



CRA
NEW PORT RICHEY

**Annual
Report**
Fiscal Year
2021-2022



CRA Annual Report

Fiscal Year 2021-2022

BOARD OF DIRECTORS

The City of New Port Richey's City Council serves as the Community Redevelopment Agency's Board of Directors.

The members for Fiscal Year 2021–2022 are as follows:

Robert Marlowe, Chairman
Mike Peters, Board Member
Peter Altman, Board Member
Matt Murphy, Board Member
Kelly Mothershead, Board Member

CRA STAFF

Debbie L. Manns, CRA Executive Director
Nadine Ward, Sr. Assistant to the CRA Director

5919 Main Street
New Port Richey, FL 34652
(727) 853-1248
mannsd@cityofnewportrichey.org
wardn@cityofnewportrichey.org

Financial data has been provided by Crystal M. Dunn, Finance Director.



MISSION STATEMENT

It is the mission of the Community Redevelopment Agency (CRA) to nurture an environment that supports the growth and retention of businesses, increases property values, and enhances the quality of life for New Port Richey residents.

PURPOSE OF THIS REPORT

This annual report is required by Florida Statute, Chapter 163.371, the governing statute for all community redevelopment agencies across the state, and covers redevelopment activities from October 1, 2021 through September 30, 2022. The statute also requires the report to contain a complete financial statement of assets, liabilities, income and operating expenses, amount of tax increment funds collected and a record of key accomplishments for the fiscal year.

OVERVIEW

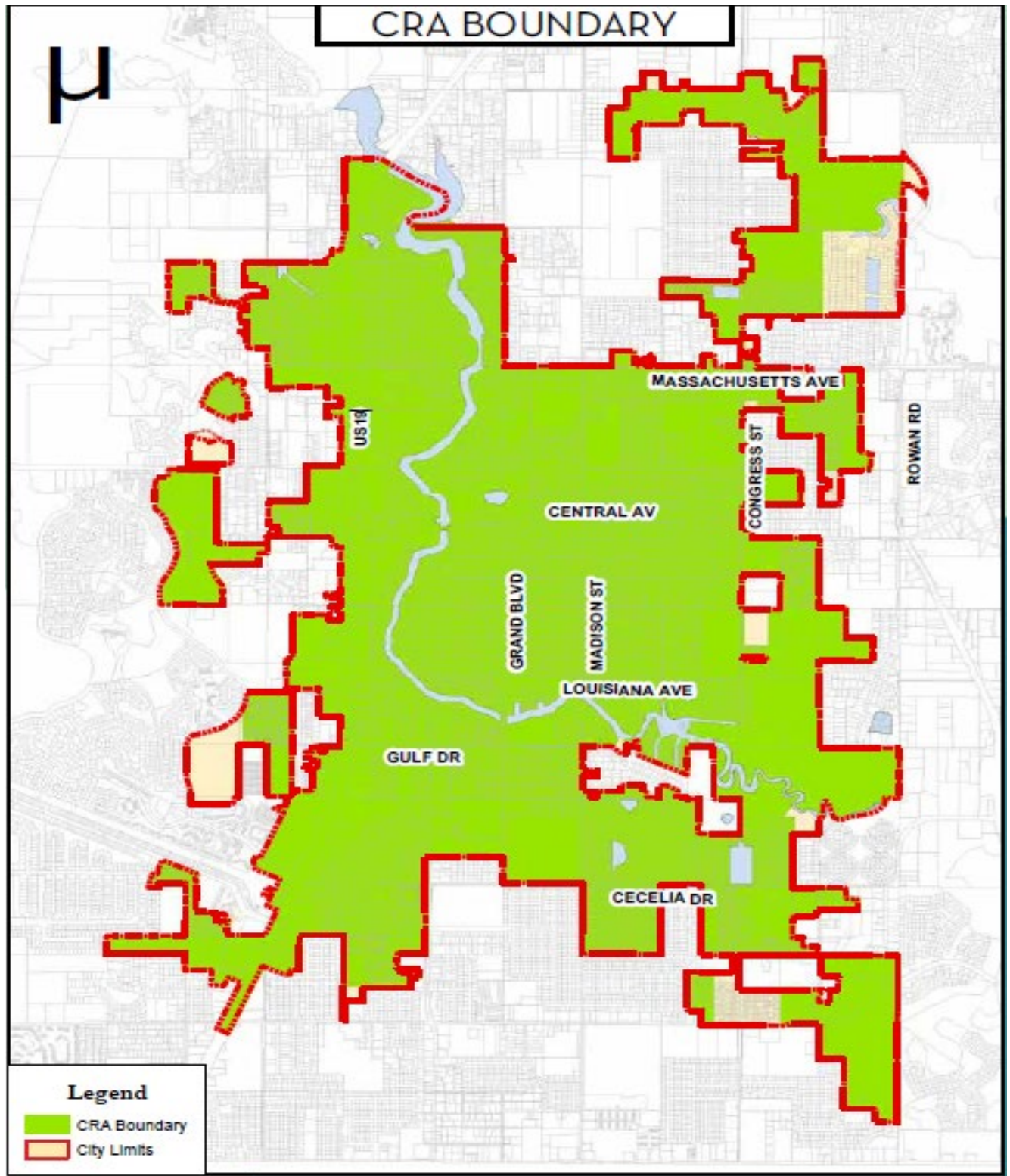
Authorized by Chapter 163, Part III, Florida Statutes, a community redevelopment agency is created to guide redevelopment activities that are designed to return properties to their highest and best use and to improve the economic vitality of a specially designated area, rendering it more appealing for private sector investment. When properly administered, the general purpose of a community redevelopment agency is to preserve and enhance the redevelopment district's tax base through development activities and the establishment of public-private partnerships.

Redevelopment endeavors are implemented through a public body, which is known as a community redevelopment agency. Community redevelopment agencies have the ability to utilize a designated funding tool, known as Tax Increment Financing, which is available to cities and counties for redevelopment activities. Tax Increment Financing is used to leverage public funds to promote private-sector activity in the denoted area or areas. When established, the dollar value of all real property in a redevelopment district is determined as of a fixed date, also known as the "frozen value."

Taxing authorities that contribute to the redevelopment district continue to receive property tax revenues based on the frozen value, and these frozen value revenues are available for general government purposes. However, any revenues from increases in real property value, referred to as "increment," are deposited into a community redevelopment agency trust fund and are allocated to the redevelopment district.

Under the authority of Chapter 163, Part III, Florida Statutes, the New Port Richey City Council established the City of New Port Richey Community Redevelopment Agency on November 15, 1988 as a dependent special district to guide the City in its redevelopment efforts. The CRA boundaries were originally established in 1988 and included the central business district or urban core of the City and some surrounding neighborhoods. In 2001, The City expanded its CRA boundaries to include all properties within the city limits.

CRA DISTRICT



FY2021 — 2022 MAJOR HIGHLIGHTS

The redevelopment of our community is a central focus of the Community Redevelopment Agency. It is the responsibility of the Agency to plan, coordinate, and facilitate the City's efforts to attract, retain, and grow businesses and jobs. The CRA has been working hard at activating projects impacted by the Great Recession.

Hacienda Hotel

The Hacienda Hotel officially opened in September 2022. As expected, this 40 room boutique hotel has demonstrated itself to be a place of interest as a tourist destination as well as a driver for economic activity in the downtown area. The owner/operator of the hotel reports that the revenues are stable and has plans to work with the CRA on some additional marketing efforts to further promote the location as a destination.



Stonehaven at Main Street

The project was completed in 2020 with 80 residential units and 15 commercial suites. The residential units attract high levels of occupancy. Additionally, the project touts many interesting retailers in the commercial suites. The property was purchased for \$19.5 million or \$243,750 per unit in February 2021. Although originally Stonehaven properties looked to improve the asset by adding boat docks, they have taken no action in that respect as of yet.



Comfort Inn and Suites

The project to establish an 89 room Comfort Inn and Suites Hotel on U.S. Highway 19 just south of Main Street is nearing completion. At this point, it is expected that the project will be completed in May of 2023. The hotel is designed to accommodate leisure or business travel, alone or with family members. The required parking for the project will be accommodated through a mix of surface parking and use of a number of spaces in the adjacent parking structure.



Downtown Trolley Services

During the fiscal year, the CRA purchased an additional eleven passenger fully ADA accessible shuttle. This shuttle is an addition to the DART shuttle services and provides extended service to the public during peak times and during special events.



Business & Developer Incentive Grants

Business and developer incentive grants are an integral part of the activities of the CRA because they help to revitalize and bring new life, as well as new investment, into the City of New Port Richey. Incentives are designed to leverage private capital investments into commercial properties. During the fiscal year, the CRA aided 24 different property and business owners, expending \$1,126,150 in grant funds.



U.S. Highway 19

CRA staff have been working closely with prospective developers and property owners along U.S. Highway 19 to improve the corridor. Some of the improvements involve the assemblage of property for redevelopment purposes, demolition of obsolete buildings and the use of various grant tools which are available to effectuate property enhancements.



Capital Projects & Purchases


FY2022 Budget vs. Actual

During the fiscal year, the CRA began 4 capital projects. Below is a summary of Budget vs. Actual for FY2022.

Description	FY2022 Budgeted Amount	FY2022 Actual Expenditures
Hacienda Hotel Restoration	-	9,500
Property Assemblage	216,150	-
US Hwy 19/Main St Gateway Proj	280,000	8,302
Sims Park Perimeter Landscaping	-	19,687
Railroad Square Improvements	775,000	20,770
Marine Pkwy Pedestrian Bridge	100,000	88,640
Historical Monument Walk	150,000	142,915
Shuttle & Utility Cart Purchases	37,360	49,248
	1,558,510	339,062

FY2022 Business & Developer Incentive Grants

Type of Grant	Total Amount Awarded in FY2022
Developer Incentives	\$ 535,689
Commerical Interior Build-Out	49,073
Commerical Façade	30,500
Commerical Landscaping	25,000
Real Estate Redevelopment	350,000
Rent Reimbursement	129,638
Business Incentives	6,250
	\$ 1,126,150



Redevelopment Targets
from the
2022 CRA Plan

US HIGHWAY 19

Former SunTrust & River Road Church Properties

In December of 2022, the CRA purchased the former SunTrust property on U.S. Highway 19 which is adjacent to the River Road property which the City also owns. A Request for Qualifications/Proposals will be issued in April of 2023 in order to solicit offers to design and construct a residential community along with an inundation pond. Specifically the CRA is seeking to retain a qualified, highly creative and motivated developer to purchase the property and to implement a desired and approved project.



US Highway 19 & Main Street Entryway Signage

As a component of the City's Branding Campaign, this project includes the design and construction of a Way Finding Gateway Entrance Sign that identifies the City of New Port Richey. The project sign will be located on Main Street just east of U.S. Highway 19 and will span over the roadway.

19 CORRIDOR

Magnuson Motel & Marina

Discussions continued into FY22 related to the redevelopment of this property. The 3.67 acre waterfront property is located on the west side of U.S. Highway 19 at the southwest corner of Marine Parkway. Existing development consists of a 124-room two-story motel built in 1970. The proposed project involves the establishment of a 90-room hotel, branded under a major flag, with a conference and banquet center, and roof top bar. Plans also call for the establishment of 96 condominium units on Marine Parkway. The condominiums are well prepared for an expected base price of \$420,000. Incidentally, a number of the condominiums will be sold with a boat slip.



Leisure Lane – Van Doren Avenue

Discussions continue with Pasco County related to the potential annexation of this challenged area into the City and the CRA District for much needed redevelopment initiatives.

US 19 Corridor: Cotee River Underpass

The New Port Richey Downtown District and Port Richey Waterfront Business District are the cornerstones for tourism and entertainment in western Pasco County. The proposed project is to establish a trail under U.S. Highway 19 at the Cotee River in the City of Port Richey to join these two districts together. The pathway will go through New Port Richey mainly on city streets. Funds are necessary for design, construction and possible right-of-way acquisition. Pasco County is the lead agency as part of a Tri-Party Intergovernmental Agreement. At this time, the project is not currently funded for design work. Some preliminary design work has been achieved however.



DOWNTOWN

Zen Kitchen and Bar

Zen Kitchen & Bar is a brand-new dining experience and concept coming to Downtown New Port Richey. New owners are partnering and collaborating with Chef Victor to bring the Chef's vision to fruition—the creation of a truly memorable Asian-Fusion restaurant destination in Pasco County.



Railroad Square Improvements

Based on the need for event space in the downtown area, the City began the design of improvements to the existing Railroad Square. The purpose was to create public space that provides areas for social interaction and economic activities, which improves the development and desirability of the city. The project will be constructed on Nebraska Avenue spanning from Adams Street to Grand Boulevard. A second phase of the project is contemplated spanning from Grand Boulevard to Bank Street. Elements will include reducing the traffic to one-way, generous pedestrian walkways, landscaping, lighting, vendor areas, and shade structures.



Estuary

James Renew, chef and owner of a new contemporary restaurant, Estuary, brings a chef-driven restaurant with a neighborhood feel to Downtown New Port Richey.

Thomas Meighan Parking Lot

Parking lot improvements were completed at this location to allow additional parking for visitors to the Downtown area. With the increase in foot traffic, to local businesses, additional parking is a necessity.



Vacant Property on Main Street South of the Hacienda Hotel

The property owner has submitted several proposals to the City in respect to the development of the property. At the current time, it is expected that the property will accommodate retail uses fronting Main Street with residential units abutting the retail use. At this time a specific implementation timeline is unknown.



PALM DISTRICT

City-Owned Boat Ramp, Parking & Chamber of Commerce Building

This project calls for the redevelopment of the prominent location at Main Street and River Road. Continued discussions related to necessary property acquisitions for the redevelopment of this area have taken place.



Business Incentive Grants

The City continues to work with local businesses to accommodate façade and leasehold improvements in the area.



Streetscape Improvements

Assessments of the City's streetscape elements in the downtown area continue so that future plans will be developed to tend to when appropriate. Amenities such as bike racks, banners, planter and shade structures may be included.

MARINE DISTRICT

Former Community Hospital Site & Surrounding Area

The property, which is located on the northeast corner of Marine Parkway and Grand Blvd. is under contract to a developer that plans to construct a mixed-use development. Specifically, the project will involve the establishment of 440 townhomes and apartments as well as some limited retail operations. The value of the proposed project is estimated to be \$150 million

Schwettman Education Center

The property, which is located on Grand Blvd. at Gulf Drive, is a valuable resource and as such it is of interest to the CRA. Some discussion has occurred related to the CRA's interest in the property and the potential for reuse of the historical building and property upon which it is situated. It is expected that a purchase offer will be submitted to the Pasco County School Board during the coming months.



Vacant/Underutilized Properties

The City continues to work with businesses, realtors and developers to reuse vacant/underutilized office buildings located within the District for more productive use.



Business Incentive Grants Offered

- Commercial Façade Improvement
- Commercial Retail Recruitment Interior Build-out Grant
- Commercial Rent Reimbursement Grant
- Commercial Real Estate Redevelopment Grant

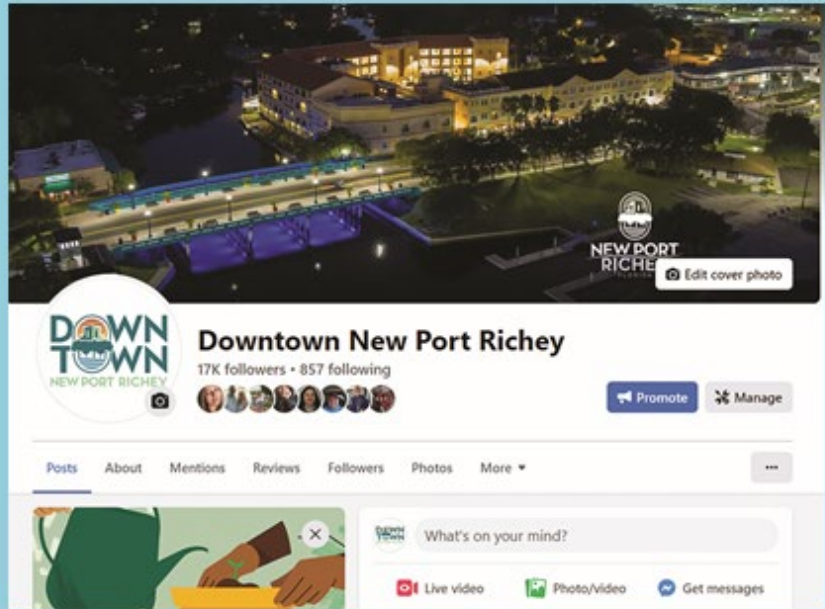
MARKETING

In Fiscal Year 2021-2022, the CRA took steps to continue to develop a robust brand identity and marketing plan. The new logos are still being used heavily in all marketing and communication. In addition to pushing brand identity and city awareness through conventional channels such as printed ads, brochures and newsletters, in today's market the City has continued to see the value and growth the City's social media and websites.

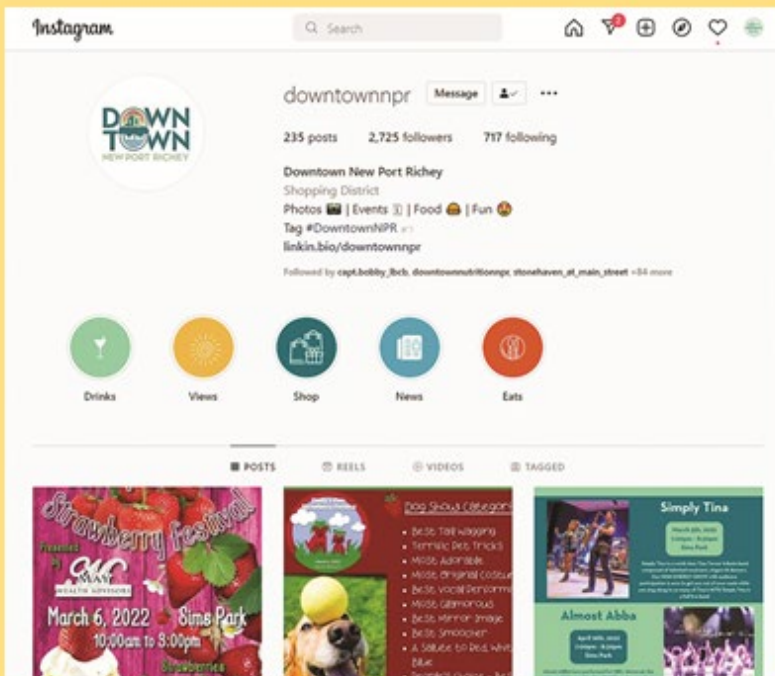
SOCIAL MEDIA



**Downtown Facebook
Followers: 19,623
Prev.: 17,200**



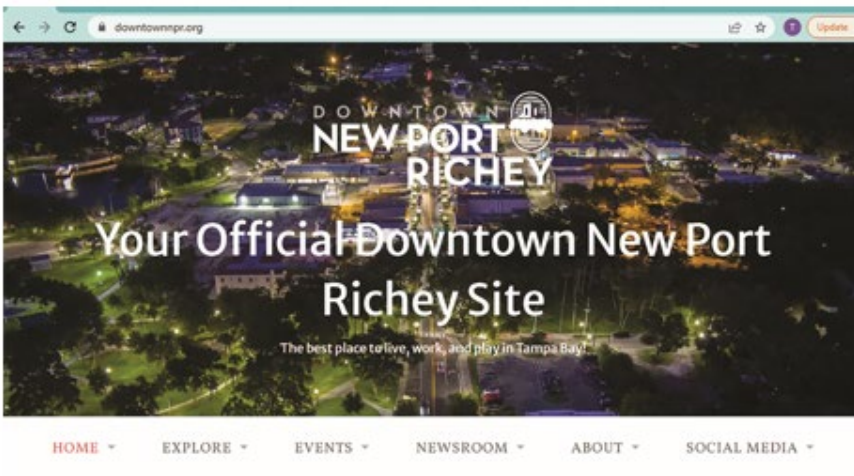
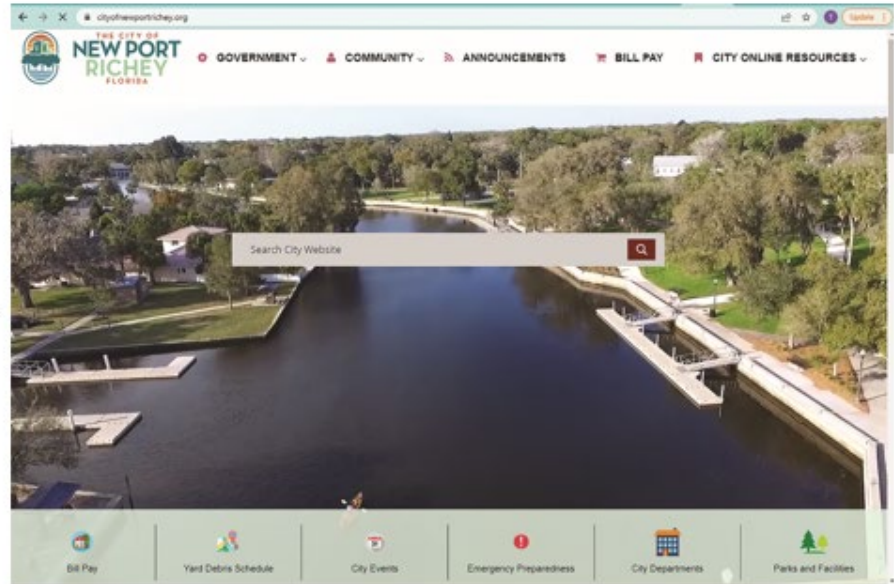
**Downtown Instagram
Followers: 3,302
Prev.: 1,900**



WEBSITES



City of New Port Richey Website
Views: N/A



Downtown New Port Richey Website
Views: 143,700

FINANCIAL REPORT

The CRA funds its programs and projects primarily through Tax Increment Financing (TIFs). Each fiscal year, the CRA reinvests its TIF dollars, along with other revenue from sources such as grants and property sales, back into the redevelopment activities within the CRA district. Below is the CRA's Statement of Revenues, Expenditures, and Changes in Fund Balance, as of September 30, 2022.

COMMUNITY REDEVELOPMENT AGENCY OF NEW PORT RICHEY, FL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended September 30, 2022
(UNAUDITED)

REVENUES	
Tax Increment Financing	\$ 2,022,241
Investment Income (Loss)	16,826
Miscellaneous revenues	<u>31,188</u>
TOTAL REVENUES	2,070,255
EXPENDITURES	
Current	
General government	1,542,185
Capital projects	<u>339,062</u>
TOTAL EXPENDITURES	<u>1,881,247</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>189,008</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	2,413,790
Transfers out	<u>(2,172,600)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>241,190</u>
NET CHANGE IN FUND BALANCE	430,198
FUND BALANCE - BEGINNING OF YEAR	<u>(6,097,462)</u>
FUND BALANCE - END OF YEAR	<u>\$ (5,667,264)</u>

Items of significance in the above statement include:

- *Transfers In* includes \$2,413,790 in Tax Increment Financing from the City's General Fund.

FINANCIAL REPORT, cont.

COMMUNITY REDEVELOPMENT AGENCY OF NEW PORT RICHEY, FL
BALANCE SHEET
September 30, 2022
(UNAUDITED)

ASSETS

Cash and pooled cash, cash equivalents, and investments	\$	456,786
Accounts receivable, net		31,130
Redevelopment properties held for resale		<u>2,040,000</u>

TOTAL ASSETS \$ 2,527,916

LIABILITIES AND FUND BALANCE

LIABILITIES:

Accounts payable	\$	538,321
Accrued liabilities		9,776
Advances from other funds		<u>7,647,083</u>

TOTAL LIABILITIES \$ 8,195,180

FUND BALANCE

Unassigned:

Redevelopment		<u>(5,667,264)</u>
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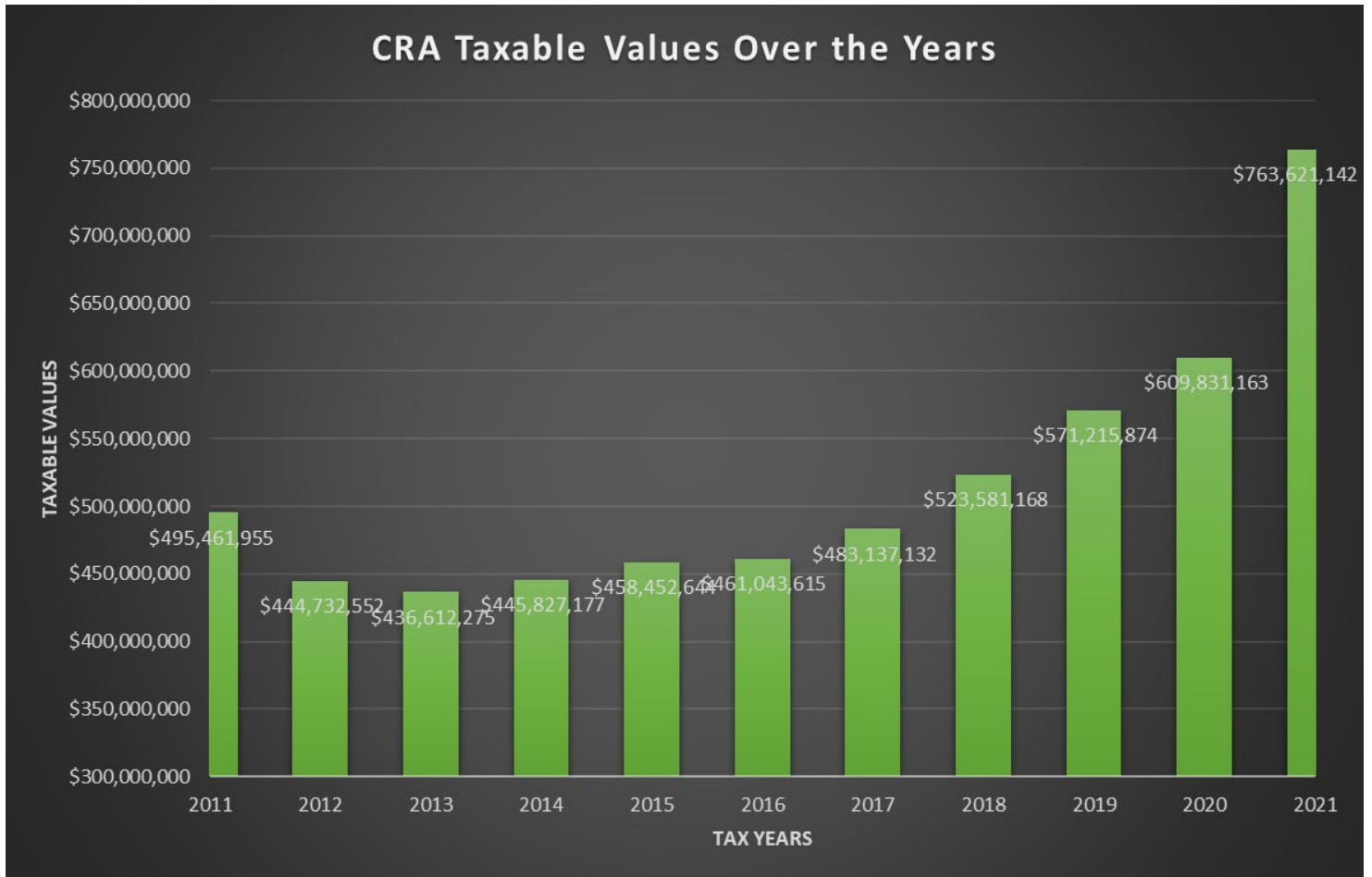
TOTAL FUND BALANCE (5,667,264)

TOTAL LIABILITIES AND FUND BALANCE \$ 2,527,917

Items of significance in the above Balance Sheet include:

- The CRA has purchased real estate with the intent of reselling to qualified private-sector purchasers to enable the properties to be redeveloped. The properties that have been acquired are located in economically distressed areas of the City. The properties are valued at \$2,040,000 at September 30, 2022.
- In FY 2014, the City advanced the CRA funds to pay off debt. Under the terms and conditions of the agreement, the CRA began repayment in FY2020-2021. At September 30, 2022, the advance totaled \$7,647,083.
- The negative fund balance is directly related to the Advance between the Agency and the City, mentioned above. The Agency's fund balance will remain negative until pays back the Advance of \$8,226,393.

CRA Taxable Values



*The original assessed property values within the CRA's area as of the day of creation (Base Year) is valued at \$366,805,411.





**COMMUNITY
REDEVELOPMENT
AGENCY** NEW PORT
RICHEY

Community Redevelopment Agency
5919 Main Street, New Port Richey, FL 34652
citynpr.org • 727-853-1016
Facebook, Twitter, Instagram: @citynpr