

MEMORANDUM

DATE: October 12, 2021

TO: Honorable Mayor and City Commissioners

VIA: James Slaton, City Manager

FROM: Michael Manning, Management Analyst

SUBJECT: Ordinance 2021-24, 2nd Reading and Public Hearing Approving the continued existence of the Lake Wales Community Redevelopment Agency

SYNOPSIS: *The City Commission will consider an ordinance to approve the continued existence of the Lake Wales Community Redevelopment Agency (CRA) through September 30, 2051.*

RECOMMENDATION

After second reading and separate public hearing, it is recommended that the City Commission take the following action:

1. Approve Ordinance 2021-24, approving the continued existence of the Lake Wales Community Redevelopment Agency through September 30, 2051.

BACKGROUND

The Community Redevelopment Agency is considering the issuance of a Revenue Note, Series 2021 in an amount not to exceed \$18,500,000 to provide financing for redevelopment activities related to implementation of the Lake Wales Connected Plan. The Series 2021 Note is expected to be issued later this year and have a term of at least twenty years, in which case it would mature in 2041. In order to issue such long-term debt, the City will be required to extend the life of the CRA (set to expire September 30, 2029) since tax increment will be used to repay the debt.

The Florida Legislature recently amended the redevelopment statutes to provide that redevelopment agencies will generally terminate no later than September 30, 2039 unless the governing body of the city which created the agency approves its continued existence by a majority vote. The attached ordinance would constitute the City Commission's majority approval for continued existence of the CRA.

The City Commission approved the ordinance on first reading on October 5, 2021.

OPTIONS

Decline to adopt the ordinance and direct staff to pursue alternative funding options for implementation of the Lake Wales Connected Plan.

FISCAL IMPACT

By extending the life of the CRA from September 30, 2029 to September 30, 2051, the CRA will be eligible to facilitate issuance of long-term debt for purposes of financing redevelopment activities related to implementation of the Lake Wales Connected Plan.

ATTACHMENTS

Ordinance 2021-24