

EASTPORT BUSINESS CENTER

Community Redevelopment Agency Port Orange, Florida

ANNUAL REPORT FY 2013/2014

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.

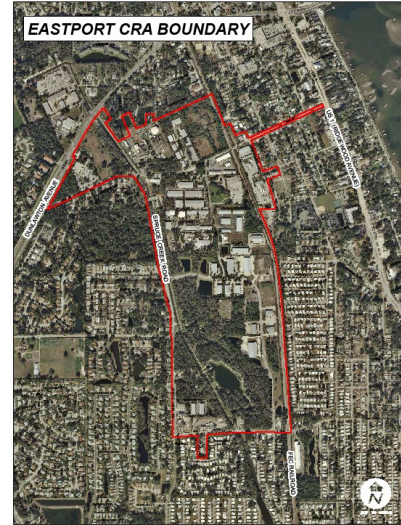
The creation of the Eastport Business Center Community Redevelopment District in 1995 was the first of many steps to be undertaken by the City to diversify its tax base, bolster Eastport's image and desirability as a major employment center, and increase opportunities for higher wage manufacturing and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

Eastport is comprised of one hundred thirty-nine (139) tax parcels constituting approximately two hundred seventy (270) acres of land. Based on the Volusia County Property Appraiser's 2013 Final Tax Roll

data, the total taxable value within Eastport stands at \$27,048,455. Based on the Volusia County Property Appraiser's 2014 Final Tax Roll data, the total taxable value within Eastport stands at \$27,302,279.

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 1.11% 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.

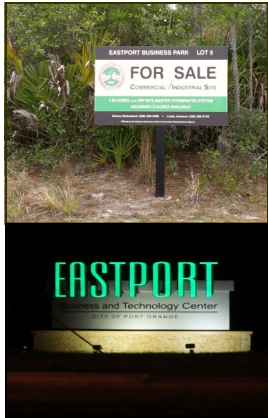
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SPECIAL POINTS OF INTEREST:

- 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: Identification sign at night at the 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 2013/2014, the Eastport CRA operated with an adopted budget of \$303,478. Of that amount, nearly 59% was slated to fulfill debt service obligations. This left a very limited amount of funding for plan implementation.

The Eastport Business and Technology Center identification sign, located at the intersection of Dunlawton Avenue and Spruce Creek Road, was completed in Fall 2014.

Marketing & business retention activities were also undertaken in Eastport during the fiscal year. This included, but was not limited to, working with Team Volusia on the East Volusia County Site Assessment. The city-owned 1.92-acre Lot 5 in the Eastport Business

Center is one of the two Port Orange sites selected for the assessment. The assessment analyzed assets, challenges, and past marketing efforts and provided marketing recommendations.

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

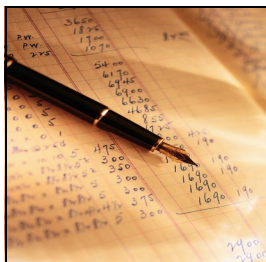
TAX INCREMENT FINANCING

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 2013/2014 adopted budget for the Eastport Tax Increment Fund (Fund #102), anticipated \$156,274 in TIF revenue. The City's unaudited figures show actual receipt of \$159,526 from TIF, and \$2,788 in interest, for total revenues of \$162,315.

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.

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 storm-water improvements were also constructed.

The debt service payment for the 2006 Eastport TIF Note for FY 2013/2014 was \$179,813.

FINANCIAL STATEMENT

Eastport	Port Orange Audited FY13	Port Orange Unaudited FY14
Assets:		
Equity in pooled cash	\$ 407,974	\$ 343,095
Receivables - Net	\$ -	\$ -
Prepaid items	\$ 4,882	\$ 4,950
Total	\$ 412,856	\$ 348,045
Liabilities:		
Due to other funds	-	\$ 44,080
Customer deposits	-	\$ 740
Accounts payable and accrued liabilities	\$ 1,916	\$ -
Total	\$ 1,916	\$ 44,820
Sources (Revenues):		
City TIF	\$ 63,915	\$ 59,619
County TIF	\$ 85,543	\$ 87,220
Halifax Hospital TIF	\$ 16,627	\$ 12,687
Miscellaneous (includes transfers)	\$ 1,050	\$ 2,788
Total	\$ 167,135	\$ 162,314
Expenditures		
Salaries and Wages	\$ 19,523	\$ 24,181
FICA Taxes	\$ 1,318	\$ 1,678
Retirement Contributions	\$ 8,836	\$ 3,374
Health Insurance	\$ 955	\$ 1,409
Workmans Compensation	\$ 17	\$ 23
EAP Benefit	\$ 6	\$ 8
Other Professional Services	\$ 340	-
Communication Services	\$ 213	\$ 139
Commercial Policy Insurance	\$ 4,802	\$ 4,882
Advertising Expense	\$ 340	\$ 679
Insurance 504	\$ 876	\$ 1,197
Transfer to 506 Bldg. Maint. Fund	\$ 6,643	\$ 6,966
Dues and Memberships	\$ 175	\$ 858
Professional Services	\$ (8,872)	-
Transfer to 217 Eastport Note	\$ 178,833	\$ 179,813
Total	\$ 214,005	\$ 225,208
Net change in fund balance	\$ (26,229)	\$ (62,894)
Fund balance - beginning	\$ 456,742	\$ 430,513
Fund Balance - Ending	\$ 430,513	\$ 367,619

EASTPORT BUSINESS CENTER COMMUNITY REDEVELOPMENT AGENCY

AGENCY BOARD

Mayor Allen Green, Chairman
Vice-Mayor Drew Bastian, Vice Chair
Council Member Donald O. Burnette
Council Member Bob Ford
Council Member Scott Stiltner
Vacant
Vacant

Staff support provided by:

David Harden, Interim City Manager

Margaret Roberts, City Attorney

Tracey Riehm, Finance Director

Lori Wolfe, Accounting Manager

Wayne Clark, Community Development Director

Penelope Cruz, Principal Planner

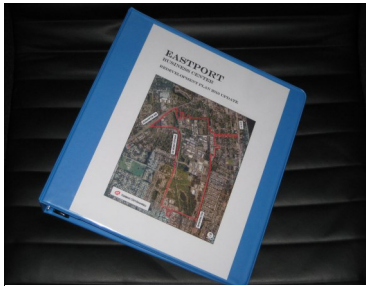
City of Port Orange
1000 City Center Circle
Port Orange, FL 32129

Phone: 386-506-5671
Fax: 386-506-5699
e-mail: pcruz@port-orange.org

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

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