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MEMORANDUM

Date: March 19, 2019
To: Pompano Beach CRA Board
From: Gregory P. Harrison, CRA Executive Director
Subject: HB 9 and SB 1054

You may recall that in recent years, the Florida Legislature has considered various house and senate bills that would terminate existing CRAs and prevent creation of new CRAs, as well as place limits on bonding abilities, etc. As a result, the City of Pompano Beach and this CRA have adopted resolutions opposing such proposed legislation. To date, the most objectionable provisions have not been adopted.

Legislation is being proposed again this year that will adversely affect CRAs throughout the state. HB 9 and SB 1054 provide for termination of all CRAs in the state by 2039, unless an extension is approved by 2/3 majority vote, and not allowing the creation of any new CRAs after October 1, 2019 without a county-wide referendum receiving a 2/3 vote of the electorate.

The requirement of a county-wide referendum is particularly onerous because it dilutes the voice of voters who live and work inside a proposed CRA whose local taxes fund the CRA. County residents outside of a municipal CRA boundary are not affected and do not fund activities inside the CRA, and thus, should not have a voice in the creation of a new CRA.

Any limitation on the ability of a CRA to extend its bonds beyond their current maturity date is problematic because it removes the CRA's flexibility to finance projects over the long term.

There are currently 222 CRAs in Florida. Each of these CRAs have redevelopment plans made with the involvement of citizens and stakeholders in communities who want better conditions and more private investment in the places they work and live in. Like fingerprints, no two are alike. A CRA is a valuable tool that allows a municipality to help create an economically strong and healthy city. CRAs have demonstrated that the use of tax increment funding (TIF) can dramatically improve the economic and social outcomes within their targeted areas. The ability of CRAs to leverage TIF is a tool for revitalization and to spur public private partnerships. This financing tool is very important because it provides cities access to capital for growth without any tax increases, and decreases the drain on public services in blighted areas.



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CRA's are opposed to HB 9 and SB 1054, and many are taking a stand by approving a resolution strongly urging the Florida Legislature to oppose Senate Bill 1054 and House Bill 9 which unnecessarily threaten the continued efforts and successes of CRA's. While certain additions to the statute relating to ethics, lobbying and reporting are not objectionable, the inclusion of provisions that will eliminate CRA's or impair their continued existence are too serious to ignore.