




COMMUNITY REDEVELOPMENT AGENCY - 101



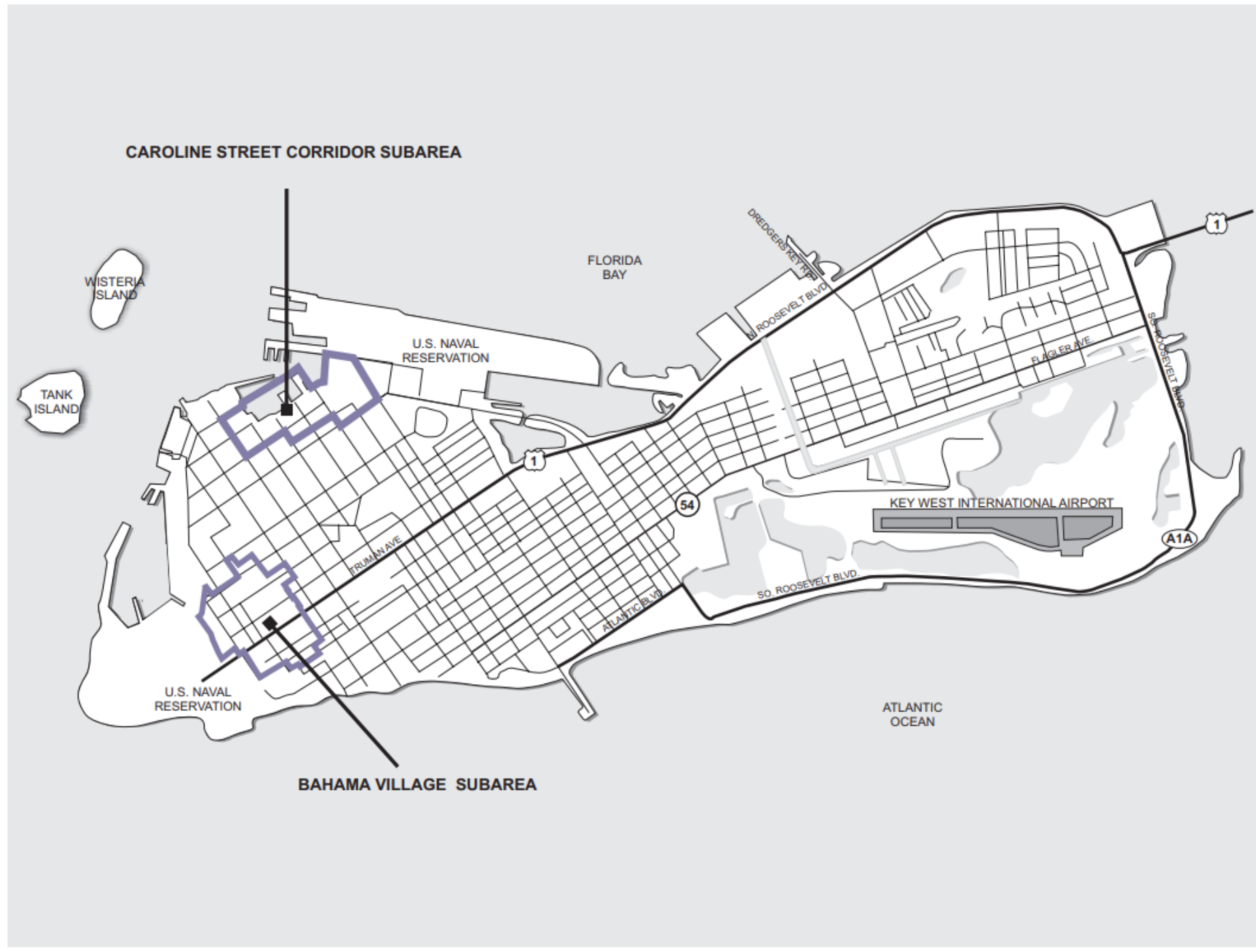
Topics:

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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

- 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



- 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

Bahama Village Subarea

• FY97 Base Assessed Property Values	\$ 46,516,303
• FY26 Assessed Property Values	\$483,747,046
• Change is 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

Caroline Street Subarea

• FY97 Base Assessed Property Values	\$ 41,662,133
• FY26 Assessed Property Values	\$413,886,019
• Change is 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**

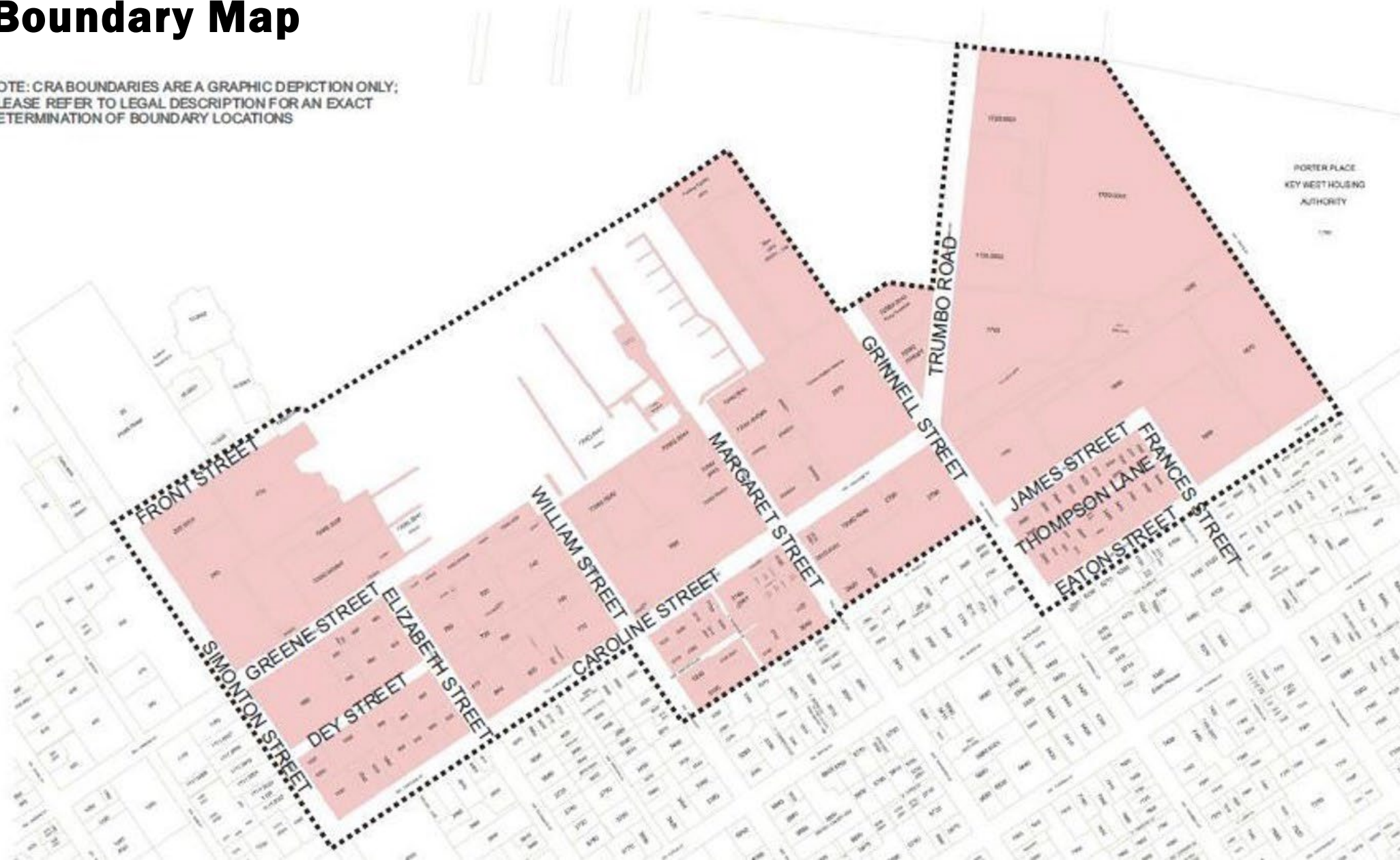
	Base Year Assessed Value (FY 96-97)	FY 25-26 Assessed Value	Increase in Value	TIF Revenue – City of Key West	TIF Revenue – Monroe County
Bahama Village	\$46,516,303	\$483,747,046	\$437,230,743	\$812,088	\$1,118,548
Caroline Street	\$41,662,133	\$413,886,019	\$372,223,886	\$691,348	\$952,244

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