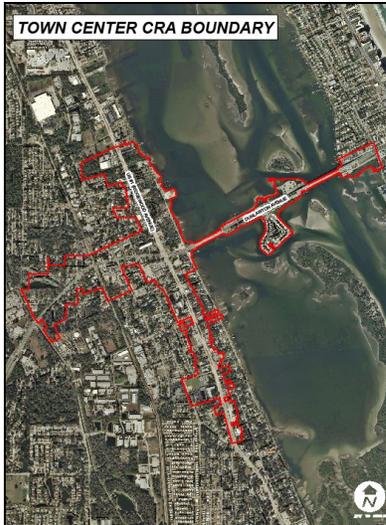


PORT ORANGE TOWN CENTER

Community Redevelopment Agency Port Orange, Florida

ANNUAL REPORT FY 2013/2014

THIS IS TOWN CENTER



The Port Orange Town Center CRA, outlined in red above, is approximately 271 acres in size and represents 1.57% 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. 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 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 **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 271 acres in Town Center.
- The taxable values in Town Center have grown 30% since 1998.



REDEVELOPMENT ACTIVITIES UPDATE

The landscape median enhancements in Town Center were completed in April 2014.

The Ridgewood Corridor Plan was adopted on January 15, 2013. The plan study area is approximately 2.86 miles from Dunlawton Avenue south to the Rose Bay Bridge. Within the study area, the Port Orange Town Center CRA extends from Dunlawton Avenue to just south of Norman Street (~30% of the study area). Implementation of the Ridgewood Corridor Plan has begun, including expedited plan review for targeted businesses, flexibility for small-scale special events, and targeted Code Enforcement sweeps.

The Ridgewood Development District zoning district was also amended to remove “contractor yard” and “motel” from the list of permitted uses. Thereafter, the City purchased the Dusk to Dawn Motel located in the CRA (4545 Ridgewood Ave.) in September 2014. The motel is currently set for demolition and the property will be used as green space.

The City also purchased a lot in the CRA located at 4190 Ridgewood Ave. (adjacent to Fire Station #71) and the low-lying residential structure has been demolished.

An activity-focused marketing effort is also in development to promote outdoor and water-based activities and businesses along the Ridgewood corridor to build on the area as a unique destination.

Council and the CRA approved the Conceptual Master Plan for the Riverwalk Park in February 2014. Design and permitting of the northern section (Phase 1A and 1B) is currently underway. Phase 1A, from the Chamber building north to the property line abutting Intercoastal Villas along the shoreline of the Halifax River to US1, is estimated to be open to the public by the end of 2015. This portion of the project includes: Kayak/Canoe launch, restrooms, portion of the boardwalk and upgrades to the existing fishing pier, wave break, crossover bridge and the northern portion of the 12' wide trailway.



TAX INCREMENT FINANCING

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 Town Center.

The FY 2013/2014 adopted budget for the Port Orange Town Center Fund (Fund #103), anticipated \$83,132 in TIF revenue. The City’s unaudited figures show actual receipt of \$83,724 from TIF, and \$29,121 in rents & miscellaneous income, for total revenues of \$112,846.

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 following 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 2013/2014 was \$319,542. This represents a payment of \$105,000 in Principal and \$242,042 in Interest less \$30,000 of appropriated equity plus \$2,500 in Other Debt Service .

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

FINANCIAL STATEMENT

| Town Center | Port Orange Audited FY13 | Port Orange Unaudited FY14 |
|--|-----------------------------|-------------------------------|
| Assets: | | |
| Equity in pooled cash | \$ 388,207 | \$ 262,660 |
| Receivables, net | \$ - | \$ - |
| Prepaid items | \$ 4,882 | \$ 4,950 |
| Total | \$ 393,089 | \$ 267,610 |
| Liabilities: | | |
| Accounts payable and accrued liabilities | \$ 236 | \$ - |
| Customer deposits | \$ 740 | \$ 740 |
| Due to other funds | \$ 752,397 | \$ 752,477 |
| Total | \$ 753,373 | \$ 753,217 |
| Sources (Revenues): | | |
| City TIF | \$ 46,879 | \$ 31,290 |
| County TIF | \$ 9,112 | \$ 6,659 |
| Halifax Hospital TIF | \$ 35,027 | \$ 45,775 |
| Property Tax Recovery | \$ - | \$ 3,684 |
| Transfer from Fund 508(Loan Pool) | \$ - | \$ 210,000 |
| State Grant | \$ - | \$ 17,150 |
| Miscellaneous (includes transfers) | \$ 31,045 | \$ 29,121 |
| Total | \$ 122,063 | \$ 343,680 |
| Expenditures: | | |
| Salaries and Wages | \$ 21,733 | \$ 9,672 |
| FICA Taxes | \$ 1,460 | \$ 671 |
| Retirement Contributions | \$ 3,534 | \$ 1,269 |
| Health Insurance | \$ 1,161 | \$ 530 |
| Workmans Compensation | \$ 21 | \$ 9 |
| EAP Benefit | \$ 8 | \$ 3 |
| Contract Services Other | \$ 2,900 | \$ - |
| Communication Services | \$ 1,037 | \$ 207 |
| Electrical Services | \$ 539 | \$ 587 |
| Library Impact / Utility | \$ 585 | \$ 421 |
| Commercial Policy Insurance | \$ 4,802 | \$ 4,882 |
| Taxes, Licenses, and Fees | \$ 3,803 | \$ 3,684 |
| Insurance 504 | \$ 1,168 | \$ 479 |
| Transfer to 506 Bldg. Maint. Fund | \$ 6,643 | \$ 6,966 |
| Dues and Memberships | \$ 175 | \$ 858 |
| Professional Services | \$ - | \$ 84,736 |
| Interest Internal Loans | \$ 11,222 | \$ 17,116 |
| Transfer to 281 Town Center Bond | \$ - | \$ 319,542 |
| Total | \$ 60,790 | \$ 451,632 |
| Net change in fund balance | \$ 61,273 | \$ (107,952) |
| Fund balance - beginning | \$ (421,778) | \$ (360,505) |
| Fund Balance - Ending | \$ (360,505) | \$ (468,457) |

COMMUNITY REDEVELOPMENT AGENCY FOR PORT ORANGE TOWN CENTER

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
Ben Talluto
Suzette Blahnik

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

Staff support provided by:

David Harden, Interim City Manager

Margaret Roberts, City Attorney

Tracey Riehm, Finance Director

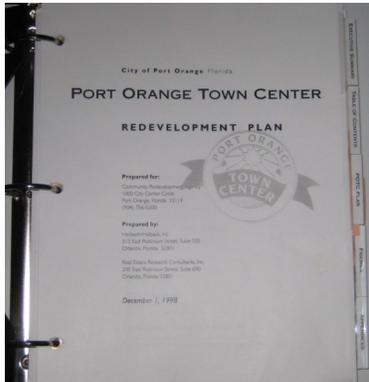
Lori Wolfe, Accounting Manager

Wayne Clark, Community Development Director

Penelope Cruz, Principal Planner

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

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. Amendments to the Plan were adopted in 2007 and 2014 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