

# FY 2024 Budget Status CRA Fund

Charlotte County Commission  
November 21, 2023 Joint Meeting



# Punta Gorda

# PG CRA 101

- Established in 1989 as a mechanism to carry out the goals and objectives of the Downtown Redevelopment Plan and Eastside & Downtown Planning Study
- Focused redevelopment efforts on projects to rebuild public spaces
- Efforts were concentrated on several expansive projects which stressed the importance of maintaining public waterfront, alleviating parking issues and helped to re-establish the critical mass of structures and economic activity within the downtown area & adjacent neighborhoods.



# PG CRA 101

Projects completed in the CRA Fund:

- Streetscape, Wayfinding, and various other infrastructure projects
- Laishley Park and Marina
- Contribution to Charlotte County Event Center
- Herald Court Centre parking structure



# CRA Extension

July 2012, the CRA Board and City Council, in partnership with Charlotte County, recognized that the declining taxable values could not support the repayment schedule of existing debt on the projects

- The 3 governing bodies approved the extension of the life of the CRA until December 31, 2030 so that City could refinance the outstanding debt to better match the reduced TIF revenues
- TIF revenue received would only go towards the refinanced debt and if debt was paid off at an earlier time than the CRA would sunset at that point.



# CRA Extension

## Changes to debt service

- FY 2018 – Tax Cut & Jobs Act, reduced the corporate tax rate to 21% (from 35%); resulted in increased interest cost over the remaining life of the loan by \$454,0000
- FY 2020 – Refinanced note at lower interest rate with all same terms and condition; resulted in interest savings over the remaining life of the loan of \$615,0000
- 9/30/23 TIF reserve balance for debt service is \$5,005,603



# CRA Fund

## Debt Service Division

### Accounting Structure

#### Tax Increment Financing to Repay Debt on Improvements

- County and City Ad Valorem revenue generated above the taxable base of \$80.6 M in CRA district remains with district – known as TIF revenue
- District was extended until December 2030 and debt restructured to match revenues with debt service
- Excess funds are accumulated in a reserve that is to be used to cover annual debt payments, if there is a shortfall, or to retire debt early



# CRA Fund

## Debt Service Division

### Assumptions

#### Revenues

- FY 2024 – 7/1/2023 certified value – 8.5% increase in taxable value of CRA District
- Millage rate for County estimates same as prior year 6.1687
- Millage rate for City estimates same as prior year 3.9500
- FY 2025-2028 – Estimated District is closed

#### Expenditures

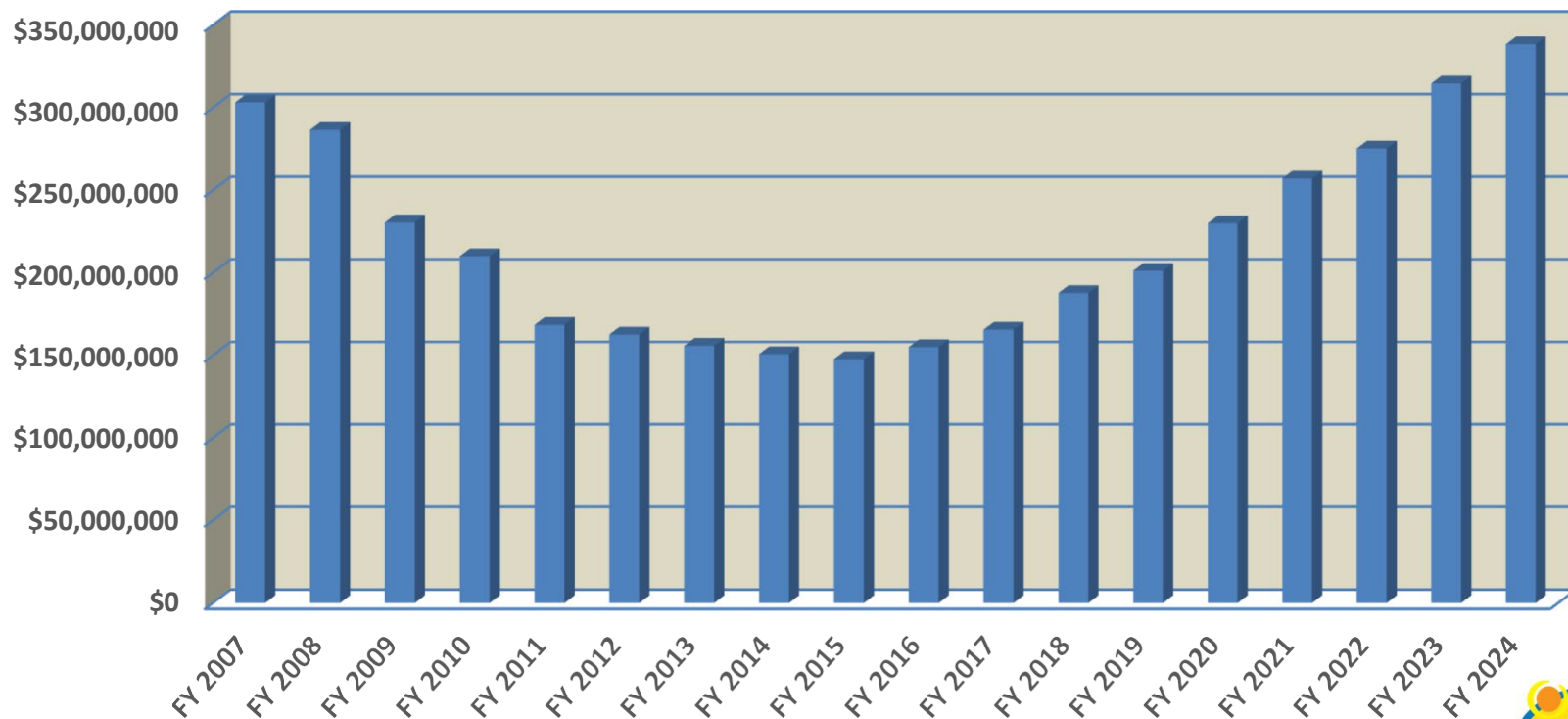
- Debt service per schedule –
  - Refinanced note (FY 2020) resulted in interests savings over the remaining life of the loan of \$615,000



# CRA Fund

## History of Taxable Value Increment

Taxable Value Increment (net of \$80.6 M base)

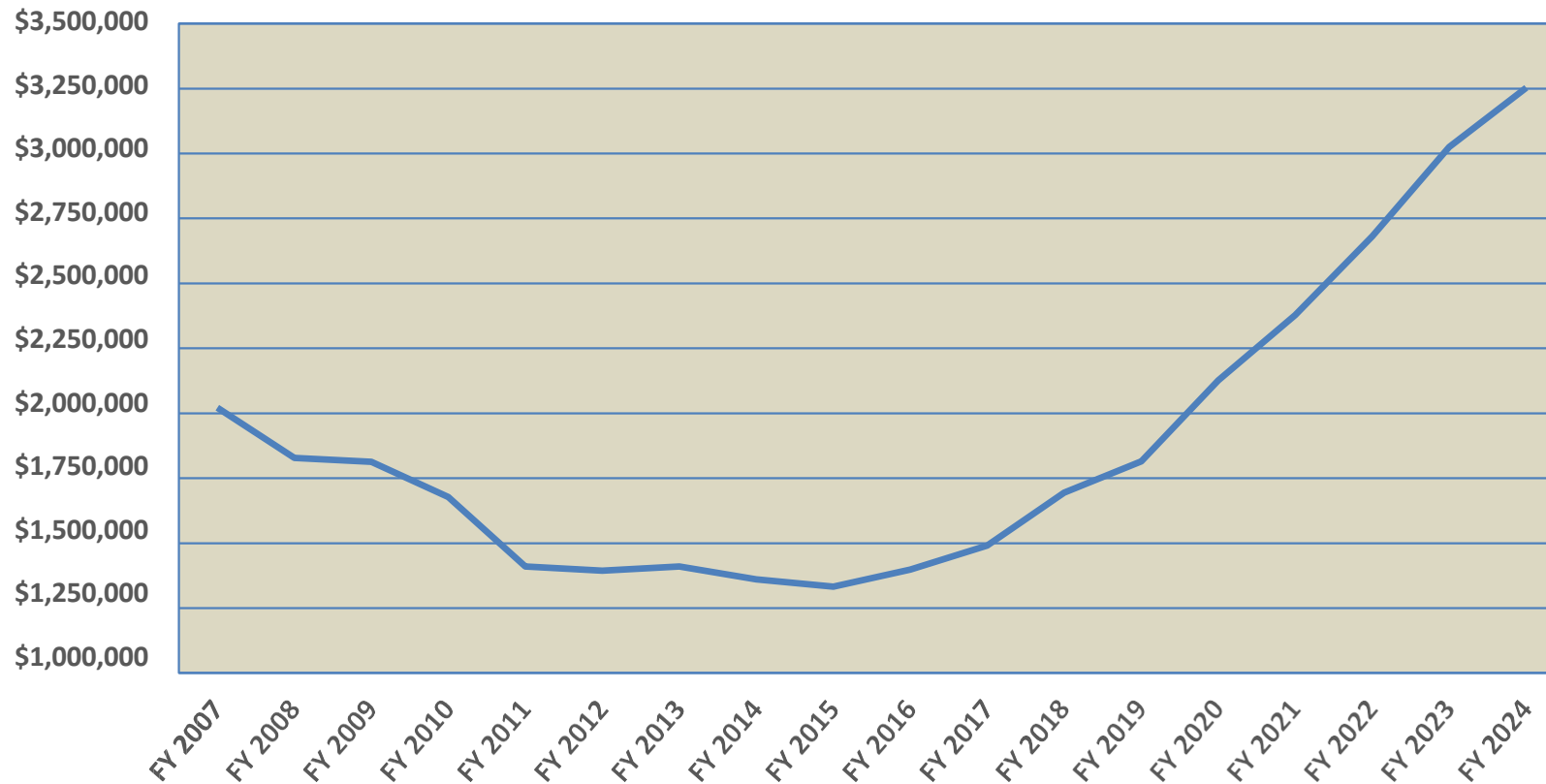




# CRA Fund

## History of TIF Revenue

Tax Incremental Finance Revenue (TIF)



# CRA Fund

## Balance of Current Debt Schedule and Update regarding final millage rate

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
07/01/2020		38,193.02	38,193.02	
09/30/2020				38,193.02
01/01/2021	1,295,000	109,122.90	1,404,122.90	
07/01/2021		97,597.40	97,597.40	
09/30/2021				1,501,720.30
01/01/2022	1,361,000	97,597.40	1,458,597.40	
07/01/2022		85,484.50	85,484.50	
09/30/2022				1,544,081.90
01/01/2023	1,426,000	85,484.50	1,511,484.50	
07/01/2023		72,793.10	72,793.10	
09/30/2023				1,584,277.60
01/01/2024	1,494,000	72,793.10	1,566,793.10	
07/01/2024		59,496.50	59,496.50	
09/30/2024				1,626,289.60
01/01/2025	1,561,000	59,496.50	1,620,496.50	
07/01/2025		45,603.60	45,603.60	
09/30/2025				1,666,100.10
01/01/2026	1,632,000	45,603.60	1,677,603.60	
07/01/2026		31,078.80	31,078.80	
09/30/2026				1,708,682.40
01/01/2027	1,707,000	31,078.80	1,738,078.80	
07/01/2027		15,886.50	15,886.50	
09/30/2027				1,753,965.30
01/01/2028	1,785,000	15,886.50	1,800,886.50	
09/30/2028				1,800,886.50
	12,261,000	963,196.72	13,224,196.72	13,224,196.72

- Based on taxable value and estimated millage rates, CRA debt can be paid off in FY 2024 and district can be sunsetted.

# CRA Fund

## Debt Service Division

### Proforma

	Proposed FY 2024	Proforma FY 2025	Proforma FY 2026	Proforma FY 2027	Proforma FY 2028
Charlotte Co. Tax Increment	\$ 2,040,390	\$ 0	\$ 0	\$ 0	\$ 0
Punta Gorda Tax Increment	1,306,520	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$ 3,346,910</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>DEBT SERVICE PAYMENTS</b>	<b>\$ 8,251,794</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
Beg. TIF Reserve for Debt Svc	\$ 5,005,603	\$ 100,719	\$ 100,719	\$ 100,719	\$ 100,719
End. TIF Reserve for Debt Svc	\$ 100,719	\$ 100,719	\$ 100,719	\$ 100,719	\$ 100,719



# CRA Fund

## Herald Court Operations Division

### Accounting Structure

#### Herald Court Centre Operations and Maintenance

- Operations and maintenance of parking structure
- Maintenance of public facilities and tenant common areas
- Revenue sources: leases and common area maintenance fees



# CRA Fund

## Herald Court Operations Division

### Assumptions

- Revenues – Assumes City use of FGCU units FY 2022-2025 and one unit vacancy FY 2026-2028
- Operating expenditures - FY 2024 per requests; FY 2025-2028 3% est. increase in operating expenditures except insurance est. increase of 5%
- Estimated schedule of annual maintenance for garage funded by CRA reserves through FY 2028 - Average of \$135,800



# CRA Fund

## Herald Court Operations Division

### Proforma

	Proposed FY 2024	Proforma FY 2025	Proforma FY 2026	Proforma FY 2027	Proforma FY 2028
<b>TOTAL REVENUES</b>	\$ 262,185	\$ 267,975	\$ 290,875	\$ 297,850	\$ 304,730
<b>TOTAL EXPENDITURES</b>	\$ 285,295	\$ 296,000	\$ 307,395	\$ 319,260	\$ 331,605
Beg. Reserves Taxes, R&R, and Operat	\$ 181,875	\$ 158,765	\$ 130,740	\$ 114,220	\$ 92,810
End. Reserves Taxes, R&R, and Operat	\$ 158,765	\$ 130,740	\$ 114,220	\$ 92,810	\$ 65,935



# CRA Fund

## Operations Division

### Accounting Structure

#### CRA Operations and Maintenance of Improvements

- Operations and maintenance of improvements provided by the CRA District
- Capital renewal or replacements related to existing CRA improvements
- Revenue sources: CRA land leases, Trabue Woods loan repayment, interest income



# CRA Fund

## Operations Division - Assumptions for Renewal & Replacement of Infrastructure

- \$60,000-\$70,000 annually for fountain maintenance
- No funding for Laishley Park and Marina facility improvements at this time
- Schedule for maintenance for Herald Court Centre facilities, including sealant to prevent water intrusion into units in FY 2023 which also uses prior year carryover funding. Average \$135,800 per year FY 2024-FY 2028
- Can sustain operations at this level through FY 2028





# CRA Fund

## Operations Division

### Proforma

	Proposed FY 2024	Proforma FY 2025	Proforma FY 2026	Proforma FY 2027	Proforma FY 2028
<b>TOTAL REVENUES</b>	\$ 136,335	\$ 139,120	\$ 141,115	\$ 140,220	\$ 139,140
<b>TOTAL EXPENDITURES</b>	\$ 111,000	\$ 104,000	\$ 122,000	\$ 104,000	\$ 623,000
Beg. Operating Reserve	\$ 371,925	\$ 397,260	\$ 432,380	\$ 451,495	\$ 487,715
End. Operating Reserve	\$ 397,260	\$ 432,380	\$ 451,495	\$ 487,715	\$ 3,855

