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| Meeting Date |
| 02/06/18 |



| AGENDA | |
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| Section | Unfinished Business |
| Item No. | V.A. |

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

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| SUBJECT: | Interlocal Agreement between Brevard County Board of County Commissioners and the City of Cocoa Beach and the Cocoa Beach Community Redevelopment Agency. |
| DEPT/OFFICE: | County Manager's Office |

Requested Action:

It is requested that the Board of County Commissioners discuss the attached options relating to an Interlocal Agreement between Brevard County Board of County Commissioners and the City of Cocoa Beach and the Cocoa Beach Community Redevelopment Agency and provide staff direction. Authorize the Chair to execute any Interlocal Agreement approved by the Board of County Commissioners.

Summary Explanation & Background:

On May 10, 2017 the Board of County Commissioners, in regular session, directed the County Manger to move forward with interlocal agreement negotiations with Community Redevelopment Agencies (CRAs). On June 9, 2017 the County Manager and County Attorney began negotiations with the City of Cocoa Beach, City Manager. As a result of those negotiations the City of Cocoa Beach executed a proposed Interlocal Agreement for the Board of County Commissioners consideration. On October 10, 2017 the Board considered the proposed Interlocal Agreement and directed further negotiations requesting the following language be included in the CRA Interlocal Agreement: "Nothing in this agreement shall be interpreted as modifying the authority of the Board of County Commissioners as outlined in Section 3(b) of Resolution 08-128."

County staff discussed the requested revision with the City Manager and his staff on multiple occasions. Most recently, on February 1, 2018, the County request was reconsidered by the Cocoa Beach Community Redevelopment Agency Board. The Board did not vote to accept the County's proposed change. The Board voted to adopt the Interlocal Agreement executed by the City of Cocoa Beach Downtown Cocoa Beach Community Redevelopment Agency sent to the Brevard County Board of Commissioners on October 10, 2017. As the City of Cocoa Beach and the CRA have not agreed to the changes proposed by the Board, the County Manager and County Attorney are recommending the following options for the Board's consideration:

- Option 1: Approve the Interlocal Agreement set forth by the City of Cocoa Beach and the CRA attached as Exhibit "A". (Note: The County has corrected scrivener's errors in Interlocal Agreement submitted to the Board on 10/10/17).
- Option 2: Approve the Interlocal Agreement set forth by the City of Cocoa Beach with the changes requested by the Board on 10/10/17 attached as Exhibit "B" and direct County staff to continue discussion with Cocoa Beach staff.
- Option 3: Continue without an Interlocal Agreement with the City of Cocoa Beach.
- Option 4: Any other direction provided by the Board of County Commissioners

Clerk to the Board Instructions:

Exhibits Attached: Exhibit A: Proposed Interlocal Agreement submitted to BOCC by Cocoa Beach on 10/10/17; Exhibit B: Revised Interlocal Agreement requested by BOCC on 10/10/17.

Contract /Agreement (If attached): Reviewed by County Attorney Yes X No PR

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|--------------------------------|--|---------------------------------|
| County Manager Frank Abbate | Assistant County Manager John Denninghoff | Department Director / Extension |
| | Interim Assistant County Manager Jim Liesenfelt | |



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

February 7, 2018

MEMORANDUM

TO: Frank Abbate, County Manager

RE: Item V.A., Interlocal Agreement with City of Cocoa Beach and City of Cocoa Beach Community Redevelopment Agency (CRA) for Direction of Options

The Board of County Commissioners, in regular session on February 6, 2018, approved Option 1, accepting the Interlocal Agreement set forth by the City of Cocoa Beach and the City of Cocoa Beach CRA; and authorized the Chair to execute the Interlocal Agreement. Enclosed is the executed Interlocal Agreement.

Upon execution by the City of Cocoa Beach and the City of Cocoa Beach Community Redevelopment Agency, please return a fully-executed Interlocal Agreement to this office for inclusion in the official record.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe

Tammy Rowe, Deputy Clerk

/kp

Encl. (1)

cc: Contracts Administration
Finance
Budget

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT entered into the 6 day of February 2018, by and between the CITY OF COCOA BEACH, a Florida municipal corporation, (hereinafter "the CITY"), the CITY OF COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY, (hereinafter "the CRA"), and BREVARD COUNTY, a political subdivision of the State of Florida, in its own name and in behalf of each County Taxing Authority, as defined in section 2b., below, (hereinafter collectively called "the COUNTY").

WITNESSETH:

WHEREAS, on January 29, 2008, the citizens of the City of Cocoa Beach by referendum voted to authorize the establishment of a Downtown Community Redevelopment Agency (CRA); and,

WHEREAS, on April 3, 2008, the Cocoa Beach City Commission adopted Resolution No. 2008-13 requesting Brevard County to delegate to the City Commission the powers to create a Downtown Cocoa Beach Community Redevelopment Agency; and

WHEREAS, the Brevard County Board of Commissioners, pursuant to Section 3. Conditions authorized the delegation of authority provided in Resolution No. 08-128 to the City of Cocoa Beach for a period of 25 years from the date of the creation of the City's Community Redevelopment Agency; and,

WHEREAS, the Downtown Cocoa Beach Community Redevelopment Agency is the only CRA, that has been approved by Brevard County, in the City of Cocoa Beach; and,

WHEREAS, with this authority, on August 20, 2009, the Cocoa Beach City Commission adopted Resolution No. 2009-20, finding the need for a CRA given the City's July 2009 "Finding of Necessity", as required by §163.355, Florida Statutes, in the possible creation of a CRA. This Resolution also identified the Redevelopment boundary area; and,

WHEREAS, the Cocoa Beach City Commission adopted Resolution No 2009-28 on November 19, 2009, establishing the Downtown Cocoa Beach Community Redevelopment Agency (CRA); and

WHEREAS, the County and City hereby find that collaboration in the advancement of these goals will be in the best interests of both the City and the County and will promote efficiency in the process.

WHEREAS, the CITY and COUNTY have continuously paid their respective full CRA Tax Increment Trust Fund ("TIF") payments required by § 163.387(1), Florida Statutes, and CITY Ordinance No. 837 to the CRA since the first fiscal year of the CRA's operation; and

WHEREAS, the COUNTY is facing certain budget issues relating to road maintenance, construction and reconstruction due to county charter restrictions on ad valorem tax revenues and other factors; and

WHEREAS, the COUNTY has evaluated multiple options to address these budget issues; and

WHEREAS, part of a solution to the County budget concerns would involve negotiation of an interlocal agreement with various cities and CRAs with the goal of working toward reducing or ceasing the County's future annual CRA TIF contributions in order to utilize those funds for road maintenance, construction, and reconstruction for road construction and reconstruction; and

WHEREAS, the CITY and COUNTY have enjoyed an excellent relationship over the years, and desire to cooperate in achieving the County's road program goals; and

NOW, THEREFORE, the parties mutually agree as follows:

1. **RECITATIONS.** The foregoing recitations are true and correct and are incorporated herein by reference.
2. **DEFINITIONS.** The terms below shall have the indicated meanings.
 - a. "Increment" or "Tax Increment" shall have the same meaning as "increment" as set forth in §163.387(1)(a), Florida Statutes.
 - b. "County Taxing Authority" means Brevard County, through its Board of County Commissioners and any County established Municipal Services Taxing Unit (MSTU) or dependent special districts in behalf of which the County levies taxes or approves a budget to the extent such MSTU or dependent special district is required to contribute a tax increment to the TIF established by the City for the CRA in accordance with the requirements of section 163.387, Florida Statutes.
3. **AUTHORITY.** This agreement is being entered into under the authority vested in the parties by §163.387(3)(b), Florida Statutes and, pursuant to that authority, supersedes any provision or requirement set forth in §163.387, to the extent of any conflict with this agreement and that statutory provision.
4. **EXPIRATION OF COUNTY CRA PAYMENT AND CRA.** In accordance with §163.387(3)(b), Florida Statutes, notwithstanding any provision in §163.387, Florida Statutes to the contrary, after December 15, 2033, the COUNTY shall no longer be required to contribute a tax increment of any amount to the CRA Trust Fund. The parties agree that the CRA shall expire on December 31, 2033 and that the CITY and COUNTY shall take such actions as may be required to terminate the CRA on that date.

5. **COUNTY TIF PAYMENT.** The COUNTY will continue its annual contribution to the CRA TIF as required by §163.387, Florida Statutes, in every fiscal year between FY 2017-2018 and FY 2033-2034, however, in no event shall the COUNTY continue to make a tax increment payment into the CRA TIF after December 15, 2033.

6. **COUNTY ADDITIONAL OBLIGATION.** The County agrees to abide by all of Section 1. A through dd- Attachment A- adopted County Resolution 08-128 through the expiration date of the CRA, as provided in that Resolution. With respect to Section 3.B of County Resolution 08-128, the County agrees to not revoke the delegation of authority to the CITY or to designate the Board of County Commissioners as the Community Redevelopment Agency prior to December 31, 2033.

7. **CITY USE OF TIF PAYMENT.** The CITY represents and agrees that the CITY shall apply no less than 75% of the annual COUNTY tax increment solely for the payment of debt service on bonds, the proceeds of which are dedicated to the payment of costs incurred by the CITY in the construction of a downtown parking garage.

CITY PAYMENT INTO CRA TIF. Nothing in this agreement shall be deemed to prevent the City from continuing to contribute into the CRA TIF through the expiration date of the CRA, which shall be December 31, 2033; provided, however, in no event shall the City be required to pay any amount that would violate prepayment provisions or other terms of the bonds; and further provided that City and CRA agree and acknowledge that no COUNTY tax increment will be available to pay any debt service on any CRA bonds after December 15, 2033.

8. **CITY ADDITIONAL OBLIGATIONS.**

- A. The City agrees to provide staff to support the Community Redevelopment Agency, whose duties shall include but not be limited to:
 - 1. To follow the Community Redevelopment Plan that was approved by the City and County that conforms with Sections §163.360 and §163.362, Florida Statutes.
 - 2. To administer any trust fund(s) established pursuant to Section §163.387, Florida Statutes, provided, the CITY and CRA agree to limit expenditures, from the County Increment, for administrative staff provided to the CRA to an amount not to exceed 5% of the total County increment.
 - 3. To ensure that tax increment funds are spent only on those purposes authorized in Section §163.387, Florida Statutes.
- B. The Cocoa Beach Downtown Redevelopment Agency (CRA) agrees not to extend, add or incur any indebtedness to the CRA pledging or requiring any payment of COUNTY tax increment or other COUNTY funds toward CRA debt service after December 31, 2033.

C. The CITY shall not extend the CRA beyond December 31, 2033 and the CRA agrees to not ask for extension of the CRA.

9. **ANNUAL AUDIT; REPORT; AND MEETING.** Each year, the CRA shall prepare and submit to the COUNTY a report in the form set forth in Exhibit A, attached hereto. The CRA or CITY shall also submit the annual CRA audit report required by section 163.387(8), Florida Statutes. The CITY and CRA agree to contractually require the independent auditor preparing that audit report to examine CRA expenditures and certify that all CRA TIF revenues have been lawfully expended solely in compliance with and for the community redevelopment purposes authorized under the provision of chapter 163, Part III, Florida Statutes. The City Manager of the CITY or Chairperson of the CRA governing body shall annually meet with the County Commissioner in whose District the CRA is located to discuss the annual and audit reports. The CITY and COUNTY agree that, in accordance with its authority under section 125.01(x), Florida Statutes, at any time during the term of this agreement the COUNTY shall have the right to require the CRA to retain an independent auditor to conduct a performance audit paid for by the County. At the discretion of the County, any performance audit of the CRA required by the COUNTY shall, at the discretion of the COUNTY, include any or all of the matters specified in the definition of "performance audit" set forth in section 11.45(1)(h), Florida Statutes (2016).

10. **PROJECT IDENTIFICATION.** The CRA, CITY and COUNTY agree that the CRA plan shall specifically identify the CRA redevelopment projects to be funded with the County tax increment and the amount of County increment funds proposed to be allocated to each such project. CRA projects are identified in the adopted Redevelopment Plan, as it may be amended from time to time. Nothing in this section shall prevent the CRA, in its discretion, from reallocating plan approved funding to other projects identified in the approved CRA plan.

11. **EFFECT, AMENDMENT AND TERM OF AGREEMENT.**

- A. This agreement, including the exhibits and all documents and papers delivered pursuant hereto, and any written amendments hereto executed by the parties to this agreement constitute the entire agreement between the parties and supersedes all prior agreements and understandings, oral or written, among the parties to this agreement with respect to the subject matter hereof.
- B. This agreement may be amended only by written agreement approved and executed with the same formalities as this Agreement by all parties.
- C. This agreement shall terminate on December 31, 2033.

12. **ATTORNEY'S FEES.** In the event any litigation arises out of this Agreement or under this Agreement, each party shall bear its own attorney's fees and costs.

13. **NOTICES.** All notices, requests, demands and other communications which are required or may be given under this agreement shall be in writing and, in the case of notice to the City or County Manager, by email. Notice shall be deemed to have been duly given if emailed and by personal delivery or deposit of the same in first class mail, postage prepaid by certified mail:

CITY:

City Manager/CRA Director
City of
Cocoa Beach
2 S. Orlando
Avenue
Cocoa Beach, FL 32931
(email address available at City
Website)

CRA:
Manager

CRA/Director C/O City

CRA of Cocoa Beach
2 S. Avenue
Cocoa Beach, FL 32931

COUNTY:

County Manager
2725 Judge Fran Jamieson
Way
Melbourne, FL 32940
(email address available at County
Website)

or to such other addresses such by notice in writing to any other parties.

14. **GOVERNING LAW.** The validity, construction and enforcement of and the remedies under this agreement shall be governed in accordance with the laws of the State of Florida, and venue of any proceeding shall be Brevard County, Florida.

15. **SAVINGS CLAUSE.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed on this the first date first above written.

CITY OF COCOA BEACH

By: James P McKnight
Its: CITY MANAGER

CITY OF COCOA BEACH COMMUNITY
REDEVELOPMENT
AGENCY

By: [Signature]
Its: CMA BOARD MEMBER

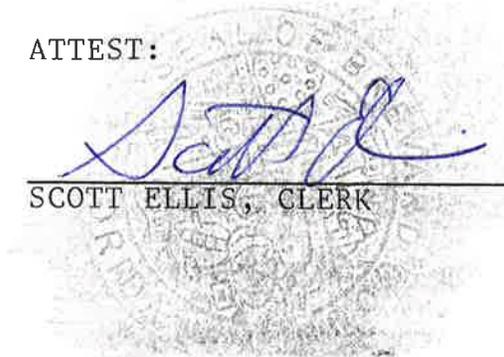
BREVARD COUNTY

By: [Signature]
Rita Pritchett, Chair

(as approved by the Board on Feb. 6 2018)

ATTEST:

[Signature]
SCOTT ELLIS, CLERK





City of Cocoa Beach
P.O. Box 322430, 2 South Orlando Avenue
Cocoa Beach, Florida 32932-2430
www.cityofcocoa beach.com



March 9, 2018

Frank Abbate
Brevard County Manager
2725 Judge Fran Jamieson's Way
Building C
Viera, FL 32940

Re: Interlocal Agreement – City of Cocoa Beach Community Redevelopment Agency

Dear Mr. Abbate:

Attached is the original Interlocal Agreement regarding the City of Cocoa Beach Community Redevelopment Agency.

If you have any questions, please do not hesitate to contact our office at your earliest convenience.

Sincerely,

Mary E. Turner

RECEIVED

MAR 12 2018

County Manager's
Office