



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.14.

5/4/2021

Subject:

Acknowledge receipt of FY2019-2020 Redevelopment Agencies Annual Reports for the fiscal year ending September 30, 2020.

Fiscal Impact:

There is no fiscal impact.

Dept/Office:

Budget

Requested Action:

It is requested that the Board acknowledge receipt of 2019-2020 Redevelopment Agencies Annual Reports for the fiscal year ending September 30, 2020.

Summary Explanation and Background:

In accordance with Florida Statute 163.356(3) C, the following Redevelopment Agencies are providing the Brevard County Board of County Commissioners a copy of their 2019-2020 Annual Financial Reports. As required, an agency authorized to transact business and exercise powers under the statute is required to file with the governing body, on or before March 31 of each year, a report of its activities for the preceding fiscal year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year.

City of Cape Canaveral Community Redevelopment Agency
City of Cocoa Community Redevelopment Agency
City of Cocoa Beach Community Redevelopment Agency
City of Melbourne Community Redevelopment Agency
Merritt Island Community Redevelopment Agency (MIRA)
City of Palm Bay Bayfront Community Redevelopment Agency
City of Rockledge Community Redevelopment Agency
City of Satellite Beach Community Redevelopment Agency
City of Titusville Downtown Community Redevelopment Agency
City of West Melbourne/Brevard County Joint Community Redevelopment Agency

Clerk to the Board Instructions:

Maintain necessary documents for records retention.



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Kimberly.Powell@brevardclerk.us

May 5, 2021

M E M O R A N D U M

TO: Jill Hayes, Budget Office Director

RE: Item F.14., Acknowledge Receipt of FY2019-2020 Redevelopment Agencies Annual Reports for the Fiscal Year Ending September 30, 2020

The Board of County Commissioners, in regular session on May 4, 2021, acknowledged receipt of FY2019-2020 Redevelopment Agencies Annual Reports for the Fiscal Year ending September 30, 2020.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

Kimberly Powell
Kimberly Powell, Clerk to the Board

/sm

cc: County Attorney
County Manager
Finance



City of Cape Canaveral

March 29, 2021

Brevard County Board of County Commission
c/o Frank Abbate, County Manager
2725 Judge Fran Jamieson Way
Viera, FL 32940

RE: CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY 2019/20 ANNUAL REPORT

Consistent with Section 163.356(3)(c), Florida Statutes, an annual Report for the Cape Canaveral Community Redevelopment Agency has been prepared. As a taxing authority, your agency is being forwarded a copy of the Report.

Please call me at (321) 868-1220, ext. 118, or email me at d.dickey@cityofcapecanaveral.org should you have any questions or need additional information.

Sincerely,

David Dickey
Community Redevelopment Agency Director

Enc. 2019/20 CRA Annual Report

100 Polk Avenue – P.O. Box 326 • Cape Canaveral, FL 32920
(321) 868-1220 • Fax (321) 868-1248

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2020

Community Redevelopment Agencies

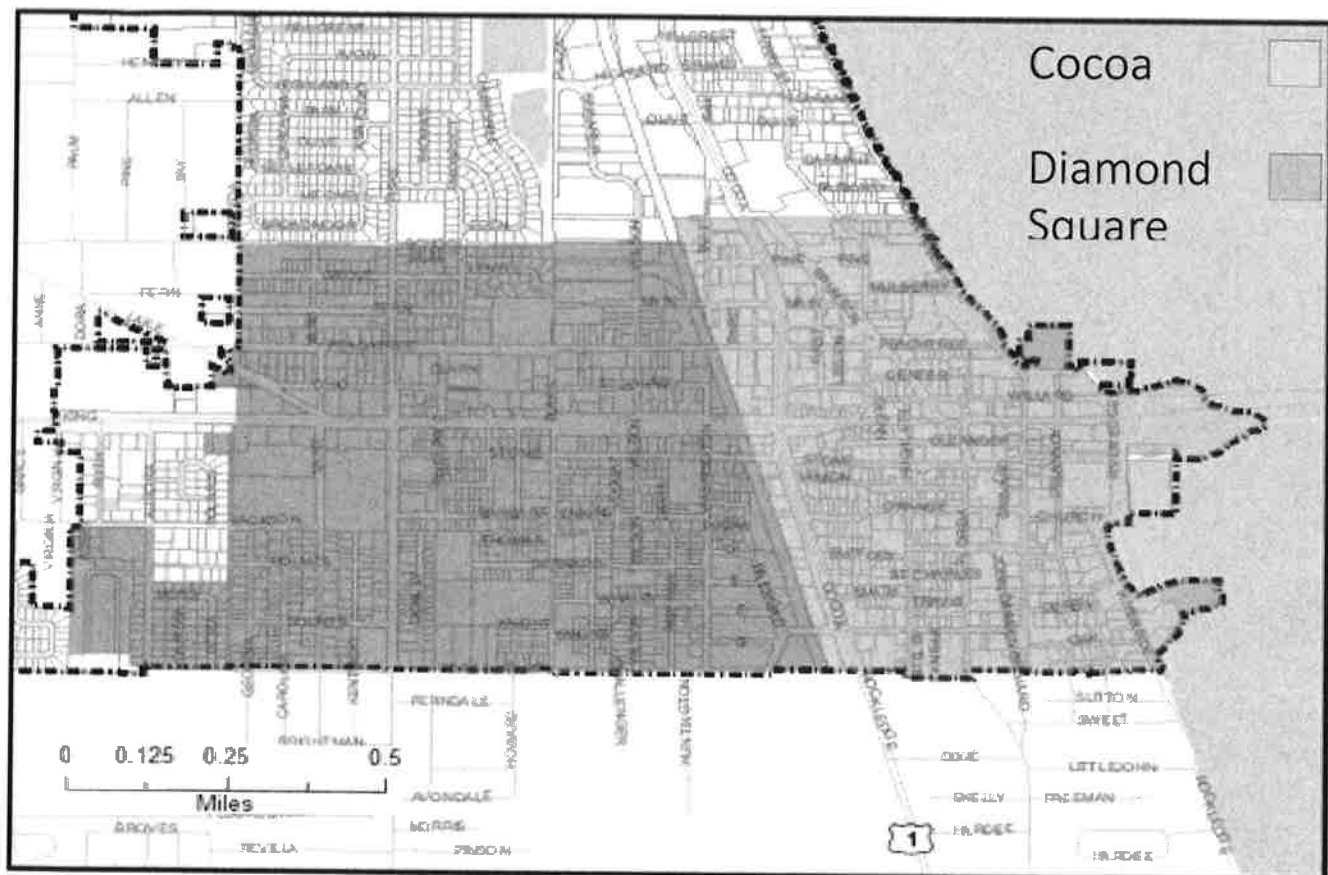
ANNUAL REPORT

www.ChooseCocoa.org - 321-433-8509 -
economicdevelopment@cocoafl.org

TABLE OF CONTENTS

<i>City of Cocoa CRA Boundaries</i>	<i>3</i>
<i>CRA Overview</i>	<i>4</i>
<i>City of Cocoa and Response to COVID-19.....</i>	<i>5</i>
<i>Cocoa CRA</i>	<i>5</i>
<i>Diamond Square CRA</i>	<i>13</i>
<i>U.S. 1 CORRIDOR CRA.....</i>	<i>21</i>
<i>Financial Reports.....</i>	<i>24</i>
<i>Key Contacts.....</i>	<i>26</i>

CRA BOUNDARIES



OVERVIEW

Under Florida's Community Redevelopment Act (F.S. 163, Part III), the City of Cocoa established three Community Redevelopment Agencies (CRAs):



Cocoa CRA
City of Cocoa Ordinance
No. 10-81, April 14, 1981



DIAMOND SQUARE
REDEVELOPMENT AGENCY

Diamond Square CRA City of Cocoa
Ordinance No. 13-98, March 24, 1998
(delegated authority by Brevard County
BOCC)



US 1 Redevelopment Agency
U.S. 1 Corridor CRA
City of Cocoa
Ordinance No. 12-98,
March 24, 1998
(delegated authority
by Brevard County
BOCC)

Section 163.345, F.S., encourages the rehabilitation or redevelopment of the community redevelopment area by private enterprise and s. 163.287(6), F.S., governs the expenditures of redevelopment trust funds. Additionally, section 163.370 (2)(c), F.S., governs the community redevelopment and related activities that a CRA may undertake with the community redevelopment area. Consistent with Cocoa CRA's respective community redevelopment plans, agencies offer or have participated in the following general activities and programs:

- Infrastructure – engineering, design and construction
- Stormwater improvements
- Streetscape design and construction
- Affordable and workforce housing development
- Land acquisition, development and redevelopment through public/private partnerships
- Community policing programs and partnerships
- Commercial façade grants

Each CRA is responsible for developing and implementing its own Community Redevelopment Plan that addresses the unique needs of the targeted area. The plans include specific examples of how the approved community redevelopment plan will benefit and has already benefitted, the purpose for which the special district was created, and the overall goals for the redevelopment area.

The overall goal of each CRA is to reduce and eliminate slum and blight conditions, promote private investment and economic development and enhance property values within the CRA's area. The perception of "image" is a driving force that impacts the level of investment in a community. The projects within the CRA play a strong role in enhancing the image and build the sales tax business income tax and real estate tax base for Brevard County and the State of Florida.

Redevelopment activities in the Community Redevelopment Plan are funded primarily by tax increment financing (TIF), leveraged with public funds to promote private sector activity in the targeted area. CRA's may also issue debt or revenue bonds to fund projects as well.

Since the City of Cocoa is financially accountable for the activities of the Cocoa CRA, the Diamond Square CRA and the US1 Corridor CRA, we have prepared this report in accordance with F.S. 163.356(3)(C). All financial activities of the CRA's are in accordance with the provisions of the Community Redevelopment Act and governed by the City of Cocoa Financial Operations Manual as well as reported in the City of Cocoa Annual Budget, Audited Statements and the City of Cocoa Comprehensive Annual Financial Report (CAFR).

Our Fiscal Year is October 1 through September 30 of each year. This report is for the period of October 1, 2019 through September 30, 2020 (Fiscal Year 2020).

CITY OF COCOA AND RESPONSE TO COVID 19

The City of Cocoa is dedicated to keeping residents, business owners and customers safe during the COVID-19 crisis by actively monitoring developments related to the pandemic. The City's main priority is communicating best health practices to minimize the spread of COVID-19 in our community. The City of Cocoa continues to maintain its website and social media sites with the most current information.

In accordance with the Center for Disease Control, in order to keep the community and employees safe, the Cocoa City Council stated that all events during part of the year were cancelled or rescheduled. These decisions were reassessed on a regular basis and eventually began reopening gradually. Some businesses opened on a partial basis or with part time hours with limited guests. However, most face-to-face meetings were still cancelled and held via an online meeting forum and many events with large gatherings were re-imagined. Ultimately, all of the usual yearly events had been adjusted in some form or fashion, bringing in fewer visitors and patrons overall.

Thanks to the Brevard County Small Business Economic Relief Grant became available in late summer to help businesses with fewer than 50 employees and having been negatively impacted by COVID-19 public health emergency. This grant provided the Cocoa Community Redevelopment area businesses \$280,720 and Diamond Square Redevelopment area businesses received \$36,820 to assist them during this difficult year.

COCOA CRA

The Cocoa CRA was established through City of Cocoa Ordinance No. 10-81 and is governed by a seven-member board. This CRA redevelopment area includes the waterfront located along the Indian River Lagoon with vibrant Historic Cocoa Village, the Heart of Cocoa, SR50, the Southern portion of the US1 Corridor and an uptown area north of the Cocoa Village and SR520.

The Cocoa CRA is generally bounded on the northern boundary by Mitchell Street, with the western boundary at the Florida East Coast Railroad, eastern boundary along the western shoreline of the Indian River Lagoon and the southern boundary at Rosa L. Jones Dr.

In 2008, the Cocoa CRA approved the Cocoa Waterfront Master Plan and implementation strategy for the Cocoa CRA with particular focus on improving the activity and connectivity of the waterfront. With the devastation to the Cocoa Waterfront brought on by Hurricane Irma, the Cocoa CRA Board felt compelled to cast a new vision for the waterfront. The result was a 2018 Waterfront Master Plan Update and Cocoa CRA Update which will guide the CRA and the City of Cocoa in the rebuilding of existing waterfront infrastructure, the development of new amenities and addressing waterfront resiliency and sustainability. The implemented plans will result in an important social and economic center and serve as a catalyst for redevelopment activity and business growth. The plan's amendment will extend the timeframe of the CRA from 2027 to 2041.

COCOA CRA BOARD MEMBERS

Mayor Michael C. Blake – Chairperson

Deputy Mayor Alex Goins – Vice Chairperson

Councilmember Rip Dyal – Board Member

Councilmember Lavandar Hearn – Board Member

Councilmember Lorraine Koss – Board Member

Captain Ed Lanni – Board Member

Janne Etz – Board Member

CRA BOARD MEETINGS

2ND Tuesday of each month at 5:00pm in the City Council Chambers

TERM/MEMBERS

Five members of City Council and two members appointed by the City Council

Terms – Two members appointed for 4 years and Council members change due to election

2020 HIGHLIGHTS

- **Completion of Promenade and Overlook, Lee Wenner Park Boat Slip Construction and T-Dock Expansion (Cocoa CRA)**



- **Completion of Forrest Avenue Gateway Entry Feature Phase 1 (Cocoa CRA)**



PROJECTS

Completion of the Promenade on the Waterfront, Lee Wenner Park Boat Slip Construction and T-Dock Expansion (CRA Plan Page 58)

In Fiscal Year 2019, the Cocoa CRA embarked on a multi-year project to design and construct new boat slips and expand the T-Dock in Lee Wenner Park. The damage caused by Hurricane Irma created an opportunity to redesign the waterfront to better serve the community. With completion of the Promenade, construction of the new boat slips will provide boaters anchored in the Indian River Lagoon to tie up their small dinghy vessels and visit Historic Cocoa Village for the day. The expansion of the T-Dock will allow for larger vessels to dock. These new boat slips, dinghy docks and large vessel tie ups will be constructed of more resilient concrete floating docks and landings. Additionally, new sidewalks along Lee Wenner Park will provide access to these structures. With a commitment from the Cocoa CRA, the City of Cocoa and grant funding from the Florida Inland Navigation District (FIND), this project will provide future boating opportunities in Cocoa Village for years to come. In 2020, the Boat Slip Construction and T-Dock Expansion were both completed opening the door for future projects along the CRA's waterfront.



Completion of Phase 1 of the Florida Avenue Cocoa Village Gateway Entry Feature (CRA Plan Page 58)

The Cocoa CRA developed the property at 6 Forrest Avenue into a gateway entry feature to create an enhanced entryway into Historic Cocoa Village. In FY 2019, the Cocoa CRA Board approved the conceptual design of the Gateway Entry Feature which was designed from entries submitted from the public. The design and engineering phase of the project completed in FY 2019 and an RFP was issued for construction in FY 2020. During 2020, Phase 1 of the Project which includes construction of the sign and paddle wheel was completed. Additionally, Phase 2 which includes design and construction of the figurines is expected to be completed by the end of Fiscal Year 2020.



Completion of Cocoa Village Lighting (CRA Plan Page 58)



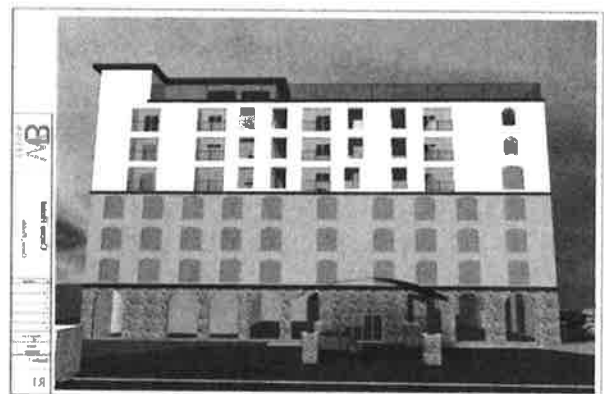
Cocoa CRA projects continue in 2020 with Design plans in progress for:

- Civic Center Redesign
- Fishing Pier
- Harrison Street Streetscaping and Stormwater
- Lee Wenner Park parking
- On Street Parking Design
- Village Crosswalks

REDEVELOPMENT ACTIVITY

603 Brevard Avenue

In 2019, the Cocoa CRA entered into a Redevelopment Agreement with Lodging Decisions, Inc. to design and Construct a hotel on the existing site. The developer is currently in the process of preliminary design to move the next phase, entering into a Development Agreement in October of 2020, with the City of Cocoa.



The Cocoa CRA welcomed 39 new businesses to the area, creating a total of 58 full-time jobs and 29 part-time jobs.

\$18,797 was awarded in Commercial Façade Improvement Program Grants, leveraging \$121,051 in private sector capital investment. A ROI of \$3 for every \$1.5 of TIF invested.

Business	Address	Total Award	Total Project Cost
M & R United	26 Forrest Avenue	\$10,000	\$20,368.50
Stephan Properties	105,109,113 Brevard Ave. 210 King Street	\$8,797	\$37,200

YEARLY EVENTS

Cocoa Village hosted more than 70 events in FY 2020 attracting more than 100,000 visitors and assuming more than \$2,000,000 in indirect spending in Cocoa Village (Cocoa CRA did not provide financial contributions to events in Cocoa Village).

Due to the 2020 Pandemic and to respect social distancing and create a safe environment, many events were either cancelled, scaled down or reimagined resulting in lower than usual numbers of visitors in the area and attendees at events.

- Central Florida Car Show
- Central Brevard Humane Society Annual MardiPaws in the Park
- Historic Cocoa Village Association Arts and Craft Fair
- Cocoa Village Mardi Gras
- Historic Cocoa Village Association Sip and Stroll
- Cocoa and Brevard County Holiday Parade
- Yoga Fund Day Weekend in the Park
- Historic Cocoa Village Main Street Farmer's Market
- Keep Brevard Beautiful Trash Bash
- Space Coast Marathon and Half Marathon

COMMUNITY REDEVELOPMENT GOALS

The Cocoa CRA focused on many of its goals as set forth in the 2018 Cocoa CRA Redevelopment Plan Update.

Economic Development – Goal V (Page 72): Maintain the unique and positive character of the sub-districts while promoting economic vitality of each. In progress

Economic Development – Goal VI (Page 73): Market the CRA as a major destination point in the Central Florida Region. In progress

Future Land Use – Goal IX (Page 74): Provide aesthetic improvements and way-finding measures to increase the sense of community identity. In progress

Transportation – Goal XI (Page 75): Create a safe efficient traffic circulation system which provides sufficient access by all modes of transportation between activity centers within the CRA and the balance of the community. In progress

Transportation – Goal XII (Page 76): The CRA shall support the development of parking strategies to support the transportation goals. In progress

Public Facilities and Services – Goal XIV (Page 76): Provide necessary public facilities as acceptable levels of service to accommodate existing needs as well as new demands as proposed development occurs with the CRA. In progress

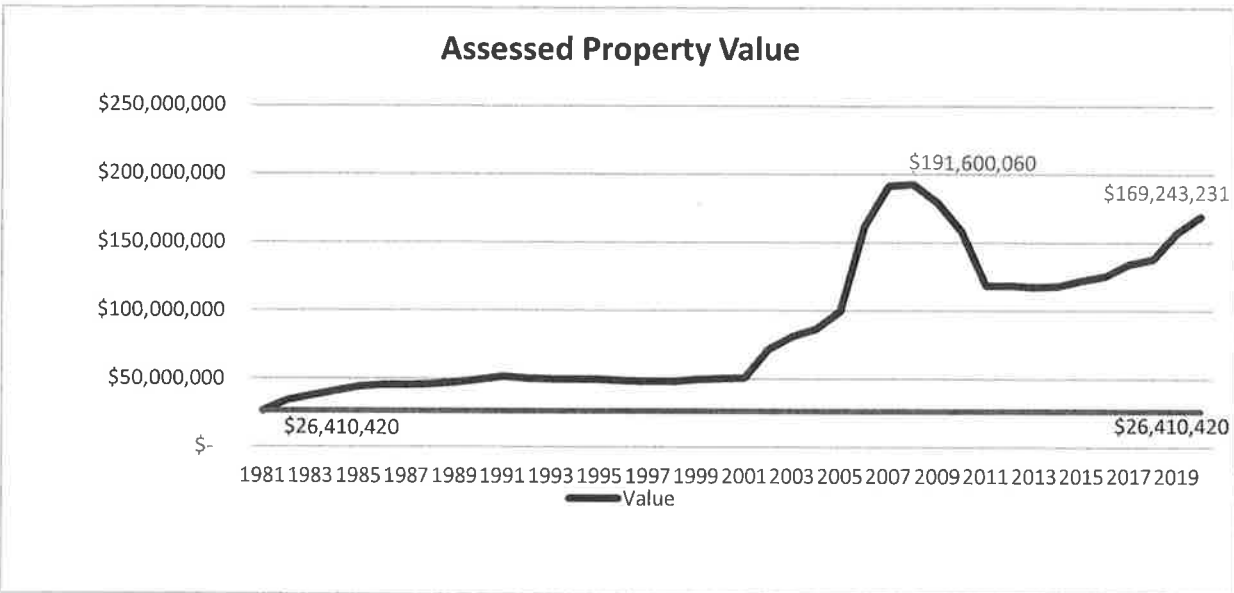
Coastal – Goal XV (Page 77): The natural resources of the City's CRA coastal planning area shall be preserved, protected or enhanced to provide the highest possible water quality, habitat for fish and wildlife and use for public recreation. In progress

Recreation and Open Space – Goal XVI (Page 78): Establish parks, recreation, open space and beautification efforts to create an identifiable character for the redevelopment area which will reflect a pleasant appealing atmosphere for working, shopping, touring and residing in the district. In progress

PERFORMANCE DATA

Amount of payment to redevelopment trust fund in prior year	\$ 744,273.00
Prior year operating millage levy from Form DR-420, Line 10	5.9790%
Taxes levied on prior year tax increment value	\$ 783,445.00
Prior year payment as proportion of taxes levied on increment value	95.00%
Dedicated increment value	\$ 135,691,170.00
Actual expended increment revenue	\$ 1,896,186.00
Total Low and Moderate Housing Expended	\$ -

ASSESSED PROPERTY VALUE



Increase in tax increment value from previous year: \$11,799,977

TAXABLE INCREMENT VALUE

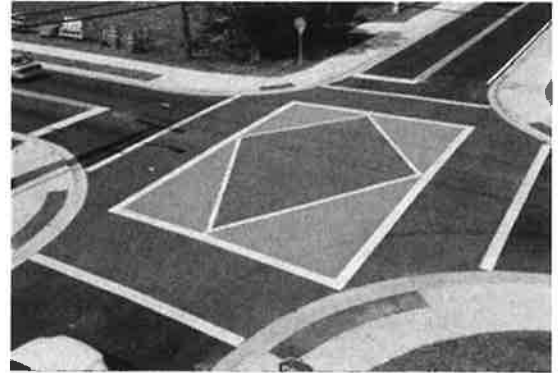
Current Year Taxable Value in CRA	\$ 169,243,231.00
Base Year Taxable Value in CRA	\$ 26,410,420.00
Current Year Tax Increment Value	\$ 142,832,811.00
Prior year Final taxable value in the tax increment area	\$ 157,443,254.00
Prior year tax increment value (Line 4 minus Line 2)	\$ 131,032,834.00

DIAMOND SQUARE CRA HIGHLIGHTS

The Diamond Square CRA was established in April 1998 through a Resolution by the City of Cocoa and Brevard County and a City of Cocoa Ordinance No. 13-98 and is governed by a seven member board.

A Redevelopment Plan was updated and approved in 2014. The Redevelopment's Plan is based on 5 Strategic Frameworks for Change – Community Living; Community Places; Community Connections; Community Identity; and Community Opportunity

The Diamond Square CRA is generally bounded by the southern border of the City and encompasses the area bounded by Pineda Street on the west, School Street on the north, the Florida East Coast Railroad on the east, and Rosa L. Jones Drive on the south. Currently, the Diamond Square Community Redevelopment Agency is scheduled to sunset in 2032



The Diamond Square CRA currently has no outstanding indebtedness.

DIAMOND SQUARE CRA BOARD MEMBERS

Tracy Moore – Chairperson

Delores Martin – Vice Chairperson

Jackie Isom – Board Member

Ed Jones – Board Member

Larry Brown – Board Member

Sylvia Thomas – Board Member

DIAMOND SQUARE CRA BOARD MEETINGS

3RD Monday of each month at 6:00pm in the City Council Chambers

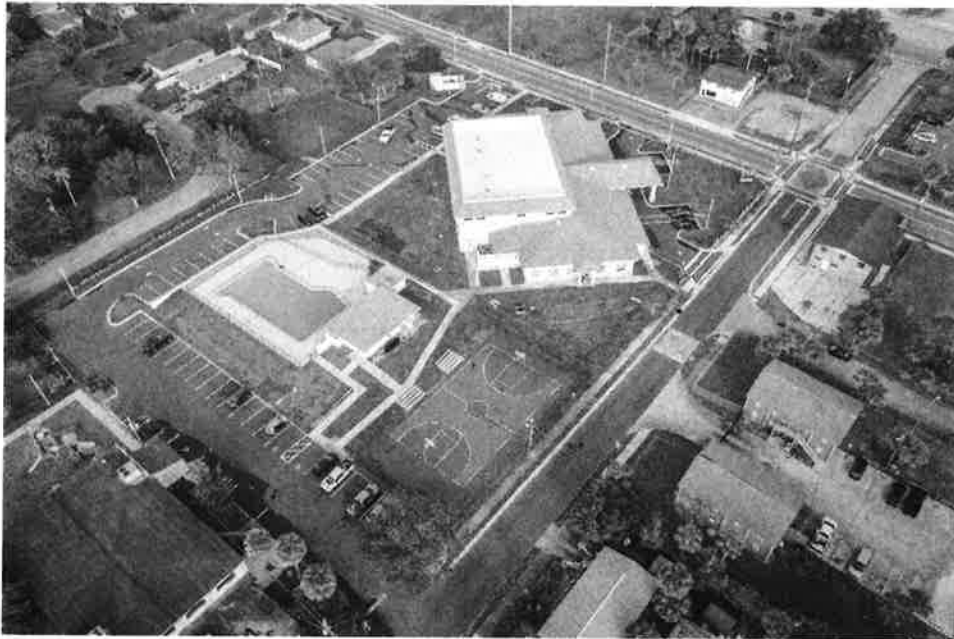
TERM/MEMBERS

Terms –The terms of the office of each Agency member will be for four years, except that three of the City appointed members shall be designated to service terms of 1, 2 and 3 years from their date of appointments. No Agency member may serve more than two consecutive terms.

- **Two homes completed in the Habitat for Humanity Women's Veterans Village (Diamond Square CRA)**



- **Grand Opening of Dr. Joe Lee Smith Community Center (Diamond Square CRA)**



PROJECTS

Habitat for Humanity Female Veteran's Home Build Project (CRA Plan Page 17)

Championed by the Diamond Square Community Redevelopment Agency (CRA) and Staff, Diamond Square CRA granted Habitat for Humanity of Brevard County (HFHBC) six lots (\$30,000) and \$10,000 cash for each lot for homes to be built on Whaley Street. These homes will be constructed for low-income, female Veterans who live in Brevard County to move to Cocoa and own their home. The \$60,000 of Agency funds will assist Habitat with the site preparations. Ground breaking ceremonies were held on two of the homes in 2020 and filled with Female Veterans.

In addition, Habitat is building homes in the Diamond Square CRA not associated with this project, but are part of the home ownership program in our community.



Dr. Joe Lee Smith Community Center (CRA Plan Page 21)

Currently located at 419 Washington Street, the existing center was outdated and lacked the space required for the community services needed in Diamond Square CRA. A significantly updated community center was constructed on the property, adjacent to the current facility. Through a partnership with the Diamond Square CRA, the City of Cocoa, Brevard County and the Department of Housing and Urban Development, this facility became a reality in 2020 with a grand opening celebration in October. The new center is complete with a full-size basketball court, a community room, a full-service kitchen and Brevard County Community Action Team, four new computers that assist with training and services to the students and residents in the neighborhood.



Diamond Square Partnership with ANR for Youth Programs (CRA Plan Page 23)

The Diamond Square CRA \$20,000 partnership with the Alliance for Neighborhood Restoration (ANR), currently in its 6th year of youth programs at the Harry T. Moore Center began the 2019-20 year with a plan to continue and exceed the previous year's program goals; however, COVID 19 presented itself with a vengeance and impacted our lives in ways most of us would never have imagined. In addition to navigating the day-to-day in our personal lives, some of us were also tasked with figuring out how to continue our programs and remain relevant while making a significant difference in our communities. ANR and Cocoa PAL quickly decided that service to society, specifically the Diamond Square Community, could be provided in different forms. After many discussions and brainstorming sessions, we put our plans in motion. In addition, the Diamond Square CRA sponsored the community policing initiative, the Cocoa Police Athletic League (Cocoa PAL), for \$4,500.



Community Policing Efforts (CRA Plan Page 22)

The Cocoa Community First and Cocoa Police Department host a Cops and Kids Camp each summer to bridge the gap between law enforcement and the youth in Diamond Square. The Diamond Square CRA funds part of this camp to ensure a positive focus on community involvement, education, awareness and safety. The



officers and the children spend the summer weeks touring area attractions, learning new skills and enjoying positive interactions that keep them busy and help develop productive life skills. We started 2019-20 the school-year with 40 youth registered for After-School with a focus on Career Readiness; an average of 25-30 youth received daily homework assistance, career readiness, leadership development, social-emotional development, arts and crafts, physical fitness, and nutrition.

Cops & Kids (CRA Plan Page 22)

Twenty-five youth (20 Diamond Square Residents) participated in the Cops and Kids Academy at no cost to the participant. A partnership with the Lifetime Counseling Center provided counselors for the 5-week camp who developed the curriculum with an emphasis on mental health. Each day began and ended with a group counseling session. What started as a regular camp was canceled after a week due to COVID but was successfully continued as a Virtual Camp with approximately 17 youth out of the 25 participating.

PAL After School Program (CRA Plan Page 22)

We started 2019-20 the school- year with 40 youth registered for After-School with a focus on Career Readiness; an average of 25-30 youth received daily homework assistance, career readiness, leadership development, social-emotional development, arts and crafts, physical fitness, and nutrition.

The changing dynamics of the community, necessary changes in curriculum, and how it is best delivered to the participant became indispensable. The After-School curriculum was updated to include speakers and hands-on activities, such as arts and crafts, and creating vision boards.

Speakers included the military, police officers, firefighters, business owners, and entrepreneurs



COVID Impact and Response

During COVID, ANR, Cocoa PAL, and Second Harvest Food Bank developed a partnership to coordinate and distribute meals to students during the school closures. Grab and Go meals were available Monday through Friday from 10 am 2 pm. The Second Harvest Food Bank provided 5,825 free meals Monday-Friday, and 1,165-weekend packs from March 23 through July 17. Youth Leadership Council members volunteered over 200 hours to assist with the effort by distributing the "grab and go" meals.

ANR collected non-perishable items to prepare boxes for senior citizens who were home-bound and had difficulty getting transportation to the grocery store. The packages were delivered to Diamond Square residents by staff and volunteers.

Outreach during COVID included contacting students and parents to encourage them to take advantage of the free meals provided and stay connected with PAL. United Way provided books for the children, and the Children's Hunger provided weekend meal packs for families.

PAL Virtual Academy (CRA Plan Page 22)

As an alternative to our annual Summer Youth Employment Training Program, with a focus on Career Readiness, 20 youth registered for the PAL Virtual Academy, developed and hosted by the PAL Program Manager.

Career Readiness lessons included career research, business development, financial literacy, crime prevention, social and career etiquette, and guest speakers sharing experiences.

Seven youth completed and received certificates and incentives at a drive-through graduation held at the Moore Center on August 7, 2020.

PAL Leadership Training (CRA Plan Page 22)

Each member received 8 hours of Leadership Training. The curriculum included a leader's traits and skills, team-building exercises, planning and executing community projects, community needs assessments, and civic responsibility.

Cocoa PAL YLC hosted a Regional Meeting for area PAL, focusing on careers in law enforcement and the new driving and texting law. Officer Sayge Gray and Lt. Dellatorre lead the round table group discussions.

They are writing letters to the Florida Legislature as part of the State PAL letter-writing campaign requesting support for PAL's Leadership Programs, statewide.

Youth Leadership Council YLC (CRA Plan Page 22)

The Police Athletic League is the oldest and largest law-enforcement based youth crime prevention program in the United States. The program is designed to equip each youth with the skills needed to become future leaders of PAL and the country. Character building, dedicated, honest hard work are the building blocks of PAL.



YLC participants held regular meetings to discuss and plan activities, which included service projects. 8-10 youth consistently attended local and regional conferences and have volunteered with various agencies within the City of Cocoa. Volunteer activities for program year 19-20 included the Cocoa PAL annual Holiday Homeless Project, City of Cocoa Fall Festival, Parks and Recreation Thanksgiving Dinner, 2020 PAL Winter Festival, and each PAL activity held at the Moore Center. YLC members also installed raised beds for the After-School gardening project and have volunteered over 200 hours for the COVID "grab and go" meal distribution.

Special Events and Activities: October – March

National Night Out, Lights On After-School, Family Night, Holiday Celebrations, Winter Festivals, and Black History Month are some of the events held at the Moore Center from October through March

- National Night Out Against Crime is a National Initiative promoting positive Police-Community Relationships. The Diamond Square Community Block Party was held at the Harry T. Moore Center, Hosted by Alliance for Neighborhood Restoration, and included partnerships with the Cocoa Police Department and the Cocoa Housing Authority.
- Lights on After-School is a National Initiative to promote After-School programs or OST (Out of School Time Programs). On this day, Organizations highlight the need for programs and the type of activities provided for youth. Cocoa PAL celebrated with the Cocoa Police Department at the Harry T. Moore Center.
- Bowling with Cocoa PAL. Chief Cantaloupe and Lt. Dellatorre joined the After-School Youth and the YLC Teens for Bowling and Lunch. Teacher In-service days leave some children without supervision. This was our way of easing the additional burden of providing child care and creating opportunities for Cops and Kids to bond.
- Family Night is a way to encourage families to share a meal and discuss issues that may affect a child's behavior and academic success. We also invite other role models, police officers, and counselors to join the discussion.
- Christmas Celebrations are a way of demonstrating the "gift of giving" by hosting a party and providing each child with a Christmas gift, and the opportunity to purchase a gift for a family member. The Cocoa Police Department, Mayor, and members of Cocoa City Council also joined us for the celebration.
- The Annual Winter Festival was held on January 6, hosted in partnership with the Cocoa Police Department. Cocoa's Police Chief and elected officials attended along with After-School and YLC members. The City of Cocoa Census was also on hand to provide information to the residents in attendance.
- Black History Month was an opportunity to plan a historical exhibit at the Harry T. Moore Center and invite the community to join us. Cocoa PAL's Program Manager and Photographer, Sonja Mitchell spent countless hours photographing PAL youth as historical figures and local African American Achievers. The Exhibit was the focal point of the annual Black History Program held at the Moore Center on February 25. We invited those being honored and members of the community.

- Leadership activities for March were centered around Women's History Month. PAL girls researched their heroes and portrayed them for the on-going photography exhibit at the Moore Center open to the public.
- Sports during the 2019 Basketball season, the practice was held on Tuesdays and Thursdays at the Joe Lee Smith Community Center. Games were held on Saturdays during League competitions at the YMCA and Parks and Recreation. The program, under the direction of volunteer Coach Calvin Brown, is scheduled to continue when it is safe to do so.

Outreach:

With the isolation that comes with COVID, children are likely to be experiencing worry, anxiety, and fear, and this can include the types of fears that are very similar to those experienced by adults, such as a fear of dying, a fear of their relatives dying, or a fear of what it means to receive medical treatment.

Children may no longer have that sense of structure and stimulation provided by a school and OST (out of school time) programs such as PAL, and now they have less opportunity to be with their friends and get that social support essential for good mental well-being. How do we turn this problem into an opportunity?

We have adopted proper safety measures, including masks, sanitation, and a smaller group to staff ratios so that children and staff are safe and families feel comfortable. We are also providing access to technology and connectivity that supports learning across all settings. Cocoa PAL will continue to connect with participants through the Cocoa PAL Virtual Academy and smaller in-person groups while adhering to the CDC COVID safety practices.

Our outreach goal is to reach the capacity set for each program. Outreach efforts include in-person and virtual registration. In addition to social media, texting, and phone calls, we will also work with the Schools to identify children and families who may benefit from the programs.

YEARLY HIGHLIGHTS

The Diamond Square CRA welcomed 11 new businesses to the area, creating a total of 19 full-time jobs and 2 part-time jobs.

\$3,805 was awarded in Commercial Façade Improvement Program Grants, leveraging \$14,110 in private sector capital investment. A ROI of \$3 for every \$1 of TIF invested.

Business	Address	Total Award	Total Project Cost
Just For Kids	1149 Lake Drive	\$3,805	\$7,610

YEARLY EVENTS

The Diamond Square CRA IS home to a number of annual events (no support provided for these events).

- ANR Car Wash Fundraiser
- PAL Academy Holiday Social
- ANR Community Resource Fair
- ANR Local Basketball Games
- Keep Brevard Beautiful Trash Bash
- PAL Open House
- Youth Leadership Council Bahamas Relief Project
- Family Night Out Programs
- Annual Fall Festival
- Community Cleanup Project

COMMUNITY REDEVELOPMENT GOALS

The Diamond Square CRA achieved many of its goals as set forth in the 2014 Diamond Square CRA Redevelopment Plan Update.

Goal 1 – Enhance streetscapes and pedestrian connectivity (Pages 13-15)

- SR520 landscape enhancements – complete
- Peachtree Street Complete Street – complete
- Transportation terminus (SCAT) in DSCRA – complete
- South Fiske Blvd. landscaping and mid-block crossing – expect completion in Fall 2021

Goal 2 – Increase partnerships with housing developments (Pages 15-17)

- Housing Authority of the City of Cocoa curb appeal – renovations/expect completion
- Finance and home ownership programs – in progress
- Neighborhood entry signage and historical/cultural significance – in progress
- Street tree planting – in progress
- Sidewalk system infill and improvements – in progress
- Stormwater and infrastructure – in progress
- Facade Grant - in progress

Goal 4 – Explore the feasibility of creating new community-based centers (Pages 21-22)

- Joe Lee Smith Center upgrades and/or reconstruction – completed in May 2020
- Programs and partners for kids – in progress

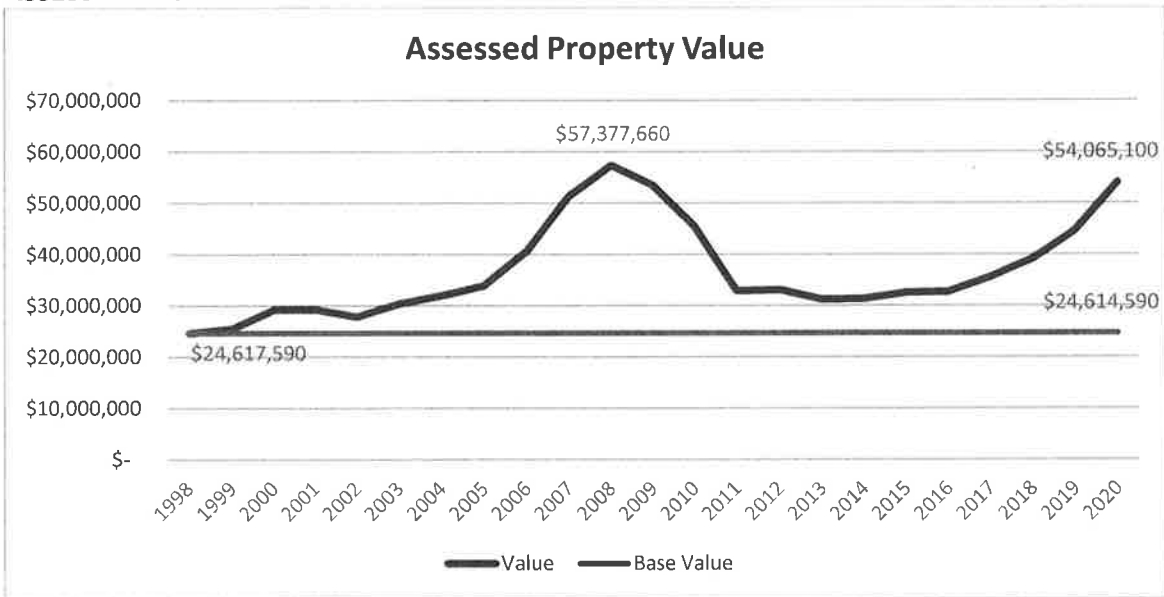
Goal 5 – Enhance support for community-based organizations and educational institutions (Pages 23-24)

- Safe routes to school/pedestrian network – in progress
- Role model and mentoring programs – in progress

PERFORMANCE DATA

Amount of payment to redevelopment trust fund in prior year	\$ 135,989.00	
Prior year operating millage levy from Form DR-420, Line 10		5.979%
Taxes levied on prior year tax increment value	\$ 143,146.00	
Prior year payment as proportion of taxes levied on increment value		9500%
Dedicated increment value	\$ 27,979,135.00	
Actual expended increment revenue	\$ 936,835.00	
Total Low and Moderate Housing Expended	\$ -	

ASSESSED PROPERTY VALUE



Increase in tax increment value over prior fiscal year: \$9,438,252

TAXABLE INCREMENT VALUE

Current Year Taxable Value in CRA	\$ 54,065,100.00
Base Year Taxable Value in CRA	\$ 24,617,590.00
Current Year Tax Increment Value	\$ 29,345,260.00
Prior year Final taxable value in the tax increment area	\$ 48,559,134.00
Prior year tax increment value (Line 4 minus Line 2)	\$ 23,941,544.00

US1 COMMUNITY REDEVELOPMENT AGENCY

In June, 1988, the US1 Corridor Community Redevelopment Agency was established by City of Coco with an ordinance (12-98) and is generally bounded by the southwestern intersection of School Street and Fiske Boulevard east to US1 and north with the western boundary along Fiske Boulevard and the northern boundary at Clearlake Road. The CRA is governed by a 7-member board and was set to sunset by September 30, 2020. Subsequently, in 1998, the US1 Corridor CRA approved the US1 Corridor Master Plan. The strategies outlined in this plan were:

- Promote Industrial Activity & Development
- Promote Value Based Retail Development at Key Locations
- Maintain & Enhance the City's Downtown Core, Visitor Attractions and Aesthetic Amenities; and
- Stabilize the City's Residential Neighborhoods

The CRA accomplished several major goals of their Redevelopment Master Plan. The first major goal was the widening of US1 and to contribute to the enhanced lighting hardscaping and landscaping along the US1 corridor. This provided quality of life for many residents by providing enhanced pedestrian and cycling modes of transportation. The next major goal accomplished was the development of Bracco Pond Park to create a linear park/bike path for the residents surrounding Bracco Pond. The area was reimagined and designed as a sustainable green space surrounding a functional stormwater pond. The pond is the centerpiece of the park, which includes a walking trail, benches and opportunities to view the natural habitat. The last, and probably the most important goal of the US 1 Corridor CRA was the development of an affordable housing, more specifically the partnership to construct an affordable senior apartment community (Clearlake Isles) that offers one and two bedroom apartment for low and very low income seniors 55 years and older, in addition to generating substantial ad valorem and non-ad valorem tax revenue for the City.

One other component of the US1 Corridor CRA was to offer façade grants to businesses along the corridor to make substantial improvements to their properties. Over \$50,000 in façade grant funds were awarded with a private investment of over \$200,000 throughout the life of the Agency.

At the September 23, Cocoa City Council Meeting, the US1 Corridor CRA was sunset.

US 1 CORRIDOR CRA BOARD MEMBERS

Richard Loudon – Chairperson

Laura J. Houston – Vice Chairperson

Curt Chandler – Board Member

James McCarthy – Board Member

Thomas H. Yardley – Board Member

Deva Thomas – Board Member

COMMUNITY REDEVELOPMENT GOALS

The US 1 Corridor CRA achieved many of its goals as set forth in the 1998 US Corridor Redevelopment Master Plan.

Goal 1 – Enhance streetscapes

- US 1 Streetscaping – complete

Goal 2 – Parks and Greenspace development

- Creation of Bracco Pond Park – complete

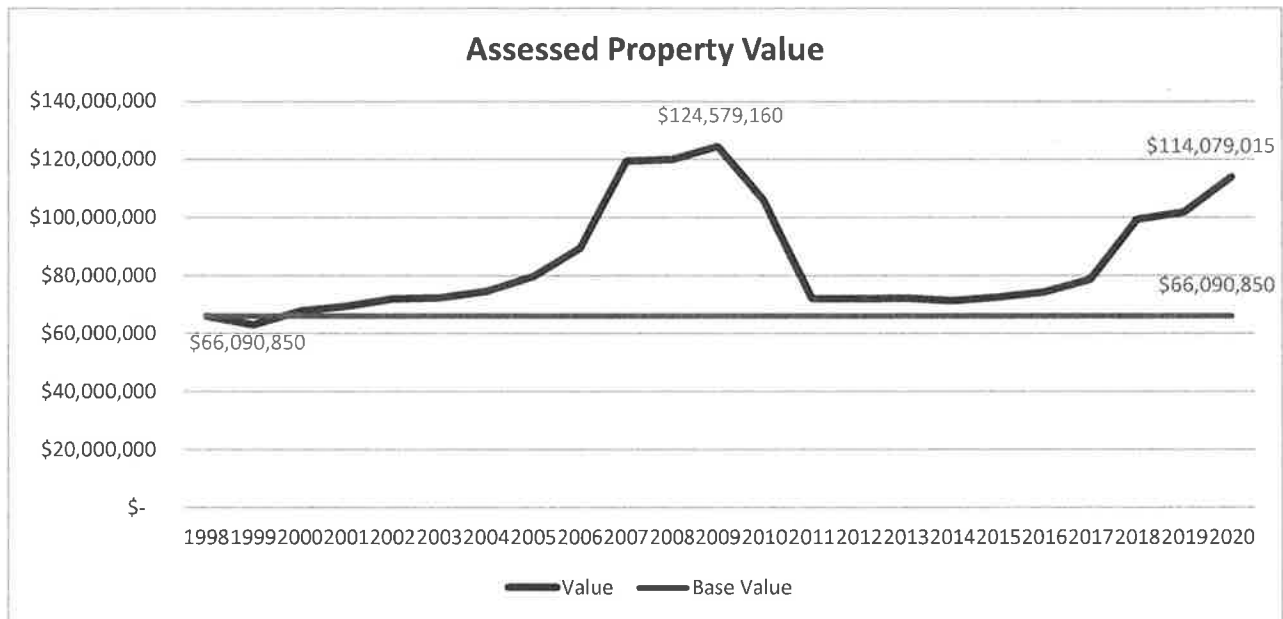
Goal 3 – Redevelopment and Affordable Housing

- Development of Clearlake Isles – Senior Affordable Housing - complete

PERFORMANCE DATA

Amount of payment to redevelopment trust fund in prior year	\$189,005.00
Prior year operating millage levy from Form DR-420, Line 10	5.979%
Taxes levied on prior year tax increment value	\$198,953.00
Prior year payment as proportion of taxes levied on increment value	9500%
Dedicated increment value	\$34,258,577.00
Actual expended increment revenue	\$341,901.00
Total Low and Moderate Housing Expended	-

ASSESSED PROPERTY VALUE



Increase in tax increment value over prior fiscal year: \$12,181,715

TAXABLE INCREMENT VALUE

Current Year Taxable Value in CRA	\$ 114,079,015.00
Base Year Taxable Value in CRA	\$ 66,090,850.00
Current Year Tax Increment Value	\$ 47,988,165.00
Prior year Final taxable value in the tax increment area	\$ 102,151,510.00
Prior year tax increment value (Line 4 minus Line 2)	\$ 36,061,660.00

City of Cocoa, Florida
COMBINING BALANCE SHEET COMMUNITY REDEVELOPMENT
AGENCIESUNAUDITED

For the year ended September 30, 2020

	Cocoa Redevelopment Agency	Diamond Square Redevelopment Agency	U.S. 1 Corridor Redevelopment Agency
ASSETS			
Cash and cash equivalents	\$ 2,697,677	\$ 380,917	\$ 10,109
Interest receivable			-
Prepaid items	5,435	5,726	
Deposits	4,350	-	-
Deferred charges	1,252,379	-	-
Other receivable	271,891	-	-
Land	-	181,192	286,391
Infrastructure	-	477,850	692,313
Less accumulated depreciation	-	(102,071)	(184,786)
Total assets	<u>\$ 4,231,732</u>	<u>\$ 943,614</u>	<u>\$ 804,027</u>
LIABILITIES AND FUND BALANCESLIABILITIES			
Accounts and retainage payable	\$ 19,783	\$ 5,943	\$ 218
Accrued payroll and related liabilities	1,491	836	-
Due to other funds	118,034	-	-
Advance from other funds	1,924,347	-	-
Deferred inflows of resources	271,891	-	-
Total liabilities	<u>2,335,546</u>	<u>6,779</u>	<u>218</u>
FUND BALANCES			
Reserved for community development projects	1,896,186	936,835	803,809
Total liabilities and fund balance	<u>\$ 4,231,732</u>	<u>\$ 943,614</u>	<u>\$ 804,027</u>

Source: City of Cocoa Comprehensive Annual Financial Report

KEY CONTACTS

City of Cocoa Office of Economic Development
65 Stone Street
Cocoa, FL 32922
www.ChooseCocoa.org

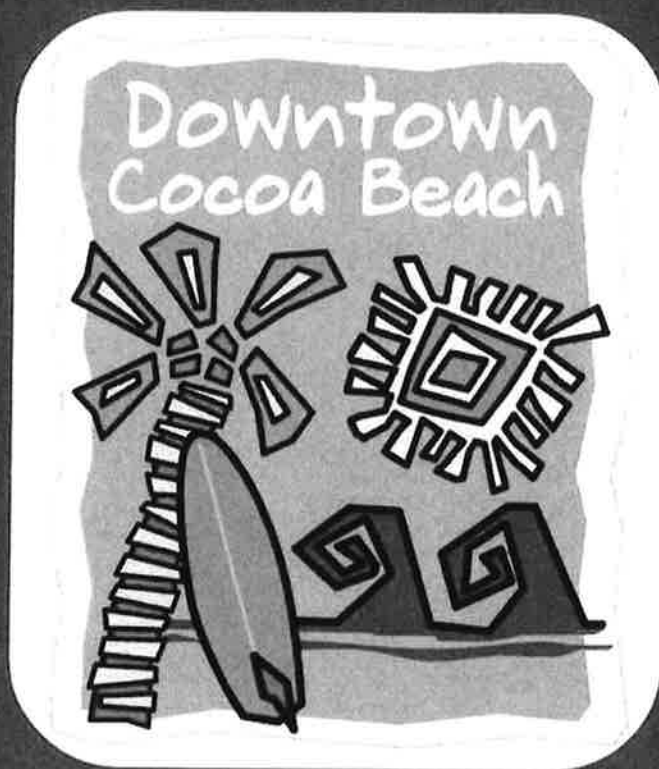
Stockton Whitten – City Manager
321-433-8737
swhitten@cocoafl.org

Nancy A. Bunt – Community Services Director
321-433-8511
nbunt@cocoafl.org

Charlene Neuterman – Deputy Community Services Director
321-433-8509
cneuterman@cocoafl.org

Angela Essing – Economic Development Manager
321-433-8522
aessing@cocoafl.org

DOWNTOWN COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY



2020 ANNUAL REPORT

Prepared by: CRA Administrator , MSL CPA's and Advisors and City of Cocoa
Beach Finance Department



Table of Contents

- Redevelopment Plan
- CRA Board
- Governing Body of CRA
- History
- Agency Summary
- Overview
- CRA Funding Graph
- Geographic Boundaries
- Redevelopment Area at a Glance
- 2020 Budget
- Expense Reports
- Parking Garage Revenues and Expenses
- COVID-19 Pandemic
- Interlocal Agreement



Redevelopment Plan Purpose:

- ⇒ Serve to eliminate and reduce blight
- ⇒ Establish community policing to encourage compliance with established community standards
- ⇒ Provide and encourage the expansion of stormwater systems and improvements to infrastructure
- ⇒ Provide and support improvement of the roadway network and promote pedestrian and bicycle safe infrastructure
- ⇒ Provide and encourage improvements to parking
- ⇒ Provide and encourage improvements to landscaping and streetscape
- ⇒ Encourage and provide incentives for appropriate economic development
- ⇒ Encourage and foster the development of activities which impact our culture and the quality of life
- ⇒ Any and all additional programs, projects, and activities which may be identified by the DCBCRA that is consistent with this comprehensive community Redevelopment Plan



COMMUNITY REDEVELOPMENT AGENCY BOARD



Mike Miller

Skip Williams

Ben Malik

Karalyn Woulas

Ed Martinez

CRA Board Members:

Vice Mayor Mike Miller

Commissioner Skip Williams

Mayor Ben Malik

Commissioner Karalyn Woulas

Commissioner Ed Martinez

City of Cocoa Beach:

City Manager James McKnight

Finance CFO /Assistant City Manager-
Eileen Clark

CRA Staff:

General Counsel Vose Law Firm

Administrator Melissa Byron

Registered Agent and City Clerk

Loredana Kalaghchy

MSL CPA 's and Advisors



GOVERNING BODY OF CRA

A CRA is a geographic area that meets the physical and/or economic conditions of a blighted area as defined in the Community Redevelopment Act 1969 (Florida Statutes, Chapter 163, Part III).

The area has to be formally designated by the local government as appropriate for redevelopment.

It has to be determined that dedicated resources should be used to reduce or eliminate these blighted conditions and to stimulate community and economic revitalization.

Once the CRA is established, Tax Increment Financing (TIF) programs may be implemented.

TIF programs are generally long-term, 30-year commitments.

CRA's have been created in other states throughout the country—Florida has over 140.

The Community Redevelopment Act specifies that the governing body of the CRA is separate from the governing body of the jurisdiction in which the area is located. However, the City Commission can be the CRA Board, but must act as a separate and distinct agency.

A five to seven member Board, created by the local government, administers the activities and programs within the CRA. In Cocoa Beach, the City Commission is also the CRA Board. Each CRA district must maintain separate trust funds and expend those funds only in the district.

Advisory committees, public meetings, and city staff provide input to the CRA Board.

Annual budgets, financial reporting, and activity reports are also required by the Community Redevelopment Act.



HIGHLIGHTS

2020 saw the CRA focus on continuing marketing the parking garage in downtown Cocoa Beach. The parking garage was also a prime objective in the CRA Vision Plan.

CRA revenues were also used for the following projects:

- ◆ Adding art to downtown
- ◆ Adding pavers to enhance the CRA area and walkability
- ◆ Stormwater improvements

HISTORY

Redevelopment of the City's historic downtown area has been a focus of the City Commission beginning in the 1990's. Following the enabling of area plans in the City's Comprehensive Plan in 2005, the City began a deliberate planning effort for the City's historic downtown area. The result of that planning effort has led to the creation of the Downtown Cocoa Beach Community Redevelopment Agency.

Anticipating that 2012 would be the year that property values would "bottom out" following the national recession of 2007-2009, the CRA completed the Downtown Cocoa Beach Community Redevelopment Plan with professional help of planning consultant, Lawandales Planning Affiliates. The Plan was developed with extensive and collaborative input from citizens and businesses of Cocoa Beach, and relied upon studies and plans developed by City staff and consulting firms Zyscovich Architects and Miller Legg and Associates. The content of the Downtown Cocoa Beach Redevelopment Plan includes:

- Executive Summary
- Chapter 1- Introduction
- Chapter 2- Existing Conditions
- Chapter 3- Vision, Mission and Philosophies
- Chapter 4- Redevelopment Plan
- Chapter 5- Financial Matters
- Chapter 6- Legal, Regulatory, and Statutory Components
- Chapter 7- Conclusion
- Appendices
- Market Assessment
- Vision Plan
- Low Impact Design Storm water Master Plan





AGENCY SUMMARY

In accordance with City of Cocoa Beach Charter Section 6.06, on January 29, 2008, the electorate of the City voted to authorize establishment of a Downtown Community Redevelopment Agency (CRA).

On April 2, 2008, the Cocoa Beach City Commission adopted Resolution No. 2008-13 requesting Brevard County to delegate to the City Commission the powers to create a Downtown Cocoa Beach Community Redevelopment Agency.

The Brevard County Board of County Commissioners (BCC) authorized the City to create the Downtown CRA, with their adoption of County Resolution 08-128 on May 29, 2008

With this authority, on August 20, 2009, the City Commission adopted Resolution No. 2009-20, finding the need for a CRA given the City's July 2009 "Finding of Necessity" as required by §163.355, Florida Statutes, in the possible creation of a CRA. This resolution also identified the Redevelopment Area.

Based on the adopted "Finding of Necessity", the City Commission adopted Resolution No. 2009-28 on November 19, 2009, establishing the Downtown Cocoa Beach Community Redevelopment Agency (CRA).

The Downtown Cocoa Beach Community Redevelopment Area is the City's only CRA district, and this is the sixth annual report for that agency. This report was reviewed and approved by the CRA Board at their meeting held on March 1, 2018.

Signed an Interlocal Agreement with Brevard County February 2018.



AN OVERVIEW

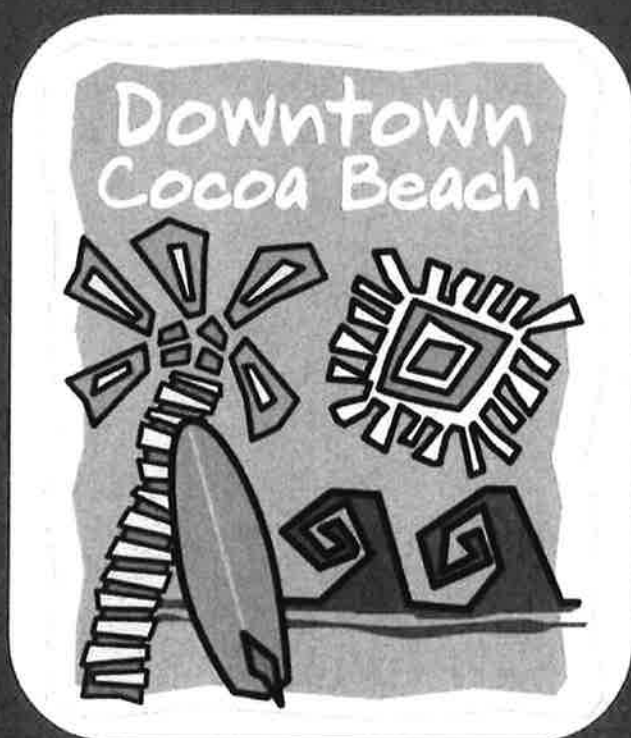
The Community Redevelopment Agency is a public entity established under the guidelines for the Community Redevelopment Act (Chapter 163, Part III, Florida Statutes) to implement community redevelopment activities. A Community Redevelopment Agency (CRA) is a dependent taxing district established by City government for the purpose of carrying out redevelopment activities that include reducing or eliminating blight, improving the tax base, and encouraging public and private investments in the redevelopment area.

In Cocoa Beach, the CRA Board has been determined to be the City Commission. No other governance structure, such as an Advisory Board, has been created.

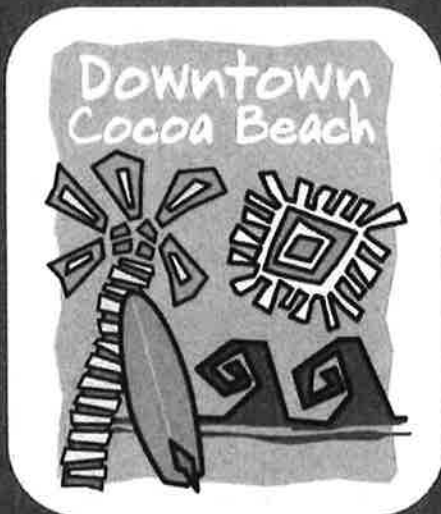
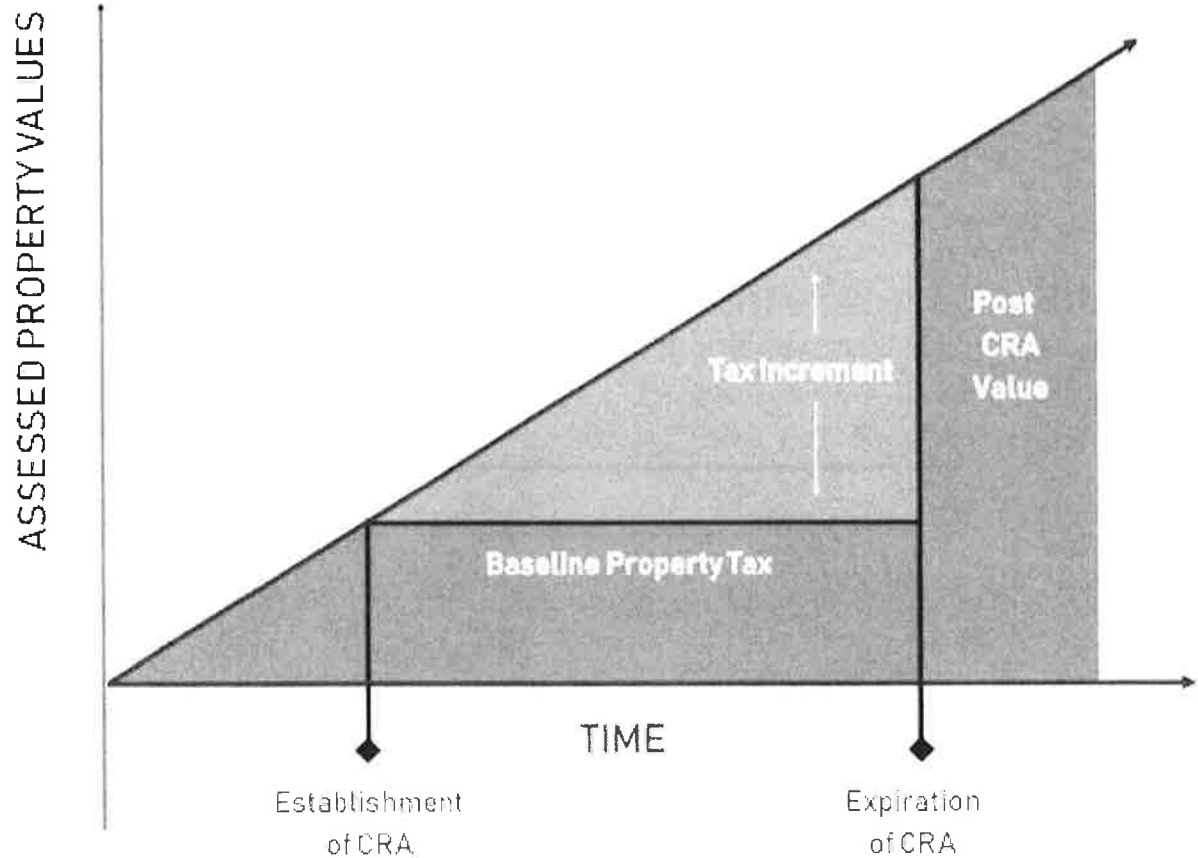
To implement the purposes of the Downtown Community Redevelopment Agency, the Board and the City have entered into an interlocal agreement authorizing the use of City staff and City resources for the creation of the required Redevelopment Plan for the downtown area. The Board has agreed not to exceed 10% of CRA increment funds for Administration expenses.

The City Commission adopted Resolution No. 2012-13 on May 17, 2012. The process toward adoption of the plan was in accordance with Florida Statutes Chapter 163.360. The Plan was adopted following a review and recommendation by the City's Planning Board (local planning agency) as to the Plan's conformity with the City's comprehensive plan.

Brevard County Commission signed an Interlocal Agreement with the Downtown Cocoa Beach Community Redevelopment Agency to continue with the CRA and the building of a parking garage.



How CRA funding works

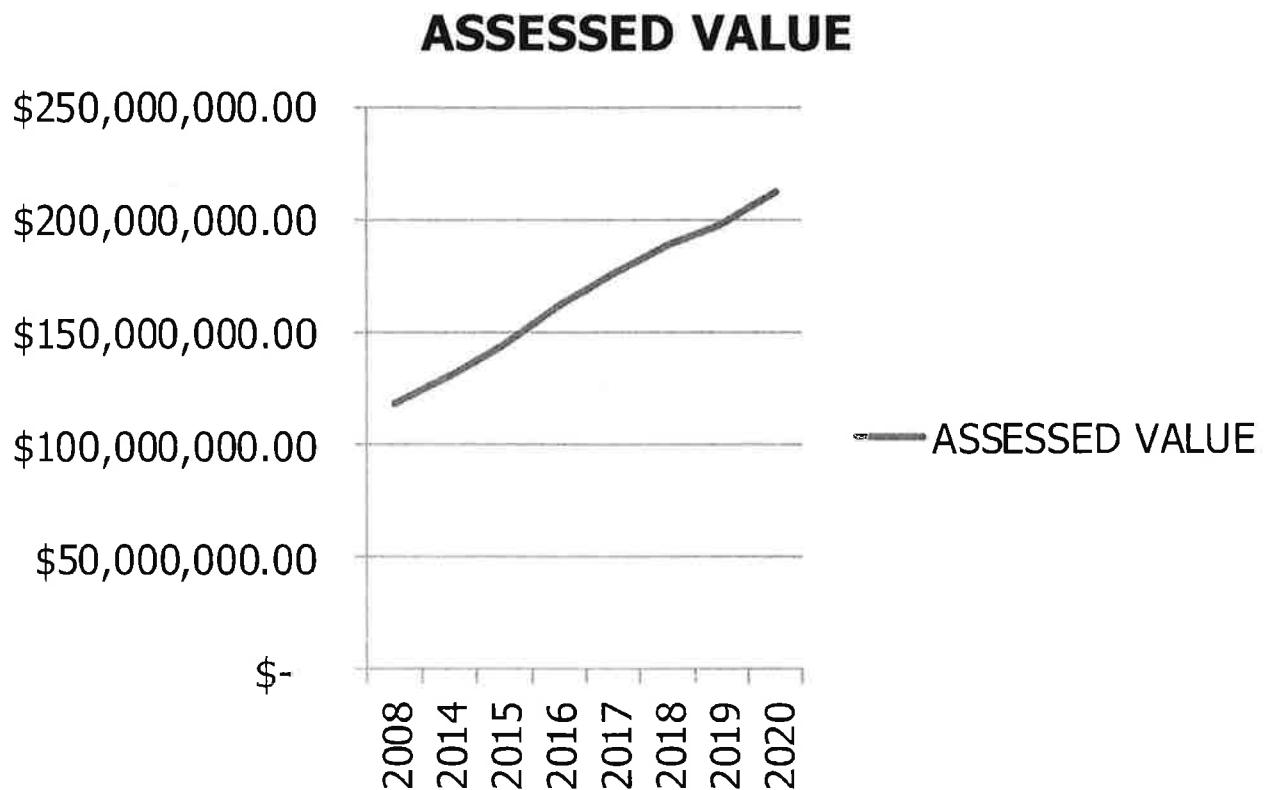


ASSESSED VALUES OVER LAST 7 YEARS

	ASSESSED VALUE	
2008-Base year	\$	118,031,690.00
2014	\$	130,326,700.00
2015	\$	144,861,700.00
2016	\$	161,977,000.00
2017	\$	176,352,730.00
2018	\$	189,226,110.00
2019	\$	197,339,050.00
2020	\$	212,557,070.00



INCREASES IN ASSESSED VALUES



Redevelopment Plan

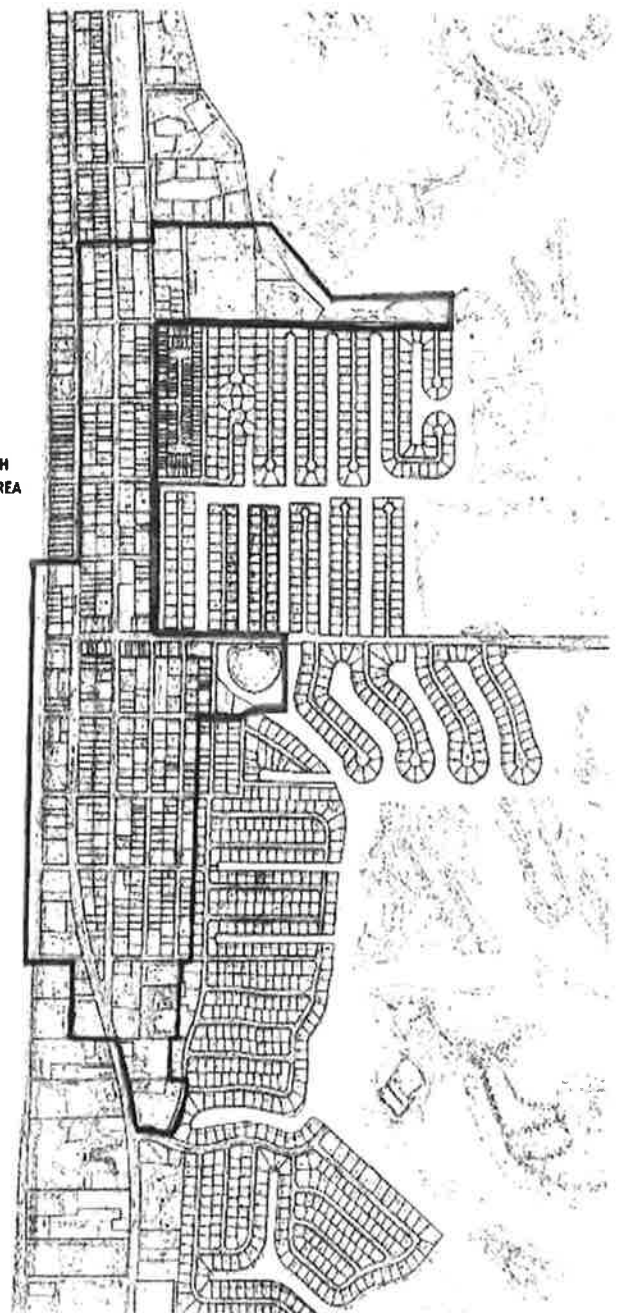
The Redevelopment Plan outlines the steps to revitalize Downtown Cocoa Beach and maximize its future competitive advantage. The general premise of the plan seeks to:

- ♦ Promote a more walkable Village Center
- ♦ Support economic stability
- ♦ Promote and enhance the “surfing village” resort uses
- ♦ Protect residential neighborhoods from commercial intrusion.
- ♦ Enhance downtown with a broader mix of uses.
- ♦ Reinforce, preserve and expand the unique building types and neighborhood characteristics.



GEOGRAPHICAL BOUNDARIES

DOWNTOWN COCOA BEACH
REDEVELOPMENT AGENCY AREA



Redevelopment Area at a Glance– Downtown CRA Redevelopment*

REDEVELOPMENT AREA RESIDENTIAL

LAND USE TYPE	ACREAGE	ASSESSED VALUE \$
Vacant Residential MF	3.15	\$ 778,380.00
Vacant Condo Common	0.11	
Vacant Condo Land	0.40	\$ 2,228,490.00
Single Family	12.35	\$ 22,843,020.00
Duplex as Single Family	1.82	\$ 4,684,960.00
Townhouse	0.44	\$ 890,420.00
Garden Apartment	0.9	\$ 1,003,740.00
Low Rise	2.18	\$ 4,092,540.00
Condo	24.55	\$ 96,057,250.00
Condo Accessory	1.19	\$ 370.00
2 Res. Units not attached	1.21	\$ 989,510.00
Duplex	9.32	\$ 9,029,990.00
Triplex	3.4	\$ 2,904,500.00
3-4 Res. Units not attached	1.13	\$ 963,090.00
Quad	1.93	\$ 2,888,230.00
Multi-family	2.79	\$ 7,032,240.00
SUBTOTAL	66.87	\$ 156,386,730.00

Size: 235 acres (0.37
square miles)



Redevelopment Area at a Glance– Downtown CRA Redevelopment*

REDEVELOPMENT AREA COMMERCIAL

LAND USE TYPE	ACREAGE	ASSESSED VALUE DOLLARS
Vacant Commercial (1)	4.76	\$ 2,181,020.00
Retail Commercial	17.93	\$ 18,078,320.00
Mixed Use	7.51	\$ 10,678,850.00
Office & Professional	13.68	\$ 12,849,270.00
Restaurants	3.38	\$ 4,255,330.00
Service Shops		\$ 1,079,310.00
Commercial Auto	2.50	
Night Clubs/Bars	1.44	\$ 2,232,340.00
Motor Inn	1.66	\$ 1,376,740.00
Parking Lots		\$ 599,400.00
Light Industry	3.52	\$ 2,090,240.00
Churches	8.27	
Funeral Homes	0.37	\$ 523,260.00
Clubs and Lodges	0.94	
Utilities	0.69	\$ 246,260.00
Postal Facility		
Public Schools-Improved	12.00	
County Land- Improved (2)	6.05	
City Owned Property	11.71	
Roads and Right of Ways	71.00	
Subtotal	167.41	\$ 56,190,340.00
TOTAL:	234.28	\$ 212,577,070.00

Size: 235 acres (0.37 square miles)

Notes: (1) Includes Vacant Institution (2) Includes Environmentally Endangered Lands Program (EELS) * Not audited- December 2016 parcel data





2020 BUDGET

Fund: Community Redevelopment (CRA)

Account Codes: 125-9310 & 125-9320

	USES OF FUNDS				
	2017 Actual	2018 Actual	2019 Amended Budget	2019 Estimated	2020 Approved Budget
CRA OPERATING					
559 31-00 Professional Services	64,736	30,512	5,750	5,750	6,700
559 37-10 Auditor	1,656	—	1,656	1,656	2,000
559 40-00 Travel & Per Diem	—	—	—	—	750
559 45-05 General Liability	5,082	5,346	5,881	5,343	5,881
559 47-00 Printing and Binding	—	664	1,400	1,400	1,400
559 49-00 Other Current Charges	241	—	750	750	5,530
559 52-50 Other	214	—	—	—	—
559 54-10 Publications & memberships	495	245	175	175	230
559 54-20 Training & Education	—	—	—	—	300
Subtotal CRA Operating	72,424	36,767	15,612	15,274	22,831
CRA DOWNTOWN GARAGE OPERATING					
559 34-20 Bank Charges	—	—	3,500	3,500	7,500
559 34-40 Support Services	—	—	5,100	5,100	16,000
559 43-15 Property Insurance	—	—	3,451	3,451	9,617
559 43-10 Electric	—	—	7,000	7,000	25,000
559 43-20 Water & Sewer	—	—	9,500	12,000	25,000
559 49-15 Other Current Charges	—	—	750	750	2,000
559 52-50 Other Supplies	—	—	7,500	5,000	7,500
Subtotal CRA Downtown Garage Operating	—	—	36,801	36,801	92,617
CAPITAL OUTLAY					
559 63-10 Improvements O/I Buildings - 15 Yrs	—	484,828	4,829,113	4,854,965	—
Subtotal Capital Outlay	—	484,828	4,829,113	4,854,965	—
GRANTS/AID					
559 82-00 Aid/Private Organizations	—	21,500	—	—	—
Subtotal Grants	—	21,500	—	—	—
559 91-10 Repayment of Advance to General Fund	20,000	20,000	20,000	20,000	80,000
559 91-40 Repayment to Stormwater (Maintenance Project)	—	—	—	—	20,000
559 9020- 91-10 Gen Fund Maint. Contribution	—	—	—	—	7,315
Subtotal Transfers	20,000	20,000	20,000	20,000	107,315
DEBT					
559 71-00 Principal	—	—	220,000	220,000	311,263
559 72-00 Interest	—	93,915	180,350	180,350	176,673
559 73-00 Other Debt Costs	174,291	—	—	(18,740)	—
Subtotal Debt	174,291	93,915	400,350	381,610	487,936
DEBT SERVICE RESERVE					
590.90-10 Reserved Future Appropriations	4,636,941	4,460,465	128,530	122,842	237,054
TOTAL USES	4,903,656	5,117,475	5,430,706	5,431,492	947,751

City of Cocoa Beach

C-6

Annual Budget
Fiscal Year 2020



Source of Funds

Fund: Community Redevelopment (CRA)

Account Codes: 125-0000

SOURCES OF FUNDS

	2017 Actual	2018 Actual	2019 Amended Budget	2019 Estimated	2020 Approved Budget
INTERGOVERNMENTAL					
310 10-00 Intergovernmental City	167,749	245,375	329,850	329,850	395,632
330 20-00 Intergovernmental County	133,564	177,936	227,391	227,138	259,257
TOTAL TAXES	301,313	423,311	557,241	556,988	654,889
CHARGES FOR SERVICES					
344 50-15 Taxable Meter Fees	—	—	70,000	70,000	160,000
344 50-20 Parking Citations	—	—	3,000	3,000	9,120
TOTAL CHARGES FOR SERVICES	—	—	73,000	73,000	169,120
MISCELLANEOUS REVENUES					
361 20-00 Interest on Investment	—	57,223	—	900	900
369 40-00 Misc. Other	429,291	—	90,000	90,139	—
384 10-00 Loan Proceeds	4,245,000	—	250,000	250,000	—
TOTAL MISCELLANEOUS REVENUES	4,674,291	57,223	340,000	341,039	900
TOTAL REVENUES	4,975,604	480,534	970,241	971,027	824,909
FUNDS FORWARD					
389 99-10 Appropriated Fund Balance	(71,048)	4,636,041	4,460,465	4,460,465	122,842
TOTAL SOURCES	4,903,656	5,117,475	5,430,706	5,431,492	947,751



Source of Funds

Fund: Community Redevelopment (CRA)

Account Codes: 125-0000

SOURCES OF FUNDS

	2017 Actual	2018 Actual	2019 Amended Budget	2019 Estimated	2020 Approved Budget
INTERGOVERNMENTAL					
330 10-00 Intergovernmental - City	167,748	245,375	329,850	329,850	395,632
330 20-00 Intergovernmental - County	133,564	177,936	227,391	227,138	259,257
TOTAL TAXES	301,313	423,311	557,241	556,988	654,889

The Interlocal Agreement between the City and the County states that 75% of the TIF received from the County be used to retire bond that was acquired to build the Parking Garage. All of the monies collected from the County through TIF were applied to the Parking Garage Bond.



No Personnel Scheduled

PERSONNEL SCHEDULE			
DEPARTMENT: Community Redevelopment (CRA)			
POSITION TITLE:	NUMBER OF POSITIONS		
	BUDGET 2019	CHANGE	BUDGET 2020
FULL TIME			
TOTAL FULL-TIME	—	—	—
PART-TIME			
TOTAL PART-TIME	—	—	—
No personnel scheduled for FY 2020			
TOTAL PERSONAL SERVICES	—	—	—

The Interlocal Agreement between the County and the City provides for up to 5% of county contribution that can be used for administration fees. The City has provided Administration of the CRA at no charge.





First Quarter Expenses

CITY OF COCOA BEACH

125-9310 DOWNTOWN COMM REDEV FUND

EXPENSE REPORT - 01/31/2020

33% of Year Complete

EXPENSE ACCOUNT	Annual Budget	Actual January	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
31 00 Professional Services	6,700	-	3,262.50	3,437.50	49%	16%	51%
32 10 Auditor	2,000	-	-	2,000.00	0%	-33%	100%
40 00 Travel & per diem	750	-	-	750.00	0%	-33%	100%
45 05 General liability	5,881	-	15,170.00	(9,289.00)	258%	225%	-158%
47 00 Printing & binding	1,400	-	-	1,400.00	0%	-33%	100%
48 00 Promotional activities	-	-	-	-	-	-	-
49 00 Other current charges	5,550	-	-	5,550.00	0%	-33%	100%
51 00 Office supplies	-	-	-	-	-	-	-
52 50 Other	-	-	-	-	-	-	-
54 10 Publications & membership	250	-	420.00	(170.00)	168%	135%	-68%
54 20 Training and education	300	-	-	300.00	0%	-33%	100%
62 00 Buildings	-	-	-	-	-	-	-
71 00 Principal	311,261	-	230,000.00	81,261.00	74%	41%	26%
72 00 Interest	176,673	-	87,975.00	88,698.00	50%	17%	50%
73 00 Other Debt Service Costs	-	-	(105.90)	105.90	-	-	-
91 10 Trf to General Fund	87,315	609.58	82,438.32	4,876.68	94%	61%	6%
91 40 Stormwtr Repay- Minutemen	20,000	-	20,000.00	-	100%	67%	0%
TOTAL	618,080	609.58	439,159.92	178,920.08	71%	38%	29%





Second Quarter Expenses

CITY OF COCOA BEACH

125-9310 DOWNTOWN COMM REDEV FUND

EXPENSE REPORT - 03/31/2020

50% of Year Complete

EXPENSE ACCOUNT	Annual Budget	Actual March	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
31 00 Professional Services	6,700	1,558.25	4,810.75	1,879.25	72%	22%	28%
32 10 Auditor	2,000	-	-	2,000.00	0%	-50%	100%
40 00 Travel & per diem	750	-	-	750.00	0%	-50%	100%
45 05 General liability	3,881	-	11,170.00	(9,289.00)	238%	208%	-158%
47 00 Printing & binding	1,400	-	187.50	1,212.50	13%	-37%	87%
48 00 Promotional activities	-	-	-	-	-	-	-
49 00 Other current charges	5,950	-	-	5,950.00	0%	-50%	100%
51 00 Office supplies	-	-	-	-	-	-	-
52 50 Other	-	-	-	-	-	-	-
54 10 Publications & membership	250	-	420.00	(170.00)	168%	118%	-88%
54 20 Training and education	300	-	-	300.00	0%	-50%	100%
62 00 Buildings	-	-	-	-	-	-	-
71 00 Principal	311,251	-	230,000.00	81,251.00	74%	24%	26%
72 00 Interest	176,673	83,375.00	171,350.00	5,323.00	97%	47%	3%
73 00 Other Debt Service Costs	-	-	(103.90)	103.90	-	-	-
91 10 Trf to General Fund	87,315	609.38	83,057.48	3,657.52	96%	46%	4%
91 40 Stormwater Repair-Minutemen	20,000	-	20,000.00	-	100%	50%	0%
TOTAL	618,590	83,342.83	321,499.83	31,380.17	83%	35%	15%





Third Quarter Expenses

CITY OF COCOA BEACH

125-9310 DOWNTOWN COMM REDEV FUND

EXPENSE REPORT - 06/30/2020

75% of Year Complete

EXPENSE ACCOUNT	Annual Budget:	Actual June	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
31 00 Professional Services	6,700	-	4,820.75	1,879.25	72%	-3%	28%
32 10 Auditor	2,000	-	-	2,000.00	0%	-75%	100%
40 00 Travel & per diem	750	-	-	750.00	0%	-75%	100%
43 03 General liability	5,881	-	5,533.00	328.00	94%	19%	0%
47 00 Printing & binding	1,400	-	187.50	1,212.50	13%	-62%	87%
48 00 Promotional activities	-	-	-	-	-	-	-
49 00 Other current charges	5,550	-	-	5,550.00	0%	-75%	100%
51 00 Office supplies	-	-	-	-	-	-	-
52 50 Other	-	-	-	-	-	-	-
54 10 Publications & membership	250	-	420.00	(170.00)	168%	93%	-68%
54 20 Training and education	300	-	-	300.00	0%	-75%	100%
62 00 Buildings	-	-	-	-	-	-	-
71 00 Principal	311,261	-	230,000.00	81,261.00	74%	-1%	26%
72 00 Interest	176,673	-	171,350.00	5,323.00	97%	22%	3%
73 00 Other Debt Service Costs	-	-	(103.90)	103.90	-	-	-
91 10 Trf to General Fund	97,315	609.58	97,924.58	1,828.78	98%	23%	2%
91 40 Stormwtr Repay- Minutemen	20,000	-	20,000.00	-	100%	25%	0%
TOTAL	618,090	609.58	517,711.57	100,308.43	84%	9%	16%



Fourth Quarter Expenses

CITY OF COCOA BEACH

125-9310 DOWNTOWN COMM REDEV FUND

EXPENSE REPORT - 09/30/2020

100% of Year Complete

EXPENSE ACCOUNT	Annual Budget	Actual September	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
31 00 Professional Services	6,700	-	4,820.75	1,879.25	72%	72%	28%
32 10 Auditor	2,000	-	-	2,000.00	0%	0%	100%
40 00 Travel & per diem	560	-	-	560.00	0%	0%	100%
43 03 General liability	5,881	-	5,353.00	328.00	91%	91%	9%
47 00 Printing & binding	1,400	-	187.50	1,212.50	13%	13%	87%
48 00 Promotional activities	-	-	-	-	-	-	-
49 00 Other current charges	5,550	-	-	5,550.00	0%	0%	100%
51 00 Office supplies	-	-	-	-	-	-	-
52 50 Other	-	-	-	-	-	-	-
54 10 Publications & membership	420	-	420.00	-	100%	100%	0%
54 20 Training and education	300	-	-	300.00	0%	0%	100%
62 00 Buildings	-	-	-	-	-	-	-
71 00 Principal	311,261	81,261.03	311,261.03	(0.03)	100%	100%	0%
72 00 Interest	176,673	-	176,673.08	(0.08)	100%	100%	0%
73 00 Other Debt Service Costs	-	-	105.90	(105.90)	-	-	-
91 10 Trf to General Fund	82,315	-	82,317.96	(2.96)	100%	100%	0%
91 40 Stormwater Repay-Maintenance	20,000	-	20,000.00	-	100%	100%	0%
TOTAL	618,080	81,261.03	606,339.22	11,740.78			

CITY OF COCOA BEACH

125-9320 DOWNTOWN PARKING GARAGE

EXPENSE REPORT - 09/30/2020

100% of Year Complete

EXPENSE ACCOUNT	Annual Budget	Actual September	Year to Date Total Expense	Annual Budget Less Total Expense	% of Budget Spent	% of Year Complete (Under) Over Spent	% of Budget Remaining
34 20 Bank Charges	7,000	614.82	5,163.47	2,336.53	69%	69%	31%
34 40 Support Services	26,900	4,434.14	26,986.05	(86.05)	100%	100%	0%
43 10 Electric	24,000	737.80	8,204.40	15,795.60	34%	34%	66%
43 20 Water & Sewer	15,070	319.28	3,587.30	11,482.70	24%	24%	76%
43 35 Property Insurance	9,617	-	9,617.00	-	100%	100%	0%
49 13 Collection Agency Fees	2,000	551.59	1,659.92	340.08	83%	83%	17%
52 50 Other Supplies	7,500	27.36	822.46	6,677.54	11%	11%	89%
TOTAL	92,617	6,665.59	56,051.20	36,565.80			



Parking Garage Revenue and Expenses



Oct 1, 2019 through Sept 30, 2020

Revenue

Parking Revenue	\$	131,706
Citation Revenue		23,019
Electrical Charging Station		<u>171</u>
Total Revenue	\$	<u>154,896</u>

Expenses

Bank Charges	\$	5,163
Support Services		26,996
Electrical		8,204
Water & Sewer		3,587
Other Charges		1,660
Other Supplies		822
Property Insurance		<u>9,617</u>
Total Expense	\$	<u>56,049</u>
Net Revenue	\$	<u><u>98,847</u></u>

NOTE: Pursuant to the Bond issue covenants, all revenue above expenses is placed into a reserve account for long term maintenance of the parking garage. There are no funds from the parking garage revenue being contributed to the City's General Fund.

AUDITED FINANCIALS

Community Redevelop-
ment Agency Fund

REVENUES

Taxes	\$ 259,230
Licenses and permits	-
Intergovernmental revenues	-
Charges for services	154,897
Fines and forfeitures	-
Investment earnings	2,219
Miscellaneous revenues	-
Total revenues	416,346

EXPENDITURES

Current:

General government	67,032
--------------------	--------

Capital outlay	-
----------------	---

Debt service:

Principal	230,000
-----------	---------

Interest and other	176,567
--------------------	---------

Total expenditures	473,599
--------------------	---------

Excess (deficiency) of revenues over (under) expenditures before transfers	(57,253)
--	----------

OTHER FINANCING SOURCES (USES)

Transfers in	395,632
--------------	---------

Transfers out	(27,315)
---------------	----------

Sale of capital assets	-
------------------------	---

Total other financing sources (uses)	368,317
--------------------------------------	---------

Net change in fund balances	311,064
-----------------------------	---------

Fund balances, beginning of year	(55,705)
----------------------------------	----------

Fund balances, end of year *	\$ 255,359
------------------------------	------------

* Debt Service Reserve

AUDITED FINANCIALS

Community Redevelopment Agency Fund

ASSETS

Cash and cash equivalents	\$	459,874
Investments		26,765
Accounts receivable		3,136
Due from other funds		-
Due from other governments		-
Inventory		-
Prepayments		16,297
Total assets	\$	506,072

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts and contracts payable	\$	1,975
Accrued liabilities		-
Due to other funds		248,738
Unearned revenue		-
Total liabilities		250,713

Fund balances:

Non-spendable		16,297
Restricted		239,062
Committed		-
Unassigned		-
Total fund balances (deficits)		255,359

Total liabilities and fund balances	\$	506,072
-------------------------------------	----	---------

2020 and the Pandemic

Due to COVID-19 the main highlight of the 2020 CRA was to promote and encourage businesses within the boundaries of the CRA to apply for CARES Act grants, provide PPE sourcing information, assist businesses in applying for PPP loans and to promote local CRA businesses to locals and visitors.

The CRA also consistently provided up-to-date COVID-19 information to assist businesses. Although property values in the CRA have continued to rise the affect the pandemic will have on sales and taxes probably will not be felt until 2022 or 2023. The uncertainty of the economy for the next few years and the knowledge that the parking garage will need specialized maintenance in the future (painting the parking space numbers, possible grouting of seams throughout, elevator repairs, and other unforeseen issues) the CRA Board is focusing on making bond payments and maintenance funding.

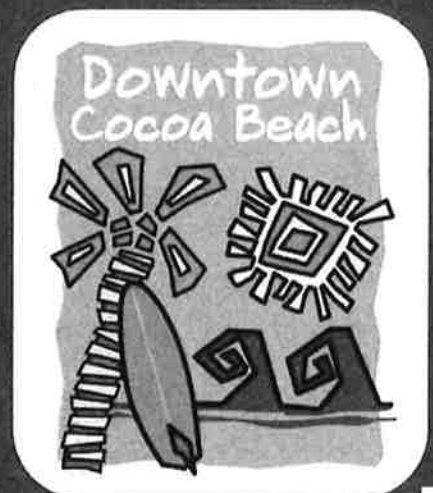
Please

✓ Respect social distancing



✓ Wear a mask

✓ Wash hands

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Re-Development, renovations, and new openings

Although the country was seeing a shutdown and slow down during the pandemic known as COVID-19 the Downtown Cocoa Beach Redevelopment Area (CRA) has experienced an influx of re-development, renovations and new business openings. An engineering company has built a new office, half a dozen restaurants in the CRA have renovated their businesses, and at least four new restaurants have opened. Plus on the horizon construction on a new oceanfront condominium is set for construction, as well as, a new entertainment area in the heart of the CRA.



Interlocal Agreement

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT entered into the 6 day of February 2018, by and between the CITY OF COCOA BEACH, a Florida municipal corporation, (hereinafter "the CITY"), the CITY OF COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY, (hereinafter "the CRA"), and BREVARD COUNTY, a political subdivision of the State of Florida, in its own name and in behalf of each County Taxing Authority, as defined in section 2b, below, (hereinafter collectively called "the COUNTY").

WITNESSETH:

WHEREAS, on January 29, 2008, the citizens of the City of Cocoa Beach by referendum voted to authorize the establishment of a Downtown Community Redevelopment Agency (CRA); and,

WHEREAS, on April 3, 2008, the Cocoa Beach City Commission adopted Resolution No. 2008-13 requesting Brevard County to delegate to the City Commission the powers to create a Downtown Cocoa Beach Community Redevelopment Agency; and

WHEREAS, the Brevard County Board of Commissioners, pursuant to Section 3 Conditions authorized the delegation of authority provided in Resolution No. 08-128 to the City of Cocoa Beach for a period of 25 years from the date of the creation of the City's Community Redevelopment Agency; and,

WHEREAS, the Downtown Cocoa Beach Community Redevelopment Agency is the only CRA, that has been approved by Brevard County, in the City of Cocoa Beach; and,

WHEREAS, with this authority, on August 20, 2009, the Cocoa Beach City Commission adopted Resolution No. 2009-20, finding the need for a CRA given the City's July 2009 "Finding of Necessity", as required by §163.355, Florida Statutes, in the possible creation of a CRA. This Resolution also identified the Redevelopment boundary area; and,

WHEREAS, the Cocoa Beach City Commission adopted Resolution No. 2009-28 on November 19, 2009, establishing the Downtown Cocoa Beach Community Redevelopment Agency (CRA); and

WHEREAS, the County and City hereby find that collaboration in the advancement of these goals will be in the best interests of both the City and the County and will promote efficiency in the process

WHEREAS, the CITY and COUNTY have continuously paid their respective full CRA Tax Incremental Trust Fund ("TIF") payments required by § 163.387(1), Florida Statutes, and CITY Ordinance No. 837 to the CRA since the first fiscal year of the CRA's operation; and



Interlocal Agreement

WHEREAS, the COUNTY is facing certain budget issues relating to road maintenance, construction and reconstruction due to county charter restrictions on ad valorem tax revenues and other factors; and

WHEREAS, the COUNTY has evaluated multiple options to address these budget issues; and

WHEREAS, part of a solution to the County budget concerns would involve negotiation of an interlocal agreement with various cities and CRAs with the goal of working toward reducing or ceasing the County's future annual CRA TIF contributions in order to utilize those funds for road maintenance, construction, and reconstruction for road construction and reconstruction; and

WHEREAS, the CITY and COUNTY have enjoyed an excellent relationship over the years, and desire to cooperate in achieving the County's road program goals; and

NOW, THEREFORE, the parties mutually agree as follows:

1. **RECITATIONS.** The foregoing recitations are true and correct and are incorporated herein by reference.

2. **DEFINITIONS.** The terms below shall have the indicated meanings.

a. "Increment" or "Tax Increment" shall have the same meaning as "increment" as set forth in §163.387(1)(a), Florida Statutes.

b. "County Taxing Authority" means Brevard County, through its Board of County Commissioners and any County established Municipal Services Taxing Unit (MSTU) or dependent special districts in behalf of which the County levies taxes or approves a budget to the extent such MSTU or dependent special district is required to contribute a tax increment to the TIF established by the City for the CRA in accordance with the requirements of section 163.387, Florida Statutes.

3. **AUTHORITY.** This agreement is being entered into under the authority vested in the parties by §163.387(3)(b), Florida Statutes and, pursuant to that authority, supersedes any provision or requirement set forth in §163.387, to the extent of any conflict with this agreement and that statutory provision.

4. **EXPIRATION OF COUNTY CRA PAYMENT AND CRA.** In accordance with §163.387(3)(b), Florida Statutes, notwithstanding any provision in §163.387, Florida Statutes to the contrary, after December 15, 2033, the COUNTY shall no longer be required to contribute a tax increment of any amount to the CRA Trust Fund. The parties agree that the CRA shall expire on December 31, 2033 and that the CITY and COUNTY shall take such actions as may be required to terminate the CRA on that date.



Interlocal Agreement

5. COUNTY TIF PAYMENT. The COUNTY will continue its annual contribution to the CRA TIF as required by §163.387, Florida Statutes, in every fiscal year between FY 2017-2018 and FY 2033-2034, however, in no event shall the COUNTY continue to make a tax increment payment into the CRA TIF after December 15, 2033.

6. COUNTY ADDITIONAL OBLIGATION. The County agrees to abide by all of Section 1 A through d4- Attachment A- adopted County Resolution 08-128 through the expiration date of the CRA, as provided in that Resolution. With respect to Section 3 B of County Resolution 08-128, the County agrees to not revoke the delegation of authority to the CITY or to designate the Board of County Commissioners as the Community Redevelopment Agency prior to December 31, 2033.

7. CITY USE OF TIF PAYMENT. The CITY represents and agrees that the CITY shall apply no less than 75% of the annual COUNTY tax increment solely for the payment of debt service on bonds, the proceeds of which are dedicated to the payment of costs incurred by the CITY in the construction of a downtown parking garage.

CITY PAYMENT INTO CRA TIF. Nothing in this agreement shall be deemed to prevent the City from continuing to contribute into the CRA TIF through the expiration date of the CRA, which shall be December 31, 2033; provided, however, in no event shall the City be required to pay any amount that would violate prepayment provisions or other terms of the bonds; and further provided that City and CRA agree and acknowledge that no COUNTY tax increment will be available to pay any debt service on any CRA bonds after December 15, 2033.

8. CITY ADDITIONAL OBLIGATIONS.

- A. The City agrees to provide staff to support the Community Redevelopment Agency, whose duties shall include but not be limited to:
 - 1. To follow the Community Redevelopment Plan that was approved by the City and County that conforms with Sections §163.360 and §163.362, Florida Statutes.
 - 2. To administer any trust fund(s) established pursuant to Section §163.387, Florida Statutes, provided, the CITY and CRA agree to limit expenditures, from the County Increment, for administrative staff provided to the CRA to an amount not to exceed 5% of the total County increment.
 - 3. To ensure that tax increment funds are spent only on those purposes authorized in Section §163.387, Florida Statutes.
- B. The Cocoa Beach Downtown Redevelopment Agency (CRA) agrees not to extend, add or incur any indebtedness to the CRA pledging or requiring any payment of COUNTY tax increment or other COUNTY funds toward CRA debt service after December 31, 2033.



Interlocal Agreement

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 - 3. To ensure that tax increment funds are spent only on those purposes authorized in Section §163.387, Florida Statutes.
- B. The Cocoa Beach Downtown Redevelopment Agency (CRA) agrees not to extend, add or incur any indebtedness to the CRA pledging or requiring any payment of COUNTY tax increment or other COUNTY funds toward CRA debt service after December 31, 2033.



Interlocal Agreement

CITY:

City Manager/CRA Director
City of
Cocoa Beach
2 S. Orlando
Avenue
Cocoa Beach, FL 32931
(email address available at City
Website)

**CRA
Manager**

CRA/Director City
CRA of Cocoa Beach
2 S. Avenue
Cocoa Beach, FL 32931

COUNTY:

County Manager
2725 Judge Fran Jamieson
Way
Melbourne, FL 32940
(email address available at County
Website)

or to such other addresses such by notice in writing to any other parties.

14. **GOVERNING LAW.** The validity, construction and enforcement of and the remedies under this agreement shall be governed in accordance with the laws of the State of Florida, and venue of any proceeding shall be Brevard County, Florida.

15. **SAVINGS CLAUSE.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed on this the first date first above written.



Interlocal Agreement

CITY OF COCOA BEACH

By: James P. McLaughlin
Its: CITY MANAGER

CITY OF COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY

By: [Signature]
Its: CITY MANAGER

BREVARD COUNTY

By: [Signature]

Rita Pritchett, Chair

(as approved by the Board on Feb. 6, 2018)

ATTEST:

[Signature]
SCOTT ELLIS, CLERK



HIGHLIGHTS 2020

Re-Development, Renovations, and PARKING GARAGE...



2020

City of Melbourne

Community Redevelopment Agency (CRA) Annual Reports

Melbourne Downtown CRA

Babcock Street CRA

Olde Eau Gallie Riverfront CRA

City of Melbourne 2020 CRA Annual Reports

Three community redevelopment areas (CRAs) are located within the City of Melbourne: the Melbourne Downtown CRA, the Olde Eau Gallie Riverfront CRA, and the Babcock Street CRA. The following is an overview of CRA activities during the fiscal reporting period (FY 2020) from October 1, 2019 to September 30, 2020, including general information, current or completed projects, and financial information.

Specific financial information, such as assets, liabilities, income and operating expenses of the individual CRA trust funds, are found within the City of Melbourne's comprehensive annual financial report. The 2020 CRA audit reports are found in Appendix A. Balance sheets and statements of revenues and expenditures for the CRAs are found in Appendix B.

CRA maps indicate district boundaries and are included for each of the three CRAs in Appendix C.

Information related to the three CRAs, including annual reports, redevelopment plans, budgets, program information, and reporting requirements are available on the [City of Melbourne CRA web page](#).

Melbourne Downtown CRA

Originally established in 1982, the CRA was expanded in 2006 after the completion of a major redevelopment plan amendment. The area contained within the CRA boundary is approximately 322 acres and is shown on the map in Appendix C.

Revenues have only slightly increased over the last budget cycle, with an increase of less than 1%. Table 1 indicates valuations from the base year and January 1, 2021. The current 2020-2021 revenue from tax increment and interest income is \$1,438,589, which supports the current operating budget, CRA projects and CRA programs. The CRA is scheduled to spend its resources on large capital projects in fiscal year (FY) 2021.

TABLE 1 - MELBOURNE DOWNTOWN CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2021
Area 1	1982	\$23,595,020	\$142,205,931
Area 2	2006	\$19,599,330	\$43,173,540
Totals		\$43,194,350	\$185,379,471

The Melbourne Downtown CRA is located within census tracts 4800, 4902 and 4700. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies all three census tracts as targeted populations and low-income communities¹. By this classification, these census tracts lack private capital investment because of their deficient demographics including income, poverty, and unemployment as compared with metropolitan area and national averages. Table 2 provides a summary of these CDFI targeted census populations.

TABLE 2 - MELBOURNE DOWNTOWN CRA CENSUS INFORMATION

Census Tract	Median Income as % of Area Median	Poverty Rate	Unemployment Rate	Unemployment Rate Times National Average
4800	65.61%	23.50%	12.50%	1.51
4902	31.78%	37.30%	19.50%	2.35
4700	62.66%	25.70%	23.20%	2.80

¹ Source: U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI), 2011-2015 census data. Targeted population refers to individuals or an identifiable group of individuals meeting the requirements of 13 C.F.R. § 1805.201(b)(3). According to the regulations, "Targeted Population shall mean individuals, or an identifiable group of individuals, who are Low-Income persons or lack adequate access to Financial Products or Financial Services in the service area.

Total expenditures from the redevelopment trust fund in FY 2020 were \$4,490,229, which includes operating expenditures, transfers/appropriations to capital projects, capital project expenditures, and bond finance appropriation.

No funds were directly expended for affordable housing for low-and middle-income residents; however, a mixed-use building renovation project with 11 units of affordable housing, received \$20,000 in CRA Façade program funding for the commercial storefront renovation. This CRA grant indirectly assisted with the overall project financing.

Projects and Programs

The Melbourne Downtown CRA continues to utilize its resources to achieve goals set forth in the redevelopment plan through capital improvement projects, programs, and initiatives. The extent to which the CRA has achieved its goals in FY 2019-2020 includes:

- One Façade Improvement Program project located at 2421 Stone Street (Pirouette Group, LLC) was completed and grant funding in the amount of \$20,000 was reimbursed. This project leveraged an estimated \$250,000 in additional private investment. See Figure 1.
- **South Expansion Streetscape Project:**
 - **Phase I** was placed to bid in 2020; however, the sole bid of \$2.0M far exceeded the Engineer's estimate of \$1.2M. Further, there was not enough CRA funding available to construct the project at the bid price. The CRA may be bidding the project again in the second quarter of 2021, to determine if project construction might be viable. The City may also pursue additional funding from the Space Coast Transportation Planning Organization (TPO).
 - **Phase II** includes the US 1 corridor from W. H. Jackson Street to University Boulevard. A total of \$100,000 has been set aside for the first phase of engineering design in FY 2021. Additionally, staff will apply to see if this project can be added to the TPO prioritized project list as a safety-related project, which would assist in all phases of design and construction.
- The **West Crane Creek Pedestrian Bridge Project** has been included in the CRA's capital improvement program since 2012. With an estimated cost of \$1.5 million, additional sources of funding would need to be obtained. Staff will explore the possibility of applying for a grant from the Florida Inland Navigational District (FIND) to supplement the \$47,000 already appropriated for engineering and permitting costs.
- The **Archway/Gateway Refurbish Project** went out to bid in FY2020 and came back with a low bid of \$120,000, which exceeded the \$25,000 that had been allocated to the project previously. Additional funding was

appropriated into the project by the CRA in FY2021. The bid is scheduled to be let in the second quarter of FY2021.

- The **Riverview Park Improvement Project** continues to be incrementally funded for specific projects through the CRA and other funding sources. Engineering design for an elevated boardwalk through the mangroves was substantially completed and in FY 2020, the CRA expended \$25,000 for engineering design. The CRA Advisory committee has prioritized two projects within the Riverview Park Master Plan for subsequent consideration. These projects include: burial of the power lines, and the construction of a new non-motorized boat launch. The CRA has scheduled recurring funding within the annual capital improvement program to complete projects in the Plan.
- The **Public-Private Development Program** was enacted to enable the CRA to enter into public-private partnerships and facilitate desired large-scale real estate development projects. The Program targets vertical mixed-use, residential, office, and hotel projects having an investment of \$5 million or more. Utilizing tax increment finance (TIF) or other CRA assets, the CRA can leverage private real estate investment opportunities and develop markets that are deficient or do not currently exist in Downtown Melbourne. On January 14, 2020, this Program application period was extended to December 31, 2024. There were two projects under construction in FY2020.
 - Approved on February 28, 2017, **Highline Apartments, LLC** received their certificate of occupancy for the building in July of 2020 (see Figure 2). Consisting of 171 luxury apartments and 8,600 square feet of commercial space, this project also includes \$1 million of public facility and infrastructure improvements for parking, sidewalks, lighting, landscaping and storm water utilities, which was substantially completed at the end of FY 2020. Under a joint resolution, City Council and the CRA Board committed property and a \$2.4 million CRA revenue bond. The bond will be provided as a grant to the developer after completion in FY 2021. See Figure 2.
 - Approved on August 14, 2018, **801 Strawbridge Hotel, LLC** (aka *Hilton Tapestry/Hotel Melby*) is under construction and is projected to be operational during the second quarter of the 2021 calendar year (see Figure 3). Consisting of a 156-room boutique hotel and 170 spaces of structured parking, this project also includes off-site public improvements to the Waverly Place alley, valued at \$195,000. The developer is dedicating a minimum of 30 spaces for public parking, providing pedestrian easements, and public streetscape enhancements. The project represents approximately \$35 million of new investment. The City of Melbourne secured a \$2

million HUD Section 108 loan guarantee on behalf of the developer and the CRA committed approximately \$807,000 net present value (NPV) of future TIF, once the hotel is constructed. See Figure 3.

During the reporting period there were a total number of ten projects under various levels of development. Eight projects were started and two projects were completed. Information related to expenditures and estimated costs can be found in Table 3.

TABLE 3 - MELBOURNE DOWNTOWN CRA PROJECT LIST

Project	Name	FY 2020 Expenditure	Estimated Cost	Status
1	Façade Improvement Program Project	\$14,396	\$14,396	Completed
2	Strawbridge Avenue Median & Landscape	\$0	\$29,401	Started
3	South Expansion Streetscape Phase 1	\$10,567	\$1,200,000	Started
4	West Crane Creek Pedestrian Bridge	\$0	\$1,500,000	Started
5	Archway/Gateway Refurbish	\$269	\$130,000	Started
6	Riverview Park Improvement	\$25,000	\$25,000	Completed
7	South Expansion Streetscape Phase 2	\$0	\$2,500,000	Started
8	Downtown ROW and Infrastructure	\$0	\$90,000	Started
9	Public Private Development Program – Highline Apartments, LLC	\$0	\$2,475,000	Started
10	Public Private Development Program – 801 Strawbridge Hotel, LLC	\$0	\$1,002,000	Started

Goals

The Melbourne Downtown CRA is scheduled to sunset in 2042 and has prioritized a number of projects and initiatives for 2020 and beyond, which include the following:

- Go out to bid and begin construction of the South Expansion Streetscape Phase I project in 2021 or secure additional TPO funding pushing construction to 2024;

- Commence engineering design or be placed on the TPO project list for the South Expansion Streetscape Phase II project;
- Continue the Façade Improvement Program, providing CRA funding on an annual basis;
- Complete planning, design and engineering for the next phase of improvements in Riverview Park, with on-going funding of the CRA;
- Explore alternate funding sources for the Crane Creek Pedestrian Bridge and commence engineering and permitting;
- Complete the Strawbridge Avenue Medians & Landscape with construction of sidewalks on the South side of the Row limits;
- Continue working with the 801 Strawbridge Hotel/Hilton Tapestry developer to monitor progress of construction and coordinate payments of the HUD Section 108 loan;
- Support the developer of Highline Apartments, LLC to complete construction of their mixed-use building and associated public improvements and issue \$2.4 million of bond money to the developer;
- Continue parking management discussions at the stakeholder level with some recommendations for the CRA/Council to consider;
- Utilize funds from the Downtown Core Right-of-Way/Easement Access and Infrastructure Improvements CIP, for continuation of ongoing streetscape improvements;
- Utilize the Public-Private Development Program to attract additional Downtown developments;
- Implement a parking management plan as an economic development tool to benefit both businesses and the public by creating a short- and long-term parking strategy to financially sustain current and future parking demand;
- Continue the Community Policing Program to assist with crime prevention and business relations; and
- Explore options for public restrooms in the downtown core.

Project and Program Images

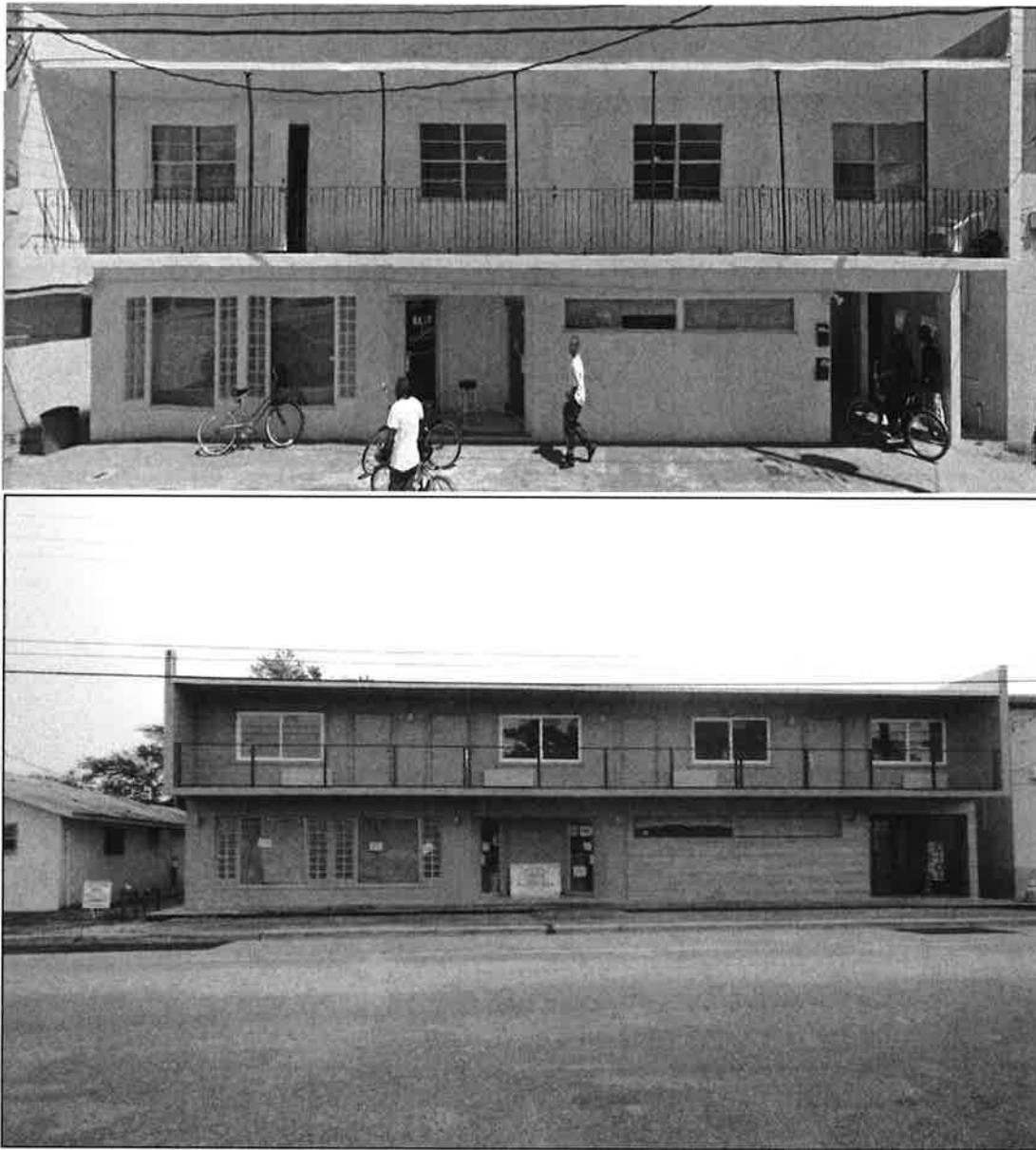


Figure 1 – 2421 Stone Street Façade Project - Before & After



FIGURE 2 – HIGHLINE COMPLETED CONSTRUCTION AND PUBLIC PARKING FACILITIES



FIGURE 3 - HILTON TAPESTRY/HOTEL MELBY RENDERING & UNDER CONSTRUCTION

Babcock Street CRA

The Babcock Street CRA was established in 1997 and was expanded in 2001 and 2003. The area contained within the CRA boundary is approximately 540 acres and is shown on the map in Appendix C.

Revenues have increased at a normal rate of 3% over the last budget cycle. Table 4 indicates valuations from the base year and January 1, 2020. The current 2020-2021 revenue from tax increment and interest income is \$1,190,773, which supports the current operating budget, CRA projects and CRA programs. The CRA is scheduled to spend its resources on large capital projects in fiscal year 2021.

TABLE 4 - BABCOCK STREET CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2020
Area 1	1997	\$66,708,980	\$180,781,788
Area 2	2001	\$7,579,380	\$10,133,280
Area 3	2004	\$311,060	\$372,720
Totals		\$74,599,420	\$191,287,788

The Babcock Street CRA is located within census tracts 4700, 4800 and 4201. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies all three census tracts as targeted populations and low-income communities². By this classification, these census tracts lack private capital investment because of their deficient demographics including income, poverty, and unemployment as compared with metropolitan area and national averages. Table 5 provides a summary of these CDFI targeted census populations.

TABLE 5 - BABCOCK STREET CRA CENSUS INFORMATION

Census Tract	Median Income as % of Area Median	Poverty Rate	Unemployment Rate	Unemployment Rate Times National Average
4700	71.48%	25.70%	23.20%	2.80
4800	65.61%	23.50%	12.50%	1.51
4201	70.17%	15.70	4.10%	0.49

² Source: U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI), 2011-2015 census data.

Total expenditures from the redevelopment trust fund in FY 2020 were \$2,704,637 which includes operating expenditures, transfers/appropriations to capital projects, and capital project expenditures.

No funds were expended for affordable housing for low- and middle-income residents.

Projects and Programs

The Babcock Street CRA continues to utilize its resources to achieve goals set forth in the redevelopment plan through capital improvement projects, programs, and initiatives. The extent to which the CRA has achieved its goals in FY 2019-2020 includes:

- One ***Facade Improvement Program*** project was completed:
 - 201 South Babcock Street (OT Trans, LLC) – Funding in the amount of \$20,000 was reimbursed. The project leveraged an estimated \$25,000 in additional private investment. See Figure 4.
- The ***Phase III B Medians Project*** is under construction along Babcock Street from the FEC railroad to south of Brevard Avenue. Project improvements include landscaped and hardscaped medians, a new continuous sidewalk along the east side, pedestrian and vehicular lighting, water and sewer lines, and storm water improvements. In FY 2020, the CRA spent \$1,678,583 on construction and engineering expenses. The project is funded from multiple sources including, CRA, General Fund, Water & Sewer Funds, and Impact Fees. Overall investment is expected to cost in excess of \$3.5 million. The CRA has committed \$2,206,735 to the project. See Figure 5
- The ***MLK³ Boulevard South Bound Right Turn Lane Project*** was substantially designed and engineered in FY 2020 and the CRA expended \$51,546 in engineering services. The project will add a new southbound right-hand turn lane from Dr. Martin Luther King Jr. Boulevard to NASA Boulevard, enhancing capacity of the roadway. City staff is working with the Melbourne Orlando International Airport to acquire right-of-way. See Figure 6.
- The ***NASA Landscape Medians Project*** was under construction in FY 2020. The project is substantially complete and will be closed out in FY 2021. CRA expenditures on this project in FY 2020 were \$117,639. Enhanced landscape, and irrigation utilizing the City's re-use utilities will

³ Airport Boulevard was renamed to Dr. Martin Luther King Jr. Boulevard (MLK) in 2019. The original name of this capital project was *Airport Boulevard Southbound Right Turn Lane*.

improve the appearance of this Orlando-Melbourne Airport corridor of NASA Boulevard. See Figure 7.

During the reporting period there were a total number of four projects under development. Three projects were started and one project was completed. Information related to expenditures and estimated costs can be found in Table 6.

TABLE 6 - BABCOCK STREET CRA PROJECT LIST

Project	Name	FY 2019 Expenditure	Estimated Cost	Status
1	Façade Improvement Program Projects	\$20,000	\$20,000	Complete
2	Phase III B Medians Project	\$1,678,583	\$2,206,735 ⁴	Started
3	MLK Boulevard South Bound Right Turn Lane	\$51,546	\$1,300,000	Started
4	NASA Landscape Medians	\$117,639	\$250,000	Started

Goals

The Babcock Street CRA is scheduled to sunset in 2024 and has prioritized a number of projects and initiatives for 2021 through sunset to include the following:

- Complete construction of the Phase III B Medians Project in FY 2021;
- Complete construction of the NASA Landscape Medians project in FY 2021;
- Begin a Request for Proposal RFP process for CRA-owned 311 S. Babcock Street for the purposes of private redevelopment;
- Continue funding and promotion of the Façade Improvement Program;
- Complete engineering and design of the southbound MLK Boulevard Right Turn Lane Project, and bid the project before the end of 2021; and
- Support the Community Policing Program's merchant outreach initiatives.

⁴ \$2,206,735 represents CRA funding contribution. The total cost of improvements for the Phase III B medians project is anticipated to be \$3.5 million funded from multiple sources (General Fund, Water & Sewer, Impact Fees)

Project and Program Images



FIGURE 4 – 201 S. BABCOCK STREET FACADE IMPROVEMENT BEFORE & AFTER FRONT & SIDE ELEVATIONS



FIGURE 5 - BABCOCK STREET PHASE III-B MEDIANS – UNDER CONSTRUCTION

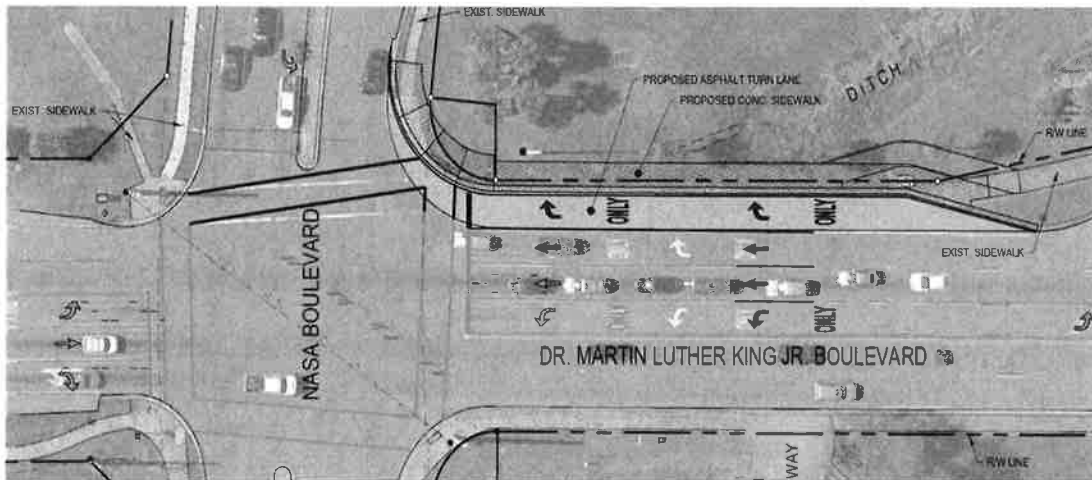


FIGURE 6 – MARTIN LUTHER KING BOULEVARD SOUTH BOUND RIGHT TURN LANE- PRELIMINARY DESIGN



FIGURE 7 – NASA LANDSCAPE MEDIANS - COMPLETED

Olde Eau Gallie Riverfront CRA

The Olde Eau Gallie Riverfront CRA was established in 2000 and was expanded in 2005 and 2015. The area contained within the CRA boundary is approximately 297 acres and is shown on the map in Appendix C.

Revenues have increased at a rate of 8.9%, mainly due to higher property valuations and increased investment. Table 7 indicates valuations from the base year and January 1, 2021. The current 2020-2021 revenue from tax increment and interest income is \$609,579, which supports the current operating budget, CRA projects and CRA programs.

TABLE 7 - OLDE EAU GALLIE RIVERFRONT CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2021
Area 1	2000	\$16,958,230	\$51,180,240
Area 2	2005	\$44,041,890	\$69,494,080
Area 3	2015	\$771,910	\$856,670
Totals		\$61,772,030	\$121,530,990

The Eau Gallie CRA district is located within census tracts 4201 and 4202. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies both census tracts as targeted populations and low-income communities.⁵ By this classification, these census tracts lack private capital investment because of their deficient demographics including income, poverty, and unemployment as compared with the metropolitan statistical area and national averages. Table 8 provides a summary of these CDFI targeted census populations.

TABLE 8 - OLDE EAU GALLIE RIVERFRONT CRA CENSUS INFORMATION

Census Tract	Median Income as % of Area Median	Poverty Rate	Unemployment Rate	Unemployment Rate Times National Average
4201	70.17%	15.70%	4.10%	0.49
4202	84.22%	22.70%	11.0%	1.33

⁵ Source: U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI), 2011-2015 census data.

Total expenditures from the redevelopment trust fund in FY 2020 were \$526,368, which includes operating expenditures, transfers/appropriations to capital projects, and capital project expenditures.

No funds were expended for affordable housing for low- and middle-income residents.

Projects and Programs

Olde Eau Gallie Riverfront CRA continues to utilize its resources to achieve goals set forth in the redevelopment plan through capital improvement projects, programs, and initiatives. The extent to which the CRA has achieved its goals in FY 2019-2020 includes:

- The ***District Street Lighting Project*** was anticipated to have complete design and go out to bid in 2020, with construction commencing shortly after; however, the project did not proceed because of engineering and design difficulties. This project is located on Highland Avenue between Montreal Avenue and St. Clair Street, Bud Yeagar Drive, and the Eau Gallie Square. It includes removal of existing street lighting, the installation of decorative street/pedestrian light poles and fixtures, and market lighting for a portion of Highland Avenue near the Square. Once complete the project will represent approximately \$800,000 in public investment. In FY 2020, the CRA spent \$16,600 on additional engineering design services. See Figure .
- The ***On-Street Parking*** project was closed due to a decision by the CRA to pursue an extension of the CRA sunset date, to be able to finance the construction of a parking garage. If the garage becomes unattainable, the CRA will then again look into alternate parking options.
- CRA and City staff has continually facilitated private investment in the Eau Gallie CRA district. The support has included technical assistance related to planning development sites with interpretation of land development regulations. An example of recent private investment, which was assisted by CRA Planning staff is the imminent "Pineapples Restaurant". The building is under construction at the corner of Pineapple Avenue and Eau Gallie Boulevard. See Figure 9

During the reporting period there were a total number of three projects under development but no completions. Two projects were started and one project was closed. Information related to expenditures and estimated costs can be found in Table 9.

TABLE 9 - OLDE EAU GALLIE RIVERFRONT CRA PROJECT LIST

Project	Name	FY 2019 Expenditure	Estimated Cost	Status
1	Façade Program Projects	\$0	\$20,000	Started
2	District Street Lighting	\$16,600	\$425,00	Started
3	On-Street Parking	\$0	\$275,000	Started/Closed

Goals

The Olde Eau Gallie Riverfront CRA is scheduled to sunset in 2025, however, the CRA acknowledges that the redevelopment plan goals will not be accomplished without consideration of extending the sunset. The CRA has prioritized a number of projects and initiatives for 2020 and beyond to include the following:

- Continue to offer the Art Overlay Incentive Program to assist with a commercial conversion;
- Continue to promote the Façade Improvement Program within the targeted commercial area of the CRA;
- Commence construction of the District Street Lighting project;
- Construct a public parking garage or partner in a shared structured parking facility;
- Consideration for the addition of a new public-private development program, which may be used to induce catalytic private development;
- Complete a CRA redevelopment plan amendment updating projects and estimates including an extension to the CRA termination date, necessary to finance the construction of public parking facilities.

Project and Program Images

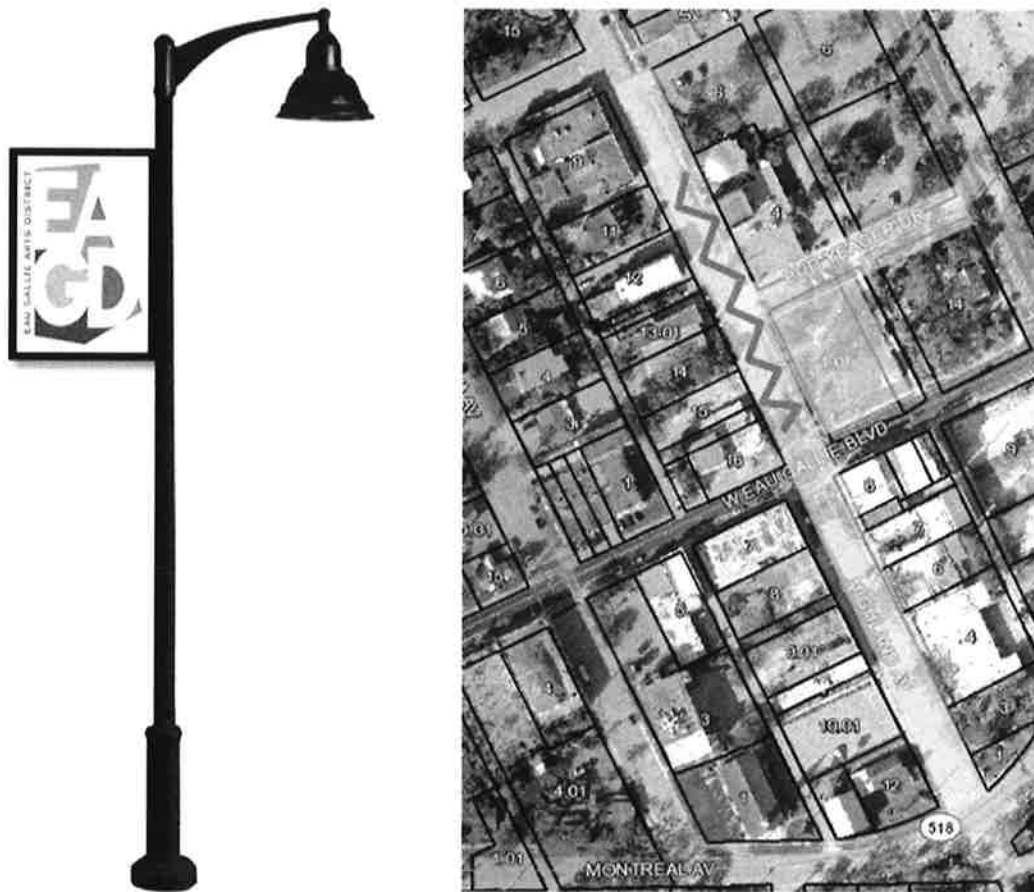


FIGURE 8 - DISTRICT LIGHTING - YELLOW: STREET/PEDESTRIAN LIGHTING, RED: MARKET LIGHTING



FIGURE 5 – PRIVATE DEVELOPMENT “PINEAPPLES” RESTAURANT AND BAR

**MELBOURNE DOWNTOWN COMMUNITY
REDEVELOPMENT AGENCY
ANNUAL FINANCIAL REPORT**



PICTURED ABOVE IS THE COMPLETED HIGHLINE APARTMENT PROJECT

2020

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020

**Melbourne Downtown Community
Redevelopment Agency**

**Annual
Financial Report**

For The Fiscal Year Ended September 30, 2020

CRA BOARD

Kathleen H. Meehan	Mayor
Paul S. Alfrey	Vice Mayor, District 5
Timothy R. Thomas	District 1
Mark LaRusso	District 2
Yvonne Minus	District 3
Deborah Thomas	District 4
Julie Sanders	District 6

ADVISORY COMMITTEE

JoAnn Davis.	Chairman
Dan Porsi.....	Vice Chairman
Lisa Herendeen	Member
John Lucas	Member
Patricia Nichols.. ..	Member
Gerry Smith... ..	Member
LeAnn Smithson	Member

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Title Page	i
Table of Contents	ii
FINANCIAL SECTION	
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements	
Balance Sheet – Governmental Fund	10
Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position	11
Statement of Revenues, Expenditures and Change in Fund Balance – Governmental Fund	12
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance of the Governmental Fund to the Statement of Activities	13
Notes to the Financial Statements	14
Required Supplementary Information	
Budgetary Comparison Schedule – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	22
Notes to Required Supplementary Information	23
Supplemental Information	
Project Revenues and Expenditures	25
Supplemental Audit Reports	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	26
Independent Auditors' Management Letter	28
Independent Accountants' Report on Compliance with Section 163.387(6) and Section 163.387(7), Florida Statutes	30
Independent Accountants' Report on Compliance with Section 218.415, Florida Statutes	31

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Melbourne Downtown Community Redevelopment Agency, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Melbourne Downtown Community Redevelopment 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.

Auditors' 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 auditors' 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 respective financial position of the governmental activities and major fund of the Melbourne Downtown Community Redevelopment Agency as of September 30, 2020, and the respective changes in financial position for the year then ended in conformity 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, budgetary comparison on pages 4-7, and pages 22-24 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 inquiries of management about 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 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Melbourne Downtown Community Redevelopment Agency's basic financial statements. The project revenues and expenditures schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The project revenues and expenditures schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency
Page Three

States of America. In our opinion, project revenues and expenditures is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 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 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 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.

Carly Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

The Management's Discussion and Analysis section provides a narrative overview of the Melbourne Downtown Community Redevelopment Agency (the "Agency") financial activities for fiscal year ending September 30, 2020. This discussion is broken down into three components:

- An overview of the Agency.
- A brief overview of the financial statements, including how they relate to each other and the significant differences in information they provide.
- A concise, condensed financial report that summarizes the results of operations and a narrative financial analysis of the Agency's overall financial condition and results of operations, supported by additional consolidated information about specific services provided by the Agency.

Overview

The purpose of the Melbourne Downtown Community Redevelopment Agency is to eliminate slum and blighted conditions within the identified redevelopment area pursuant to the redevelopment plans of the Agency.

The Agency's primary source of revenue is tax increment funds. The revenue is computed by applying the operating tax rate for the City of Melbourne (the "City") and Brevard County (the "County"), multiplied by the increased value of the property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5% for early payment. The City and County are required to fund this amount annually without regard to tax collections or other obligations.

Further, the governing body of the Melbourne Downtown Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Melbourne Downtown Redevelopment Advisory Committee.

The Agency was established in 1982, by the City of Melbourne, Florida under the provisions of Section 163.333 Florida Statutes.

Overview of the Financial Statements

The discussion and analysis are 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) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

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 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, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., bond principal and interest payments).

The government-wide financial statements can be found on pages 8-9 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide statements. However, unlike the government-wide financial statements, governmental 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 governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* 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 governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency adopts an annual appropriated budget. A budgetary comparison statement has been provided as part of Required Supplementary Information, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 10-13 of this report.

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 can be found on pages 14-21 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Agency's budget. Required supplementary information (RSI) can be found on pages 22-24 of this report.

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, liabilities exceeded assets by \$1,529,850.

The net investment in capital assets is 47% of the net position. These assets are not available for future spending. The restricted net position represent resources that are subject to restrictions on how the money can be spent. The unrestricted net position represents the amount the liabilities exceed existing current and other assets. The debt proceeds of \$2,400,000 were transferred to the primary government (general construction fund) to be paid to a developer for the Highline Apartments project.

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2020	2019	Amount
Assets			
Current and other assets	\$ 158,630	\$ 786,797	\$ (628,167)
Capital assets	729,234	770,461	(41,227)
Total assets	887,864	1,557,258	(669,394)
Liabilities			
Long-term liabilities outstanding	2,400,000	-	2,400,000
Other liabilities	17,714	5,725	11,989
Total liabilities	2,417,714	5,725	2,411,989
Net position			
Net investment in capital assets	729,234	770,461	(41,227)
Restricted	-	781,072	(781,072)
Unrestricted	(2,259,084)	-	(2,259,084)
Total net position	\$ (1,529,850)	\$ 1,551,533	\$ (3,081,383)

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Key elements of the increase in net position are as follows:

Changes in Net Position				
	Governmental Activities		Increase (Decrease)	
	2020	2019	Amount	Percent
Revenue				
Program revenue:				
Charges for services	\$ 8,400	\$ 2,800	\$ 5,600	200.00%
Operating grants and contributions	1,398,709	1,274,882	123,827	9.71%
General revenue:				
Investment earnings	56,765	28,883	27,882	96.53%
Other	3,785	79,435	\$ (75,650)	-95.24%
Total revenues	1,467,659	1,386,000	81,659	5.89%
Expenses:				
General government	789,839	785,509	4,330	0.55%
Interest on long-term debt	9,203	1,885	7,318	388.22%
Total expenses	799,042	787,394	11,648	1.48%
Change in net position and transfers	668,617	598,606	70,011	11.70%
Transfers to primary government	(3,750,000)	(345,000)	(3,405,000)	986.96%
Change in net position	(3,081,383)	253,606	(3,334,989)	-1315.03%
Net position - October 1,	1,551,533	1,297,927	253,606	19.54%
Net position - September 30	\$ (1,529,850)	\$ 1,551,533	\$ (3,081,383)	-198.60%

Financial Analysis of the Agency's Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The focus of the Agency's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Agency's financing requirements.

As of the end of the fiscal year, the Agency's governmental fund reported ending fund balance of \$150,119, a decrease of \$630,953 in comparison with the prior year.

Budgetary Highlights

The following is a brief review of the final amended budget and actual amounts (presented on a budgetary basis). A detailed budgetary comparison schedule for the Agency is included on page 22 of the RSI section.

The variance between the final budget and the actual results reflects total revenues, transfers in and sale of capital assets exceeding budget by \$42,289, and total expenditures and debt issue expense of \$88,592 less than appropriated. These factors caused the change in fund balance to be \$130,881 higher than budgeted.

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2020 total \$729,234 (net of accumulated depreciation). The capital assets include land and improvements other than buildings.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Capital Assets

	Governmental Activities	
	2020	2019
Land	\$ 518,724	\$ 520,074
Improvements other than buildings	210,510	250,387
Total capital assets, net of depreciation/amortization	\$ 729,234	\$ 770,461

Additional information on the Agency's capital assets can be found in Note (3) B on page 19 of this report.

Long-term debt. At the end of the current fiscal year, the Agency had total debt outstanding of \$2,400,000.

Outstanding Debt

	Governmental Activities	
	2020	2019
Capital Improvement Revenue Note	\$ 2,400,000	\$ -
Total	\$ 2,400,000	\$ -

Governmental activities debt increased \$2,400,000 for the issuance of the Downtown CRA Capital Improvement Revenue Note for the construction of the Highline Apartments project.

Additional information on the Agency's long-term debt can be found in Note (3) E on pages 20-21 of this report.

Requests for Information

Questions about this report or requests for additional financial information should be addressed to:

City of Melbourne
Financial Services Department
900 E. Strawbridge Ave.
Melbourne, FL 32901
Telephone: (321) 608-7011

Or visit our website at: www.melbourneflorida.org/departments/community-development/community-redevelopment-areas.

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

ASSETS	<u>Governmental Activities</u>
Equity in pooled investments	\$ 148,812
Interest receivable	9,818
Capital assets:	
Nondepreciable:	
Land	518,724
Depreciable:	
Improvements other than buildings	736,393
Less accumulated depreciation/amortization	<u>(525,883)</u>
Total assets	<u>887,864</u>
 LIABILITIES	
Accounts payable	1,929
Accrued payroll expenses	6,582
Accrued interest payable	9,203
Due in more than one year:	
Bonds payable, net of unamortized premium and discount	<u>2,400,000</u>
Total liabilities	<u>2,417,714</u>
 NET POSITION	
Net investment in capital assets	729,234
Unrestricted	<u>(2,259,084)</u>
Total net position	<u>\$ (1,529,850)</u>

The accompanying notes are an integral part of this statement.

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Expenses	Program Revenues		Net Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
CRA government:				
Governmental activities:				
General government	\$ 789,839	\$ 8,400	\$ 1,398,709	\$ 617,270
Interest on long-term debt	9,203			(9,203)
Total	<u>\$ 799,042</u>	<u>\$ 8,400</u>	<u>\$ 1,398,709</u>	<u>608,067</u>
General Revenues:				
Interest earnings				56,765
Gain on sale of capital assets				3,785
Transfers to primary government				<u>(3,750,000)</u>
Total general revenues and transfers				<u>(3,689,450)</u>
				Change in net position (3,081,383)
				Net position, October 1 <u>1,551,533</u>
				Net position, September 30 <u>\$ (1,529,850)</u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2020**

ASSETS

Equity in pooled investments	\$	148,812
Interest receivable		<u>9,818</u>
Total assets	\$	<u><u>158,630</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	1,929
Accrued payroll expenditures		<u>6,582</u>
Total liabilities		<u>8,511</u>
Restricted fund balance		<u>150,119</u>
Total liabilities and fund balance	\$	<u><u>158,630</u></u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

Total *fund balance* for governmental fund \$ 150,119

Total *net position* reported for governmental activities in the statement of net position
is different because:

Capital assets used in governmental activities are not financial resources and, therefore,
are not reported in the fund. Those assets consist of:

	Balance	Accumulated Depreciation/ Amortization	
Land	\$ 518,724	\$ -	
Improvements	736,393	(525,883)	
Total capital assets	<u>\$ 1,255,117</u>	<u>\$ (525,883)</u>	729,234

Long-term liabilities, including bonds payable, are not due and payable in the current
period, and accordingly are not reported as fund liabilities. Interest on long-term debt is
not accrued in governmental funds, but rather is recognized as an expenditure when due.
All liabilities - both current and long-term - are reported in the statement of net position.

Accrued interest on note	\$ (9,203)	
Note payable	(2,400,000)	
Total long-term liabilities and associated accrued interest		<u>(2,409,203)</u>
Net position of governmental activities		<u>\$ (1,529,850)</u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

REVENUES

Intergovernmental	\$ 1,398,709
Investment earnings	56,765
Other Revenue	<u>8,400</u>
Total revenues	<u>1,463,874</u>

EXPENDITURES

Current:

General government	<u>714,962</u>
Total expenditures	<u>714,962</u>

Excess of revenues over expenditures	<u>748,912</u>
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OTHER FINANCING SOURCES (USES)

Revenue bonds issued	2,400,000
Proceeds from sale of capital assets	5,135
Debt issue expense	(35,000)
Transfers out	<u>(3,750,000)</u>

Total other financing sources (uses)	<u>(1,379,865)</u>
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Net change in fund balance	(630,953)
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Fund balance, October 1	<u>781,072</u>
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Fund balance, September 30	<u>\$ 150,119</u>
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The accompanying notes are an integral part of this statement.

**CITY OF MELBOURNE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGE IN FUND BALANCE OF GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Net change in *fund balance* - governmental fund \$ (630,953)

The change in *net position* reported for governmental activities in the statement of activities is different because:

The governmental fund reports capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period.

Depreciation and amortization expense (39,877)

In the statement of activities, only the gain or loss on the sale of capital assets are reported. However, in the governmental fund, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold or disposed.

Cost of capital assets sold or disposed		\$	(1,350)	
Improvements other than buildings	\$ 98,085			
Machinery and equipment	23,986			
Accumulated depreciation	<u>(122,071)</u>		<u>-</u>	(1,350)

The issuance of long-term debt provides current financial resources to governmental funds and contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, refunding and repayment of debt consume current financial resources of the governmental fund, but reduce the liability in the statement of net position and does not affect the statement of activities.

Issuance of revenue bonds (2,400,000)

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.

Accrued interest on note (9,203)

Change in net position of governmental activities \$ (3,081,383)

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Melbourne Downtown Community Redevelopment Agency's (the "Agency") financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. REPORTING ENTITY

The Melbourne Downtown Community Redevelopment Agency was established in 1982 by the City of Melbourne, Florida (the "City") under the provisions of Section 163.333, Florida Statutes.

The governing body of the Melbourne Downtown Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Melbourne Downtown Redevelopment Advisory Committee.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's comprehensive annual financial report as a blended component unit. This report is not a complete presentation of the City of Melbourne.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide financial statements and fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The Agency does not have any business-type activities and has only governmental activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Agency.

The statement of net position, reports the assets and liabilities, including capital assets and long-term debt. Within this statement, the net position of the Agency (assets minus liabilities) is reported in two separate components – net investment in capital assets and restricted net position.

The statement of activities demonstrates the degree to which the direct expenses, including depreciation, are offset by program revenues and operating and capital grants. The statement then reports the extent to which the resulting net costs (gross expenses less directly-related program revenues and grants) are financed by general revenues of the Agency (i.e. taxes, interest income, etc.).

Fund financial statements report information at a higher level of detail, focusing on separate reporting of individual major funds, rather than consolidating financial data into the broad category of governmental activities.

The financial transactions of the Agency are reported in an individual fund within the City's accounting system. The fund is accounted for by providing a separate, self-balancing set of accounts comprised of the assets, liabilities, reserves, fund equity, revenues and expenditures of the fund. For purposes of this report, the Agency's fund is classified as a major governmental fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Basis of accounting refers to when revenues, expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants, for which the period is 12 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS,
AND NET POSITION OR EQUITY**

1. Cash and Cash Equivalents/Investments

Cash and cash equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less. Cash equivalents consist of equity in pooled investments. Investments are stated at fair value, based on the quoted market price.

2. Pooled Cash

Equity in pooled cash consists primarily of investments in debt instruments of the federal government and corporate holdings. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant fund's investment to the total pooled investment. As of September 30, 2020, the Agency participated in pooled cash investments with the City of Melbourne.

3. Capital Assets

Capital assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets, other than equipment, are defined by the government as assets with an initial, individual cost of more than \$25,000 (amount not rounded) and an estimated useful life in excess of two years. Equipment is defined as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost, if purchased or constructed, and at acquisition value of market transaction at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or materially extend the life of the respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

<u>Classification</u>	<u>Range of Lives</u>
Buildings	20-40 years
Improvements other than buildings	10-25 years
Machinery, equipment and other	2-20 years

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

4. Long-Term Liabilities

Long-term liabilities expected to be financed from the Governmental fund are not accounted for in the Governmental fund. Expenditure recognition for Governmental fund types is limited to exclude amounts paid from non-current assets. Such long-term amounts are not recognized as Governmental fund type expenditures or fund liabilities but are incorporated into the governmental column in the Government-wide Statement of Net Position.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

E. FUND BALANCE

In the governmental fund, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balance is reported as restricted to specific purposes based upon the extent to which the Agency is bound to honor constraints placed on those funds.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental fund. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide fund is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third party limitations on its use.

The Agency applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. REVENUES

Intergovernmental Revenue -The Agency's primary source of revenue is tax increment funds collected from the City and Brevard County deposited into the Community Redevelopment Trust Fund. These entities levy ad valorem property taxes within the legally defined redevelopment area of the Agency. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts using the year in which they were established as the "base year". For example, if an unimproved property was valued at \$10,000 in the base year and a new house is built on the property tomorrow, the new value of the property is \$25,000. The incremental difference in value (new assessed value – base year value) is \$15,000. Taxes collected on the property will be split amongst the City and County. The Agency receives all taxes assessed on the incremental increase of \$15,000. Revenues generated by improvements in the Agency district are to be reinvested in the district to continue to spur redevelopment.

Assessed values are established by the Brevard County Property Appraiser. The assessed property value recognized by the City and Brevard County includes the second homestead exemption. The City and Brevard County are required to pay 95% of these incremental property taxes to the Agency on or before January 1 of each year, otherwise the full amount of the incremental revenue will be due.

Program Revenue - In the Government-wide Statement of Activities, revenue that is derived directly from the program itself or from outside sources, if restricted to a specific program, is called program revenue. Program revenue is classified as either operating grants or capital grants. Operating grant revenues come from other government entities to support the operation costs of particular functions and also from the earnings of

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

permanent funds that are legally restricted to a particular function. Capital grants come from other government entities for the purpose of constructing or purchasing capital assets.

G. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Agency has elected to report budgetary comparisons as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI for the Agency's budgetary information.

As of September 30, 2020, there were no material violations of budgetary requirements.

(3) DETAILED NOTES

A. DEPOSITS AND INVESTMENTS

Deposits –Banks and savings and loans must meet the criteria to be a qualified public depository as described in the Florida Security for Public Deposits Act in accordance with Chapter 280, Florida Statutes before any investment of public funds can be made with them. At September 30, 2020, the carrying amount of the City of Melbourne's deposits with banks was \$11,390,903 and the bank balance was \$11,137,590.

As of September 30, 2020, all of the City's interest bearing bank balances are covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

The City maintains a pool of cash and investments in which each fund participates on a daily transaction basis. Investment earnings are distributed monthly based on average daily balances.

City daily deposits are deposited in Earnings Credit Rate (ECR) earning accounts. These accounts are fully collateralized in accordance with Florida state law

City of Melbourne Investment Policy – Pursuant to the requirements of Section 218.415, Florida Statutes, the City of Melbourne adopted Resolution No. 3511 on September 8, 2016, establishing the City's present investment policy. Such investment policy applies to the investment of surplus funds, which include cash and investment balances of the following funds of the City: General, Capital Projects, Special Revenue, Enterprise, Internal Service, Trust and Agency. The investment policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, and redemption or escrow accounts created by ordinance or resolution pursuant to the issuance of bonds where the investments are held by an authorized depository. This policy does not apply to funds not under control of the City; such as, the Police Officers' Retirement System, the Firefighters' Retirement System, and the General Employees' and Special Risk Class Employees' Pension Plan.

All investments are made based on reasonable research as to credit quality, liquidity and interest rate risk prior to the investment being acquired.

The investment policy authorizes the City to invest in U.S. Government securities, agencies, Federal instrumentalities and Supra-nationals, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, interest bearing time deposits or savings accounts, commercial paper, corporate notes, bankers acceptances, and State or local government taxable or

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

tax-exempt debt, and an intergovernmental investment pool. Overnight repurchase agreements restrict investments to obligations of U.S. Government Agencies and Federal instrumentalities.

The investment policy provides maturity and liquidity requirements for investments. All investments other than investments in the Local Government Surplus Funds Trust Fund are required to be purchased pursuant to competitive bids. A maximum of 25% of available funds may be invested in the Local Government Surplus Funds Trust Fund. The policy also requires diversification of the investment portfolio to control the risk of loss from overconcentration of assets in a specific maturity, issuer, instrument, dealer, savings and loan, or bank through which investments are purchased. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy restricts portfolio composition for federal instrumentalities to 100% total, 40% individually. Concentration percentages for the Federal instrumentalities are provided in the schedule. Currently, the investment of a significant portion of the City's portfolios is being managed by the City's financial advisor, PFM Asset Management LLC.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City's investment policy states that all securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The third party custodian holds securities in an account separate and apart from the assets of the financial institution, and are either insured or registered in the City's or Airport's name.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest rate-sensitive instruments may be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, and other general market conditions. As a means to limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits its investment portfolio to maturities of less than 5.5 years for corporate notes, two years for time deposits, and 270 days for commercial paper.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As a means to limiting its exposure to credit risk, the City limits investments with credit quality ratings from nationally recognized rating agencies of:

- State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "MIG 1/A3" by Moody's Investors Services and "SP-1/A-" by Standard & Poor's for long-term debt.
- Corporates and/or commercial paper of any United States company that is rated, at the time of purchase, "P-1" by Moody's and "A-1" by Standard & Poor's.
- Money Market Mutual Funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- Local Government Surplus Funds Trust Fund money market funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- The Agency's equity in pooled investments is all held in money market funds.

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020
Capital assets, not being depreciated/amortized:				
Land	\$ 520,074	\$ -	\$ 1,350	\$ 518,724
Total capital assets, not being depreciated/amortized	520,074	-	1,350	518,724
Capital assets, being depreciated/amortized:				
Improvements other than buildings	834,478	-	98,085	736,393
Machinery and equipment	23,986	-	23,986	-
Total capital assets, being depreciated/amortized	858,464	-	122,071	736,393
Less accumulated depreciation/amortization:				
Improvements other than buildings	584,091	39,877	98,085	525,883
Machinery and equipment	23,986	-	23,986	-
Total accumulated depreciation/amortization	608,077	39,877	122,071	525,883
Total capital assets, being depreciated/amortized, net	250,387	(39,877)	-	210,510
Governmental activities capital assets, net	\$ 770,461	\$ (39,877)	\$ 1,350	\$ 729,234

Depreciation/amortization expense was charged to functions/programs of the Agency as follows:

General government	\$ 39,877
Total depreciation/amortization expense - governmental activities	\$ 39,877

C. ENCUMBRANCE COMMITMENTS

At September 30, 2020, the Agency had encumbrance commitments in the Governmental fund in the amount of \$33,166.

D. INTERFUND TRANSACTIONS

Interfund transfers at September 30, 2020 are as follows:

	Primary Government (General Construction fund)	Agency	Total
Primary Government (General Construction fund)	\$ 3,750,000	\$ -	\$ 3,750,000
Agency	-	(3,750,000)	(3,750,000)
Total Transfers out	\$ 3,750,000	\$ (3,750,000)	\$ -

Significant transfers included \$2,400,000 from the Agency to the General Construction fund of the City (primary government) for the Highline Apartments project; \$1,275,000 for South Expansion Streetscape project.

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

E. LONG-TERM LIABILITIES

1. Debt Service Requirements to Maturity

The annual requirements to amortize all bonded debt outstanding as of September 30, 2020 including interest requirements are described below.

Year Ending September 30,	Business-type Activities	
	Principal	Interest
2021	\$ -	\$ 53,863
2022	110,000	48,720
2023	115,000	46,487
2024	115,000	44,152
2025	120,000	41,818
2026-2030	630,000	171,840
2031-2035	695,000	105,255
2036-2039	615,000	31,567
	<u>\$ 2,400,000</u>	<u>\$ 543,702</u>

2. Pledged Revenues

Information on pledged revenues and principal and interest payments are as follows:

Pledged Revenue	Term	Future Principal and Interest	Current Pledged Revenue	Current Principal and Interest	Current Percentage of Revenue
Downtown CRA	2039	\$ 2,943,702	\$ 1,469,009	\$ -	0.00%
Total governmental activities		<u>\$ 2,943,702</u>	<u>\$ 1,469,009</u>	<u>\$ -</u>	

3. New Bond Issues

On July 23, 2020, the City issued Melbourne Downtown Community Redevelopment Agency Capital Improvement Revenue Note, Series 2020 in the principal amount of \$2,400,000 at an interest rate of 2.03%. These bonds were sold and proceeds provided to Highline Apartments, LLC as an economic incentive and inducement to the Developer after construction was completed.

4. Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Additions	Reductions	Balance September 30, 2020	Amounts Due Within One Year
Notes from direct					
borrowings	\$ -	\$ 2,400,000	\$ -	\$ 2,400,000	\$ -
Total governmental activities	<u>\$ -</u>	<u>\$ 2,400,000</u>	<u>\$ -</u>	<u>\$ 2,400,000</u>	<u>\$ -</u>

**MELBOURNE DOWNTOWN COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

The Agency's outstanding notes from direct borrowings related to governmental activities of \$2,400,000 are from the 2020 Downtown CRA Revenue Note. The 2020 Downtown CRA Note contains a provision that in the event of default, the bank is entitled to sue for payment and increase the interest rate by 3%.

(4) OTHER INFORMATION

A. CONTINGENCIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic which is still going on. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Agency. The occurrence and extent of such an impact will depend on future developments, including: (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

B. SUBSEQUENT EVENTS

On November 4, 2020, \$2,400,000 was disbursed to Highline Apartments per the agreement.

On November 10, 2020, the Agency approved a grant funding agreement for FY 2020-2021 with Melbourne Main Street for \$87,500.

On January 26, 2021, the Agency approved a reimbursement grant for façade improvements at 1515 S. Harbor City Boulevard for \$20,000.

On February 9, 2021, the Agency approved Resolution 3990 adjusting the appropriation of the fund balance.

**REQUIRED SUPPLEMENTARY INFORMATION
MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,414,720	\$ 1,414,720	\$ 1,398,709	\$ (16,011)
Investment earnings	12,000	12,000	56,765	44,765
Other revenue	-	-	8,400	8,400
Total revenues	1,426,720	1,426,720	1,463,874	37,154
EXPENDITURES				
Current:				
General government	776,720	796,720	748,128	48,592
Excess (deficiency) of revenues over (under) expenditures	650,000	630,000	715,746	85,746
OTHER FINANCING SOURCES (USES)				
Revenue bonds issued	-	2,400,000	2,400,000	-
Proceeds from sale of capital assets	-	-	5,135	5,135
Debt issue expense	-	(75,000)	(35,000)	40,000
Transfers out	(650,000)	(3,750,000)	(3,750,000)	-
Total other financing sources (uses)	(650,000)	(1,425,000)	(1,379,865)	45,135
Net change in fund balance	-	(795,000)	(664,119)	130,881
Fund balance, October 1	781,072	781,072	781,072	-
Fund balance, September 30	\$ 781,072	\$ (13,928)	\$ 116,953	\$ 130,881

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

BUDGETARY NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City Council typically adopts an annual budget for the Agency. The budget is prepared on a modified accrual basis with encumbrance accounting. Budgetary control is legally maintained at the fund level. Budget transfer authority is provided to the City Manager within a fund as long as the total budget of the fund is not increased. City Council action is required for the approval of a supplemental budget.

Supplemental appropriations were made during the year and all budget amounts presented in the accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance have been adjusted for legally authorized revisions of the annual budget. All appropriations which are not expended, encumbered, or committed lapse at year end. Encumbered appropriations are carried forward to the subsequent year's budget.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are carried forward to the next year's budget and are reported as restricted or assigned fund balance in the governmental fund financial statements since they do not constitute actual expenditures or liabilities.

Actual results of operations are presented in accordance with generally accepted accounting principles (GAAP basis) and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the City's legally adopted budget.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

A – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Revenues

Actual amounts (budgetary basis) of total revenues as reported on the statement of revenues, expenditures and changes in fund balances - budget and actual equal total revenues as reported on the statement of revenues, expenditures, and changes in fund balance.

Expenditures

Actual amounts (budgetary basis) "total expenditures" as reported on the statement of revenues, expenditures and changes in fund balance - budget and actual

\$ 748,128

Differences - budget to GAAP:

Encumbrances for professional services, supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies and services are received for

financial reporting purposes.

(33,166)

Total expenditures are reported on the statement of revenues, expenditures, and changes in fund balance.

\$ 714,962

B – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

The budgetary schedules present comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences in the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis) as compared to the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis) for the year ended September 30, 2020 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures
and other financing sources (uses) (Budgetary Basis)

\$ (664,119)

Adjustments:

Encumbrances

33,166

Excess (deficiency) of revenues over (under) expenditures
and other financing sources (uses) (GAAP Basis)

\$ (630,953)

SUPPLEMENTARY INFORMATION
MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
PROJECT REVENUES AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Project Number	Project name	Expenditures	Committed ⁽²⁾	Total	Transfers in ⁽³⁾
14011	Downtown CRA South Expansion Streetscape	\$ 267	\$ 1,965	\$ 2,232	\$ 1,275,000
14320	Downtown Right of Way and Easement Access Infrastructure Improvements	-	-	-	50,000
18117	Highline Apartment	-	-	-	2,400,000 ⁽⁴⁾
70115	Riverview Park Improvements	2,692	34,974	37,666	25,000
		\$ 2,959	\$ 36,939	\$ 39,898	\$ 3,750,000

⁽¹⁾ Expenditures

These are the amounts of the CRA funds that were spent during the fiscal year in a capital projects fund.

⁽²⁾ Committed

These encumbrances are recorded in the capital projects funds.

⁽³⁾ Transfers in (out)

These are the amounts transferred into and out of the individual projects.

Subsequent Event

⁽⁴⁾ \$2.4 million paid to developer of Highline Apartments project on November 4, 2020.



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INDEPENDENT AUDITORS' REPORT 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*

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency

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 Melbourne Downtown Community Redevelopment Agency, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Melbourne Downtown Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 9, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Melbourne Downtown Community Redevelopment 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 Melbourne Downtown Community Redevelopment Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Melbourne Downtown Community Redevelopment 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.

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Melbourne Downtown Community Redevelopment 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cam, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021



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INDEPENDENT AUDITORS' MANAGEMENT LETTER

To the Honorable Mayor and Members of City Council
Melbourne Downtown Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Melbourne Downtown Community Redevelopment Agency, as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 9, 2021.

Auditors' 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 Independent Auditors' Report 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 Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 9, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)4., 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 audit report. However, no recommendations were made in the preceding audit report.

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. The legal authorities for the Melbourne Downtown Community Redevelopment Agency are disclosed in the footnotes. The Melbourne Downtown Community Redevelopment Agency has not component units.

To the Honorable Mayor and Members of City Council
Melbourne Downtown Community Redevelopment Agency
Page Two

Financial Condition and Management

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

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

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Council members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Cary Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 163.387(6) AND SECTION 163.387(7), FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Melbourne Downtown Community Redevelopment Agency

We have examined the Melbourne Downtown Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2020. Management 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 judgment, 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 specified requirements.

In our opinion, the Agency complied, in all material respects, with the requirements of Section 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2020.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

Melbourne, Florida
March 9, 2021



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
City of Melbourne, Florida

We have examined the Melbourne Downtown Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020. Management 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 judgment, 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 specified requirements.

In our opinion, the Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

Melbourne, Florida
March 9, 2021

**OLDE EAU GALLIE RIVERFRONT
COMMUNITY REDEVELOPMENT AGENCY**

ANNUAL FINANCIAL REPORT



PICTURED ABOVE IS PINEAPPLES, A RESTAURANT NEW TO THE EAU GALLIE ARTS DISTRICT

2020

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020

**Olde Eau Gallie Riverfront Community
Redevelopment Agency**

**Annual
Financial Report**

For The Fiscal Year Ended September 30, 2020

CRA BOARD

Kathleen H. Meehan	Mayor
Paul S. Alfrey	Vice Mayor, District 5
Timothy R. Thomas	District 1
Mark LaRusso	District 2
Yvonne Minus	District 3
Deborah Thomas	District 4
Julie Sanders	District 6

ADVISORY COMMITTEE

George Alexander	Chairman
Kyle Smyth	Vice Chairman
Gene Davis	Member
Thomas Richards	Member
H.J. Underill	Member
David Wickham	Member

OLDDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT

AGENCYANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Title Page	i
Table of Contents	ii
FINANCIAL SECTION	
Independent Auditors' Report.....	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements	
Balance Sheet – Governmental Fund	10
Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position	11
Statement of Revenues, Expenditures and Change in Fund Balance – Governmental Fund	12
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance of the Governmental Fund to the Statement of Activities	13
Notes to the Financial Statements	14
Required Supplementary Information	
Budgetary Comparison Schedule – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	21
Notes to Required Supplementary Information	22
Supplemental Information	
Project Revenues and Expenditures	24
Supplemental Audit Reports	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25
Independent Auditors' Management Letter	27
Independent Accountants' Report on Compliance with Section 163.387(6) and Section 163.387(7), Florida Statutes	29
Independent Accountants' Report on Compliance with Section 218.415, Florida Statutes	30

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Olde Eau Gallie Community Redevelopment Agency, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Olde Eau Gallie Community Redevelopment 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.

Auditors' 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 auditors' 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 respective financial position of the governmental activities and major fund of the Olde Eau Gallie Community Redevelopment Agency as of September 30, 2020, and the respective changes in financial position for the year then ended in conformity 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, budgetary comparison information and other required supplementary information on pages 4-7, and pages 21-23 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 inquiries of management about 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 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Olde Eau Gallie Community Redevelopment Agency's basic financial statements. The project revenues and expenditures schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The project revenues and expenditures schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency
Page Three

States of America. In our opinion, the project revenues and expenditures schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 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 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 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.

Cary Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

The Management's Discussion and Analysis section provides a narrative overview of the Olde Eau Gallie Riverfront Community Redevelopment Agency (the "Agency") financial activities for fiscal year ending September 30, 2020. This discussion is broken down into three components:

- An overview of the Agency.
- A brief overview of the financial statements, including how they relate to each other and the significant differences in information they provide.
- A concise, condensed financial report that summarizes the results of operations and a narrative financial analysis of the Agency's overall financial condition and results of operations, supported by additional consolidated information about specific services provided by the Agency.

Overview

The purpose of the Olde Eau Gallie Riverfront Community Redevelopment Agency is to eliminate slum and blighted conditions within the identified redevelopment area pursuant to the redevelopment plans of the Agency.

The Agency's primary source of revenue is tax increment funds. The revenue is computed by applying the operating tax rate for the City of Melbourne (the "City") and Brevard County (the "County"), multiplied by the increased value of the property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5% for early payment. The City and County are required to fund this amount annually without regard to tax collections or other obligations.

Further, the governing body of the Olde Eau Gallie Riverfront Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Olde Eau Gallie Riverfront Redevelopment Advisory Committee.

The Agency was established in 2001, by the City of Melbourne, Florida under the provisions of Section 163.333 Florida Statutes.

Overview of the Financial Statements

The discussion and analysis are 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) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

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 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, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., bond principal and interest payments).

The government-wide financial statements can be found on pages 8-9 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide statements. However, unlike the government-wide financial statements, governmental 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 governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* 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 governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency adopts an annual appropriated budget. A budgetary comparison statement has been provided as part of Required Supplementary Information, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 10-13 of this report.

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 can be found on pages 14-20 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Agency's budget. Required supplementary information (RSI) can be found on pages 21-23 of this report.

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 \$1,104,268.

The net investment in capital assets is 47% of the net position. These assets are not available for future spending. The restricted net position represent resources that are subject to restrictions on how the money can be spent.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2020	2019	Amount
Assets			
Current and other assets	\$ 592,704	\$ 552,777	\$ 39,927
Capital assets	514,630	532,671	(18,041)
Total assets	1,107,334	1,085,448	21,886
Liabilities			
Long-term liabilities outstanding	-	-	-
Other liabilities	3,066	22,525	(19,459)
Total liabilities	3,066	22,525	(19,459)
Net position			
Net investment in capital assets	514,630	532,671	(18,041)
Restricted	589,638	530,252	59,386
Total net position	\$ 1,104,268	\$ 1,062,923	\$ 41,345

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Key elements of the increase in net position are as follows:

Changes in Net Position

	Governmental Activities		Increase (Decrease)	
	2020	2019	Amount	Percent
Revenue				
Program revenue:				
Charges for services	\$ -	\$ 15,000	\$ (15,000)	-100%
Operating grants and contributions	544,126	450,170	93,956	21%
General revenue:				
Investment earnings	25,028	18,076	6,952	38%
Total revenues	569,154	483,246	85,908	18%
Expenses:				
General government	177,189	173,268	3,921	2%
Interest on long-term debt	620	2,003	(1,383)	-69%
Total expenses	177,809	175,271	2,538	1%
Change in net position fund and transfers	391,345	307,975	83,370	27%
Transfers to primary government	(350,000)	(325,000)	(25,000)	8%
Change in net position	41,345	(17,025)	58,370	-343%
Net position - October 1	1,062,923	1,079,948	(17,025)	-2%
Net position - September 30	\$ 1,104,268	\$ 1,062,923	\$ 41,345	4%

Financial Analysis of the Agency's Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The focus of the Agency's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Agency's financing requirements.

As of the end of the fiscal year, the Agency's governmental fund reported a combined ending fund balance of \$589,638, an increase of \$59,386 in comparison with the prior year due to higher incremental tax revenues.

Budgetary Highlights

The following is a brief review of the budget changes from the original to the final amended budget, and a review of the final amended budget and actual amounts (presented on a budgetary basis). A detailed budgetary comparison schedule for the Agency is included on page 21 of the RSI section.

The variance between the final budget and the actual results reflects total revenues exceeding budget by \$8,799, and total expenditures and transfers out of \$50,478 less than appropriated. These factors caused the change in fund balance to be \$59,277 higher than budgeted.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2020 total \$514,630 (net of accumulated depreciation). The capital assets include land and improvements other than buildings.

Capital Assets

	Governmental Activities	
	2020	2019
Land	\$ 480,050	\$ 480,050
Improvements other than buildings	34,580	52,621
Total capital assets, net of depreciation/amortization	\$ 514,630	\$ 532,671

Additional information on the Agency's capital assets can be found in Note (3) B on pages 19 of this report.

Long-term debt. At the end of the current fiscal year, the Agency had no debt outstanding.

Requests for Information

Questions about this report or requests for additional financial information should be addressed to:

City of Melbourne
Financial Services Department
900 E. Strawbridge Ave.
Melbourne, FL 32901
Telephone: (321) 608-7011

Or visit our website at: www.melbourneflorida.org/departments/community-development/community-redevelopment-areas.

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

ASSETS	<u>Governmental Activities</u>
Equity in pooled investments	\$ 590,346
Interest receivable	2,358
Capital assets:	
Nondepreciable:	
Land	480,050
Depreciable:	
Improvements other than buildings	327,353
Less accumulated depreciation/amortization	(292,773)
Total assets	<u>1,107,334</u>
 LIABILITIES	
Accounts payable	298
Accrued payroll expenses	2,768
Total liabilities	<u>3,066</u>
 NET POSITION	
Net investment in capital assets	514,630
Restricted	589,638
Total net position	<u>\$ 1,104,268</u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u> <u>Operating Grants</u> <u>and Contributions</u>	<u>Net Revenues</u> <u>and Changes in</u> <u>Net Position</u> <u>Governmental</u> <u>Activities</u>
CRA government:			
Governmental activities:			
General government	\$ 177,189	\$ 544,126	\$ 366,937
Interest on long-term debt	620	-	(620)
Total	<u>\$ 177,809</u>	<u>\$ 544,126</u>	<u>366,317</u>
General Revenues:			
Interest earnings			25,028
Transfers to primary government			<u>(350,000)</u>
Total general revenues and transfers			<u>(324,972)</u>
		Change in net position	41,345
Net position, October 1			<u>1,062,923</u>
Net position, September 30			<u>\$ 1,104,268</u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2020**

ASSETS

Equity in pooled investments	\$ 590,346
Interest receivable	<u>2,358</u>
 Total assets	 \$ <u>592,704</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 298
Accrued payroll expenditures	<u>2,768</u>
 Total liabilities	 <u>3,066</u>

Resticted fund balance	<u>589,638</u>
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Total liabilities and fund balance	\$ <u>592,704</u>
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The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

Total *fund balance* for governmental fund \$ 589,638

Total *net position* reported for governmental activities in the statement of net position
is different because:

Capital assets used in governmental activities are not financial resources and, therefore,
are not reported in the fund. Those assets consist of:

	<u>Balance</u>	<u>Accumulated Depreciation/ Amortization</u>	
Land	\$ 480,050	\$ -	
Improvements	<u>327,353</u>	<u>(292,773)</u>	
Total capital assets	<u>\$ 807,403</u>	<u>\$ (292,773)</u>	<u>514,630</u>
Net position of governmental activities			<u>\$ 1,104,268</u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

REVENUES

Intergovernmental	\$ 544,126
Investment earnings	<u>25,028</u>
Total revenues	<u>569,154</u>

EXPENDITURES

Current:	
General government	159,148
Debt service:	
Interest	<u>620</u>
Total expenditures	<u>159,768</u>

Excess of revenues over expenditures	<u>409,386</u>
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OTHER FINANCING USES

Transfers out	<u>(350,000)</u>
Total other financing uses	<u>(350,000)</u>

Net change in fund balance	59,386
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Fund balance, October 1	<u>530,252</u>
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Fund balance, September 30	<u>\$ 589,638</u>
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The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT
AGENCY RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGE IN THE FUND BALANCE OF THE
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Net change in <i>fund balance</i> - governmental fund	\$	59,386
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The change in *net position* reported for governmental activities in the statement of activities is different because:

The governmental fund reports capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period.

Depreciation and amortization expense		<u>(18,041)</u>
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Change in net position of governmental activities	\$	<u>41,345</u>
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The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Olde Eau Gallie Riverfront Community Redevelopment Agency's (the "Agency") financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. REPORTING ENTITY

The Olde Eau Gallie Riverfront Community Redevelopment Agency was established in 2001 by the City of Melbourne, Florida (the "City") under the provisions of Section 163.333, Florida Statutes.

The governing body of the Olde Eau Gallie Riverfront Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Olde Eau Gallie Riverfront Redevelopment Advisory Committee.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's comprehensive annual financial report as a blended component unit. This report is not a complete presentation of the City of Melbourne.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide financial statements and fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The Agency does not have any business-type activities and has only governmental activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Agency.

The statement of net position, reports the assets and liabilities, including capital assets and long-term debt. Within this statement, the net position of the Agency (assets minus liabilities) is reported in two separate components – net investment in capital assets and restricted net position.

The statement of activities demonstrates the degree to which the direct expenses, including depreciation, are offset by program revenues and operating and capital grants. The statement then reports the extent to which the resulting net costs (gross expenses less directly-related program revenues and grants) are financed by general revenues of the Agency (i.e. taxes, interest income, etc.).

Fund financial statements report information at a higher level of detail, focusing on separate reporting of individual major funds, rather than consolidating financial data into the broad category of governmental activities.

The financial transactions of the Agency are reported in an individual fund within the City's accounting system. The fund is accounted for by providing a separate, self-balancing set of accounts comprised of the assets, liabilities, reserves, fund equity, revenues and expenditures of the fund. For purposes of this report, the Agency's fund is classified as a major governmental fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Basis of accounting refers to when revenues, expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants, for which the period is 12 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS,
AND NET POSITION OR EQUITY**

1. Cash and Cash Equivalents/Investments

Cash and cash equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less. Cash equivalents consist of equity in pooled investments. Investments are stated at fair value, based on the quoted market price.

2. Pooled Cash

Equity in pooled cash consists primarily of investments in debt instruments of the federal government and corporate holdings. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant fund's investment to the total pooled investment. As of September 30, 2020, the Agency participated in pooled cash investments with the City of Melbourne.

3. Capital Assets

Capital assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets, other than equipment, are defined by the government as assets with an initial, individual cost of more than \$25,000 (amount not rounded) and an estimated useful life in excess of two years. Equipment is defined as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost, if purchased or constructed, and at acquisition value of market transaction at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or materially extend the life of the respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

<u>Classification</u>	<u>Range of Lives</u>
Buildings	20-40 years
Improvements other than buildings	10-25 years

**OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

E. FUND BALANCE

In the governmental fund, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balance is reported as restricted to specific purposes based upon the extent to which the Agency is bound to honor constraints placed on those funds.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental fund. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide fund is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third party limitations on its use.

The Agency applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. REVENUES

Intergovernmental Revenue -The Agency's primary source of revenue is tax increment funds collected from the City and Brevard County deposited into the Community Redevelopment Trust Fund. These entities levy ad valorem property taxes within the legally defined redevelopment area of the Agency. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts using the year in which they were established as the "base year". For example, if an unimproved property was valued at \$10,000 in the base year and a new house is built on the property tomorrow, the new value of the property is \$25,000. The incremental difference in value (new assessed value – base year value) is \$15,000. Taxes collected on the property will be split amongst the City and County. The Agency receives all taxes assessed on the incremental increase of \$15,000. Revenues generated by improvements in the Agency district are to be reinvested in the district to continue to spur redevelopment.

Assessed values are established by the Brevard County Property Appraiser. The assessed property value recognized by the City and Brevard County includes the second homestead exemption. The City and Brevard County are required to pay 95% of these incremental property taxes to the Agency on or before January 1 of each year, otherwise the full amount of the incremental revenue will be due.

Program Revenue - In the Government-wide Statement of Activities, revenue that is derived directly from the program itself or from outside sources, if restricted to a specific program, is called program revenue. Program revenue is classified as either operating grants or capital grants. Operating grant revenues come from other government entities to support the operation costs of particular functions and also from the earnings of permanent funds that are legally restricted to a particular function. Capital grants come from other government entities for the purpose of constructing or purchasing capital assets.

G. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Agency has elected to report budgetary comparisons as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI for the Agency's budgetary information.

As of September 30, 2020, there were no material violations of budgetary requirements.

(3) DETAILED NOTES

A. DEPOSITS AND INVESTMENTS

Deposits –Banks and savings and loans must meet the criteria to be a qualified public depository as described in the Florida Security for Public Deposits Act in accordance with Chapter 280, Florida Statutes before any investment of public funds can be made with them. At September 30, 2020, the carrying amount of the City of Melbourne's deposits with banks was \$11,390,903 and the bank balance was \$11,137,590.

As of September 30, 2020, all of the City's interest bearing bank balances are covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

The City maintains a pool of cash and investments in which each fund participates on a daily transaction basis. Investment earnings are distributed monthly based on average daily balances.

City daily deposits are deposited in Earnings Credit Rate (ECR) earning accounts. These accounts are fully collateralized in accordance with Florida state law.

City of Melbourne Investment Policy – Pursuant to the requirements of Section 218.415, Florida Statutes, the City of Melbourne adopted Resolution No. 3511 on September 8, 2016, establishing the City's present investment policy. Such investment policy applies to the investment of surplus funds, which include cash and investment balances of the following funds of the City: General, Capital Projects, Special Revenue, Enterprise, Internal Service, Trust and Agency, and Airport. The investment policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, and redemption or escrow accounts created by ordinance or resolution pursuant to the issuance of bonds where the investments are held by an authorized depository. This policy does not apply to funds not under control of the City; such as, the Police Officers' Retirement System, the Firefighters' Retirement System, and the General Employees' and Special Risk Class Employees' Pension Plan.

All investments are made based on reasonable research as to credit quality, liquidity and interest rate risk prior to the investment being acquired.

The investment policy authorizes the City to invest in U.S. Government securities, agencies, Federal instrumentalities and Supra-nationals, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, interest bearing time deposits or savings accounts, commercial paper, corporate notes, bankers acceptances, and State or local government taxable or tax-exempt debt, and an intergovernmental investment pool. Overnight repurchase agreements restrict investments to obligations of U.S. Government Agencies and Federal instrumentalities.

The investment policy provides maturity and liquidity requirements for investments. All investments other than investments in the Local Government Surplus Funds Trust Fund are required to be purchased pursuant to competitive bids. A maximum of 25% of available funds may be invested in the Local Government Surplus Funds Trust Fund. The policy also requires diversification of the investment portfolio to control the risk of loss from overconcentration of assets in a specific maturity, issuer, instrument, dealer, savings and loan, or bank through which investments are purchased. Concentration of credit risk is the risk of loss attributed to the

OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

magnitude of a government's investment in a single issuer. The City's investment policy restricts portfolio composition for federal instrumentalities to 100% total, 40% individually. Concentration percentages for the Federal instrumentalities are provided in the schedule. Currently, the investment of a significant portion of the City's and Airport's portfolios is being managed by the City's financial advisor, PFM Asset Management LLC.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City's investment policy states that all securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The third party custodian holds securities in an account separate and apart from the assets of the financial institution, and are either insured or registered in the City's or Airport's name.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest rate-sensitive instruments may be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, and other general market conditions. As a means to limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits its investment portfolio to maturities of less than 5.5 years for corporate notes, two years for time deposits, and 270 days for commercial paper.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As a means to limiting its exposure to credit risk, the City limits investments with credit quality ratings from nationally recognized rating agencies of:

- State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "MIG 1/A3" by Moody's Investors Services and "SP-1/A-" by Standard & Poor's for long-term debt.
- Corporates and/or commercial paper of any United States company that is rated, at the time of purchase, "P-1" by Moody's and "A-1" by Standard & Poor's.
- Money Market Mutual Funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- Local Government Surplus Funds Trust Fund money market funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- The Agency's equity in pooled investments is all in the money market funds.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020
Capital assets, not being depreciated/amortized:				
Land	\$ 480,050	-	-	\$ 480,050
Total capital assets, not being depreciated/amortized	480,050	-	-	480,050
Capital assets, being depreciated/amortized:				
Improvements other than buildings	327,353	-	-	327,353
Total capital assets, being depreciated/amortized	327,353	-	-	327,353
Less accumulated depreciation/amortization:				
Improvements other than buildings	274,732	18,041	-	292,773
Total accumulated depreciation/amortization	274,732	18,041	-	292,773
Total capital assets, being depreciated/amortized, net	52,621	(18,041)	-	34,580
Governmental activities capital assets, net	\$ 532,671	\$ (18,041)	\$ -	\$ 514,630

Depreciation/amortization expense was charged to functions/programs of the Agency as follows:

General government	\$ 18,041
Total depreciation/amortization expense - governmental activities	\$ 18,041

C. ENCUMBRANCE COMMITMENTS

At September 30, 2020, the Agency had encumbrance commitments in the Governmental fund in the amount of \$109.

D. INTERFUND TRANSACTIONS

Interfund transfers at September 30, 2020 are as follows:

	Primary Government (General Construction fund)	Agency	Total
Primary Government (General Construction fund)	\$ 350,000	\$ -	\$ 350,000
Agency	-	(350,000)	(350,000)
Total Transfers out	\$ 350,000	\$ (350,000)	\$ -

Significant transfers included \$375,000 from the Agency to the General Construction fund of the City (primary government) for the Eau Gallie lighting project offset by a \$25,000 reduction in the On Street Parking project.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

(4) OTHER INFORMATION

A. CONTINGENCIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic which is still going on. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Agency. The occurrence and extent of such an impact will depend on future developments, including: (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

B. SUBSEQUENT EVENTS

On November 10, 2020, the Agency approved a grant funding agreement for FY 2020-2021 with the Eau Gallie Art District Main Street for \$55,000.

On February 9, 2021, the Agency approved Resolution 3992 adjusting the appropriation of the fund balance.

REQUIRED SUPPLEMENTARY INFORMATION
OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT
AGENCY SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL FOR THE YEAR ENDED
SEPTEMBER 30, 2020

	<u>Budget Amounts</u>		Actual on (Budgetary Basis)	Variance with Final Budget- Positive/ (Negative)
	<u>Original</u>	<u>Final</u>	(See Note A)	
REVENUES				
Intergovernmental	\$ 550,355	\$ 550,355	\$ 544,126	\$ (6,229)
Investment earnings	<u>10,000</u>	<u>10,000</u>	<u>25,028</u>	<u>15,028</u>
Total revenues	<u>560,355</u>	<u>560,355</u>	<u>569,154</u>	<u>8,799</u>
EXPENDITURES				
Current:				
General government	338,775	188,775	159,257	29,518
Debt service:				
Principal	20,750	20,750	-	20,750
Interest	<u>830</u>	<u>830</u>	<u>620</u>	<u>210</u>
Total expenditures	<u>360,355</u>	<u>210,355</u>	<u>159,877</u>	<u>50,478</u>
Excess of revenues over expenditures	200,000	350,000	409,277	59,277
OTHER FINANCING USES				
Transfers out	<u>(200,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>
Net change in fund balance	-	-	59,277	59,277
Fund balance, October 1	<u>530,252</u>	<u>530,252</u>	<u>530,252</u>	<u>-</u>
Fund balance, September 30	<u>\$ 530,252</u>	<u>\$ 530,252</u>	<u>\$ 589,529</u>	<u>\$ 59,277</u>

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

BUDGETARY NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City Council typically adopts an annual budget for the Agency. The budget is prepared on a modified accrual basis with encumbrance accounting. Budgetary control is legally maintained at the fund level. Budget transfer authority is provided to the City Manager within a fund as long as the total budget of the fund is not increased. City Council action is required for the approval of a supplemental budget.

Supplemental appropriations were made during the year and all budget amounts presented in the accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance have been adjusted for legally authorized revisions of the annual budget. All appropriations which are not expended, encumbered, or committed lapse at year end. Encumbered appropriations are carried forward to the subsequent year's budget.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are carried forward to the next year's budget and are reported as restricted or assigned fund balance in the governmental fund financial statements since they do not constitute actual expenditures or liabilities.

Actual results of operations are presented in accordance with generally accepted accounting principles (GAAP basis) and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the City's legally adopted budget.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

A – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Revenues

Actual amounts (budgetary basis) of total revenues as reported on the statement of revenues, expenditures and changes in fund balances - budget and actual equal total revenues as reported on the statement of revenues, expenditures, and changes in fund balance.

Expenditures

Actual amounts (budgetary basis) "total expenditures" as reported on the statement of revenues, expenditures and changes in fund balance - budget and actual

\$ 159,877

Differences - budget to GAAP:

Encumbrances for professional services, supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies and services are received for

financial reporting purposes.

(109)

Total expenditures are reported on the statement of revenues, expenditures, and changes in fund balance.

\$ 159,768

B – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

The budgetary schedules present comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences in the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis) as compared to the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis) for the year ended September 30, 2020 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures
and other financing sources (uses) (Budgetary Basis)

\$ 59,277

Adjustments:

Encumbrances

109

Excess (deficiency) of revenues over (under) expenditures
and other financing sources (uses) (GAAP Basis)

\$ 59,386

SUPPLEMENTARY INFORMATION
OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
PROJECT REVENUES AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Project Number	Project name	Expenditures ⁽¹⁾	Committed ⁽²⁾	Total	Transfers in (out) ⁽³⁾
14209	Eau Gallie Streetscape Phase 1	\$ -	\$ -	\$ -	\$ (62,926) ⁽⁴⁾
14217	Eau Gallie Lighting	16,600	4,800	21,400	375,000
14519	Eau Gallie CRA on street parking	-	-	-	(25,000) ⁽⁵⁾
18299	Eau Gallie Art overlay incentive	-	-	-	(7,500) ⁽⁴⁾
19299	Eau Gallie CRA misc projects	-	-	-	70,426 ⁽⁶⁾
		\$ 16,600	\$ 4,800	\$ 21,400	\$ 350,000

⁽¹⁾ Expenditures

These are the amounts of the CRA funds that were spent during the fiscal year in a capital projects fund.

⁽²⁾ Committed

These encumbrances are recorded in the capital projects funds.

⁽³⁾ Transfers in (out)

These are the amounts transferred into and out of the individual projects.

⁽⁴⁾ Funds transferred to project 19299 Eau Gallie CRA misc. projects to close out project 14209 and project 18299.

⁽⁵⁾ Funds transferred to project 14217 Eau Gallie Lighting to close out project 14519.

Subsequent Event

⁽⁶⁾ Funds transferred in fiscal year 2021 to the Parking Facilities Project.



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INDEPENDENT AUDITORS' REPORT 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

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency

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 Olde Eau Gallie Community Redevelopment Agency, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Olde Eau Gallie Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 9, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Olde Eau Gallie Community Redevelopment 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 Olde Eau Gallie Community Redevelopment Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Olde Eau Gallie Community Redevelopment 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.

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Olde Eau Gallie Community Redevelopment 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cary Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021



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INDEPENDENT AUDITORS' MANAGEMENT LETTER

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Olde Eau Gallie Community Redevelopment Agency, as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 9, 2021.

Auditors' 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 Independent Auditors' Report 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 Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 9, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)4., 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 audit report. However, no recommendations were made in the preceding audit report.

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. The legal authorities for the Olde Eau Gallie Community Redevelopment Agency are disclosed in the footnotes. The Olde Eau Gallie Community Redevelopment Agency has no component units.

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency
Page Two

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Olde Eau Gallie Community Redevelopment Agency. It is management's responsibility to monitor the Olde Eau Gallie Community Redevelopment Agency's financial condition, and our financial condition assessment was based in part on representations made by management and 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

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Council members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Cary Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 163.387(6) AND SECTION 163.387(7), FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency

We have examined the Olde Eau Gallie Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2020. Management 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 judgment, 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 specified requirements.

In our opinion, the Agency complied, in all material respects, with the requirements of Section 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2020.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

Melbourne, Florida
March 9, 2021

DEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
City of Melbourne, Florida

We have examined Olde Eau Gallie Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020. Management 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 judgment, 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 specified requirements.

In our opinion, the Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Cary Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021

**BABCOCK STREET COMMUNITY
REDEVELOPMENT AGENCY**

ANNUAL FINANCIAL REPORT



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2020

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020

**Babcock Street Community
Redevelopment Agency**

**Annual
Financial Report**

For The Fiscal Year Ended September 30, 2020

CRA BOARD

Kathleen H. Meehan	Mayor
Paul S. Alfrey	Vice Mayor, District 5
Timothy R. Thomas	District 1
Mark LaRusso	District 2
Yvonne Minus	District 3
Deborah Thomas	District 4
Julie Sanders	District 6

ADVISORY COMMITTEE

Nancy Garmer	Chairman
Jennifer Cope	Vice Chairman
Kristin Diederich.....	Member
Karen Harshaw.....	Member
Neil Long	Member
James Lee Turman, Jr	Member

BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Title Page	i
Table of Contents	ii
FINANCIAL SECTION	
Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position.....	8
Statement of Activities.....	9
Fund Financial Statements	
Balance Sheet – Governmental Fund.....	10
Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position	11
Statement of Revenues, Expenditures and Change in Fund Balance – Governmental Fund	12
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance of the Governmental Fund to the Statement of Activities	13
Notes to the Financial Statements.....	14
Required Supplementary Information	
Budgetary Comparison Schedule – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	21
Notes to Required Supplementary Information.....	22
Supplemental Information	
Project Revenues and Expenditures	24
Supplemental Audit Reports	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25
Independent Auditors' Management Letter	27
Independent Accountants' Report on Compliance with Section 163.387(6) and Section 163.387(7), Florida Statutes	29
Independent Accountants' Report on Compliance with Section 218.415, Florida Statutes	30



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
Babcock Street Community Redevelopment Agency

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Babcock Street Community Redevelopment Agency, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Babcock Street Community Redevelopment 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.

Auditors' 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 auditors' 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 respective financial position of the governmental activities and major fund of the Babcock Street Community Redevelopment Agency as of September 30, 2020, and the respective changes in financial position for the year then ended in conformity 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 budgetary comparison information on pages 4-7, and pages 21-23 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 inquiries of management about 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 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Babcock Street Community Redevelopment Agency's basic financial statements. The project revenues and expenditures schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The project revenues and expenditures schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

Honorable Mayor and Members of the City Council
Babcock Street Community Redevelopment Agency

Page Three

States of America. In our opinion, the project revenues and expenditures schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 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 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 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.

Cam Riggo & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

The Management's Discussion and Analysis section provides a narrative overview of the Babcock Street Community Redevelopment Agency (the "Agency") financial activities for fiscal year ending September 30, 2020. This discussion is broken down into three components:

- An overview of the Agency.
- A brief overview of the financial statements, including how they relate to each other and the significant differences in information they provide.
- A concise, condensed financial report that summarizes the results of operations and a narrative financial analysis of the Agency's overall financial condition and results of operations, supported by additional consolidated information about specific services provided by the Agency.

Overview

The purpose of the Babcock Street Community Redevelopment Agency is to eliminate slum and blighted conditions within the identified redevelopment area pursuant to the redevelopment plans of the Agency.

The Agency's primary source of revenue is tax increment funds. The revenue is computed by applying the operating tax rate for the City of Melbourne (the "City") and Brevard County (the "County"), multiplied by the increased value of the property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5% for early payment. The City and County are required to fund this amount annually without regard to tax collections or other obligations.

Further, the governing body of the Babcock Street Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Babcock Community Redevelopment Advisory Committee.

The Agency was established in 1998, by the City of Melbourne, Florida under the provisions of Section 163.333 Florida Statutes.

Overview of the Financial Statements

The discussion and analysis are 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) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

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 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, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., bond principal and interest payments).

The government-wide financial statements can be found on pages 8-9 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide statements. However, unlike the government-wide financial statements, governmental 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 governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* 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 governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency adopts an annual appropriated budget. A budgetary comparison statement has been provided as part of Required Supplementary Information, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 10-13 of this report.

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 can be found on pages 14-20 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Agency's budget. Required supplementary information (RSI) can be found on pages 21-24 of this report.

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, liabilities exceeded assets by \$518,606.

The net investment in capital assets is 53% of the net position. These assets are not available for future spending. The unrestricted net position represents the amount the liabilities exceed existing current and other assets.

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2020	2019	Amount
Assets			
Current and other assets	\$ 366,313	\$ 313,548	\$ 52,765
Capital assets	275,793	275,793	-
Total assets	<u>642,106</u>	<u>589,341</u>	<u>52,765</u>
Liabilities			
Long-term liabilities outstanding	880,678	1,154,611	(273,933)
Other liabilities	280,034	269,442	10,592
Total liabilities	<u>1,160,712</u>	<u>1,424,053</u>	<u>(263,341)</u>
Net position			
Net investment in capital assets	275,793	275,793	-
Unrestricted	(794,399)	(1,110,505)	316,106
Total net position	<u>\$ (518,606)</u>	<u>\$ (834,712)</u>	<u>\$ 316,106</u>

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Key elements of the increase in net position are as follows:

	Changes in Net Position			
	Governmental Activities		Increase (Decrease)	
	2020	2019	Amount	Percent
Revenue				
Program revenue:				
Operating grants and contributions	\$ 1,114,055	\$ 918,200	195,855	21.33%
General revenue:				
Investment earnings	38,920	44,013	(5,093)	-11.57%
Total revenues	1,152,975	962,213	190,762	19.83%
Expenses:				
General government	227,193	221,491	5,702	2.57%
Interest on long-term debt	45,049	56,676	(11,627)	-20.51%
Total expenses	272,242	278,167	(5,925)	-2.13%
Change in net position before transfers	880,733	684,046	196,687	28.75%
Transfers to primary government	(564,627)	(366,694)	(197,933)	53.98%
Change in net position	316,106	317,352	(1,246)	-0.39%
Net position - October 1,	(834,712)	(1,152,064)	317,352	-27.55%
Net position - September 30	(518,606)	(834,712)	316,106	-37.87%

Financial Analysis of the Agency's Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The focus of the Agency's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Agency's financing requirements.

As of the end of the fiscal year, the Agency's governmental fund reported an ending fund balance of (\$794,399), an increase of \$316,106 in comparison with the prior year due to higher incremental tax revenues.

Budgetary Highlights

The following is a brief review of the budget changes from the original to the final amended budget, and a review of the final amended budget and actual amounts (presented on a budgetary basis). A detailed budgetary comparison schedule for the Agency is included on page 21 of the RSI section of the CAFR.

The variance between the final budget and the actual results reflects total revenues exceeding budget by \$6,168, and total expenditures and transfers out of \$289,976 less than appropriated. These factors caused the change in fund balance to be \$296,144 higher than budgeted.

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2020 total \$275,793 (net of accumulated depreciation). The capital assets include land and machinery and equipment.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Capital Assets

	Governmental Activities	
	2020	2019
Land	\$ 275,793	\$ 275,793
Total capital assets, net of depreciation/amortization	\$ 275,793	\$ 275,793

Additional information on the Agency's capital assets can be found in Note (3) B on pages 19 of this report.

Long-term debt. At the end of the current fiscal year, the Agency had no debt outstanding.

Requests for Information

Questions about this report or requests for additional financial information should be addressed to:

City of Melbourne
Financial Services Department
900 E. Strawbridge Ave.
Melbourne, FL 32901
Telephone: (321) 608-7011

Or visit our website at: www.melbourneflorida.org/departments/community-development/community-redevelopment-areas.

BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

ASSETS	<u>Governmental Activities</u>
Equity in pooled investments	\$ 363,281
Interest receivable	3,032
Capital assets:	
Nondepreciable:	
Land	275,793
Depreciable:	
Machinery and equipment	25,184
Less accumulated depreciation/amortization	(25,184)
Total assets	<u>642,106</u>
 LIABILITIES	
Accounts payable	476
Accrued payroll expenses	5,625
Due to primary government	273,933
Advances from primary government	880,678
Total liabilities	<u>1,160,712</u>
 NET POSITION	
Net investment in capital assets	275,793
Unrestricted	(794,399)
Total net position	<u>\$ (518,606)</u>

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net Revenues and Changes in Net Position Governmental Activities</u>
CRA government:			
Governmental activities:			
General government	\$ 227,193	\$ 1,114,055	\$ 886,862
Interest on long-term debt	45,049	-	(45,049)
Total	<u>\$ 272,242</u>	<u>\$ 1,114,055</u>	<u>841,813</u>
General Revenues:			
Interest earnings			38,920
Transfers to primary government			<u>(564,627)</u>
Total general revenues and transfers			<u>(525,707)</u>
Change in net position			316,106
Net position, October 1			<u>(834,712)</u>
Net position, September 30			<u>\$ (518,606)</u>

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2020**

ASSETS

Equity in pooled investments	\$	363,281
Interest receivable		<u>3,032</u>
Total assets	\$	<u><u>366,313</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	476
Accrued payroll expenditures		5,625
Due to other governments		273,933
Advances from other funds		<u>880,678</u>
Total liabilities		<u>1,160,712</u>
Unassigned fund deficit		<u>(794,399)</u>
Total liabilities and fund balance	\$	<u><u>366,313</u></u>

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

Total *fund balance* for governmental fund \$ (794,399)

Total *net position* reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. Those assets consist of:

	<u>Balance</u>	<u>Accumulated Depreciation/ Amortization</u>	
Land	\$ 275,793	\$ -	
Machinery and equipment	<u>25,184</u>	<u>(25,184)</u>	
Total capital assets	<u>\$ 300,977</u>	<u>\$ (25,184)</u>	<u>275,793</u>
 Net position of governmental activities			 <u>\$ (518,606)</u>

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

REVENUES

Intergovernmental	\$ 1,114,055
Investment earnings	<u>38,920</u>
Total revenues	<u>1,152,975</u>

EXPENDITURES

Current:	
General government	<u>227,193</u>
Debt service:	
Interest	<u>45,049</u>
Total expenditures	<u>272,242</u>
Excess of revenues over expenditures	<u>880,733</u>

OTHER FINANCING USES

Transfers out	<u>(564,627)</u>
Total other financing uses	<u>(564,627)</u>
Net change in fund balance	316,106
Fund balance, October 1	<u>(1,110,505)</u>
Fund balance, September 30	<u>\$ (794,399)</u>

The accompanying notes are an integral part of this statement.

BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGE IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF
ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2020

Net change in *fund balance* - governmental fund \$ 316,106

The change in *net position* reported for governmental activities in the statement of activities is different because:

In the statement of activities, only the gain or loss on the sale of capital assets are reported. However, in the governmental fund, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold or disposed.

Cost of capital assets sold or disposed

Machinery and equipment	\$ 3,478				
Accumulated depreciation	(3,478)				

	\$ -				
	-				

Change in net position of governmental activities \$ 316,106

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Babcock Street Community Redevelopment Agency's (the "Agency") financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. REPORTING ENTITY

The Babcock Street Community Redevelopment Agency was established in 1998 by the City of Melbourne, Florida (the "City") under the provisions of Section 163.333, Florida Statutes.

The governing body of the Babcock Street Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Babcock Street CRA Advisory Committee.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's comprehensive annual financial report as a blended component unit. This report is not a complete presentation of the City of Melbourne.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide financial statements and fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The Agency does not have any business-type activities and has only governmental activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Agency.

The statement of net position, reports the assets and liabilities, including capital assets and long-term debt. Within this statement, the net position of the Agency (assets minus liabilities) is reported in two separate components – net investment in capital assets and restricted net position.

The statement of activities demonstrates the degree to which the direct expenses, including depreciation, are offset by program revenues and operating and capital grants. The statement then reports the extent to which the resulting net costs (gross expenses less directly-related program revenues and grants) are financed by general revenues of the Agency (i.e. taxes, interest income, etc.).

Fund financial statements report information at a higher level of detail, focusing on separate reporting of individual major funds, rather than consolidating financial data into the broad category of governmental activities.

The financial transactions of the Agency are reported in an individual fund within the City's accounting system. The fund is accounted for by providing a separate, self-balancing set of accounts comprised of the assets, liabilities, reserves, fund equity, revenues and expenditures of the fund. For purposes of this report, the Agency's fund is classified as a major governmental fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Basis of accounting refers to when revenues, expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants, for which the period is 12 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS,
AND NET POSITION OR EQUITY**

1. Cash and Cash Equivalents/Investments

Cash and cash equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less. Cash equivalents consist of equity in pooled investments. Investments are stated at fair value, based on the quoted market price.

2. Pooled Cash

Equity in pooled cash consists primarily of investments in debt instruments of the federal government and corporate holdings. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant fund's investment to the total pooled investment. As of September 30, 2020, the Agency participated in pooled cash investments with the City of Melbourne.

3. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Long-term advances between funds are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. All trade receivables are shown net of an allowance for uncollectibles.

4. Capital Assets

Capital assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets, other than equipment, are defined by the government as assets with an initial, individual cost of more than \$25,000 (amount not rounded) and an estimated useful life in excess of two years. Equipment is defined as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost, if purchased or constructed, and at acquisition value of market transaction at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or materially extend the life of the respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

Classification	Range of
Buildings	20-40 years
Machinery, equipment and other	2-20 years

E. FUND BALANCE

In the governmental fund, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balance is reported as restricted to specific purposes based upon the extent to which the Agency is bound to honor constraints placed on those funds.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental fund. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide fund is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third party limitations on its use.

The Agency applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. REVENUES

Intergovernmental Revenue -The Agency's primary source of revenue is tax increment funds collected from the City and Brevard County deposited into the Community Redevelopment Trust Fund. These entities levy ad valorem property taxes within the legally defined redevelopment area of the Agency. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts using the year in which they were established as the "base year". For example, if an unimproved property was valued at \$10,000 in the base year and a new house is built on the property tomorrow, the new value of the property is \$25,000. The incremental difference in value (new assessed value – base year value) is \$15,000. Taxes collected on the property will be split amongst the City and County. The Agency receives all taxes assessed on the incremental increase of \$15,000. Revenues generated by improvements in the Agency district are to be reinvested in the district to continue to spur redevelopment.

Assessed values are established by the Brevard County Property Appraiser. The assessed property value recognized by the City and Brevard County includes the second homestead exemption. The City and Brevard County are required to pay 95% of these incremental property taxes to the Agency on or before January 1 of each year, otherwise the full amount of the incremental revenue will be due.

Program Revenue - In the Government-wide Statement of Activities, revenue that is derived directly from the program itself or from outside sources, if restricted to a specific program, is called program revenue. Program revenue is classified as either operating grants or capital grants. Operating grant revenues come from other government entities to support the operation costs of particular functions and also from the earnings of permanent funds that are legally restricted to a particular function. Capital grants come from other government entities for the purpose of constructing or purchasing capital assets.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

G. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Agency has elected to report budgetary comparisons as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI for the Agency's budgetary information.

As of September 30, 2020, there were no material violations of budgetary requirements.

(3) DETAILED NOTES

A. DEPOSITS AND INVESTMENTS

Deposits –Banks and savings and loans must meet the criteria to be a qualified public depository as described in the Florida Security for Public Deposits Act in accordance with Chapter 280, Florida Statutes before any investment of public funds can be made with them. At September 30, 2020, the carrying amount of the City of Melbourne's deposits with banks was \$11,390,903 and the bank balance was \$11,137,590.

As of September 30, 2020, all of the City's interest bearing bank balances are covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

The City maintains a pool of cash and investments in which each fund participates on a daily transaction basis. Investment earnings are distributed monthly based on average daily balances.

City daily deposits are deposited in Earnings Credit Rate (ECR) earning accounts. These accounts are fully collateralized in accordance with Florida state law

City of Melbourne Investment Policy – Pursuant to the requirements of Section 218.415, Florida Statutes, the City of Melbourne adopted Resolution No. 3511 on September 8, 2016, establishing the City's present investment policy. Such investment policy applies to the investment of surplus funds, which include cash and investment balances of the following funds of the City: General, Capital Projects, Special Revenue, Enterprise, Internal Service, Trust and Agency, and Airport. The investment policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, and redemption or escrow accounts created by ordinance or resolution pursuant to the issuance of bonds where the investments are held by an authorized depository. This policy does not apply to funds not under control of the City; such as, the Police Officers' Retirement System, the Firefighters' Retirement System, and the General Employees' and Special Risk Class Employees' Pension Plan.

All investments are made based on reasonable research as to credit quality, liquidity and interest rate risk prior to the investment being acquired.

The investment policy authorizes the City to invest in U.S. Government securities, agencies, Federal instrumentalities and Supra-nationals, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, interest bearing time deposits or savings accounts, commercial paper, corporate notes, bankers acceptances, and State or local government taxable or tax-exempt debt, and an intergovernmental investment pool. Overnight repurchase agreements restrict investments to obligations of U.S. Government Agencies and Federal instrumentalities.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

The investment policy provides maturity and liquidity requirements for investments. All investments other than investments in the Local Government Surplus Funds Trust Fund are required to be purchased pursuant to competitive bids. A maximum of 25% of available funds may be invested in the Local Government Surplus Funds Trust Fund. The policy also requires diversification of the investment portfolio to control the risk of loss from overconcentration of assets in a specific maturity, issuer, instrument, dealer, savings and loan, or bank through which investments are purchased. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy restricts portfolio composition for federal instrumentalities to 100% total, 40% individually. Concentration percentages for the Federal instrumentalities are provided in the schedule. Currently, the investment of a significant portion of the City's and Airport's portfolios is being managed by the City's financial advisor, PFM Asset Management LLC.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City's investment policy states that all securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The third party custodian holds securities in an account separate and apart from the assets of the financial institution, and are either insured or registered in the City's or Airport's name.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest rate-sensitive instruments may be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, and other general market conditions. As a means to limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits its investment portfolio to maturities of less than 5.5 years for corporate notes, two years for time deposits, and 270 days for commercial paper.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As a means to limiting its exposure to credit risk, the City limits investments with credit quality ratings from nationally recognized rating agencies of:

- State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "MIG 1/A3" by Moody's Investors Services and "SP-1/A-" by Standard & Poor's for long-term debt.
- Corporates and/or commercial paper of any United States company that is rated, at the time of purchase, "P-1" by Moody's and "A-1" by Standard & Poor's.
- Money Market Mutual Funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- Local Government Surplus Funds Trust Fund money market funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- The Agency's equity in pooled investments is all held in the money market funds.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020
Capital assets, not being depreciated/amortized:				
Land	\$ 275,793	\$ -	\$ -	\$ 275,793
Total capital assets, not being depreciated/amortized	275,793	-	-	275,793
Capital assets, being depreciated/amortized:				
Machinery and equipment	28,662	-	3,478	25,184
Total capital assets, being depreciated/amortized	28,662	-	3,478	25,184
Less accumulated depreciation/amortization:				
Machinery and equipment	28,662	-	3,478	25,184
Total accumulated depreciation/amortization	28,662	-	3,478	25,184
Total capital assets, being depreciated/amortized, net	-	-	-	-
Governmental activities capital assets, net	\$ 275,793	-	-	\$ 275,793

Depreciation/amortization expense charged to functions/programs of the Agency was \$0.

C. ENCUMBRANCE COMMITMENTS

At September 30, 2020, the Agency had encumbrance commitments in the Governmental fund in the amount of \$19,962.

D. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables of the Agency at September 30, 2020, are summarized below.

	Due From	Due To
Primary Government (General fund)	\$ 273,933	\$ -
Agency	-	273,933
Totals	\$ 273,933	\$ 273,933
	Advance To	Advance From
Primary Government (General fund)	\$ 880,678	\$ -
Agency	-	880,678
Totals	\$ 880,678	\$ 880,678

All interfund receivables and payables with the primary government represent cash transfers for operating purposes and amounts expected to be repaid within one year. Advances represent the non-current portion of interfund loans. In FY 2018, City Council and the CRA Board approved an advance from the City's General Fund of \$1,675,000 to the Agency for the reconstruction of Babcock Street from Hibiscus Boulevard to just north of Apollo Boulevard including crosswalks and drainage improvements. As of September 1, 2020 the remaining balance is \$1,154,611 and is expected to be paid off on September 1, 2024.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

E. INTERFUND TRANSACTIONS

Interfund transfers at September 30, 2020 are as follows:

	Primary Government (General Construction fund)	Agency	Total
Primary Government (General Construction fund)	\$ 564,627	\$ -	\$ 564,627
Agency	-	(564,627)	(564,627)
Total Transfers out	<u>\$ 564,627</u>	<u>\$ (564,627)</u>	<u>\$ -</u>

Significant transfers included \$540,000 from the Agency to the General Construction fund of the City for a right turn lane at Dr. Martin Luther King, Jr. Boulevard.

(4) OTHER INFORMATION

A. CONTINGENCIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic which is still going on. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Agency. The occurrence and extent of such an impact will depend on future developments, including: (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

B. SUBSEQUENT EVENTS

On February 9, 2021, the Agency approved Resolution 3991 adjusting the appropriation of the fund balance.

**REQUIRED SUPPLEMENTARY INFORMATION BABCOCK STREET
COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budget Amounts		Actual on (Budgetary Basis)	Variance with Final Budget- Positive/ (Negative)
	Original	Final	(See Note A)	
REVENUES				
Intergovernmental	\$ 1,126,807	\$ 1,126,807	\$ 1,114,055	\$ (12,752)
Investment earnings	20,000	20,000	38,920	18,920
Total revenues	1,146,807	1,146,807	1,152,975	6,168
EXPENDITURES				
Current:				
General government	832,462	267,834	247,155	20,679
Debt service:				
Principal	264,670	264,670	-	264,670
Interest	49,675	49,675	45,049	4,626
Total expenditures	1,146,807	582,179	292,204	289,975
Excess of revenues over expenditures	-	564,628	860,771	296,143
OTHER FINANCING USES				
Transfers out	-	(564,628)	(564,627)	1
Net change in fund balance	-	-	296,144	296,144
Fund deficit, October 1	(1,110,505)	(1,110,505)	(1,110,505)	-
Fund deficit, September 30	\$ (1,110,505)	\$ (1,110,505)	\$ (814,361)	\$ 296,144

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

BUDGETARY NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City Council typically adopts an annual budget for the Agency. The budget is prepared on a modified accrual basis with encumbrance accounting. Budgetary control is legally maintained at the fund level. Budget transfer authority is provided to the City Manager within a fund as long as the total budget of the fund is not increased. City Council action is required for the approval of a supplemental budget.

Supplemental appropriations were made during the year and all budget amounts presented in the accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance have been adjusted for legally authorized revisions of the annual budget. All appropriations which are not expended, encumbered, or committed lapse at year end. Encumbered appropriations are carried forward to the subsequent year's budget.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are carried forward to the next year's budget and are reported as restricted or assigned fund balance in the governmental fund financial statements since they do not constitute actual expenditures or liabilities.

Actual results of operations are presented in accordance with generally accepted accounting principles (GAAP basis) and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the City's legally adopted budget.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

A – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Revenues

Actual amounts (budgetary basis) of total revenues as reported on the statement of revenues, expenditures and changes in fund balances - budget and actual equal total revenues as reported on the statement of revenues, expenditures, and changes in fund balance.

Expenditures

Actual amounts (budgetary basis) "total expenditures" as reported on the statement of revenues, expenditures and changes in fund balance - budget and actual

\$ 292,204

Differences - budget to GAAP:

Encumbrances for professional services, supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies and services are received for

financial reporting purposes.

(19,962)

Total expenditures are reported on the statement of revenues, expenditures, and changes in fund balance.

\$ 272,242

B – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

The budgetary schedules present comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences in the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis) as compared to the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis) for the year ended September 30, 2020 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis)

\$ 296,144

Adjustments:

Encumbrances

19,962

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis)

\$ 316,106

**SUPPLEMENTARY INFORMATION
BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
PROJECT REVENUES AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<u>Project Number</u>	<u>Project name</u>	<u>Expenditures ⁽¹⁾</u>	<u>Committed ⁽²⁾</u>	<u>Total</u>	<u>Transfers in ⁽³⁾</u>
10216	Babcock Street Median Enhancements from Apollo Blvd to Brevard Drive	\$ 1,016,695	\$ 1,401,568	\$ 2,418,263	\$ -
14419	Babcock CRA Martin Luther King Blvd Southbound Right Turn	51,546	28,454	80,000	540,000
18199	Babcock Façade Improvement Program	20,000	19,572	39,572	-
18615	Babcock CRA Nasa Blvd Landscape and Irrigation Installation in the Medians	117,639	97,135	214,774	24,627
14118	Babcock Street Reconstruction	14,568	161,569	176,137	-
		<u>\$ 1,220,448</u>	<u>\$ 1,708,298</u>	<u>\$ 2,928,746</u>	<u>\$ 564,627</u>

⁽¹⁾ Expenditures

These are the amounts of the CRA funds that were spent during the fiscal year in a capital projects fund.

⁽²⁾ Committed

These encumbrances are recorded in the capital projects funds.

⁽³⁾ Transfers in (out)

These are the amounts transferred into and out of the individual projects.



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INDEPENDENT AUDITORS' REPORT 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

Honorable Mayor and Members of the City Council
Babcock Street Community Redevelopment Agency

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 Babcock Street Community Redevelopment Agency, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Babcock Street Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 9, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Babcock Street Community Redevelopment 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 Babcock Street Community Redevelopment Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Babcock Street Community Redevelopment 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.

Honorable Mayor and Members of the City Council
Babcock Street Community Redevelopment Agency
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Babcock Street Community Redevelopment 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cam Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021



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INDEPENDENT AUDITORS' MANAGEMENT LETTER

To the Honorable Mayor and Members of City Council
Babcock Street Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Babcock Street Community Redevelopment Agency, as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 9, 2021.

Auditors' 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 Independent Auditors' Report 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 Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 9, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)4., 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 audit report. However, no recommendations were made in the preceding audit report.

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. The legal authorities for the Babcock Street Community Redevelopment Agency are disclosed in the footnotes. The Babcock Street Community Redevelopment Agency has no component units.

To the Honorable Mayor and Members of City Council
Babcock Street Community Redevelopment Agency
Page Two

Financial Condition and Management

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

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

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Council members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Cary Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 163.387 (6) AND SECTION 163.387(7), FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Babcock Street Community Redevelopment Agency

We have examined the Babcock Street Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2020. Management 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 judgment, 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 specified requirements.

In our opinion, the Agency complied, in all material respects, with the requirements of Section 163.387(6) and Section 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2020.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

Melbourne, Florida
March 9, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA
STATUTES**

To the Honorable Mayor and Members of City Council
City of Melbourne, Florida

We have examined the Babcock Street Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020. Management 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 judgment, including as 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 specified requirements.

In our opinion, the Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Cary Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2021

Appendix A – CRA Audited Trust Funds

Appendix B – CRA Financials

Balance Sheets & Statements of Revenue and Expenditures

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
DOWNTOWN REDEVELOPMENT
SEPTEMBER 30, 2020**

ASSETS

Equity in pooled investments	\$	148,812
Interest receivable		<u>9,818</u>
Total assets	\$	<u><u>158,630</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$	1,929
Accrued payroll expenditures		<u>6,582</u>
Total liabilities		<u>8,511</u>
Restricted fund balance		<u>150,119</u>
Total liabilities and fund balance	\$	<u><u>158,630</u></u>

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
DOWNTOWN REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

REVENUES

Intergovernmental	\$ 1,398,709
Investment earnings	56,765
Other Revenue	<u>8,400</u>
Total revenues	<u>1,463,874</u>

EXPENDITURES

Current:

General government	<u>714,962</u>
Excess of revenues over expenditures	<u>748,912</u>

OTHER FINANCING USES

Revenue bonds issued	2,400,000
Proceeds from sale of capital assets	5,135
Debt issue expense	(35,000)
Transfers out	<u>(3,750,000)</u>
Total other financing uses	<u>(1,379,865)</u>

Net change in fund balance (630,953)

Fund balance, October 1 781,072

Fund balance, September 30 \$ 150,119

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
BABCOCK REDEVELOPMENT
SEPTEMBER 30, 2020**

ASSETS

Equity in pooled investments	\$ 363,281
Interest receivable	<u>3,032</u>
 Total assets	 <u><u>\$ 366,313</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 476
Accrued payroll expenditures	5,625
Due to other funds	273,933
Advances from other funds	<u>880,678</u>
 Total liabilities	 <u>1,160,712</u>
 Unassigned fund deficit	 <u>(794,399)</u>
 Total liabilities and fund balance	 <u><u>\$ 366,313</u></u>

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BABCOCK REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

REVENUES

Intergovernmental	\$ 1,114,055
Investment earnings	<u>38,920</u>
Total revenues	<u>1,152,975</u>

EXPENDITURES

Current:	
General government	227,193
Debt service:	
Interest	<u>45,049</u>

Total expenditures	<u>272,242</u>
--------------------	----------------

Excess of revenues over expenditures	<u>880,733</u>
--------------------------------------	----------------

OTHER FINANCING USES

Transfers out	<u>(564,627)</u>
---------------	------------------

Net change in fund balance	316,106
----------------------------	---------

Fund deficit, October 1	<u>(1,110,505)</u>
-------------------------	--------------------

Fund deficit, September 30	<u>\$ (794,399)</u>
----------------------------	---------------------

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
EAU GALLIE REDEVELOPMENT
SEPTEMBER 30, 2020**

ASSETS

Equity in pooled investments	\$	590,346
Interest receivable		<u>2,358</u>
Total assets	\$	<u><u>592,704</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	298
Accrued payroll expenditures		<u>2,768</u>
Total liabilities		<u>3,066</u>
Resticted fund balance		<u>589,638</u>
Total liabilities and fund balance	\$	<u><u>592,704</u></u>

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
EAU GALLIE REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

REVENUES

Intergovernmental	\$ 544,126
Investment earnings	<u>25,028</u>
Total revenue	<u>569,154</u>

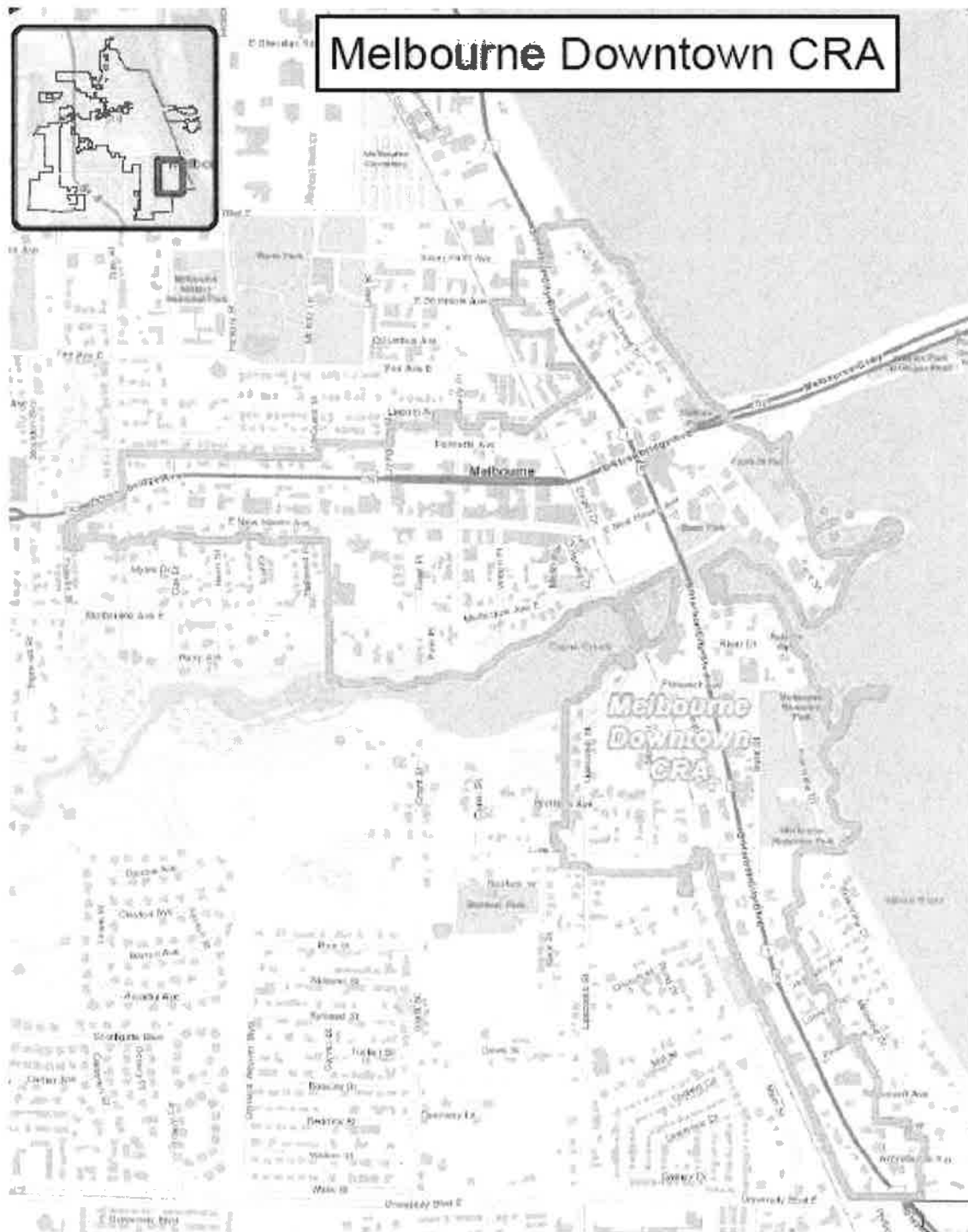
EXPENDITURES

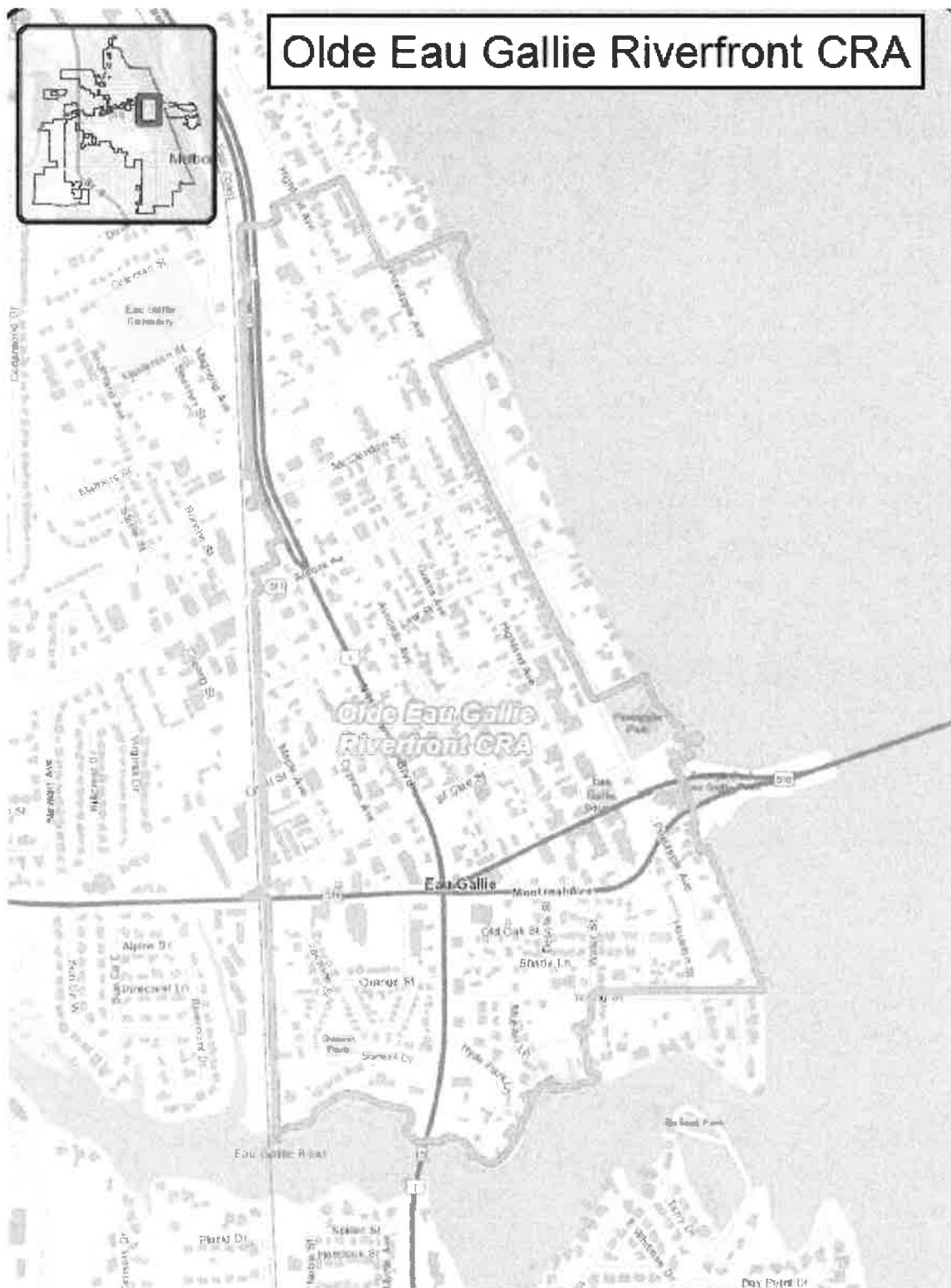
Current:	
General government	159,148
Debt service:	
Interest and fiscal agent fees	<u>620</u>
Total expenditures	<u>159,768</u>
Excess of revenues over expenditures	<u>409,386</u>

OTHER FINANCING USES

Transfer out	<u>(350,000)</u>
Net change in fund balances	59,386
Fund balance, October 1	<u>530,252</u>
Fund balance, September 30	<u><u>\$ 589,638</u></u>

Appendix C – Maps





MERRITT ISLAND REDEVELOPMENT AGENCY ANNUAL REPORT

2019-2020



MERRITT ISLAND
REDEVELOPMENT AGENCY

2575 N. COURTENAY PARKWAY, SUITE 214
MERRITT ISLAND, FL 32953
321.454.6610

Table of Contents

Organizational Overview	3
Mission	5
Tax Increment Districts - Base and Assessed Property Values 2018	7
Market Area Demographics	10
Merritt Island Workforce	11
Demographic Community Profile	14
Redevelopment Area Boundary Lines	15
Formation History	16
Plan Amendment Updates - Map	18
Initiatives Overview	19
Brownfield Initiative.....	30
Redevelopment Area Economic Development Projects.....	35
Redevelopment Facilitation Provided.....	38
Commercial Façade Improvement Award Program	39
Zoning, Variance, Subdivision and Site Plan Reviews	40
General Performance Metrics.....	42
Economic Impact.....	43
Financial Report	45
Economic and Redevelopment Challenges.....	48
Trust Fund Capital Projects	Exhibit "A"
Audit Report.....	Exhibit "B"



BOARD OF DIRECTORS

Eddie LeBron, Chairman
 Patricia Stratton, Vice-Chairman
 Andy Barber
 Chris Cook
 Marcus Herman
 Wendy R. Ellis
 Tom Vani
 (New Directors effective 1/1/21)
 Jack Ratterman
 Jack Smink

BEAUTIFICATION COMMITTEE

Marcus Herman, Chairman
 Julie Adamson
 Denise Berg
 Terri Pentz
 Richard Webb

MIRA STAFF

Larry J. Lallo, Executive Director
 Cindy Thurman, Land
 Development Manager
 Cheryl J. Hurren, Executive
 Assistant

SUPPORT STAFF

Alexander Essee, Esq.,
 Assistant County Attorney

2575 N. Courtenay Pkwy
 Suite 214
 Merritt Island, FL 32953
 Phone: 321-454-6610

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



MERRITT ISLAND
REDEVELOPMENT AGENCY

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.

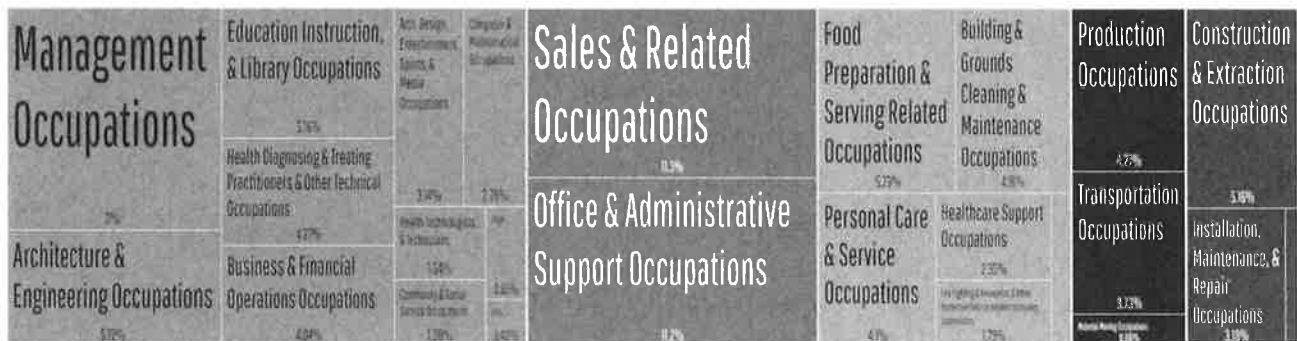
The household count in this area has changed from 52,088 in 2010 to 54,619 in 2018, a change of 0.58% annually. The five-year projection of households is 57,263, a change of 0.95% annually from the current year total. Average household size is currently 2.29, compared to 2.27 in the year 2010. The number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



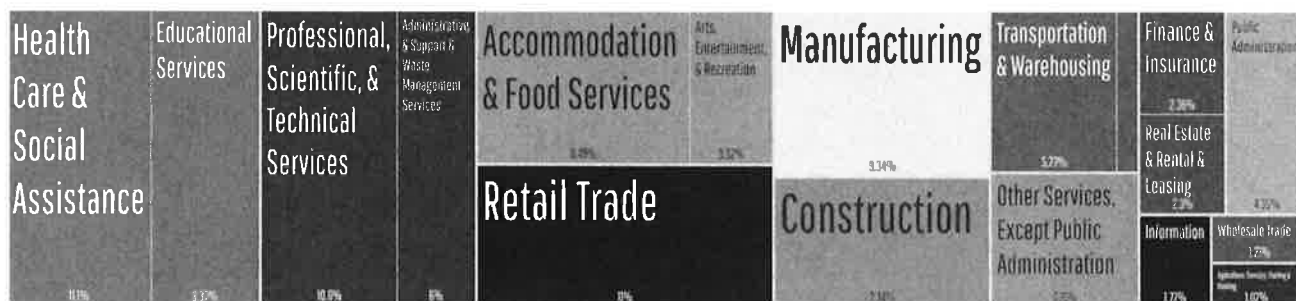
Employment by Occupations

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

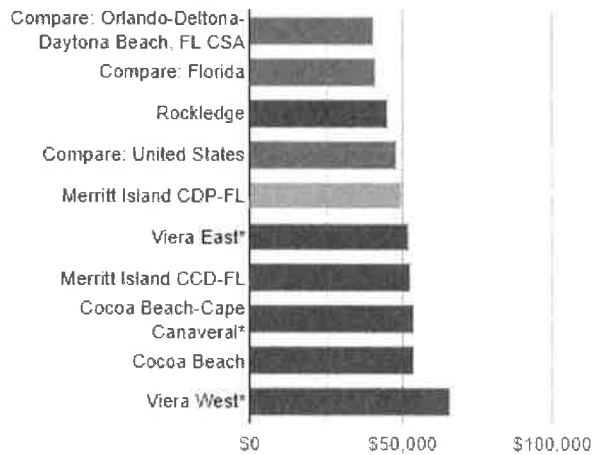


Figure 2: Merritt Island CDP-FL, FL Median Household Income

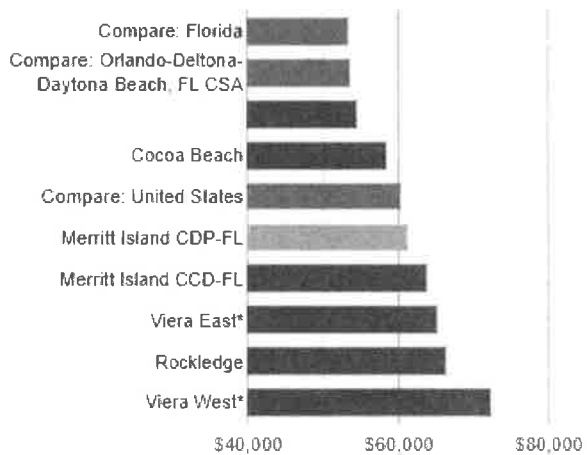
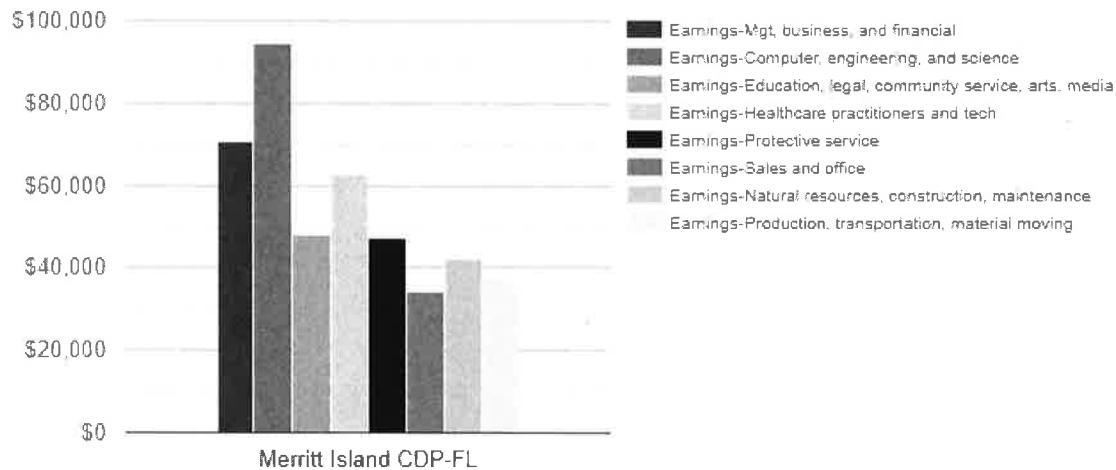


Figure 3, below demonstrates the influence of the Space Industry on the Merritt Island economy where highest earning wage earners are in Management, Computer, Engineering, and Science professions.



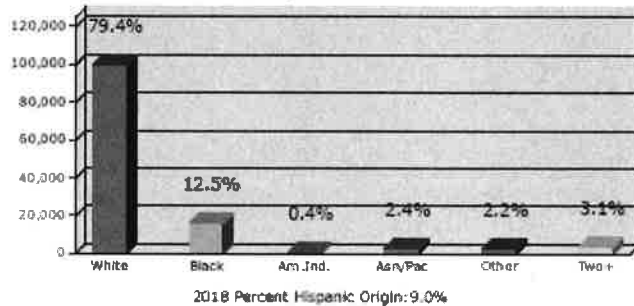


Graphic Profile

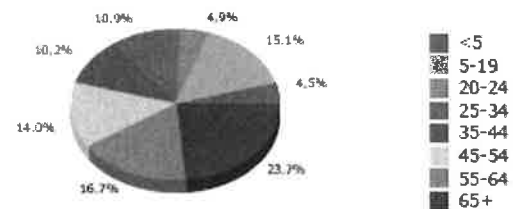
100 N Plumosa St, Merritt Island, Florida, 32953
Drive Time: 15 minute radius

Prepared by Esri
Latitude: 28.35727
Longitude: -80.69193

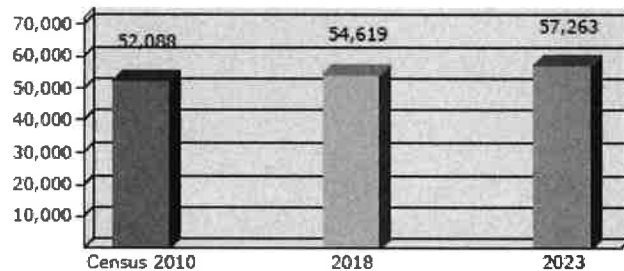
2018 Population by Race



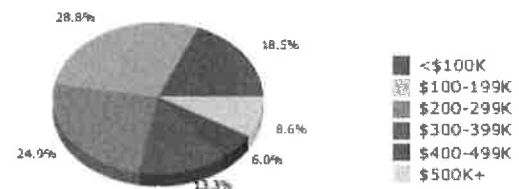
2018 Population by Age



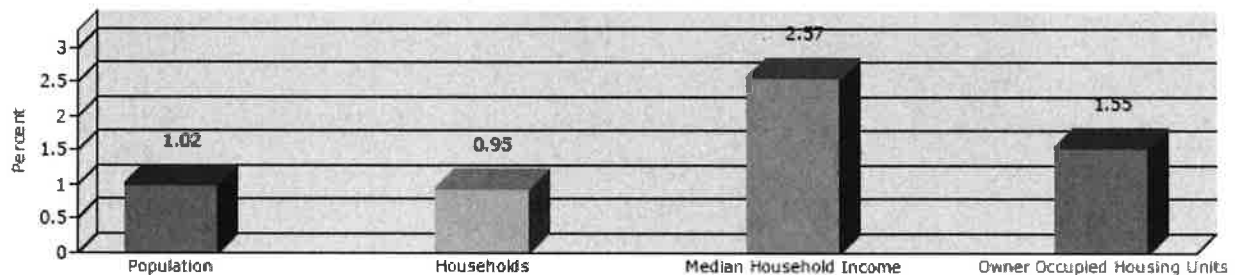
Households



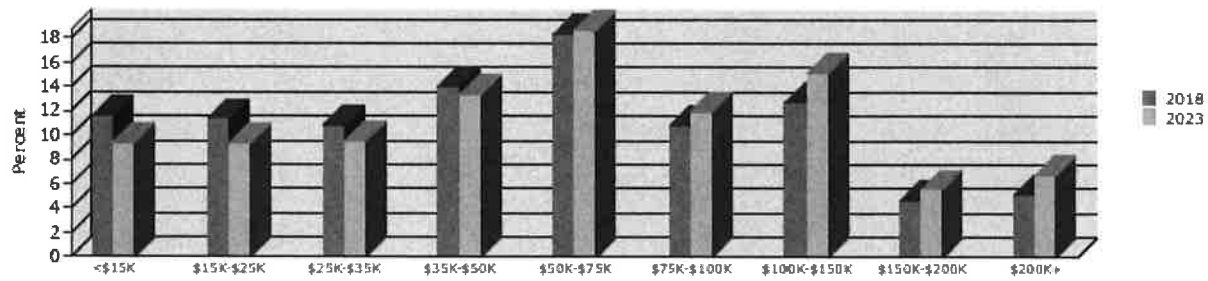
2018 Home Value



2018-2023 Annual Growth Rate



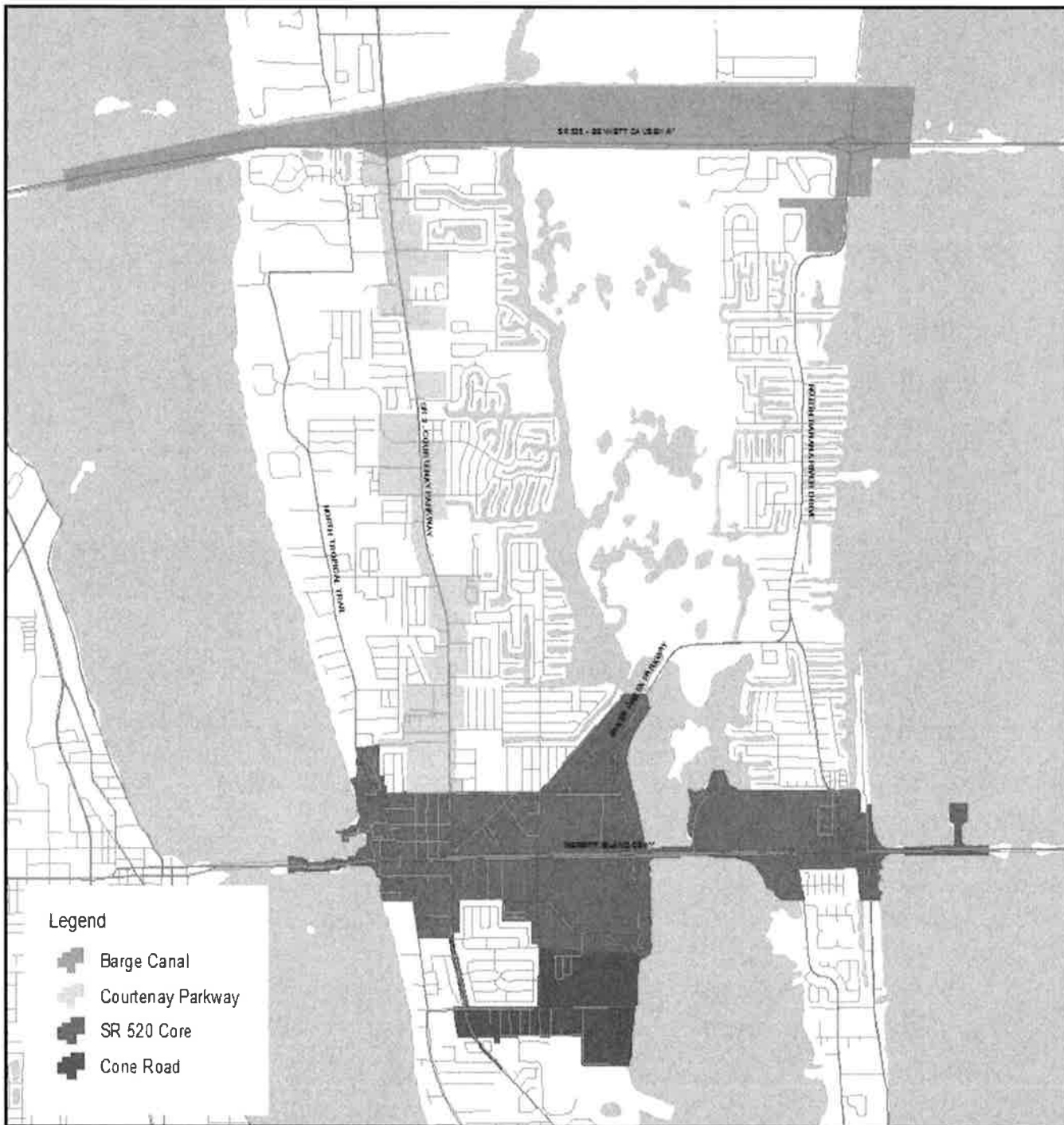
Household Income



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.

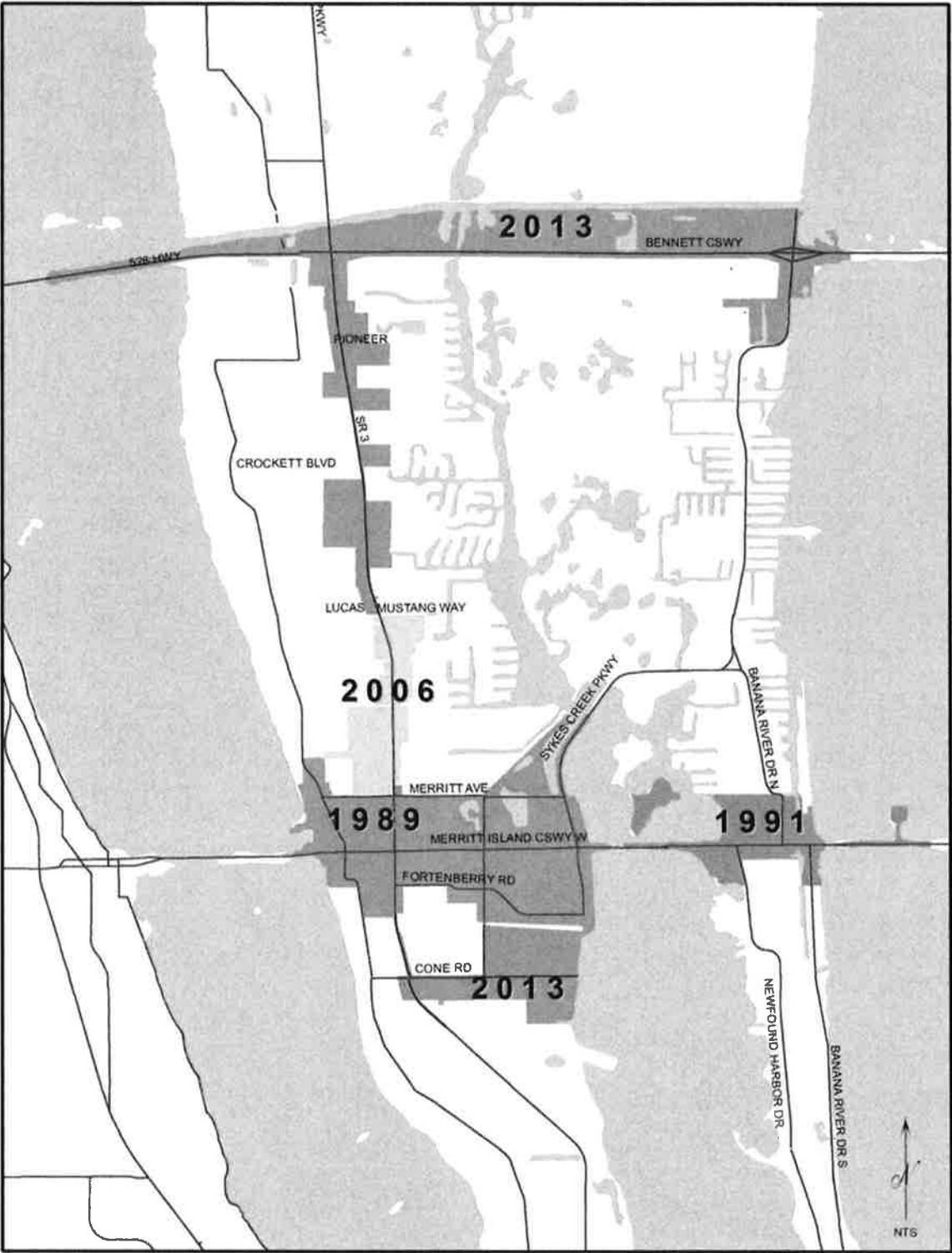
Under Chapter 163, Part III, Florida Statutes, known as the Community Redevelopment Act of 1969, local governments are given specific tools to prevent, eliminate, reverse, or arrest conditions in their jurisdictions which are detrimental to the sustainability of economically and socially vibrant communities. 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

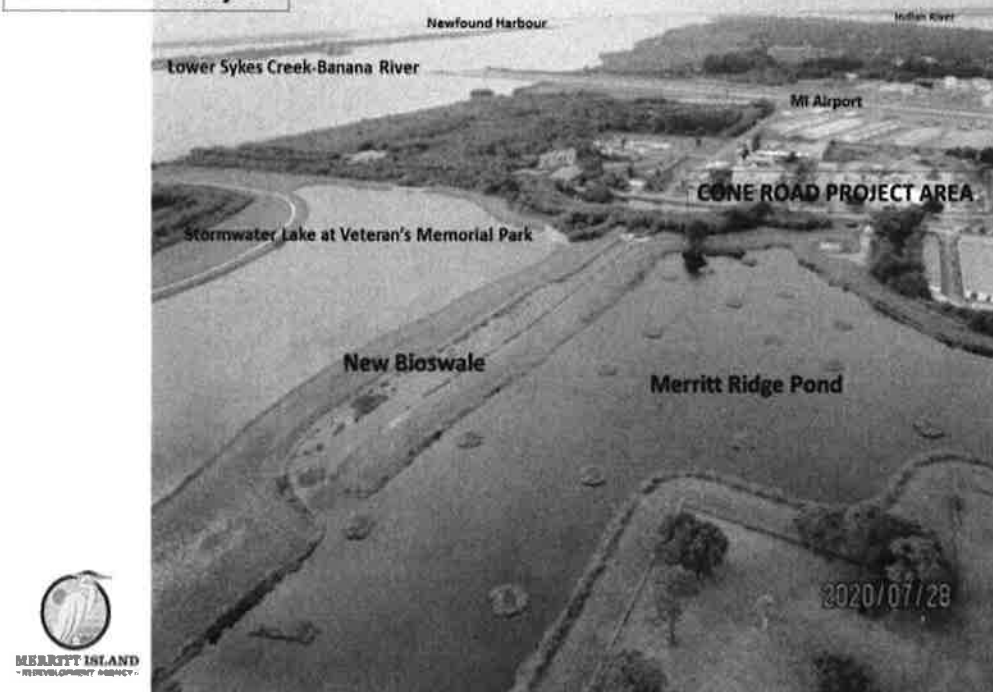
A. *Capital Improvement Projects*

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

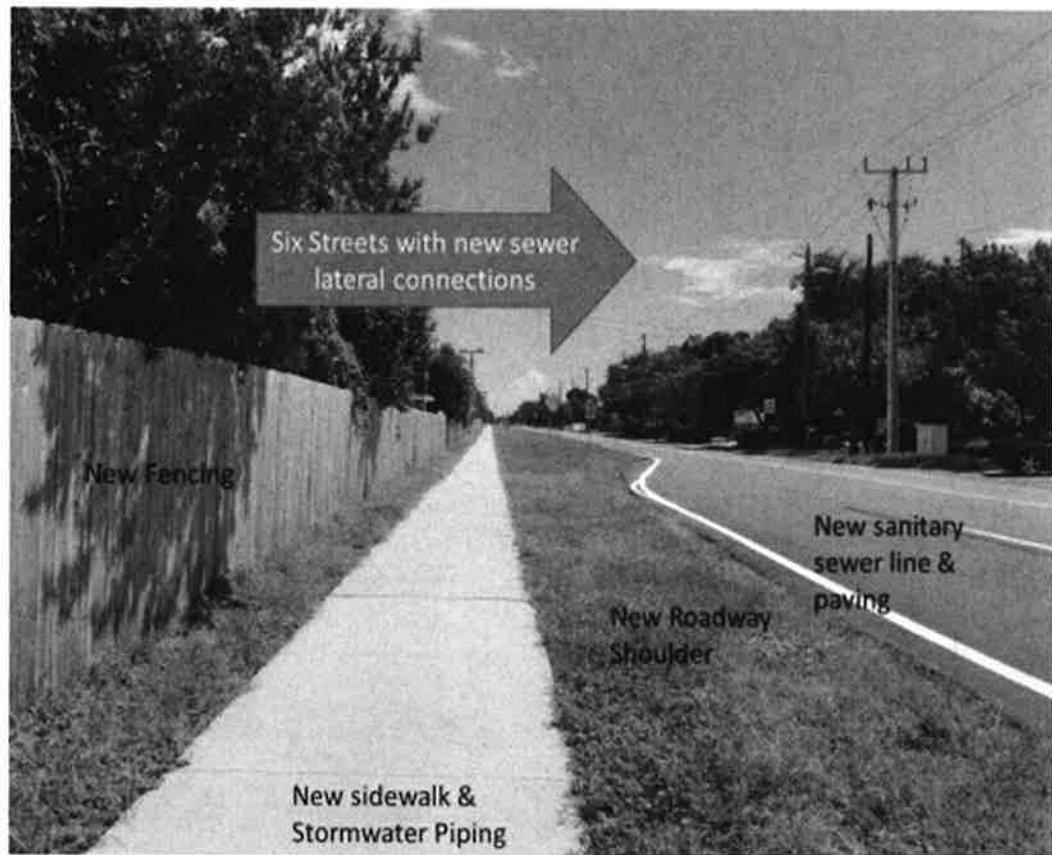
- Natural Resources
- County Finance
- County Utilities
- Building Department
- Florida Department of Environmental Health



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 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. 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.



- 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.

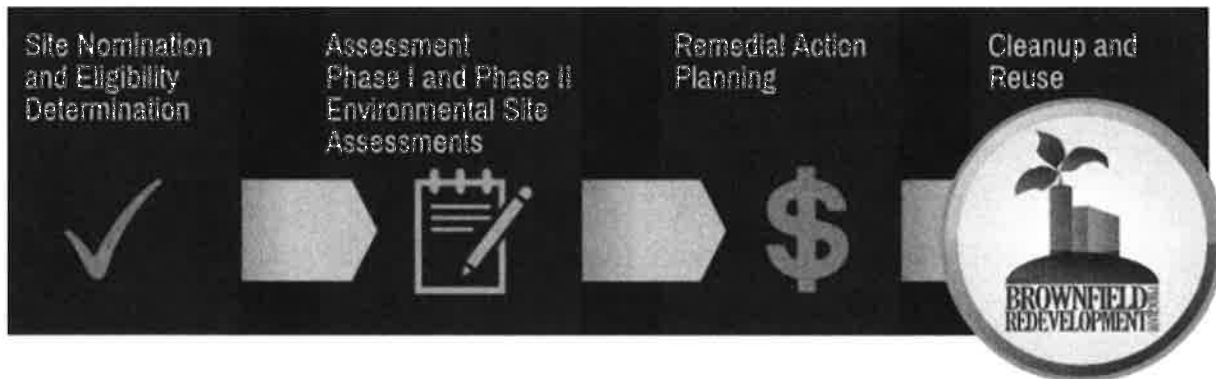
BROWNFIELDS BRIEFING WEBINAR

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.

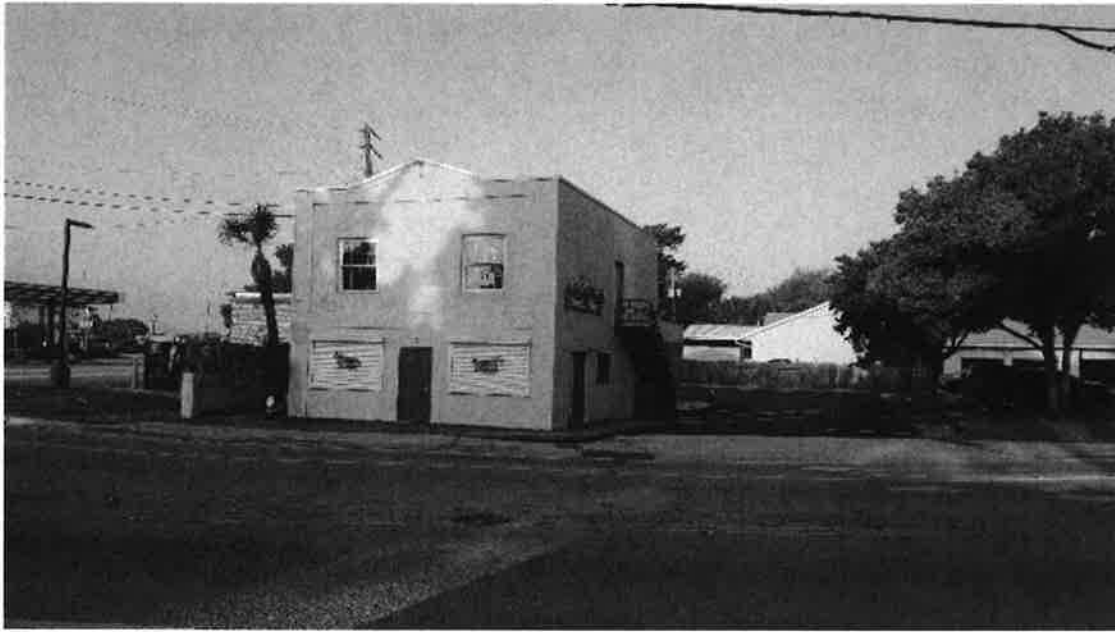
The Merritt Island Redevelopment Agency retains a seven-member volunteer *Beautification Committee* composed of Merritt Island residents and/or Merritt Island business owners. The Committee's purpose is to serve as a recommending body to the MIRA Board for beautification projects within the MIRA District. 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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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 Ampitheatre Project** in Veterans Memorial Park. The Ampitheatre 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.

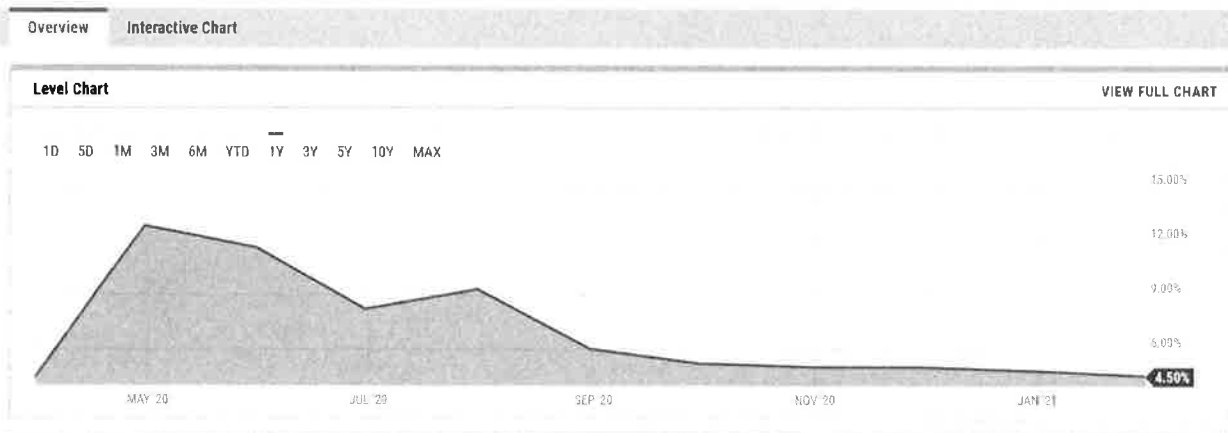
Funded by the Jim Moran Institute for Global Entrepreneurship in the College of Business, the survey asked participants to provide feedback on employee layoffs, government loan programs, operating capacity and stress levels, among other factors, to measure how businesses have changed daily operations 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 succesful 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 BI'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 Commercial 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
TABLE OF CONTENTS

	Page
REPORT OF INDEPENDENT AUDITOR	1 - 2
Management's Discussion and Analysis.....	3 - 5
BASIC FINANCIAL STATEMENTS	
Government Activities Financial Statements	
Statement of Net Position.....	6
Statement of Activities.....	7
General Fund Financial Statements Balance Sheet – General Fund	
Reconciliation of the Balance Sheet to the Statement of Net Position.....	8
Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund	
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the General Fund to the Statement of Activities.....	9
Notes to the Basic Financial Statements.....	10 - 13
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – General Fund.....	14
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 <i>Government Auditing Standards</i>	15 - 16
Independent Auditor's Management Letter.....	17 - 18
Report of Independent Accountant on Compliance With Local Government Investment Policies and Community Redevelopment Agency Requirements.....	19

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, appearing to read "Cheryl Behr", followed by a stylized flourish or set of initials.

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	81,550
Total assets	\$ 4,472,949

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	165,702
Total noncurrent liabilities	183,705
Total liabilities	\$ 416,179

NET POSITION

Restricted for:	
Merritt Island	\$ 4,056,770
Total net position	\$ 4,056,770

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	<u>115,757</u>
Total general revenues	<u>\$ 1,993,090</u>
Program expenses	<u>\$ 986,504</u>
Change in net position	\$ 1,006,586
Net position - beginning of the year	<u>3,050,184</u>
Net position - end of the year	<u><u>\$ 4,056,770</u></u>

See notes to the financial statements.

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

See notes to the financial statements.

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 that reads "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, appearing to read "Cheryl Behrman" 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 unit 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 signature is written in a cursive, flowing style.

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

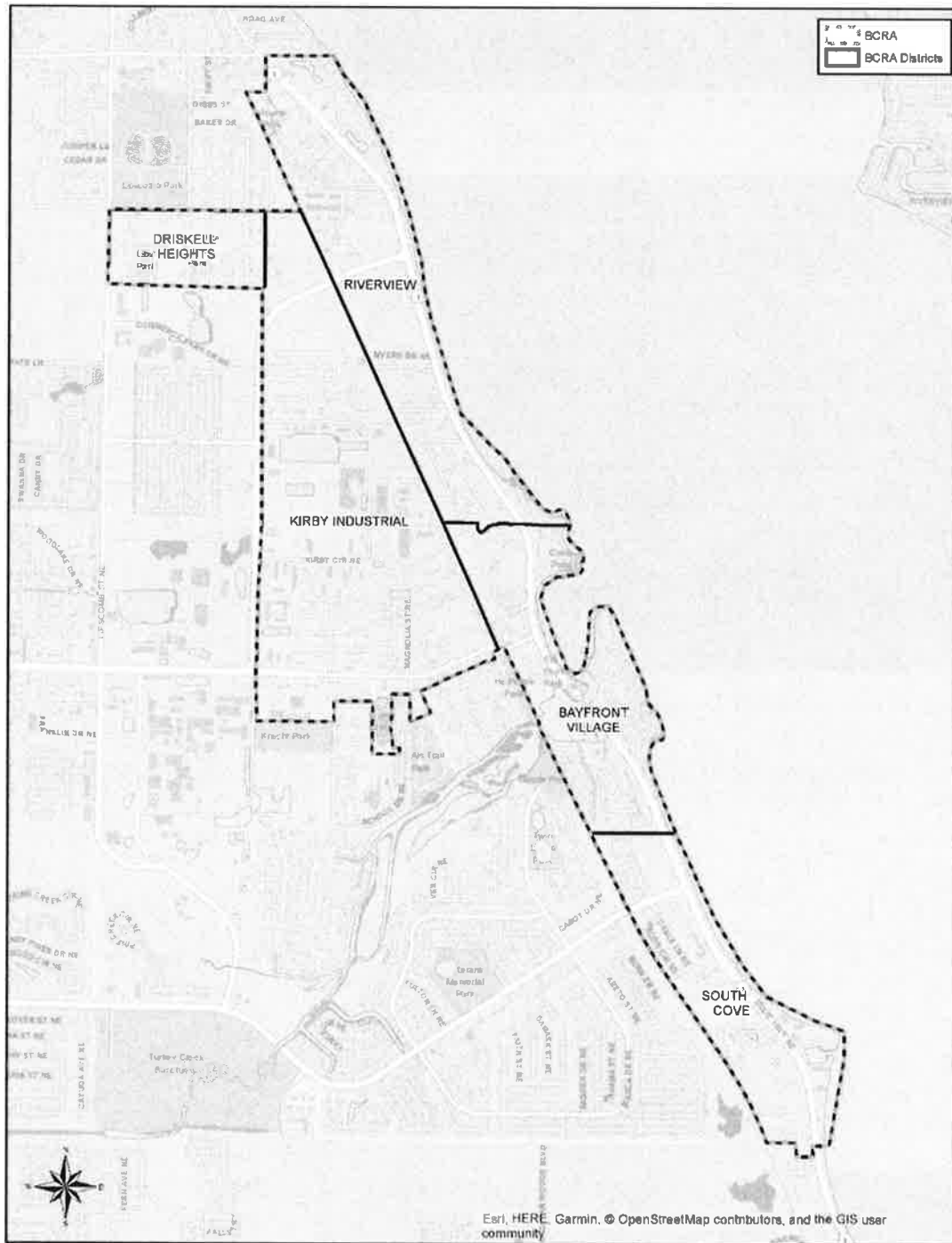
Aaron Parr, Commissioner At-Large

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)

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

EXPENDITURES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
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)
Total Expenditures	1,317,575	781,284	536,291
Excess (Deficiency) of Revenues Over (Under) Expenditures	92,795	633,889	541,094

OTHER FINANCING SOURCES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
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)	-
Net Change in Fund Balance	\$ (472,714)	\$ 68,380	\$ 541,094
Fund Balance - Beginning	No amount in cell -	836,710	No amount in cell -
Fund Balance - Ending	No amount in cell -	\$ 905,090	No amount in cell -

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
Total Assets	\$ 29,574,308	\$ 905,090	\$ -	\$ 41,354,961	\$ 29,213,801	\$ 101,048,160

LIABILITIES AND FUND BALANCES		Bayfront					Total	
Liabilities:	General	Community Redevelopment Agency Fund	BCRA Construction Fund	GO Road Program Fund	Nonmajor Governmental Funds	Governmental Funds		
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		
Total Liabilities	\$ 3,720,127	\$ 3,727	\$ -	\$ 2,633	\$ 5,103,290	\$ 8,829,777		

LIABILITIES AND FUND BALANCES		Bayfront					Total	
Fund Balances:	General	Community Redevelopment Agency Fund	BCRA Construction Fund	GO Road Program Fund	Nonmajor Governmental Funds	Governmental Funds		
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		
Total Fund Balances	\$ 25,057,498	\$ 905,090	\$ -	\$ 29,010,100	\$ 24,175,924	\$ 79,148,612		
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 29,574,308	\$ 905,090	\$ -	\$ 41,354,961	\$ 29,213,801	\$ 101,048,160		

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)

REVENUES	General	Bayfront Community Redevelopment Agency Fund	BCRA Construction Fund	GO Road Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
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
Total Revenues	\$ 73,615,317	\$ 1,415,173	\$ -	\$ 597,884	\$ 10,654,070	\$ 86,282,444

EXPENDITURES Current:	General	Bayfront Community Redevelopment Agency Fund	BCRA Construction Fund	GO Road Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
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

EXPENDITURES Current:	Bayfront					Total Governmental Funds
	General	Community Redevelopment Agency Fund	BCRA Construction Fund	GO Road Program Fund	Nonmajor Governmental Funds	
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
Total Expenditures	\$ 64,304,023	\$ 781,284	\$ -	\$ 2,334	\$ 17,613,762	\$ 82,701,403
Excess (Deficiency) of Revenues Over Expenditures	9,311,294	633,889	-	595,550	(6,959,692)	3,581,041

OTHER FINANCING SOURCES (USES)	Bayfront					Total Governmental Funds
	General	Community Redevelopment Agency Fund	BCRA Construction Fund	GO Road Program Fund	Nonmajor Governmental Funds	
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)
Total Other Financing Sources and Uses	(3,852,370)	(565,509)	-	-	(45,083,729)	(49,501,608)
Net Change in Fund Balances	5,458,924	68,380	-	595,550	(52,043,421)	(45,920,567)
Fund Balances - Beginning	19,098,786	836,710	-	-	23,773,777	44,683,303
Fund Balances - Ending	\$ 24,557,710	\$ 905,090	\$ -	\$ 595,550	\$ (28,269,644)	\$ (1,237,564)

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)

Governmental Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
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
Total Governmental Activities			\$ 16,243,000		

Business-type Activities	Purpose of Issue	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
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		

Rockledge
Community Redevelopment Agency
2020 Annual Report



Community Redevelopment Agency
City Hall – 1600 Huntington Lane
Rockledge, FL 32955
Phone: 321-221-7540

Fiscal Year 2019-2020
Published March 29, 2021

Table of Contents

I. Introduction, Mission and Overview	3
II. Board Members and Staff	4
III. CRA Boundary Lines	6
IV. History	7
V. Projects Overview	8
VI. Financial Reports	11
VII. Performance information	13
VIII. Additional Annual Reporting Requirements	14

I. Introduction, Mission and Overview

Introduction -- Required Annual Report

Chapter 163.371(3) of the Florida Statutes, requires that community redevelopment agencies file an annual report of their financial activities with the taxing authorities by March 31st of each year for the preceding fiscal year. The details in this report comply with Brevard County and the State of Florida requirements for annual reporting on the Community Redevelopment Agency.

Mission

The mission of the Rockledge Community Redevelopment Agency is to

- Foster revitalization of the specifically identified sub-districts through public investments in order to improve infrastructure and aesthetics, resulting in an inviting area in which the private sector will want to more actively invest.
- Create a wide variety of opportunities to generate interest in and return people to the City of Rockledge to live, shop and work.
- Pursue economic development opportunities, while also serving as a liaison and advocate for the existing business community.

Overview

The Rockledge Community Redevelopment Agency was originally established on January 23, 2002. The Community Redevelopment Agency is divided into four sub-districts. Sub-District I is the Florida Avenue sub-district that encompasses the commercial areas along Florida Avenue from the northern city limits south to Orange Avenue. Sub-District II is the Barton Blvd district. Barton Boulevard serves as an important connector route, linking the residential areas surrounding Fiske Blvd with the residential communities along the riverfront and offering passage through the commercial core of Barton Blvd. Sub-District III is the Rockledge Blvd (US 1) district, which starts just south of Eyster Blvd and goes south on US 1 to Barnes Blvd. Sub-District IV is the Barnes Blvd district which starts just east of Fiske Blvd and goes all the way to US 1.

Per the 2018 inter-local agreement between the City and County, the CRA will sunset on September 30, 2026.

b. Transmittal Letter



March 29, 2021

VIA CERTIFIED AND REGISTERED MAIL

Sherrill F. Noman, CPA
Florida Auditor General
111 West Madison St
Claude Pepper Building, Suite G74
Tallahassee, FL 32399-1450

RE: Rockledge Community Redevelopment Agency Annual Financial Report

Ms. Norman:

In accordance with Florida Law (Chapter 163, Part III) you will find attached the submittal of the Rockledge Community Redevelopment Agency's annual report for fiscal year 2019-2020. The Community Redevelopment Annual Report was filed with the City of Rockledge on March 29, 2021. If you have any questions in regards to this submittal, please feel free to contact me.

Sincerely,

Your Name
John Cooper
Planning Director
jcooper@cityofrockledge.org

CC: Florida Department of Financial Services
Florida Department of Economic Opportunity
Brevard County Property Appraiser
Rockledge Community Redevelopment Agency
Rockledge City Council
Brevard County Board of Commissioners
Brevard County Manager

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WWW.CHOOSEROCKLEDGE.COM

4 | Page

Rockledge Community Redevelopment Agency
1600 Huntington Lane
Rockledge, Florida 32955
321-221-7540

II. Board Members and Staff

The Rockledge Community Redevelopment Agency Board of Commissioners is comprised of several members in the community. As of the end of the 2019-2020 fiscal year (September 30, 2020) below is the team who believes in the future vision of the CRA and moving it closer to that goal.

Ed Inman	Chairman
Steve Lum	Vice Chair
Lynne Roll	Commissioner
Darby Miller	Commissioner
Frederick Sanders	Commissioner
Bill Ellis	Commissioner
Janet Monaco	Commissioner
Dr. Brenda Fettrow	City Manager (Registered Agent)
Joseph Miniclier	Agency Attorney
Matthew Trine	Finance Director/Asst City Manager
John W. Cooper	Planning Director
William Haveman	CRA Coordinator
Jennifer LeVasseur	Recording Secretary

III. CRA Boundary Lines



City of Rockledge CRA Boundary

Date Created: 9.17.20

IV. History

- A. The CRA was created on January 23, 2002
- B. The plan was amended on December 5, 2012
- C. Applicable Resolution(s) and Ordinances:
 - i. Resolution 2002- 481
 - ii. Resolution 2012-721

V. Projects Overview

Since the inception of the Rockledge Community Redevelopment Agency in 2002, there have been many significant projects that have made an impact and exemplified the objective of redevelopment.

Critical roadway improvements, infrastructure, transformative and reuse endeavors have been of significant importance and have served as a channel for growth as well as renewed interest from the private-sector in retail and commercial investment in the City of Rockledge and the Community Redevelopment District.

- Signage: U.S. 1 Gateway and Barton Boulevard Business District
- Public-Private Partnerships such as the creation of outparcels at Three Meadows Plaza
- Barton Boulevard Streetscape Project – recognized in 2009 with Florida Redevelopment Association's "Best Capital Project Beautification" award
- Phases I through V drainage improvements with the Cocoa-Rockledge Land Company
- Acquisition of Barton Boulevard properties for future mixed-use development
- Adaptive reuse project transforming the former police station into an office complex and reading room and book repository
- Barnes Boulevard widening and future roadway enhancements
- Florida Avenue Improvement Project – Phase 1 – Roadway milling, resurfacing, striping, and reflective pavement markers
- Civic Hub completion
- Completion of a Market Study of the Barton Boulevard and Florida Avenue sub districts

The State of Florida, in its 2019 legislation, required that Community Redevelopment Agencies report on the total number of projects started and completed and the estimated cost for each project.

Total Projects in FY 19/20		
	Façade Improvement Grants	
Completed	11	\$55,862.99
Started	8	\$46,961.37
	CRA Market Study	
Completed		\$42,089.00

Outside of projects principally funded and managed by the Rockledge CRA, the CRA also administers a Façade Improvement Grant program, which has been extremely successful in improving the aesthetics of properties located within the CRA. Since it was started in 2004, the Façade Improvement Grant program has issued 115 grants and paid out nearly \$830,000 in grant award money, which represents approximately 2.7 million dollars invested by business owners located throughout the CRA. In FY 2020, eleven façade improvement grants were awarded, which includes six projects that carried over from FY 2019 and five projects that were approved and completed in FY 2020. Another two projects were approved in FY 2020 but were not complete before the end of the fiscal year.

In FY 2020, the range of Façade Improvement Grant projects included new signage, new entranceways, new hurricane shutters, exterior painting, and landscape improvements. One of the biggest aesthetic improvements was the new sign installed by Rockledge Gardens. The new sign represented an investment of nearly \$25,000 by Rockledge Gardens and its vibrant, updated design is a great addition to the US Highway 1 corridor.



Original Rockledge Garden Sign



New Rockledge Garden Sign

Another extensive Façade Improvement Grant project was completed by Stevens' Rentals, which has been operating in the same location in Rockledge for over 50 years. The new owner, Stacy, took over the business from her parents, Harold and Dawn Stevens, this past year and invested over \$87,000 worth of aesthetic improvements to the property in their honor. The new exterior paint, safety bollards, pavement resurfacing and signage has given the entire site a fresh, new look.



Original condition of Stevens' Rentals



Stevens' Rentals after aesthetic improvements

And, yet another project that made a considerable aesthetic improvement, and which was partially funded by the Façade Improvement Grant program, was the installation of a standing-seam metal roof by Tommy Blair's Quality Collision Repair. Their new red metal roof represented a \$50,000 investment by the business owners and it is a bright, bold addition to the CRA district.



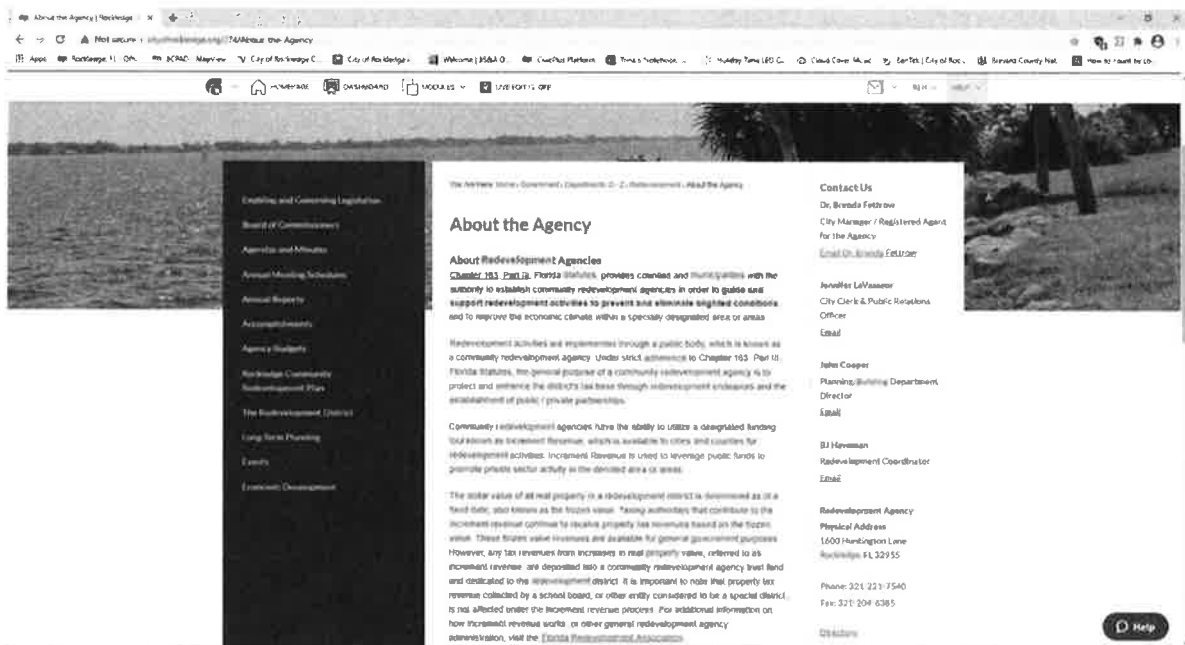
Original roof at Tommy Blair's



New metal roof at Tommy Blair's

Website

Screen Shot of the [CRA webpage](http://www.rockledgecra.org)



VI. Financial Reports

A. Balance Sheet (Full Accrual)

FY 2019-2020 Assets:

Cash	\$1,684,569
Redevelopment Escrow	\$1,366,299
Prepaid Items	<u>\$5,583</u>
Total Assets	\$3,056,451

FY 2019-2020 Liabilities:

Accounts Payable	\$8,843
Other Current Liabilities	\$1,757
City Loan Debt Service – Long Term	\$250,000
City Loan Debt Service – Current	<u>\$250,000</u>
Total Liabilities	\$510,600

B. Statement of Revenues, Expenditures & Changes in Fund Balances (Modified Accrual)

FY 2019-2020 Revenues:

Increment Financing (County)	\$895,847
Misc. income	\$6,140
Increment Financing (City)	\$1,218,215
Interest	<u>\$6,325</u>
Total Revenue	\$2,126,527

FY 2019-2020 Expenditures:

Personnel costs	\$42,334
Debt Service	\$262,033
Operating Expenditures	\$66,970
Capital Projects & Grants	\$59,106
Legal	<u>\$15,900</u>
Total Expenditures	\$446,343

FY 2019-2020 Changes in Fund Balance

Fund Balance – Beginning of the Year	\$1,365,667
Net Activity FY 2019-2020	<u>\$1,680,184</u>
Fund Balance	\$3,045,851
Less long term debt	<u>(\$500,000)</u>
Net Position	\$2,545,851

C. Summary of Projects, Grants and Debt

The Community Redevelopment Agency engages in a variety of different activities to improve the district. The outbreak of COVID-19 over this past fiscal year severely limited the ability to hold public events and engage in any large scale redevelopment projects. Instead, the Agency used this time to complete a Market Study on two sub districts of the CRA district, and plans to implement the findings of that study in the coming years. Furthermore, despite the COVID-19 outbreak, numerous businesses still took advantage of the façade improvement program with eleven grants awarded during the fiscal year, five which carried over from the previous fiscal year and six which were started and completed in the 2019-2020 fiscal year. Two façade improvement grants were approved during the 2019-2020 fiscal year but were still in progress when the fiscal year ended. Each year the accrued debt by the Agency is lessened, when the CRA sunsets in September of 2026 there will be zero debt associated with Agency.

D. Complete Audit Report

Completion of a complete audit report of the redevelopment trust fund, as required in Florida Statute 163.387(8), for fiscal year 2019-2020 is still pending as of the published date of this report. The complete audit report will be published on the agency website within 45 days after completion in accordance with Florida Statute 163.371(2)(a).

VII. Performance information

A. Total projects started, completed and estimate cost for each project:

Carryover or New Projects	Façade Improvement Grants	
Carryover projects from FY 18-19	5	\$28,901.62
New projects in FY 19-20	8	\$46,961.37
Completed or Ongoing Projects		
Projects completed in FY 19-20	11	\$55,862.99
Projects still ongoing at end of FY 19-20	2	\$20,000.00
CRA Market Study		
Completed		\$42,089.00

- B. Number of Jobs created and sector of the economy from which these jobs were created within the CRA: *Although the Agency had one market study project, this was completed through a contractor who hired a variety of subcontractors to complete the study. The number of direct jobs created is not known at this time and they were temporary through the time of the project.*
- C. Number of Jobs retained within the CRA: *Although the Agency had one market study project through a contractor those jobs were temporary through the time of the project. The City has a list of properties developed or redeveloped in the district since the inception of the Agency.*
- D. Assessed property values when the CRA was enacted vs. current assessed property values:

Taxable Year 2001, Fiscal Year 2002

County \$145,259,660

City \$145,259,660

Taxable Year 2019, Fiscal Year 2020

County \$355,477,985

City \$355,477,985

- E. Total amount expended for affordable housing: *This is not a category eligible for Community Redevelopment Tax Increment Financing.*

VIII. Additional Annual Reporting Requirements

- A. Provide the Board of County Commissioner's the Community Redevelopment Agency's proposed budget for the upcoming fiscal year, 60 days prior to the beginning of the fiscal year: *The Community Redevelopment Agency prepares its budget in the spring and thus is compliant with the County's 60 day requirement prior to September 30, 2020.*
- B. Provide the Board of County Commissioner's any budget amendments to its operating budget within 10 days after the adoption by the Community Redevelopment Agency: *The Community Redevelopment Agency has had one budget amendment in FY 2019-2020 and complied with submitting this to the County Manager's office.*

City of Satellite Beach

Community Redevelopment Agency

Annual Report

FY 2019/2020



Pelican Beach Park

TABLE OF CONTENTS

- I. INTRODUCTION, MISSION AND OVERVIEW:**
- II. BOARD MEMBERS AND STAFF**
- III. BOUNDARY LINES:**
- IV. HISTORY**
 - a. Creation Date
 - b. Plan Amendments
 - c. Applicable Resolutions(s) and Ordinances
- V. PROJECTS OVERVIEW**
- VI. FINANCIAL REPORTS**
 - a. Balance Sheet
 - b. Statement of Revenues, Expenditures & Changes in Fund Balances
 - c. Summary of Projects, Grants and Debt
- VII. PERFORMANCE INFORMATION**
 - a. Total projects started, completed and estimated cost for each project
 - b. Number of jobs created and sector of the economy from which these jobs were created within the CRA
 - c. Number of jobs retained within the CRA
 - d. Assessed property values when CRA was enacted vs. current assessed property values
 - e. Total amount expended for affordable housing
- VIII. ADDITIONAL ANNUAL REPORTING REQUIREMENTS**
 - a. Provide the Board of County Commissioners with the CRA's proposed budget for the upcoming fiscal year, 60 days prior to the beginning of the fiscal year
 - b. Provide the Board of County Commissioners any budget amendments to its operating budget within 10 days after the adoption by the CRA.

I. COMMUNITY REDEVELOPMENT AGENCY INTRODUCTION

In partnership with Brevard County, the City of Satellite Beach created the CRA in 2002 to address aging conditions and outdated lot and access patterns along the City's commercial corridors. Since then, the CRA has completed the following in the Redevelopment District: beach access, park, and roadway projects; façade grant improvements; community policing initiatives; and land acquisition. The Community Redevelopment Plan was most recently amended September 20, 2017 by Ordinance No. 1142 to complete all remaining CRA projects by FY 2018/2019.

II. BOARD MEMBERS AND STAFF

CRA Members

Frank Catino, Chairman

Dominick Montanaro, Vice Chair

Mark Brimer

Mindy Gibson

Jodi Rozycki

CRA Staff

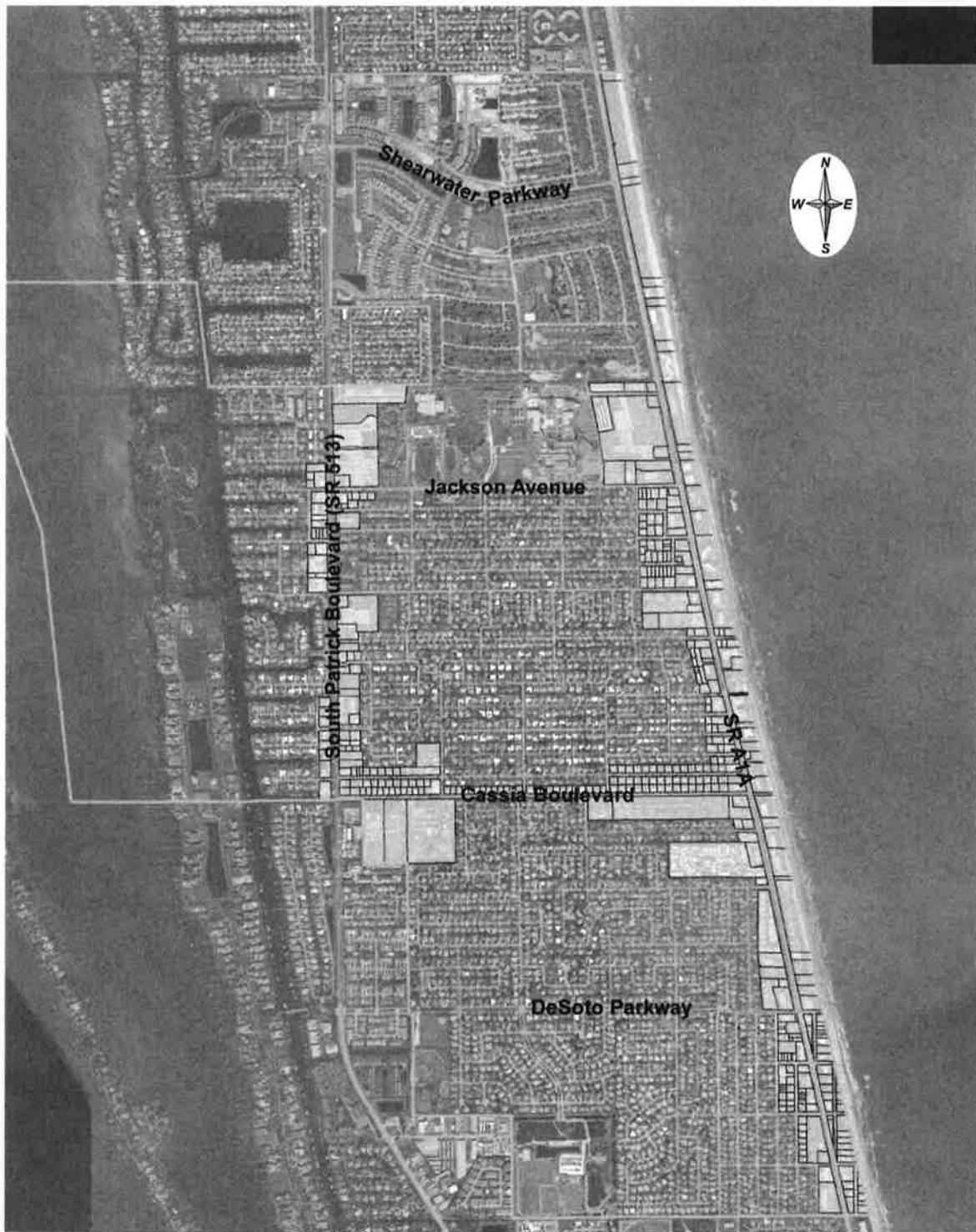
Courtney H. Barker, AICP, Executive Director

Clifford Shepard, P.A, General Counsel

Brittany Jumper, Support Services Director

Gwendolyn Peirce, City Clerk

III. CRA BOUNDARY LINES (yellow)



Satellite Beach Community Redevelopment District

IV. HISTORY

- a. Creation Date: June 26, 2002 Ordinance No. 836

The Brevard County Commission adopted Resolution 02-136 on May 21, 2002 delegating to the City of Satellite Beach the authority to create and operate a Community Redevelopment Agency (CRA) pursuant to Florida Statute 163.410

- b. Plan Amendments Dates: 9/17/14 Ord 1097, 2/17/16 Ord 1115, 9/20/17 Ord 1142

- c. Applicable Resolution(s) and Ordinances

1. Brevard County Resolution 02-137 – Conveying Authority
2. SB Resolution 755 – Recognizing Blight Condition Area
3. SB Ord. No. 836 – Sat Bch CRA established
4. SB Ord. No. 837 – Creating CRA Trust Fund, TIF revenue provisions
5. SB Ord. No. 849 – Creating CRA Advisory Board

V. PROJECTS OVERVIEW FY 2019/2020

The following projects were undertaken in FY 2016/2017, and are not yet completed as of FY 2019/2020.

- **Civic Center Renovations:** The Civic Center is a meeting place for numerous local community-based groups and functions to include the 55+ Club, renovations will include ADA accessible bathrooms and interior finishes to update the 1960 area meeting spaces. Preliminary engineering and concepts began in FY 2016/2017 with substantial completion of phase 1 in FY2017/2018. Phase II bid was awarded in FY 2019/2020 and is anticipated for completion by the end of FY 2020/2021

VI. FINANCIAL REPORTS:

Financial Statements and Balance Sheet (unaudited)

FY 2019/2020 CRA Financial Statement			
City of Satellite Beach Community Redevelopment Agency			
Balance Sheet			
Assets			
	Cash and Equivalents	\$	1,687,213
	Investments	\$	119,485
	Prepaid Expenses	\$	-
	Total Assets	\$	1,806,698
Liabilities			
	Accounts Payable	\$	50,469
	Due to Other Funds	\$	1,211,590
	Due to Other Governments	\$	544,640
	Total Liabilities	\$	1,806,698
Reserves/Balances			
	Fund Balance - Reserves	\$	544,035
	Change in Fund Balance	\$	(544,035)
	Total Reserves/Balance	\$	(0)
	Total Liabilities & Reserves	\$	1,806,698

[continued on next page]

Income Statement			
	Original Budget	Final Budget	Actual
Revenues			
Taxes (County Portion)	\$ 652,762	\$ 631,917	\$ 631,917
Interest	\$ 5,000	\$ 7,412	\$ 7,412
Other Miscellaneous Revenues			
Designated Fund Balance	\$ -	\$ 544,035	\$ -
Transfer From General Fund (TIF)	\$ 1,474,670	\$ 1,474,670	\$ 1,474,670
Total Revenues	\$ 2,132,432	\$ 2,658,034	\$ 2,113,999
Expenditures			
Operating Expenses:			
Banking Fees	\$ -	\$ 41	\$ 41
Operating Expenses	\$ -	\$ 1,656	\$ 1,656
Tuition, Membership, & Publication	\$ -	\$ 1,045	\$ 1,045
Total:	\$ -	\$ 2,742	\$ 2,742
Non-Operating Expenses:			
Brevard Co. Excess TIF Refund	\$ 578,779	\$ 544,337	\$ 544,338
Transfer to General Fund - Excess	\$ 1,074,876	\$ 1,211,590	\$ 1,211,590
Total:	\$ 1,653,655	\$ 1,755,927	\$ 1,755,927
Debt Services:			
CRA Line of Credit - Principal	\$ 340,800	\$ 355,600	\$ 355,600
CRA Line of Credit - Interest	\$ 137,977	\$ 119,379	\$ 119,379
Total:	\$ 478,777	\$ 474,979	\$ 474,979
Capital Outlay:			
Masters A1A Streetscape	\$ -	\$ (14,960)	\$ (14,960)
Civic Center Renovations	\$ -	\$ 439,345	\$ 439,345
Total:	\$ -	\$ 424,385	\$ 424,385
Total Expenditures:	\$ 2,132,432	\$ 2,658,034	\$ 2,658,034
Net Effect for Fund Type Special Revenue	\$ -	\$ -	\$ (544,035)

VI. FINANCIAL REPORTS CON'T

c. Summary of Projects, Grants and Debt

Summary of Projects

Civic Center Renovations

Grants

None

Debt

CRA Line of Credit with Bank of America

VII. PERFORMANCE INFORMATION

- a. Total projects started, completed and estimate cost for each project
 - The Civic Center Project Phase 1 was started in Fiscal Year 2017 and was 95% completed in Fiscal Year 2018 with one payment made in Fiscal Year 2019 to complete Phase 1. Phase 1 was completed; Phase 2 began in Fiscal Year 2020, the majority of the work has been completed, and anticipated early spring 2021 to be completed.
- b. Number of jobs created and sector of the economy from which these jobs were created within the CRA
 - No created jobs were reported to the CRA.
- c. Number of jobs retained within the CRA
 - No retained jobs were reported to the CRA.
- d. Assessed property values when CRA was enacted vs. current assessed property values
 - Based on the Certified Tax Taxable Value DR-420TIF, the base year taxable value for 2001 was \$124,686,190. The taxable value for 2019 was \$298,834,094.
- e. Total amount expended for affordable housing
 - No funds were expended for affordable housing.

City of Titusville

Community Redevelopment Agency



Annual Report FY 2019 - 2020

Prepared by
City of Titusville
Community Development
& Finance Departments

Downtown Community Redevelopment Agency

CRA Board Members:

Dan Diesel, Chairperson
Jo Lynn Nelson, Vice Chairperson
Greg Aker
Jim Ball
Robert Jordan
Joe Robinson
Sarah Stoeckel

CRA Staff:

Scott Larese, Executive Director, Community Redevelopment Agency
Richard Broome, City Attorney
Kevin Cook, P.E., Public Works Director
Bridgette Clements, Finance Director
Jenna Ryan, Finance Manager
Wanda Wells, City Clerk
Peggy Busacca, Community Development Department Director
Tim Ford, Redevelopment Planner

Introduction

The City of Titusville's Community Redevelopment Agency (CRA) was created by the State of Florida in 1982, and the Community Redevelopment Plan was adopted in 1984. Since its creation, the Titusville Community Redevelopment Agency has played an integral role in the revitalization of the Downtown area and the surrounding community. The Downtown area has faced many challenges similar to those in other areas of Florida and the nation. The vision of Titusville's Downtown was established by residents who attended workshops in the 1980's, 1990's and 2000's and determined a set of goals and priorities that have evolved over the years. The original vision of the Redevelopment Plan still stands as a foundation for redevelopment in the Downtown and surrounding neighborhoods.

In an effort to provide residents and visitors with a memorable experience, the City envisions the addition of new mixed-use buildings on infill lots, new open space amenities, enhanced streetscape conditions, new public facilities, and low impact development (LID) techniques for storm water. Development standards will be aimed at increasing the area's capacity to accommodate new growth while preserving the historic character of the community. By combining these features with a smarter approach to growth, the City will realize a downtown that will attract sustainable growth and create a unique sense of place in which all residents can be proud.

The Downtown CRA encompasses approximately 300 (299.42) acres of land on the eastern edge of the City and is over a mile and half from its northernmost area at the municipal waterfront park and marina complex, to its southern terminus at Grace Street. The CRA includes the Historic Downtown, or core area and a number of small neighborhoods. The CRA is bounded by the Indian River waterfront on the east and north and by the Florida East Coast Railroad tracks on the west. The CRA parallels the Indian River and includes over 1.9 miles of waterfront as shown on the following map.



CRA BOUNDARY

Assessed Real Property Values & Tax Increment Fund Revenue History

The original base year real property value for the Titusville Downtown CRA in 1982 was \$20,495,020. The Titusville Downtown CRA assessed property value in the reporting year of FY 2020 was \$108,231,915, which is an increase of \$6,425,198 in value from the FY 2019 assessed property value.

A history of the Titusville CRA Tax Increment Revenue per year since FY2005–2006 is found in Table-1 below. Prior to FY 2005–2006 the Downtown CRA had a steady but low tax increment since its inception in 1982. Over the past decade, the CRA's tax increment revenue has been more volatile due to the impacts of both new development and economic conditions.

Table 1: Tax Increment Revenues by Year (Audited)

FY 2005-2006	\$286,787
FY 2006-2007	\$589,533
FY 2007-2008	\$922,899
FY 2008-2009	\$876,391
FY 2009-2010	\$792,703
FY 2010-2011	\$724,997
FY 2011-2012	\$655,653
FY 2012-2013	\$631,488
FY 2013-2014	\$699,901
FY 2014-2015	\$712,212
FY 2015-2016	\$766,683
FY 2016-2017	\$793,838
FY 2017-2018	\$867,986
FY 2018-2019	\$919,020
FY 2019-2020	\$946,541

The Tax Increment Financing (TIF) revenues for the Downtown CRA increased substantially in fiscal year 2006 - 2007 due to the completion of the Harbor Pointe condominium complex. The first building was added to the tax rolls in fiscal year 2006-2007. This revenue allowed the CRA to complete projects that were not possible with revenues from the previous years.

The three remaining Harbor Pointe buildings were added to the tax rolls in fiscal year 2007 - 2008. Due to the economic downturn and increased foreclosures, the revenue in fiscal year 2008 - 2009 decreased to \$876,391. The revenue for fiscal year 2009 - 2010 was approximately \$792,703. Revenues for the 2010 - 2011 fiscal year decreased further by almost nine percent (9%) to approximately \$724,997. Continuing the downward trend of property values within much of Florida, audited revenues for fiscal year 2011-2012 decreased eleven percent (11%) to \$655,653. TIF revenues in FY2012-2013 slightly declined, with a decrease of 3.8%. The reduction in revenues between FY2009-2010 and FY2012-2013 resulted in a greater percentage of revenues being dedicated to debt service, thereby limiting redevelopment projects that were being undertaken by the CRA during those years. A 9.8% increase in the TIF revenues occurred in FY2013-2014. FY2014-2015 TIF revenues continued trending positive with an increase of \$12,311 or 1.76%. The tax increment figure for FY 2015 – 2016 showed an increase of \$54,471 or 7.65% from the previous fiscal year. FY 2016-2017 tax increment revenues increased \$27,155 in value or 3.5% from the FY 2015 – 2016 increment. The FY2017-2018 Tax Increment revenues saw an increase of \$74,148 or 8.5%. FY 2018-2019 Tax Increment revenues continued the positive trend with an increase of \$51,034 or 5.8% over the FY 2017-2018 TIF revenues with a total TIF of \$919,020. TIF revenues in FY 2019-2020 increased 3.0 percent or \$27,521 from the previous year.

In 2011, the CRA authorized issuance of a Public Improvement Revenue Note in an amount not to exceed \$2,535,000 to finance roadway and landscaping improvements in conjunction with the FDOT U.S. 1 project. In February 2013, the CRA approved partial repayment of the loan for \$850,000. The repayment funds were the result of lower than anticipated projects costs. The CRA's action produced a total savings of \$1.27 million. The CRA also paid off the Commons Project Bond at a cost of approximately \$95,000. The loan repayments reduced the annual debt service in FY2014-2015 from 34% to 19% of the Annual Revenues, thus providing more opportunities for capital projects in the future. The percentage of annual debt service to annual tax increment values in FY 2016 – 2017 was further reduced to 17% due to a combination of the increase in tax increment values and debt payments. Annual Debt Service in FY2017-2018 was further reduced to 15.7% of the Annual Revenue. Annual Debt Service in FY 2018-2019 again was reduced to 14.66% of the CRA's Annual Revenue. The ratio of debt service to revenue in FY1019-2020 was 14.21%.



Harbor Pointe Condominiums on Indian River Avenue

Fiscal Year 2019-2020 Capital and Non-Capital Projects

The Downtown CRA has continued with existing projects during the 2019 - 2020 fiscal year as well as started new projects as shown below.

Completed Capital Projects and Their Estimated Cost:

- ❖ Commercial Interior Building Renovation, Commercial Beautification, and Permit & Fee Grant Programs (operational – see detailed grant payouts in the narrative below),
- ❖ Street Lamp Post Holiday Decorations (\$8,902),
- ❖ Street Resurfacing – Orange St. west of Hopkins Ave.; Pine St. west of Hopkins Ave.; and Lemon Avenue (\$73,975)
- ❖ Downtown Cameras (\$2,775)
- ❖ Commons Parking Lot Landscaping (\$1,300)
- ❖ Historic Interpretive Sign Replacement (\$1,904)

Capital Projects Started but not Completed in the Fiscal Year and Their Estimated Cost:

- ❖ Sidewalk Infill (budgeted \$50,000)
- ❖ Street Light Improvements (budgeted \$50,000)

More detail about these projects follows.

Commercial Interior Building Renovation, Commercial Beautification, and Permit and Impact Fee Incentive Grant Programs

In FY 2016 – 2017 the CRA created a Commercial Interior Renovation Incentive Grant Program to assist property owners and commercial tenants of older buildings to bring their structures up to current Americans with Disabilities Act (ADA), the Florida Fire Protection Code, and the Florida Building Code standards. The Commercial Interior Building Renovation Incentive Grant Program helps to expand and improve under-used buildings to increase commercial and mixed use intensity, bring buildings up to code, assist small businesses in the CRA to grow and prosper, and to promote job creation in the district. This grant program offers financial assistance in the form of a reimbursable, fifty percent (50%) matching grant up to a maximum of \$50,000 to the property owner or business owner for eligible expenses associated with the renovation and rehab of the following interior elements of commercial and mixed use building space:

- ❖ ADA requirements
- ❖ Florida Fire Protection Code requirements
- ❖ Florida Building Code requirements including:
 - Interior plumbing to meet code
 - Interior electrical system including lighting to meet code
 - HVAC system to meet code

During fiscal year 2017-2018 the CRA expanded its matching Building Grants Incentive Programs by drafting and approving a new Permit & Impact Fee Incentive Grant Program, revising the Commercial Interior Renovation Grant Program and reactivating and revising its Commercial Beautification Grant Program. The Permit & Impact Fee Program provides a maximum \$50,000 matching one to one grant to help offset the cost of permits and impact fees for new construction in the CRA. The Commercial Interior Renovation Grant Program was revised to provide an additional \$50,000 matching one to one grant for interior building renovations that provide residential and nonresidential mixed-use as an incentive for residential units to be added to the CRA and spur housing in the downtown. The Commercial Beautification Grant Program provides a \$40,000 matching one to one grant for façade and exterior improvements to buildings in the CRA to improve the appearance of the CRA/downtown and eliminate blight. The Grant Programs were further revised to provide payment of seventy-five (75%) of the grant award at project completion and the remaining twenty-five (25%) of the grant award with occupancy of the building at one (1) year after completion of the improvements as an incentive for building owners to have their buildings occupied and not sit empty. The expanded grant program became operational in FY 2019.

Two (2) Commercial Beautification (Façade) grants were awarded in FY2020. The total amount of awarded for the two (2) grants was \$63,358. One of the grants involved a roof replacement to a contributing structure to the Historic Commercial District, while the other grant involved arcade ceiling and building wall lighting, sidewalk trench drainage work, signage, step and railing work to an entryway, historic clock restoration work, historic awning replacement, and exterior building paint to a National Register Historic building in the downtown.

Five (5) grant payouts were made during the fiscal year. The grant payments were for three (3) Commercial Beautification grants and two (2) Commercial Interior grants. The total payout for the grants during the fiscal year was \$55,646.72.

Since these are fifty (50%) matching reimbursable grants with a maximum cap, the grant program leverages more than double the grant amount of investment in the CRA. A CRA Grant Return on Investment History Report completed in FY 2019 found that for completed grant projects and for grant projects under construction the return on investment was \$14.71 for every \$1 of CRA grant money awarded. Considering only completed grant projects since 2008, the ROI was \$3.14 for \$1 of CRA grant money. The reason for the large difference between completed project and both completed and under

construction is that there are two (2) major construction projects presently taking place in the CRA, the Launch Now project with an estimated cost of \$5 million of construction and the Beachwave project with an estimated cost of \$3 million. Both of these major construction projects are proposed to be completed in FY2021.

The return on investment study shows how the grant program is helping to prevent deterioration of older historic properties in the CRA; stimulate interest and investment in the District; encourage the development of business and job growth; and encourage the utilization of existing business stock and new construction in the CRA.

Street Lamp Post Holiday Decorations

In FY2019 the Downtown Merchants Association encouraged merchants to decorate their businesses with lights and ornaments, and contracted to have holiday music played from a sound system in the Downtown Historic District. In order to expand and improve holiday decorations outside of the Downtown Historic District for the 2020 holiday season, the CRA purchased 3,750 feet of white L.E.D. rope light to replace the mini-lights on every pedestrian lamp post on S. Washington Avenue and S. Hopkins Avenue to match the brighter rope lights used in the Historic Commercial District; four (4) 40-inch L.E.D. lighted holiday pole wreaths to be placed at the intersections of US Route 1 with Garden Street at the north and South Street at the south; eight (8) 24 inch red holiday bows to be placed on the pedestrian light poles so that every light pole has a bow; and sixty-six (66) holiday themed banners to be added to existing holiday banners so that at least half of the pedestrian light poles have a holiday themed banner on them. The total cost of these items was \$8,902.



L.E.D. Cord Lights



L.E.D. Lighted 40 inch Wreath



Red Holiday Bows

Street Resurfacing

Three (3) street segments in the CRA District were resurfaced in the fiscal year. The street segments paved were Orange Street west of S. Hopkins Avenue, Pine Street west of S. Hopkins Avenue, and the entire length of Lemon Avenue. The streets were cracking and in need of resurfacing. The streets were not part of the City's 5 Year Capital Improvements Plan. The paving adds to the appearance of the CRA and helps economic development by continuing to maintain streets in the Redevelopment District. The cost of the street paving was \$73,975.



Resurfacing of Orange St., Lemon St., & Pine St.

Downtown Cameras

As part of its Community Policing Program the Titusville Police Department requested the CRA purchase four (4) video cameras and associated equipment to be installed at three (3) strategic locations in the downtown CRA to document areas of high traffic/pedestrian accidents and criminal activity. The cameras were placed on a pedestrian crosswalk light pole at the northeast corner of S. Hopkins Avenue and Julia Street facing the southwest; a parking lot light pole at the Commons Parking Lot at the light pole near the Badcock Furniture store facing southward; and two (2) cameras on the street light poles at the intersection of S. Washington Avenue and Julia Street facing both northward and southward on S. Washington Avenue. The S. Washington Avenue and Julia Street camera facing southward has a view of the pedestrian crossing at that location where the rapid flashing beacon light is located and traffic - pedestrian conflicts have occurred. The cameras and equipment were purchased in FY2019 but not installed by City Staff until FY2020. The total cost for the cameras and equipment was \$2,775.



Downtown cameras at 3 of 4 locations in the downtown

Commons Parking Lot Landscaping

In April and May of 2020, Public Works Facilities staff upgraded the Commons Parking Lot landscaping. Some of the vegetation had aged and needed replaced. Landscape beds were also redesigned to make maintenance more efficient. The project involved installing new shrubs, pine bark mulch and sod. The Commons parking lot is heavily used by visitors for both downtown commerce and for rocket launches. The landscaping upgrade helps to beautify the downtown and to make a good impression of the City to visitors from all over the world. The cost of the landscaping was \$1,300. Labor was provided by city staff.



Commons Parking Lot Landscaping Upgrade

Historic Interpretive Sign Replacement

The Scobie Fish House & Pier Historic Interpretive Sign located on Indian River Avenue near the Main Street intersection at Scobie Park was damaged by a vehicle involved in a police chase in May of 2020. No damage was done to the sign support poles. A new replacement sign was ordered and installed in August of 2020 for a cost of \$1,904. The City's Risk Management Department is seeking restitution from the vehicle driver's insurance company.



Interpretative sign poles after sign damaged



New interpretive sign reattached to the existing poles

Sidewalk Infill

The CRA proposed to provide infill sidewalks and Americans with Disabilities Act (ADA) improvements on Lemon Avenue and Broad Street. Due to issues with trying to piggy back the sidewalk and concrete repair work with Brevard County's Sidewalk and Concrete Repair Contract, the CRA's Sidewalk Infill project was moved to FY2021 so that a citywide sidewalk and concrete repair proposal could be advertised. Once the contract is awarded, the sidewalk and ADA work will be completed. The project is estimated to cost \$50,699.

Street Light Improvements

During the fiscal year Public Works staff worked on designing street lighting on the north side of Broad Street between S. Palm Avenue and Indian River Avenue, and replacing the purple pedestrian lamp posts on the south side of Julia Street in front of the Titusville Playhouse. At the September 8, 2020 CRA meeting, the CRA heard a presentation by staff regarding options and cost analyses to replacing the three (3) old lamp posts on Julia Street. The options involved possibly replacing the existing three (3) purple gothic lamp posts with lamp posts consistent with those lamp posts on S. Washington Avenue and S. Hopkins Avenue and if so, determining whether to opt for two (2) light poles on the south side of Julia Street or six (6) lamp posts on both sides of Julia Street between S. Hopkins Avenue and S. Palm Avenue. Based on the cost analyses provided and the amount of funds currently budgeted (\$50,000), the CRA opted to direct staff to install two (2) new lamp posts similar to the rest of the downtown CRA

on Julia Street. The project includes not only lamp posts but also trenching, running conduit, wiring, and power drops. The estimated cost of the project is \$40,300. The work should be completed in FY2021.

Non-Capital Projects

The Non-Capital Projects that occurred over the fiscal year are as follows:

- ❖ CRA Special Expenditures Audit for FY 2019
- ❖ Spaceview Park Connecting Pedestrian Pier Feasibility Study
- ❖ Streetscape Landscaping and Facilities Maintenance
- ❖ Community Policing
- ❖ Historic Preservation Board activities in the CRA District
- ❖ Downtown Mixed Use (DMU) Zoning building height increased – Uptown Subdistrict
- ❖ Downtown Development Design Review Process Advisability
- ❖ Request of Interest (ROI) on Downtown Properties
- ❖ All Abilities Playground at Sand Point Park site location recommendation approval
- ❖ Updates on the Launch Now Development and the Titusville Playhouse future development plans.

CRA Special Expenditures Audit for FY2019

In February 2019 the CRA tasked the City's independent auditors with auditing the CRA's expenditures for FY2017 and FY2018. The audit found that the CRA's expenditures for those years to be compliant with State Statutes. The auditors were also tasked with auditing the CRA's FY2019 expenditures which were found to be compliant. State legislation was passed in 2019 that will make the auditing of CRA expenditures a requirement in FY2020.

Spaceview Park Connecting Pedestrian Pier Feasibility Study

The CRA approved advisability in July 2019 and a budget amendment in September 2019 to fund a feasibility study for a pedestrian pier to connect Spaceview Mercury Park to Spaceview Gemini Park. The parks are separated by an inlet that requires visitors to back track to visit both parks. The pier if found feasible to construct will meet the CRA's Plan goal of connecting the City's parks and providing a water front attraction for residents and visitors to view rocket launches. In January 2020 a Request for Qualifications (RFQ) was advertised to conduct a Feasibility and Conceptual Design Study. Taylor Engineering, Jacksonville, Florida, was selected in March 2020 to do the study. A contract with Taylor Engineering was signed in July 2020. The study was conducted in FY2021.

Streetscape Landscaping and Facilities Maintenance

The CRA continued its funding of the general maintenance of the plantings, lighting and street furniture funded by the CRA along the US-1 corridor (Washington Avenue & Hopkins Avenue) and in the Titusville Downtown Commons area. The maintenance provided by the CRA along the US-1 corridor is at a higher level of maintenance than provided by the Florida Department of Transportation and helps to protect the CRA's investment. The CRA also continues to fund the cost of irrigation and utilities along US 1.

In FY2018, the CRA funded the creation of a part-time maintenance worker to perform a variety of duties that include but are not limited to, litter control, vegetation maintenance, garbage removal, painting, graffiti removal, reporting acts of vandalism, etc. The position was needed due to the increase in the number of visitors to the downtown, many coming to experience the regional and national trails converging in Titusville and to view manned and unmanned rocket launches. The position was funded in FY2019 however the part time employee took ill during the year and did not return to work. The maintenance duties had to be picked up by other Public Works staff while the position was advertised and a person chosen to fill the position which did not occur during the FY2020 fiscal year. In November of 2019, the position was changed from part-time to full time. The change to full time was needed in order to get candidates to apply and to provide stability to the position.



Maintenance workers mulching a S. Washington Ave. landscape bed

Community Policing

In June 2014, the CRA initiated a Community Policing program. The program consists of law enforcement officers deployed on an overtime basis during varying days and times. Increased activities in the CRA District include business contacts, directed patrols, traffic details, community relations, neighborhood patrols and anti-burglary details. This is thought to be a more cost-effective method to provide coverage as needed, rather than one full-time officer who would have less flexibility to address issues as they arise.

Program accomplishments for the fiscal year are listed below. As the community policing initiative augments the Titusville Police Department's regular presence in the CRA, only those activities conducted during the community policing details are provided. CRA Police Details totaled 325 hours for the fiscal year and the details involved 872 Property Checks; 55 Traffic Stops; and 18 Suspicious Persons/Vehicles/Incidents.

Total incident statistics in the redevelopment district for the fiscal year not part of the CRA Police details were as follows:

Vehicle Burglaries – 16 (FY2019 - 41)
 Residential Burglaries – 2 (FY2019 – 2)
 Commercial Burglaries – 10 (FY2019 – 11)

Traffic Stops – 1,140 (FY 2019 – 748)
 Traffic Accidents without injuries – 122 (FY 2019 -165)
 Traffic Accidents with injuries – 54 (FY 2019 – 29)

Burglary Comparison between the CRA and Citywide:
 CRA District – 28
 City Wide - 555

The incident statistics show that the Community Policing details had an emphasis on reducing vehicle burglaries and enforcing traffic laws during the fiscal year. The residents and property owners within the CRA have acknowledged the Community Policing program as a success.

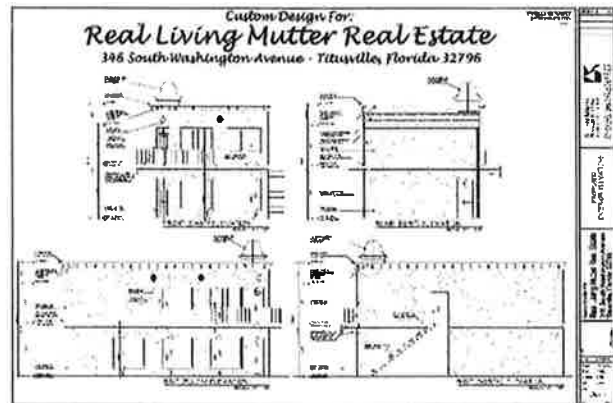
Historic Preservation Activities

The CRA District is home to many of the City's historic resources. The preservation of these historic resources in the Community Redevelopment District adds to the City's pride and creates pedestrian and visitor appeal, which provides economic development for the City. Historic Preservation activities that

directly involved the CRA District during the fiscal year included approving with conditions a request to demolish a building located at 346 S. Washington Avenue that was a contributing structure to the Downtown Historic District; approving the design and architecture plans for a proposed building to replace the demolished building at 346 S. Washington Avenue to ensure that the proposed building is appropriate and compatible with the Downtown Historic District; and the obtaining of a State of Florida Division of Historical Resources Small Matching Grant in July 2020 in the amount of \$30,000 to fund the creation of a Historic Booklet and Walking/Driving Tours for the City. The majority of the history and historic landmarks that will be in the booklet and walking/driving tour are found in the Redevelopment District.



436 S. Washington Ave. building being demolished



Approved replacement building architectural plans

Downtown Mixed Use (DMU) Zoning District Building Height Increased

The CRA and City Council approved a Zoning Code amendment to increase the height of multifamily buildings in the Downtown Mixed Use (DMU), Uptown Sub-district of the Redevelopment District west of US-1 from five (5) stories to ten (10) stories. The increase in multifamily building height in the Uptown Sub-district section will help to promote residential development in that area of the CRA District. The code change furthers the CRA's Plan goal of increasing residential in the Downtown.

Downtown Development Design Review Process Advisability

The CRA directed staff to look at possible revisions to the Downtown Mixed Use Zoning Code with regards to the requirement that the CRA approve development projects with an area greater than 1.5 acres or greater than 10,000 square feet of building area. At the October 2019 CRA meeting, staff provided three (3) design review options for the CRA to consider and provide direction to staff. The options involved 1) leaving the process as is with the CRA providing final design approval after submitting a site plan and receiving a recommendation from the staff Development Review Committee (DRC) for the developments meeting the thresholds; 2) having the developer obtaining conceptual approval of developments meeting the thresholds at the beginning of the process, submitting a site plan and then obtaining DRC review and approval; 3) removing the CRA from the large development review process unless there are appeals from the DRC. The CRA opted to go with Option 1 and leave the process as is.

Request of Interest on Downtown Properties

In FY2019 the CRA approved a Request of Interest (ROI) on strategic properties for sale in the downtown north of and adjacent to the historic downtown core area be advertised. The ROI was the result of the CRA trying to spur interest in the development of the area with a private – public partnership in the construction of mixed use buildings consisting of residential, commercial, and civic uses to attract people to the downtown. The deadline to submit letters of interest was August 14, 2019. No submittals were received that met the deadline and submittal requirements. At the October 2019 CRA meeting the CRA discussed various changes to the ROI advertisement and possible re-advertising the ROI. The CRA

recommended holding off on re-advertising the ROI to see what happens with the Launch Now development in the downtown which is proposing a food court and possibly revisiting the issue at a later time.

New Construction & Businesses

A goal of the City's CRA Plan is to encourage private sector investment in the CRA. New building construction and major renovation work to existing buildings helps the City in combating blight. It also encourages others to invest in the CRA. Twenty (20) new Business Tax Receipts (BTR) were approved in the CRA District during the fiscal year. Here are some examples of some of the new businesses and major renovation construction that occurred in FY 2019 – 2020 in the CRA District:



Beachwave building under construction - \$3 million +



\$5+ million in major renovations occurring at the Launch Now site



Southern Faith Boutique



Baby's Breath Ultrasound



321 Produce



Rocket City Real Estate

Summary of Redevelopment Plan Goals Achievement

State legislation now requires a summary indicating to what extent, if any, the community redevelopment agency has achieved the goals set out in its redevelopment plan. A summary of the redevelopment plan goals achievement by the Agency follows.

Becoming a Trail Town

The CRA is well into achieving the goal of making downtown Titusville a "Trail Town" with the completion of the Downtown Connector Trail in FY2019; the installation of primary wayfinding signs and other amenities such as downtown directory signage, a downtown welcome center, bike racks, etc. in previous years; and by being designated the second Trail Town in the State of Florida by the Florida Department of Environmental Protection, Greenway & Trails Division in FY2019. Work commenced on the construction of the missing link of trail between Indian River Avenue and the A. Max Brewer Bridge in the CRA. The trail link from Parrish Park east of the A. Max Brewer Bridge to the Merritt Island Wildlife Refuge property line was completed. Work still needs to be done to construct the trail link from the west Merritt Island National Wildlife Refuge property line to the Canaveral National Seashore; providing better wayfinding for trail users in the CRA; and continuing to improve streets, parks, sidewalks and parking in the downtown, including possible trail heads in the District.

Vibrant Community Initiative

The vibrant community initiative goal involves increasing residential development in the downtown, the support of arts and entertainment facilities, and integrating existing recreational facilities in the downtown. The CRA is working to attain this goal with the Launch Now development under construction with the assistance of the CRA Grant Program. Launch Now will provide twenty (20) new boutique apartment units in a mixed use building in the heart of the Historic Downtown. A second residential development with 384 total multifamily units known as Horizon at Sand Point is in the planning stages and is taking advantage of the increase in residential density and building height in the Uptown Subdistrict of the CRA. More residential however is needed as pointed out in the City's Strategic Economic Development Plan to make the CRA more vibrant.

The COVID-19 Pandemic, which began in March of 2020 and continued throughout the fiscal year, curtailed activities and commerce in the CRA with the shutdown of nonessential businesses and private events, such as the Downtown Street Parties put on by the Downtown Merchants Association, running races, etc. Federal CARES Act funding did provide for successful well attended Farmers Market to provide food for low and moderate income people suffering from the economic issues caused by the pandemic during the fiscal year.



The CRA has supported the arts by wrapping traffic signal boxes designed by local artists along US Route 1 and by encouraging murals on buildings in the CRA. More and different kinds of art can be incorporated into the CRA to truly make the downtown a destination for visitors and residents.

The CRA is continuing to integrate existing recreational sites with the completion of the Downtown Connector Trail and by approving a feasibility study for a pedestrian observation pier to link two (2) existing parks separated by water. The pier will become a waterfront destination for residents and visitors wanting to view rocket launches and take in the scenic view. Other park improvements have included a splash pad, BMX bicycle track, skateboard facility, etc. over the years. Long range plans call for a waterfront trail to connect recreational sites to the downtown and to areas to the south as well as adding trail

Community Policing

Community Policing is an ongoing endeavor in the CRA. Special details to combat homeless and pan handling issues, traffic issues like speeding on S. Washington Avenue and S. Hopkins Avenue, burglaries, prostitution solicitation issues, etc. will be needed to continue to make the CRA a safe place to live, work, invest, and play. The use of cameras being installed in three (3) strategic areas of the CRA as a pilot project will help the Police Department in solving traffic incidents and crimes, and thus reducing criminal activities.

Historic Preservation

Historic Preservation is a tool for the revitalization and adaptive reuse of historic buildings in the City. The majority of historic structures in Titusville are located in the CRA. These historic buildings are an asset to the City and create the City's character. This goal has been furthered with the creation of a Historic Preservation Board, a Historic Preservation Ordinance, the designation as a Certified Local Government; the designation of twelve (12) historic resources to the Local Historic Register; the creation of a local Ad Valorem Property Tax Exemption Ordinance and the CRA Building Grant Program as incentives to renovate historic resources; and the printing of a Titusville Historic Landmarks brochure. As stated earlier, the City obtained a State of Florida Division of Historic Resources Small Matching Grant in July 2020 in the amount of \$30,000 to fund the creation of a Historic Booklet and Walking/Driving Tours for the City. The booklet and walking/driving tours will help to identify the City's historic resources and will help to provide economic development with visitors touring the city's historic landmarks and visiting city businesses while they are visiting. There are many more historic resources in the CRA that need to be designated to prevent their razing in order to maintain the City's downtown heritage.

Commercial Beautification Grant & Structural Rehabilitation

The goal of the CRA's Commercial Beautification & Structural Rehabilitation Grant Program is to provide incentives to existing and new property owners to upgrade the exteriors for aesthetics, interiors to meet code requirements, and to incentivize new construction that will ultimately lead to higher occupancy rates, increased property values, and to increase the visual appearance of the CRA. The creation of the CRA's Commercial Interior Renovation Grant in previous years, the reinstituting of the Commercial Beautification Grant and the creation of the Building Permit and Impact Fee Grant that went into effect in FY 2019 helped to further this goal. As previously stated the return on investment of the grant program shows that the program is worthwhile in priming the pump of investment in the CRA. The program is just back in full effect after being mothballed during the Great Recession. There are many properties in the CRA that can take advantage of this incentive.

Side Street Streetscape

Side street streetscape refers to the streets that intersect with US route 1 (Washington Avenue and Hopkins Avenue). The streets include Orange Street, Broad Street, Main Street, Julia Street, Pine Street, Palmetto Street, South Street, and St. Johns Street. Orange Street east of S. Washington Avenue, and Main Street have been resurfaced. Orange and Pine Streets west of Hopkins Avenue as well as Lemon Avenue were resurfaced during the fiscal year. The resurfacing of other side streets in the CRA and the possible creation of landscape islands on Broad Street similar to what was done on Indian River Avenue when the trail was installed need to be done.

Underground Utilities

Converting the overhead power lines on US Route 1 and on Broad Street to underground has been found to be cost prohibitive at this time. A study in 2007 found that the cost to convert the lines to underground as part of the US 1 Streetscaping project in 2010 would be \$1.4 million. The cost would be even higher today. This goal of the Redevelopment Plan has been put on the back burner until it becomes financially feasible.

Targeted Property Acquisition

Targeted property acquisition is a strategic measure that can be used to attract development or provide public improvements such as parks, storm water ponds and conveyance, roads, etc. Without obtaining a loan or bond, it is financially unfeasible for the CRA to purchase any properties at this time. As seen in the Request for Development Interest above, it may be possible for the CRA to form a public-private partnership to acquire strategic property for a desired development in the CRA with the use of tax increment reimbursement. The CRA may revisit doing a Request of Interest with a private – public partnership involving downtown properties and potential developers.

Wayfinding Signage Program

The CRA has implemented the initial wayfinding signage to include seven (7) directional signs along the Downtown Connector Trail, two (2) downtown directory signs, and two (2) pole signs at the Welcome Center property directing visitors to the Welcome Center, Julia Street parking lot and the bike shop located within the Welcome Center. Additional more detailed wayfinding/directional signs are needed for landmarks in the downtown such as the historic district, the Veterans Memorial, the Space Monuments, the fishing/shrimping pier, the various parks, and the municipal marina.

Event Sponsorship and Marketing

The CRA stopped funding Special Events in FY 2017. The CRA determined that it wanted to concentrate funding on brick and mortar projects and not on special events. Marketing of the CRA has been transferred to the City's Economic Development Division. This goal is no longer in effect.

Banner Signs

Street banners attached to pedestrian light poles in the CRA have included downtown activities such as music, dining, history, culture and the environment. Banners have also been installed to commemorate significant events in the city such as was done for the City's celebration of the City's 150th anniversary of it's founding in 2017. Sixty six (66) holiday themed banners were purchased in FY 2019-2020 to provide for a more festive holiday season in the CRA. The installation of banners on a seasonal and on a replacement basis due to weathering and age will be a continuing activity that adds to the vibrancy of the City.

Downtown Stormwater Plan

It has been determined that a regional stormwater master plan would be cost prohibitive to implement due to the number of drainage basins that traverse the CRA and due to the ruling that the City's Stormwater Utility could not pay for the plan. In FY 2019 the CRA advocated the use of Low Impact Development (LID) techniques and public – private partnerships to create stormwater facilities to handle stormwater runoff in the CRA. The implementation of this goal will be a continuing process.

Financial Audit Information

The financial audit information for the Titusville CRA was not completed in time by the independent auditing firm of James Moore & Company, 121 Executive Circle, Daytona Beach, Florida, 32114 to be included in the 2019 – 2020 Annual Report by March 31st. Governmental agencies have 45 days from March 31st to file and post their financial audit. The financial statement will provide information on the Agency's assets, liabilities, income, and operating expenses as of the end of fiscal year 2019 – 2020 in accordance with Chapter 163, Part III, Florida Statutes. An audit report of the CRA's FY2019 - 2020 expenditures by the James Moore & Company will also be included in this financial section of the Annual Report. Once the audit information is completed it will be added to the CRA's 2019 – 2020 Annual Report. The CRA Annual Report with the financial audit information will then be reposted and forwarded to the taxing authorities in the County.

The total amount of funds expended for affordable housing for low income and middle income persons and families was zero (0) in the CRA. It should be noted that affordable housing is not one of the goals of the current CRA Plan.



Banner from the Redevelopment Master Plan

West Melbourne/Brevard County Joint
Community Redevelopment Agency
Annual Report to Brevard County



Fiscal Year 2019-2020
Published March 2, 2021

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TABLE OF CONTENTS
ANNUAL COMMUNITY REDEVELOPMENT AGENCY REPORT

	Page #:
I. INTRODUCTION	4
a. Mission and Overview	
b. Transmittal Letter for Taxing Agencies	6
II. BOARD MEMBERS AND STAFF	7
III. BOUNDARY LINES – MAP IS ATTACHED AS AN APPENDIX	8
IV. HISTORY	9
a. Creation Date	
b. Plan Amendment Dates	
c. Applicable Resolution(s) and Ordinances	
V. PROJECTS OVERVIEW	10
VI. WEBSITE	16
VII. FINANCIAL REPORTS	17
a. Balance Sheet	
b. Statement of Revenues, Expenditures & Changes in Fund Balances	
c. Summary of Projects, Grants & Debt	
VIII. PERFORMANCE INFORMATION	19
a. Total projects started, completed and estimate cost for each project	
b. Number of jobs create and sector of the economy from which these jobs were created within the CRA	
c. Number of jobs retained within the CRA	
d. Assessed property values when CRA was enacted vs. current assessed property values	
e. Total amount expended for affordable housing	

IX.	ADDITIONAL ANNUAL REPORTING REQUIREMENTS	21
	a. Provide the Board of County Commissioners the CRA's proposed budget for the upcoming fiscal year, 60 days prior to the beginning of the fiscal year	
	b. Provide the Board of County Commissioners any budget amendments to its operating budget within 10 days after the adoption by the CRA	
X.	SUMMARY	22

Appendix – Joint West Melbourne-Brevard County Community
Redevelopment Area map

Note for this report: CRA = Community Redevelopment Area

CRA ≠ Community Redevelopment Agency

The phrase Community Redevelopment Agency is spelled out in this report to distinguish the two terms.

SECTION I – INTRODUCTION

a. MISSION AND OVERVIEW

REQUIRED ANNUAL REPORT -

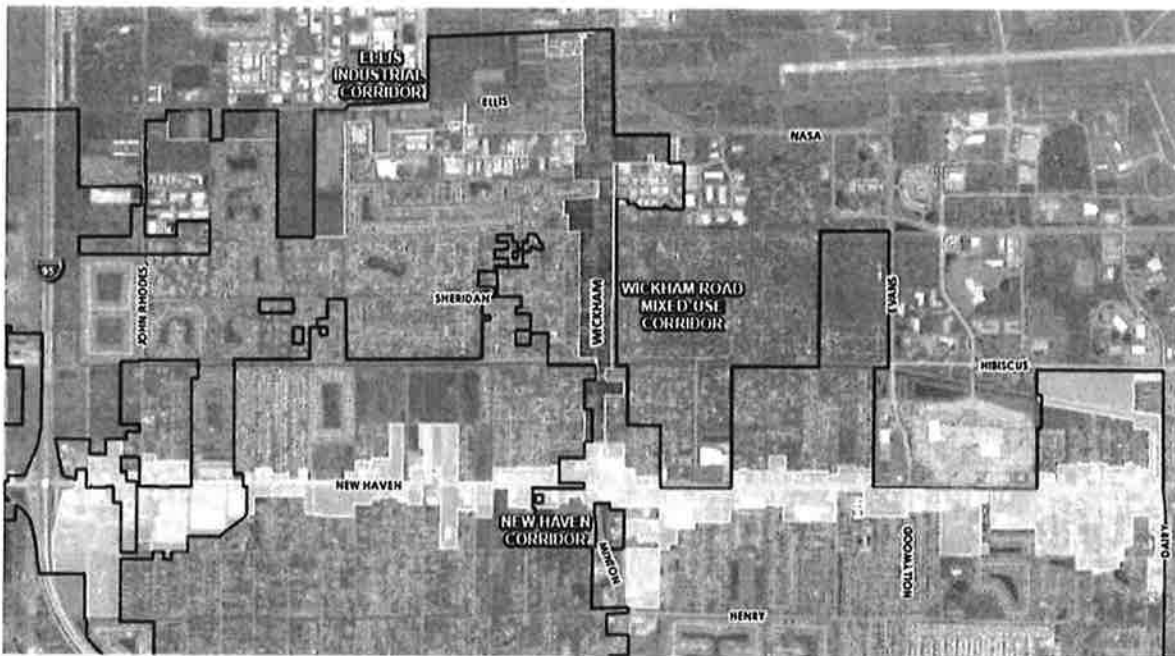
Chapter 163.356(3)(c), Florida Statutes, requires that community redevelopment agencies file an annual report of their financial activities with the taxing authorities by March 31 of each year for the preceding fiscal year. The details in this report comply with Brevard County and State of Florida requirements for annual reporting on this joint community redevelopment area. This annual report has been prepared and is filed for fiscal year 2019-2020.

This report is a retrospective review of the Community Redevelopment Agency's efforts, the financial status of the trust fund, the beautification efforts near the interchange of I-95 and New Haven Avenue, and capital improvement programs as of the close of the 2019-2020 fiscal year on September 30, 2020.

WHEN WAS IT FORMED?

The unique West Melbourne/Brevard County Joint Community Redevelopment Agency was created in 2011. This redevelopment area encompasses two unincorporated areas and three areas in the West Melbourne city limits along three main corridors: the New Haven Corridor that stretches from the Intersection of I-95 to Dairy Road, the Wickham Road Mixed-Use Corridor that extends north from New Haven Ave to Emerald Drive, and the Ellis Industrial Corridor that extends west from Wickham Road to John Rodes Blvd (the following map shows the CRA boundaries).

Per the 2018 interlocal agreement between the City and County, the CRA will sunset on September 30, 2038 (five years earlier than the statutorily allowed 30 year horizon).



2013 REDEVELOPMENT MASTER PLAN

The adopted Redevelopment Master Plan guides the redevelopment focus of the CRA. The three primary categories addressed in the Plan are:

- 1) Identification of primary redevelopment opportunity areas and corresponding infrastructure including sidewalks, bike paths, stormwater and utilities.
- 2) Identification of private investment opportunities as well as recommended programs for improvements including gateways, streetscape, wayfinding and branding.
- 3) Identification of governmental actions that can implement some of the 55 strategies listed in the Master Plan including updates to comprehensive plans, land development codes, proactive code enforcement, business development programs and incentives for business retention.

b. TRANSMITTAL LETTER

West Melbourne/Brevard County Joint
Community Redevelopment Agency

Hal J. Rose, Chairman
John Dittmore, Vice-Chairman
Daniel Batchelder
Pat Bentley
Adam Gaffney
Barbara A. Smith
Andrea Young
Kristine Isnardi



CITY HALL
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West Melbourne, FL 32904
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www.westmelbourne.org

Date: March __, 2021

VIA CERTIFIED AND REGISTERED MAIL

Florida Auditor General;
Florida Department of Financial Services;
Florida Department of Economic Opportunity;
Brevard County Property Appraiser;
Joint West Melbourne-Brevard County Community Redevelopment Agency;
City Council; and
Brevard County Board of Commissioners (all); and County Manager

RE: West Melbourne/Brevard County Joint Community Redevelopment Agency Annual
Financial Report

Ladies and Gentlemen,

City staff is pleased to submit the West Melbourne/Brevard County Joint Community Redevelopment Agency Annual Report for fiscal year 2019-2020. The Joint Community Redevelopment Agency Annual Report was filed with the City of West Melbourne and Brevard County on March ____, 2021. Under Florida law (Chapter 163, Part III), local governments are required to file a report of the activities of the previous fiscal year by March 31st of each year. This transparency supports the efficient utilization of resources when they are applied to the redevelopment of our business corridors.

Attachment

SECTION II – BOARD MEMBERS AND STAFF

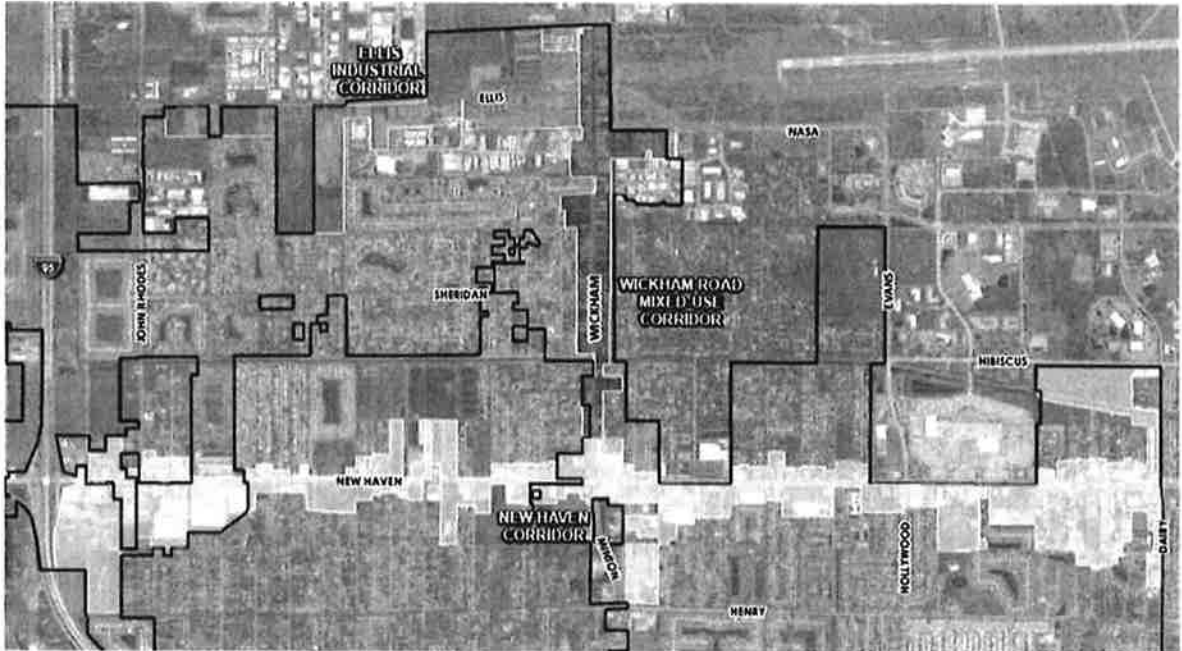
Who are the members of the Community Redevelopment Agency?

The activities and programs offered within a CRA are administered by the Community Redevelopment Agency. An eight-member Community Redevelopment Agency Board created by the City of West Melbourne and Brevard County in 2011. The Community Redevelopment Agency Board is served by the City of West Melbourne staff at no cost to the Agency. Community Redevelopment Agency members and staff at the close of the fiscal year on September 30, 2020, are listed in the table below.

WEST MELBOURNE/BREVARD COUNTY JOINT COMMUNITY REDEVELOPMENT AGENCY (As of October 1, 2020)

Chairman	Hal Rose (West Melbourne Mayor)
Vice Chairman	Kristine Zonka (District 5 County Commissioner)
CRA Official	Daniel Batcheldor (West Melbourne Council)
CRA Official	Barbara Smith (West Melbourne Council)
CRA Official	John Dittmore (West Melbourne Deputy Mayor)
CRA Official	Andrea Young (West Melbourne Council)
CRA Official	Pat Bentley (West Melbourne Council)
CRA Official	Adam Gaffney (West Melbourne Council)
Registered Agent	Scott Morgan (West Melbourne City Manager)
CRA Attorney	Morris Richardson (West Melbourne City Attorney)
Executive Director	Christy Fischer (West Melbourne Planning Director)
CRA Clerk	Cynthia Hanscom (West Melbourne City Clerk)
Financial Officer	Margi Starkey (West Melbourne Finance Director)

SECTION III – BOUNDARY LINES (see Appendix map for larger size)



SECTION IV – HISTORY

- a. Creation Date: *July 12, 2012*
- b. Plan Amendment Dates: *None*
- c. Applicable Resolution(s) and Ordinances:
 - i. *City Resolution No. 2011-22*
 - ii. *County Ordinance No. 2011-28*
 - iii. *City Ordinance No. 2012-19*

SECTION V – PROJECTS OVERVIEW

The Community Redevelopment Agency, in partnership with the community is spearheading redevelopment efforts to create an attractive business climate and promote commercial property improvements. This section lists some of the milestones and accomplishments.

CRA Milestones:

2011 Collaboration - West Melbourne and Brevard County began discussing embarking on a joint community redevelopment area since some of New Haven Avenue and Wickham Road are in unincorporated county areas. The two government entities collaborated for months about creating a community redevelopment area based on the following findings of blight:

- Business corridors with high vacancy rates
- Outdated building density/intensity patterns
- Inadequate transportation and parking facilities
- Faulty lot layouts and inadequate street layouts related to older subdivisions and road widenings

2013 Master Plan Adopted – All CRA's must have a redevelopment plan and can only carry out tasks identified in the master plan. The adoption of a Community Redevelopment Plan for the West Melbourne/Brevard County Joint CRA occurred in March 2013 and the 55 identified strategies outline the main programs and results that the joint CRA is endeavoring to achieve during its 30 year tenure through the year 2043. The strategies were partially drawn from a series of workshops conducted with business owners along New Haven Avenue, Wickham Road and Ellis Road.

2013 Revenue Fund Initiated - The tax increment trust fund (revenue) was initiated in May of 2013, and the coding of the specific properties by the Brevard County Property Appraiser that were included in the CRA area occurred in the summer of 2013. The City and County trust fund is limited per Florida Statutes to 95% of the incremental increase of City and County general ad valorem taxes generated in the CRA boundaries over the 2011-2012 base year.

2013 First Budget and First Working Capital – The City of West Melbourne approved an interlocal agreement in September 2013 to extend administrative services to the Community Redevelopment Agency at no cost and to lend the working capital for the Agency for ten years. This working capital loan is a no-interest loan providing the capital required for the Agency start up.

2014 Activities – The 2014 CRA work plan consisted of the initiation of the commercial façade loans, and providing funding for the lighting on New Haven Avenue near I-95. However, coordination with FDOT for its share of the road lighting took longer than initially expected and has continued into 2015 and 2016. The first façade redevelopment loan was approved and work on the façade of the business located along Wickham Road, Space Coast Massage, was completed in 2014.

In 2014-2015, as a separate activity since the interchange of I-95 and New Haven Avenue is not part of the CRA but is next to it, the City of West Melbourne with a grant from FDOT, planted hundreds of trees

and a new fountain along the interchange and the State's retention pond. The beautification of this interchange complements the public right of way improvement endeavors of the CRA, since the CRA boundaries end on New Haven Avenue before the interchange and the CRA embarked on a street lighting beautification program on New Haven Avenue, also known as US 192/State Road 500. The FDOT landscape grant was part of FDOT's set aside when highway improvements are completed such as the bridge enhancements and 6-laning of the interstate.

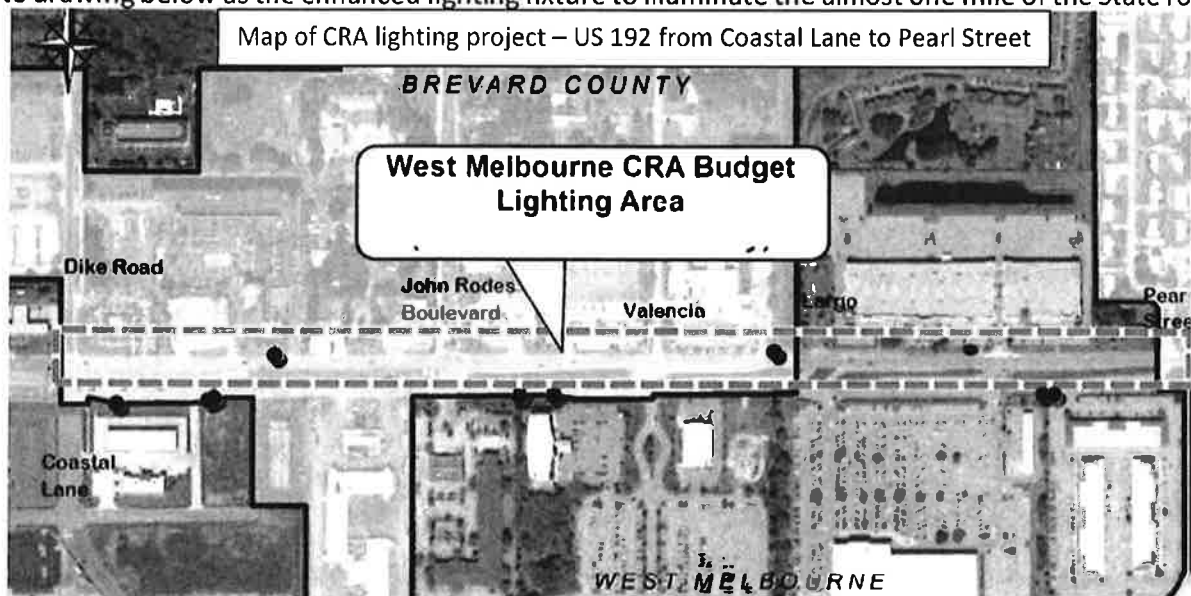


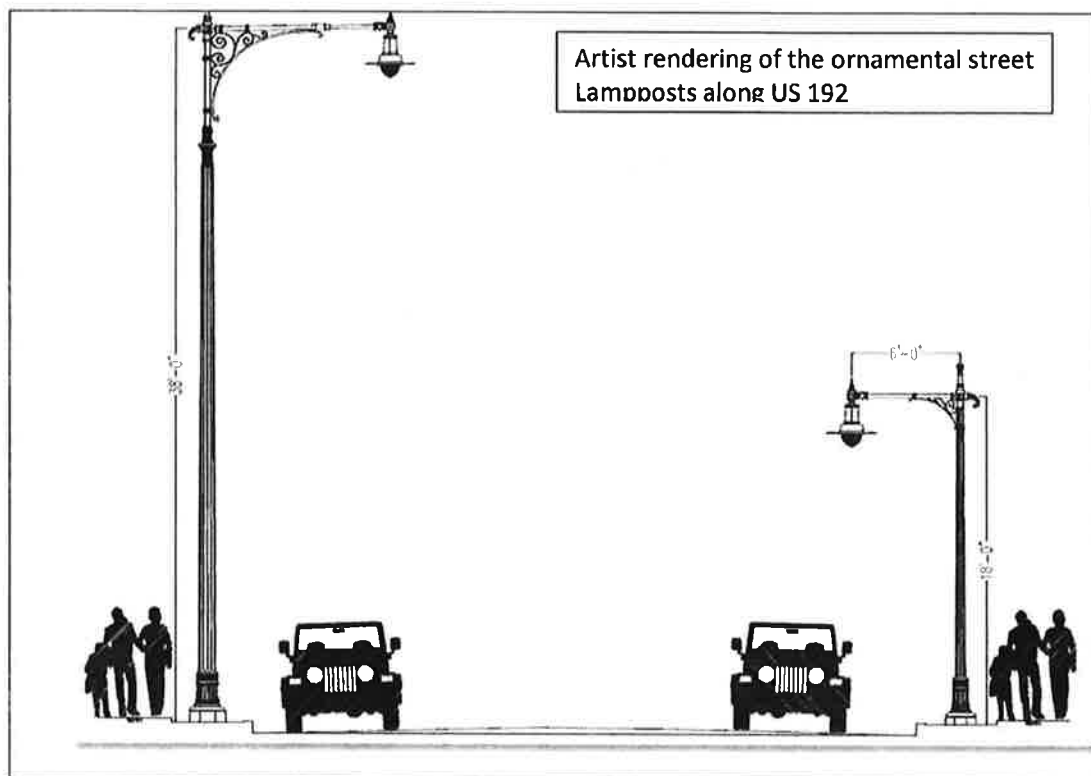
Before - Corner of New Haven Avenue and Interchange prior to landscaping



After - I-95 Landscape Improvements (FDOT grant and City of West Melbourne)

2015 Activities – For the past several years, FDOT identified New Haven Avenue as too dark for motorists and FDOT's typical illumination consists of installing wooden poles and cobra head style street lights. The City of West Melbourne and the Community Redevelopment Agency have joined forces to leverage funds from FDOT and to install decorative lighting on New Haven Avenue from west of I-95 near Columbia Lane to Pearl Street (next to Safelite Auto Glass). The CRA funded section of improvements starts at Dike Road and ends at Pearl Street (see map below). In the spring of 2015, the Community Redevelopment Agency chose the "Parkwood" style of street pole and lamp shown in the black and white drawing below as the enhanced lighting fixture to illuminate the almost one mile of the State road.





2016 Street lighting Activities – The predominant activity in 2016 was the lighting proposal for US 192 from the interstate to Pearl Street. One of the obstacles has been issues related to the design of the lighting plan in FDOT's right of way. The City obtained on behalf of FDOT title to the turn lane in front of Sam's Club by conducting new surveys and ensuring the street light design reflected the updates. The City sent the lighting construction drawings out to bid in 2017 and received the results of the contractor bids on March 21st, 2017 and the project was completed in 2017.

The Community Redevelopment Agency no longer engages in the façade loan program for commercial properties along New Haven Avenue, Ellis Road and Wickham Road. If businesses approach City of West Melbourne staff about using the loan program, it will be reconsidered, but there was no interest during the 2016-2017 fiscal year, nor in fiscal year 2017-2018. City staff continues to encourage redevelopment of existing commercial businesses in our three corridors of emphasis as evidenced by the City's passage of collapsed zoning districts along US 192 and Wickham Road that allows property owners greater flexibility and a wider array of possible uses instead of the previous segregation into 4-5 zoning districts of commercial districts with specific differences between neighboring properties. Meaning that future redevelopment along these two roads will be more cohesive and less confusing to potential developers.

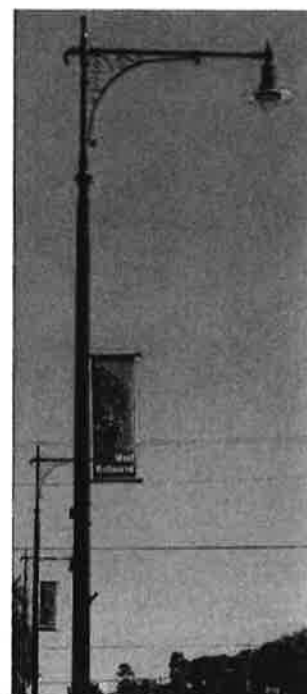
The State of Florida in its 2019 legislation required that Community Redevelopment Agencies report on the total number of projects started and completed and the estimated cost for each project in that fiscal year.

Total Projects started in FY 19-20*	Total amount of affordable housing for low-income and middle-income*
0	0

*The Joint County-City interlocal agreement in 2018 prohibits use of the tax increments funds for anything other than infrastructure

2017-2018 Street lighting Activities –

In 2017, City Council awarded the bid for the US 192 (New Haven Avenue) street lighting project to the company named PowerCore in the amount of \$764,044.58. This amount excluded the poles and fixtures, which have been purchased directly by the City. The Notice to Proceed was issued with a start date of January 22, 2018. The contractor for the project finished the project in 2018 and not only were there lights illuminating both the sidewalk and US 192 during the holidays, but the City of West Melbourne hangs decorative banners for the holidays.

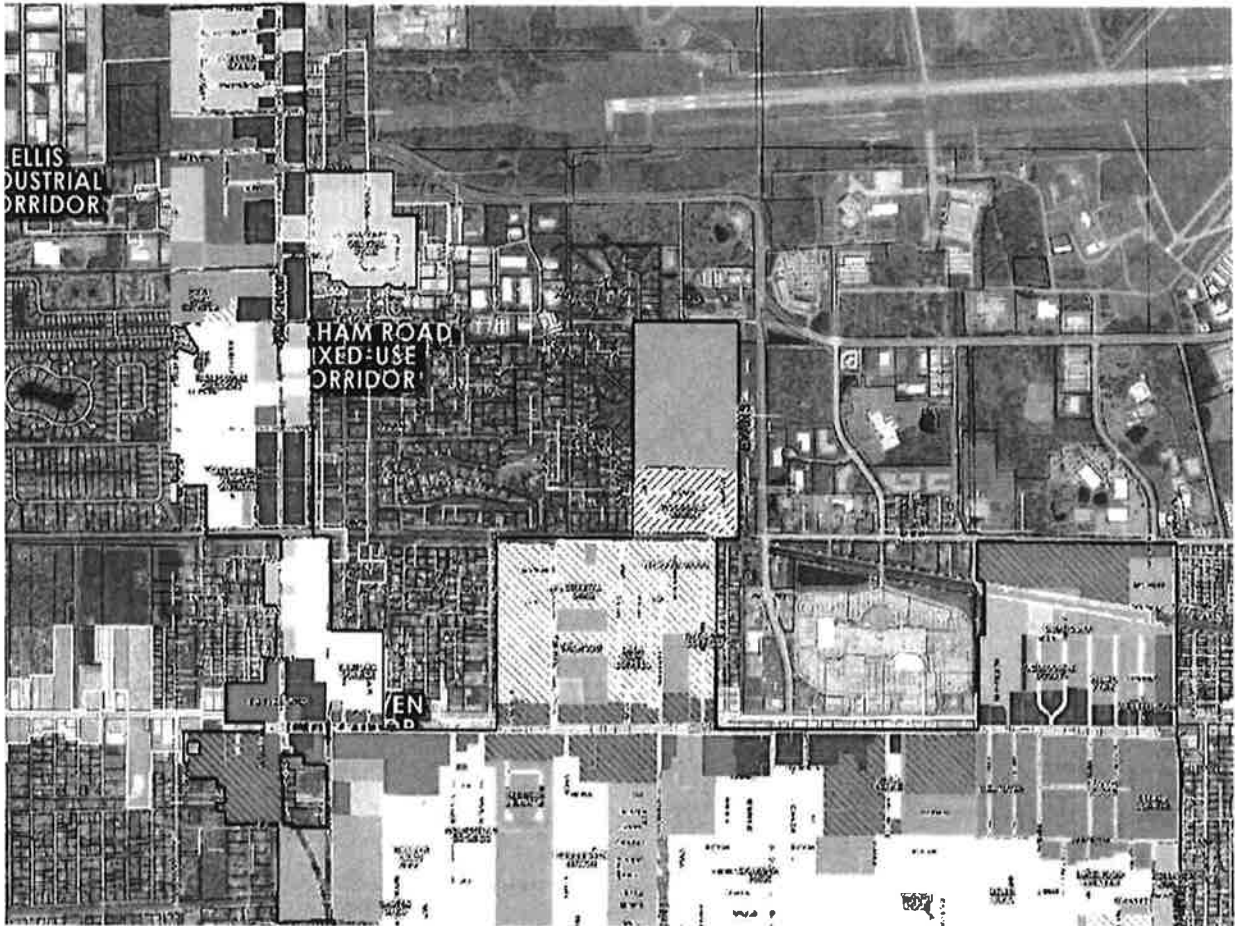


(Street lights installed in 2018 along US 192)

2017-2018 New Zoning Districts – Commercial Wickham and Commercial New Haven Avenue









The City enacted new zoning districts in 2017 along two of our major arterials to consolidate various zoning districts, provide more urban types of standards and to promote redevelopment in our city limits. No changes were made to any of the properties that are in unincorporated County. Since enactment of the new zoning districts and its application on the Zoning map, city staff has eliminated some non-conforming uses that conflicted with the City Future Land Use map, and made it simpler for developers to aggregate properties of the same zoning district instead of having to rezone adjacent properties. The result was a zoning district for each corridor, Commercial – Wickham and Commercial – New Haven, modeled after the types of uses that existed along Wickham Road and New Haven Avenue with an eye for future enhancements in these corridors. These images below show the before 2017 changes and after the changes:

Zoning Before 2017



Zoning After 2017:



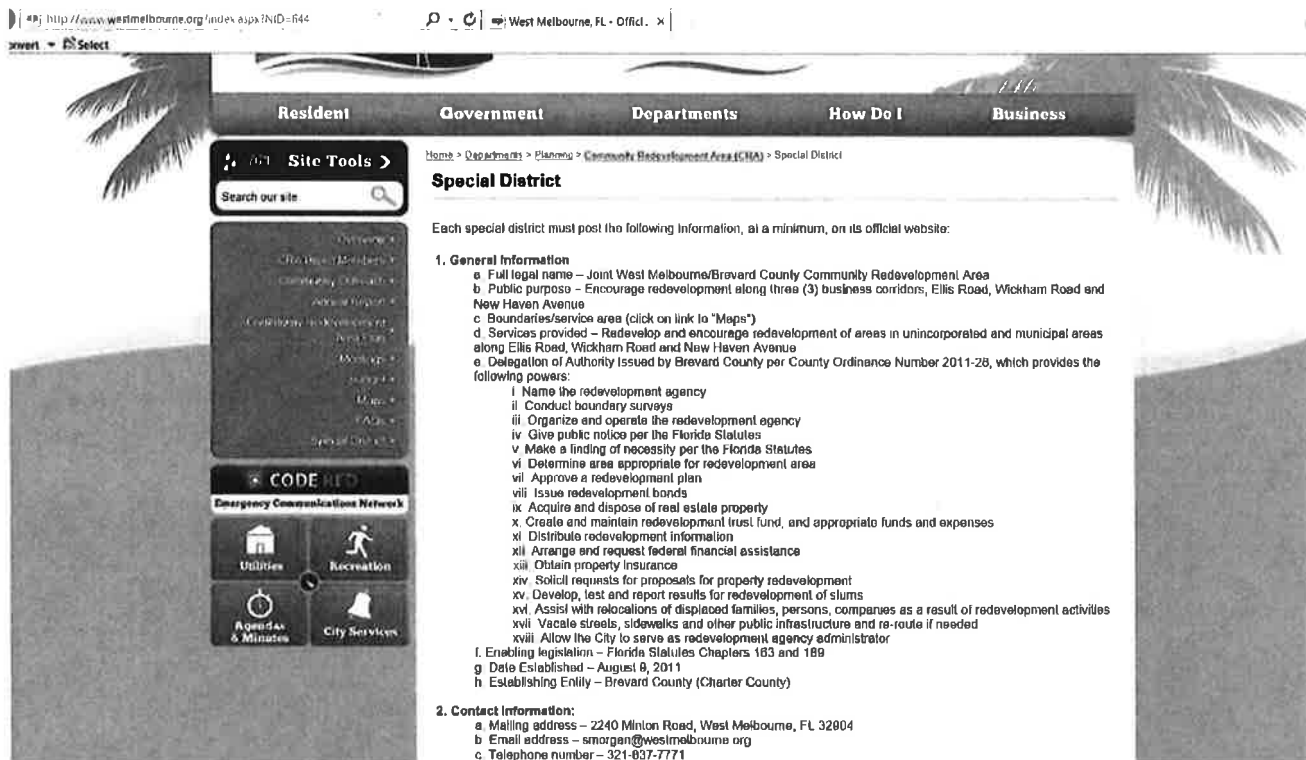
-  C-P: Commercial Parkway
-  C-1A: Professional Offices and Services
-  C-1: Low Density Commercial
-  C-2: General Commercial
-  M-1: Light Industrial and Warehousing
-  M-2: General Industrial
-  P-1: Institutional
-  IB: Integrated Business

2 New Districts

-  C-NH: Commercial New Haven Avenue
-  C-WR: Commercial Wickham Road

WEBSITE

Special District website requirements – (Screen shot of City's "Special District" web page)



The "West Melbourne/Brevard County Joint Community Redevelopment Agency" was one of the first in Brevard County to update its web site to include an organized outline of the features of the special district new statutory requirements. The purpose of the new requirements by the State of Florida was to add transparency to a complex maze of special districts by having Community Redevelopment Agencies identify themselves as special districts, with listed purposes, establishment dates, and contact information. The State of Florida had conducted an exhaustive review of existing special districts in 2013 which included identification of all such taxing authorities like ports, inlet districts, airports and community redevelopment agencies and had determined that every special district should include basic information linking their taxing authority or tax source of revenue with a stated purpose.

SECTION VI – FINANCIAL REPORTS

a. Balance Sheet:

FY 2019-2020 Assets:

Cash and Investments	\$952,672
Total Assets	\$952,672

FY 2019-2020 Liabilities:

City Loan Debt Service – Long Term	\$100,000
City Loan Debt Service – Current	\$400,000
Total Liabilities	\$500,000

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

FY 2019-2020 Revenues:

FDOT US Highway 192 Lighting Grant	\$0
Increment Financing (County)	\$213,193
Increment Financing (City)	\$213,193
Total Revenue	\$426,386

FY 2019-2020 Expenditures:

Personnel costs	\$ 0
Operating Expenditures	\$420
Total Expenditures	\$420

FY 2019-2020 Changes in Fund Balance

Fund Balance – Beginning of Year	\$26,706
Net Activity FY 2019-2020	\$425,966
Fund Balance	\$452,672

c. Summary of Projects, Grants & Debt

The Community Redevelopment Agency no longer engages in the façade loan program for commercial properties along New Haven Avenue, Ellis Road and Wickham Road. If businesses approach City of West Melbourne staff about using the loan program, the City explains that per an Interlocal Agreement with Brevard County in 2018 CRA money spending is limited to these categories:

- Property acquisition
- Road improvements
- Stormwater improvements
- Stormwater facilities related to the widening of Ellis Road from John Rodes Boulevard to Wickham Road
- Sewer projects that serve commercial properties in the unincorporated portions of the CRA

City staff continues to encourage redevelopment of existing commercial businesses in our three corridors of emphasis as evidenced by the City's passage of collapsed zoning districts along US 192 and Wickham Road that allows property owners greater flexibility and a wider array of possible uses instead of the previous segregation into 4-5 zoning districts of commercial districts with specific differences between neighboring properties. Meaning that future redevelopment along these two roads will be more cohesive and less confusing to potential redevelopers. Staff anticipates that when Brevard County and the Florida Department of Transportation have completed design plans for four-laning Ellis Road, that CRA funds can be used to supplement the drainage requirements of the project.

SECTION VII – PERFORMANCE INFORMATION

- a. Total projects started, completed and estimate cost for each project: *The Community Redevelopment Area (CRA) and its governing agency had no active projects for Fiscal Year 2019-2020, although the governing agency still has debt to pay off the original Community Redevelopment Report which established its mission.*
- b. Number of jobs created and sector of the economy from which these jobs were created within the CRA: *There were no active CRA projects from which direct jobs would have been created and this is not one of the agreed upon uses of funds from the 2018 County-City interlocal agreement. However, the City has a list of properties developed or redeveloped in the CRA since the inception of the district, thus fulfilling its mission of redevelopment in the area.*
- c. Number of jobs retained within the CRA: *There were no active CRA projects from which jobs would have directly been retained and this is not one of the agreed upon uses of funds from the 2018 County-City interlocal agreement. However, the City has created a list of properties developed or redeveloped in the CRA since the inception of the district.*
- d. Assessed property values when CRA was enacted vs. current assessed property values:

Base Year 2012

County	\$219,775,470
City	\$184,197,920

Taxable Year 2020

County	\$348,696,695
City	\$292,917,245

- e. Total amount expended for affordable housing: *Pursuant to the 2018 County-City interlocal agreement this is not a category eligible for Community Redevelopment Tax Increment Financing.*

Revitalized properties and their annual property value increases

Business Name/Address	Year Built or Renovated	2017 Property Appraiser Value	2018 Property Appraiser Value	2019 Property Appraiser Value	2020 Property Appraiser Value
Cheddar's/2130 W. New Haven Ave.	2013 built	\$1,950,000	\$2,000,000	\$2,000,000	\$2,000,000
Autozone/1340 W. New Haven Ave.	2014 renovated	\$1,575,000	\$1,665,580	\$1,750,230	\$1,898,430
Arby's/2300 W. New Haven Ave.	2015 renovated	\$875,000	\$915,070	\$947,240	\$1,076,810
McDonald's/445 S. Wickham Road	2011 renovated	\$665,000	\$724,760	\$749,500	\$883,040
McDonald's/ 2450 W. New Haven Avenue	2016 renovated	\$850,000	\$916,280	\$936,020	\$1,102,780
Advance Auto/ 450 S. Wickham Road	2013 demo and built	\$750,000	\$783,380	\$877,840	\$914,590
Cumberland Farms/440 S. Wickham Road	2015 demo and built	\$1,175,000	\$1,233,410	\$1,291,470	\$1,614,340
Cumberland Farms/ 4440 W. New Haven	2015 demo and built	\$1,200,000	\$1,263,000	\$1,333,560	\$1,666,950
Cumberland Farms/ 1000 W. New Haven Ave.	2015 built	\$1,175,000	\$1,263,180	\$1,413,550	\$1,766,940
Wawa/combination of 3 parcels – 3175 W. New Haven Avenue	2015-2016	\$1,650,000	\$1,716,290	\$1,817,890	\$2,272,360
Health First (used to be Office Depot/Wild Oats plaza) – 1131 W. New Haven Avenue	2016 renovated	\$3,000,000	\$3,404,000	\$3,704,640	\$4,238,690
Dunkin Donuts (in Coastal Commerce) – 4525 W. New Haven Avenue	2017 new build	\$764,000	\$913,560	\$917,560	\$1,018,410
Starbucks -1425 W. New Haven Avenue	1993 – original building; 2020 demo and rebuild	\$400,000	\$413,880	\$417,610	\$523,190

SECTION VIII – ADDITIONAL ANNUAL REPORTING REQUIREMENTS

- a. Provide the Board of County Commissioners the Community Redevelopment Agency's proposed budget for the upcoming fiscal year, 60 days prior to the beginning of the fiscal year: *The Community Redevelopment Agency prepares its budget in the spring and thus is compliant with the County's 60 day requirement prior to September 30, 2020.*
- b. Provide the Board of County Commissioners any budget amendments to its operating budget within 10 days after the adoption by the Community Redevelopment Agency: *The Community Redevelopment Agency has not had any budget amendments in FY 2019-2020 but will comply with the 10-day submittal requirement to the County's.*

SECTION IX – SUMMARY

The primary purpose of a community redevelopment area is to encourage property revitalization and redevelopment. It has been shown that public improvements, such as extension of sewer lines, continuation of sidewalks, street lighting, and other enhancements near undeveloped properties spur private investment in the area and ultimately add value to property values, franchise fees, sales taxes, local retail and housing investments. The West Melbourne/Brevard County Joint Community Redevelopment Agency is in its seventh year of operation and believes that the public improvements of street lighting, development code changes and gradual implementation of other strategies identified in the 2013 Redevelopment Master Plan yields the increased property values from redevelopment and new development and other benefits to an area that might otherwise continue further into blight conditions.

APPENDIX – COMMUNITY REDEVELOPMENT AGENCY MAP

