

January 3, 2013
Bahama Village Redevelopment Advisory
Committee 2013 TIF Application Review and
Ranking Package



EXECUTIVE SUMMARY

To: BVRAC

Through: Mark Finigan, Assistant City Manager
Donald Leland Craig, AICP, Planning Director

From: Nicole Malo, Planner

Meeting Date: January 3, 2013
December 6, 2012 – Postponed

Re: Application Summary Tax Increment Fund Appropriations, Fiscal Year 2012-2013

Background

On September 28, 2012 the Planning Department received seven (7) complete applications for the Bahama Village Subarea 2013 Tax Increment Fund. Approximately \$500,000 in annual increment is available this year. In addition, \$350,000 will return to the fund from previously allocated funds for programs that were unused and the BCCLT property sales for a total balance of \$850,000 available to be allocated for projects.

The attachments to this document include the Guiding Principles for the Bahama Village Community Redevelopment Area and the Objective Criteria for Ranking Applications. Please use these documents in order to help guide your analysis of each of the projects consistency with the 2010 CRA Plan. Also attached are the associated tables for your use. While reviewing the applications please consider the feasibility of the project, which of the projects affects the greatest public good, enhances the quality of life for the community, and best leverages the fund while alleviating blight.

This report is provided in order to summarize each of the applications in no particular order.

1. Community Garden

The application is for the construction, maintenance and a staff member for a Community Garden to be located in Bahama Village. The ultimate goal is that the organization will run self-sufficiently after two years of committed TIF funding. This is the first phase of a two year program totaling and estimated \$50,000 for construction (ie: raised beds, fencing, dirt, tools) and part time staffer (no benefits). This application is in response to the BVRAC request for an application for a community garden.

Request: \$27,000

Matching Funds: No matching funds available. In-kind services are provided by the Community Garden Members and are typically required as part of the membership regulations. The City's Sustainability Coordinator will administer the location authorization, staff application process and construction project as part of her daily responsibilities.

Considerations:

At this point a property location has not been committed for the project; although, four potential sites have been identified. The final location will be a result of a recommendation from the BVRAC and feasibility of the site. On some of the larger sites, and based upon space availability, the BVRAC may wish to consider making the garden available to the general public at some time in the future.

2. Bahama Village Connectivity Project – Petronia Street

This proposal is a streetscape improvement project for Petronia Street the commercial core of Bahama Village. The scope of the project stretches from Duval Street to Fort Street. The proposed design and construction drawings are 100% complete and were created in 2010 with significant community input at several public meetings. The plan includes improvements to signage, landscaping, lighting, traffic calming, new paving, parking, sidewalks and stormwater drainage. The Plan also includes redesign of the Petronia Street entrance including the intersection of Duval and Petronia Streets to create a unique entrance to Bahama Village identifiable from up and down Duval Street. The plan was designed using Crime Prevention Through Environmental Design (CEPTED) techniques to prevent potentially unsafe areas. This application is in response to the BVRAC request for an application for Petronia Street improvements.

Request: \$592,500

Matching Funds: No matching funds are available at this time. The City has paid for 100% construction plans and will administer bidding and construction oversight which is not calculated in the overall projects cost. It is possible future matching funds may be provided by the City's Road and Street Internal Improvement Fund and the Stormwater Fund for the project.

Considerations:

The project can be funded in phases over two to four years as increment is acquired as necessary. For example, in the Caroline Street Corridor CRA four years of increment has been dedicated to the project. The BVRAC should consider a similar approach based on a percent of each year's increment that could be dedicated to completing the project.

3. Coral City Elks Lodge #610/ Coral City Temple #400

This application is for improvements and replacement of the existing interior, including ADA bathrooms, and kitchen and plumbing replacements. No match is currently available. This is the third request for funding from the organization. The organization was funded \$80,000 in 2012 for roofing and awning repairs.

Request: \$79,500

Matching Funds: No matching funds available at this time.

Considerations: Please note that the proposed budget provided by the applicant shows matching funds and in-kind construction services. According to the applicant no matching funds have been identified to date although fund raisers may be forthcoming. Further, the amount of in-kind construction work proposed to be completed by Club Members is incompatible with the licensed contractor requirements of State Statute.

4. Phase Two Restoration of the Cornish Memorial A.M.E Zion Church

This project was funded in 2009, for \$417,000, and phase one is complete. The second phase of structural improvements is proposed for interior work that includes repairs to the Church building and the Parsonage. The Church improvements include: ADA compliant bathrooms, an ADA ramp, kitchen replacement, and foundation stabilization. The parsonage work includes foundation repairs, roof replacement, electrical upgrade, new windows and new doors. A third phase request is anticipated.

Request: \$257,152

Matching Funds: No matching funds available at this time.

Considerations: Please note that the proposed budget provided by the applicant shows matching funds although according to the applicant no matching funds have been identified to date.

5. Frederick Douglas Community Center Structural Assessment and Improvements

In October the City completed a preliminary structural safety assessment for the Frederick Douglas Community Center. A determination was made that the structure is unsound and portions of it were closed. On December 4, 2012 the City Commission voted to dedicate \$1 million dollars from the Pier House land sale to the hard and soft costs of the structural repairs. At this time the City does not know what the total project cost will be. The proposed application is for an environmental and structural conditions report that is the next step in assessing the redevelopment required for the gym and accessory office/classroom structure including; recommended course of action, 40% design documents, and cost estimates.

Request: \$190,000

Matching Funds: The City has paid for the preliminary structural analysis report and has approved \$1million dollars from the sale of the Pier House property to fund the rehabilitation including soft and hard construction cost.

Consideration: That the analysis, if funded, include a needs based analysis that also reflects the proposed recreational building uses at the Truman Waterfront Park.

6. Geraldine Street Improvements Project

The proposed application has been modified since the original submittal, which included street scape work to the public right-of-way and the Keys Electric property on Geraldine Street. The current proposal is for improvements to a multifamily structure, drive way, landscaping and fencing that is privately owned.

Request: \$10,570

Matching Funds: \$2,700 and sweat equity.

Consideration: The Board may wish to consider an affordable deed restriction for the multifamily units, a loan, or amortizing the allocation.

7. Habitat for Humanity (HFH) – Neighborhood Revitalization Initiative

The proposal is for the HFH Neighborhood Revitalization program that was funded for the first time by the BVRAC in 2012. The proposal is for repairs and improvements to residential properties that qualify for HFH needs based funding. The program provides donation services that do not have to be reimbursed. This application is in response to the BVRAC request for an application for a residential improvements program.

Request: \$75,000

Matching Funds: No matching funds are proposed to date for the Habitat for Humanity request; although, HFH typically partners with other existing organizations that administer home improvements programs and other grants; provides services that allow their funds to be heavily leveraged such as administering the contract work, acquiring reduced or pro-bono architectural services, volunteer construction services, and reuse of materials; and sweat equity is a requirement of homeowners eligible to receive HFH funding.

Summary

For further information regarding the review and allocation process and additional information please find the following information attached herein:

- Application Summary Table
- TIF Fund 2012-2013 Proposed Budget
- Guiding Principles for Ranking BVCRA TIF Applications
- Objective Criteria for Ranking Applications

City Actions and Application Timeline

Application Cycle -	July 2, 2011 – September 28, 2012
Application presentations	January 3, 2012
BVRAC Meeting - Application ranking and allocations	February 7, 2013
CRA Meeting - Final allocation approval	February 20, 2013

Application Summary Table

**Community Redevelopment Area Appropriation Requests
Bahama Village Sub-Area
2013 (FY 2012-2013)**

Applicant	Project Name and Location	Project or Program Type	FY 2013 Request	Expected Scope of Work Associated with Allocation	Notes
City of Key West	Bahama Village Community Garden	Multiphase Construction Program	\$27,000 (no match provided: \$20,500 estimated in kind, required by program. The City will provide administrative oversight)	Construction of garden (ie: raised beds, fencing, dirt, tools) and part time staffer (no benefits).	This is the first phase of a two year program totaling and estimated \$50,000. This is in response to the BVRAC request for an application for a community garden.
City of Key West	Bahama Village Connectivity Project – Petronia Street	Multiphase Construction Project	\$592,500 (no match provided in this cycle; the City has already paid for completed plans and will provide bidding and construction oversight)	To construct an engineering and streetscape enhancement plan (stormwater, landscaping, lighting, parking, and multimodal transportation) connecting Bahama Village to Duval St. and the Truman Waterfront Park . Total project cost is estimated to be \$1,185,000. Future matching funds may be provided by the City’s Road and Street Internal Improvement Fund and the Stormwater Fund.	This is the first phase of a multi- year funding request to construct part of the 2010 BV Connectivity Master Plan. This is in response to the BVRAC request for an application for Petronia Street improvement plan.

**Community Redevelopment Area Appropriation Requests
Bahama Village Sub-Area
2013 (FY 2012-2013)**

Applicant	Project Name and Location	Project or Program Type	FY 2013 Request	Expected Scope of Work Associated with Allocation	Notes
Habitat for Humanity of Key West and Lower Keys, Inc.	Habitat for Humanity Neighborhood Revitalization Initiative Single family homes within the BV CRA boundaries	Construction Program	\$75,000 (no match provided; in kind required by program)	Neighborhood Revitalization Initiative providing repairs for homes and families that meet HFH qualification criteria, specifically the elderly	This is an existing program with a second year funding request for the same amount
Coral City Elks Lodge #610/Coral City Temple #400	Coral City Elks Lodge #610/Coral City Temple #400 1107/1109 Whitehead Street	Construction Project	\$79,500 (No matching funds are available at this time; some construction services maybe provided in-kind)	Improvements and replacement of existing interior, including renovation of ADA access and bathrooms, kitchen and plumbing replacement	This is a single phase project. This is the third request for TIF funding; \$80,000 granted in 2012 for roofing and awning repairs. 2011 request unfunded
Cornish Memorial	Phase Two Restoration of the Cornish Memorial A.M.E Zion Church 702 Whitehead Street	Multiphase Construction Project	\$257,152 (no matching funds available at this time)	Improvements and repairs to Church are ADA compliant bathrooms, ADA ramp, kitchen replacement, and foundation stabilization. Parsonage work includes foundation repairs, roof replacement, electrical upgrade, replace windows and doors.	This request is for phase two of a multiphase project totaling \$976,872. First phase was funded in 2009 at \$417,000 and is complete.

**Community Redevelopment Area Appropriation Requests
Bahama Village Sub-Area
2013 (FY 2012-2013)**

Applicant	Project Name and Location	Project or Program Type	FY 2013 Request	Expected Scope of Work Associated with Allocation	Notes
City of Key West	Frederic Douglass Community Center Structural Assessment and Improvements 111 Olivia Street	Multiphase Construction Project	\$190,000 (The city has dedicated \$1million towards construction costs)	Structural and environmental assessment for the FD gym and accessory office/classroom structure including; recommended course of action, 40% design documents, and cost estimate	This is the first phase of a multi-phase project initially estimated to total approximately \$1,355,000
Dr. Nancy A. Moulton	Geraldine Street Improvements Project 106-108 Geraldine Street	Single Phase Construction Project	\$10,570 (\$2,700 match)	Private property improvements to multifamily structure, drive way, landscaping and fencing	This is a single phase project. The applicant stated she will provide \$10,000 in-kind
		TOTAL	\$1,155,300		

TIF 2012-2013 Budget

CITY OF KEY WEST
 BUDGET FOR FISCAL YEAR 12/13
 REVENUES

ACCOUNT	ACCOUNT DESCRIPTION	FY 09/10 ACTUAL	FY 10/11 ACTUAL	FY 11/12 AMENDED BUDGET	FY 12/13 CITY MGR PROPOSED
Bahama Vill/Caroline TIF					
Intergovernmental Revenue					
601-338-0200	Monroe County-TIF District	0	759,609	709,750	704,289
		-----	-----	-----	-----
*	Shared Rev-Local Units	0	759,609	709,750	704,289
		-----	-----	-----	-----
**	Intergovernmental Revenue	0	759,609	709,750	704,289
Miscellaneous Revenues					
601-361-0000	Interest Earnings	12,601	13,307	0	10,000
		-----	-----	-----	-----
*	Interest Earnings	12,601	13,307	0	10,000
		-----	-----	-----	-----
**	Miscellaneous Revenues	12,601	13,307	0	10,000
Other Sources					
601-381-0100	General	695,662	661,699	607,050	602,381
		-----	-----	-----	-----
*	Interfund Transfer	695,662	661,699	607,050	602,381
601-389-9100 Restricted					
		0	0	2,125,343	0
601-389-9115 Bahama Village					
		0	0	0	423,518
		-----	-----	-----	-----
*	Nonoperations Sources	0	0	2,125,343	423,518
		-----	-----	-----	-----
**	Other Sources	695,662	661,699	2,732,393	1,025,899
		-----	-----	-----	-----
***	Bahama Vill/Caroline TIF	708,263	1,434,615	3,442,143	1,740,188

CITY OF KEY WEST
BUDGET FOR FISCAL YEAR 12/13
EXPENDITURES

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 09/10 ACTUAL	FY 10/11 ACTUAL	FY 11/12 AMENDED BUDGET	FY 12/13 CITY MGR PROPOSED	ACCOUNT DETAIL
Bahama Vill/Caroline TIF						
Bahama Village						
Bahama Village						
Economic Environment						
Planning						
601-5502-555-1200	Salaries and Wages	140,493	0	0	0	
601-5502-555-1400	Overtime	16,683	0	0	0	
601-5502-555-1500	Special Pay	3,469	0	0	0	
601-5502-555-2100	FICA	12,289	0	0	0	
601-5502-555-2200	Retirement	30,092	0	0	0	
601-5502-555-2300	Health & Life Insurance	27,847	0	0	0	
		-----	-----	-----	-----	-----
*	Personal Services	230,873	0	0	0	
601-5502-555-3100	Professional Services	10,437	3,028	0	0	
601-5502-555-3200	Accounting & Auditing	75,034	0	1,800	1,927	
						LEVEL
						CMR
						TEXT
						SHARE OF ANNUAL CITY AUDIT
						TEXT AMT
						1,927
						1,927
601-5502-555-4900	Other Current Charges	88	88	100	100	
						LEVEL
						CMR
						TEXT
						SPECIAL DISTRICT FEE FROM DEPT. OF COMMUNITY AFFAIRS
						TEXT AMT
						100
						100
601-5502-555-5400	Books, Subscrp, Memberships	695	0	350	0	
						LEVEL
						CMR
						TEXT
						2010 - WILLIE WARD/NELSON ENGLISH (CARRY FORWARD \$ 112,000) BV1003
						2011 - WILLIE WARD/NELSON ENGLISH (CARRY FORWARD \$ 189,000) BV1003
						TEXT AMT

*	Operating Expenditures	86,254	3,116	2,250	2,027	
601-5502-555-6300	Infrastructure	0	18,669	340,331	0	
						LEVEL
						CMR
						TEXT
						2010 - WILLIE WARD/NELSON ENGLISH (CARRY FORWARD \$ 112,000) BV1003
						2011 - WILLIE WARD/NELSON ENGLISH (CARRY FORWARD \$ 189,000) BV1003
						TEXT AMT

*	Capital Outlay	0	18,669	340,331	0	
601-5502-555-7100	Debt Service-Principal	147,059	147,059	147,100	147,059	
						LEVEL
						CMR
						TEXT
						PAYMENT ON PRINCIPAL OF TERM LOAN FOR ACQUISITION AND REHABILITATION OF AFFORDABLE HOUSING
						TEXT AMT
						147,059
						147,059
601-5502-555-7200	Debt Service-Interest	37,720	33,711	30,100	26,312	
						LEVEL
						CMR
						TEXT
						INTEREST ON TERM LOAN FOR ACQUISITION AND REHABILITATION OF AFFORDABLE HOUSING
						TEXT AMT
						26,312
						26,312

*	Debt Service	184,779	180,770	177,200	173,371	
601-5502-555-8200	Aid to Pvt. Organizations	114,024	165,648	1,256,557	0	

CITY OF KEY WEST
BUDGET FOR FISCAL YEAR 12/13
EXPENDITURES

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 09/10 ACTUAL	FY 10/11 ACTUAL	FY 11/12 AMENDED BUDGET	FY 12/13 CITY MGR PROPOSED	ACCOUNT DETAIL
Bahama Vill/Caroline TIF						
Bahama Village						
Bahama Village						
Economic Environment						
Planning						
	LEVEL					TEXT AMT
	CMR					
						2011 - VFW/AMERICAN LEGION PHASE II (CARRY FORWARD \$ 310,000) BV1002
						2011 - ST. JAMES BAPTIST (CARRY FORWARD \$ 87,500) BV1101
						2011 - A POSITIVE STEP (CARRY FORWARD \$ 40,759) BV1102
						2012 - CORAL CITY ELKS (CARRY FORWARD \$ 71,000) BV1201
						2012 - HABITAT FOR HUMANITY (CARRY FORWARD \$ 75,000) BV1202
						2012 - NEWMAN METHODIST PHASE II (CARRY FORWARD \$ 80,810) BV1103
*		114,024	165,648	1,256,557	0	

	Grants and Aid					
	601-5502-555-9100 Transfers	0	100,000	10,190	12,280	
						LEVEL
						CMR
						TEXT
						TRANSFER TO GENERAL FUND FOR INDIRECT COSTS
						TEXT AMT
						12,280
						12,280
*	Transfers	0	100,000	10,190	12,280	
	601-5502-555-9800 Reserves	0	0	340,060	847,171	
						LEVEL
						CMR
						TEXT
						2013 ESTIMATED TIF AVAILABLE FOR APPROPRIATION
						TEXT AMT
						847,171
						847,171
*	Reserves	0	0	340,060	847,171	
	**** Bahama Village	615,930	468,203	2,126,588	1,034,849	

CITY OF KEY WEST
BUDGET FOR FISCAL YEAR 12/13
EXPENDITURES

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 09/10 ACTUAL	FY 10/11 ACTUAL	FY 11/12 AMENDED BUDGET	FY 12/13 CITY MGR PROPOSED	ACCOUNT DETAIL
Bahama Vill/Caroline TIF						
Bahama Village						
Caroline Street						
Economic Environment Planning						
601-5503-555-3100	Professional Services	15,138	0	0	0	
601-5503-555-3200	Accounting & Auditing	0	0	1,800	1,927	
	LEVEL	TEXT				TEXT AMT
	CMR	SHARE OF ANNUAL CITY AUDIT				1,927
						1,927
601-5503-555-4900	Other Current Charges	88	88	100	100	
	LEVEL	TEXT				TEXT AMT
	CMR	ANNUAL SPECIAL DISTRICT FEE FROM DEPARTMENT OF COMMUNITY AFFAIRS				100
						100
601-5503-555-5400	Books,Subscrip,Memberships	0	0	350	0	
*	Operating Expenditures	15,226	88	2,250	2,027	
601-5503-555-6300	Infrastructure	0	67,945	582,055	0	
	LEVEL	TEXT				TEXT AMT
	CMR	2012 - CAROLINE STREET IMPROVEMENTS PHASE II (CARRY FORWARD \$ 671,410) CS1101				
*	Capital Outlay	0	67,945	582,055	0	
601-5503-555-9100	Transfers	776,106	493,800	10,190	12,280	
	LEVEL	TEXT				TEXT AMT
	CMR	TRANSFER TO GENERAL FUND FOR INDIRECT COSTS				12,280
						12,280
*	Transfers	776,106	493,800	10,190	12,280	
601-5503-555-9800	Reserves	0	0	721,060	691,032	
	LEVEL	TEXT				TEXT AMT
	CMR	2013 ESTIMATED TIF AVAILABLE FOR APPROPRIATION				691,032
						691,032
*	Reserves	0	0	721,060	691,032	
****	Caroline Street	791,332	561,833	1,315,555	705,339	
*****	Bahama Vill/Caroline TIF	1,407,262	1,030,036	3,442,143	1,740,188	

Bahama Village Caroline Street Corridor Tax Increment Fund
Calculation of Annual Contribution after Certification of Final Tax Roll
 16-Jul-12

	FY 10/11			FY 11/12			FY 12/13		
	FY 96-97 (Base)	Budget (Cert. Value DR-420)	Certified 10/11 & Monroe Cnty. Adopted Millage	Budget (Cert. Value DR-420)	Certified 11/12 & Monroe Cnty. Adopted Millage		Budget (Cert. Value DR-420)	Certified 11/12 & Monroe Cnty. Adopted Millage	
Assessed Property Values									
Bahama Village	\$46,516,303	\$ 147,807,739	\$ 147,858,239	\$ 149,372,857	\$ 149,390,537		\$ 149,297,886	\$ 149,297,886	
Caroline Street	\$41,662,133	\$ 180,049,541	\$ 179,395,860	\$ 162,030,797	\$ 161,998,495		\$ 160,379,443	\$ 160,379,443	
Total	\$88,178,436	\$327,857,280	\$327,254,099	\$311,403,654	\$311,389,032		\$309,677,329	\$309,677,329	
Change from Prior Year		-10.5%	-10.4%	-5.0%	-4.8%		-5.5%	-5.4%	
Base Year (FY96-97) to Current Year Change									
Bahama Village		\$101,291,436	\$101,341,936	280,468	\$102,856,554	\$102,874,234	279,773	\$102,781,583	\$102,781,583
Caroline Street		\$138,387,408	\$137,733,727	381,184	\$120,368,664	\$120,336,362	327,263	\$118,717,310	\$118,717,310
Total		\$239,678,844	\$239,075,663	661,651	\$223,225,218	\$223,210,596	607,036	\$221,498,893	\$221,498,893
Annual Value Change									
Bahama Village		-18.08%	-18.05%	1.02%	1.04%		-0.06%	-0.06%	
Caroline Street		-2.67%	-3.02%	-9.68%	-9.70%		-1.00%	-1.00%	
Total		-10.28%	-10.44%	-4.84%	-4.85%		-0.55%	-0.55%	
% Contribution to Change									
Bahama Village		42.26%	42.39%	46.08%	46.09%		46.40%	46.40%	
Caroline Street		57.74%	57.61%	53.92%	53.91%		53.60%	53.60%	
Total		100.00%	100.00%	100.00%	100.00%		100.00%	100.00%	
Tax Rate (Millage)									
City of Key West		2.9132	2.9132	2.8627	2.8627		2.8627	2.8627	
Monroe County		3.3445	3.3445	3.347	3.347		3.347	3.347	
Total		6.2577	6.2577	6.2097	6.2097		6.2097	6.2097	
Contribution									
City of Key West									
Property Value Increment from Base Rate		\$239,678,844	\$239,075,663	\$223,225,218	\$223,210,596		\$221,498,893	\$221,498,893	
At 100%		\$698,232	\$696,475	\$639,027	\$638,985		\$634,085	\$634,085	
Max. Contribution is 95%		\$663,321	\$661,652	\$607,075	\$607,036		\$602,381	\$602,381	
Monroe County									
Property Value Increment from Base Rate		\$239,678,844	\$239,075,663	\$223,225,218	\$223,210,596		\$221,498,893	\$221,498,893	
At 100%		\$739,098	\$799,589	\$747,135	\$747,086		\$741,357	\$741,357	
Max. Contribution is 95%		\$702,143	\$759,609	\$709,778	\$709,732		\$704,289	\$704,289	
Total at 100%		\$1,437,330	\$1,496,064	\$1,386,162	\$1,386,071		\$1,375,442	\$1,375,442	
Total at 95%		\$1,365,464	\$1,421,261	\$1,316,854	\$1,316,767		\$1,306,670	\$1,306,670	
Incremental Tax Distribution at 95%									
Bahama Village		\$577,063	\$602,459	\$606,773	\$606,877		\$606,331	\$606,331	
Caroline Street		\$788,401	\$818,802	\$710,081	\$709,890		\$700,339	\$700,339	
Total		\$1,365,464	\$1,421,261	\$1,316,854	\$1,316,767		\$1,306,670	\$1,306,670	