

# **City of Palm Bay**

## **Bayfront Community Redevelopment Agency**

### **2020 Annual Report**

#### **I. Introduction, Mission and Overview**

The City established the Bayfront Community Redevelopment District as a Community Redevelopment Agency (CRA) in 1999. The Bayfront Community Redevelopment Agency (Bayfront CRA) is due to sunset in 2024. A CRA is defined as a separate public entity created by the local municipality in order to implement redevelopment activities outlined in Chapter 163 of the Florida Statutes. The mission of the Bayfront CRA is to remove and reduce blight in the District, facilitate economic renewal and attract new capital investment.

The goal of the Agency, as stated in the adopted redevelopment plan, is to develop, redevelop, and revitalize the area over a 30-year period. The adopted vision of the Bayfront Redevelopment Plan is to have the District be redeveloped as an attractive, inviting, and economically successful community with residential, commercial, retail, and mixed-use development. This planned regional destination includes an active waterfront village for the enjoyment of all Palm Bay residents.

#### **Fiscal Year 2020 Overview**

An annual report of the Bayfront Community Redevelopment Agency (Bayfront CRA) for the fiscal year ending on September 30, 2020 is submitted herewith pursuant to Chapters 163.365(3)(c) and 163.371 of the Florida Statutes.

This report consists of the activities of the Agency and an unaudited financial statement of the Agency as reported by the City of Palm Bay's Comprehensive Annual Financial Report, Fiscal Year 2020.

A copy of the audited financial statement will be included herein following the completion of the City of Palm Bay's Comprehensive Annual Financial Report, Fiscal Year 2020, expected at the end of April 2021.

#### **District Year in Review**

In Fiscal Year (FY) 2020, the Bayfront CRA did not authorize any new activities committing Agency funds. The Agency did, however, authorize the City Manager to enter into a Letter of Intent (LOI) with a commercial developer interested in purchasing and

developing three City and CRA-owned parcels known as Pelican Harbor Marina. City and CRA staff met with the developer but ultimately the LOI was cancelled by the City due to lack of sufficient financial documentation from the developer.

In April 2020, the City and CRA contracted a commercial real estate broker, Redevelopment Management Associates, LLC (RMA) for the sale of CRA-owned parcels. The intent of land disposition of CRA property is to leverage the property for favorable commercial development that would ultimately increase the tax revenue of the CRA, redevelop said properties and serve as a catalyst for further redevelopment of the Bayfront Community Redevelopment Area. The CRA did not sell any property in FY 2020.

Nearing the end of FY 2020, the CRA was notified that a Temporary Certificate of Occupancy (TCO) was issued to Aqua Palm Bay Apartments, 320-luxury style apartment units located on Robert J. Conlan Boulevard and Dixie Highway/U.S. 1 along the Bayfront. The TCO was issued and pending final CO following the installation of the new traffic signal.

### **Total Assessed Taxable Value**

The Fiscal Year (FY) 2020 Bayfront Community Redevelopment Agency witnessed another year of increased revenue due to steadily increasing property values within the redevelopment district.

As reported by the Brevard County Property Appraisers Office, the 2019 certified taxable property values within the Bayfront redevelopment district was \$223,965,788 up from the 2018 and 2017 certified taxable values totaling \$213,098,886 and \$202,868,778, respectively. The 2019 certified taxable property value represents a net increase of five (5) percent or \$10,866,902 in taxable property value for over the last fiscal year.

### **Tax Revenues**

Redevelopment activity within District provided the Bayfront CRA increased tax revenues to \$1,403,970, a 5.5 percent increase over 2019 (\$1,327,443).

The City portion of the increment equaled \$955,498 (68%) while the Brevard County portion totaled \$448,472 (32%) for FY 2020.

### **Expenditures**

Expenditures for the Fiscal Year 2020 totaled \$ with \$429,474.12 allocated to debt service.

Though the FY 2020 approved budget provided \$341,268.36 in total operational expenses, to include \$270,185 reimbursed to Brevard County for unexpended funds from Fiscal Years 2018 and 2019 per the Interlocal Agreement (ILA) between Brevard County, City of Palm Bay and Bayfront CRA executed on October 8, 2019. The CRA also initiated a transfer of \$566,525 to reimburse the City's General Fund for similar unexpended funds from Fiscal Years 2018 and 2019.

## **II. Board Members and Staff**

In Fiscal Year 2017, Palm Bay City Council revised the composition of the Agency's governing body. Changes included the establishment of each City Councilman as a Bayfront CRA Commissioner to serve congruently with their term of office with the Mayor and Deputy Mayor serving as Chairman and Vice-Chairman respectively. The Board also includes two at-large citizen commissioners that are appointed by City Council. In FY 2020, the Board Commissioners were as follows:

### **Members**

William Capote, Chairperson

Kenny Johnson, Vice-Chairperson

Harry Santiago, Commissioner

Brian Anderson, Commissioner

Jeff Bailey, Commissioner

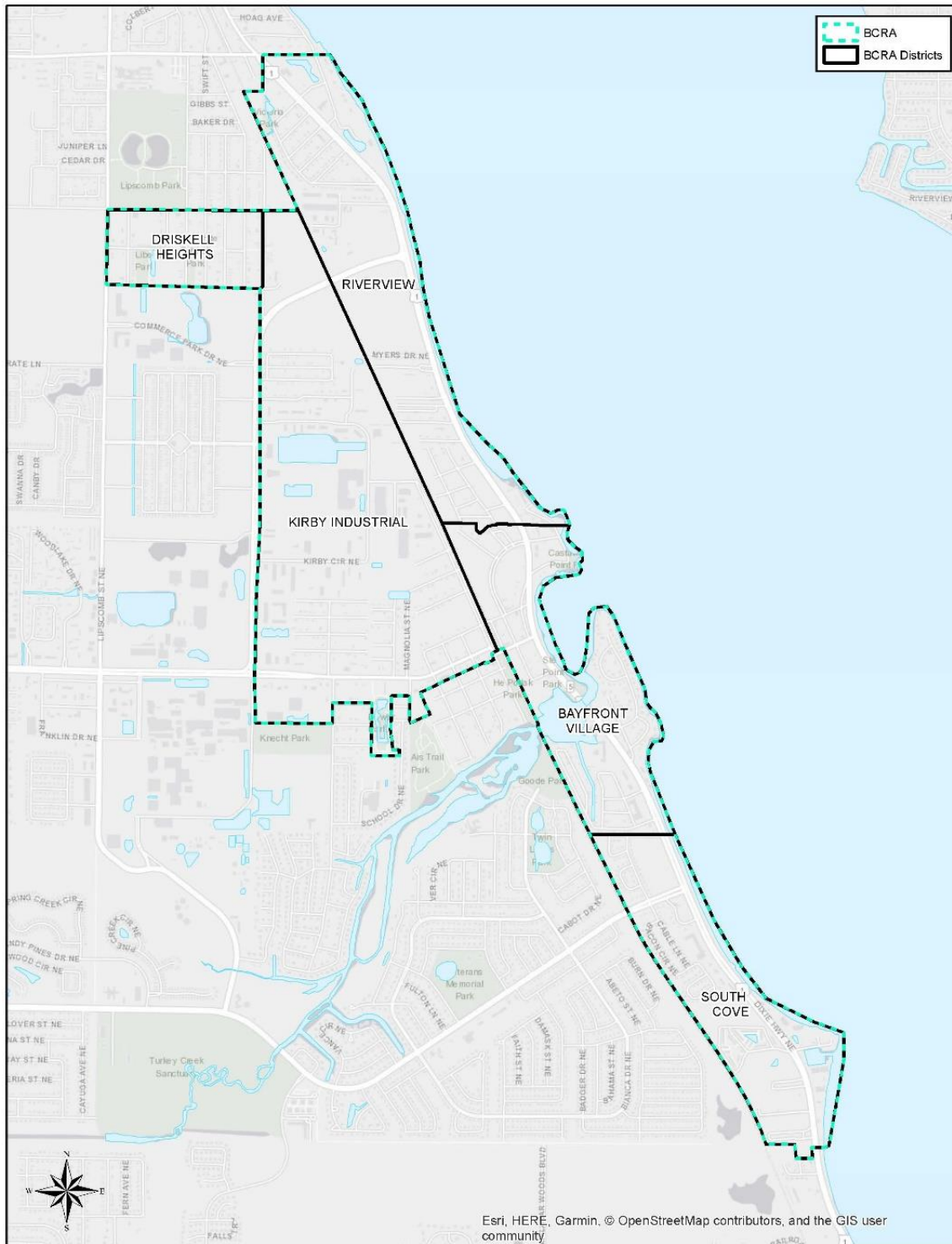
Aaron Parr, Commissioner At-Large

Peter Filiberto, Commissioner At-Large

## **III. Boundary Lines**

The Bayfront Community Redevelopment District is a four-mile section of US Highway 1, bound by the city limits of the City of Melbourne on the north and the Town of Malabar on the south. The Indian River Lagoon makes up the eastern boundary and the western boundary runs south from the US Highway 1 and University Boulevard intersection for approximately 500 feet, then west to the Florida East Coast (FEC) Railroad; south along the railroad about 2,200 feet; west along the city limits at Florida Avenue to Lipscomb St.; south on Lipscomb St. to Doreatha Fields Ave. (also known as Pacific Ave.); east on Doreatha Fields Ave. to Northview St.; south on Northview St. to R. J. Conlan Blvd.; south on R. J. Conlan Blvd. to Palm Bay Road; east on Palm Bay Road including those parcels

abutting the south side of Palm Bay Road to the FEC Railroad; and south on the FEC Railroad to the Malabar town limits.



## **IV. History**

### **a. Creation Date**

In 1994, the Bayfront Community Redevelopment District was determined to be an area of slum and blight, and in 1999 the Bayfront Community Redevelopment District 2024 Plan was adopted by the City of Palm Bay. The Bayfront Community Redevelopment Agency will sunset 25 years from the date of establishment on May 4, 2024.

### **b. Plan Amendment Dates**

The Bayfront CRA did not conduct a Plan Amendment; however, in October 2009, the CRA commissioned MSCW, Inc. to observe and document the conditions of slum and blight. These findings have been reported in the Plan under Appendix A Field Inventory and Analysis.

### **c. Applicable Resolution(s) and Ordinances**

The City created the Agency pursuant to City Resolution 99-20 and approved its Community Redevelopment Plan after the County delegated its authority under Chapter 163, Part III, Florida Statutes, as set forth in County Resolution 99-11. The City created a tax increment redevelopment trust fund (Agency tax increment fund) pursuant to section 163.387, Florida Statutes under City Ordinance 99-19.

On October 8, 2019, the Brevard County Board of County Commissioners adopted Resolution 2019-198 modifying the delegation of the powers of the City of Palm Bay, revoking the City's authorization to issue bonds, pledge funds, incur debt, obtain loans, and limiting all other financial activities of the Bayfront CRA.

## **V. Projects Overview**

### **Northshore Development's Aqua Project**

In 2016, the Bayfront CRA launched a small marketing initiative to promote waterfront redevelopment as part of a published "Expression of Interest." This effort included a video and magazine advertisement that was produced internally for use in communicating the big-picture opportunity to a national audience. One of the successes culminating from that campaign was attracting the attention of an investment group, Northshore Development.

The Bayfront CRA succeeding in its efforts to attract the development of a new multi-family development project, to include commercial frontage along Robert J. Conlan

Boulevard. At a regularly scheduled meeting of the Bayfront CRA Board held on August 30, 2018, the CRA Board approved a Redevelopment Incentive Agreement for Northshore Development providing for a 90 percent rebate for five years on the assessed value of the new ad valorem tax generated from the project upon completion. The Aqua development project is expected to yield approximately \$52.9 million in private capital investment, which includes a 320-unit luxury apartment complex (Phase I) and over 40,000 square feet in commercial space providing for office, retail, restaurant, bar, and event venue (Phase II).

In November 2020, just after the close of FY 2020, Northshore Development, LLC received their Certificate of Completion for Phase I of the project. Construction of Phase II commercial is anticipated to be complete before the end of the 2021 calendar year.

## **VI. Financial Reports**

### **a. Balance Sheet**

See Attachment A – Financial Section (Unaudited)

### **b. Statement of Revenues, Expenditures & Changes in Fund Balances**

See Attachment A – Financial Section (Unaudited)

### **c. Summary of Projects, Grants & Debt**

See Attachment A – Financial Section (Unaudited)

## **VII. Performance Information**

### **a. Total Projects started, completed and estimate cost for each project:**

Brevard County Resolution 2019-198 prohibits the Bayfront CRA from undertaking any new projects that would commit Agency funds. There were no new projects in FY 2020.

### **b. Number of jobs created and sector of the economy from which these jobs were created within the CRA**

The Aqua Apartments at Palm Bay, Phase I of Northshore Development, LLC's mixed-use development project, generated eight (8) full-time jobs and over 50 part-time indirect jobs, not including jobs related to construction.

**c. Number of jobs retained within the CRA**

There were no jobs retained as a direct result of the projects and activities of the Bayfront CRA.

**d. Assessed Property Values**

When the CRA was enacted in 1998, the base property assessed value was \$100,372,760.00. The 2020 assessed property values was \$223,965,788.

**e. Affordable Housing**

No CRA funds have been expended for affordable housing projects in FY 2020.

**ATTACHMENT “A”**  
**Fiscal Year 2020 Financial Reports (*unaudited*)**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET  
AND ACTUAL – BAYFRONT COMMUNITY REDEVELOPMENT AGENCY**

**For Fiscal Year Ended September 30, 2020 (unaudited)**

<b>REVENUES</b>	<b>Budget</b>	<b>Actual Amounts</b>	<b>Variance with Budget - Positive (Negative)</b>
Taxes	\$ 1,403,970	\$ 1,403,970	\$ -
Investment Income	6,400	8,923	2,523
Miscellaneous Revenue	-	2,280	2,280
<b>Total Revenues</b>	<b>\$ 1,410,370</b>	<b>\$ 1,415,173</b>	<b>\$ 4,803</b>

<b>EXPENDITURES</b>	<b>Budget</b>	<b>Actual Amounts</b>	<b>Variance with Budget - Positive (Negative)</b>
Current:			
Economic Environment	\$471,090	\$ 344,605	\$ 126,485
Capital Outlay	413,950	7,205	406,745
Debt Service: Principal Retirement	393,391	390,000	3,391
Interest and Fiscal Charges	39,144	39,474	(303)
<b>Total Expenditures</b>	<b>1,317,575</b>	<b>781,284</b>	<b>536,291</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>92,795</b>	<b>633,889</b>	<b>541,094</b>

<b>OTHER FINANCING SOURCES</b>	<b>Budget</b>	<b>Actual Amounts</b>	<b>Variance with Budget - Positive (Negative)</b>
Transfers In	\$ 1,016	\$ 1,016	\$ -

OTHER FINANCING SOURCES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Transfers Out	(566,525)	(566,525)	-
Total Other Financing Sources	(565,509)	(565,509)	-
<b>Net Change in Fund Balance</b>	<b>\$ (472,714)</b>	<b>\$ 68,380</b>	<b>\$ 541,094</b>
<b>Fund Balance - Beginning</b>	<b>-</b>	<b>836,710</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>-</b>	<b>\$ 905,090</b>	<b>-</b>

City of Palm Bay, Florida

Financial Section

**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**September 30, 2020 (unaudited)**

ASSETS	General	Bayfront Community Redevelopment Agency Fund	BCRA Construction Fund	GO Road Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 8,493,601	\$ 62,391	\$ -	\$ -	\$ 12,598,577	\$ 21,154,569
Investments	14,838,530	842,699	-	41,354,961	15,309,236	72,345,426
Restricted Cash and Equivalents	-	-	-	-	181,419	181,419
Accounts Receivable	2,957,816	-	-	-	67,468	3,025,284
Due from Other Governments	2,693,993	-	-	-	866,087	3,560,080
Due from Other Funds	508,865	-	-	-	184,242	693,107
Land Held for Resale	-	-	-	-	4,000	4,000
Prepaid Items	78,108	-	-	-	2,772	80,880
Inventory	3,395	-	-	-	-	3,395
<b>Total Assets</b>	<b>\$ 29,574,308</b>	<b>\$ 905,090</b>	<b>\$ -</b>	<b>\$ 41,354,961</b>	<b>\$ 29,213,801</b>	<b>\$ 101,048,160</b>

<b>LIABILITIES AND FUND BALANCES</b> <b>Liabilities:</b>	<b>General</b>	<b>Bayfront Community Redevelopment Agency Fund</b>	<b>BCRA Construction Fund</b>	<b>GO Road Program Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Accounts Payable	\$ 2,139,421	\$ -	\$ -	\$ 12,278,213	\$ 2,828,051	\$ 17,245,685
Accrued Liabilities	1,750,247	-	-	-	4,631	1,754,878
Due to Other Funds	-	-	-	-	626,460	626,460
Unearned Revenue	499,971	-	-	-	1,002,396	1,502,367
Advances from Other Funds	127,171	-	-	66,648	523,802	717,621
Due to Other Governments	-	-	-	-	52,537	52,537
<b>Total Liabilities</b>	<b>\$ 3,720,127</b>	<b>\$ 3,727</b>	<b>\$-</b>	<b>\$ 2,633</b>	<b>\$ 5,103,290</b>	<b>\$ 8,829,777</b>

<b>LIABILITIES AND FUND BALANCES</b> <b>Fund Balances:</b>	<b>General</b>	<b>Bayfront Community Redevelopment Agency Fund</b>	<b>BCRA Construction Fund</b>	<b>GO Road Program Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Nonspendable	\$ 81,503	\$ -	\$ -	\$ -	\$ -	\$ 81,503
Restricted	800,000	905,090	-	29,010,100	20,542,841	51,258,031
Committed	2,793,774	-	-	-	3,093,642	5,887,416
Assigned	342,874	-	-	-	1,434,447	1,777,321
Unassigned (Deficit)	21,039,347	-	-	-	(895,006)	20,144,341
<b>Total Fund Balances</b>	<b>\$ 25,057,498</b>	<b>\$ 905,090</b>	<b>\$ -</b>	<b>\$ 29,010,100</b>	<b>\$ 24,175,924</b>	<b>\$ 79,148,612</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 29,574,308</b>	<b>\$ 905,090</b>	<b>\$ -</b>	<b>\$ 41,354,961</b>	<b>\$ 29,213,801</b>	<b>\$ 101,048,160</b>

*The notes to the financial statements are an integral part of the financial statements.*

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS**

**For Fiscal Year Ended September 30, 2020 (unaudited)**

<b>REVENUES</b>	<b>General</b>	<b>Bayfront Community Redevelopment Agency Fund</b>	<b>BCRA Construction Fund</b>	<b>GO Road Program Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Taxes	\$ 49,914,407	\$1,403,970	\$ -	\$ -	\$ -	\$ 51,318,377
Impact Fees	-	-	-	-	7,880,081	7,880,081
Licenses and Permits	5,747,984	-	-	-	-	5,747,984
Intergovernmental Revenues	12,127,081	-	-	-	1,870,911	13,997,992
Charges for Services	4,533,860	-	-	-	409,460	4,943,320
Fines and Forfeitures	399,765	-	-	-	109,766	509,531
Investment Income	579,656	8,923	-	597,884	212,456	1,398,919
Miscellaneous Revenues	312,564	2,280	-	-	171,396	486,240
<b>Total Revenues</b>	<b>\$ 73,615,317</b>	<b>\$1,415,173</b>	<b>\$ -</b>	<b>\$ 597,884</b>	<b>\$ 10,654,070</b>	<b>\$ 86,282,444</b>

<b>EXPENDITURES</b>	<b>General</b>	<b>Bayfront Community Redevelopment Agency Fund</b>	<b>BCRA Construction Fund</b>	<b>GO Road Program Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Current:</b>						
General Government	\$ 17,684,354	\$ -	\$ -	\$ -	\$ 1,028	\$ 17,685,382
Public Safety	36,280,057	-	-	-	173,173	36,453,230
Transportation	5,569,180	-	-	2,334	38,912	5,610,426
Economic Environment	-	344,605	-	-	1,066,141	1,410,746

<b>EXPENDITURES Current:</b>	<b>General</b>	<b>Bayfront Community Redevelopment Agency Fund</b>	<b>BCRA Construction Fund</b>	<b>GO Road Program Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Culture/Recreation	4,770,432	-	-	-	1,043	4,771,475
Debt Service: Principal Retirement	-	390,000	-	-	5,255,088	5,645,088
Interest and Fiscal Charges	-	39,474	-	-	5,657,641	5,697,115
Capital Outlay	-	7,205	-	-	5,420,736	5,427,941
<b>Total Expenditures</b>	<b>\$ 64,304,023</b>	<b>\$ 781,284</b>	<b>\$ -</b>	<b>\$ 2,334</b>	<b>\$ 17,613,762</b>	<b>\$ 82,701,403</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>9,311,294</b>	<b>633,889</b>	<b>-</b>	<b>595,550</b>	<b>(6,959,692)</b>	<b>3,581,041</b>

<b>OTHER FINANCING SOURCES (USES)</b>	<b>General</b>	<b>Bayfront Community Redevelopment Agency Fund</b>	<b>BCRA Construction Fund</b>	<b>GO Road Program Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Transfers In	\$ 4,514,095	\$ 1,016	\$ -	\$ -	\$ 9,694,837	\$ 14,209,948
Transfers Out	(10,440,534)	(566,525)	-	-	(2,939,748)	(13,946,807)
Proceeds from Sale of Capital Assets	134,185	-	-	-	-	134,185
Capital Leases	1,939,884	-	-	-	-	1,939,884
Issuance of Debt	-	-	-	-	4,479,235	4,479,235
Payment to Refunded Bond Escrow	-	-	-	-	(56,318,053)	(56,318,053)
<b>Total Other Financing Sources and Uses</b>	<b>(3,852,370)</b>	<b>(565,509)</b>	<b>-</b>	<b>-</b>	<b>(45,083,729)</b>	<b>(49,501,608)</b>
<b>Net Change in Fund Balances</b>	<b>5,458,924</b>	<b>68,380</b>	<b>-</b>	<b>595,550</b>	<b>(52,043,421)</b>	<b>(45,920,567)</b>
<b>Fund Balances - Beginning</b>	<b>19,098,786</b>	<b>836,710</b>	<b>-</b>	<b>-</b>	<b>23,773,777</b>	<b>44,683,303</b>
<b>Fund Balances - Ending</b>	<b>\$ 24,557,710</b>	<b>\$ 905,090</b>	<b>\$ -</b>	<b>\$ 595,550</b>	<b>\$ (28,269,644)</b>	<b>\$ (1,237,564)</b>

*The notes to the financial statements are an integral part of the financial statements.*

**NOTE 8 – Long Term Debt**  
**For Fiscal Year Ended September 30, 2020 (unaudited)**

<b>Governmental Activities</b>	<b>Purpose of Issue</b>	<b>Amount Issued</b>	<b>Amount Outstanding</b>	<b>Remaining Interest Rates (Percent)</b>	<b>Annual Maturity To</b>
Bayfront Community Redevelopment Agency Note, Series 2006	Financing of redevelopment activities of the BCRA	\$ 6,000,000	\$ 752,000	4.100	2022
Local Option Gas Tax Refunding Revenue Note, Series 2014	Refunding of the Local Option Gas Tax Revenue Bonds, Series 2004	3,885,000	624,000	1.290	2021
Franchise Fee Revenue Note Series 2015	Financing of I-95 exchange project	4,744,000	2,964,000	2.100	2026
Franchise Fee Revenue Note, Series 2016	Partial Refunding of the Special Obligations Bonds, Series 2004	3,983,000	3,583,000	4.070	2031
Local Option Gas Tax Note, Series 2018	Financing I-95 connector road project	9,000,000	8,320,000	2.710	2033
<b>Total Governmental Activities</b>			<b>\$ 16,243,000</b>		

<b>Business-type Activities</b>	<b>Purpose of Issue</b>	<b>Amount Issued</b>	<b>Amount Outstanding</b>	<b>Remaining Interest Rates (Percent)</b>	<b>Annual Maturity To</b>
Utility System Refunding Revenue Note, Series 2014	Refunding of Utility Revenue Bonds Series 2002, 2003 and 2004	28,800,000	\$ 7,345,000	2.060	2022
Utility System Refunding Revenue Note, Series 2016	Refunding of Utility Revenue Bonds Series 2005B	13,190,000	8,455,000	2.200	2024
Special Assessment Revenue Refunding Note, Series 2016	Refunding of Special Assessment Note, Series 2009	2,060,000	1,007,000	2.420	2024

Business-type Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Total Business-type Activities			\$ 16,807,000		