

EASTPORT BUSINESS CENTER

Community Redevelopment Agency Port Orange, Florida

ANNUAL REPORT FY 2012/2013

THIS IS EASTPORT

The Eastport Business Center Community Redevelopment Area (CRA) is situated within the eastern portion of Port Orange, west of and adjacent to the Florida East Coast Railroad. This area historically served as the industrial core of the City.

The creation of the Eastport Business Center Community Redevelopment District in 1995 was the first of many steps to be undertaken by the City to diversify its tax base, bolster Eastport's image and desirability as a major employment center, and increase opportunities for higher wage manufacturing and industrial jobs within the City.

Based on the Volusia County Property Appraiser's 2012 Final Tax Roll data, Eastport is currently comprised of one hundred thirty-nine (139) tax parcels constituting approximately two hundred seventy

(270) acres of land. The total taxable value within Eastport stands at \$27,694,833.

Eastport is also a Tax Increment Financing District, which is a dependent special district of the City of Port Orange. The Eastport Tax Increment Financing District targets ad valorem tax revenues to this area to fund infrastructure improvements and other programs as outlined in the Redevelopment Plan to help ensure that Eastport remains a viable economic center for decades to come.

The County of Volusia and Halifax Hospital participate in the Tax Increment Trust Fund and are valued partners in the City's redevelopment efforts.



The Eastport Business Center CRA, outlined in red above, is approximately 270 acres in size and represents 1.24% of the City's total tax base.

EASTPORT GOALS AND OBJECTIVES

The Eastport Business Center Redevelopment Plan, adopted in 1995 and updated in 2010, establishes a series of goals, objectives and policies designed to help Eastport maintain its position as an important industrial center within the community. The four (4) primary goals of the plan are:

GOAL 1—Stimulate new development, redevelopment and investment;

GOAL 2—Establish the area as a primary employment center offering full-time skilled labor positions;

GOAL 3—Promote business retention and assistance in expansion, renovation, and improvement efforts; and

GOAL 4—Improve the physical condition to meet modern business park development criteria.

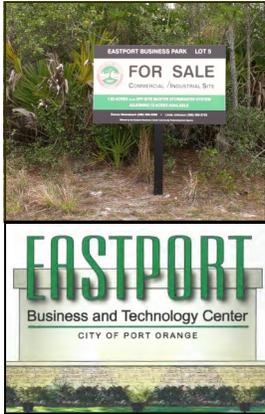
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SPECIAL POINTS OF INTEREST:

- Eastport is home to many of the City's top manufacturers that do business throughout the country and around the globe.
- The Eastport Business Center CRA was created in 1995.
- Eastport's taxable value has more than doubled since establishment of the CRA.

REDEVELOPMENT ACTIVITIES UPDATE



Top: Marketing sign for the two CRA owned lots in Eastport.

Bottom: Proposed identification sign for Dunlawton Ave./Spruce Creek Rd. intersection.

Implementation of the plans, projects and programs identified in the Eastport Redevelopment Plan is largely dependent on available revenues.

During FY 2012/2013, the Eastport CRA operated with an adopted budget of \$323,250. Of that amount, nearly 55% was slated to fulfill debt service obligations. This left a very limited amount of funding for plan implementation.

The landscaping enhancements at the Spruce Creek Rd./Dunlawton Ave. inter-

section were designed and constructed as part of the Dunlawton Drainage Project, which allowed the landscaping to be funded with non-CRA funds.

Eastport identification signage is also planned for this intersection. The bid was awarded for this sign in February 2014 and is scheduled to be complete by Fall 2014.

The businesses located within Eastport were listed on the City's website.

Marketing & business retention activities were also undertaken in Eastport during the fiscal year, as well as maintenance of the marketing signs for the two CRA owned lots in Eastport.

TIF Revenues may only be spent on redevelopment plans, projects and programs, as identified in the adopted CRA Plan.

Tax Increment Financing, often referred to as "TIF", is a financial method employed to target ad valorem tax revenues to an area that has been designated for redevelopment. Upon creation of a TIF district, a base year for property values within the district is established. Growth in the taxable value of property within the district over time is then applied to the current ad valorem millage rate, resulting in the tax increment revenue. This increment

revenue is then deposited into a special Trust Fund account and may only be spent on redevelopment activities that are identified in the adopted redevelopment plan. The ad valorem millage from Volusia County (including General Fund, Echo, Forever, Mosquito Control and Ponce Inlet Port Authority), the City of Port Orange Operating and Halifax Hospital comprise the tax increment millage in Eastport.

The 2012/2013 adopted budget for the Eastport Tax Increment Fund (Fund #102), anticipated \$171,411 in TIF revenue. The City's unaudited figures show actual receipt of \$166,085 from TIF, and \$1,050 in interest, for total revenues of \$167,135.

FINANCIAL STATEMENT & DEBT SERVICE



The 2006 Eastport TIF note funded \$2.5 million in capital improvements in the Eastport CRA.

The Annual Financial Statement of each CRA in the State of Florida is required to set forth the Agency's assets, liabilities, income and operating expenses as of the end of the fiscal year. This information is presented on the following page.

The Eastport Business Center CRA operates on an October 1st - September 30th fiscal year.

The Debt Service Schedule for the Eastport Business

Center CRA is available from the City's Finance Department. It is also available on the Eastport CRA page of the City's website.

The initial \$2.5 million note, issued in 2006, has an interest rate of 3.922% and is projected to be paid off by FY 2025. The majority of these funds were used for infrastructure improvements, including construction of Eastport Parkway and extending potable water and

sanitary sewer lines, to help create the Eastport Business Park. Master planned stormwater improvements were also constructed.

The debt service payment for the 2006 Eastport TIF Note for FY 2012/2013 was \$178,833.

FINANCIAL STATEMENT

| | Audited FY 2012 | Unaudited FY 2013 |
|--|--------------------|----------------------|
| Assets | | |
| Equity in pooled cash | 454,014 | 407,974 |
| Prepaid items | 4,802 | 4,882 |
| Total | 458,816 | 412,856 |
| Liabilities | | |
| Accounts payable and accrued liabilities | 1,006 | 1,916 |
| Total | 1,006 | 1,916 |
| Revenues | | |
| City TIF | 79,676 | 63,915 |
| County TIF | 101,911 | 85,543 |
| Halifax Hospital TIF | 28,168 | 16,627 |
| Interest on Investments | 1,816 | 1,050 |
| Total | 211,571 | 167,135 |
| Expenditures | | |
| Salaries and Wages | 36,134 | 19,523 |
| FICA Taxes | 2,566 | 1,318 |
| Retirement Contributions | 5,473 | 8,836 |
| Health Insurance | 1,694 | 955 |
| Workmans Compensation | 32 | 17 |
| EAP Benefit | 10 | 6 |
| Other Prof. Services | 0 | 340 |
| Employee Training | 375 | 0 |
| Communication Services | 251 | 213 |
| Commercial Policy Ins. | 4,769 | 4,802 |
| Printing and Binding | 105 | 0 |
| Advertsing Expense | 0 | 340 |
| Insurance 504 | 1,605 | 876 |
| Transfer to 506 Bldg. Maint. Fund | 6,134 | 6,643 |
| Office Supplies | 249 | 0 |
| Other Operating Supplies | 350 | 0 |
| Dues & Membership | 396 | 175 |
| Professional Services | 0 | (8,872) |
| Transfer to 217 Eastport Note | 177,657 | 178,833 |
| Total | 237,800 | 214,005 |
| Net change in fund balance | | |
| Net change in fund balance | (26,229) | (46,870) |
| Fund balance - beginning | 484,039 | 457,810 |
| Fund balance - ending | 457,810 | 410,940 |

EASTPORT BUSINESS CENTER COMMUNITY REDEVELOPMENT AGENCY

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**We're on the web!
www.port-orange.org**

AGENCY BOARD

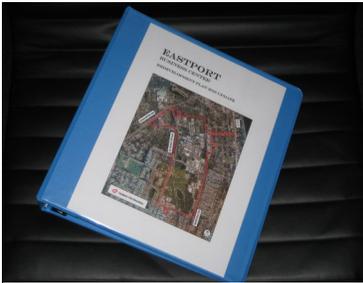
Mayor Allen Green, Chairman
Vice-Mayor Donald O. Burnette, Vice Chair
Council Member Dennis A. Kennedy
Council Member Bob Ford
Council Member Drew Bastian
Corey Berman
Ted Noftall

Staff support provided by:

Gregory A. Kisela, City Manager
Margaret Roberts, City Attorney
Penelope Cruz, Principal Planner
Bridgette King, Financial/Budget Analyst

This Annual Report has been prepared in compliance with the requirements of Chapter 163.356(3)(c), Florida Statutes. The notice of the availability of this report has been published in the Daytona Beach News Journal. Additionally, the governing body of each special district is required under Chapter 163.387(8) to annually provide an independent financial audit of its trust fund to each taxing authority that pays into the trust fund. This audit of the Agency's assets, liabilities, income and expenses, as required under Chapter 163.356(3)(3) is included with the City's Comprehensive Annual Financial Report (CAFR) for each fiscal year.

REDEVELOPMENT PLAN & REDEVELOPMENT TRUST FUND PARTNERS



The Eastport Business Center Redevelopment Plan - Update 2010 is available for review on the City's website.

Redevelopment plans, projects and programs are made possible through tax increment financing. The County of Volusia and Halifax Health, along with the City of Port Orange, contribute to the Eastport Business Center Tax Increment Trust Fund. All revenue derived from tax incre-

ment financing is deposited into the Trust Fund. All expenditure of TIF revenues must be consistent with the plans, projects and programs outlined in the adopted Eastport Business Center Redevelopment Plan.

The Eastport Business Center Redevelopment Plan was originally adopted in 1995. A complete update of the Plan was undertaken throughout 2009, culminating with the adoption of the Eastport Business Center Redevelopment Plan - Update 2010. This updated Plan guides redevelopment activities in Eastport until the sunset of the CRA in 2036.



HALIFAX HEALTH