

TOWN OF DAVIE

TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: Monroe D. Kiar, Town Attorney / (954) 584-9770

SUBJECT: Ordinance

TITLE OF AGENDA ITEM: AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA ESTABLISHING A PROCEDURE FOR CONSIDERATION BY THE TOWN COUNCIL OF REQUESTS FOR EXEMPTIONS FROM THE OBLIGATION TO APPROPRIATE AN ANNUAL INCREMENT PAYMENT PURSUANT TO FLORIDA STATUTES SECTION 163.387(1); PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

REPORT IN BRIEF: The Town Attorney's Office has been requested by the CRA to prepare an ordinance granting the Town the ability to exempt special districts from the obligation to appropriate annual payments to the CRA tax increment fund in accordance with Section 163.387(1) of the Florida Statutes. That statute allows local governments to exempt special districts that levy ad valorem taxes within their communities from the obligation to make payments to the tax increment fund through a specified procedure. Before the Town may grant such an exemption to a special district under the provisions of this statute, the Town must first adopt a procedure for consideration of requests by special districts. This ordinance sets forth the procedure through which a special district may make a request to the Town for an exemption from making payments to the CRA tax increment fund.

PREVIOUS ACTIONS: None

CONCURRENCES: N/A

FISCAL IMPACT: None

RECOMMENDATION: Ordinance is suitable for Town Council Review

ATTACHMENTS: Ordinance

ORDINANCE _____

AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA ESTABLISHING A PROCEDURE FOR CONSIDERATION BY THE TOWN COUNCIL OF REQUESTS FOR EXEMPTIONS FROM THE OBLIGATION TO APPROPRIATE AN ANNUAL INCREMENT PAYMENT PURSUANT TO FLORIDA STATUTES SECTION 163.387(1); PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 163.387(2)(d)1, Florida Statutes, allows a local governing body that creates a community redevelopment agency under Section 163.356, Florida Statutes, to exempt a special district that levies ad valorem taxes within that community, redevelopment area from the annual obligation under Section 163.387(1), Florida Statutes, to appropriate and deposit to the community redevelopment trust fund the amount of the increment revenues (the "Payment Obligation"); and

WHEREAS, the Town Council, as the local governing body that created the Town of Davie Community Redevelopment Agency ("CRA"), may grant the exemption either in its sole discretion or in response to the request for the special district; and

WHEREAS, the Town Council desire to establish and adopt a procedure for consideration of requests by special districts for exemption from the obligation to appropriate an annual increment payment for the benefit of the CRA

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. A special district seeking an exemption from the Payment Obligation shall submit a written request for such exemption, which shall be in writing addressed to and delivered to the Town Administrator. The application shall be accompanied by a check payable to the Town of Davie in an amount determined to be sufficient by the Town of Davie, which shall be used by the Town to pay expenses it incurs in reviewing the application. The application shall address the considerations by the Town Council set forth below in deciding whether to grant the exemption. Beginning with requests for exemptions for Fiscal Year 2004-2005, any request for

exemption pursuant to these regulations must be submitted by a special district no less than sixty (60) days prior to the beginning of the Town's fiscal year.

SECTION 2. In deciding whether to deny or grant a special district's request for exemption from the Payment Obligation, the Town Council shall consider:

- a. Any additional revenue sources of the CRA which could be used in lieu of the special district's tax increment.
- b. The fiscal and operational impact on the CRA.
- c. The fiscal and operational impact on the special district.
- d. The benefit to the specific purpose for which the special district was created. The benefit to the special district must be based on specific projects contained in the approved community redevelopment plan for the community redevelopment area.
- e. The impact of the exemption on incurred debt and whether such exemption will impair any outstanding bonds that have pledged tax increment revenues to the repayment of the bonds.
- f. The benefit of the activities of the special district to the approved community redevelopment plan.
- g. The benefit of the activities of the special district to the Town, including a specific description of the manner in which funds of the special district will be spent in the Town.

SECTION 3. The Town Council shall hold a public hearing on a special district's request for exemption after public notice of the hearing is published in a newspaper having a general circulation in the Town of Davie. The notice shall describe the time, date, place, and purpose of the hearing and must identify generally the community redevelopment area covered by the plan and the impact of the plan on the special district that requested the exemption.

SECTION 4. If the Town Council grants the exemption to the special district, the Town and the special district shall promptly enter into an interlocal agreement that establishes the conditions of the exemption, including, but not limited to, the period of time for which the exemption is granted and a requirement that the special district submit an annual report of its activities and expenditures within the Town for the prior fiscal year.

SECTION 5. If the Town Council denies the request for the exemption by the special

district, the Town Council shall provide to the special district a written analysis specifying the rationale for such denial. This written analysis shall include, but not be limited to, the following information:

- a. A separated detailed examination of each consideration listed in Section 2 above.
- b. Specific examples of how the approved community redevelopment plan will benefit, and has already benefited, the purpose for which the special district was created.

SECTION 6. The decision to either deny or grant the exemption must be made by the Town Council within 120 days after the date the request for exemption, including the submission of all information responsive to Section 2 hereof, by the special district was filed with the Town.

SECTION 7. If any provision of or portion thereof contained in this Ordinance shall be deemed invalid or unconstitutional or unenforceable, the remainder of this Ordinance or portions thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

SECTION 8. This Ordinance shall become effective immediately upon its adoption.

PASSED ON FIRST READING this _____ day of _____, 2004

PASSED ON SECOND READING this _____ day of _____, 2005

MAYOR/COUNCILMEMBER

ATTEST:

TOWN CLERK

APPROVED THIS _____ day of _____, 2005