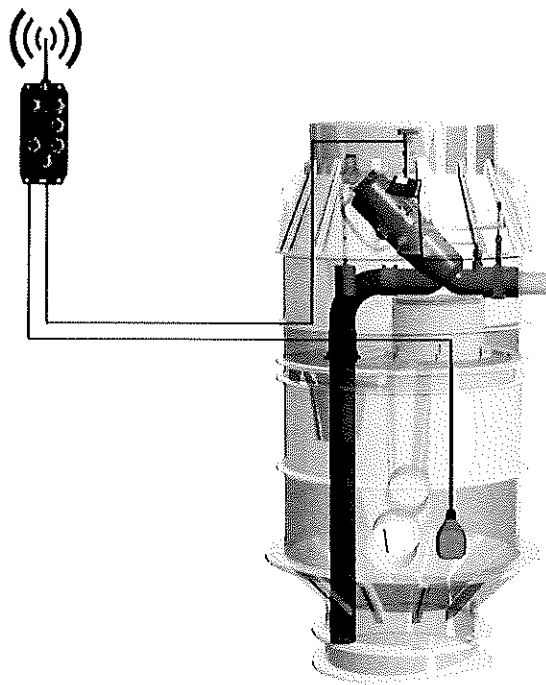
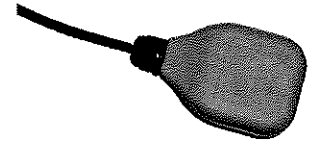
The valve sensor is mounted on the vacuum valve inside the collection pit. Every change of state start monitoring the



mounted on the vacuum valve inside the collection of the valve (open/close) will awake the module to status of the valve.

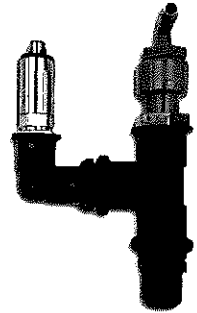
5.3) High Level Sensor

The high-level sensor floating switch generates an early warning alarm every time that the sewer level in the collection pit exceeds a preset condition, so the operators can take the appropriate action.



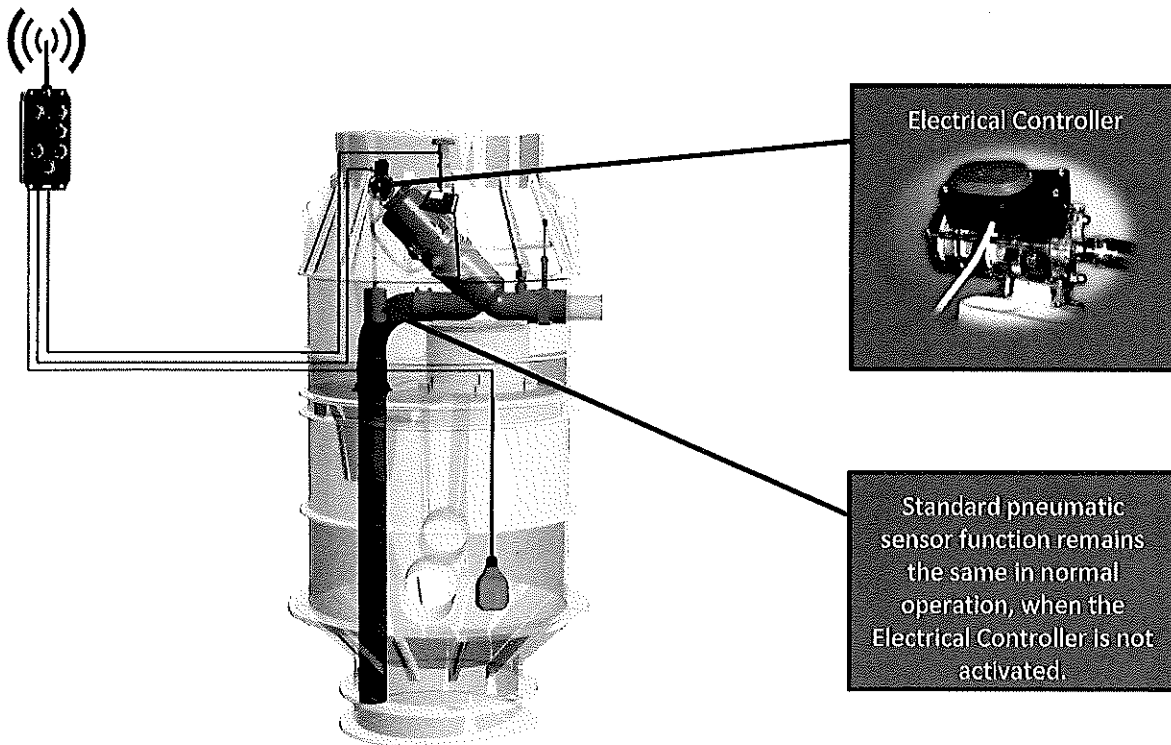
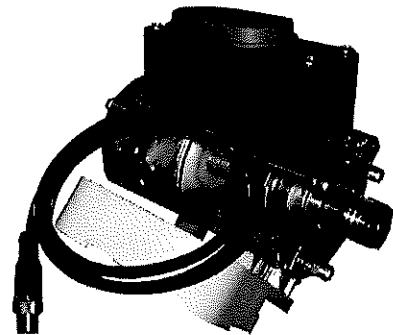
5.4) Vacuum Level Sensor

The vacuum level sensor measures the vacuum pressure at the collection pit at predetermined intervals (intervals could be configured according to client's requirements). In addition to showing the vacuum level on the visualization screen, the system could also be configured to generate an alarm when the vacuum level drops below a pre-determined set point. The vacuum level sensor is required for the Automatic Air Injection System (AAIS).



5.5) Electrical Controller

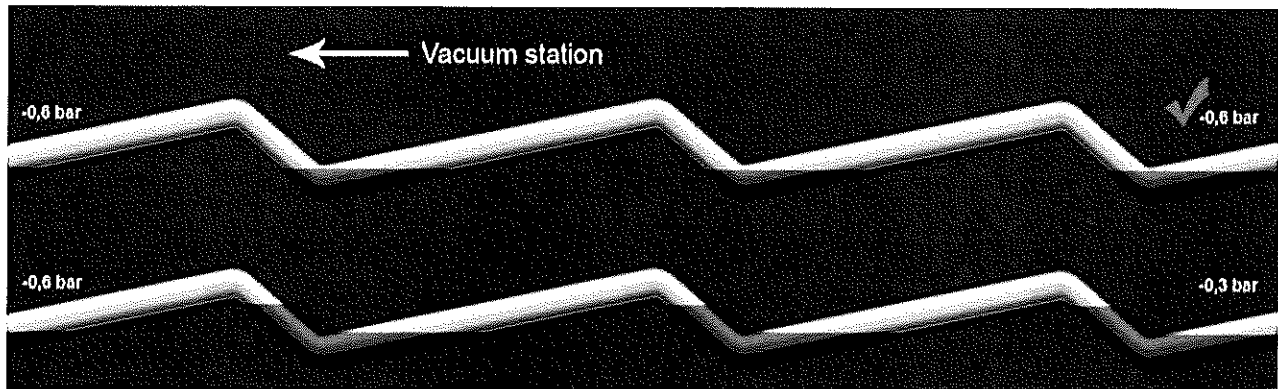
The electrical controller allows the vacuum valve to be opened by a remote command. The valve open command can be sent manually or automatically by the FLOVAC control system. The electrical controller is required for the Automatic Air Injection System (AAIS), which generates an automatic valve open command through the AAIS algorithm.



6) Automatic Air Injection System (AAIS)

In some areas of the vacuum sewer network, vacuum levels can drop below their optimal operation condition, adversely affecting the proper function of the valves.

Low vacuum levels can be caused by a variety of factors, including wrong valve time settings, excessive external infiltration into the system, extensive line stretches without any connections, design and construction flaws, etc.



Vacuum valves need a minimum of -5 inHg to open, however this minimum pressure might not be enough to allow enough air to enter the system to avoid water logging.

To solve this problem FLOVAC has developed an Automatic Air Injection System (AAIS). The AAIS can prevent vacuum levels dropping below the minimum -5 inHg, as it will let in air automatically when vacuum level drops below -8 inHg or any other pressure level setup by operations.

In a conventional standalone system, the vacuum level is checked only at a specific point in the sewer collection network and does not consider the vacuum level at the vacuum station. The disadvantage of ignoring the vacuum level at the vacuum station is the possibility to inject air into the system even when there is not enough vacuum level at the vacuum station, which will further deplete the vacuum level in the system.

FLOVAC's AAIS was developed to, in addition to the vacuum level at a specific point in the sewer collection network, consider the vacuum level at the vacuum station, taking advantage of its two-way or bi-directional communication capability to evaluate all available parameters and fine tune the amount of air required for optimal operation of the system. Furthermore, the AAIS is installed by simply replacing the valve controller with FLOVAC's electrical controller, thus not requiring any additional valves and/or valve pits.

7) Wireless Monitoring System Proposal

7.1) Proposed System Description and Features

This proposal includes the supply of FLOVAC Smart Monitoring devices (smart modules, battery packs/ power supply, valve sensors, high-level sensors,) for 130 vacuum pits within the designated sections of CITY OF APALACHICOLA vacuum sewer system. Those monitoring devices will be connected to FLOVAC's LoRaWan through 1 Gateway intended to cover the entire service area. The gateway is to be installed at a high point at the Vacuum Station. Also included is 10 vacuum sensors to be installed at strategic locations throughout the system. The FLOVAC software and system database will be hosted on FLOVAC's secure cloud, which allows for remote support and software updates, in addition to remote access by authorized operations personnel on mobile smartphones and tablets. All equipment comes with an industry standard warranty of one year.

7.2) Price

FLOVAC's price for the implementation of the Wireless Monitoring System is \$148,000.00 (One Hundred and Forty-Eight Thousand Dollars), which includes the **supply and installation** of all wireless monitoring equipment described above, testing, training, and commissioning of the system.

It should be noted that for future expansion as of this proposal. An FMS monitoring module including battery, valve sensor, high level float and cables costs \$800 per unit (without pressure sensor) or \$1200 per unit (with pressure sensor). The gateway installed during work outlined in this proposal is intended to provide signal for all future connections of monitoring modules in the entire collection area. Thus, making future monitoring "plug and play". However additional gateways can be provided if poor signal areas are identified.

FLOVAC's monthly fee for the Cloud Hosting is normally \$ 350.00 (three hundred and fifty dollars), which includes the features described above. Flovac would like to offer CITY OF APALACHICOLA a waiver of monthly fee for one year.

7.3) Payment Terms

- 30% at Proposal Acceptance
- 30% at Equipment Delivery
- 30% at Installation Completion
- 10% at Commissioning and System Acceptance

7.4) Special Conditions

CITY OF APALACHICOLA preparatory scope of work:

At Vacuum Pump Stations:

- ✦ Install a high pole (35-40 feet) at treatment plant for the installation of the gateway 2" or larger pipe or equal is preferred for securing the gateway. There needs to be a method to allow mounting and removal of the gateway to the pole. I.e. unbolt and lower, or man lift access.
- ✦ Install a 1" conduit from the gateway to a 110v power outlet serviced by the emergency generator no more than 30 feet from the top of the pole.

At the Vacuum Pits

- ✦ Install pedestal, if not present already. Needs to have removable lid. These will be housing the module, antenna, and battery. (pedestal to be supplied by CITY OF APALACHICOLA)
- ✦ Run a 1-1/2" or greater flexible conduit from the upper pit chamber to the pedestal (see images below) PVC can also be used so long as sweeping bends are used. The conduit needs to have a fall back towards the upper valve

chamber to prevent water pooling in conduit. The communication wires will be running through this. (conduit or PVC to be supplied by CITY OF APALACHICOLA).

Note: The reasoning behind the large size conduit is to allow for remote mounting of the controller inside pedestal if the client wishes to do so during installation or at future date. Mounting the controller in the air terminal has been proven to reduce maintenance issues and provides greater safety for operators as they can troubleshoot a valve without lifting the manhole cover. Flovac can supply remote mounting plates and vacuum hoses at additional cost if the client wishes.



Modified Valve pit with valve sensor, vacuum sensor, and high-level float on vacuum valve.



Module and battery in air terminal.



Gateway up high pole

General:

- ✦ Verify the condition of the magnets on the vacuum valves and replace the ones that are rusted or damaged.

At Force Main Pump Stations:

- ✦ Provide electrical drawings to allow Flovac to provide instructions of monitoring connections.
- ✦ Coordinate with local electrician to terminate required relays.



FLOVAC installation scope of work:

- + Provide detailed information for CITY OF APALACHICOLAs preparatory scope of work.
- + Supply valve sensors, high level sensors (floating switches), modules, vacuum sensors, relays for force main pumps, and antennas for monitoring.
- + Install the monitoring devices (including supplying and installing the required low power cables).
- + Install the gateway on the pole (including supplying and installing the ethernet power cable).
- + Start-up and test the system.
- + Provide training to CITY OF APALACHICOLA operators.

We at FLOVAC are incredibly pleased to have the opportunity to assist the CITY OF APALACHICOLA in the pursuit of continuously improving the operation and reliability of its sewerage collection system. We are confident that the proposed Smart Monitoring System will allow CITY OF APALACHICOLA’s managers, supervisors and operators to have real time information from each Collection Pit/ and Vacuum Valves being monitored, allowing for immediate identification of any faults, abnormalities and alarms, indicating the precise location where preventive and/or corrective measures must be taken.

Proposal Approved by:

Name (printed)

Signature:.....

Date:.....



Michael Pringle
 Director of Operations
www.flovac.com

CRA - COMMUNITY REDEVELOPMENT AUTHORITY **PRELIMINARY BUDGET for October 1, 2020 to September 30, 2021**

VERSION 2.0

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	Budget Amendment 2020	AMENDED CURRENT YEAR BUDGET	ACTUAL FY 20-21	FINAL FY 20-21	DEPT REQUEST FY 20-21	Rollback Funded @70%	BOARD APPROVED FY 20-21	COMMENT OR EXPLANATION
REVENUE	CITY OF APALACHICOLA - Prior Year Payable	32,500	-22,500	10,000	10,000	85,931		65,931		After \$10,000 & \$75,561 payments, balance due is \$75,561,000.
	CITY OF APALACHICOLA - Current Year Contribution	6,800	55,800	55,800	55,800	55,800		55,800		
	MANSTREET	47,500		47,500	0	0		0		
	BALANCE FORWARD		35,000	35,000	43,158	43,158		210,202		City made payments so balance of funds increases Per Erin Griffin @ Franklin 8/17/2020
	FRANKLIN COUNTY INTEREST INCOME				67	67		53,814		
TOTAL REVENUE		\$86,600	\$68,300	\$154,900	\$109,025	\$232,106	\$0	\$410,854	\$0	114,011
PERSONNEL	SALARIES & WAGES	9,800			2,464	2,464		0		Less \$3781 from Minimum Calendar Oct 2019
	SOCIAL SECURITY	800			471	471		0		
	RETIREMENT	900			529	529		0		
	GROUP INSURANCE	1,700			627	627		0		
TOTALS PERSONNEL		\$32,200			\$4,091	\$4,091	\$0	\$0	\$0	
OPERATING EXPENSES	PROFESSIONAL SERVICES (Legal)	0			0	0		1,500		2.5% Fee
	OPERATING EXPENSES	1,500			420	420		3,800		This board does not require additional D & O Insurance. As Commission sits on board, coverage for the governing body covers all members of this board.
	D & O INSURANCE							0		
	TRAVEL & TRAINING	0			0	0		0		
	MICRO PROJECTS	15,000			0	0		0		
	TRANSFER TO GENERAL FUND	0			0	0		0		
TOTAL OPERATING EXPENSES		\$16,500			\$420	\$420	\$0	\$5,300	\$0	
CAPITAL OUTLAY	CAPITAL OUTLAY - Future Projects	56,900			8,333	8,333		270,425		
TOTAL CAPITAL OUTLAY		\$56,900			\$8,333	\$8,333	\$0	\$270,425	\$0	City made payments so balance of funds increases
DEBT PAYMENT	DEBT PAYMENT	0			0	0		0		
TOTAL DEBT PAYMENT		\$0			\$0	\$0	\$0	\$0	\$0	
TOTAL EXPENSES		\$86,600			\$12,844	\$12,844	\$0	\$375,725	\$0	
TOTAL CRA SURPLUS / (DEFICIT)		\$0			\$95,181	\$219,262	\$0	\$0	\$0	

CAPITAL OUTLAY	\$	270,425
Tentative Projects		
		6,100

CONTRIBUTION CALCULATION ROLLEBACK		
Base Year	31,376,822	
Current Year	40,915,846	
Increment	9,539,024	
TRIM 95%	9,062,073	
Roll Back 9,0001	\$81,560	
FULLY FUNDED AT 95%	\$60,097	
FUNDED AT 70%	\$42,935	
FUNDED AT 50%		

CONTRIBUTION CALCULATION CURRENT		
Base Year	31,376,822	
Current Year	40,915,846	
Increment	9,539,024	
TRIM 95%	9,062,073	
CURRENT 9,3000	\$94,277	
FULLY FUNDED AT 95%	\$62,099	
FUNDED AT 70%	\$44,355	
FUNDED AT 50%		

(5) Revenue bonds issued under the provisions of this part shall not be deemed to constitute a debt, liability, or obligation of the public body or the state or any political subdivision thereof, or a pledge of the faith and credit of the public body or the state or any political subdivision thereof, but shall be payable solely from the revenues provided therefor. All such revenue bonds shall contain on the face thereof a statement to the effect that the agency shall not be obligated to pay the same or the interest thereon except from the revenues of the community redevelopment agency held for that purpose and that neither the faith and credit nor the taxing power of the governing body or of the state or of any political subdivision thereof is pledged to the payment of the principal of, or the interest on, such bonds.

(6) Effective October 1, 2019, moneys in the redevelopment trust fund may be expended for undertakings of a community redevelopment agency as described in the community redevelopment plan only pursuant to an annual budget adopted by the board of commissioners of the community redevelopment agency and only for the purposes specified in paragraph (c).

(a) Except as otherwise provided in this subsection, a community redevelopment agency shall comply with the requirements of s. 189.016.

(b) A community redevelopment agency created by a municipality shall submit its annual budget to the board of county commissioners for the county in which the agency is located within 10 days after the adoption of such budget and submit amendments of its annual budget to the board of county commissioners within 10 days after the adoption date of the amended budget.

(c) The annual budget of a community redevelopment agency may provide for payment of the following expenses:

1. Administrative and overhead expenses directly or indirectly necessary to implement a community redevelopment plan adopted by the agency.
2. Expenses of redevelopment planning, surveys, and financial analysis, including the reimbursement of the governing body or the community redevelopment agency for such expenses incurred before the redevelopment plan was approved and adopted.
3. The acquisition of real property in the redevelopment area.
4. The clearance and preparation of any redevelopment area for redevelopment and relocation of site occupants within or outside the community redevelopment area as provided in s. 163.370.
5. The repayment of principal and interest or any redemption premium for loans, advances, bonds, bond anticipation notes, and any other form of indebtedness.
6. All expenses incidental to or connected with the issuance, sale, redemption, retirement, or purchase of bonds, bond anticipation notes, or other form of indebtedness, including funding of any reserve, redemption, or other fund or account provided for in the ordinance or resolution authorizing such bonds, notes, or other form of indebtedness.
7. The development of affordable housing within the community redevelopment area.
8. The development of community policing innovations.
9. Expenses that are necessary to exercise the powers granted under s. 163.370, as delegated under s. 163.358.

(7) On the last day of the fiscal year of the community redevelopment agency, any money which remains in the trust fund after the payment of expenses pursuant to subsection (6) for such year shall be:

- (a) Returned to each taxing authority which paid the increment in the proportion that the amount of the payment of such taxing authority bears to the total amount paid into the trust fund by all taxing authorities for that year;
- (b) Used to reduce the amount of any indebtedness to which increment revenues are pledged;
- (c) Deposited into an escrow account for the purpose of later reducing any indebtedness to which increment revenues are pledged; or
- (d) Appropriated to a specific redevelopment project pursuant to an approved community redevelopment plan. The funds appropriated for such project may not be changed unless the project is amended, redesigned, or delayed, in which case the funds must be reappropriated pursuant to the next annual budget adopted by the board of commissioners of the community redevelopment agency.

(8)(a) Each community redevelopment agency with revenues or a total of expenditures and expenses in excess of \$100,000, as reported on the trust fund financial statements, shall provide for a financial audit each fiscal year by an

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS
FINAL BILL ANALYSIS**

BILL #: CS/HB 9 Community Redevelopment Agencies
SPONSOR(S): State Affairs Committee; LaMarca
TIED BILLS: IDEN./SIM. BILLS: CS/CS/SB 1054

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local, Federal & Veterans Affairs Subcommittee	10 Y, 4 N	Darden	Miller
2) Ways & Means Committee	11 Y, 6 N	Curry	Langston
3) State Affairs Committee	16 Y, 7 N, As CS	Darden	Williamson
FINAL HOUSE FLOOR ACTION: 81 Y's 30 N's			
GOVERNOR'S ACTION: Approved			

SUMMARY ANALYSIS

CS/HB 9 passed the House on April 17, 2019. The bill was amended in the Senate on May 1, 2019, and returned to the House. The House concurred in the Senate amendment and passed the bill as amended on May 2, 2019.

The Community Redevelopment Act authorizes counties and municipalities to create community redevelopment agencies (CRAs) as a means of redeveloping slums and blighted areas. CRAs operate under a community redevelopment plan and are primarily funded by tax increment financing (TIF).

The bill increases accountability and transparency for CRAs by:

- Requiring the governing board members of a CRA to undergo four hours of ethics training annually;
- Requiring each CRA to use the same procurement and purchasing processes as the creating county or municipality;
- Expanding the annual reporting requirements for CRAs and requiring the information and data to be posted on the agency website;
- Providing that moneys in the redevelopment trust fund may only be expended pursuant to an annual budget adopted by the board of commissioners of the CRA and only for those purposes specified in current law;
- Authorizing the local governing body creating the CRA to adjust the level of TIF available to the CRA;
- Requiring a CRA created by a municipality to provide its budget and any amendments to the board of county commissioners for the county in which the CRA is located by a time certain; and
- Requiring counties and municipalities to include CRA data in their annual financial report.

The bill provides for the phase-out of existing CRAs, except those with any outstanding bond obligations. However, the governing board of a creating local government entity may prevent the phase-out of a CRA by a majority vote to retain the agency. The bill provides a process for the Department of Economic Opportunity to declare a CRA inactive if it has reported no revenues, no expenditures, and no debt for six consecutive fiscal years.

The bill may have a fiscal impact on the state and local governments.

The bill was approved by the Governor on June 28, 2019, ch. 2019-163, L.O.F., and will become effective on October 1, 2019.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

Community Redevelopment Act

The Community Redevelopment Act of 1969 (Act)¹ authorizes a county or municipality to create a community redevelopment agency (CRA) as a means of redeveloping slums and blighted areas. The Act defines a “blighted area” as an area in which there are a substantial number of deteriorated structures causing economic distress or endangerment to life or property and two or more of the following factors are present:

- Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;
- Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the five years prior to the finding of such conditions;
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- Unsanitary or unsafe conditions;
- Deterioration of site or other improvements;
- Inadequate and outdated building density patterns;
- Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality;
- Tax or special assessment delinquency exceeding the fair value of the land;
- Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality;
- Incidence of crime in the area higher than in the remainder of the county or municipality;
- Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;
- A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality;
- Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area;
- Governmentally owned property with adverse environmental conditions caused by a public or private entity; or
- A substantial number or percentage of properties damaged by sinkhole activity that have not been adequately repaired or stabilized.²

An area also may be classified as blighted if one of the above factors is present and all taxing authorities with jurisdiction over the area have agreed that the area is blighted by interlocal agreement or by passage of a resolution by the governing bodies.³

The Act defines a “slum area” as “an area having physical or economic conditions conducive to disease, infant mortality, juvenile delinquency, poverty, or crime because there is a predominance of buildings or improvements” in poor states of repair with one of the following factors present:

- Inadequate provision for ventilation, light, air, sanitation, or open spaces;

¹ Ch. 163, part III, F.S.

² S. 163.340(8), F.S.

³ *Id.*

- High density of population, compared to the population density of adjacent areas within the county or municipality, and overcrowding, as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code; or
- The existence of conditions that endanger life or property by fire or other causes.⁴

Creation of Community Redevelopment Agencies

Either a county or a municipal government may create a CRA. Before creating a CRA, a county or municipal government must adopt a resolution with a "finding of necessity."⁵ This resolution must make legislative findings "supported by data and analysis" that the area to be included in the CRA's jurisdiction is either blighted or a slum and that redevelopment of the area is necessary to promote "the public health, safety, morals, or welfare" of residents.⁶

A county or municipality may create a CRA upon the adoption of a finding of necessity and a finding that a CRA is necessary for carrying out the community redevelopment goals embodied by the Act.⁷ A CRA created by a county may only operate within the boundaries of a municipality when the municipality has concurred by resolution with the community redevelopment plan adopted by the county. A CRA created by a municipality may not include more than 80 percent of the municipality if it was created after July 1, 2006.⁸

The ability to create, expand, or modify a CRA is also determined by the county's status as a charter or non-charter county, as summarized below:

County Status	Authority
Charter County - CRA created after adoption of charter ⁹	County possesses authority to create CRAs within the county, but may delegate authority to a municipality via interlocal agreement.
Charter County - CRA created before adoption of charter ¹⁰	County does not have authority over CRA operations, including modification of redevelopment plan or expansion of CRA boundaries.
Non-Charter County ¹¹	County does not have authority over CRA operations, including modification of redevelopment plan or expansion of CRA boundaries.

As of March 1, 2019, there were 227 CRAs in Florida, which is a 30 percent increase over the past decade.¹²

Community Redevelopment Agency Boards

The Act allows the local governing body creating a CRA to choose between two structures when establishing the agency's governing board.

⁴ S. 163.340(7), F.S.

⁵ See s. 163.355, F.S. (prohibiting counties and municipalities from exercising powers under the Act without a finding of necessity).

⁶ *Id.*

⁷ S. 163.356(1), F.S.

⁸ S. 163.340(10), F.S.

⁹ S. 163.410, F.S.

¹⁰ *Id.*

¹¹ S. 163.415, F.S.

¹² Dept. of Economic Opportunity, Special District Accountability Program, *Official List of Special Districts Online*, <http://specialdistrictreports.floridajobs.org/webreports/mainindex.aspx> (last visited Mar. 1, 2019) (227 active CRAs as of Mar. 1, 2019, compared to 200 active CRAs with creation dates on or before Mar. 1, 2009).

One option is to appoint a board of commissioners consisting of five to nine members serving four-year terms.¹³ The local governing body may appoint any person as a commissioner who lives in or is engaged in business in the agency's area of operation.¹⁴ The local governing body making the appointment selects the chair and vice chair of the commission.¹⁵ Commissioners are not entitled to compensation for their services, but may receive reimbursement for expenses incurred in the discharge of their official duties.¹⁶ Commissioners and employees of an agency are subject to the code of ethics for public officers and employees under ch. 112, F.S.¹⁷

The other option is for the local governing body to appoint itself as the agency board of commissioners.¹⁸ If the local governing body consists of five members, the local governing body may appoint two additional members to four-year terms.¹⁹ The additional members either must meet the selection criteria for appointed board members under s. 163.356, F.S., or may be representatives of another taxing authority within the agency's area of operation, subject to an interlocal agreement between the local governing body creating the CRA and the other taxing authority.²⁰

As of March 1, 2019, the local governing body creating the CRA serves as the CRA board for 159 of the 227 active CRAs.²¹

Community Redevelopment Agency Operations

The CRA board of commissioners is responsible for exercising the powers of the agency.²² A majority of the board's members are required for a quorum. A CRA may employ an executive director, technical experts, legal counsel, and other agents and employees necessary to fulfill its duties.²³

A CRA exercising its powers under the Act must file an annual report with the governing body of the creating local government entity.²⁴ The report must contain a complete financial statement of the assets, liabilities, income, and operating expenses of the agency. The CRA must publish a notice in a newspaper of general circulation in the community that the report has been filed and is available for inspection during business hours in the office of the clerk of the city or county commission and the office of the agency.

As a type of dependent special district,²⁵ a CRA also must maintain certain information on an official website.²⁶ The website may be part of the creating governmental entity's website.²⁷ The information

¹³ S. 163.356(2), F.S.

¹⁴ S. 163.356(3)(b), F.S. A person is "engaged in business" if he or she owns a business, performs services for compensation, or serves as an officer or director of a business that owns property or performs services in the agency's area of operation.

¹⁵ S. 163.356(3)(c), F.S.

¹⁶ S. 163.356(3)(a), F.S.

¹⁷ S. 163.367(1), F.S. *but cf.* s. 112.3142, F.S. (requiring ethics training for specific constitutional officers and elected municipal officers).

¹⁸ S. 163.357(1)(a), F.S.

¹⁹ S. 163.357(1)(c), F.S.

²⁰ S. 163.357(1)(c)-(d), F.S.

²¹ Dept. of Economic Opportunity, Special District Accountability Program, *Official List of Special Districts Online*, <http://specialdistrictreports.floridajobs.org/webreports/mainindex.aspx> (last visited Mar. 1, 2019).

²² S. 163.356(3)(b), F.S.

²³ S. 163.356(3)(c), F.S.

²⁴ *Id.*

²⁵ *See* s. 189.012(2), F.S. (defining "dependent special district" as any special district that meets at least one of the following criteria: the membership of its governing body is identical to that of the governing body of a single county or a single municipality; all members of its governing body are appointed by the governing body of a single county or a single municipality; members of the special district's governing body are subject to removal at will by the governing body of a single county or a single municipality during their unexpired terms; or the district has a budget that requires approval through an affirmative vote or can be vetoed by the governing body of a single county or a single municipality.)

required to be posted includes the public purpose of the CRA,²⁸ the description of the CRA's boundaries and the services it provides,²⁹ a listing of all amounts collected for the fiscal year by the CRA and the sources of those revenues,³⁰ the CRA's budget and any amendments,³¹ and the final, complete audit report for the CRA's most recently completed fiscal year as well as all other audit reports required by law.³²

Community Redevelopment Plans

A community redevelopment plan must be in place before a CRA can engage in operations.³³ The county, the municipality, the CRA itself, or members of the public may submit the plan. Once the plan is submitted, the CRA then chooses which plan it will use as its community redevelopment plan.³⁴ Next, the CRA must submit the plan to the local planning agency for review before the plan can be considered.³⁵ The local planning agency must complete its review within 60 days.

The CRA must submit the community redevelopment plan to the governing body that created the CRA as well as each taxing authority that levies ad valorem taxes on taxable real property contained in the boundaries of the CRA.³⁶ The local governing body that created the CRA must hold a public hearing before the plan is approved.³⁷

To approve the plan, the local governing body must find that:

- A feasible method exists to relocate families who will be displaced by redevelopment in safe and sanitary accommodations within their means and without undue hardship;
- The community redevelopment plan conforms to the general plan of the county or municipality as a whole;
- The community redevelopment plan gives due consideration to the utilization of community policing innovations and other factors encouraging neighborhood improvement, with special consideration for impacts on children;
- The community redevelopment plan encourages redevelopment by private enterprise to the maximum possible extent; and
- The community redevelopment plan will reduce or maintain evacuation time and ensure protection for property against exposure to natural disasters if the CRA is in a coastal tourist area.³⁸

The community redevelopment plan must also:

- Conform to the comprehensive plan for the county or municipality;
- Indicate land acquisition, demolition, and removal of structures; redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community redevelopment area; zoning and planning changes, if any; land uses; maximum densities; and building requirements; and

S. 189.069(1), F.S.

²⁷ S. 189.069(1)(b), F.S.

²⁸ S. 189.069(2)(a)2., F.S.

²⁹ S. 189.069(2)(a)7., F.S.

³⁰ S. 189.069(2)(a)8., F.S.

³¹ S. 189.069(2)(a)11., F.S.

³² S. 189.069(2)(a)12., F.S. See the section of the analysis on "Annual Financial Reports for Local Government Entities."

³³ S. 163.360(1), F.S.

³⁴ S. 163.360(4), F.S.

³⁵ *Id.*

³⁶ S. 163.360(5), F.S.

³⁷ S. 163.360(6), F.S.

³⁸ S. 163.360(7), F.S.

- Provide for the development of affordable housing in the area, or state the reasons for not addressing in the plan the development of affordable housing.³⁹

Redevelopment Trust Fund

CRA's may not levy or collect taxes; however, the local governing body may establish a community redevelopment trust fund that is funded through tax increment financing (TIF). The amount of TIF available to the agency in a given year is equal to 95 percent of the difference between:

- The amount of ad valorem taxes levied in the current year by each taxing authority, excluding any debt service millage, on taxable real property within the boundaries of the community redevelopment area; and
- The amount of ad valorem taxes that would have been produced by levying the current year's millage rate for each taxing authority, excluding any debt service millage, on taxable real property within the boundaries of the community redevelopment area at the total assessed value of the taxable real property prior to the effective date of the ordinance providing for the redevelopment trust fund.⁴⁰

A CRA created by Miami-Dade County on or after July 1, 1994, may set the amount of funding provided at less than 95 percent, with a floor of 50 percent.⁴¹

The TIF authority of a CRA may be limited where the CRA:

- Did not authorize a study to consider whether a finding of necessity resolution should be adopted by June 5, 2006, did not adopt a finding of necessity study by March 31, 2007, did not adopt a community redevelopment plan by June 7, 2007, and was not authorized to exercise community redevelopment powers pursuant to a delegation of authority under s. 163.410, F.S., by a charter county;⁴² or
- Adopted a modified community redevelopment plan after October 1, 2006, which expands the boundaries of the community redevelopment area, if the CRA is in a charter county and was not created pursuant to a delegation of authority under s.163.410, F.S.⁴³

If either of these conditions occurs, a CRA may have TIF proceeds from other taxing entities capped at the millage rate imposed by the municipality that created the CRA.⁴⁴ If either of these conditions occurs and the CRA is more than 25 years old, the CRA's TIF contributions from another taxing authority may be capped by resolution of the taxing authority at the sum of the amount of TIF available in the year before the resolution was approved and any increased increment subject to an area reinvestment agreement.⁴⁵

Each taxing authority must transfer TIF funds to the redevelopment trust fund of the CRA by January 1 of each year. For CRA's created before July 1, 2002, each taxing authority must make an annual appropriation to the trust fund for a period of no more than 60 years from when the community redevelopment plan was adopted or no more than 30 years from when the plan was amended,

³⁹ S. 163.360(2), F.S.

⁴⁰ S. 163.387(1)(a), F.S.

⁴¹ *Id.* As of March 1, 2019, there were 10 CRA's operating in Miami-Dade County created after this provision took effect. See Dept. of Economic Opportunity, Special District Accountability Program, *Official List of Special Districts Online*, <http://specialdistrictreports.floridajobs.org/webreports/mainindex.aspx> (last visited Mar. 1, 2019).

⁴² S. 163.387(1)(b)1., F.S.

⁴³ S. 163.387(1)(b)2., F.S.

⁴⁴ S. 163.387(1)(b)1.a., F.S.

⁴⁵ S. 163.387(1)(b)1.b., F.S. An "area reinvestment agreement" is an agreement between the CRA and a private party that requires the increment computed for a specific area to be reinvested in services or public or private projects, or both, including debt service, supporting one or more projects consistent with the community redevelopment plan, which is identified in the agreement to be constructed within that area.

whichever is lesser. For CRAs created on or after July 1, 2002, each taxing authority must make an annual appropriation to the trust fund for no more than 40 years from when the community redevelopment plan was adopted.⁴⁶ If there are any outstanding loans, advances, or indebtedness at the conclusion of these periods, the local governing body that created the CRA must continue transfers to the redevelopment trust fund until the debt has been retired.⁴⁷

If a taxing authority does not transfer the TIF funds to the redevelopment trust fund, the taxing authority is required to pay a penalty of 5 percent of the TIF amount to the trust fund as well as 1 percent interest per month for the outstanding amount.⁴⁸ A CRA may choose to waive these penalties in whole or in part.

The following taxing authorities are exempt from contributing to the redevelopment trust fund:

- A school district;⁴⁹
- A special district that levies ad valorem taxes on taxable real property in more than one county;
- A special district for which ad valorem taxation is the sole source of revenue;
- A library district, unless the library district is in a jurisdiction where the CRA had validated bonds as of April 30, 1984;
- A neighborhood improvement district;
- A metropolitan transportation authority;
- A water management district created under s. 373.069, F.S.; and
- A hospital district that is a special district if the CRA was created on or after July 1, 2016.⁵⁰

Additionally, the local governing body creating the CRA may choose to exempt other special districts levying ad valorem taxes in the community redevelopment area.⁵¹ The decision to grant the exemption must be based on statutory criteria, must be adopted at a public hearing, and the conditions of the exemption must be included in an interlocal agreement between the county or municipality and the special district.

Any revenue bonds issued by the CRA are payable from revenues pledged to and received by the CRA and deposited into the redevelopment trust fund.⁵² The lien created by the revenue bonds does not attach to the funds until the revenues are deposited in the redevelopment trust fund and do not grant bondholders any right to require taxation in order to retire the bond. Revenue bonds issued by a CRA are not a liability of the state or any political subdivision of the state and this status must be made clear on the face of the bond.⁵³

A CRA may spend funds deposited in its redevelopment trust fund for “purposes, including, but not limited to”:

- Administrative and overhead expenses necessary or incidental to the implementation of a community redevelopment plan adopted by the agency;
- Expenses of redevelopment planning, surveys, and financial analysis, including the reimbursement of the governing body or the CRA for such expenses incurred before the redevelopment plan was approved and adopted;
- Acquisition of real property in the redevelopment area;

⁴⁶ S. 163.387(2)(a), F.S.

⁴⁷ S. 163.387(3)(a), F.S.

⁴⁸ S. 163.387(2)(b), F.S.

⁴⁹ See s. 163.340, F.S. (defining a “taxing authority” as “a public body that levies or is authorized to levy an ad valorem tax on real property located in a community redevelopment area” and defining a “public body” as excluding school districts.)

⁵⁰ S. 163.387(2)(c), F.S.

⁵¹ S. 163.387(2)(d), F.S.

⁵² S. 163.387(4), F.S.

⁵³ S. 163.387(5), F.S.

- Clearance and preparation of any redevelopment area for redevelopment and relocation of site occupants within or outside the community redevelopment area as provided in s. 163.370, F.S.;
- Repayment of principal and interest or any redemption premium for loans, advances, bonds, bond anticipation notes, and any other form of indebtedness;
- All expenses incidental to or connected with the issuance, sale, redemption, retirement, or purchase of bonds, bond anticipation notes, or other form of indebtedness, including funding of any reserve, redemption, or other fund or account provided for in the ordinance or resolution authorizing such bonds, notes, or other form of indebtedness;
- Development of affordable housing within the community redevelopment area; and
- Development of community policing innovations.⁵⁴

If any funds remain in the redevelopment trust fund on the last day of the fiscal year, the funds must be:

- **Returned to each taxing authority on a pro rata basis;**
- **Used to reduce the amount of any indebtedness to which increment revenues are pledged;**
- **Deposited into an escrow account for the purpose of later reducing any indebtedness to which increment revenues are pledged; or**
- **Appropriated to a specific redevelopment project pursuant to an approved community redevelopment plan and the project must be completed within three years from the date of such appropriation.⁵⁵**

Each CRA must provide for an annual audit of its redevelopment trust fund, conducted by an independent certified public accountant or firm.⁵⁶

Community Redevelopment Agency Oversight and Accountability

Miami-Dade County Grand Jury Report

A Miami-Dade County grand jury issued a report in 2016 after “learning of several examples of mismanagement of large amounts of public dollars” by CRAs.⁵⁷ The report found that some CRA boards were “spending large amounts of taxpayer dollars on what appeared to be pet projects of elected officials” and “there is a significant danger of CRA funds being used as a slush fund for elected officials.”⁵⁸ In the event funds were misused, the report found that the Act lacked any accountability and enforcement measures.

The report noted that while county and municipal governments may not pledge ad valorem tax proceeds to finance bonds without voter approval, the board of a CRA could pledge TIF funds to finance bonds without any public input.⁵⁹

The grand jury found that redevelopment trust fund money was often used “without the exercise of any process of due diligence, without justification and without recourse.”⁶⁰ The report noted that the Act does not provide guidelines for the proper use of CRA funds, resulting in questionable expenditures.⁶¹ For example, one CRA highlighted in the report spent \$300,000 of its \$400,000 budget on administrative expenses. The report also found examples of the CRA funds being used to fund fairs,

⁵⁴ S. 163.387(6), F.S.

⁵⁵ S. 163.387(7), F.S.

⁵⁶ S. 163.387(8), F.S.

⁵⁷ Miami-Dade County Grand Jury, *Final Report for Spring Term A.D. 2015*, at 1 (filed Feb. 3, 2016).

⁵⁸ *Id.* at 7.

⁵⁹ *Id.* at 9.

⁶⁰ *Id.* at 14.

⁶¹ *Id.* at 15.

carnivals, and other community entertainment events.⁶² Additionally, the report found that funds might have been misused as part of the CRA contracting process since there is no specified procurement process for CRAs.⁶³

While the Act states affordable housing is one of the three primary purposes for the existence of CRAs, the report found that the provision of affordable housing by CRAs "appears to be the exception and not the rule."⁶⁴ The report stated that while CRAs cite prohibitive costs as a reason for not developing affordable housing, funds are often used for other purposes.⁶⁵ Some CRAs have requested that their boundaries be extended to include areas for low-income housing while not providing any affordable housing.⁶⁶ Some CRA board members have stated the agencies do not focus on affordable housing because it does not produce sufficient revenue.⁶⁷

Another area of concern for the grand jury was a focus on removing blight by improving the appearance of commercial areas, but leaving slum conditions in place, particularly in the form of multi-family housing that is "unsafe, unsanitary, and overcrowded."⁶⁸ The grand jury points to news coverage of some apartment buildings with overflowing toilets and frequent losses of power due to the need for repairs. The report notes the contrast between these conditions and the use of some CRA proceeds to "fund ball stadiums, performing arts centers[,] and dog parks."⁶⁹

The grand jury report also notes that while a finding of necessity is required for creating a CRA, there is no process for determining whether the mission of the CRA has been fulfilled.⁷⁰

The report concludes by making 29 recommendations for ensuring transparency and accountability in the operation of CRAs, including:

- Requiring all CRA boards to contain members of the community;
- Imposing a cap on annual CRA expenditures used for administrative costs;
- Requiring CRAs to adopt procurement guidelines that mirror those of the associated county or municipality;
- Requiring each CRA to submit its budget to the county commission with sufficient time for full consideration;
- Setting aside a percentage of TIF revenue for affordable housing; and
- Imposing ethics training requirements.⁷¹

Broward County Inspector General Reports

The Broward County Office of the Inspector General has conducted two investigations into CRA operations in the past six years: Hallandale Beach CRA in 2013⁷² and Margate CRA in 2014.⁷³

⁶² *Id.* at 16.

⁶³ *Id.* at 17.

⁶⁴ *Id.* at 19.

⁶⁵ *Id.*

⁶⁶ *Id.*

⁶⁷ *Id.* at 20.

⁶⁸ *Id.* at 22.

⁶⁹ *Id.*

⁷⁰ *Id.* at 32.

⁷¹ *Id.* at 34-36.

⁷² Broward Office of the Inspector Gen., *Final Report Re: Gross Mismanagement of Public Funds by the City of Hallandale Beach and the Hallandale Beach Community Redevelopment Agency*, OIG 11-020 (Apr. 18, 2013).

⁷³ Broward Office of the Inspector Gen., *Final Report Re: Misconduct by the Margate Community Redevelopment Agency in the Handling of Taxpayer Funds*, OIG 13-015A (July 22, 2014).

The investigation into the Hallandale Beach CRA showed that the agency failed to create a trust fund and that the city commission failed to operate the CRA as an entity separate from the city.⁷⁴ The former executive director of the CRA stated the city had “free reign” to use funds from the CRA’s account.⁷⁵ The report found over \$2 million of questionable expenditures by the Hallandale Beach CRA between 2007 and 2012, including \$125,000 in inappropriate loans and \$152,494 spent on “civic promotions such as festivals and fireworks displays.”⁷⁶ After some of these issues were brought to the attention of the city and the CRA, the CRA continued working on a funding plan that included spending \$5,347,000 on two parks outside of the boundaries of the CRA. The report also found that the CRA paid “substantially more than its appraised value” to purchase a property owned by a church whose pastor was a city commissioner at the time.⁷⁷

The investigation of the Margate CRA showed a failure to allocate properly TIF funds received from the county and other taxing authorities.⁷⁸ While the CRA stated unused funds were not returned because they were allocated for a specific project, the investigation showed the agency had a pattern of intentionally retaining excess unallocated funds for later use.⁷⁹ This pattern of misuse had resulted in a debt to the county of approximately \$2.7 million for fiscal years 2008-2012.⁸⁰

Auditor General Reports

The Auditor General is required to conduct a performance audit of the local government financial information reporting system every three years.⁸¹ As part of the 2014 performance audit, the Auditor General made five findings concerning CRAs and suggestions to enhance current law:

- Create greater specificity as to the types of expenditures that qualify for undertakings of a CRA.
- Provide county taxing authorities more control over expenditures of CRAs created by municipalities to help ensure that CRA trust fund moneys are used appropriately.
- Require all CRAs, including those created before October 1, 1984, to follow the statutory requirements governing the specific authorized uses of CRA trust fund moneys.
- Allow CRAs to provide for reserves of unexpended CRA trust fund balances to be used during financial downturns.
- Require compliance with the audit requirement in s. 163.387(8), F.S., and require such audits to include a determination of compliance with laws pertaining to expenditure of, and disposition of, unused CRA trust fund moneys.⁸²

A 2018 review of audit procedures for 60 CRAs found that 10 percent of counties and municipalities included the CRA trust fund in their financial reporting as a “nonmajor fund,” thereby failing to provide a means for evaluating the adequacy of internal controls and compliance with state law.⁸³ The review also found 7 percent of audit reports (including 50 percent of audit reports that reported the CRA trust fund as a “nonmajor fund”) did not provide sufficient information about deposits and withdrawals from the CRA trust fund.

⁷⁴ *City of Hallandale Beach*, *supra* note 62, at 1.

⁷⁵ *Id.* at 28.

⁷⁶ *Id.* at 1.

⁷⁷ *Id.* at 2.

⁷⁸ *Margate Community Redevelopment Agency*, *supra* note 63, at 1.

⁷⁹ *Id.*

⁸⁰ *Id.* at 2.

⁸¹ S. 11.45(2)(g), F.S.

⁸² Fla. Auditor Gen., Report No. 2015-037 (Oct. 2014).

⁸³ Fla. Auditor Gen., Report No. 2019-028 (Sept. 2018).

Ethics Training Requirements for Public Officials

Constitutional officers and all elected municipal officers must complete four hours of ethics training on an annual basis.⁸⁴ The required ethics training must include instruction on s. 8, Art. II of the Florida Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws. This requirement may be met by attending a continuing legal education class or other continuing professional education class, seminar, or presentation if the required subjects are covered.

Inactive Special Districts

A "special district" is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. Special districts are created by general law,⁸⁵ special act,⁸⁶ local ordinance,⁸⁷ or by rule of the Governor and Cabinet.⁸⁸ A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.⁸⁹ A special district may be "dependent"⁹⁰ or "independent."⁹¹ All CRAs are dependent special districts.⁹²

The Special District Accountability Program within the Department of Economic Opportunity (DEO) is responsible for maintaining and electronically publishing the official list of all special districts in Florida.⁹³ The official list currently reports all active special districts as well as those declared inactive by DEO.

Whether dependent or independent, when a special district no longer fully functions or fails to meet its statutory responsibilities, DEO must declare the district inactive by following a specified process.⁹⁴ DEO must first document the factual basis for declaring the district inactive. A special district may be declared inactive if it meets one of the following criteria:

- The registered agent of the district, the chair of the district governing body, or the governing body of the appropriate local general-purpose government:
 - Provides DEO with written notice that the district has taken no action for two or more years;
 - Provides DEO with written notice that the district has not had any members on its governing body or insufficient numbers to constitute a quorum for two or more years; or

⁸⁴ S. 112.3142, F.S. A "constitutional officer" is defined as the Governor, the Lieutenant Governor, the Attorney General, the Chief Financial Officer, the Commissioner of Agriculture, state attorneys, public defenders, sheriffs, tax collectors, property appraisers, supervisors of elections, clerks of the circuit court, county commissioners, district school board members, and superintendents of schools.

⁸⁵ S. 189.031(3), F.S.

⁸⁶ *Id.*

⁸⁷ S. 189.02(1), F.S.

⁸⁸ S. 190.005(1), F.S. *See generally* s. 189.012(6), F.S.

⁸⁹ 2018 – 2020 *Local Gov't Formation Manual*, 64, available at <https://www.myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?CommitteeId=3025> (last visited Mar. 1, 2017).

⁹⁰ S. 189.012(2), F.S. A "dependent special district" is a special district where the membership of the governing body is identical to the governing body of a single county or municipality, all members of the governing body are appointed by the governing body of a single county or municipality, members of the district's governing body are removable at will by the governing body of a single county or municipality, or the district's budget is subject to the approval of the governing body of a single county or municipality.

⁹¹ S. 189.012(3), F.S. An "independent special district" is a special district that is not a dependent district.

⁹² *See* ss. 163.356, 163.357, F.S. (board of commissions of CRAs are appointed by a local governing body or are the local governing body).

⁹³ Ss. 189.061(1), 189.064(2), F.S. Dept. of Economic Opportunity, Special District Accountability Program, *Official List of Special Districts Online*, <http://specialdistrictreports.floridajobs.org/webreports/mainindex.aspx> (last visited Mar. 1, 2019).

⁹⁴ S. 189.062(1), F.S.

- Fails to respond to an inquiry by DEO within 21 days.⁹⁵
- Following statutory procedure,⁹⁶ DEO determines the district failed to file specified reports,⁹⁷ including required financial reports.⁹⁸
- For more than one year, no registered office or agent for the district was on file with DEO.⁹⁹
- The governing body of the district unanimously adopts a resolution declaring the district inactive and provides documentation of the resolution to DEO.¹⁰⁰

Once DEO determines which criteria apply to the district, notice of the proposed declaration of inactive status is published by DEO, the local general-purpose government for the area where the district is located, or the district itself.¹⁰¹ The notice must state that any objections to declaring the district inactive must be filed with DEO pursuant to chapter 120, F.S., within 21 days after the publication date.¹⁰² If no objection is filed within the 21-day period, DEO declares the district inactive.¹⁰³

After declaring certain special districts inactive, DEO must send written notice of the declaration to the authorities that created the district. If the district was created by special act, DEO sends written notice to the Speaker of the House of Representatives, the President of the Senate, and the standing committees in each chamber responsible for special district oversight.¹⁰⁴ The statute provides that the declaration of inactive status is sufficient notice under the Florida Constitution¹⁰⁵ to authorize the repeal of special laws creating or amending the charter of the inactive district.¹⁰⁶ This statute stands in lieu of the normal requirement for publication of notice of intent to file a local bill at least 30 days before introducing the bill in the Legislature.¹⁰⁷

The property and assets of a special district declared inactive by DEO are first used to pay any debts of the district and any remaining property or assets then escheat to the county or municipality in which the district was located. If the district's assets are insufficient to pay its outstanding debts, the local general-purpose government in which the district was located may assess and levy within the territory of the inactive district such taxes as necessary to pay the remaining debt.¹⁰⁸

A district declared inactive may not collect taxes, fees, or assessments.¹⁰⁹ This prohibition continues until the declaration of invalid status is withdrawn, revoked by DEO,¹¹⁰ or invalidated in an administrative proceeding¹¹¹ or civil action¹¹² timely brought by the governing body of the special

⁹⁵ S. 189.062(1)(a)1.-3., F.S.

⁹⁶ S. 189.067, F.S.

⁹⁷ S. 189.066, F.S.

⁹⁸ S. 189.062(1)(a)4., F.S. *See* ss. 189.016(9), 218.32, 218.39, F.S.

⁹⁹ S. 189.062(1)(a)5., F.S.

¹⁰⁰ S. 189.062(1)(a)6., F.S.

¹⁰¹ Publication must be in a newspaper of general circulation in the county or municipality where the district is located and a copy must be sent by certified mail to the registered agent or chair of the district's governing body, if any.

¹⁰² S. 189.062(10)(b), F.S. The published notice also must include the name of the district, the law under which it was organized and operating, and a description of the district's territory.

¹⁰³ S. 189.062(1)(c), F.S.

¹⁰⁴ S. 189.062(3), F.S.

¹⁰⁵ Art. III, s. 10, Fla. Const.

¹⁰⁶ S. 189.062(3), F.S.

¹⁰⁷ S. 11.02, F.S.

¹⁰⁸ S. 189.062(2), F.S.

¹⁰⁹ S. 189.062(5), F.S.

¹¹⁰ S. 189.062(5)(a), F.S.

¹¹¹ S. 189.062(5)(b)1., F.S. Administrative proceedings are conducted pursuant to s. 120.569, F.S.

¹¹² S. 189.062(5)(b)2., F.S. The action for declaratory and injunctive relief is brought under ch. 86, F.S.

district.¹¹³ Failure of the special district to challenge (or prevail against) the declaration of inactive status enables DEO to enforce the statute through a petition for enforcement in circuit court.¹¹⁴

Declaring a special district to be inactive does not dissolve the district or otherwise cease its legal existence. Subsequent action is required to repeal the legal authority creating the district, whether by the Legislature¹¹⁵ or the entity that created the district.¹¹⁶

Annual Financial Reports for Local Government Entities

Counties, municipalities, and special districts must submit an annual financial report for the previous fiscal year to the Department of Financial Services (DFS).¹¹⁷ The report must include component units of the local government entity submitting the report. If a local government entity is required to conduct an audit under s. 218.39, F.S., for the fiscal year, the annual financial report, as well as a copy of the audit report, must be submitted to DFS within 45 days of completion of the audit report, but no later than nine months after the end of the fiscal year. If the local government entity is not required to conduct such audit, the annual financial report is due no later than nine months after the end of the fiscal year. Each local government must provide a link to the annual audit report on its website.

Effect of the Bill

Termination of Community Redevelopment Agencies

The bill provides for the termination of existing CRAs at the earlier of the expiration date stated in the agency's charter¹¹⁸ or on September 30, 2039. However, the governing board of a creating local government entity may prevent the termination of a CRA by a majority vote. The bill does not provide a deadline by which such vote must occur.

If a governing board does not vote to continue a CRA with outstanding bond obligations as of October 1, 2019, and those bonds do not mature until after the earlier of the termination date of the agency or September 30, 2039, the bill provides that the CRA remains in existence until the bonds mature. A CRA in operation on or after September 30, 2039, may not extend the maturity date of its bonds. The bill requires a county or municipality operating an existing CRA to issue a new finding of necessity that is limited to meeting the remaining bond obligations of the CRA in a timely manner.

Inactive Community Redevelopment Agencies

The bill provides a new inactivity criterion for CRAs. Any CRA reporting no revenues, no expenditures, and no debt for six consecutive fiscal years beginning on October 1, 2016, must be declared inactive by DEO. DEO must notify the CRA of the declaration of inactive status. If the CRA has no board or agent, the notice of inactive status must be delivered to the governing board of the creating local government entity. The governing board of a CRA declared inactive by this procedure may seek to invalidate the declaration by initiating proceedings under s. 189.062(5), F.S., within 30 days after the date of receipt of the DEO notice.

¹¹³ The special district must initiate the legal challenge within 30 days after the date the written notice of DEO's declaration of inactive status is provided to the special district. S. 189.062(5)(b), F.S.

¹¹⁴ S. 189.062(5)(c), F.S. The enforcement action is brought in the circuit court in and for Leon County.

¹¹⁵ Ss. 189.071(3), 189.072(3), F.S.

¹¹⁶ S. 189.062(4), F.S. Unless otherwise provided by law or ordinance, dissolution of a special district transfers title to all district property to the local general-purpose government, which also must assume all debts of the dissolved district. Section 189.076(2), F.S.

¹¹⁷ S. 218.32, F.S.

¹¹⁸ The bill fixes the expiration date stated in the CRA charter as of October 1, 2019.

A CRA declared inactive may only expend funds from its redevelopment trust fund necessary to service outstanding bond debt. The CRA may not expend other funds without an ordinance of the governing body of the creating local government entity consenting to the expenditure of funds.

A CRA declared inactive by DEO in accordance with these criteria is exempt from the provisions of ss. 189.062(2) and 189.062(4), F.S. The bill further provides that the provisions of the new section are cumulative and, where conflicting, superior to the provisions of s. 189.062, F.S., which provides special procedures for inactive special districts.

The bill directs DEO to maintain a separate list on its website of CRAs declared inactive pursuant to this new section. By November 1 of each year, the bill also requires DFS to submit an annual report to the Special District Accountability Program listing each CRA with no revenues, no expenditures, and no debt for the previous fiscal year.

Budget and Funding

The bill requires CRAs to comply with the budgeting, auditing, and reporting requirements of s. 189.016, F.S., except as otherwise provided by s. 163.387, F.S.

The bill requires each CRA created by a municipality to submit its budget for the next fiscal year to the board of county commissioners for the county in which the CRA is located within 10 days after the date of the adoption. In addition, all amendments to the CRA's operating budget must be submitted to the board of county commissioners within 10 days after the date of the adoption of the amended budget. The bill also permits a CRA budget to include administrative and overhead expenses directly or indirectly necessary to implement a community redevelopment plan adopted by the CRA.

Effective October 1, 2019, the bill provides that moneys in the redevelopment trust fund may only be expended pursuant to an annual budget adopted by the board of commissioners of the CRA and only for those purposes specified in current law. The bill removes a three-year time limitation on the rollover of redevelopment trust fund moneys appropriated to a specific redevelopment project pursuant to an approved community redevelopment plan, but requires retained moneys to either be used for the appropriated project or re-appropriated pursuant to the next annual budget of the CRA (if the project is amended, redesigned, or delayed).

The bill authorizes the local governing body that created the CRA to determine the amount of TIF available to the CRA. The local governing body may set the level of funding at any amount between 50 percent and 95 percent of the increment.

Reporting Requirements

Annual Report

Beginning March 31, 2020, and annually thereafter, the bill requires each CRA to submit an annual report to the county or municipality that created the agency and to post the report to the agency's website. The report must include the most recent audit report of the redevelopment trust fund and provide performance data for each community redevelopment plan overseen by the CRA. The performance data report must include the following information as of December 31 of the year being reported:

- Total number of projects the CRA started, total number of projects completed, and the estimated cost of each project;
- Total expenditures from the redevelopment trust fund;
- Assessed real property values within the CRA's area of authority as of the day the agency was created;

- Total assessed real property values within the CRA as of January 1 of the year being reported; and
- Total amount expended for affordable housing for low and middle income residents.

The report must also include a summary indicating to what extent, if any, the CRA has achieved the goals set forward in its community redevelopment plan.

The bill requires each CRA to post, by January 1, 2020, a digital map on its website depicting the boundaries of the district and the total acreage of the district. If any change is made to the boundaries or total acreage, the bill requires the CRA to post the updated map files within 60 days after the date such change takes effect.

Audit and Financial Report

The bill expands the current reporting requirements for the audit report of the redevelopment trust fund to include:

- A complete financial statement identifying all assets, liabilities, income, and operating expenses of the CRA as of the end of the fiscal year; and
- A finding by the auditor determining whether the CRA complied with the requirements concerning authorized expenditures from the redevelopment trust fund and the use of funds remaining at the conclusion of the fiscal year.

The bill provides that the audit requirement only applies to CRAs with revenues or total expenditures in excess of \$100,000. The bill requires the audit report for each CRA to be included with the annual financial report submitted to DFS by the county or municipality that created the CRA, even if the CRA files a separate financial report with the Department of Financial Services under s. 218.32, F.S. The audit must be conducted pursuant to rules adopted by the Auditor General. The bill provides that if a county or municipality has a CRA, failure to include the CRA's annual audit as part of its annual report to DFS constitutes a failure to complete the annual financial report under s. 218.32, F.S.

Governance

Beginning January 1, 2020, the bill requires commissioners of a CRA to undergo annually at least four hours of ethics training on addressing constitutional ethics provisions, the Code of Ethics for Public Officers and Employees, and state public records and meetings laws.

The bill requires CRAs to utilize the same procurement and purchasing processes for commodities and services as the county or municipality that created the CRA.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill may require expenditures by DEO and DFS to the extent additional staff are necessary to comply with duties created by the bill.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill would increase revenue to some local governments to the extent ad valorem taxation that would otherwise be received by those governments is currently deposited in the redevelopment trust fund.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.