



# **COMMUNITY REDEVELOPMENT AGENCY - 101**

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# Topics:

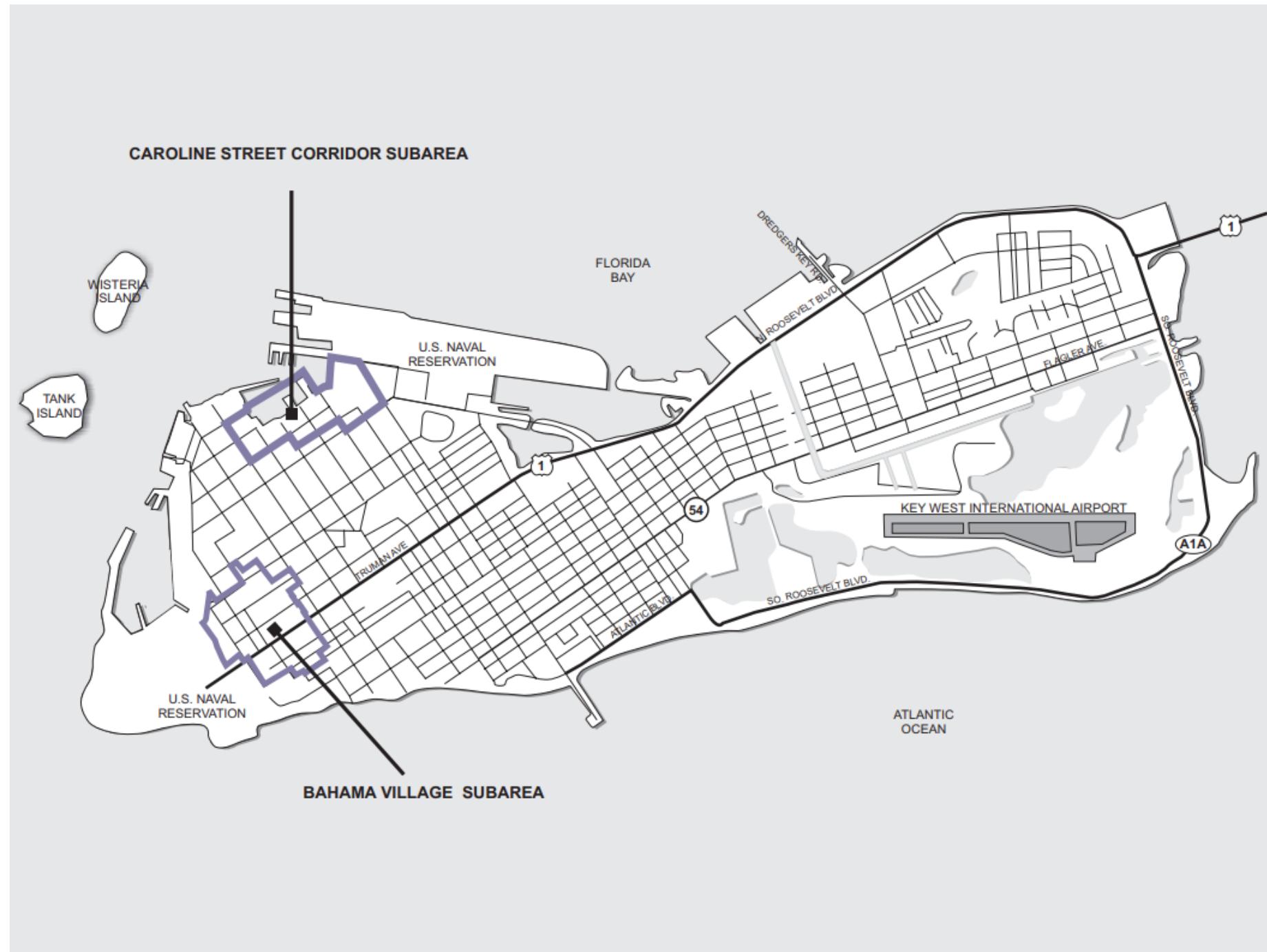
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- 1. Key West CRA subareas
- 2. What is a Community Redevelopment Agency?
- 3. CRA Legislation in Florida
- 4. Funding Mechanism for Tax Increment  
Financing.
- 5. Tax Increment Calculation

# Caroline Street Corridor and Bahama Village Community Redevelopment Agency

**1995:** Bahama Village Subarea

**1996:** Caroline Street Corridor Subarea



# **What is a Community Redevelopment Agency?**

- Special District under Florida Statute 189.012
- Key West is allowed one CRA agency Board with multiple CRA sub areas.
- Each area must have a separate trust fund, accounting, uses, and plans.
- Consists of Appointed (5-7) Board Members
  - Elected or appointed with 4-year terms and no compensation,
  - Chair or Vice Chair designated by governing body

- Enter into Contracts
- Acquire, improve, clear, prepare insure, and dispose of property at FAIR VALUE
  - Our located code limits the option to Acquire property
- Improvements to streets, utilities, parks, playgrounds, major hotels public areas in support of convention centers and other improvements necessary to carry out the Community Redevelopment Plan
- Plan, survey, appraise, study, zone, rezone, close, and vacate property
- Community Policing Innovations

## **What can Community Redevelopment Agency Do?**

**Per State Statute- 163.370(3) The following can  
NOT be paid for by CRA dollars**

- Capital Improvement Projects that were on a previously approved public capital improvement schedule or plan can not be paid for by CRA dollars unless they have been removed for three or more years.
- General government operating expenses unrelated to the planning and carrying out of a community development plan can not be CRA expenses.

# Redevelopment Plan



Put everything you might want to do in the plan



Even if it is in the plan, does not need to be done



But if a program or project is NOT contained in the Plan it CANNOT be undertaken.



Include only projects in the CRA *area/boundaries*

# Amending the Redevelopment Plan

- All amendments include modifications of boundaries, terms, language, trust fund, board composition, sunset provisions, etc.
- Governing body notices to all taxing authorizes that collect a millage within the CRA areas

# **Funding Mechanism**

## **Tax Increment Financing**

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- Tax Increment Financing (TIF) is a geographically targeted revenue source for the economic development of an area.
- TIF captures the increase in property taxes for the properties located within the boundaries of the CRA subarea and deposits the funds into a trust fund to be used for development within the area that the revenue is generated.

# Tax Increment Calculation and Formula

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- When a CRA is enacted, the property values within the established boundaries are determined as of that date and “frozen” to establish the base year assessed property value.
- A percentage, usually between 50% and 95%, of the tax revenue generated by the increase in assessed property values within the boundaries of the CRA is then deposited into the trust fund established for the area.
- Tax Increment Formula

$(\text{Current Year Taxable Value} - \text{Base Year Taxable Value}) \times \text{Current Year Millage Rate} \times \text{TIF Percentage}$

# Tax Increment Allocations – FY26

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## Bahama Village Subarea

- FY97 Base Assessed Property Values \$ 46,516,303
- FY26 Assessed Property Values \$483,747,046
- Change in Assessed Property Values \$437,230,743
- FY26 City of Key West Adopted Millage 1.9551
- City of Key West Incremental Tax Distribution at 95% \$ 812,088

# Tax Increment Allocations – FY26

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## Caroline Street Subarea

- FY97 Base Assessed Property Values \$ 41,662,133
- FY26 Assessed Property Values \$413,886,019
- Change in Assessed Property Values \$372,223,886
- FY26 City of Key West Adopted Millage 1.9551
- City of Key West Incremental Tax Distribution at 95% \$ 691,348

# Funding Mechanism – Tax Increment Financing

- Monroe County
  - Bahama Village \$1,118,548
  - Caroline Street \$952,244
- City Revenue
  - Bahama Village \$812,088
  - Caroline Street \$691,348
- Grant for Douglass Gym Renovations- \$1,000,000

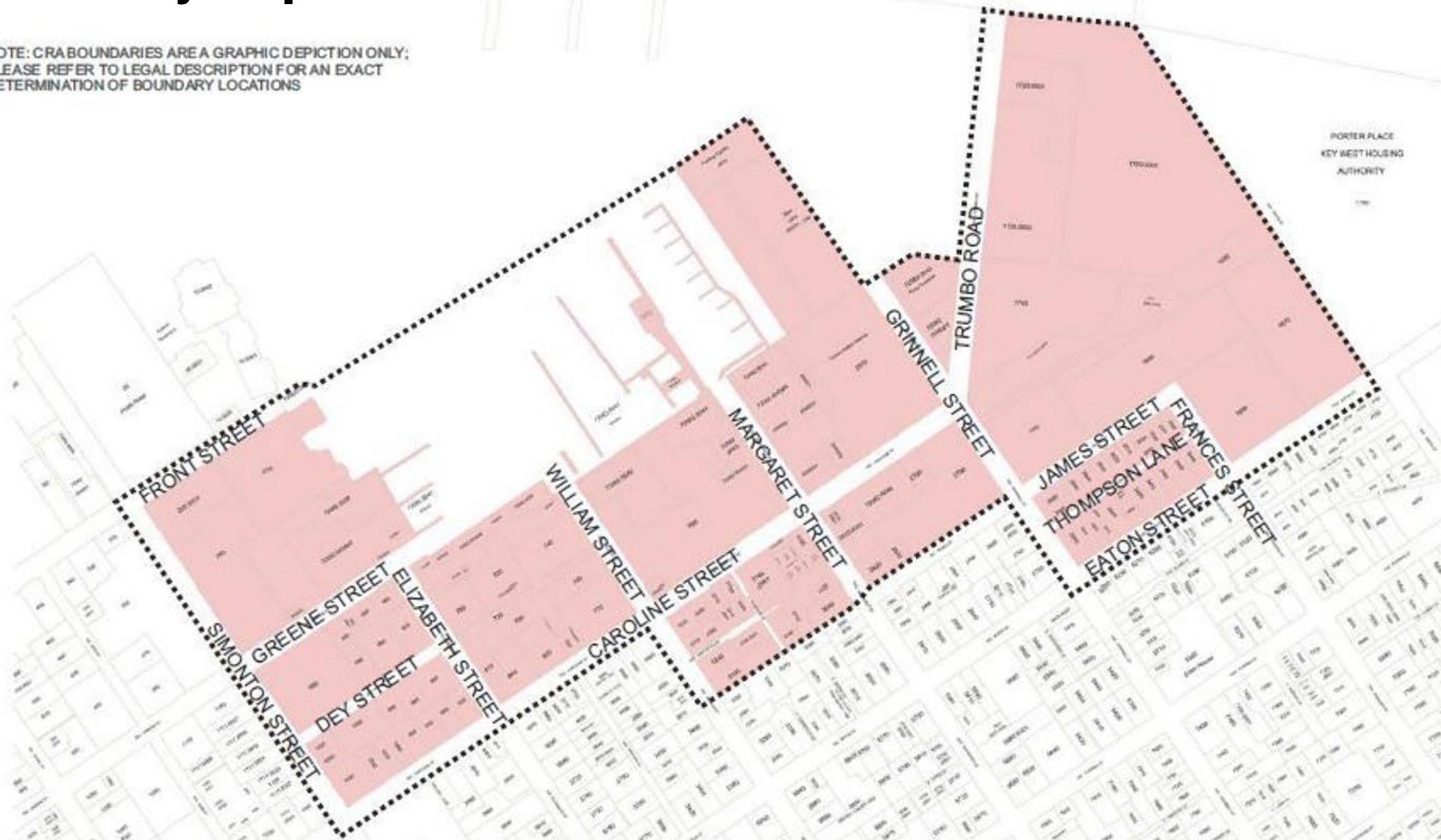
	<b>Base Year Assessed Value (FY 96-97)</b>	<b>FY 25-26 Assessed Value</b>	<b>Increase in Value</b>	<b>TIF Revenue – City of Key West</b>	<b>TIF Revenue – Monroe County</b>
Bahama Village	\$46,516,303	\$483,747,046	\$437,230,743	\$812,088	\$1,118,548
Caroline Street	\$41,662,133	\$413,886,019	\$372,223,886	\$691,348	\$952,244

# Bahama Village CRA Boundary Map



# Caroline Street Corridor CRA Boundary Map

NOTE: CRA BOUNDARIES ARE A GRAPHIC DEPICTION ONLY;  
PLEASE REFER TO LEGAL DESCRIPTION FOR AN EXACT  
DETERMINATION OF BOUNDARY LOCATIONS



# Thank you

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