

Unofficial Assignment
4/8/14

SARASOTA COUNTY GOVERNMENT

Administration

TO: Sarasota County Commission
THROUGH: Thomas A. Harmer, County Administrator *TH*
FROM: Mark A. Cunningham, Assistant County Administrator
DATE: May 12, 2014
SUBJECT: Newtown CRA District Funding Transfers

During the April 8, 2014 Board of County Commission (BCC) meeting, it was requested that the BCC be provide with the per annum amount that is transferred from the City of Sarasota (the City) Downtown Community Redevelopment Area (CRA) District to the Newtown CRA District. As such, within this memorandum I have provided some background information regarding the City's CRA. Also attached is information provided by the City via a memorandum addressed to Assistant County Administrator Mark Cunningham, and a spreadsheet that includes general CRA financials.

BACKGROUND:

On September 22, 1986, BCC approved Resolution 86-444 delegating authority to the City of Sarasota to from a CRA.

On November 17, 1986, acting pursuant to the delegation of authority from the Board of County Commissioners (BCC) contained in County Resolution 86-444, the City of Sarasota Commission (City Commission) adopted Resolution 87R-10 crating a CRA with a 30-year term. This original CRA is now commonly referred to as the Downtown CRA District.

On September 27, 2007, the BCC approved Resolution 2007-233A delegating of authority to the City of Sarasota to expand the CRA to include the Newtown CRA District.

On June 16, 2008, acting pursuant to the delegation of authority from the BCC contained in County Resolution 2007-233A, the City Commission adopted Ordinance 08-4821 expanding the CRA to include an area in the Newtown section of the City of Sarasota (the City). The CRA expansion area is commonly referred to as the Newtown CRA District. The Newtown CRA District was approved with a 40-year term that expires in 2047. Sarasota County (the County) has not contributed any increment revenue specifically to this CRA district.

On October 6, 2008, the City Commission approved Ordinance 08-4828 that changed the base year for calculation of the tax increment in the Newtown CRA District from 2007 to 2008.

On February 5, 2013, at the joint BCC/City, the BCC and the City Commission authorized the creation of a CRA Extension Advisory Committee (the Committee). Subsequently, on May 6, 2013 via City

Resolution 013R-2353 the City Commission authorized the creation of the Committee comprised of ten (10) members appointed by both Commissions.

On April 1, 2014 the Committee presented its Final Report (including recommendations) to a joint BCC/City Commission. While both the BCC and City Commission voted to officially dissolve the Committee via separate actions, no final action was taken by either Commission germane to the Committee's recommendation. During this joint meeting, it was also requested that the BCC be provided with a history of the funds collected within the CRA, and how the funds were spent.

ANALYSIS:

At the end of fiscal year (FY) 08-09 (Newtown CRA TIF base-year), the total assessed values within the Newtown CRA District were \$176,044,120; however, due to adverse economic impacts, the total assessed values decrease sharply since the creation of this CRA District. For example, the assessed values for FY12-13 declined to \$94,478,726 which is a decrease of \$81,565,394 (46%) from the FY08-09 base-year values. While the assessed values for FY 13-14 increased from the FY12-13 values to \$102,935,498, they still were \$73,108,622 (42%) below the FY 08-09 base-year assessed values.

Converse to the Newtown CRA District, the assessed values within the Downtown CRA District increased tremendously over the 28-year span of this District, in that in FY86-87 (Downtown CRA TIF base-year) the assessed values within this District were \$411,676,160, and increased to \$1,676,262,807 for fiscal years 2013-14. This represents an increase of \$1,264,586,647 (307.18%) in values above the FY86-87 base-year assessed values.

The table below provides the final Value Adjustment Board hearing assessment values and tax increments for each CRA District. The values in the Newtown CRA are annual representations, while the values shown in the Downtown CRA District represent 5-year increment, except that annual values are shown for FY12-13 and FY13-14. The shaded values represent each CRA's Tax Increment Financing (TIF) base-year.

Newtown CRA				Downtown CRA (In 5-Year Increments)			
Fiscal Year	Assessed Value	TIF Value	Variance	Fiscal Year	Assessed Value	TIF Value	Variance
2013-14	*\$102,935,498	\$73,108,622	-42%	2013-14	*\$1,676,262,807	\$1,264,586,647	307.18%
2012-13	\$94,478,726	\$1,565,394	-46%	2012-13	\$1,614,304,810	\$1,202,628,650	292.13%
2011-12	\$96,370,154	\$79,673,316	-45%	2011-12	\$1,614,830,316	\$1,203,154,156	292.26%
2010-11	\$132,706,722	\$3,337,316	-25%	2006-07	\$2,227,494,068	\$1,815,817,908	441.08%
2009-10	\$146,555,834	\$3,292,316	-17%	2001-02	\$752,965,152	\$341,288,992	82.90%
2008-09	\$176,044,120			1996-97	\$516,094,651	\$104,418,491	25.36%
*Still awaiting final Value Adjustment Board hearing assessment values.				1991-92	\$487,460,015	\$75,783,855	18.41%
				1986-87	\$411,676,160		

Distribution of CRA Funds:

The CRA is intended to be financed from the annual tax increments generated above the base-year. However, due to the fact that there has not been any tax increment within the Newtown CRA District, the revenues generated from the Downtown CRA District are shared between the two CRA districts. As

previously stated, it was requested that the BCC be provided with a history of the funds collected within the CRA were spent. To compile this spending history, we consulted with the City's Planning and Finance department and were provided the following attachments;

ATTACHMENTS:

1. Memo Newtown CRA District Funding Transfers; and
2. Spreadsheet City of Sarasota CRA Fund History



Memorandum

May 7, 2014

To: Mark Cunningham, Assistant County Administrator
Sarasota County

From: Marlon Brown, Deputy City Manager
City of Sarasota

Subject: Newtown CRA District Funding Transfers

Per your request, I have attached several worksheets detailing the breakout of the past three years of transfers from the CRA Trust Fund to the General Fund, as well as, the operation budgets of the Downtown Redevelopment Office and the Newtown Redevelopment Office.

In this current year, FY14, the total General Fund estimated cost for services in the Downtown and Newtown Community Redevelopment Areas is approximately \$8,069,024. However, of the \$8,069,024 estimated cost, \$2,531,746 is transferred in as a contribution from the CRA Trust Fund. These services to both CRAs include the staffing and operations of the Downtown and Newtown Redevelopment Offices, Community Policing, Landscape Maintenance, and Streets and Highway Maintenance. The contribution from the CRA Trust Fund is as follows:

- Downtown and Newtown Redevelopment Offices (\$725,404),
- Community Policing (\$1,003,340),
- Landscape Maintenance (\$539,457), and;
- Streets and Highway Maintenance (\$263,545)

For the past three years, the Finance Department, with the assistance of the corresponding Departments, has attempted to identify the costs of each of these functions for the two CRA areas, Newtown and Downtown. Attachment A, B, and C are estimated allocations of shared services, published in the FY12, FY13, and FY14 Adopted Financial Plan for the City of Sarasota. The full cost of these functions is budgeted in the General Fund.

Attachment D and E are line item expenditures (FY08 thru FY13) and budget (FY14) for the Downtown and Newtown Redevelopment offices. Both offices are funded and operated in the City's General Fund. Attachment D and E list the personnel, operating and capital budgets for each office, as well as the staff, staff salaries and staff allocation percentage for each office. In FY14, the Newtown Redevelopment Office budget is \$458,105 and the Downtown Redevelopment Office budget is \$525,345, for a total budget of \$983,450 in the General Fund. Personnel assigned to these offices include full-time employees and contract employees. As you can see from Attachment D and E, the City Engineer and an Engineering Technician III are assigned to the Downtown Redevelopment Office budget at 100%. However, these positions are not funded by the CRA. The \$725,404 contribution from the CRA is divided into \$458,105 for the Newtown Redevelopment Office and \$267,299 for the Downtown Redevelopment Office.

Since the total cost of the Downtown and Newtown Redevelopment Offices, and the other shared services are not funded in the CRA, it is not possible to insert these costs into the Sarasota CRA Fund History spreadsheet. As stated previously, and indicated on the Sarasota CRA Fund History spreadsheet, the contributions from the CRA to the General Fund are \$725,404 for the two Redevelopment Offices, \$1,003,340 for Policing, \$539,457 for Landscape Maintenance, and \$263,545 for Streets and Highway Maintenance. The total cost for the enhanced services to the CRA in FY14 is \$8,069,024 compared to the \$2,531,746 contribution from the CRA.

Attachments (5)

**Services Provided by the General Fund in the CRA/TIF Districts
For Budget Year FY2013-14**

Neighborhood & Development Services Department	Number of Employees	Estimated Total Cost within CRA/TIF District	Budgeted Transfer from CRA/TIF fund for services
Downtown Redevelopment Office	5	\$525,345	\$267,299
Newtown Redevelopment Office	5	\$458,105	\$458,105
Total	10	\$983,450	\$725,404
Sarasota Police Department	Number of Officers	Estimated Total Cost within CRA/TIF (not including approx. 12% support cost)	Budgeted Transfer from CRA/TIF fund for services
Downtown Officers and foot patrol	18	\$2,333,250	\$1,003,340
Newtown Officers and foot patrol	24	\$3,111,000	
Total	42	\$5,444,250	\$1,003,340
Landscape Maintenance Services	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Downtown	\$774,687 \$255,643 \$1,030,330		\$539,457
Newtown			
Total			\$539,457
Streets & Highway Maintenance Services	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Downtown	\$344,387 \$266,607 \$610,994		\$263,545
Newtown			
Total			\$263,545
Robert L. Taylor Community Complex	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Teen/Youth Programs	\$85,000 \$85,000		\$85,000
Total			\$85,000
Grand Total	\$8,154,024		\$2,616,746

**Services Provided by the General Fund in the CRA/TIF Districts
For Budget Year FY2012-13**

Neighborhood & Development Services Department	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Downtown Redevelopment Office	\$566,984		\$282,358
Newtown Redevelopment Office	\$443,046		\$443,046
Total	\$1,010,030		\$725,404
Sarasota Police Department	Number of Officers	Estimated Total Cost within CRA/TIF (not including approx. 12% support cost)	Budgeted Transfer from CRA/TIF fund for services
Downtown (zone 5) Officers and foot patrol	8	\$955,000	\$1,003,340
Newtown (zone 2-3) Officers and foot patrol	20	\$2,387,000	
Total		\$3,342,000	\$1,003,340
Landscape Maintenance Services	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Downtown	\$774,687		\$539,457
Newtown	\$255,643		
Total	\$1,030,330		\$539,457
Streets & Highway Maintenance Services	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Downtown	\$344,387		\$263,545
Newtown	\$266,607		
Total	\$610,994		\$263,545
Robert L. Taylor Community Complex	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Teen/Youth Programs	\$85,000		\$85,000
Total	\$85,000		\$85,000
Grand Total	\$6,078,354		\$2,616,746

FY2011-12 Budget

Services Provided by the General Fund in the CRA/TIF Districts

Neighborhood & Development Services Department	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Downtown Redevelopment Office	\$582,151		\$269,791
Newtown Redevelopment Office	\$483,097		\$455,613
Total	\$1,065,248		\$725,404
Sarasota Police Department	Number of Officers	Estimated Total Cost within CRA/TIF (not including approx. 12% support cost)	Budgeted Transfer from CRA/TIF fund for services
Downtown (zone 5) Officers and foot patrol	8	\$854,000	\$1,003,340
Newtown (zone 2-3) Officers and foot patrol	20	\$2,135,400	
Total		\$2,989,400	\$1,003,340
Landscape Maintenance Services	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Downtown	\$774,687		\$539,457
Newtown	\$255,643		
Total	\$1,030,330		\$539,457
Streets & Highway Maintenance Services	Estimated Total Cost within CRA/TIF District		Budgeted Transfer from CRA/TIF fund for services
Downtown	\$344,387		\$263,545
Newtown	\$266,607		
Total	\$610,994		\$263,545
Grand Total	\$5,695,972		\$2,531,746

Newtown Redevelopment Office Expenditures and Staffing

Description	Budget FY2013-14	Actual FY2012-13	Actual FY2011-12	Actual FY2010-11	Actual FY2009-10	Actual FY2008-09	Actual FY2007-08
SALARIES AND WAGES	\$ 306,695	\$ 302,065	\$ 294,079	\$ 300,960	\$ 285,225	\$ 246,983	\$ 270,557
PART TIME SALARIES	-	-	-	1,175	589	-	1,016
OVERTIME-GENERAL EMPLOYEES	-	7	12	965	34	-	55
OVERTIME-PART TIME	-	-	-	105	-	-	-
SOCIAL SECURITY	23,388	22,072	21,033	21,954	20,701	19,436	20,304
MEDICAL AND DENTAL	35,802	27,923	35,802	35,802	35,802	49,842	46,332
LIFE INSURANCE	266	206	208	253	265	236	208
RETIREMENT - CITY PORTION	40,929	29,294	31,424	41,516	37,147	31,084	21,648
WORKERS' COMPENSATION	2,271	2,249	2,205	2,221	2,976	6,027	4,085
UNEMPLOYMENT COMPENSATION	-	-	-	-	-	1,650	7,405
DEFERRED COMPENSATION	3,564	2,949	1,843	-	-	-	-
401(a) CONTRIBUTIONS	14,255	11,325	7,809	-	-	-	-
OFFICE SUPPLIES	3,000	1,527	948	1,218	1,817	1,159	1,402
GENERAL SUPPLIES	-	3	1	-	-	-	-
SUBSCRIPTIONS	-	-	235	-	-	-	119
PC SOFTWARE UNDER \$500	200	-	-	149	-	-	-
EQUIPMENT < \$500	-	-	(193)	2,074	-	2,701	-
CAR ALLOWANCE	3,005	3,004	3,004	2,913	2,488	1,544	976
TRAINING, TRAVEL & CONFERENCES	1,572	2,177	-	1,381	2,983	522	-
TELECOMMUNICATIONS	1,125	625	1,383	1,087	1,139	1,542	1,726
ADVERTISING	2,500	286	707	1,833	858	4,631	3,112
APPRAISALS	-	-	-	-	-	-	3,200
DUES AND MEMBERSHIPS	40	325	227	599	650	-	195
INSURANCE	-	-	-	942	-	-	-
SPECIAL SERVICES	-	-	9,991	6,358	9,984	15,857	12,937
UTILITY SERVICE	8,650	4,982	5,831	6,552	-	-	-
DUPLICATING AND PRINTING	3,000	2,000	2,562	1,447	4,571	5,171	4,853
EQUIPMENT AND PROPERTY RENTAL	2,360	1,959	2,399	2,049	769	-	210
RELOCATION/MOVING COSTS	-	-	-	-	-	3,500	-
OFF EQUIP	-	-	-	-	-	-	125
INSTRUMENTS & APPARATUS MAINT	-	-	570	665	-	-	-
OTHER PROPERTY	-	-	-	20	43	100	-
COMPUTER HARDWR & SOFTWR MAINT	300	-	-	-	-	-	-
MACHINERY AND TOOLS	-	-	(1,763)	1,763	-	-	-
POSTAGE/DELIVERY SERVICE	1,155	119	113	269	-	-	636
CELLULAR CHARGES	1,044	450	-	-	-	-	-
LEGAL-EMPLOYMENT MATTERS	-	1,300	19,888	-	-	-	-
MEDICAL/DENTAL - PART TIME	2,984	-	-	-	-	-	-
CELL PHONE ALLOWANCE	-	-	795	939	774	624	180
Total Expenditures	\$ 458,105	\$ 416,846	\$ 441,113	\$ 437,209	\$ 408,816	\$ 392,609	\$ 401,280

Number of Employees	Name	Salary	% Allocation					
Gen Mgr- N. Sarasota Redevelopment	Lorna Alston	\$ 83,115	1.00	1.00	1.00	1.00	1.00	1.00
Econ. Dev. Coordinator	Dru Jones	55,874	1.00	1.00	1.00	1.00	1.00	2.00
Administrative Assistant	Rowena Elliot*	34,597	1.00	1.00	1.00	1.00	1.00	1.00
Code Compliance	Curtis Gillespie	45,148	0.75	0.75	0.75	0.75	0.75	-
Neighborhood Coordinator	Erica Reed-Agard*	47,840	0.50	0.50	0.50	-	-	-
Chief Planner	Ryan Chapdelain	71,746	0.25	0.25	0.25	0.25	0.25	0.10
NDS Director	Tim Litchet	111,383	0.20	0.20	0.20	0.20	0.20	0.20
Gen Mgr-NDS Intergrated	David Smith	87,263	0.20	0.20	0.20	0.20	0.20	1.20
Coordinator, Budget	Stacie Monroe	48,546	0.10	0.10	0.10	0.10	0.10	0.10
			5.00	5.00	5.00	4.50	4.50	5.60

*Contracted Employees

Note: Employee Names represent the current year employees only.

Comparison of the Transfer from CRA to the Newtown Redevelopment Office Expenses

Amount Transferred for Newtown Redevelopment Office	\$ 458,105 *	\$ 443,046	\$ 455,613	\$ 455,613	\$ 412,923	\$ 350,803	\$ 38,787
Actual Expenditures	Active	416,846	441,113	437,209	408,816	392,609	401,280
Difference		\$ 26,200	\$ 14,500	\$ 18,404	\$ 4,107	\$ (41,806)	\$ (362,493)

Downtown Redevelopment Office Expenditures and Staffing

Description	Budget FY2013-14	Actual FY2012-13	Actual FY2011-12	Actual FY2010-11	Actual FY2009-10	Actual FY2008-09	Actual FY2007-08
SALARIES AND WAGES	\$ 386,800	\$ 379,943	\$ 437,849	\$ 423,571	\$ 427,909	\$ 215,559	\$ 324,543
PART TIME SALARIES	-	4,470	-	-	-	-	518
OVERTIME-GENERAL EMPLOYEES	-	231	19	19	105	-	-
SOCIAL SECURITY	29,516	30,312	31,793	30,590	28,461	15,644	25,071
MEDICAL AND DENTAL	45,747	41,239	49,725	45,747	46,543	32,674	63,835
LIFE INSURANCE	341	346	370	339	337	175	268
RETIREMENT - CITY PORTION	100,799	74,339	70,320	63,677	51,741	27,056	28,597
WORKERS' COMPENSATION	3,175	2,973	3,024	3,017	3,853	3,869	10,910
UNEMPLOYMENT COMPENSATION	-	-	-	-	1,423	2,688	2,475
DEFERRED COMPENSATION	2,597	2,152	1,631	-	-	-	-
401(a) CONTRIBUTIONS	10,389	8,958	6,031	-	-	-	-
TRANSFER EXPENSE-PERSONAL SERV	(77,930)	(50,988)	(45,906)	(78,589)	(145,512)	-	-
INTERIM BUDGET REDUCTION	(3,978)	-	-	-	-	-	-
OFFICE SUPPLIES	2,000	1,582	1,924	341	3,039	1,409	1,235
GENERAL SUPPLIES	-	4	81	-	-	-	-
COMPUTER EQUIPMENT < \$500	-	140	-	-	-	197	-
FURNITURE < \$500	-	-	-	-	-	-	56
EQUIPMENT < \$500	-	-	-	390	-	-	-
CAR ALLOWANCE	2,402	1,965	2,378	2,389	2,398	685	1,592
TRAINING, TRAVEL & CONFERENCES	5,363	3,584	3,675	3,101	2,447	299	26
DUES AND MEMBERSHIPS	6,161	5,634	5,625	5,601	5,540	577	235
SPECIAL SERVICES	-	-	-	-	44,498	-	1,326
DUPLICATING AND PRINTING	4,000	28	-	642	2,924	610	3,222
EQUIPMENT AND PROPERTY RENTAL	3,000	-	10,059	550	-	-	-
CHARGE CARD/BANK FEES	1,200	-	-	-	-	-	-
MOTOR VEHICLE MAINTENANCE	1,833	-	-	-	-	-	-
OTHER PROPERTY	-	162	-	-	-	-	-
COMPUTER HARDWR & SOFTWR MAINT	1,234	100	-	-	-	-	-
TRANSFERS	-	-	-	-	38,000	38,000	38,000
CELLULAR CHARGES	432	647	-	-	-	-	2,178
AUTO LIABILITY	264	132	264	264	396	-	-
CELL PHONE ALLOWANCE	-	-	585	702	714	342	75
Total	\$ 525,345	\$ 507,951	\$ 579,445	\$ 502,350	\$ 514,815	\$ 339,783	\$ 504,161

Number of Employees	Name	Salary	% Allocation					
Gen Mgr-Capital Projects Eng & City Eng	Alex Davis-Shaw	99,079	1.00	1.00	1.00	1.00	-	-
Engineering Tech III	Leonard Scherry	46,243	1.00	1.00	1.00	1.00	-	-
Engineering Tech II	Zvonko Smlatic	41,940	1.00	1.00	1.00	1.00	-	-
Chief Planner	Steve Stancel	85,730	0.70	0.70	0.70	0.50	0.50	1.40
Senior Planner	Courtney Mendez	65,140	0.50	0.50	0.50	0.70	0.70	1.40
Admin. Specialist II	Vacant	29,892	0.50	0.50	0.50	-	-	-
Senior Planning Technician	Karen Grasset	37,564	0.50	0.50	0.50	0.50	0.70	0.50
Senior Urban Designer	n/a	n/a	-	-	-	-	-	0.90
Redevelopment Specialist	n/a	n/a	-	-	-	-	-	0.90
Gen Mgr-NDS Integrated	David Smith	87,263	0.25	0.25	0.75	0.75	0.80	0.30
Director, NDS	Tim Litchet	111,383	0.20	0.20	0.20	0.25	0.20	0.50
Coordinator, Budget	Stacy Monroe	48,546	0.10	0.10	0.10	0.10	0.10	0.60
			5.75	5.75	6.25	5.75	5.85	6.50

Note: Employee Names represent the current year employees only.

Comparison of the Transfer from CRA to the Downtown Redevelopment Office Expenses

Amount Transferred for Downtown Redevelopment Office	\$ 267,299	\$ 282,358	\$ 269,791	\$ 269,791	\$ 228,204	\$ 335,423	\$ 480,910
Actual Expenditures	Active	507,951	579,445	502,350	514,815	339,783	504,161
Difference		\$ (225,593)	\$ (309,654)	\$ (232,559)	\$ (286,611)	\$ (4,360)	\$ (23,251)