

# EASTPORT BUSINESS CENTER

Community Redevelopment Agency Port Orange, Florida

## ANNUAL REPORT FY 2015/2016

### 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 Final Tax Roll data,

there was \$422,282 increase in taxable value between 2015 and 2016. The 2016 total taxable value within Eastport stands at \$28,418,748.

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 1.02% 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.

#### TABLE OF CONTENTS:

This is Eastport	1
Eastport Goals and Objectives	1
Redevelopment Activities Update	2
Tax Increment Financing	2
Financial Statement & Debt Service	2 & 3
Agency Board	4
Redevelopment Plan & Trust Fund Partners	4

#### 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



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

During FY 2015/2016, the Eastport CRA operated with an adopted budget of \$187,834. Of that amount, nearly 96% was slated to fulfill debt service obligations. This left a very limited amount of funding for plan implementation.

In July 2016, Antonina's Artisan Bakery (previously Pie Guy) opened at 4470 Eastport Parkway. The company looked at numerous communities in Alabama, Florida, and Georgia prior to selecting a property in Port Orange. Staff worked with Team Volusia Economic Development Corporation to secure the relocation of the company from New England. The facility when fully operational will employ 40 individuals and will create 100 direct and indirect jobs in Volusia County within 3 years. Additionally, the property will see an increase in taxable valuation of the property with the estimated property improvements and the added manufacturing and office equipment.

The City contracted with SVN Alliance Commercial Real Estate Advisors to assist in the sale of the last two City-owned lots in the Eastport Business Park, among other properties. In August 2016, one of the lots located at 4460 Eastport Parkway was sold for private development for \$150,000. The remaining lot continues to be actively marketed.

*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 2015/2016 adopted budget for the Eastport Tax Increment Fund (Fund #102), anticipated \$187,834 in TIF revenue. The City's unaudited figures show actual receipt of \$165,329 from TIF, and \$2,419 in interest, for total revenues of \$167,748.



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

## FINANCIAL STATEMENT & DEBT SERVICE

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 stormwater improvements were also constructed.

The debt service payment for the 2006 Eastport TIF Note for FY 2015/2016 was \$181,184.

**FINANCIAL STATEMENT**

<b>Eastport</b>	<b>Port Orange Audited FY15</b>	<b>Port Orange Unaudited FY16</b>
<b>Assets:</b>		
Equity in pooled cash	\$ 322,179	\$ 288,251
Receivables - Net	\$ -	\$ -
Prepaid items	\$ 5,116	\$ 5,227
<b>Total</b>	<b>\$ 327,295</b>	<b>\$ 293,478</b>
<b>Liabilities:</b>		
Due to other funds	\$ -	\$ -
Customer deposits	\$ -	\$ -
Accounts payable and accrued liabilities	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Sources (Revenues):</b>		
City TIF	\$ 59,471	\$ 59,699
County TIF	\$ 88,722	\$ 92,649
Halifax Hospital TIF	\$ 12,929	\$ 12,981
Miscellaneous (includes transfers)	\$ 2,389	\$ 2,419
<b>Total</b>	<b>\$ 163,511</b>	<b>\$ 167,748</b>
<b>Expenditures</b>		
Commercial Policy Insurance	\$ 4,950	\$ 5,116
Advertising Expense	\$ 679	\$ 82
Operating Supplies/Postal Service	\$ -	\$ 8
Insurance 504	\$ -	\$ -
Transfer to 506 Bldg. Maint. Fund	\$ -	\$ -
Dues and Memberships	\$ 548	\$ 175
Other Grants & Aid	\$ -	\$ 15,000
Professional Services	\$ -	\$ -
Transfer to 217 Eastport Note	\$ 180,596	\$ 181,184
<b>Total</b>	<b>\$ 186,773</b>	<b>\$ 201,565</b>
Net change in fund balance	\$ (23,262)	\$ (33,817)
Fund balance - beginning	\$ 350,557	\$ 327,295
<b>Fund Balance - Ending</b>	<b>\$ 327,295</b>	<b>\$ 293,478</b>

# EASTPORT BUSINESS CENTER COMMUNITY REDEVELOPMENT AGENCY

## AGENCY BOARD

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

Staff support provided by:

M.H. Johansson, City Manager

Margaret Roberts, City Attorney

Tracey Riehm, Finance Director

Nadia Todor, Accountant II

Wayne Clark, Community Development Director

Penelope Cruz, Principal Planner

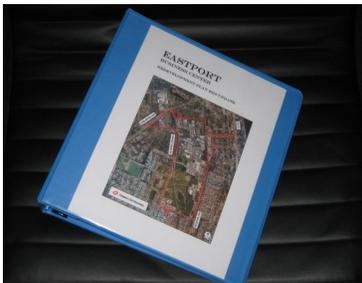
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**We're on the web!**  
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*This Annual Report has been prepared in compliance with the requirements of Chapter 163.356(3)(c), Florida Statutes. The notice of the availability of this report has been 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**