



## MEMORANDUM

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Date: October 9, 2025

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso  
City Manager

From: Christina Bervaldi  
Finance Director

Subject: **Resolution Ratifying and Adopting the Final Budget for the Bahama Village TIF Fund and the Caroline Street Corridor TIF Fund FY 2025-2026**

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On September 25, 2025, the City Commission conducted a public hearing to adopt the FY 2025-2026 budget for the City of Key West. The overall budget was adopted by major category and fund in the amount of \$268,615,419.

Per Florida State Statute 163, Part III, the City Commission, sitting as the Caroline Street Corridor and Bahama Village Community Development Agency (CRA), shall approve and adopt the FY 2025-2026 budget for the Bahama Village TIF Fund and the FY 2025-2026 Caroline Street Corridor TIF Fund.

The budgets for the Bahama Village TIF Fund and the Caroline Street Corridor Fund are presented with estimations as to the revenues, appropriations, and transfers for the fiscal year which begins on October 1, 2025 and ends on September 30, 2026.

The tax increment revenue for each fund is calculated at 95% of the increase in assessed property values since the base year (1996-1997) within the designated redevelopment area, using the adopted millage rates for both:

- City of Key West: 1.9551
- Monroe County BOCC: 2.6929

	<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

With input from the Bahama Village Redevelopment Advisory Board and following the guidelines put forth in the CRA Plan, the operational and capital appropriations for each fund were developed by the City Manager, CRA Manager, Finance Director, and City Commission.

The Bahama Village TIF Fund budget is currently set at \$3,640,243 and the Caroline Street Corridor TIF Fund budget is set at \$4,598,309.

**Recommendation**

Approve the resolution for the ratification and adoption of the FY 2025-2026 Bahama Village TIF Fund and the Caroline Street Corridor Fund for Fiscal Year beginning October 1, 2025 and ending September 30, 2026 presented herein.