



## Cover Memorandum/Staff Report

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**File #:** 18-0276 CRA

**Agenda Date:** 3/12/2019

**Item #:**

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**TO:** CRA Board of Commissioners  
**FROM:** Jeff Costello, CRA Executive Director  
**DATE:** March 12, 2019

### **RESOLUTION NO. 2019-05 - URGING THE LEGISLATURE TO VOTE AGAINST HB 9, AND SB 1054 THAT WOULD AMEND PART III, CHAPTER 163, FLORIDA STATUTES**

#### **Recommended Action:**

Approve Resolution No. 2019-05 urging the legislature to vote against HB 9 and SB 1054 that would amend Part III, Chapter 163, Florida Statutes.

#### **Background:**

House Bill 9 (HB 9) and Senate Bill 1054 (SB1054) have been filed in the Florida Legislature for consideration during the upcoming 2019 Legislative Session. Both bills propose revisions to the existing state statutes governing Community Redevelopment Agencies ("CRA's"). Some of the proposed changes will have a minimal impact on the Delray Beach CRA, as the Delray Beach CRA already provides the relevant information, or undertakes the required responsibility. Other proposed revisions would result in greater restrictions on the CRA's ability to implement projects in its adopted community redevelopment plan, or to undertake new projects. The bills, as drafted, would further hamper the CRA's efforts to assist redevelopment efforts undertaken in conjunction with recognized community not-for-profit corporations that assist in furthering the CRA's goals and objectives in a manner consistent with state law.

One of the proposed revisions that causes the greatest concern is the proposed amendment to Section 163.387(6), Fla.Stat. related to the use of funds deposited in the CRA's Trust Fund. The proposed revision will delete the phrase ". . . including, but not limited to. . ." from the existing statute. The existing language provides the CRA with needed flexibility in its ability to expend trust fund monies on matters related to redevelopment that are consistent with the Community Redevelopment Plan, as adopted by the City Commission. There is concern, that in removing the language from the existing statute that the CRA may be unnecessarily limited in its ability to expend trust fund monies for economic redevelopment activities including, business recruitment, business assistance programs, to fund specific activities related to promoting tourism and not-for-profit entities, as well as funding for other projects customarily funded by CRA's that are not strictly related to bricks and mortar projects.

In addition, with respect to expenditures, SB 1054 would limit the use of Tax Increment Revenues to fund administrative and overhead expenses up to 18% of the total annual budget of the CRA. Currently there is no limit on the use of Tax Increment Revenues with respect to funding the CRA's administrative and overhead expenses.

The attached resolution urges the legislative members to vote against these bills.

Attachment(s): Exhibit A - Resolution No.2019-05

**CRA Attorney Review:**

The CRA Attorney has reviewed the Resolution to form and determined it to be acceptable.

**Finance Review:**

N/A

**Funding Source/Financial Impact:**

N/A

**Timing of Request:**

N/A