



City of Inverness Community Redevelopment Agency

2014/15 Annual Report

October 1, 2014 – September 30, 2015



TABLE OF CONTENTS

GENERAL

ICRA Board of Directors and Staff Members.....	3
Requirements of an Annual Report.....	4
Community Redevelopment Agencies.....	5
History of the Inverness Community Redevelopment Agency.....	6

ACTIVITY

Expansion of ICRA	8
Façade Grant Program	9
The Valerie Theatre Project	10

FINANCIAL & EXHIBITS

Financials	11
Exhibit I - Original 1990 Inverness CRA Area.....	12
Exhibit II – ICRA Expansion Area.....	13



ICRA Board of Directors and Staff

For Fiscal Year 2014/2015

(As of September 30, 2015)

Directors:

Charles Davis – Chair

David Arthurs

Cindy DeVries

Diana Fender

Tim Nash

Tom Slaymaker

Charles Wade

Staff:

Dale Malm

Bruce Day

Debra Schramm



Requirements for an Annual Report

Pursuant to Section 163.356(3)(c), Florida Statutes, the City of Inverness Community Redevelopment Agency (ICRA) is required to file with the governing body, on or before March 31 of each year, a report of its activities for the preceding fiscal year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year. At the time of filing this report,



ICRA shall publish in a newspaper of general circulation in the community a notice to the effect that such report has been filed with the municipality and that the report is available for inspection during business hours in the office of the clerk of the city and in the office of the agency.

The City of Inverness Community Redevelopment Agency Annual Report for Fiscal Year 2014-15 (FY 2014-15) covers activities for the period October 1, 2014 to September 30, 2015. It includes a complete financial statement of the Agency's revenues and expenses, amount of tax increment funds collected, and a record of activities for the fiscal year.



Introduction to Community Redevelopment Agencies

A Community Redevelopment Agency refers to a public entity created by a city or a county to implement the community redevelopment activities outlined under Chapter 163, Part III, Florida Statutes. The Community Redevelopment Act of 1969 allows for the designation of special districts known as Community Redevelopment Areas and confers upon the Community Redevelopment Agency's governing board special regulatory abilities. These abilities include issuing revenue bonds, and utilizing tax increment financing (TIF). The Community Redevelopment Act outlines the physical, economic, and blight conditions that can support the creation of a Community Redevelopment Area (CRA). It provides a vehicle for counties and municipalities to form a Community Redevelopment Agency and create a Redevelopment Trust Fund for financing improvements within a target area.

To document that the required conditions exist, the local government must survey the proposed redevelopment area and prepare a Finding of Necessity Report or field study that formally identifies conditions within the established boundaries of the area. If the Finding of Necessity Report determines that the required conditions exist, the local government develops and adopts a Community Redevelopment Plan that addresses the unique needs of the targeted area and identifies programs and projects needed to foster and support redevelopment of the targeted area. A CRA may be governed by a separately appointed by the city council or county commission itself may act as the CRA. The City of Inverness has a separately appointed council that governs the Inverness Community Redevelopment Agency.



History of the Inverness Community Redevelopment Agency

In 1990, the Inverness Community Redevelopment Agency (ICRA) was created by City Council encompassing 37 acres within the immediate downtown area – deemed the Central Business District (CBD). The creation of the ICRA was accomplished through the adoption of the City of Inverness Community Redevelopment Plan which established a core mission for the Agency. In 2015, through additional findings of necessity the community redevelopment area was expanded significantly. However, the core mission remains



- To establish that the City of Inverness has problems and deficiencies of the type described in Florida State Statute 163.355.
- To introduce redevelopment as a continuous, community activity.
- To provide a successful program, forwarding public health, safety, morals, or welfare of the community, to rehabilitate, conserve and/or redevelop areas identified as deficiencies.
- To establish an ongoing City of Inverness Community Redevelopment Agency.
- To progressively advance a Community Redevelopment Plan consistent with all requirements of State law.
- To encourage the maximum opportunity for private enterprise to participate in the rehabilitation and redevelopment of the community.
- To support the Comprehensive Plan for the City of Inverness.
- To identify and preserve elements of historical or cultural significance within the redevelopment area.
- To identify and strengthen both the economic, cultural and aesthetic qualities of the business, professional, and government sections within the redevelopment area.
- To provide direction to establish a strong economic base for the redevelopment area.
- To identify areas of further in-depth study in design, small business promotion, job creation and training, promotion of home ownership and housing rehabilitation.

Upon establishment of the Inverness Community Redevelopment Agency (ICRA) through the approval of the Community Redevelopment Plan, the Community Redevelopment Act provides for the establishment of a Community Redevelopment Trust Fund. Taxing authorities which levy ad valorem taxes on real property located within the geographic area of the CRA are required by January 1 of each year to appropriate to the trust fund an amount equal to 95 percent of the difference between:

1. The amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of a community redevelopment area; and
2. The amount of ad valorem taxes which would have been produced by the millage rate upon which the tax is levied each year by the taxing authority, exclusive of any debt service millage, on the assessed value of the taxable real property in the CRA as of January 1 of the base year.

It is through this Tax Increment Financing mechanism that provides the funding for projects within the ICRA while not requiring any further tax burden on any of the properties within or outside of the CRA area. The Community Redevelopment Trust Fund for the Inverness CRA was established in 1990 and has been in existence since then.



Expansion of the Inverness Community Redevelopment Agency

The ICRA established in 1990 had charted its course successfully with the direction of City management, a responsible Board, and a City in need of improvement. Over the 20+ years that the Agency had been in existence, significant changes had taken place to meet the original objectives of the defined area and significantly improve the downtown area. The sunset date for the original CRA was coming due, and decisions were needed to determine the future direction of ICRA.

During this fiscal year of 2013-2014 a study was performed to review the immediate and long term opportunities to continue the successful transformation that was started in 1990. This review called the Finding of Necessity (FON) identified the need for additional work and resources to continue efforts toward removal of blighted conditions within the City by possibly expanding the ICRA geographic lines of the CRA.

The FON provided the basis for consideration toward updating and expansion of the existing CRA, which was supported by the Planning and Zoning Commission and the Inverness Community Redevelopment Agency. Based upon the Finding of Necessity, an updated Inverness Community Redevelopment Plan was prepared under ICRA overview with the support of Inverness City Council.

While the Finding of Necessity recognized the need for improvement by identifying areas of blight, the Plan presented the primary areas of concentrated need. The updated Plan was prepared with an eye toward improvement opportunities within the City and with regard to Florida Statutes that govern the activities of CRAs within the State. Major defined areas for improvement included the White Lake Industrial area, the Medical Arts District, corridor enhancements, additional downtown core revitalization, improved eco-tourism and recreational activities and an overall urban design guideline improvement for future development.

The updated Plan identified an expansion area from 37 acres of the original CRA to 1,203 acres incorporating those areas to provide CRA planning for comprehensive projects. The initiative to expand the CRA and update the Redevelopment Plan for the City arises from the need to stimulate reinvestment and identify new funding sources which would provide the opportunity to improve existing conditions and generate additional improvement activity. The expansion was completed via a process conducted during mid 2015.



Façade Grant Program

The ICRA Façade Grant Program was established to encourage the commercial establishments within the CRA to improve the building facings. The program provides grant opportunities up to 50% of a qualified project cost, with a maximum amount of \$7,500 being available to property owners within the defined area.

The program provides grants for specific improvements to include:

- Exterior Improvements
- Lighting
- Landscape Improvements
- Awnings
- Signage
- Painting
- Parking Lots



During the fiscal year, there were two façade grant applications presented to the ICRA Board for consideration, with both being improved. Under the Façade Grant program, these two projects provided \$9,387 in funding to the building owners for these improvements.

One of the applications was received from Bear Real Estate Investments whose project rejuvenated the front of several storefronts downtown directly on Courthouse Square. The project provided for window repair, painting, a new rear door, painting awnings and repair of wall and sidewalk cracks long with cleaning and touch up for all the building facades.

Reza and Jodi Zakaria submitted an application for renovation of a downtown building at 305 N. Apopka Avenue. In addition to the façade improvements the project included fencing, lighting a new overhead door and parking lot repair.



The Valerie Theatre Project

The downtown square surrounding the historic courthouse has been brought back to life with significant help from the ICRA and its respective Board. Buildings have been renovated, improvements have been made to the streets and lighting, and building fronts have been upgraded in light of the objectives set in 1990 when the Inverness Community Redevelopment Agency was established.



The Valerie Theatre had not been part of that improvement effort, that was until 2013. The 1926 theatre was constructed in the middle of the downtown area of Inverness and was in dire need for a total make-over. With the help of the ICRA the transformation was started to re-develop the building for use as a community center for various public and private events. And, as important, the transformation would also provide for The Valerie to continue to be a movie theatre.

Construction for the rehabilitation was started in 2014 and completed in 2015. The much anticipated Grand Opening of the renovated Valerie Theatre was held in Summer 2015.



Financials

CITY OF INVERNESS COMMUNITY REDEVELOPMENT AGENCY					
BALANCE SHEET FOR FISCAL YEAR ENDING 9/30/15					
ACCOUNT DESCRIPTION	ACCOUNT BALANCE				
FLORIDA SAFE INVESTMENTS	\$	77,046.92			
ACCOUNTS PAYABLE	\$	(546.84)			
FUND BALANCE - UNRESERVED	\$	(76,500.08)			
			TOTAL ICRA FUND	\$	-

CITY OF INVERNESS COMMUNITY REDEVELOPMENT AGENCY					
REVENUE STATEMENT FOR FISCAL YEAR ENDING 9/30/15					
ACCOUNT DESCRIPTION	ORIGINAL BUDGET	TRANSFERS	REVISED BUDGET	YTD ACTUAL	AVAILABLE BUDGET
TAX INCREMENT FINANCING	\$ (75,000.00)	\$ (63,000.00)	\$ (138,000.00)	\$ (144,531.48)	\$ 6,531.48
INTEREST - INVESTMENTS/BANK	\$ (800.00)	\$ -	\$ (800.00)	\$ (333.85)	\$ (466.15)
FL SAFE INTEREST	\$ -	\$ -	\$ -	\$ (42.01)	\$ 42.01
TRF FROM GENERAL TAX INCREMENT	\$ (63,000.00)	\$ 63,000.00	\$ -	\$ -	\$ -
CASH BALANCE FORWARD	\$ (70,990.00)	\$ -	\$ (70,990.00)	\$ -	\$ (70,990.00)
TOTAL REVENUES - FY 2015	\$ (209,790.00)	\$ -	\$ (209,790.00)	\$ (144,907.34)	\$ (64,882.66)

CITY OF INVERNESS COMMUNITY REDEVELOPMENT AGENCY					
EXPENSE STATEMENT FOR FISCAL YEAR ENDING 9/30/15					
ACCOUNT DESCRIPTION	ORIGINAL BUDGET	TRANSFERS	REVISED BUDGET	YTD ACTUAL	AVAILABLE BUDGET
MEMBERSHIP DUES	\$ 1,295.00	\$ -	\$ 1,295.00	\$ 261.00	\$ 1,034.00
SPECIAL ATTORNEY FEE	\$ -	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -
CONTRACTUAL SERVICES	\$ 12,000.00	\$ -	\$ 12,000.00	\$ 8,466.06	\$ 3,533.94
COMP PLAN/LDC UPDATES	\$ 10,000.00	\$ (10,000.00)	\$ -	\$ -	\$ -
CONTRACTUAL SERVICES	\$ -	\$ -	\$ -	\$ 9,999.75	\$ (9,999.75)
POSTAGE	\$ -	\$ 500.00	\$ 500.00	\$ 90.72	\$ 409.28
UTILITIES - ELECTRIC	\$ 16,000.00	\$ -	\$ 16,000.00	\$ 6,590.40	\$ 9,409.60
UTILITIES - WATER & SEWER	\$ 3,200.00	\$ -	\$ 3,200.00	\$ 2,026.73	\$ 1,173.27
MAINT - IMPROV OTHER THAN BLDG	\$ 12,000.00	\$ -	\$ 12,000.00	\$ 1,950.25	\$ 10,049.75
PRINTING	\$ 1,800.00	\$ (1,000.00)	\$ 800.00	\$ -	\$ 800.00
ADVERTISING	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 480.84	\$ 519.16
MISC EXPENSE	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 100.00	\$ 900.00
OFFICE SUPPLIES	\$ 700.00	\$ (500.00)	\$ 200.00	\$ -	\$ 200.00
DOWNTOWN LIGHTING PROGRAM	\$ 12,000.00	\$ -	\$ 12,000.00	\$ -	\$ 12,000.00
DOWNTOWN BANNERS	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -	\$ 10,000.00
RESERVE FOR CONTINGENCIES	\$ 15,000.00	\$ (15,000.00)	\$ -	\$ -	\$ -
TRANSFER TO CAPITAL PROJECTS	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 100,000.00	\$ -
TRF TO GEN - FINANCE & ADMIN	\$ 11,500.00	\$ -	\$ 11,500.00	\$ 11,500.00	\$ -
RESERVE CASH CARRIED FORWARD	\$ 3,295.00	\$ -	\$ 3,295.00	\$ -	\$ 3,295.00
Revenue Total	\$ (209,790.00)	\$ -	\$ (209,790.00)	\$ (144,907.34)	\$ (64,882.66)
Expense Total	\$ 209,790.00	\$ -	\$ 209,790.00	\$ 166,465.75	\$ 43,324.25
DECREASE IN FUND BALANCE	\$ -	\$ -	\$ -	\$ 21,558.41	\$ (21,558.41)





Exhibit 2

Expansion & Identified Opportunities of the Inverness CRA

