CS/HB 9 Community Redevelopment Agencies

- The Community Redevelopment Act authorizes counties and municipalities to create community redevelopment agencies (CRAs) as a means of redeveloping slums and blighted areas. They operate under a community redevelopment plan that is approved by the local governing body. CRAs are primarily funded by tax increment financing, calculated based on the increase of property values inside the boundaries of the agency.
- **CS/HB 9** increases accountability and transparency for CRAs by:
  - Requiring the governing board members of a CRA to undergo four hours of ethics training annually;
  - Requiring each CRA to use the same procurement and purchasing processes as the creating county or municipality;
  - Expanding the annual reporting requirements for CRAs to include audit information and performance data and requiring the information and data to be posted on the agency website;
  - Providing that moneys in the redevelopment trust fund may only be expended pursuant to an annual budget adopted by the board of commissioners of the CRA, and only for those purposes specified in current law, beginning October 1, 2019;
  - Authorizing the local governing body creating the CRA to adjust the level of tax increment financing available to the CRA;
  - Requiring a CRA created by a municipality to provide its budget and any amendments to the board of county commissioners for the county in which the CRA is located by a time certain; and
  - Requiring counties and municipalities to include CRA data in their annual financial report.
- The bill provides that the creation of new CRAs on or after October 1, 2019, may only occur upon approval at a county-wide referendum held during a primary or general election and approved by two-thirds of the qualified electors.
- The bill provides for the phase-out of existing CRAs at the earlier of the expiration date stated in the agency’s charter or on September 30, 2039, with the exception of those CRAs with any outstanding bond obligations. However, the governing board of a creating local government entity may prevent the phase-out of a CRA by a two-thirds vote to retain the agency.
- The bill provides a process for the Department of Economic Opportunity to declare a CRA inactive if it has reported no revenues, no expenditures, and no debt for three consecutive fiscal years.