

MERRITT ISLAND REDEVELOPMENT AGENCY ANNUAL REPORT

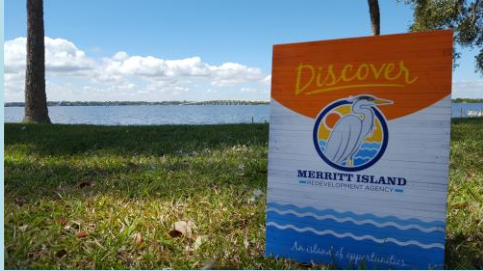
2019-2020



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BOARD OF DIRECTORS

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Cindy Thurman, Land
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I. ORGANIZATIONAL OVERVIEW

The Merritt Island Redevelopment Agency (MIRA) is a Special Dependent District, pursuant to Florida Law, (Chapter 189 Uniform Special District Accountability Act), organized as a Community Redevelopment Agency (CRA), and governed by Florida law (Chapter 163, Part III). County and Local governments are able to designate areas as Community Redevelopment Areas (CRAs) when certain conditions exist. Since all the monies used in financing CRA activities are locally generated, CRAs are not overseen by the state, but redevelopment plans must be consistent with local government comprehensive plans. The State recognizes that highly urbanized areas in decline can become a burden to local governments and that the declining area affects multiple aspects of the community, while often requiring more services from the County. Examples of conditions that can support the creation of a Community Redevelopment Area include, but are not limited to: The presence of substandard or inadequate structures, a shortage of affordable housing, inadequate storm water infrastructure, insufficient roadways, and inadequate parking. Examples of traditional projects to ameliorate the substandard conditions include: streetscapes, sidewalks, bikeways, water lines, sanitary lines, storm water treatment and control systems, multimodal, and transportation improvements, community facilities, building renovations, public parking lots, park and waterfront improvements, trails and trailheads. The plan can also include redevelopment incentives such as grants and loans for such things as façade

improvements, brownfield assessments and remediation, signage and structural improvements, and other economic redevelopment incentives. To document that the required conditions exist, the local government must survey the proposed redevelopment area and prepare a Finding of Necessity. If the Finding of Necessity determines that the required conditions exist, the local government may create a Community Redevelopment Area to provide the tools needed to foster and support redevelopment of the targeted area. There are currently 222 active Community Redevelopment Agencies in the State of Florida.

As a Special Dependent District, MIRA acts officially as a body distinct and separate from the governing (creating) body, which is the Brevard Board of County Commissioners.

MIRA was established by the Brevard Board of County Commissioners (The Governing Board) for the purpose of carrying out redevelopment activities in its redevelopment area on Merritt Island. In keeping with its statutory purpose, the Agency's Mission is to create and implement community-based redevelopment strategies that promote quality growth and economic development, preserving Merritt Island's history, culture and natural environment, improving the quality of life for Merritt Island residents, businesses, and its visitors.

MIRA, as a CRA obtains funding primarily through tax increment financing (TIF), with no increase in local taxes. We leverage tax increment funds received from our redevelopment area properties, to improve the same redevelopment area. We then plan, create, and implement projects that are in the MIRA Redevelopment Plan. The funds are collected as property values increase in our redevelopment area above a base level established at creation. The TIF funds are then placed in a Redevelopment Trust Fund, on a proportionate basis of up to 95%. Funds allocated to and deposited into the Trust Fund shall be used by the agency to finance or refinance any community redevelopment it undertakes pursuant to its approved community redevelopment plan. No new taxes are created to fund the mission of the Agency. Establishment of the Trust Fund enables the Community Redevelopment Agency to direct the Tax Increment Trust Funds into the targeted areas. CRA's have been used by many communities in Florida to revitalize urbanized areas. An important requirement in creating a Community Redevelopment Agency (CRA) is the statutory requirement of creation of a Master Redevelopment Plan, which sets forth the programs and projects for improvement of the redevelopment area, which forms the basis for which TIF funds can be expended. The Brevard County Board of County Commissioners, review and approve the Redevelopment plan.

In 1989, the Brevard County Board of County Commissioners established the Merritt Island Redevelopment Agency (MIRA). At that time the Commission designated the District's boundaries and set up the funding



In keeping with its statutory purpose, the mission of the Merritt Island Redevelopment Agency is to create and implement community-based redevelopment strategies that promote quality growth and economic development, preserving Merritt Island's history, culture and natural environment, improving the quality of life for Merritt Island residents, businesses, and its visitors.



mechanism in accordance with Chapter 163, Part III, Florida Statutes. The Initial and currently ongoing redevelopment area, is the most highly urbanized commercial corridor on Merritt Island, that being State Route 520.

Since 1989, the redevelopment area has been expanded to include areas east (1990) and north (2005) of the central business district. In 2013 MIRA again recognized that the very conditions that were in existence in 1989 had become visible in other areas of the Island. Seeking to arrest and alter those conditions, and prevent the decline of the economic base, MIRA once again expanded the boundary of the District to apply redevelopment tools in two new areas of Merritt Island: The Barge Canal/SR 528 area and SR 3 north of the existing district, and the Cone Road area to the south.

MIRA has been highly successful in achieving many of the goals and objectives found within the early Merritt Island Redevelopment Plan and completing many of the originally planned projects. However, areas of concern remain within Merritt Island, due to recent changes in the economic environment and Indian River Lagoon water quality and environmental preservation initiatives within Brevard County.

The Merritt Island Redevelopment Plan that was amended and adopted in 2014 provided an opportunity to consolidate the overall redevelopment strategies for the entire District; creates a unified approach to enhance and continue the positive outcomes of the Agency's work; and crafts a blueprint for financial commitments and expenditures. Investments include expenses associated with reversing blighted conditions, promoting economic and business development, substantially improve parks and open space and public access to waterfront areas, creating a sound climate for public and private sector investments, and fostering a healthy, and safe living and working and quality of life environment for all citizens within the redevelopment area. Pursuant to the Plan, the redevelopment provisions, controls, restrictions, and covenants of the Redevelopment Plan are effective for 20 years from the date of adoption, which is 2034. The Agency Redevelopment Area encompasses a total area of 2,381 acres.

In accordance with Ordinance 2014-22, one Trust Fund has been established for the duration of the Merritt Island Redevelopment Plan with the tax increment increase for each expansion area using the associated base tax year as shown:

- 1) 520 Area, Ordinance 89-28, base year 1988
- 2) Newfound Harbor, Ordinance 91-40, base year 1990

3) State Road 3, Ordinance 2006-165, base year 2005

4) SR 528, North SR 3, and Cone Road, Ordinance 2014-22, base year 2014.

All deposits into the Trust Fund begin with the incremental increases from tax rolls resulting in ad valorem tax revenues due, subsequent to the base year of each expansion area.

2019 ASSESSED PROPERTY - TAX INCREMENT VALUES AND TRUST FUND PAYMENTS

	SOURCE	AMOUNT
CURRENT YR TAXABLE VALUE IN CRA REDEVELOPMENT AREA 1988 - B1	DOR DR420 TIF Sect I(1)	\$ 351,913,584
Base Year Taxable Value in CRA	DOR DR420 TIF Sect I(2)	\$ 124,138,790
Current Year Tax Increment Value	DOR DR420 TIF Sect I(3)	\$ 227,774,794
Prior year Final taxable value in the tax increment area	DOR DR420 TIF Sect I(4)	\$ 331,017,127
Prior year tax increment value (Line 4 minus Line 2)	DOR DR420 TIF Sect I(5)	\$ 206,878,337
The portion on which the payment is based.	DOR DR420 TIF Sect II(6a)	95%
Dedicated increment value	DOR DR420 TIF Sect II(6b)	\$ 216,386,054
Amount of payment to redevelopment trust fund in prior year		\$ 896,418
TYPE	SOURCE	AMOUNT
CURRENT YR TAXABLE VALUE IN CRA REDEVELOPMENT AREA 1990 - B2	DOR DR420 TIF Sect I(1)	\$ 53,013,140
Base Year Taxable Value in CRA	DOR DR420 TIF Sect I(2)	\$ 17,082,580
Current Year Tax Increment Value	DOR DR420 TIF Sect I(3)	\$ 35,930,560
Prior year Final taxable value in the tax increment area	DOR DR420 TIF Sect I(4)	\$ 49,726,140
Prior year tax increment value (Line 4 minus Line 2)	DOR DR420 TIF Sect I(5)	\$ 32,643,560
The portion on which the payment is based.	DOR DR420 TIF Sect II(6a)	95%
Dedicated increment value	DOR DR420 TIF Sect II(6b)	\$ 34,134,032
Amount of payment to redevelopment trust fund in prior year		\$ 141,575
TYPE	SOURCE	AMOUNT
CURRENT YR TAXABLE VALUE IN CRA REDEVELOPMENT AREA 2005 - B3	DOR DR420 TIF Sect I(1)	\$ 57,157,728
Base Year Taxable Value in CRA	DOR DR420 TIF Sect I(2)	\$ 50,549,420
Current Year Tax Increment Value	DOR DR420 TIF Sect I(3)	\$ 6,608,308
Prior year Final taxable value in the tax increment area	DOR DR420 TIF Sect I(4)	\$ 53,228,292

Prior year tax increment value (Line 4 minus Line 2)	DOR DR420 TIF Sect I(5)	\$ 2,678,872
Enter the portion on which the payment is based.	DOR DR420 TIF Sect II(6a)	95%
Dedicated increment value	DOR DR420 TIF Sect II(6b)	\$ 6,277,893
Amount of payment to redevelopment trust fund in prior year		\$ 10,041
TYPE	SOURCE	AMOUNT
CURRENT YR TAXABLE VALUE IN CRA REDEVELOPMENT AREA 2014 - B4	DOR DR420 TIF Sect I(1)	\$ 140,603,272
Base Year Taxable Value in CRA	DOR DR420 TIF Sect I(2)	\$ 86,165,030
Current Year Tax Increment Value	DOR DR420 TIF Sect I(3)	\$ 54,438,242
Prior year Final taxable value in the tax increment area	DOR DR420 TIF Sect I(4)	\$ 127,200,330
Prior year tax increment value (Line 4 minus Line 2)	DOR DR420 TIF Sect I(5)	\$ 41,035,300
The portion on which the payment is based.	DOR DR420 TIF Sect II(6a)	95%
Dedicated increment value	DOR DR420 TIF Sect II(6b)	\$ 51,716,330
Amount of payment to redevelopment trust fund in prior year		\$ 172,107
TOTAL:		\$ 1,220,141

- A CRA is a Special Dependent District under State Law. Special districts are units of local **special-purpose** government. A **Special Dependent District** is required to have a governing body with policy-making powers; provide essential governmental services and facilities; and operate within a limited geographical area. Special Districts provide local specialized governmental services; and have limited, explicit prescribed powers.

The Agency consists of a seven-member volunteer Board of Directors, an Executive Officer, a Land Development Manager, an Executive Assistant, and such committee and administrative staff, as it may appoint from time to time. The Board of Directors, are required to be Merritt Island Residents and or be actively engaged in business on Merritt Island. The MIRA Board is responsible for major policy decisions pertaining to the various aspects of the Redevelopment Plan including: approving and submitting the Agency's budget for inclusion as a component unit part of the Brevard County Commission; prioritizing Agency projects and programs; authorizing the financing of projects, approval of grant programs, making application for and management of grant applications, execution of contracts, and other program decisions, including recommendations to the County Commission for

modification of the Redevelopment Plan or termination of the Agency.

The Brevard Board of County Commissioners are responsible for appointing the Agency Board members. The term length for a member of the Board of Directors is four (4) years. The Board of Directors may provide recommendations, and the County Commission will appoint a Chairperson and Vice Chairperson from among the Board's members. Unless otherwise directed, the Chair and Vice-Chair will serve a term of two (2) years with no term limit.

To enhance operational efficiencies, the Agency and the Brevard Board of County Commissioners have executed an Interlocal Agreement to provide for staffing, information technology services, legal counsel, finance, budgeting, general, office space, procurement services, maintenance, and other administrative services provided to the Agency on a fee basis to the County. The Agency and the Brevard Board of County Commissioners on a project by project basis frequently have entered into interlocal agreements and memorandums of understanding, to govern mutually beneficial collaborative projects.

II. A. MARKET AREA DEMOGRAPHICS

In 2021 fresh demographic data will be available through the 2020 United States Census. In 2018 a demographic review was completed of Merritt Island's market area within a 15-minute drive time from its commercial core on SR 520. This was sourced from U.S. Census Bureau, Census 2010 Summary File 1; and Esri forecasts for 2019 and 2023; and Esri converted Census 2000 data into 2010 geography. The redevelopment market area shows solid market potential, especially when analyzed in conjunction with strong traffic counts on SR 520 and 528 reaching combined average daily traffic volumes approaching 100,000 vehicles. In addition, Merritt Island's central location is a market strength, being situated on a direct route from Orlando to major tourist attractions, such as Kennedy Space Center, Port Canaveral, and the Atlantic Coast Beaches.

The redevelopment market area is defined as that area within a 15-minute drive time of the center of MIRA's core commercial area, and in the study, year had a population of 125,888. In 2010, the Census count in the area was 119,027. The rate of change since 2010 was 0.68% annually. The five-year projection for the population in the area is 132,451 representing a change of 1.02% annually from 2019 to 2023. Currently, the market area population is 48.9% male and 51.1% female.

The median age in this area is 49.1, compared to U.S. median age of 38.3. Persons of Hispanic origin represent 9.0% of the population in the identified area compared to 18.3% of the U.S. population. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 45.9 in the identified area, compared to 64.3 for the U.S. as a whole.

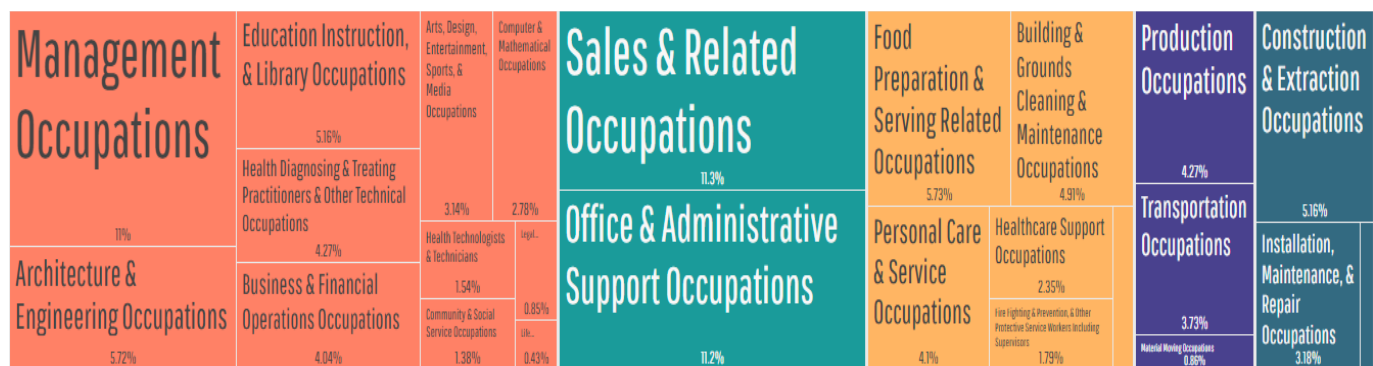
The household count in this area has changed from 52,088 in 2010 to 54,619 in 2018, a change of 0.58% annually. The five-year projection of households is 57,263, a change of 0.95% annually from the current year total. Average household size is currently 2.29, compared to 2.27 in the year 2010. The number of families in the current year is 33,343 in the specified area.

2018 median household income is \$51,754 in the area, compared to \$58,100 for all U.S. households. Median household income is projected to be \$58,744 in five years, compared to \$65,727 for all U.S.

households. Current average household income is \$75,078 in this area, compared to \$83,694 for all U.S. households. Average household income is projected to be \$89,058 in five years, compared to \$96,109 for all U.S. households. Current per capita income is \$32,743 in the area, compared to the U.S. per capita income of \$31,950. The per capita income is projected to be \$38,652 in five years, compared to \$36,530 for all U.S. households.

In 2018, 54.5% of the 65,140 housing units in the area were owner occupied; 29.3%, renter occupied; and 16.2% were vacant. Currently, in the U.S., 56.0% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.2% are vacant. In 2010, there were 62,154 housing units in the area - 57.7% owner occupied, 26.1% renter occupied, and 16.2% vacant. The annual rate of change in housing units since 2010 is 2.11%. Median home value in the area is \$210,980, compared to a median home value of \$218,492 for the U.S. In five years, median value was projected to change by 3.44% annually to \$249,802.

II. B. MERRITT ISLAND WORKFORCE



Employment by Occupations

From 2016 to 2017, employment in Merritt Island, FL grew at a rate of 4.75%, from 15.8k employees to 16.6k employees.

The most common **job groups**, by number of people living in Merritt Island, FL, are Sales & Related Occupations (1,879 people), Office & Administrative Support Occupations (1,866 people), and Management Occupations (1,820 people). This chart (above) illustrates the share breakdown of the primary jobs held by residents of Merritt Island, FL.

Data from the Census Bureau ACS 5-year Estimate

Workforce by Industry



The most common **employment sectors** for those who live in Merritt Island, FL, are Health Care & Social Assistance (1,834 people), Retail Trade (1,831 people), and Professional, Scientific, & Technical Services (1,755 people). This chart shows the share breakdown of the primary industries for residents of Merritt Island, FL, though some of these residents may live in Merritt Island, FL and work somewhere else. Census data is tagged to a residential address, not a work address.

Data from the Census Bureau ACS 5-year Estimate

The following charts are based on data published by www.townsource.com, a service which provides economic outlook and local economy analysis using data based on the most recent economic data of the Census Bureau. Starting with Figure 1 which shows the median earnings per worker. Merritt Island Florida Census Designated Place (CDP-FL) shows it has \$49,556 median earnings which is the 6th ranked in median earnings out of ten (10) total in the area. The place with the highest median earnings in the area is Viera West, with an earnings of \$65,652 measuring 32.5% larger. Comparing median earnings to the United States average of \$47,712, Merritt Island CDP-FL is only about 3.9% larger. Also, versus the state of Florida, median earnings of \$40,794, Merritt Island CDP-FL is 21.5% larger.

In Figure 2 we see a more complete view of income which includes all members in a household using the median household income and it has \$61,123 median income which is the 5th ranked in median income out of 10 total in the area. The place with the highest median income in the area is Viera West with an income of \$72,278 which is 18.3% larger. Comparing median income to the United States average of \$60,293, Merritt Island CDP-FL measures only slightly larger. Also, measured against the state of Florida, median income of \$53,267, Merritt Island CDP-FL is 14.7% larger.

Figure 1: Merritt Island CDP-FL, FL Median Earnings per Worker

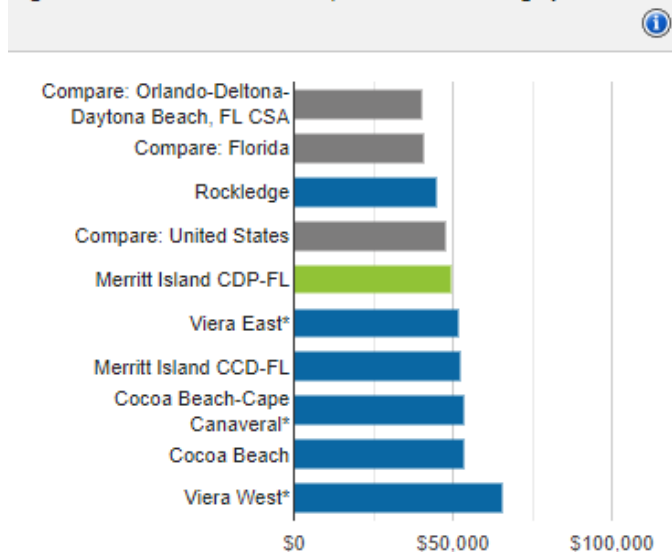


Figure 2: Merritt Island CDP-FL, FL Median Household Income

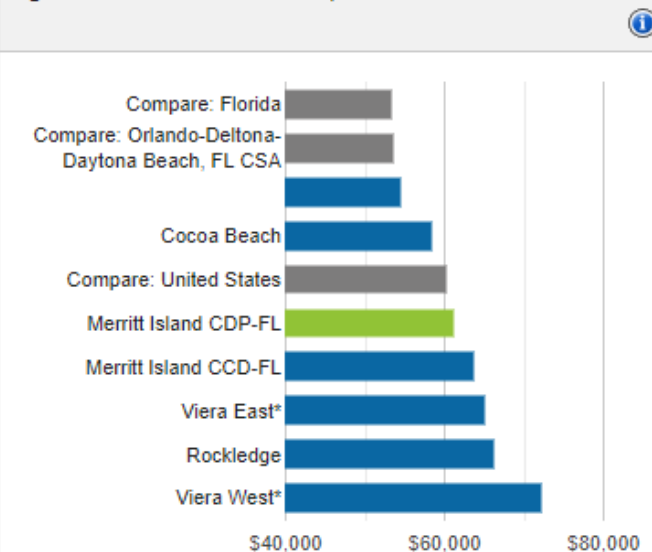
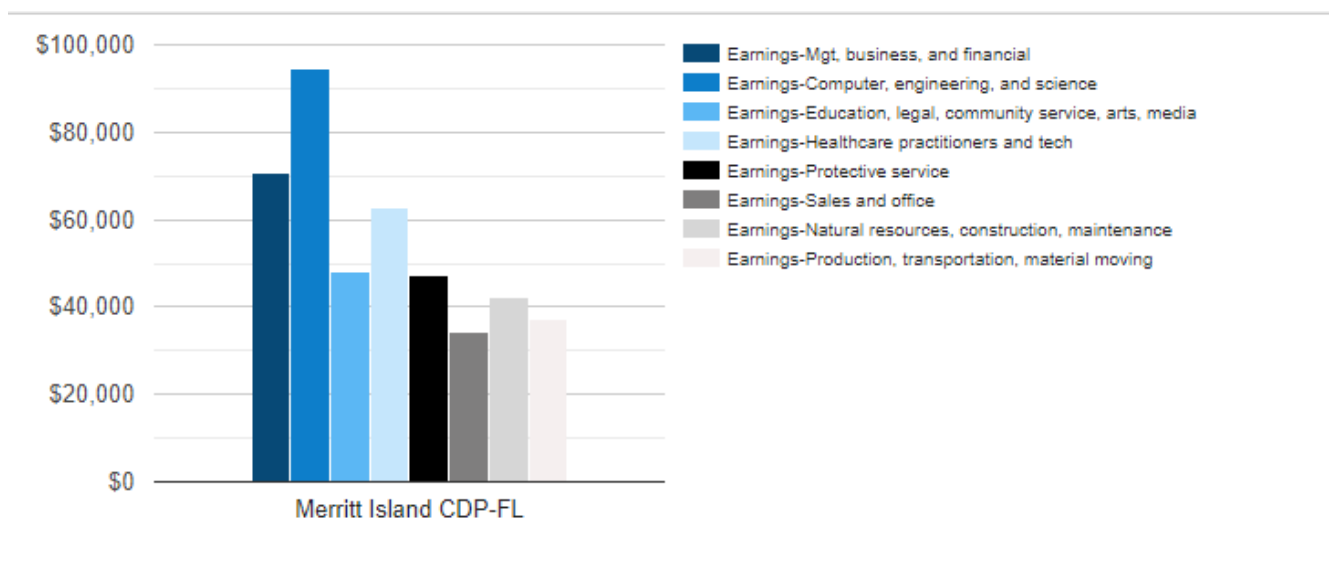


Figure 3, below demonstrates the influence of the Space Industry on the Merritt Island economy where highest earning wage earners are in Management, Computer, Engineering, and Science professions.



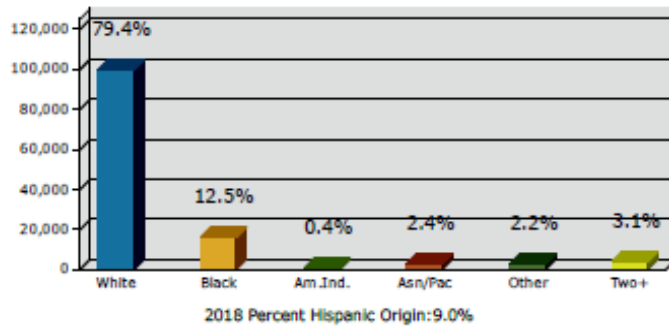


Graphic Profile

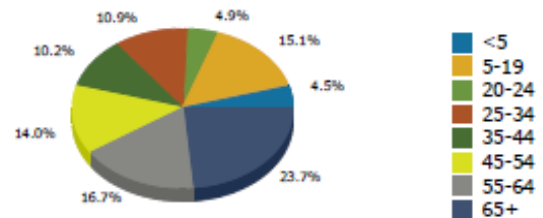
100 N Plumosa St, Merritt Island, Florida, 32953
Drive Time: 15 minute radius

Prepared by Esri
Latitude: 28.35727
Longitude: -80.69193

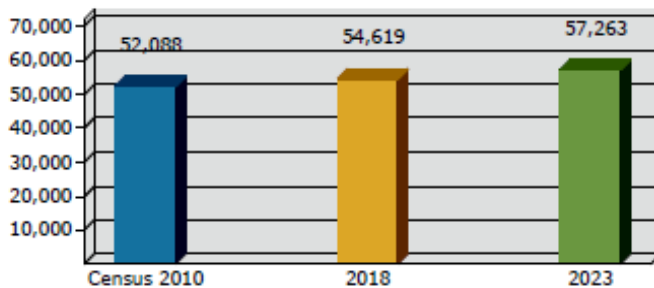
2018 Population by Race



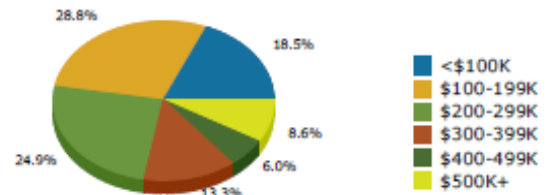
2018 Population by Age



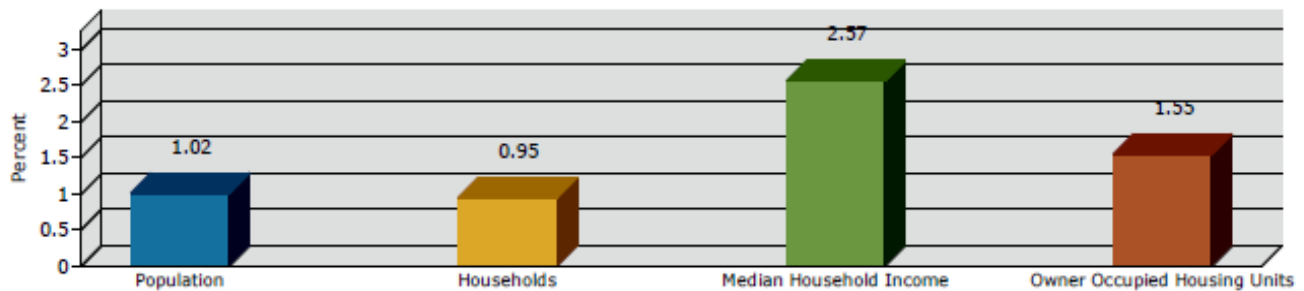
Households



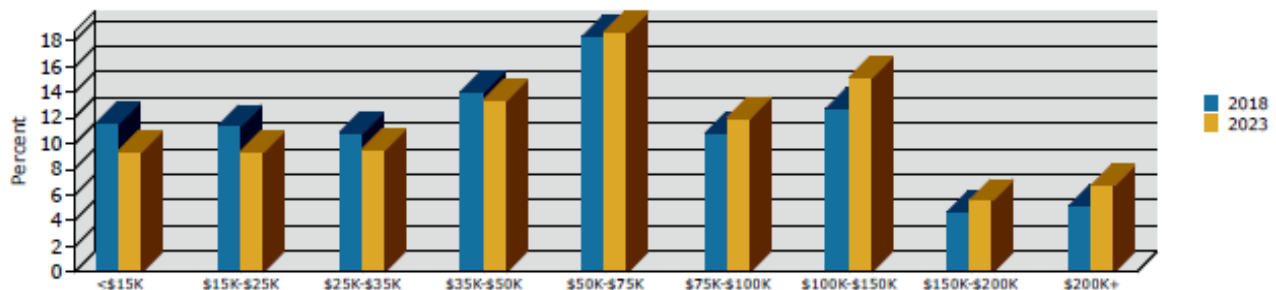
2018 Home Value



2018-2023 Annual Growth Rate



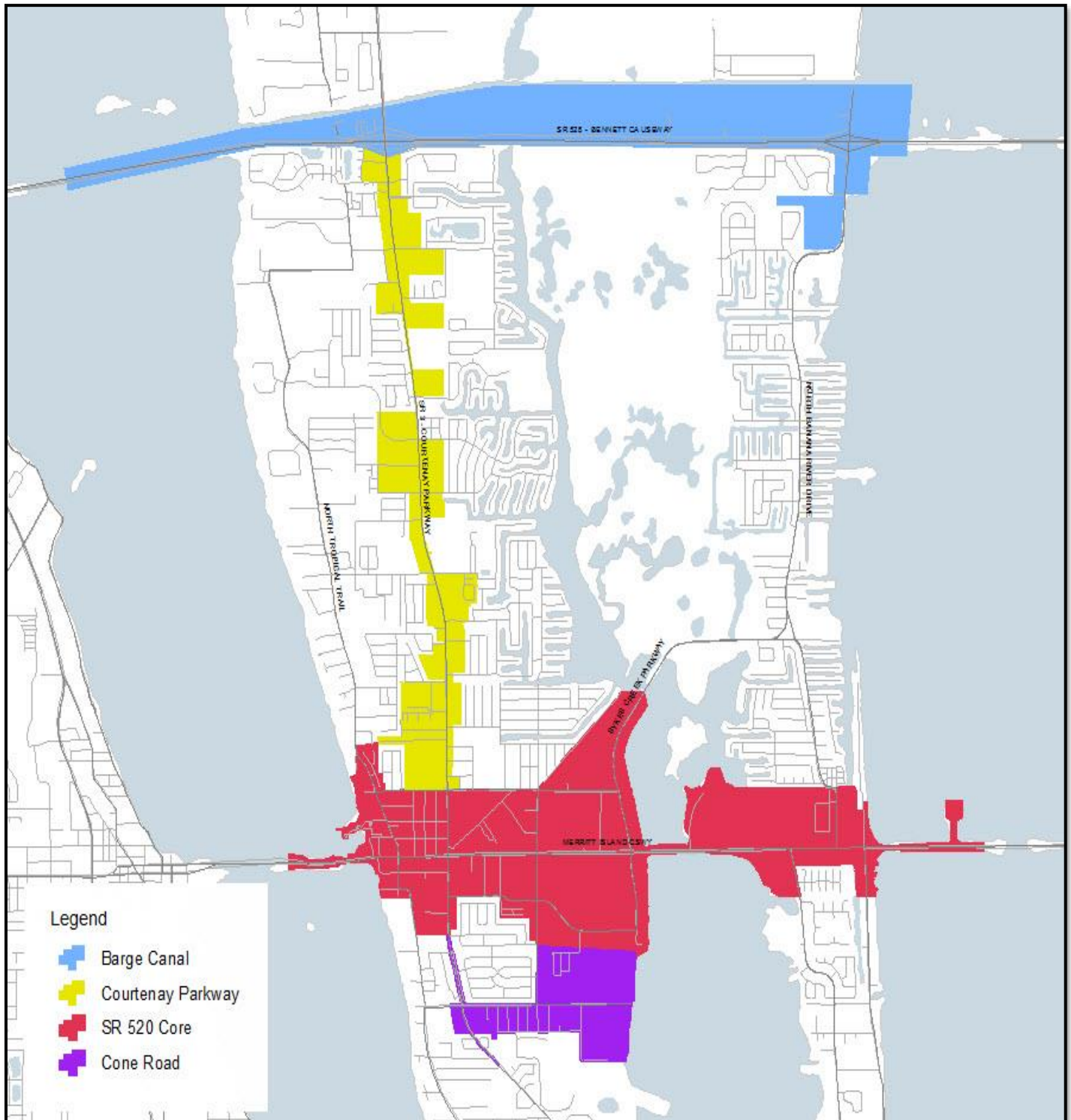
Household Income



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

October 23, 2018

III. REDEVELOPMENT AREA BOUNDARY LINES



IV. FORMATION HISTORY

The Merritt Island Redevelopment Agency (MIRA) was established by Brevard County Ordinance 88-37 adopted by the Board of County Commissioners for Brevard County on October 4, 1988 (amended by ordinance 88-43, adopted November 15, 1988) in accordance with the provisions of the Florida Community Redevelopment Act, Chapter 163, Part III, Statutes. The County also appointed a seven (7) member Board, adopted the Merritt Island Redevelopment Plan and established the Redevelopment Trust Fund program for implementation.

In the late 1980's, the Brevard County Board of County Commissioners (BCC) recognized the decline and the resulting blighted conditions prevalent in portions of Merritt Island and decided to implement a redevelopment program. Redevelopment programs are implemented for many urban areas depleted of their economic resources by populations relocating to suburbia, dilapidated corridors changed by altered mobility patterns, and new shopping areas springing up in areas outside the core business districts. Merritt Island was an urban area that required this type of program.

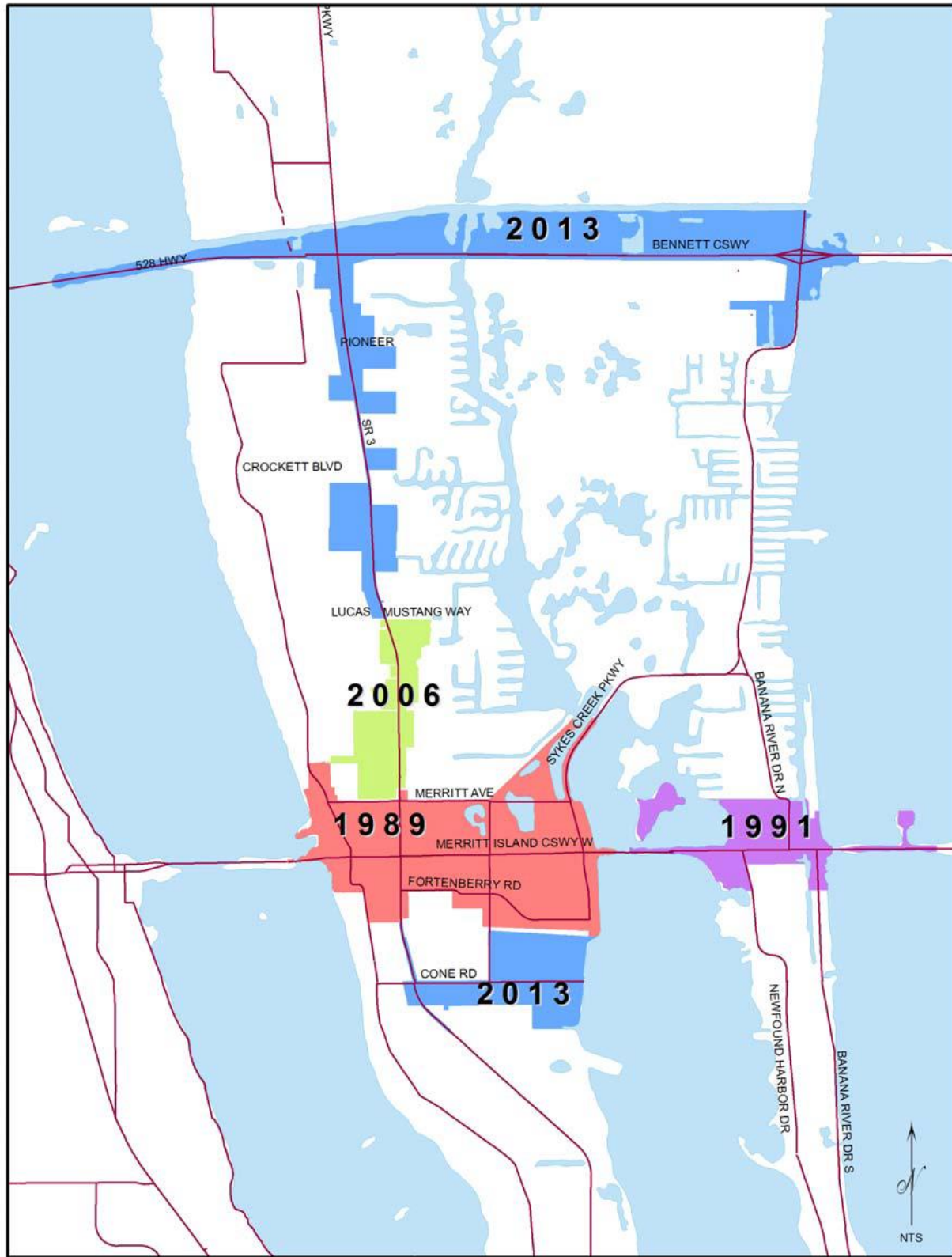
Under Chapter 163, Part III, Florida Statutes, known as the Community Redevelopment Act of 1969, local governments are given specific tools to prevent, eliminate, reverse, or arrest conditions in their jurisdictions which are detrimental to the sustainability of economically and socially vibrant communities. They are given the power to create Community Redevelopment Agencies which are responsible for preparing Redevelopment Plans for designated areas. Once a plan is adopted by the local elected officials, the Agency is responsible for implementing the plan through various means and funding sources including, but not limited to, land use regulations and tax increment financing. The specific statutory references which declare the purpose, intent, and reasons for pursuing redevelopment programs in general, and most particularly those that relate to the conditions found on Merritt Island today, are provided in the Appendices.

The Merritt Island CRA met the statutory requirements for declaring blight on four study occasions: 1988, 1991, 2006, and 2011. The predominant issues on each occasion have included:

1. Problems associated with impacts from transportation projects that have left defective or inadequate lots, little access management, poor parking provisions, problems with remaining local streets and their layout or pattern, other internal roadway issues, poor, if any pedestrian access; and few public transportation facilities;
2. Predominance of defective or inadequate street layout;
3. Faulty site layout in relation to size, adequacy, accessibility and usefulness;
4. Unsanitary or unsafe conditions;
5. Deterioration of site or other improvements; and
6. Inadequate and outdated building patterns and land use systems that contribute to blight and economic disincentives.

As noted on the adjacent Redevelopment Area Boundary Map, in 1988 the first Slum and Blight Study was adopted for the areas on Merritt Island between the Indian River Lagoon and Sykes Creek and the following year the Merritt Island Redevelopment Agency (MIRA) was established. On May 15, 1990 the Board of County Commissioners adopted a Resolution of Findings of Fact and Determination of Need for the expansion of the CRA in 1991 to the area east of Sykes Creek to the Banana River. In 2006 the Agency recognized worsening conditions were along SR 3 north of Merritt Avenue to Lucas Avenue and the Plan was further amended to include this area.

PLAN AMENDMENT DATES:



V. INITIATIVES OVERVIEW

A. *Capital Improvement Projects*

A continued effort has been made by the Merritt Island Redevelopment Agency to complete planned projects in accordance with the adopted redevelopment master plan. The following provides a synopsis of projects in various phases that were a priority of MIRA in this fiscal year.

1. **\$3.6 MILLION CONE ROAD STORMWATER AND SEPTIC TANK PHASE OUT PROJECT**

During Fiscal Years 2019-2022 MIRA committed a large percentage of its time and resources into one of the most impactful projects in its history. This year saw this \$3.6 Million Cone Road Project come to a successful end and a unique example of partnering and mutual public benefits for many generations to come. This project has successfully improved the local infrastructure by eliminating direct water runoff into the lagoon, eliminating old septic tanks, improving safety for pedestrians and traffic, removing blight, and providing economic development opportunities to the historic Cone Road Industrial Park and the Merritt Island Airport. The area has already seen property sales momentum and an overall improvement to the visual look and maintenance of the area. This improvement completion paired with a future multifamily project at the east end of Cone Road and the update of the Merritt Island Airport Master Plan, has set the appropriate tone for this area.

The Cone Road Project



A creative partnership saving the lagoon, improving water quality, safety, transportation, property values, wildlife habitats, quality of life, providing for safe recreational and educational opportunities...for generations to come...



The Scope of Phases 2 & 3 of the Project included:

- filling of an existing ditch located on the north side of Cone Road;
- Stormwater diversion to the existing Merritt Ridge Wet Detention pond;
- bioswale construction and;
- septic to sewer conversion of over 60 tanks

The Creative Partnership

Overall the project is a group effort Supported by the Brevard County Board of County Commissioners and partially funded Cooperatively by:

- Merritt Island Redevelopment Agency (MIRA)
- St John River Water Management District (SJRWMD)
- Florida Department of Environmental Protection (FDEP)
- Save Our Indian River Lagoon (SOIRL)
- Brevard County Public Works (PBPW)

& Implemented by Brevard County Departments

- Natural Resources
- County Finance
- County Utilities
- Building Department
- Florida Department of Environmental Health



BEFORE Cone Road Ditch in 2012



AFTER New stormwater piping and sidewalk 2020



2. \$1.02 MILLION VETERAN'S MEMORIAL PARK PHASE II IMPROVEMENTS

This year the newest enhancements to the Veteran's Memorial Center and Park were completed and are open for the citizens of Merritt Island and all Veteran's of Brevard. All elements of phase 2 regarding pathways and planned parking were installed and a new venue for many desired local events including a 5K are now a reality. Designated areas for the Veteran's memorial trees and benches throughout the Park and the site for the future Vietnam Veteran's Memorial Wall are still included. MIRA's future plans involve design enhancements to the Veteran's Memorial Park through partnerships with Brevard County Parks and Recreation, Brevard Facilities, and the Tourism Development Council. Enhancements will include a future Amphitheatre, with band shell and other infrastructure needs to support the Park's Master Plan.





December 2020



3. BUS SHELTERS & BICYCLE SERVICE STATIONS

During Fiscal Years 2019-2022 MIRA committed \$215,000 to the County wide initiative for Bus Shelters. Brevard County, Space Coast Area Transit and the Merritt Island Redevelopment Agency have partnered to bring some much needed and updated bus shelters along our heavily traveled SR 520 and North Courtenay Parkway corridors. This initiative came together as a team effort in 2020 with the most up-to-date materials, solar lighting, composting big belly trash cans, specially designed bicycle racks, bicycle repair stations with air and more amenities are planned for additional shelters for our multi-modal islanders and visitors.



4. \$560K NORTH REGIONAL STORMWATER POND PROJECT

During Fiscal Years 2019-2022 MIRA has committed \$560,000 towards our ongoing efforts to work with property owners in creating an engineering strategy, where we would create, permit and implement relocation improvements and redesign of existing stormwater structures adjacent to the BJ's fuel pumping area and the Health First Pro-Health & Fitness Center. The goals of the project involve improved transportation safety on East Merritt Avenue, environmental preservation, regional storm water treatment and control, and economic redevelopment. The proposal currently under consideration is one that will facilitate a regional stormwater improvement with a water quality restoration element. MIRA will work to partner with the surrounding property owners, the Department of Natural Resources and the Brevard County Public Works Department to achieve improvements that will enhance and improve safety in this area.

5. \$380K BASIN PIPE EXTENSION – East of Plumosa Street

During Fiscal Years 2020-2022 MIRA has committed \$380,000 to this project where an existing drainage pipe conveyance system for the Veteran's Stormwater basin will increase the number of parcels which have access to the Regional Stormwater System, and allow additional potential redevelopment opportunities. Preliminary survey, engineering and design proposals are in place and will facilitate the pending development.

6. \$2.1 MILLION MALL OVERLAY DISTRICT AND ALTERNATIVE DEVELOPMENT OPTIONS

With extensive citizen input, in 2014, it became clear as an item of importance, and recently significantly more so, accentuated by recent retail trends, of the need for a Merritt Island Community Town Centre. The concept for this project was birthed with the 2014 CRA Redevelopment Plan. Given current national retail trends, the aging of the Mall, and the relocation from Merritt Island of several major automobile dealerships, the economic tax base in the Mall Redevelopment area is under siege. The purpose of the project is to engage in an extensive public/private sector collaborative process, leading towards creation and implementation of catalytic mixed use place making redevelopment activity in the MIRA Merrit Square Mall Commercial Core Sub Area creating a Merritt Island Town Centre - linked and integrated functionally and aesthetically to Veterans Memorial Park, its water features, and its upcoming band shell area. Next steps will involve focus group meetings with Merritt Square Mall and surrounding property owners, potential redevelopment partners, and many Brevard County Departments. The outcome will be creation and phased implementation of a market based highly collaborative concept plan, land and storm water pond acquisition, design, and construction of storm water elements to connect to the Fortenberry Stormwater Treatment Lake at the Veteran's Memorial Park; feasibility and probable costs of the possible relocation of Fortenberry Road; and an overlay of alternative development standards to facilitate the redevelopment of the Mall and surrounding areas.

7. MALL AREA ZONING OVERLAY DISTRICT

The effort to create a Mall Area Zoning Overlay District, in the Merritt Island Mall Focus Area began in 2013 to review the current zoning and land development regulations for the area of Fortenberry Road north to the south side of S.R. 520 including the Merritt Square Mall. Alternative development standards, incentives for development through the new stormwater utility and streamlining processes have been discussed. As the overlay has continued to be evaluated, ownership of the Mall and a recent subdivision plan that has been processed through the County in 2019-2020 has delayed these efforts. MIRA will continue to facilitate the effort of establishing an overlay district that will guide development and redevelopment of the area towards the type of standards that promote reinvestment, and potentially enable the District and Concept Design Alternatives to develop.



2010



2020

8. **MERRITT PARK PLACE** This year development efforts continued to be stalled by land development regulations and zoning code that have a “one size fits all” approach. In particular, the Merritt Park Place area has had unique issues. In the late 1990s MIRA and other public entities embarked on a revitalization of two streets in Merritt Park Place. As this area has continued to be highlighted in the adopted MIRA Redevelopment Plan as needing additional infrastructure improvements efforts have been made to engage the business owners individually and focus on overall maintenance of Grove and McCloud Streets. The signage, pavers and lighting have not been updated in many years. Signage has been repaired over the last decade. Reinvestment in old signage has been revaluated and replacement over repair was chosen.

9. MERRITT ISLAND CANAL CROSSING CONCEPT PLAN

In 2020, with the rebuilding of the Sea Ray Drive Bridge on the horizon, MIRA will be working with Brevard County, and Port Canaveral, property owner’s tenants, boaters, and citizens on planning improvements to the entire length of the Canal Corridor, from the western end, to eastern terminus, including at Kelly Park. Cape Crossing Resort and Marina, is already entering an expansion phase, requiring a collaborative effort with Port Canaveral Port Authority, Brevard County, Florida Department of

Transportation and MIRA, where the goal will be to improve access, storm water, the Marina, access to the Pioneer Cemetery, and improvements reaching all the way to the western end of the Barge Canal lands and Indian River Intercoastal waterway.

10. \$2.3 MILLION VETERANS MEMORIAL PARK AMPHITHEATRE PROJECT

Planned for 2021-2022, the construction of the acoustically engineered Veteran's Memorial Amphitheatre project will be Phase III, and our capstone assistance project in the County's Veterans Memorial Park. The Amphitheatre would be centrally located inside the existing 80-acre multi-use Veteran's Memorial Park on Merritt Island. The existing Veteran's Memorial Park is located directly south of S.R. 520 with access via Sykes Creek Parkway which terminates at the entrance of the Veteran's Memorial Park.

The over three-acre Amphitheatre greenspace area for the proposed outdoor venue will support an architecture styled bandshell, and is located to the rear of the existing and very successful Veteran's Center and Memorial Museum that host an average of 1,387 in the museum every month.

The Veteran's Memorial Amphitheatre with an outdoor structure was conceived through a partnership in the late 2000s after Brevard County Parks and Recreation Department received a \$800,000 grant from the



State of Florida Communities Trust for Veteran's Memorial Park Improvements. The grant did not cover the full cost of the master plan. MIRA is leveraging a portion of its funding by acquiring seeking other grant funding through other partners such as the Tourist Development Council.

**MERRITT ISLAND REDEVELOPMENT AGENCY
TRUST FUND
CAPITAL PROJECTS PROGRESS REPORT
2019-2022**

(SEE EXHIBIT "A")

B. *Brownfields Environmental Initiatives*

Environmental Site Assessment Program - With the majority of commercial and industrial development in MIRA'S redevelopment area occurring in the late 1950's – mid 1980's (pre- key environmental regulations), creation of a Brownfields Environmental Assessment program continues to be an important redevelopment plan goal that is underway. Most likely Merritt Island Environmental issues based on preliminary research involve sites where leaks and spills are caused by mismanaged or poorly designed underground and aboveground storage tanks and containers designed to hold a variety of potential pollutants. They may pose a risk to human health and/or the environment.

A key component to Brownfield Redevelopment work includes Community and Stake Holder education and awareness of the need for Environmental Assessments, and the process of remediation to repurpose contaminated properties.

BROWNFIELDS BRIEFING WEBINAR

Benefits & Challenges in Developing Brownfield Sites: *Tools for Getting the Deal Done*

April 2, 2020 9:00-11:30am

On April 2, 2020 MIRA coordinated a Brownfield Briefing Webinar, comprised of a national panel of experts from the EPA, FDEP, and a team of Legal and Consulting experts.

BROWNFIELD REDEVELOPMENT PROCESS



In order to address and incentivize environmentally responsible brownfield redevelopment, In 2019, MIRA applied for the third time for a \$300,000 Brownfield Assessment Grant from the United States Environmental Protection Agency (USEPA), with funding allocated between addressing hazardous substances and petroleum-based substances. The Grant is currently under review, and a determination will be made in June 2021.

What is a Brownfield?

A brownfield is a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. It is estimated that there are more than 450,000 brownfields in the U.S. Cleaning up and reinvesting in these properties will increase our tax base, facilitates job growth, utilizes existing infrastructure, take development pressures off of undeveloped, open land, and both improve and protect the environment, including the Indian River Lagoon.

Examples of brownfield sites, might be surprising, however sites typically identified include industrial or commercial properties such as manufacturing sites, gasoline stations, automotive repair, dry cleaners, military bases, and even agricultural areas in some cases. There are potentially 82 sites on Merritt Island where these types of issues could be involved, to some extent.

The grant would provide funding to assist property owners in two targeted areas, of the Redevelopment Area, with Phase I and II Environmental Site Assessments (ESAs); Site Remediation and Reuse Planning; Market Feasibility and Reuse Plan for the Cone Road Industrial Park, and Griffis Landing areas, Community



Outreach and Public Involvement; and Programmatic Support.

Demand has increased dramatically for this type of study following judicial decisions beginning in the 1980's related to liability of property owners to effect site cleanup. Interpreting the Comprehensive Environmental Response,

Compensation and Liability Act of 1980 (CERCLA), the U.S. courts have held that a buyer, lessor, or lender may be held responsible for remediation of hazardous substance residues, even if a prior owner caused the contamination; performance of a Phase I Environmental Site Assessment, according to the courts' reasoning, creates a safe harbor, known as the 'Innocent Landowner Defense'.

Brownfield Remediation

In 2020 redevelopment site work was underway for a remediated site, on SR 520 where MIRA, in October 2018, facilitated the designation of the site as a Brownfield area by the Board of County Commissioners. The site was situated at 265 and 267 E. Merritt Island Causeway. This led to the Site Developer being eligible for state brownfield remediation tax credits. The Board of County Commissioners determined that the Property should be designated as a brownfield area eligible under the Brownfields Redevelopment Act, Section 376.80(2)(c) Florida Statutes. The rehabilitation and redevelopment of the proposed brownfield site will result in an investment of approximately \$500,000 at the site.

In accordance with section 163.360(2)(b), Florida Statutes, the 2013 Merritt Island Redevelopment Plan, approved by the Board of County Commissioners on August 19, 2014, includes sufficiently complete goals and objectives to support a MIRA redevelopment initiative to create a Brownfields Environmental Site Assessment Program. Funding would be derived largely from state and federal grants awarded by the U.S. Environmental Protection Agency. (Note that on January 22, 2019 the Board of County Commissioners adopted Resolution No. 19-007, affirming that the Merritt Island Redevelopment Agency (MIRA) has the

authority to establish a MIRA Brownfield Assessment Program) pursuant to MIRA's existing 2013 Community Redevelopment Plan).

C. Economic Development Outreach Initiative

The eradication of economic distress, creation of economic opportunities, and the encouragement of private enterprise are redevelopment strategies cited in the Florida State Statutes, Chapter 163, Part III and throughout the MIRA Redevelopment Plan. Practically all of MIRA's redevelopment area is private sector-based property, being situated in the commercial, retail, office and industrial corridors of Merritt Island.

Therefore, it is crucial that MIRA play a strong role in working with business and industry to foster business retention, expansion, job creation, and other forms of economic and real estate redevelopment activity, leading to sustainable economic base growth. A substantial part of our work requires the effort of economic development through business expansion and retention facilitation. Economic developers do not create jobs nor increase the tax base themselves. The private sector makes the investment to create jobs and increase wealth. The economic development initiative of MIRA is to work with the private sector serving as a facilitator, stage setter, and creative catalyst for economic development activity.

We accomplish our economic development initiative through redevelopment of our commercial and industrial infrastructure, implementation and incentivizing curb appeal and other aesthetic enhancements for private sector investment, and by assisting the private sector in the provision of information, data, zoning, development and planning processes, creation and increasing awareness of available real estate development opportunities, incentive programs, convening of the interested parties, and even working to remove roadblocks to allow responsible economic growth to happen.

D. ADDITIONAL OUTREACH

Web Site and Social Media Outreach. In 2020 the MIRA Board approved plans to create a high-quality information rich web site. This is one of the most essential economic development tools the redevelopment agency is lacking and must have available in this day and age. A quality website should be Merritt Island's showcase window to the world of our community, providing crucial information to the people who might consider where to put their next retail outlet, service center, restaurant, or industry. Web sites are most often the very first step taken by a site selection consultant or other prospect, once they decide on a region to locate within. Site Selectors look for the premier marketplaces, and MIRA hopes to prepare the digital tools that they need to identify, analyze and select new locations for their investments. In addition, our goal is to have a web site that improves the level of our communication and accountability with the general public, and with the MIRA Board.

In our outreach, be it in person, or on the Web, we must be prepared to provide examples of what businesses are succeeding on Merritt Island. We must tell the stories about companies doing a really good job here. We need to develop success stories that also focus on who and what types of redevelopment do we want to attract. We need to tell our visitors, developers, and future entrepreneurs, about why Merritt Island is a good fit for their needs. We want to attract companies who will be our ambassadors, working on our behalf, redeveloping and building the tax base, reducing the burden of government.

Cares Act Small Business Relief Grants. The MIRA staff worked alongside Brevard County Economic Developers and Staff to assist Brevard County wide as well as Merritt Island specific small businesses and nonprofit organizations that were financially impacted by the COVID-19 public health emergency. Staff sent emails, went door to door, and mailed out more than 1,000 letters to our small business community spurring them on to complete and submit applications for up to \$10,000 per business economic relief grants provided by Brevard County through the federal CARES Act funds. Several thousand of Brevard County's 12,000 businesses received economic relief through these grants.

E. Recent Economic Re-Development Projects.

- **Relocation of Health First Hospital;** This year brought the announcement of Health First's intent to build a state-of-the-art Wellness Village, to transform the customer healthcare experience for local community families in a growing urban atmosphere. The development promises to provide a variety of medical and wellness services as well as retail and community space. The fitness center will be replaced with a new one, ample and convenient parking with community space and all in concert and to complement acute-care services in once centralized location in one of the largest blighted areas in central Merritt Island. This area to be redeveloped consists of approximately 14.22 acres and was previously a lumber yard, a K-mart and a grocery store. For the last 20 years, it has been primarily a concrete desert. The adjacent roadway floods and the stormwater in this part of the island has environmentally sensitive issues due to its location.

- **Cape Crossing Resort and Marina Expansion;** Completed in 2019, Cape Crossing, is a Multi-Million-dollar project serving as a Gateway to the Indian River Lagoon, nestled in MIRA's Merritt Island Canal Redevelopment Area, the waterway connecting the Indian River and Banana River. The Merritt Island Canal, also known as the Barge Canal. The Marina and Resort are situated in what once was a long-neglected piece of land that held a lot of nostalgia for locals because it was the former home of the historic Tingley RV Park and Marina (a Merritt Island Landmark for more than 50 years). Cape Crossing is the condo and townhouse facilities constructed in the history of the Agency's redevelopment areas. The project offers 35 condos and 47 town homes, easy access to the



first

and
to



Beachline. featuring a marina, clubhouse, exercise facility, media

room, boat ramp, and boat rentals, A Marina expansion, and a soon to open restaurant on the waterfront. Redevelopment Value \$15 Million providing more than 20 full time jobs. Each townhome unit features, open floor concepts, three bedrooms, access to the marina, a garage, and 1,403 square feet of living space.

- **Panorama Self Storage;** Self-Storage Mini Warehouse facility on 7.31 acres with a Binding Development Plan. The total new building sq. ft. for both Phase 1 and 2 is 108,110 sq. ft. Total proposed structural acreage coverage for both Phase 1 and 2 would be 2.48 acres. The property has been a vacant mobile home park for more than 10 years.



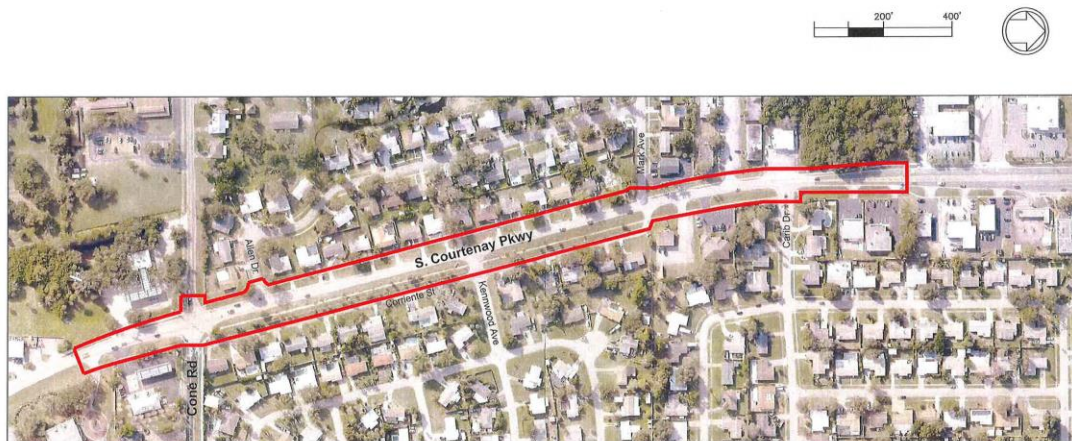
Construction shown, completed in 2020



- **South Courtenay Parkway Widening with New Commercial Development**

New construction, 2018-2019 commercial façade grant awards, successful opening of a new self-storage business in 2020 has led this part of the southern commercial core area of the Merritt Island Redevelopment Area to prioritize improvements to the South Courtenay Parkway Corridor and are scheduled over the next few years. Infrastructure enhancements along the segment that runs from

Fortenberry Road along the South Courtenay parkway Corridor to Cone Road Intersection are planned. This is the south end of the MIRA Jurisdiction and will connect in with the recently improved Cone Road improvements the County made. This area is mainly served by smaller businesses and independent operators with goods and services for neighborhoods. As these neighborhood commercial services become more available closer to home, pedestrian safety and mobility infrastructure improvements are part of our redevelopment plan directives.



**PROPOSED PROJECT LIMITS OF
S. COURTENAY PKWY WIDENING**
Length = 2500 LF
Area = 6.1 acres

F. Additional Potential Development or Redevelopment Facilitation Provided.

- Approximately 3.78 acres south side of Fortenberry Road east of South Plumosa Street. Self-Storage facility. Now Under Development.
- Approximately 9.25 acres south side of Fortenberry Road east of South Plumosa Street. Office, Retail.
- Approximately 2.0 acres at the South east corner of North Courtenay Parkway and Pioneer Road.
- Approximately 3.0 acres at the North west corner of North Banana River Drive and Furman Road.
- Approximately 6.5 acres at the south east corner of SR 520 and Plumosa Street. Retail and Restaurant.
- Approximately 7 acres at the southwest corner of SR 520 and New Found Harbor Drive. Retail, office, restaurant & hotel.
- 1.0 acre; on the south side of SR 520 at the entrance to Appliance Direct. Now Under Development.
- 3 acres; 595 N. Courtenay Parkway, with adjacent parcels, currently occupied medical and office buildings. Continued use as medical and office. Now Under Development.
- 2.75 acres; at the northeast corner of SR 520 and Milford Point Drive.
- 2.12 acres; at the southwest corner of SR 520 and S. Banana River Drive.
- 1.15 acres east side of S. Courtenay Parkway, south of Fortenberry Road.
- Site Plan – Jijaco, Approval 9/24/2020
- Rezoning Application to PUD from BU-1 & BU-2; To acquire for additional building heights above 65 feet. Health First Inc.; Approval 10/2020

G. Commercial Façade Improvement Award Program.

The Merritt Island Redevelopment Agency retains a seven-member volunteer *Beautification Committee* composed of Merritt Island residents and/or Merritt Island business owners. The Committee's purpose is to serve as a recommending body to the MIRA Board for beautification projects within the MIRA District. In 2002, MIRA created the Commercial Façade Improvement program. The goal of the Program is to improve the function and aesthetics of the Merritt Island Redevelopment Area by assisting commercial property owners in funding physical redevelopment and safety improvements to their existing properties. The Award provided by MIRA is awarded on a reimbursement basis, matching a percentage of the investment made by individual grantees, based on certain criteria established in the policies and procedures of the program. With the availability of matching funds through the program, the improvements will have a positive visual impact on the community, reducing blight, and thereby increasing the economic benefits within the Redevelopment Area. The program has been revised and was relaunched in 2020 with no increase in the annual award amount budgeted but with new categories of awards and amounts for a better impact and to right size the amounts with the increasing costs of construction and materials with today's costs.

1. **Alexandra Von Bobinski, 275 Magnolia Street** Improvements to this historical property included parking lot repair, window and door repair and replacement, lighting fixture repair and replacement, safety ramp and railing repair and enhancement. The amount of private investment was \$139,456; grant awarded was \$50,000.

2. **Jenn Clements, Coastal Life Properties, 120 Plumosa Street** Improvements to the property included landscaping, parking lot repair, and sign replacement. The amount of private investment was \$9,914.65; grant awarded was \$4,957.33.



3. **Don Adovasio, 45 N. Tropical Trail** Improvements to this historical property included demolition of an old building pad to allow for the parking lot repair; landscaping; masonry repairs/painting; capping old well; shutters and safety railing. The amount of private investment was estimated at \$33,319.00; grant awarded was \$9,435.00. **Update: Since receiving their façade grant, the small business tenant has changed ownership and they have renovated the inside of the store.** By reinvesting in their building, the owner was able to retain their tenant.



H. Zoning, Variance, Subdivision and Site Plan Reviews.

To maintain a consistency in the development that occurs within the MIRA boundary, the MIRA Board of Directors reviews and makes recommendations as part of Brevard County Planning and Development for development requests including: changes in land use and zoning, site development plans, conditional use or variance applications, and vacating of road right-of-way. The following request was made and approved during the fiscal year.

DEVELOPMENT SITE REVIEW/ZONING REVIEW PRESENTATIONS

- Variance Application for rear and front setbacks; 258 N. Grove Street, Approval of Variance 1/2020
- Site Plan – 170 N. Plumosa St. Donofrio Auto, Approval 2/27/2020

- Site Plan – 50 Goodwin Drive, Approval 2/27/2020
- Site Plan – City Electric Supply, Approval 2/27/2020
- Rezoning Application to amend existing Binding Development Plan (BDP); South Side of Cone Road; Approximately 150 Feet east of Kemp St; Also located on the east side of Kemp St., Approximately 145 feet south of Cone Road, River Fly in Condominium Inc., Approval of Amendment to BDP, 4/30/2020
- Site Plan – 267 E. Merritt Island Causeway, Take 5 Auto Shop Approval 4/30/2020
- Rezoning Application for a Conditional Use Permit for alcohol, and for commercial overnight parking and the removal of the existing Binding Development Plan (BDP).; southwest corner of Duval street and North Courtenay Parkway., Approval of CUPs, 4/30/2020
- Rezoning Application Text Amendment to Chapter of Future Land Use Element, Health First; “the proposed amendment allows for redevelopment of underutilized vacant properties throughout the county” Approval of Amendment 8/27/2020

GENERAL PERFORMANCE METRICS

PROGRAM	OBJECTIVE	MEASURE	GOAL FY 2019-2020	ESTIMATED ACHIEVEMENT	PROJECTED FY 2020-2021
Community Education	Community Outreach	Number of Presentations	8	8	8
Communications	Community Outreach	Mailing, Social Media, Emails, Newsletters		1000	3000
Land Use	Increased Efficiency	Site Plan/Zoning Reviews		11	15
Business Visitation and Retention	Program Outreach/ assistance to new/existing businesses	Number of Businesses visited/consulted (email/phone/in person)	104	565	158
Lagoon Preservation	Septic to Sewer	Property Owners Served	35	40	20
Redevelopment	New Capital Investments in economic & redevelopment projects	New commercial building permit values in the redevelopment area	\$25 Million	\$40 Million	\$150 Million
Economic Development	Create & retain jobs as a result of redevelopment activity	New jobs created/retained with MIRA facilitation	120	700	290
Environmental Preservation/Redevelopment	Assist property owners with brownfield issues	Number of property owners obtaining brownfield counseling	2	0	6
Grants Management	Leverage of MIRA Funds	Project Dollars leveraged from County, State, Federal, and Private	\$400 Thousand	\$1.67 Million	\$500,000 Thousand
Redevelopment	Redevelopment Activity	Square Footage of Structures		TBD	100
Redevelopment	Redevelopment Activity	Impacted Project Acres of Land	144	375	160

VI. ECONOMIC IMPACT OF OUR WORK

YEAR OF THE COVID 19 SHUTDOWN. In mid-2020, the Merritt Island Redevelopment Area was hit hard due to the national Covid 19 Economic Shutdowns. From the months of March through June were the most severe economic activity reductions. The Merritt Island redevelopment area is largely comprised along the Merritt Island commercial corridors, occupied by hundreds of small – medium sized businesses ranging from the Merritt Square Mall, to numerous commercial and retail outlets, restaurants and service businesses. Small businesses were most highly impacted by the economic shutdown. It is important to understand the contribution these small businesses make to our community. Their continued vitality is essential. In the 2nd, 3rd, and 4th quarter of 2020, with the assistance of Federal CARES Act Funding, the MIRA staff worked alongside County Leadership, the EDC, and the Cocoa Beach Regional Chamber of Commerce, to assist in the programming, marketing, review and provision of Small Business Grants to businesses in our redevelopment area.

ECONOMIC IMPACT STUDY. In April 2017, the Merritt Island Redevelopment Agency commissioned an independent economic analysis firm, Closewaters LLC, to complete an Economic Impact Study. The purpose of the study was twofold:

- 1) Analyze the economic impact of the work of the Merritt Island Redevelopment Agency; and
- 2) Measure the economic impact of the Merritt Island Economy on all of Brevard County.

Significant key performance data about Merritt Islands economic impact are as follows:

- Merritt Island is a key Brevard County Economic Development Engine.
- Merritt Island ranks third in property tax contributions to Brevard County, compared to all other Brevard County Communities.
- 9% of the total ten year \$541 Million of Brevard County Property Tax Collections are generated on Merritt Island.
- 8% of the Small businesses in Brevard County, are situated on Merritt Island.
- \$10 million of funding to MIRA the past ten years has contributed in part, to our leveraging:

PERFORMANCE

91% of all Brevard County Property Taxes come from Brevard County CRA supported communities.

Merritt Island ranks third in property tax contributions to Brevard County, compared to all Brevard County Communities.

- \$962 Million in total tax contributions to Brevard County; and
- \$788K in Façade Grants leveraged an additional \$3.6 Million in private sector project investment.
- MIRA has also leveraged over 1.0 Million in other Grant Funding.

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93% of County Sales Tax comes from Brevard County CRA supported communities

The redevelopment role of MIRA, is substantially contributing to preservation of a sustainable tax base on Merritt Island. The Merritt Island tax base provides a significant portion of the Brevard County Budget.

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The redevelopment role of MIRA, is substantially contributing to preservation of a sustainable tax base on Merritt Island. The Merritt Island tax base provides a significant portion of the Brevard County Budget.

LEVERAGING TRUST FUND DOLLARS. During 2019-2020 MIRA experienced a banner year in leveraging the impact of Trust Fund dollars. MIRA applied for and was awarded approximately \$2.7 Million Dollars in Grant Funding from state, and local agencies, and applied for a new **\$300,000** Federal Brownfield Assessment Grant. Funding sources included a **\$912,555** grant from the Saint Johns River Water Conservation District, active 2018 – 2020, leveraging **\$2.7 Million** toward the completion of the Cone Road Sanitary and Storm Water Construction project impacting environmental conservation and image enhancement for more than 60 small businesses; a Florida Department of Environmental Protection State Water Quality Assistance Grant (SWAG), with an award of **\$400,000** to fund our Cone Road Business Septic to Sewer Grant Program, which along with the above SJRWMD grant, is *enabling all Cone Road Project area septic tanks to be abandoned and sanitary waste lines connected to the public sanitary system at little or no cost to the business owner, including the Brevard County Public Works property in the Cone Road area*; a **\$1.27 Million Dollar Capital Facilities Grant** from the Brevard Space Coast Office of Tourism, leveraging a **\$2.3 Million Dollar Amphitheatre Project** in Veterans Memorial Park. The Amphitheatre is projected to boost annual visitation to **273,888 persons** to Veterans Memorial Park the Veterans Center and Museum, generating a substantial amount of hotel and recreation expenditures from Brevard County day trippers, and overnight guests; and a **\$151,875** Grant from the Florida Department of Transportation for SR 520 Landscaping of new median extension.

VII. FINANCIAL REPORTS

FISCAL YEAR ENDING SEPTEMBER 30, 2020

As a Special Dependent District, MIRA is required to complete a financial audit. Pursuant to Florida State Statutes beginning with the October 1, 2019 – September 30, 2020 Fiscal Year, the Audit is to be separate from the financial audit of the county that created the CRA, but is to be included as a component unit part in the County Audit. The separate CRA financial audit report must include the financial statements required by section 163.387(8)(b)2., Florida Statutes. Pursuant to Florida Auditor General Rule 10.557(3), the CRA financial audit report must include basic financial statements, notes to the financial statements, and management's discussion and analysis and other required supplementary information. The MIRA Financial Reports and Audit for the October 1, 2019 – September 30, 2020 Fiscal Year, are included in this report in **Exhibit "B"**, attached, and will be posted to the MIRA Web Site. A summary financial report, has been compiled below.

SUMMARY REPORT:

MERRITT ISLAND REDEVELOPMENT AGENCY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2020

REVENUES

Taxes - other	\$ 1,373,413
Intergovernmental	81,550
Conveyance from Brevard County	422,370
Miscellaneous	115,757
Total revenues	\$ 1,993,090

EXPENDITURES

Economic environment	\$ 945,878
Total expenditures	\$ 945,878

Net change in fund balance	\$ 1,047,212
Fund balance - beginning	3,193,263
Fund balance - ending	\$ 4,240,475

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the General Fund to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance-General Fund	\$ 1,047,212
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(40,626)
Change in net position of governmental activities	\$ 1,006,586

MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

ASSETS

Cash equivalents	\$ 4,391,399
Due from other governmental units	<u>81,550</u>
Total assets	<u>\$ 4,472,949</u>

LIABILITIES

Vouchers and contracts payable	\$ 232,474
Noncurrent liabilities:	
Due within one year:	
Accrued compensated absences	1,913
Due in more than one year:	
Accrued compensated absences	16,090
Accrued personnel costs	<u>165,702</u>
Total noncurrent liabilities	<u>183,705</u>
Total liabilities	<u>\$ 416,179</u>

NET POSITION

Restricted for:	
Merritt Island	<u>\$ 4,056,770</u>
Total net position	<u>\$ 4,056,770</u>

VIII. ECONOMIC AND REDEVELOPMENT CHALLENGES

COVID 19 Impacts. Adding to the pre Covid retail apocalypse trends, a survey of small businesses by Florida State University researchers found that 15.2 percent of small businesses have closed their doors permanently as a result of the COVID-19 shutdown.

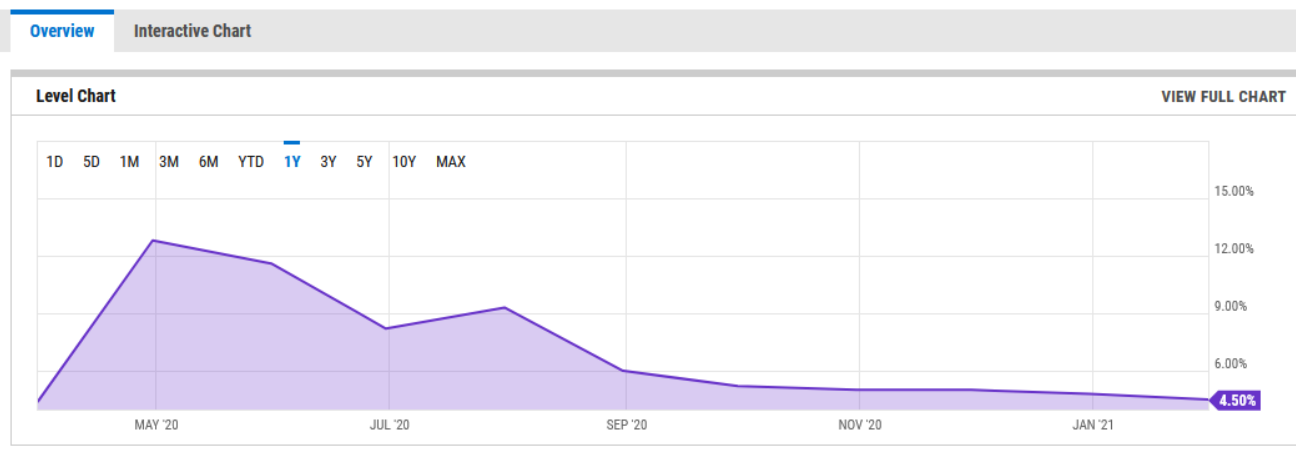
Funded by the Jim Moran Institute for Global Entrepreneurship in the College of Business, the survey asked participants to provide feedback on employee layoffs, government loan programs, operating capacity and stress levels, among other factors, to measure how businesses have changed daily operations during the global pandemic.

It found that 15.2 percent of its participants closed permanently, and 14.5 percent of participants closed temporarily. Another 31 percent of participants were operating at the time of the study at below 40 percent capacity, while close to 40 percent of participants were and are operating at 40 percent or higher during THE COVID-19 shutdown.

Participants also were asked if they laid off employees during COVID-19 — 46.7 percent reported doing so, while 51 percent reported that they did not. The average number of employees laid off was 10.5 persons.

Brevard County, FL Unemployment Rate

4.50% for Jan 2021



Despite the challenges, in 2021 based on metropolitan area statistical area data the Milken Institute's prestigious Best-Performing Cities index, recognized Brevard County as an area rising to a rank of second in the entire United States. The Index tracks where America's jobs are created and sustained. This year's report attributes the Space Coast's continued ascent to strong wage and job growth, which are third and eighth in the nation, respectively.

This is being reaffirmed as the Brevard County economy is bouncing back rapidly from a high of 12.8% unemployment in April 2020 to 4.5% in January 2021. People are returning to work and consumers are spending again, as Florida's governor remains staunch in keeping Florida Open. Merritt Island is well

positioned within the County, with its state highway access, and centralized location. The County is growing in its globally recognized companies involved in aviation, aerospace, marine, electronics, firearms and firearms parts manufacturer, regional warehousing, and communications increasingly represent, a diversified, manufacturing, warehousing and high-tech industrial base, including a significant part of the national aerospace and defense industry.

Aside from the retail trends of the digital age, for over ten years there has been a trend away from Malls, towards, more traditional community oriented, mixed use retail, residential, and recreational focused place making developments.

According to an article in Retail Dive <https://www.retaildive.com/news/9-retail-trends-to-watch-in-2021/593146/>, here's what Retail Dive is tracking and opining in 2021:

- The pandemic is a thread weaving through almost every trend the industry faces in 2021, in some cases speeding up inevitable changes many years in the making and in others sparking unexpected developments. Whatever this year brings, the changes driven by the convergence of the pandemic and longstanding industry tailwinds will influence what retailers do and reshape the industry.
- The pandemic will forever alter the brick-and-mortar landscape
- The major blow to retailers that came from the pandemic's forced closure of stores last spring lessened somewhat throughout the year as stores reopened, but long-term changes to the retail landscape are inevitable. Several retailers, whether through bankruptcy or not, sped up or expanded plans to close stores, especially at malls. Analysts see some hope for neighborhood shopping districts as people continue to work from home and frequent their local shops, embracing the idea of community-oriented locations. But the pandemic, despite some help from a financial COVID relief package early in 2020 designed to help keep small businesses afloat, has been especially challenging for many mom and pops.
- Bankruptcies in 2020 hit levels not seen for more than a decade as the pandemic dragged heavily on traffic to stores and forced them to shutter in the spring. As the COVID-19 pandemic continues to weigh on shoppers and the economy, retailers lacking cash, that are heavily indebted, suffering severe and persistent sales declines, or some combination of those things, are vulnerable to bankruptcy or disappearing entirely. No matter how 2021 plays out, you can expect fewer stores and perhaps companies than today as the year begins. Walmart, Amazon, Target and Costco all saw

growth last year ranging from very solid to explosive. Each of them got there in different ways and for different reasons, but those companies have a few things in common. They are huge, with vast cash and capital resources to invest in their businesses and capabilities. And all four are generalists to varying degrees, selling everything from basketballs to apparel to milk.

- Along with leaning on Amazon's superfast delivery, pandemic-wary shoppers in 2020 flocked to the one-stop big-box sellers like never before. Their broad offerings meant customers could reduce their trips and, with them, their potential virus exposure
- Growth was pushed aside during the early stages of the pandemic when a record number of stores shut down for good and survival became retailers' main priority. 2021 will likely allow retailers more time to focus again on innovation, but still, new tools emerged in the midst of the pandemic as retailers looked to create socially distant experiences, like using augmented reality to test cosmetics, automated checkout tech.

FUTURE DIRECTIONS

Placemaking will still matter in creating a healthy, prosperous Merritt Island Community, where people want to live, work, play, shop, and learn. Placemaking will generate more than just social outcomes for the community. It also generates economic benefits and is a complementary strategy to aid workforce development.

The future is undetermined, however our Redevelopment Plan Update, which is underway, and pending initiatives, will hopefully serve to prepare us to adapt to an uncertain future and changing conditions and engage in more placemaking oriented redevelopment efforts, through an updated Redevelopment Plan, complete with incentives for Mixed Use, Place Making Oriented Developments.

In the midst of these challenges, Merritt Island was greeted in 2020 with a transformatonal placemaking medical project which is closer on the horizon. That being the up and coming Health First \$300 Million Medical Wellness Village and Hospital, in the planning and design stages for contruction on Merritt Island to start in 2021. MIRA has played a key mediating role in the initial stages of consultation with the developers, engineers, and County officials.

The Merritt Island Redevelopment Agency will continue to look to the future, and adapt to market trends, facilitate for those in need, and to the furthest extent possible create strategies for successful redevelopment of our core areas.

EXHIBIT “A”

**MERRITT ISLAND REDEVELOPMENT AGENCY
TRUST FUND
CAPITAL PROJECTS PROGRESS REPORT
2019-2022**

MERRITT ISLAND REDEVELOPMENT AGENCY
MERRITT ISLAND REDEVELOPMENT AGENCY
PROJECT NAME: Veterans' Park Improvements

Project Total: \$1,045,000
 Project Timeline: October 1st, 2016 through September 30th, 2021
 Funded Program: 6538210
 District(s): 2

Project Description, Milestones and Service Impact

The Veterans' Park newest enhancements has been site planned with necessary infrastructure such as electricity and parking; plantings that will honor the Veteran's and designated areas for memorial trees; benches throughout the Park and sites for the future Vietnam Veteran's Memorial and a future amphitheatre. These enhancements will be completed through partnerships with the Brevard County Parks and Recreation and Brevard Facilities.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Tax Increment Revenue	\$ 1,045,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,045,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 1,045,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,045,000
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning/Design Expense	\$ 29,640	\$ 4,360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,000
Construction Expense	\$ -	\$ 10,000	\$ 1,010,000	\$ -	\$ -	\$ -	\$ -	\$ 1,010,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ 29,640	\$ 14,360	\$ 1,010,000	\$ -	\$ -	\$ -	\$ -	\$ 1,045,000

MERRITT ISLAND REDEVELOPMENT AGENCY
MERRITT ISLAND REDEVELOPMENT AGENCY
PROJECT NAME: Griffis Landing Structural

Project Total: \$275,000

Project Timeline: October 1st, 2019 through September 30th, 2021

Funded Program: 6518207

District(s): 2

Project Description, Milestones and Service Impact

The Merritt Island Redevelopment Agency is partnering in FY 20 and 21 with the Natural Resources Management Department and Brevard Facilities to redesign and rebuild the roofing structure and windows systems at the building known as "Doc's Bait House" at Griffis Landing which is part of the original Blue Crab Cove working waterfront. These two aging structures have suffered multiple hurricanes and exist in a waterfront area subjected to marine related decay. Roof reconstruction and commercial grade impact windows will extend the life of these historic structures.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Tax Increment Revenue	\$ 115,000	\$ 160,000	\$ -	-	\$ -	-	\$ -	\$ 275,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Revenue	\$ 115,000	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,000
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Planning/Design Expense	\$ -	\$ 20,000	\$ -	\$ -	\$ -	-	\$ -	\$ 20,000
Construction Expense	\$ -	\$ -	\$ 255,000	\$ -	\$ -	-	\$ -	\$ 255,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
Total Expense	\$ -	\$ 20,000	\$ 255,000	\$ -	\$ -	\$ -	\$ -	\$ 275,000

MERRITT ISLAND REDEVELOPMENT AGENCY**MERRITT ISLAND REDEVELOPMENT AGENCY****PROJECT NAME: Phase III Cone Road Septic to Sewer**

Project Total: \$790,000

Project Timeline: October 1st, 2019 through September 30th, 2021

Funded Program: Not Applicable

District(s): 2

Project Description, Milestones and Service Impact

The construction of Phase I Storm Water, and Phase II Sanitary Sewer, of the Cone Road Storm Water & Sewer Project has been completed. The property owners are left with the expense of abandoning their septic systems and connecting their sanitary lines to the public sanitary line laterals connections utilizing guidelines the property owners must follow. MIRA will reimburse the homeowners that make application, meeting the criteria, and in turn St. Johns River Water Management and the Florida Department of Environmental Protection will reimburse MIRA for a portion of the expense.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Tax Increment Revenue	\$ 400,000	\$ 202,000	\$ 188,000	\$ -	\$ -	\$ -	\$ -	\$ 790,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 400,000	\$ 202,000	\$ 188,000	\$ -	\$ -	\$ -	\$ -	\$ 790,000
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning/Design Expense	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Construction Expense	\$ -	\$ 160,000	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 560,000
Other Expense	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Total Expense	\$ -	\$ 390,000	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 790,000

MERRITT ISLAND REDEVELOPMENT
MERRITT ISLAND REDEVELOPMENT
PROJECT NAME: Bus Shelters

Project Total: \$ 239,416

Project Timeline: October 1st, 2019 through September 30th, 2023

Funded Program: 6300010

District(s): 2

Project Description, Milestones and Service Impact

This project is to facilitate the development, implementation and installation of user-friendly quality bus shelters with identifying markers for the Merritt Island Redevelopment Area along S.R. 3 and S.R. 520. Average Daily traffic volumes along these corridors combined exceeds 70,000 trips. The infrastructure benefits of bus shelter "stations" will promote multi modal transportation by providing bike racks, less visual blight by controlling litter with composting trash receptacles and cigarette disposal systems. Added solar lighting will deter crime and vandalism and promote safety in slum and blighted areas adjacent to the main corridors. This project will be in partnership with the Space Coast TPO, Space Coast Area Transit and FDOT.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Tax Increment Revenue	\$ 4,416	\$ 15,000	\$ 120,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 239,416
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 4,416	\$ 15,000	\$ 120,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 239,416
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning/Design Expense	\$ 4,416	\$ 15,000	\$ 20,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 59,416
Construction Expense	\$ -	\$ -	\$ 100,000	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ 180,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ 4,416	\$ 15,000	\$ 120,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 239,416

MERRITT ISLAND REDEVELOPMENT AGENCY
MERRITT ISLAND REDEVELOPMENT AGENCY
PROJECT NAME: Griffis Access

Project Total: \$ 300,000

Project Timeline: October 1st, 2019 through September 30th, 2021

Funded Program: Not Applicable

District(s): 2

Project Description, Milestones and Service Impact

It was determined that dredging would have to be initiated to open the way for boats to have access to the fuel dock and bait house. Ongoing Facilities improvements at Griffis landing in conjunction with installation of a new fuel tank and the existing pump out station will increase waterfront usage, adding a sustaining economic benefit for the Landing and its businesses. This project will include a site needs analysis for signage for the fuel dock, lighting for safety, emergency access and ADA compliant access. The dredged depth of the waterway entrance and the consideration of boat traffic lighting and aids to navigation are also enhancements that will be necessary to encourage visitors and enable a safe approach.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Increment Tax Revenue	\$ 225,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 225,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning/Design Expense/Permitting	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Construction Expense	\$ -	\$ -	\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ -	\$ 25,000	\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

MERRITT ISLAND REDEVELOPMENT AGENCY
MERRITT ISLAND REDEVELOPMENT AGENCY

PROJECT NAME: S. Courtney-Cone Road Project

Project Total: \$1,275,000

Project Timeline: October 1st, 2019 through September 30th, 2022

Funded Program: Not Applicable

District(s): 2

Project Description, Milestones and Service Impact

The Merritt Island Redevelopment Agency, partnering with the County and a private developer, plan to eliminate several safety issues at the corner of South Courtenay Parkway and Cone Road in conjunction with a private development. The private development would generate approximately \$850,000-\$900,000 in impact fees which would be implemented towards this project. The Merritt Island Redevelopment Agency would cover the difference between the cost of the project minus the impact fees; all of which are speculative and fluid at this time.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Increment Tax Revenue	\$ 900,000	\$ 275,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 1,275,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 900,000	\$ 275,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 1,275,000
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning/Design Expense	\$ -	\$ 50,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 125,000
Construction Expense	\$ -	\$ -	\$ 300,000	\$ 850,000	\$ -	\$ -	\$ -	\$ 1,150,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ -	\$ 50,000	\$ 300,000	\$ 925,000	\$ -	\$ -	\$ -	\$ 1,275,000

MERRITT ISLAND REDEVELOPMENT AGENCY
MERRITT ISLAND REDEVELOPMENT AGENCY
PROJECT NAME: North 520 Stormwater Project

Project Total: \$560,000

Project Timeline: October 1st, 2019 through September 30th, 2021

Funded Program: Not Applicable

District(s): 2

Project Description, Milestones and Service Impact

This project will facilitate engineering, design and implementation of a regional stormwater management and water quality project to address issues specifically for the sub-basin north of S.R. 520, east of Plumosa Street to the Sykes Creek area. The project area would include the Health First Health and Wellness Village project, currently a large asphalted and blighted area east of the BJ's retail facility. Partnerships between the Agency, Property owners, BJs, Health First, Brevard County County Natural Resource, various Permitting Agencies and the Public Works Departments will be required in order for this project to succeed.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Increment Tax Revenue	\$ 250,000	\$ 30,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 530,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 250,000	\$ 30,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 530,000
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning/Design Expense	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Construction Expense	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ -	\$ 30,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 530,000

MERRITT ISLAND REDEVELOPMENT AGENCY

MERRITT ISLAND REDEVELOPMENT AGENCY

PROJECT NAME: Bandshell Amphitheatre

Project Total: \$2,350,000

Project Timeline: October 1st, 2019 through September 30th, 2023

Funded Program: Not Applicable

District(s): 2

Project Description, Milestones and Service Impact

The Veteran's Memorial Park Amphitheatre will serve the Veterans and Citizenry of Brevard County as a quality outdoor venue for Veterans, Tourism and Community events. The 3+ acre Amphitheatre outdoor venue area will support an acoustically engineered band shell and will host up to 3,500 persons for a broad category of Veterans and Community oriented events. The project is the culmination of MIRA's involvement in making a series of permanent improvements, to this unique Park managed by and honoring our Veterans. Cumulative, annual attendance at the Park, the Veterans Museum, and the Amphitheatre, is projected to be in excess of 100,000 persons.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Tax Increment Revenue	\$ 575,000	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 975,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 500,000	\$ -	\$ -	\$ 1,500,000
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 575,000	\$ 200,000	\$ 200,000	\$ 1,000,000	\$ 500,000	\$ -	\$ -	\$ 2,475,000
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning/Design Expense	\$ -	\$ 50,000	\$ 200,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 300,000
Construction Expense	\$ -	\$ -	\$ 592,314	\$ 1,050,000	\$ 532,686	\$ -	\$ -	\$ 2,175,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ -	\$ 50,000	\$ 792,314	\$ 1,100,000	\$ 532,686	\$ -	\$ -	\$ 2,475,000

MERRITT ISLAND REDEVELOPMENT AGENCY

MERRITT ISLAND REDEVELOPMENT AGENCY

PROJECT NAME: Plumosa Stormwater

Project Total: \$380,000

Project Timeline: October 1st, 2020 through September 30th, 2022

Funded Program: Not Applicable

District(s): 2

Project Description, Milestones and Service Impact

This project is to facilitate the preliminary study, engineering, and construction of piping stormwater 600' from connections made at or near the intersection of S. R. 520 and Plumosa Street, to the Stormwater Treatment Lake at the Veteran's Memorial Park. Approximately seven acres are anticipated for redevelopment in this area that lack this critical connection which will facilitate redevelopment of a blighted former car dealership and aging commercial properties along Plumosa Street. Currently property is being marketed for development. It is anticipated that the need for this connection will occur within the next 12 months.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Tax Increment Revenue	\$ 220,000	\$ 50,000	\$ 30,000	\$ 80,000	\$ -	\$ -	\$ -	\$ 380,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 220,000	\$ 50,000	\$ 30,000	\$ 80,000	\$ -	\$ -	\$ -	\$ 380,000
Land Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning/Design Expense	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Construction Expense	\$ -	\$ -	\$ 250,000	\$ 80,000	\$ -	\$ -	\$ -	\$ 330,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ -	\$ -	\$ 300,000	\$ 80,000	\$ -	\$ -	\$ -	\$ 380,000

MERRITT ISLAND REDEVELOPMENT AGENCY

MERRITT ISLAND REDEVELOPMENT AGENCY

Merritt Square Mall Area Commerical Core Sub Area Redevelopment

Project Total: \$1,825,000

Project Timeline: October 1st, 2021 through September 30th, 2023

Funded Program: Not Applicable

District(s): D2

Project Description, Milestones and Service Impact

The purpose of the project is to engage in an extensive collaborative process, leading towards creation and implementation of catalytic mixed useplace making redevelopment activity in the MIRA Merritt Square Mall Commercial Core Sub Area creating a Merritt Island Town Centre - linked and integrated functionally and aesthetically to Veterans Memorial Park, its water features, and its upcoming band shell area. The outcome will be creation and phased implementation of a market based highly collaborative concept plan,land and storm water pond acquisition, design,and construction of storm water elements to connect to the Fortenberry Stormwater Treatment Lake at the Veteran's Memorial Park; feasibility and probable costs of the possible relocation of Fortenberry Road; and an overlay of alternative development standards to facilitate the redevelopment of the Mall and surrounding areas.

Revenue or Expense Category	All Prior Fiscal Years	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025 & Future	Total Revenue
Tax Increment Revenue	\$ 325,000	\$ -	\$ -	\$ 700,000	\$ 800,000	\$ -	\$ -	\$ 1,825,000
Permit/Fees Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 325,000	\$ -	\$ -	\$ 700,000	\$ 800,000	\$ -	\$ -	\$ 1,825,000
Land Expense	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
Planning/Design Expense	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ 50,000
Construction Expense	\$ -	\$ -	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ 775,000
Other Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ -	\$ -	\$ -	\$ 1,025,000	\$ 800,000	\$ -	\$ -	\$ 1,825,000

EXHIBIT “B”

2019-2020 AUDIT AND FINANCIAL STATEMENTS

**MERRITT ISLAND REDEVELOPMENT
AGENCY
(A COMPONENT UNIT OF BREVARD
COUNTY, FLORIDA)**

FINANCIAL STATEMENTS

As of and for the Year Ended September 30, 2020

***And Reports of Independent Auditor and Supplementary
Reports***

MERRITT ISLAND REDEVELOPMENT AGENCY

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Report of Independent Auditor

To the Honorable Board of Directors of
Merritt Island Redevelopment Agency
Merritt Island, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the General Fund of the Agency as of September 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2021, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cheryl Behrman LLP". The signature is written in a cursive, flowing style.

Orlando, Florida
March 30, 2021

MERRITT ISLAND REDEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Merritt Island Redevelopment Agency (the "Agency"), we offer readers of the Agency's financial statements this narrative overview and analysis of the Agency's financial activities for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the financial statements and notes to the financial statements.

The Agency is a discretely presented component unit of Brevard County, Florida, and the financial information detailed in this report is also contained in the Brevard County, Florida Comprehensive Annual Financial Report.

Financial Highlights

- The Agency's assets exceeded its liabilities at September 30, 2020 by \$4,056,770 (net position). All of this amount is restricted as the funds are to be used solely for revitalization projects located within the boundaries of the Agency.
- The Agency's net position increased by \$1,006,586, compared to the previous year's amount.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) general fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The statement of activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus expenses are reported in this statement for some items where the related cash outflow will occur in future fiscal periods.

General Fund. The General Fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the General Fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the General Fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financing decisions. Both the General Fund balance sheet and the General Fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between General Fund and governmental activities.

MERRITT ISLAND REDEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information.

The Agency adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by \$4,056,770 at the close of the most recent fiscal year. This compares with \$3,050,184 at the close of the previous fiscal year, an increase of \$1,006,586.

The change in net position can primarily be attributed to the following factors:

- Cash equivalents increased \$1,191,333 during fiscal year 2020 as a result of positive operating results and changes in other balance sheet line items.
- Total liabilities increased \$266,297 primarily as a result of timing of vouchers and contracts payable and increased accrued personnel costs and accrued compensated absences.

	Net Position	
	2020	2019
Assets		
Current assets	\$ 4,472,949	\$ 3,200,066
Total assets	<u>4,472,949</u>	<u>3,200,066</u>
Liabilities		
Current liabilities	232,474	6,803
Noncurrent liabilities	183,705	143,079
Total liabilities	<u>416,179</u>	<u>149,882</u>
Net position		
Restricted:		
Merritt Island	4,056,770	3,050,184
Total net position	<u>\$ 4,056,770</u>	<u>\$ 3,050,184</u>

MERRITT ISLAND REDEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

Governmental activities increased the Agency's net position by \$1,006,586 in fiscal year 2020, compared to an increase of \$956,778 in the prior fiscal year. Total revenues increased by \$653,827 from last year as a result of a \$422,370 conveyance of unspent funding from the County to the Agency, a \$136,748 increase in tax increment revenues, and a \$81,550 increase in intergovernmental revenues related to other grants.

Total expenses increased by \$604,019, primarily as a result of many more redevelopment initiatives underway in fiscal year 2020, including grants to individual and private organization property owners to convert to the County's sewer system, construction on the Veterans' Memorial Park and various other projects.

	Changes in Net Position	
	2020	2019
Revenues		
General revenues:		
Taxes	\$ 1,373,413	\$ 1,236,665
Other general revenues	619,677	102,598
Total general revenues	<u>1,993,090</u>	<u>1,339,263</u>
Expenses		
Program expenses:	<u>986,504</u>	<u>382,485</u>
Change in net position	1,006,586	956,778
Net position beginning	3,050,184	2,093,406
Net position ending	<u>\$ 4,056,770</u>	<u>\$ 3,050,184</u>

Economic Factors and Conditions

The Agency's major source of revenue, taxes, are based on Brevard County's property tax collections, which are affected by property values and millage rates set by the County.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in such. Questions concerning any of the information should be addressed to the Executive Director, 2575 N. Courtenay Parkway, Suite 207, Merritt Island, Florida 32953.

BASIC FINANCIAL STATEMENTS

MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

ASSETS

Cash equivalents	\$ 4,391,399
Due from other governmental units	<u>81,550</u>
Total assets	<u>\$ 4,472,949</u>

LIABILITIES

Vouchers and contracts payable	\$ 232,474
Noncurrent liabilities:	
Due within one year:	
Accrued compensated absences	1,913
Due in more than one year:	
Accrued compensated absences	16,090
Accrued personnel costs	<u>165,702</u>
Total noncurrent liabilities	<u>183,705</u>
Total liabilities	<u>\$ 416,179</u>

NET POSITION

Restricted for:	
Merritt Island	<u>\$ 4,056,770</u>
Total net position	<u>\$ 4,056,770</u>

MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2020

General revenues

Taxes - other	\$ 1,373,413
Intergovernmental	81,550
Conveyance from Brevard County	422,370
Miscellaneous	115,757

Total general revenues

\$ 1,993,090

Program expenses

\$ 986,504

Change in net position

\$ 1,006,586

Net position - beginning of the year

3,050,184

Net position - end of the year

\$ 4,056,770

MERRITT ISLAND REDEVELOPMENT AGENCY
BALANCE SHEET – GENERAL FUND

SEPTEMBER 30, 2020

ASSETS

Cash equivalents	\$ 4,391,399
Due from other governmental units	81,550
Total assets	\$ 4,472,949

LIABILITIES

Vouchers and contracts payable	\$ 232,474
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FUND BALANCE

Restricted	\$ 4,240,475
Total liabilities and fund balance	\$ 4,472,949

Reconciliation of the Balance Sheet to the Statement of Net Position:

Amounts reported in the statement of net position differ from amounts reported above as follows:

Fund balance - General Fund	\$ 4,240,475
Long-term liabilities are not due and payable in the current period and therefore are not reported above.	(183,705)
Net position of governmental activities	\$ 4,056,770

MERRITT ISLAND REDEVELOPMENT AGENCY**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
GENERAL FUND***YEAR ENDED SEPTEMBER 30, 2020***REVENUES**

Taxes - other	\$ 1,373,413
Intergovernmental	81,550
Conveyance from Brevard County	422,370
Miscellaneous	115,757
Total revenues	\$ 1,993,090

EXPENDITURES

Economic environment	\$ 945,878
Total expenditures	\$ 945,878

Net change in fund balance	\$ 1,047,212
Fund balance - beginning	3,193,263
Fund balance - ending	\$ 4,240,475

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of the General Fund to the Statement of Activities:**

Amounts reported for governmental activities in the statement of activities are different
because:

Net change in fund balance-General Fund	\$ 1,047,212
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(40,626)
Change in net position of governmental activities	\$ 1,006,586

MERRITT ISLAND REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

Note 1 - Summary of significant accounting policies

Merritt Island Redevelopment Agency (the "Agency") was established pursuant to Section 163.387, Florida Statutes, and Ordinance 89-28, as amended by 90-188. The Agency's primary activity is the redevelopment in the Merritt Island area through the collection of incremental taxes.

The Agency is funded primarily by tax increment revenues collected and remitted by the Brevard County Florida Tax Collector. The 95% of the taxes generated as a result of increases on property values within the redevelopment area boundaries and are placed in the Agency's Trust Fund:

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America. The following is a summary of the more significant policies:

Reporting Entity – The Agency is a legally separate entity with no component units. A seven member volunteer Board of Directors (the "Board") is responsible for providing the oversight to the Agency. All Board members are appointed by the District 2 County Commissioner of the Brevard County Board of County Commissioners. A major portion of the Agency's funding is derived from tax increment revenues. Therefore, the Agency, for financial reporting purposes, is considered a discretely presented component unit of Brevard County, Florida ("County"). The financial statements of the Agency are included in Brevard County, Florida's comprehensive annual financial report under a discrete presentation format.

Basis of Accounting – Government fund financial statements are organized for reporting purposes on the basis of a General Fund, the Agency's major fund, which accounts for all activities of the Agency and is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Agency considers all revenues available if collected within 60 days after year-end. Expenditures are recognized when the related fund liability is incurred.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Balance / Net Position – Fund balance for the Agency is reported in classifications that comprise a hierarchy based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts of the fund can be spent. Fund balances are classified either as nonspendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

Nonspendable fund balances include amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. As of September 30, 2020, the Agency did not have any fund balance that was classified as nonspendable.

Spendable fund balances are classified based on a hierarchy of the Agency's ability to control the spending of these fund balances.

Restricted fund balances are fund balance amounts that are constrained for specific purposes by external parties, such as creditors, grantors or contributors; constitutional provisions; or enabling legislation.

MERRITT ISLAND REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

Note 1 - Summary of significant accounting policies (continued)

Committed fund balances are fund balances constrained for specific purposes by formal action of the District's highest level of decision making authority. Committed fund balances are reported pursuant to resolutions approved by the Governing Board and can only be modified or rescinded through resolutions approved by the Governing Board.

Assigned fund balances are fund balances intended to be used for specific purposes, but which are neither restricted nor committed.

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed, or assigned

For purposes of fund balance classification, the Agency considers restricted funds to have been spent first when both restricted and unrestricted fund balance is available, followed in order by committed, assigned and unassigned amounts, as applicable.

The government-wide financial statements utilize a net position presentation. Net position can be categorized as net investment in capital assets, restricted or unrestricted. The Agency does not have any net position categorized as net investment in capital assets or unrestricted as of September 30, 2020. Restricted net position represents amounts that are restricted by requirement of enabling legislation. When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, and then unrestricted resources as they are needed.

Accrued Compensated Absences – It is the Agency's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and a portion of sick pay is accrued when earned and a liability is reported in the government-wide financial statements. A liability is reported in the governmental funds only if a liability results from employee resignations/retirements and they are to be paid with current operating funds. Estimates have been utilized to determine the amount to report as the current portion.

Accrued Personnel Costs – The Statement of Net Position includes a noncurrent liability related to accrued personnel costs. This represents the Agency's liability for pension and other postemployment fringe benefit costs related to the Agency's contracted use of County employees

Budget – On or before September 30 of each year, the Agency's Board adopts an annual budget sufficient to support the anticipated work program for the year. The budget includes revenues from all sources legitimately available to the Agency. The Agency's Board can legally amend the budget to the extent deemed necessary, provided the budget remains in balance at the fund level. Agency management other than the Board cannot amend or transfer appropriations. For the year ended September 30, 2020, no excess of expenditures over appropriations at the legal level of budgetary control occurred.

The budget is adopted on a basis consistent with accounting principles generally accepted in the United States.

Use of Estimates – The preparation of the financial statements requires management to make use of estimates that affect reported amounts. Actual results could differ from those estimates.

MERRITT ISLAND REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

Note 2 – Cash equivalents

All funds of the Agency are invested with the County's cash and investment pool, which consists of the County's cash and investments and that of the component units. There are no restrictions on the Agency's ability to withdraw funds from the County's pool, so all amounts are considered cash equivalents. All cash equivalents are stated at fair value, based on the Agency's investment portion of the fair value of the County's pooled investments. The County's investment pool is not rated.

The Agency's investment policy is established in accordance with the Sections 125.01 and 218.415, Florida Statutes. The policy permits investing directly in, or through the County's investment pool, which is authorized to invest in the following: State Board of Administration, State of Florida, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, Corporate Notes, Commercial Paper, Municipal Bonds, Intergovernmental Investment Pools, Supranationals, Asset-Backed Securities, Multi-Asset Class Portfolio Investments (including both Domestic and International Equities, Emerging Market Debt, Real Estate Investment Trusts-REITS, and Treasury Inflation Protected Securities- TIPS), Registered Investment Companies (Mutual Funds) and time deposits or savings accounts of financial institutions under Federal and State regulation.

Note 3 – Summary of long-term liabilities

The following is a summary of changes in long-term liabilities during the year ended September 30, 2020:

	Oct. 1, 2019	Additions	Deletions	Sept. 30, 2020	Due within one year
Governmental Activities					
Accrued compensated absences	\$ 9,366	\$ 13,183	\$ 4,546	\$ 18,003	\$ 1,913
Accrued personnel costs	133,713	31,989	-	165,702	-
Total governmental activities long-term liabilities	<u>\$ 143,079</u>	<u>\$ 45,172</u>	<u>\$ 4,546</u>	<u>\$ 183,705</u>	<u>\$ 1,913</u>

Accrued compensated absences and accrued personnel costs are liquidated with resources of the same fund that has paid the applicable employees regular salaries and fringe benefits.

Note 4 – Related party transactions

The Agency is a discretely presented component unit of Brevard County, Florida. For the year ended September 30, 2020, the Agency's tax increment revenues include \$1,373,413 received from Brevard County, Florida.

In 2017, the Agency provided an advance to the County to fund capital projects in the redevelopment area. Upon completion of the capital projects, the County returned unspent funding to the Agency. The conveyance from Brevard County represents the amount of funding returned to the Agency by the County. The total amount conveyed from the County to the Agency during the year ended September 30, 2020 totaled \$422,370.

MERRITT ISLAND REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

Note 5 – Community redevelopment agency

As explained in Note 1, Merritt Island Redevelopment Agency is a discretely presented component unit in the County's Comprehensive Annual Financial Report. As required by Florida Statute, additional information regarding Agency's financial activity during the year ended September 30, 2020, is as follows:

Sources of Deposits

County tax increment	\$ 1,373,413
Conveyance from Brevard County	422,370
Miscellaneous	115,757
Total deposits	<u>\$ 1,911,540</u>

Purpose of Withdrawals

Economic environment	<u>\$ 720,207</u>
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The Agency does not have pledged incremental revenues or has not incurred any debt to carry out its activities.

REQUIRED SUPPLEMENTARY INFORMATION

MERRITT ISLAND REDEVELOPMENT AGENCY**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL - GENERAL FUND***YEAR ENDED SEPTEMBER 30, 2020*

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes - other	\$ 1,349,434	\$ 1,349,434	\$ 1,373,413	\$ 23,979
Intergovernmental	-	-	81,550	81,550
Conveyance from Brevard County	-	422,370	422,370	-
Miscellaneous	25,000	25,000	115,757	90,757
Total revenues	\$ 1,374,434	\$ 1,796,804	\$ 1,993,090	\$ 196,286
EXPENDITURES				
Economic environment	\$ 3,454,957	\$ 4,965,881	\$ 945,878	\$ 4,020,003
Total expenditures	\$ 3,454,957	\$ 4,965,881	\$ 945,878	\$ 4,020,003
Net change in fund balance	\$ (2,080,523)	\$ (3,169,077)	\$ 1,047,212	\$ (3,823,717)
Fund balance - beginning	2,080,523	3,169,077	3,193,263	24,186
Fund balance - ending	\$ -	\$ -	\$ 4,240,475	\$ 4,240,475

SUPPLEMENTARY REPORTS

**Report of Independent Auditor on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Honorable Board of Directors of
Merritt Island Redevelopment Agency
Merritt Island, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 30, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Cheryl Behrman" followed by a stylized flourish.

Orlando, Florida
March 30, 2021

Independent Auditor's Management Letter

To the Honorable Board of Directors of
Merritt Island Redevelopment Agency
Merritt Island, Florida

Report of the Financial Statements

We have audited the financial statements of the Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2020, and have issued our report thereon dated March 30, 2021.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Report of Independent Accountant on Compliance with Local Government Investment Policies and Community Redevelopment Agency Requirements. Disclosures in those reports, which are dated March 30, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. This is the first year in which a financial audit report is required for the Agency; therefore, there were no findings or recommendations were made in the preceding year.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosure is included in the notes to the financial statements. There were no component units related to the Agency.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, the results of our tests did not indicate the Agency met any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Agency. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cheryl Behr" followed by a stylized flourish.

Orlando, Florida
March 30, 2021



**Report of Independent Accountant on Compliance
With Local Government Investment Policies and Community
Redevelopment Agency Requirements**

To the Honorable Board of Directors of
Merritt Island Redevelopment Agency
Merritt Island, Florida

We have examined Merritt Island Redevelopment Agency's (the "Agency") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, during the year ended September 30, 2020. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Agency's compliance with the specified requirements.

In our opinion, the Agency complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, during the year ended September 30, 2020.

The purpose of this report is to comply with the audit requirements of Sections 218.415 and 163.387, Florida Statutes, and Rules of the Auditor General.

Cherry Bekaert LLP

Orlando, Florida
March 30, 2021

March 30, 2021

To the Honorable Board of Directors
of Merritt Island Redevelopment Agency
Merritt Island, Florida

We have audited the financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unity of Brevard County, Florida (the "County"), for the year ended September 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our contract for auditing services with the County dated October 1, 2019, and subsequently amended as of February 12, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. No significant new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 30, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and required supplementary information, as listed in the table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for use by the Board of Directors of Merritt Island Redevelopment Agency and management of the Agency and is not intended to be used by anyone other than these specified parties.

Very truly yours,

Cherry Bekaert LLP

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The script is cursive and fluid, with the letters "Cherry" and "Bekaert" being more prominent and connected, and "LLP" written in a simpler, more spaced-out manner at the end.