



CRA

NEW PORT RICHEY

ANNUAL REPORT

FISCAL YEAR 2022/2023



CRA Annual Report

Fiscal Year 2022-2023

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 2022–2023 are as follows:

Alfred C. Davis, Chairman
Matt Murphy, Board Member
Peter Altman, Board Member
Mike Peters, Board Member
Kelly Mothershead, Board Member

CRA STAFF

Debbie L. Manns, CRA Executive Director
Position Vacant, Economic Development
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, 2022 through September 30, 2023. 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

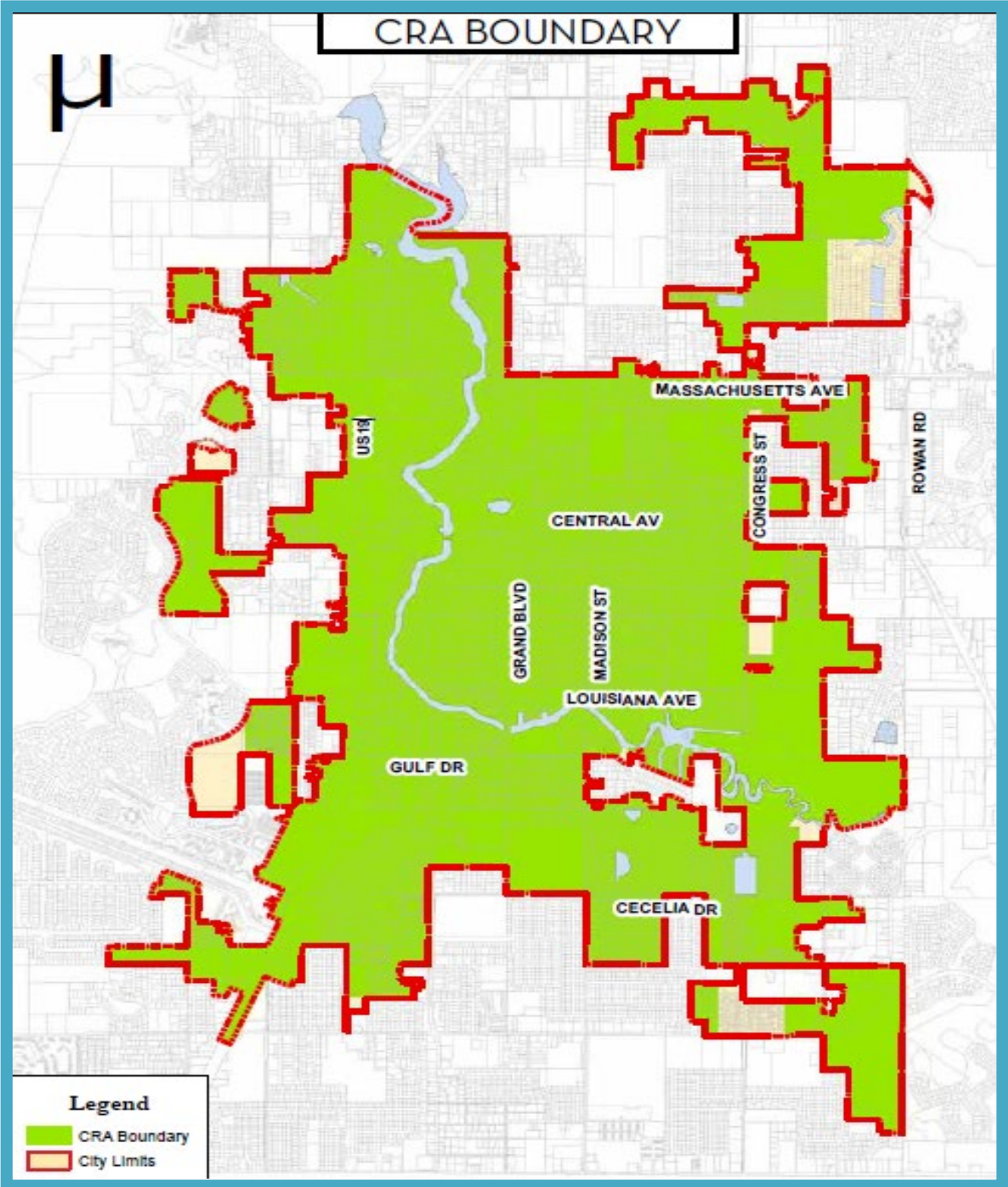
Authorized by Chapter 163, Part III, Florida Statutes, a community redevelopment agency is created to guide redevelopment activities that are designed to return properties to their highest and best use and to improve the economic vitality of a specially designated area, rendering it more appealing for 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



FY2022 — 2023 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. In the following pages a report of the Agency's activities covering the FY 2022-2023 will be provided.

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 has been completed. The hotel is designed to accommodate leisure or business travel, alone or with family members. The required parking for the project is accommodated through a mix of surface parking and use of a number of spaces in the adjacent parking structure. The owners of the hotel report that their business has been quite good at this location since in opening in July of 2023.



Zen Kitchen and Bar

Zen Kitchen & Bar is a brand-new dining experience which opened in the City's downtown on August 9, 2023 after 15 months of renovation work on the existing building at 6229 Grand Boulevard. The restaurant features truly memorable Asian-Fusion offerings in a well-appointed atmosphere.



Estuary

James Renew, chef and owner of a new contemporary restaurant, Estuary, brings chef-driven dining with a neighborhood feel to Downtown New Port Richey. The Estuary is known to feature local and seasonal foods as well as regional products. They are appreciated both for their dinners as well as their weekend brunch offerings.



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 9 different property and business owners, expending \$340,356 in grant funds.



Thomas Meighan Parking Lot

Parking lot improvements were completed at this location to provide for additional parking for visitors to the Downtown area. With the increase in interest of our local business community, additional parking is a necessity.



U.S. Highway 19

CRA staff have been focusing on potential assemblages of property which may be dedicated to improved use. Some of the advantages involved in the assemblage of property for redevelopment purposes could include the removal of obsolete structures, which if left unaddressed, could limit the possible reuse of the property.



Capital Projects & Purchases

FY2023 Budget vs. Actual

During the fiscal year, the CRA continued with two capital projects and the assemblage of property in anticipation of future CRA development. Below is a summary of Budget vs. Actual for FY2023.

Description	FY2023 Budgeted Amount	FY2023 Actual Expenditures
Property Assemblage	800,000	280,000
US Hwy 19/Main St Gateway Proj	380,000	226,763
Railroad Square Improvements	1,292,550	248,043
Streetscape Improvements	75,000	-
	2,547,550	754,806

FY2023 Business & Developer Incentive Grants

Type of Grant	Total Amount Awarded in FY2023
Developer Incentives	\$ 84,117
Commerical Interior Build-Out	47,784
Commerical Façade Improvement	49,749
Commerical Real Estate Redevelopment	106,856
Commerical Rent Reimbursement	51,850
	\$ 340,356

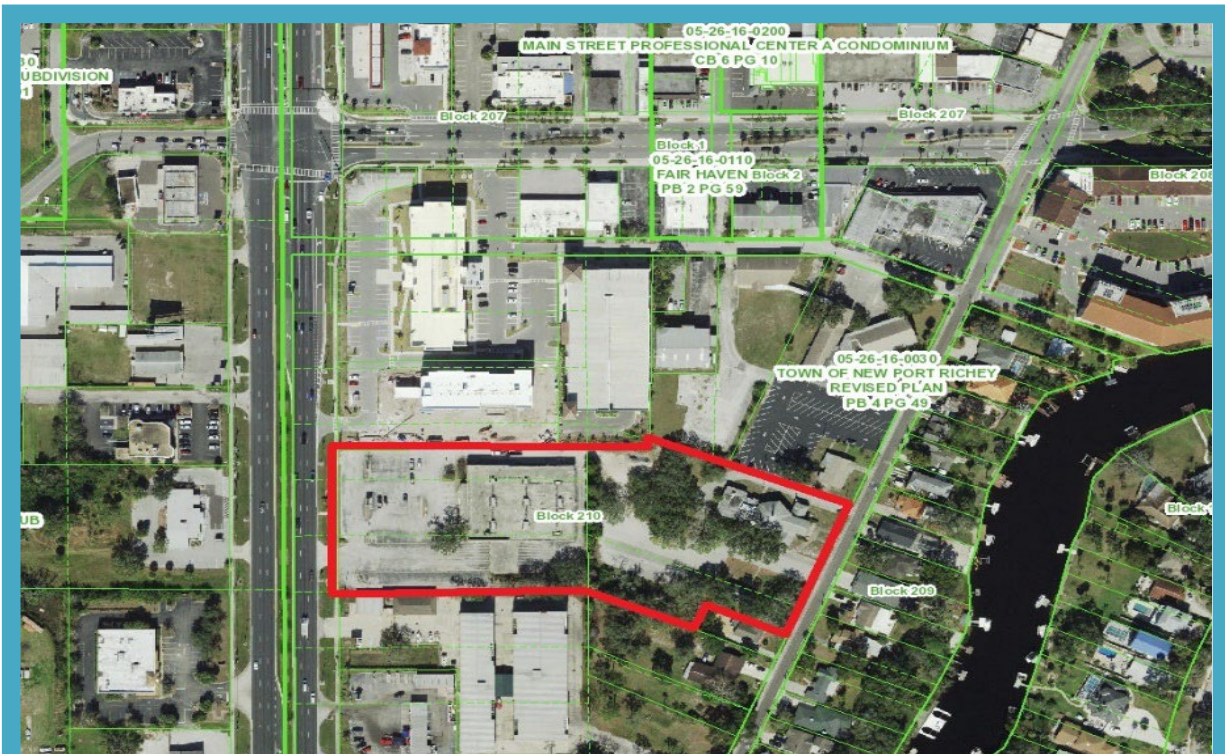


Redevelopment Projects from the 2023 CRA Plan

US HIGHWAY 19

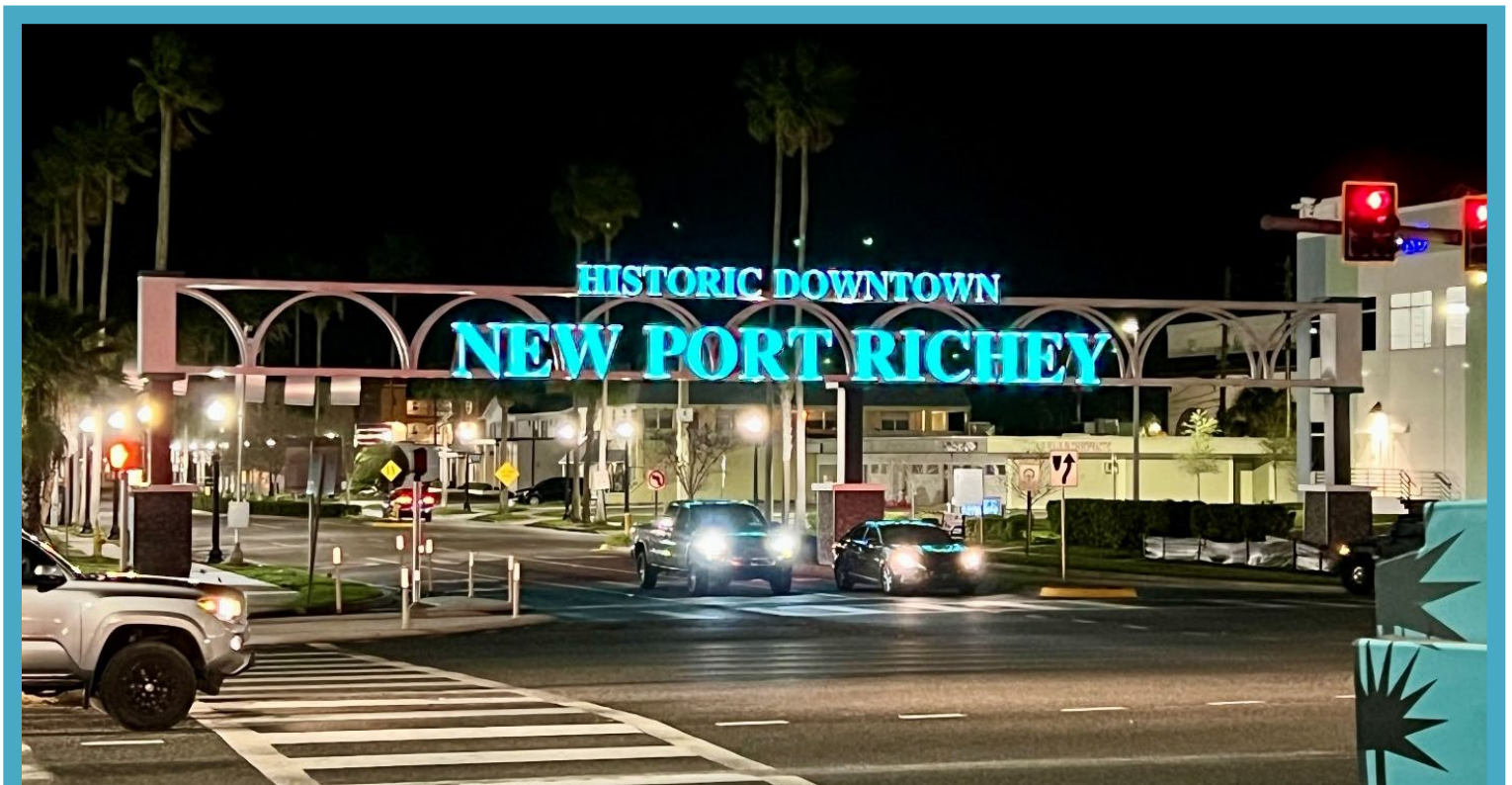
Former SunTrust & River Road Church Properties

In December of 2022, the CRA purchased the former SunTrust property on U.S. Highway 19 which is adjacent to the River Road property, also owned by the City. A request for proposal was originally projected for April 2023 which would solicit offers for design and construction of a residential community along with an inundation pond. As a result of several variables, to include the desire to acquire 5332 Acorn Street, the CRA has delayed the release of the RFP.



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. The project also includes the establishment of a monument sign on the southeast corner of Main Street and U.S. Highway 19 along with landscaping elements to adorn the entryway.



19 CORRIDOR

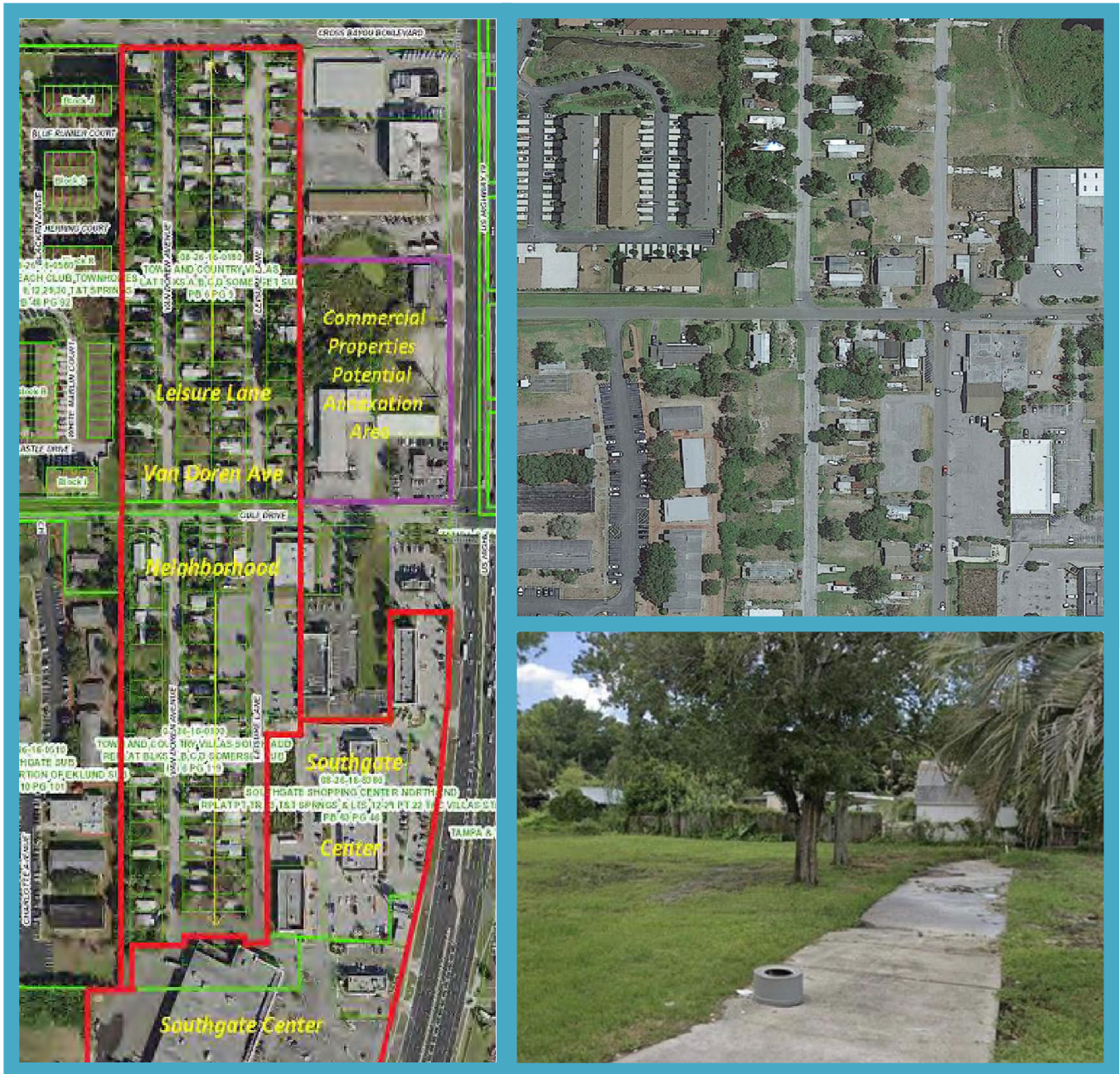
Magnuson Motel

The 3.67 acre waterfront property is located on the west side of U.S. Highway 19 at the Marine Parkway intersection. The property, up until recently, contained 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 Area

The City and Pasco County have reached an agreement related to the annexation of this area. The agreement calls for the addition of this area into the CRA District as well as the installation of many neighborhood improvements.



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, some preliminary design work has been achieved. The project though is not currently funded beyond the design work which has been accomplished.



DOWNTOWN

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 downtown business district. The first phase of 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, seating areas, landscaping, lighting, vendor areas, and installation of shade structures. In addition, improvements will be implemented at Cavalier Square as an important node in the overall plan design.



Vacant Property on Main Street South of the Hacienda Hotel

The property owner has shared several concepts with the City in respect to the development of the property. At the current time, the developer has indicated an interest in establishing retail uses fronting Main Street with residential units overhead and adjacent to the retail use. The developer has not attached any specific time frame to his plans for the development of the property.



PALM DISTRICT

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

This project calls for the redevelopment of this 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.



Streetscape Improvements

Assessments of the condition of the City's streetscape elements in the downtown area continue so that future plans will be developed to improve and update the existing amenities. In addition, banners and holiday display, as well hardscape items such as bike racks, planter and shade structures may be included in future projects.

MARINE DISTRICT

Former Community Hospital Site

The property, which is located on the northeast corner of Marine Parkway and Grand Boulevard, is under contract to a developer that plans to construct a residential development. Specifically, at this point in the planning stage, the project involves the establishment of 440 townhomes and apartments as well as some potential limited retail operations. The value of the proposed project is estimated to be \$150 million. The City staff is working very closely with the developer on the proposed layout of the project as well as the concept drawings of the residential units.



Former Schwettman Education Center

The property, which is located on Grand Boulevard 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

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

MARKETING

In FY 2022-2023, marketing efforts remained a crucial component in enhancing the city's image. Events and lifestyle photographs used in advertising and social media posts showcased the city's vibrance, enhancing community pride and visitor appeal. Additionally, brand assets including logos, fonts, and colors remained prominent in all communication materials. Traditional methods were employed in fiscal year 22-23, but emphasis was placed on the significance of social media and community outreach efforts in the updated marketing strategy.



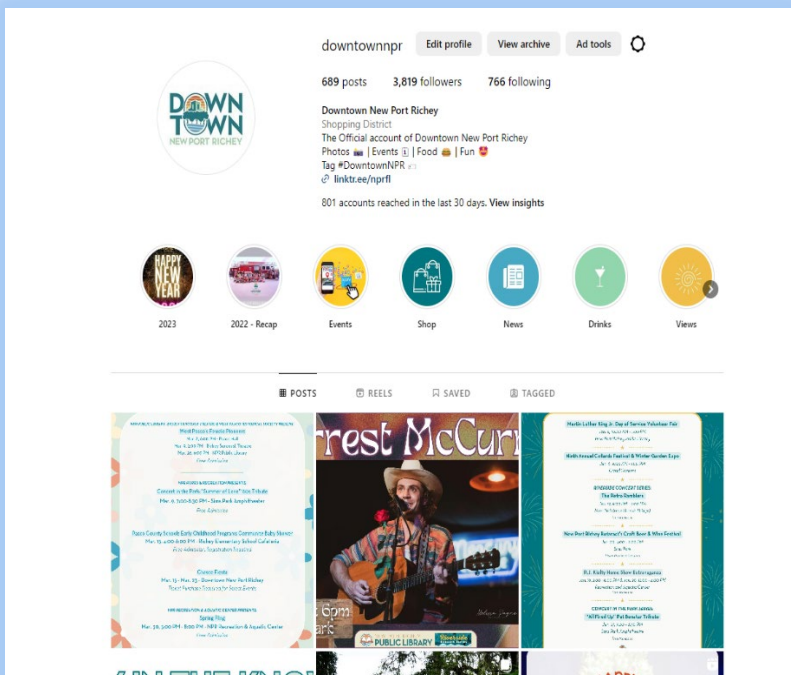
Downtown Facebook
(facebook.com/newportricheydowntown)

Followers: 22,132
Previous Year: 19,623



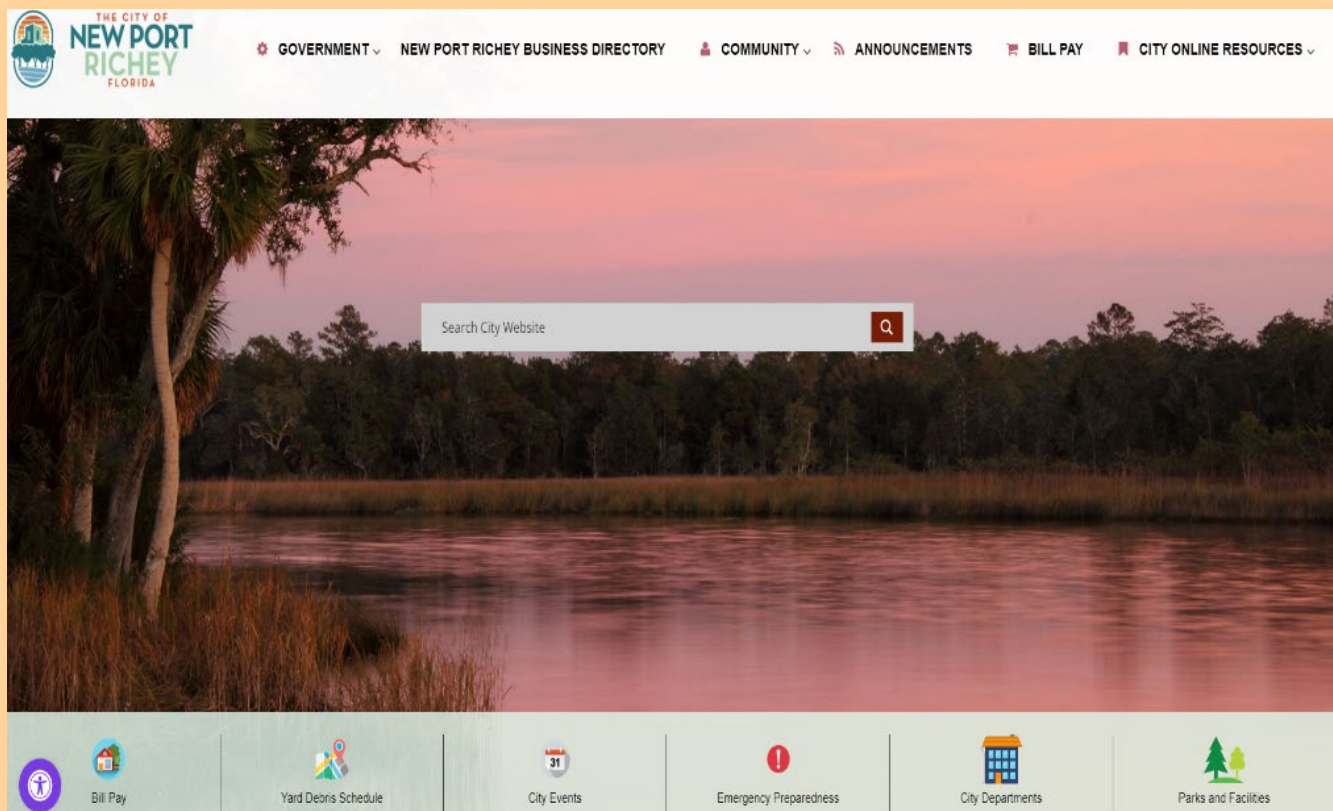
Downtown Instagram
(@downtownnpr)

Followers: 3,819
Previous Year: 3,302





WEBSITE



City of New Port Richey Website
www.cityofnewportrichey.org / www.citynpr.org

Total users from Oct. 1, 2022-Oct. 1, 2023: 180,000

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, 2023.

COMMUNITY REDEVELOPMENT AGENCY OF NEW PORT RICHEY, FL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended September 30, 2023
(UNAUDITED)

REVENUES	
Tax Increment Financing	\$ 2,908,279
Investment Income (Loss)	97,989
Miscellaneous revenues	<u>8,791</u>
TOTAL REVENUES	3,015,058
EXPENDITURES	
Current	
General government	672,723
Capital projects	<u>779,806</u>
TOTAL EXPENDITURES	<u>1,452,529</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,562,529</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	3,185,340
Transfers out	<u>(2,295,740)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>889,600</u>
NET CHANGE IN FUND BALANCE	2,452,129
FUND BALANCE - BEGINNING OF YEAR	<u>(6,910,080)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ (4,457,951)</u></u>

Items of significance in the above statement include:

- *Transfers In* includes \$3,185,340 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, 2023
(UNAUDITED)

ASSETS

Cash and pooled cash, cash equivalents, and investments	\$ 805,505
Accounts receivable, net	28,781
Redevelopment properties held for resale	<u>1,938,516</u>

TOTAL ASSETS \$ 2,772,803

LIABILITIES AND FUND BALANCE

LIABILITIES:

Accounts payable	\$ 67,681
Accrued liabilities	12,897
Advances from other funds	<u>7,150,175</u>

TOTAL LIABILITIES \$ 7,230,753

FUND BALANCE

Redevelopment	<u>(4,457,951)</u>
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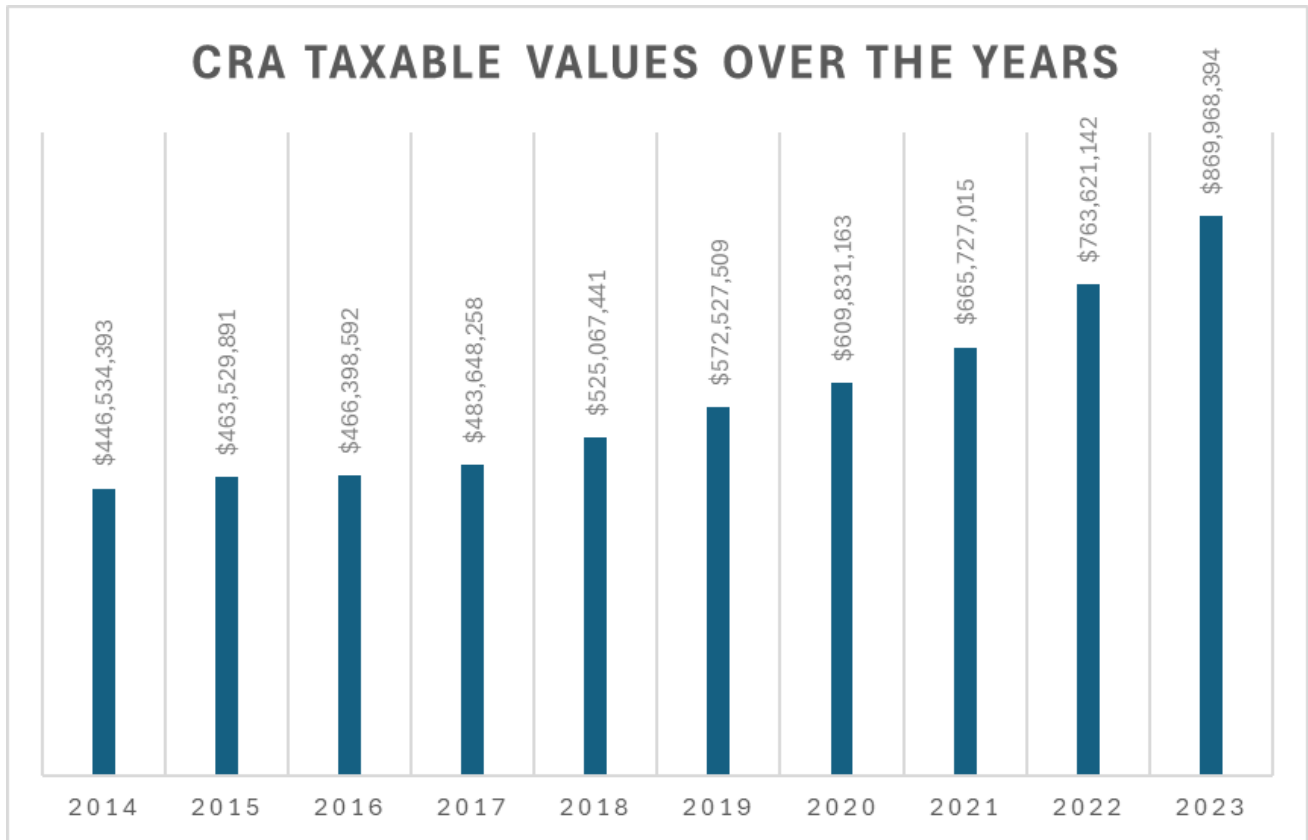
TOTAL FUND BALANCE (4,457,951)

TOTAL LIABILITIES AND FUND BALANCE \$ 2,772,803

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 \$1,938,516 at September 30, 2023.
- 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, 2023, the advance totaled \$7,150,175.
- 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 it 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

5919 MAIN STREET,
NEW PORT RICHEY, FL 34652



citynpr.org



(727) 853-1016



@citynpr