



Village of Palm Springs

Executive Brief

AGENDA DATE: October 12, 2017

DEPARTMENT: Administration

ITEM #30: Resolution No. 2017-43 - Declaring a Finding of Necessity for the Creation of a Community Redevelopment Agency (CRA) within the Village of Palm Springs - Two (2) CRA Districts

SUMMARY: The desire for a CRA was discussed at a Village Council workshop on August 11, 2016 to assist with funding necessary infrastructure and safety improvements as well as to provide incentives to promote economic development opportunities and improve the overall quality of life within the designated areas. As a result, on February 9, 2017, the Village Council approved an Interlocal Agreement with the Treasure Coast Regional Planning Council (TCRPC) to provide consulting services to facilitate the creation of a Community Redevelopment Agency (CRA) with up to three (3) community redevelopment sub-areas (or districts) through the compilation of data and analysis and preparation/development of the required Finding of Necessity reports.

A verbal notice to proceed was provided to the TCRPC upon approval of the Interlocal Agreement to create a CRA, develop a CRA Redevelopment Plan (to be completed following approval of the CRA by PBC), establish a Community Redevelopment Trust Fund and set the "base year" for the tax increment (if approved by the end of 2017). The TCRPC was directed to analyze two (2) of the three original study areas - Congress Avenue (north of Forest Hill Boulevard to Summit Boulevard) and Lake Worth Road (west of the E-4 Canal to Military Trail).

In order for the Village to exercise the community redevelopment authority that is granted within Chapter 163, Part III, Florida Statutes, a study or Finding of Necessity (FON) would need to be completed for each of the two (2) sub-areas. These studies are developed/supported with data and analysis to determine if existing conditions within the study areas are considered slum and/or blight. Such conditions include, but are not limited to, deteriorating structures, infrastructure deficiencies, traffic hazards, faulty lot layout or antiquated building density patterns leading to development hardships or underutilized properties, unsafe conditions, high vacancy rates and crime incidents or fire/emergency calls higher than the rest of the Village.

The proposed CRA would assist the Village (and Palm Beach County) in accomplishing five (5) key goals within the proposed districts/communities:

- I. Improving Utilities and Infrastructure
- II. Expanding Job Development and Economic Growth
- III. Enhancing Public Safety

IV. Increasing and Maintaining Workforce Housing
V. Advancing the Partnership with Palm Beach County

The TCRPC has completed the FON for each of the two (2) areas studied and they have determined that there is an existence of slum and/or blight within both areas as defined in Florida Statutes. In fact, the TCRPC has considered each of the fifteen (15) statutory criterion with regards to the data for these districts and determined that both study areas contribute to the negative impacts on the public health, safety and welfare of those within the proposed areas and they do not contribute to the economic and social development of the communities.

The TCRPC has documented that the statutory criterion are met within their FON for each proposed CRA district within Palm Springs. The criterion are summarized below:

Congress Avenue Study Area:

This study identifies the existence of five (5) slum and/or blighted conditions pursuant to Florida Statutes:

- Predominance of defective or inadequate street layout, parking facilities, roadways, bridges or public transportation facilities (Sec. 163.340(8)(a), F.S.)
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness (Sec. 163.340(8)(c), F.S.)
- Inadequate and outdated building density patterns (Sec. 163.340(8)(f), F.S.)
- Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality (§ 163.340(8)(k), F.S.)
- Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area (Sec. 163.340(8)(m), F.S.)

Lake Worth Road Study Area:

This study identifies the existence of five (5) slum and/or blighted conditions pursuant to Florida Statutes:

- Predominance of defective or inadequate street layout, parking facilities, roadways, bridges or public transportation facilities (Sec. 163.340(8)(a), F.S.)
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness (Sec. 163.340(8)(c), F.S.)
- Inadequate and outdated building density patterns (Sec. 163.340(8)(f), F.S.)
- Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality (§ 163.340(8)(k), F.S.)
- Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area (Sec. 163.340(8)(m), F.S.)

As a result of the TCRPC's findings within the completed FON's and pursuant to Florida Statutes, the Village Council is recommended to declare a finding of necessity for both proposed CRA districts and to request the Palm Beach County Board of County Commissioners (BCC) to utilize its authority to establish a CRA within the Village of Palm Springs. The proposed redevelopment area will consist of two sub-areas or districts that are wholly contained within the geographical area of each study

(FON) area.

If approved, the Village of Palm Springs CRA would utilize "Tax Increment Financing" (TIF) revenues to support various capital and operational improvements within the proposed districts to increase investment, develop jobs and provide retail and commercial services to support surrounding residential uses. TIF funding is the increase in Village and PBC ad-valorem (property taxes) above the baseline year values as a result of new development/improvements that have occurred within the proposed CRA districts. The baseline year determines the property valuation of the district at the time the County establishes the CRA. The TCRPC is developing a schedule of proposed TIF revenues that would be expected to be received during the term of the CRA, which will be distributed to the Village Council prior to consideration of the Finding of Necessity reports for the proposed CRA districts.

Additionally, the TCRPC, Village Staff and the Village Attorney completed a general cost/benefit assessment to determine the financial impacts to Palm Beach County as a result of the proposed CRA. The assessment projects that although the County would not receive property taxes from new development/improvements within the districts, they would receive increased revenues (i.e., sales tax, gas tax, impact fees, local business taxes, MSTU revenue, etc.) as well as an increase in values and ad-valorem revenues from unincorporated properties surrounding the proposed districts (which is the case with many of areas surrounding CRA's within Palm Beach County). Further, almost all services offered by the County are not expected to be impacted (resulting in higher costs to the County) by the proposed CRA as they would be provided by the Village. The only area that may result in a cost to the County would be expenditures to support County courts and jails. However, due to increased business development activity within the proposed CRA areas, there is an expected increase in natural and professional surveillance within the districts ("eyes on the street"), thereby reducing the incidence of criminal activity and impacts on the courts and jail resources. These costs would be expected to increase even higher for PBC if a CRA is not approved and new investment/development does not occur..

Note: The proposed Village of Palm Springs CRA Board, if approved, is recommended to be made up of the Village's five (5) elected Council members and two (2) members from the general public. It is further recommended that one of the two Board members from the community be filled by a PBC County Commissioner (either from District 2 or District 3) to ensure that all TIF funding is utilized to support the goals of the CRA. Further, this opportunity would provide the public with increased transparency and would continue to advance the partnership between the Village and the County.

In accordance with State law, the Village provided public notice of the Council's intent to consider the adoption of a resolution declaring a finding of necessity for the creation of a CRA at least fifteen (15) days prior to the October 12, 2017 Council Meeting. Notices were hand delivered, E-mailed and mailed (certified delivery) to Palm Beach County and all taxing authorities that levy ad-valorem taxes or real property contained within the boundaries of the proposed CRA on September 27, 2017.

If approved, Resolution 2017-43 and the Finding of Necessity reports will be transmitted to Palm Beach County and it will be requested that BCC consider and approve the Village's two (2) CRA sub-areas by December 2017.

The proposed Resolution 2017-43 was prepared by the Village Attorney, reviewed by the Planning, Zoning & Building Director, TCRPC and the Village Clerk.

FISCAL IMPACT:

The request to approve the proposed CRA within the Village of Palm Springs does not have a direct fiscal impact to the Village. If approved, by Palm Beach County, additional Tax Increment Financing revenues would be collected to support various capital and operational improvements within the proposed districts to increase investment, develop jobs and provide retail and commercial services to support surrounding residential uses.

ATTACHMENTS:

1. Resolution No. 2017-43 - Approve Finding of Necessity Reports - Two (2) Proposed CRA Districts
2. Finding of Necessity Report for Congress Avenue Sub-Area - Treasure Coast Regional Planning Council (TCRPC)
3. Proposed Congress Avenue CRA Sub-district Map
4. Finding of Necessity Report for Lake Worth Road Sub-Area - Treasure Coast Regional Planning Council (TCRPC)
5. Proposed Lake Worth Road CRA Sub-district Map
6. Village of Palm Springs CRA Priorities
7. Proposed CRA Capital Improvements - Treasure Coast Regional Planning Council (TCRPC)
8. Projected Tax Increment Financing (TIF) Revenue Projections - Treasure Coast Regional Planning Council (TCRPC)
9. General Cost/Benefit Assessment of Impact on County Services and Facilities
10. General Cost/Benefit Assessment of Impact on County Services and Facilities - Summary Chart
11. Heart of Palm Beach County Strategic Planning Report - Treasure Coast Regional Planning Council (TCRPC)
12. Palm Beach County Urban Redevelopment Area Planning Study and Corridor Master Plan
13. Addendum to URA Master Plan - Palm Beach County
14. CDBG Eligibility Map - Village of Palm Springs
15. PBC Workforce Housing Summit - White Paper
16. PBC Infill & Redevelopment Study
17. PBC Wastewater Collection System Improvement Study - Congress Avenue
18. Congress Avenue Wastewater Forcemain Improvements - Construction Plans - PBC Water Utilities Department
19. Congress Avenue Wastewater Forcemain Improvements - Construction Cost Estimates - PBC Water Utilities Department
20. Community Redevelopment - Part III of Chapter 163 Florida Statutes
21. Council Workshop Executive Brief - Proposed CRA - Three (3) Districts - August 11, 2016
22. Council Meeting Executive Brief - Approval of ILA with TCRPC
23. Approved Interlocal Agreement and Scope of Work - Treasure Coast Regional Planning Council (TCRPC)
24. Notification of Intent to Create a CRA - Village of Palm Springs
25. Notice of Public Hearing Advertisement for Resolution No 2017-53 - Village of Palm Springs