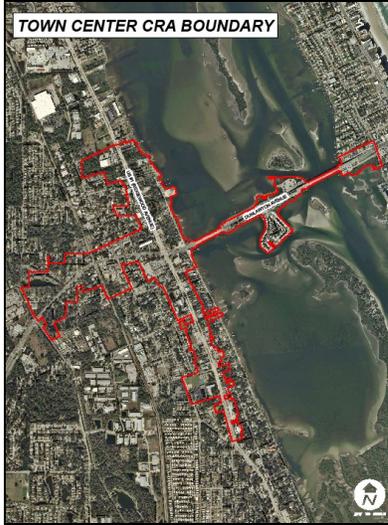


PORT ORANGE TOWN CENTER

Community Redevelopment Agency Port Orange, Florida

ANNUAL REPORT FY 2011/2012

THIS IS TOWN CENTER



The Port Orange Town Center CRA, outlined in red above, is approximately 271 acres in size and represents 1.66% of the City's total tax base.

The Port Orange Town Center Community Redevelopment District is comprised of three hundred and seven (307) parcels constituting two hundred seventy-one (271) acres of land situated within the eastern section of Port Orange. This area historically served as the commercial core of the City. The creation of the Port Orange Town Center Community Redevelopment District in 1998 was the first of many steps to be undertaken by the City to ensure that this historic area of the community remains a viable center of commercial and civic activity.

The vision for the "rebirth" of Town Center includes a strong emphasis on mixed-use development that embraces traditional patterns of urban and architectural design. The goal is to create a signature destination that reestablishes Port

Orange's image as a premier waterfront community.

Port Orange Town Center is comprised of five (5) Special Character Districts. These Special Character Districts are; Riverwalk, Causeway, Down Under, Dunlawton Village, and Ridgewood Avenue. Each of these districts have their own unique attributes and opportunities, but they all share the same vision of a revitalized "heart of Port Orange"; a unique place within the community that blends history, culture and public access to the water.

The 35-acre Riverwalk Project Area, located east of U.S. 1/Ridgewood Avenue and north of Dunlawton Avenue, has been the focal point for the redevelopment efforts and investment in Town Center.

TOWN CENTER GOALS AND OBJECTIVES

GOALS

1. Develop five (5) **Special Character Districts** recognizing that these areas are distinct in terms of uses and built environment;
2. Identify and **promote land uses and zoning** which are compatible with the special character districts and the overall POTC visions;
3. Introduce **mixed-use development** comprised of commercial, office and residential uses and active programming to draw people to POTC;

4. Develop a **coordinated design concept** for open space, streetscape, furniture and recreation facilities in a manner that emphasizes the nautical history and location of POTC;
5. Identify suitable locations for **housing** and promote a variety of dwelling types to complement the mixed-use nature of POTC;
6. Establish **architectural guidelines** to provide architectural consistency within the special character districts over time;
7. Provide for an **interconnected transportation network** which aims at balancing the

needs of pedestrians, cyclists and vehicles;

8. Identify and **secure all feasible sources of funding**, including tax increment financing (TIF) revenues, that will aid in implementing the Redevelopment Plan throughout both short and long term; and

9. Identify and **offer an array of incentives to encourage redevelopment** and revitalization of POTC through realization of specific plan objectives over time.

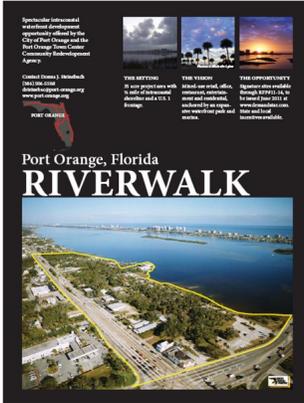
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SPECIAL POINTS OF INTEREST:

- The Community Redevelopment Agency for Port Orange Town Center ("Town Center") was created in 1998.
- The Riverwalk Project Area comprises 35 acres out of the total 270 acres in Town Center.
- The taxable values in Town Center have grown 25% since 1998.

REDEVELOPMENT ACTIVITIES UPDATE



This ad for RFP #11-4 appeared in Florida Trend, Urban Land and Shopping Centers Today.

Throughout the fiscal year negotiations continued for the exchange of lands in the Riverwalk area with Port Orange Riverwalk LLP, Port Orange Riverwalk LLC, and Halifax River Partners, LLC. This group was the sole respondent to RFP#12-2, issued by the City and Town Center CRA in February 2012. RFP #12-2 was issued after no responses were received to a prior RFP, #11-4, issued in June 2011. The earlier RFP sought one or more developers, whereas RFP #12-2 focused solely on

the sale, purchase or exchange of property in the Riverwalk Project Area.

The goals of the property exchange is to secure the waterfront lands the City and CRA desire to develop the long envisioned Riverwalk Park. The property exchange would also place lands previously acquired by the City and CRA for redevelopment purposes back into private hands and back on the tax rolls.

As property negotiations in Riverwalk continued, the

CRA undertook substantial under brushing of its land in Riverwalk, and installed signage inviting the public to use and enjoy this waterfront open space as it awaits redevelopment.

Landscape Median enhancements in Town Center were also advanced during FY 2011/2012 with a Joint Participation Agreement for funding with the Florida Department of Transportation. Fully designed with CRA funds, the median enhancements are slated for installation in Spring 2013.

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 Town Center.

The FY 2011/2012 adopted budget for the Port Orange Town Center Fund (Fund

#103), anticipated \$125,968 in TIF revenue. The City's unaudited figures show actual receipt of \$124,437 from TIF, and \$33,662 in rents & miscellaneous income, for total revenues of \$158,099.

FINANCIAL STATEMENT & DEBT SERVICE



The 2007 Town Center TIF Bond Issue raised \$5.6 million in capital for redevelopment activities.

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 facing page.

The Community Redevelopment Agency for Port Orange Town Center operates on an October 1st - September 30th fiscal year.

In 2007, the Agency pledged its tax increment revenues to support a \$5.6 million bond issue to fund redevelopment activities in Town Center.

The majority of the bond proceeds were used to fund property acquisitions in the Riverwalk Project Area. The total debt service payment for the 2007 Town Center TIF Bond for FY 2011/2012 was \$296,241.27. This

represents a payment of \$50,000 in Principal and \$246,241.27 in Interest.

The Debt Service Schedule for the Town Center CRA is available from the City's Finance Department and Redevelopment Agency Office. It is also available on the City's website. The 2007 Town Center TIF Bond is projected to be paid off by 2036.

FINANCIAL STATEMENT

Town Center	Audited FY2011 Balance	Unaudited FY2012 Balance	
Acct Description in G/L	Balance	Balance	Description per CAFR/report
CASH	226,005	328,087	Cash and cash equivalents
ACCOUNTS RECEIVABLE	181	181	
TENNANT RENT (HAL TRL PK)	676	676	
SUSPENSE ACCOUNT	(10)	(10)	
	847	847	Accounts receivable
DUE FROM 110 FUND	-	-	Due from other funds
DUE FROM VOLUSIA COUNTY	570	-	Due from other governments
PROPERTY/WORKER COMP	-	4,802	Prepaid expenses
ACCOUNTS PAYABLE	1,837	317	
DUE TO STATE SALES TAX	(29)	91	
ACCRUED PR. YR. END	1,267	866	
ACCRUED PAY. DED YR END	89	60	
	3,164	1,334	Accounts payable & accrued liabilities
DEPOSITS	740	740	Customer Deposits
DUE TO 508 FUND	404,233	708,397	
DUE TO 001	-	44,000	
	404,233	752,397	Due to other funds
CURRENT AD VALOREM	58,950	47,267	Taxes
TAX INCREMENT FUNDS	98,840	77,170	Intergovernmental
HAILFAX MOBILE HOME PARK	-	-	Charges for services
INTEREST ON INVESTMENTS	975	(211)	
RENTS & ROYALTIES	37,139	7,664	
CARDWELL LEASE	28,982	24,000	
ATLANTIC MARINE LEASE	2,211	2,209	
	69,307	33,662	Miscellaneous (including rents)
	227,097	158,099	Total Revenues
TRANSFER FROM 001	-	44,000	
TRANSF FROM 626	296,947	-	
TRANSFER FROM 110 FUND	-	-	
	296,947	44,000	Transfers in
SALARIES AND WAGES	42,981	48,038	
FICA TAXES	2,859	3,411	
RETIREMENT CONTRIBUTIONS	6,919	7,205	
HEALTH INSURANCE	2,202	2,259	
WORKMANS COMPENSATION	49	43	
EAP BENEFIT	14	14	
LEGAL SERVICES	-	2,399	
OTHER PROF. SERVICES	4,898	-	
CONTRACT SERVICES OTHER	-	30,792	
MOWING SERVICES	8,920	20,650	
TRAVEL PER DIEM	773	-	
EMPLOYEE TRAINING	-	590	
COMMUNICATION SERVICES	523	601	
ELECTRICAL SERVICES	326	552	
LIBRARY IMPACT/UTILITY	3,277	2,230,20-	
DRAINAGE	5,247	5,247,00-	
COMMERCIAL POLICY INS	4,679	4,769	
REGULAR MAINT/INSP EQUIP	-	381	
ADVERTISING EXPENSE	17,230	-	
TAXES, LICENSES, AND FEES	12,134	10,726	
INSURANCE 504	2,451	2,407	
TRF TO 506 BLDG MAINT FD	7,442	6,134	
OFFICE SUPPLIES	170	134	
OTHER OPERATING SUPPLIES	2,957	-	
DUES & MEMBERSHIPS	802	310	
	126,851	141,415	General/Economic expenditures
BUILDINGS AND IMP. TO PROJ PROFESSIONAL SERVICE	5,380	-	Capital outlay
	5,380	-	
INTEREST INTERNAL LOANS	9,799	9,440	
OTHER DEBT SERVICE	2,500	-	
	12,299	9,440	Debt Service
	144,530	150,854	Total expenditures
TRANSFER TO 218 FUND	298,242	298,742	Transfers out
	81,272	(247,498)	Net change in fund balance
	(261,987)	(180,715)	Fund balance - beginning
	(180,715)	(428,213)	Fund balance - Ending

COMMUNITY REDEVELOPMENT AGENCY FOR PORT ORANGE TOWN CENTER

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
Ben Talluto
Suzette Blahnik

City of Port Orange
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e-mail: dsteinebac@port-orange.org

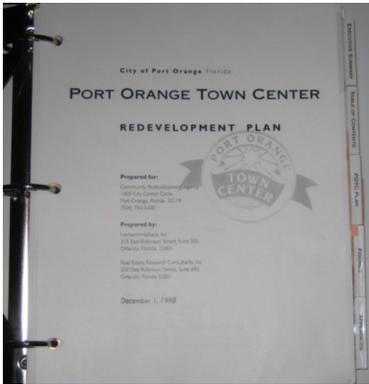
Staff support provided by:

Gregory A. Kisela, City Manager
Margaret Roberts, City Attorney
Donna J. Steinebach, Assistant to the City Manager

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 Port Orange Town Center Redevelopment Plan 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 Port Orange Town Center Redevelopment Tax Increment Trust Fund. All revenue derived from tax increment financing is deposited into the Trust Fund. All expenditures of TIF revenues must be consistent with the plans, projects and programs outlined in the adopted Community Redevelopment Plan for Port Orange Town Center.

The Town Center Redevelopment Plan was originally adopted in 1998. An amendment to the Plan was adopted in 2007 to facilitate redevelopment in the Riverwalk Project area. The Redevelopment Plan will continue to be used to guide redevelopment activities throughout the entire Town Center Community Redevelopment Area until the sunset of the CRA in 2036.



HALIFAX HEALTH