

APALACHICOLA CRA ANNUAL REPORT

The City of Apalachicola Community Redevelopment Agency's report to the public on the CRA's activities and financials during FY 2017-2018

*Fiscal Year
2017 - 2018*

Introduction

The City of Apalachicola Community Redevelopment Agency is pleased to provide this annual report to the public on the CRA's activities and financials during FY 2017-2018 (October 1, 2017 through September 30, 2018).

The Apalachicola Community Redevelopment Agency was created on January 3, 1989 by City ordinance 88-11 pursuant to Florida statute 163.387. The base taxable value in the tax increment area was established in 2014.

Board Members and Executive Director

As the 2017-2018 Fiscal Year began, the CRA board members included Mayor Van Johnson, Commissioner Brenda Ash, Commissioner Jimmy Elliott, Commissioner Frank Cook, Commissioner Mitchell Bartley, Jim Bachrach, and Tom Morgan. After the September 2017 City Commission election, retiring Commissioner Frank Cook was replaced by newly elected Commissioner Anita Grove. Jim Bachrach served as Chair with Tom Morgan serving as Vice Chair. Augusta R. West was the Executive Director.

Activities

The CRA's activities during the 2017-2018 Fiscal Year included the following:

The CRA's first Executive Director, Augusta West, was hired just before the start of the fiscal year. She began by reviewing the CRA plan and documenting infrastructure needs, approximate costs, and funding resources and working with City staff to produce a prioritized list. The most urgent items identified were water and sewer projects including replacing a water line under Market Street, upgrading the sewer system due to frequent downtown backups, and funding the granulated active carbon filtration system to correct the Trihalomethane levels to bring the municipal drinking water into compliance.

The CRA Board agreed to place an emphasis on infrastructure including adequate water and sewer to service the CRA district. A plan for a filtration system to address the TTHM compliance issue in the municipal water supply had been presented by engineering firm Inovia Consulting to the City Commission; however, the City was turned down for private loans to fund the project. In April, the Executive Director initiated an application with USDA for a grant/loan funding package. Work on this application continued throughout the fiscal year. Tasks included multiple meetings with USDA and City staff; submitting application information into USDA's online system; gathering and submitting financial data, water user data, and operation and maintenance data; and frequent coordination between USDA, Inovia Consulting, and the City to keep the project moving forward. By the end of the fiscal year,

significant progress had been made. Inovia's Preliminary Engineering Report was almost complete, having been reviewed by USDA's State Engineer and multiple revisions submitted.

An application was also submitted to USDA's Rural Business Development Grant program for sidewalks, parking, and lighting in the Bowery District. However, the engineer was unable to complete the Preliminary Engineering Report by the deadline. The project was tabled, to be resumed in the next fiscal year.

The Director attended CRA training in Chipley on November 8 presented by Carol Westmoreland, Executive Director of the Florida Redevelopment Association. The CRA's Annual Report was produced, approved, and submitted to the state as required. A CRA web page was created on the City of Apalachicola's website: cityofapalachicola.com/Community-Redevelopment-Agency.cfm.

The Director was part of the working group tasked by the Mayor with creating pre-applications for BP Triumph funds. She contributed content for the infrastructure proposal. As part of this group she also worked collaboratively as a sounding board and proofreader on other proposals. She worked with Bill McCartney on the Triumph pre-application for the Port of Apalachicola project, contributing ideas, research and content related to the Clean Marina program and Paddle Park concept sections of the proposal. She reviewed and submitted the pre-application to the Triumph Board.

She also submitted a Job Growth Grant Fund application and legislative appropriation requests to fund infrastructure.

The Director researched the potential for leveraging the City's Area of Critical State Concern legislation into funding for infrastructure necessary for the CRA district. In addition, she worked with the City's lobbyist, Rep. Halsey Beshears and staff, Sen. Montford and staff, Rep. Raschein and staff, and House counsel to develop, draft, and pass an amendment to the City's Area of Critical State Concern designation. The statute was amended to add affordable housing as an issue and to further codify the Legislature's intent to provide funding for wastewater and other projects that protect the water quality of the bay. The amendment makes the list of legislative intents associated with our Area of Critical State Concern conform to that of Monroe County. Monroe County has successfully leveraged their ACSC designation into millions of dollars in state funding through the Florida Keys Environmental Stewardship Act. Amending our ACSC language was part of laying the groundwork for future legislative efforts. The language is below:

Paragraphs (h) and (i) are added to subsection 5 of section 380.0555, Florida Statutes, to read:

380.0555 Apalachicola Bay Area; protection and designation as area of critical state concern.

(2) LEGISLATIVE INTENT.—It is hereby declared that the intent of the Legislature is:

(h) To provide affordable housing in close proximity to places of employment in the Apalachicola Bay Area.

(i) To protect and improve the water quality of the Apalachicola Bay Area through federal, state, and local funding of water quality improvement projects, including the construction and operation of wastewater management facilities that meet state requirements.

In addition, the Director researched the potential impact of implementing the Tourist Impact Tax, a 1% bed tax paid by visitors, which would provide annually recurring funding for infrastructure and affordable housing projects. This tax is only available to be implemented in Areas of Critical State Concern. The Director performed statute research, held discussions with Legislators and their staffs as well as discussions with the lobbyist, and did research into the implementation and effect of this funding in Monroe County. She also contacted the Executive Director of the Monroe County Land Authority to discuss how Tourist Impact Tax dollars are used to help create workforce housing in the Keys, and some of the issues and challenges associated with these projects. She developed a list of statute amendments needed to make the tax's implementation consistent with Apalachicola's unique situation as the only municipality in its county with the ACSC designation. In addition, she created a PowerPoint presentation to educate the City Commission and the public about the potential for Stewardship Legislation that could leverage the City's Area of Critical State Concern legislation into funding for infrastructure that is necessary for the CRA district.

On May 1st, the Director attended a meeting with Department of Economic Opportunity staff including Julie Dennis, Director of Community Development; Barbara Powell, Regional Planning Administrator and Program Manager for Areas of Critical State Concern; Gabe Peters, Director of Legislative Affairs, as well as Patrick Bell. The purpose of the meeting was to begin forming a relationship with key staff who can assist with funding and resources to address issues such as job growth, infrastructure, and housing; and to let them know of our intent to submit legislation for funding of our Area of Critical State Concern. They would like to put together a team of staff who will spend a day in Apalachicola to discuss strategies to address our needs.

The Stop Sign Replacement Project brought together volunteers from the CRA, Main Street, H'COLA, and the Forgotten Coast Cruisers Car Club. 42 signs were replaced downtown, on the Hill, and in the Southside Historic District. Signs in need of cleaning were also scrubbed free of lichens to enhance their visibility.

The Director toured the Hill with Commissioner Ash and discussed the area's challenges, successes, and potential.

Micro-projects were discussed to be part of the next fiscal year's activities.

This was a start-up year of establishing relationships, researching funding opportunities, leading discussions on funding priorities, and laying the groundwork for future funding initiatives.

Contact Information

Board Members and their contact information during the 2017-2018 Fiscal Year were:

Jim Bachrach, Board Chair
187 Avenue C
Apalachicola, FL 32320
Shadow1@fairpoint.net

Tom Morgan, Vice Chair
189 Avenue B
Apalachicola, FL 32320
fish@apalachoutfitters.com

Van W. Johnson, Sr.
P. O. Box 145
Apalachicola, FL 32320
van@mayorvanjohnson.com

Brenda Ash
213 17th Street
Apalachicola, FL 32320
bash@cityofapalachicola.com

John M. Bartley
P. O. Box 182
Apalachicola, FL 32320
bartley@cityofapalachicola.com

James L. Elliott
P. O. Box 446
Apalachicola, FL 32320
pathfinderseven@hotmail.com

Anita Grove
174 Avenue C
Apalachicola, FL 32320

Executive Director:

Augusta R. West
192 Coach Wagoner Blvd.
Apalachicola, Florida 32320
Cell: (850) 274-1321
awest@cityofapalachicola.com

Financial Information

At the end of FY 2017-2018, the fund balance was \$37,040.53. A distribution from Franklin County for the tax increment financing was received in the amount of \$35,426.82.

CRA Financial Information FY 2017-2018	
Assets	\$37,040.53
Liabilities	N/A
Income	\$35,426.82
Operating Expenses	\$953.00

Financial information was provided through an audit report by Morgan and Smith, LLP. (See Addendum A). The 2017-2018 audit included CRA funds with the General Fund as a component unit. The matter is being discussed between the City Manager, Auditor, and the State. The FY 2018-2019 CRA numbers will be accounted for separately rather than being treated as a component unit.

Addendum A

FY 2017-2018 Audit (following pages).

CITY OF APALACHICOLA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 89,775	\$ 64,375	\$ 154,150
Accounts Receivables, net	8,692	183,086	191,778
Notes Receivable	251,752	-	251,752
Due from Other Governments	55,173	-	55,173
Prepays	-	8,235	8,235
Restricted Assets:			
Cash and Cash Equivalents	431,937	406,844	838,782
Investments	-	68,754	68,754
Capital Assets, Not Being Depreciated	10,204,572	363,057	10,567,629
Capital Assets, Being Depreciated	13,395,262	22,325,731	35,720,993
Total Assets	24,437,163	23,420,083	47,857,246
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions	650,105	248,601	898,706
Liabilities			
Current Liabilities			
Accounts Payable and Other Current Liabilities	32,432	79,646	112,078
Accrued Payroll	13,952	-	13,952
Unearned Revenue	251,813	-	251,813
Bonds amd Notes Payable	155,099	407,560	562,659
Lines of Credit	20,000	-	20,000
Accrued Compensated Absences	10,914	7,744	18,658
Accrued Interest Payable	-	85,035	85,035
Noncurrent Liabilities:			
Bonds amd Notes Payable	793,762	6,146,534	6,940,296
Lines of Credit	-	-	-
Accrued Compensated Absences	32,742	15,488	48,230
Utility Deposits	-	208,982	208,982
Other Post Employment Benefits	827,577	341,545	1,169,122
Net Pension Liability	1,514,530	578,391	2,092,921
Total Liabilities	3,652,820	7,870,925	11,523,745
Deferred Inflows of Resources			
Deferred Inflows Related to Pensions	160,448	61,592	222,040
Net Position			
Net Investment in Capital Assets	22,650,973	16,125,861	38,776,834
Restricted for:			
Debt Service	19,084	145,791	164,875
Restricted for other purposes	284,546	-	284,546
Unrestricted	(1,680,603)	(535,485)	(2,216,088)
Total Net Position	\$ 21,274,000	\$ 15,736,167	\$ 37,010,167

See accompanying notes to Financial Statements

CITY OF APALACHICOLA, FLORIDA
BALANCE SHEET-GOVERNMENTAL FUND
SEPTEMBER 30, 2018

	General Fund	Other Governmental Fund	Total Governmental Funds
Assets			
Cash and Cash Equivalent	\$ 89,775	\$ -	\$ 89,775
Investments	-	-	-
Accounts receivable, net	3,284	-	3,284
Due from other funds	5,408	-	5,408
Due from other governments	49,228	5,945	55,173
Notes receivable	-	251,752	251,752
Restricted:			
Cash and Cash Equivalent	199,164	232,773	431,937
Certificate of Deposit	-	-	-
Total Assets	346,859	490,470	837,329
Liabilities and Fund Balance			
Liabilities			
Accounts Payable and Accrued Expenses	32,432	-	32,432
Accrued payroll	13,952	-	13,952
Due to other funds	-	-	-
Unearned revenue	-	251,813	251,813
Total Liabilities	46,383	251,813	298,197
Fund Balance			
Nonspendable			
Restricted:			
Community redevelopment agency	37,041	-	37,041
Library trust	-	48,044	48,044
Raney house	8,848	-	8,848
MSBU	-	-	-
Local option gas tax	-	28,811	28,811
HUD	-	161,802	161,802
Debt service	19,084	-	19,084
Assigned	171,232	-	171,232
Unassigned	64,271	-	64,271
Total Fund Balance	300,476	238,657	539,133
Total Liabilities and Fund Balance	\$ 346,859	\$ 490,470	\$ 837,329

See accompanying notes to Financial Statements