

Meeting Date
1/9/2018



AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA	
Section	Unfinished Business
Item No.	V A

SUBJECT:		Interlocal Agreement between Brevard County Board of County Commissioners and the City of Satellite Beach Community Redevelopment Agency.				
DEPT/OFFICE:		County Manager's Office				
Requested Action:						
It is requested that the Board of County Commissioners discuss the attached proposed revised Interlocal Agreement between Brevard County Board of County Commissioners and the City of Satellite Beach and the Satellite Beach Community Redevelopment Agency and provide staff direction. Authorize Chair to execute any Interlocal Agreement approved by the Board of County Commissioners.						
Summary Explanation & Background:						
<p>On May 10, 2017 the Board of County Commissioners, in regular session, directed the County Manger to move forward with interlocal agreement negotiations with the Community Redevelopment Agencies (CRAs) with guidelines provided by the Board and to bring the negotiated interlocal agreements back to the Board for its consideration.</p> <p>As a result of those negotiations the Satellite Beach City Council and CRA approved and executed an Interlocal agreement that included the following terms:</p> <ul style="list-style-type: none"> • No New Indebtedness. • The County shall no longer be required to contribute a tax increment after September 30, 2026. • The City and CRA agree to return and remit to the County the County's ratio of unspent tax increment funds at the end of each fiscal year in estimated amounts specified on Exhibit B, attached to agreement. • The CRA, City and County agree that the CRA plan shall specifically identify the CRA redevelopment projects to be funded the CRA tax increment and the funds proposed to be allocated to each such project as listed in Exhibit B. • The CRA shall prepare and submit to the County annually a report in the form set forth in Exhibit A. • The City and CRA agree to limit expenses for administrative services provided to the CRA to an amount not to exceed 5% of the total City and County increments. <p>On October 10, 2017 the Board considered the proposed agreement and directed further negotiations requesting the following language be included in the CRA agreement:</p> <p>(continued on next page)</p>						
Clerk to the Board Instructions:						
Exhibits Attached: Revised Satellite Beach CRA Interlocal Agreement, Exhibit A and Exhibit B. E-mail from Satellite Beach City Manager, Courtney Barker						
Contract /Agreement (If attached):		Reviewed by County Attorney	Yes	X	No	PR
County Manager Frank Abbate		Assistant County Manager John Denninghoff			Department Director / Extension	
		Interim Assistant County Manager Jim Liesenfelt				

- Nothing in this agreement shall be interpreted as modifying the authority of the Board of County Commissioners as outlined in Section 3(b) of Resolution 02-136.
- The City and County agree that, in accordance with its authority under section 125.01(x), Florida Statutes, at any time during the term of this agreement the County shall have the right to require the CRA to retain an independent auditor to conduct a performance audit paid for by the County. At the discretion of the County, any performance audit of the CRA required by the County shall include any or all of the matters specified in the definition of “performance audit” set forth in section 11.45(1)(h), Florida Statutes (2016).
- The City represents and agrees that the City shall apply no less than 40%, and no more than 60%, of the annual County tax increment solely for the payment of debt service on bonds, until such time as all Projects, as described in Section 10 of this agreement, are completed.

The attached response from Courtney Barker outlines the City Manager’s position relative to these additional negotiations. The City is willing to agree that any changes to the CRA plan would require approval from the County. The additional performance audit language and language relating to application of the County tax increment for payment of debt service on bonds was not acceptable for the reasons outlined in her e-mail. Based on this information, the County Manager is requesting the Board consider and provide direction on the following options:

Option 1: Approve the Interlocal Agreement executed by the City of Satellite Beach and considered by the Board of County Commissioners on October 10, 2017 with the following revisions:

10: **PROJECT IDENTIFICATION.** The CRA, CITY and COUNTY agree that the CRA plan shall specifically identify the CRA redevelopment projects to be funded ~~the~~ by CRA tax increment and the funds proposed to be allocated to each such project. A list of the currently approved CRA projects, as set forth in the current CRA plan, is attached hereto as Exhibit B. Nothing in this section shall prevent the CRA, in its discretion, from reallocating plan approved funding to other projects identified in the approved CRA plan, provided that any new projects not specified in the plan do not exceed the total planned expenditures outlined in the Plan. Any changes to the CRA plan subsequent to the execution of this agreement shall require the approval of the Brevard County Board of County Commissioners.

13: **EFFECT OF AGREEMENT.** This agreement, including the exhibits and all documents and papers delivered pursuant hereto, and any written amendments hereto executed by the parties to this agreement constitute the entire agreement between the parties and supersedes all prior agreements and understandings, oral or written, among the parties to this agreement with respect to the subject matter hereof. This agreement may be amended only by written agreement approved and executed with the same formalities as this agreement by all parties. Nothing in this agreement shall be interpreted as modifying the authority of the Board of County Commissioners as outlined in Section 3(b) of Resolution No. 02-136.

Option 2: Continue the Satellite Beach CRA “as is” without an Interlocal Agreement.

Option 3: Any other direction provided by the Board of County Commissioners.



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

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

January 10, 2018

MEMORANDUM

TO: Frank Abbate, County Manager

RE: Item V.A., Interlocal Agreement with City of Satellite Beach and City of Satellite Beach Community Redevelopment Agency

The Board of County Commissioners, in regular session on January 9, 2018, approved Option 1, approving the Interlocal Agreement with City of Satellite Beach and City of Satellite Beach Community Redevelopment Agency, as considered by the Board on October 10, 2017, with the following revisions:

10: **PROJECT IDENTIFICATION.** The CRA, CITY and COUNTY agree that the CRA plan shall specifically identify the CRA redevelopment projects to be funded the by CRA tax increment and the funds proposed to be allocated to each such project. A list of the currently approved CRA projects, as set forth in the current CRA plan, is attached hereto as Exhibit B. Nothing in this section shall prevent the CRA, in its discretion, from reallocating plan approved funding to other projects identified in the approved CRA plan, provided that any new projects not specified in the plan do not exceed the total planned expenditures outlined in the Plan. Any changes to the CRA plan subsequent to the execution of this agreement shall require the approval of the Brevard County Board of County Commissioners.

13: **EFFECT OF AGREEMENT.** This agreement, including the exhibits and all documents and papers delivered pursuant hereto, and any written amendments hereto executed by the parties to this agreement constitute the entire agreement between the parties and supersedes all prior agreements and understandings, oral or written, among the parties to this agreement with respect to the subject matter hereof. This agreement may be amended only by written agreement approved and executed with the same formalities as this agreement by all parties. Nothing in this agreement shall be interpreted as modifying the authority of the Board of County Commissioners as outlined in Section 3(b) of Resolution No. 02-136. Enclosed is the executed Interlocal Agreement.

Upon execution by all parties, please return a fully-executed Interlocal Agreement to this office for inclusion the official minutes.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

cc: County Attorney

Encl. (1)

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT entered into the 9 day of Jan. 2018, by and between the CITY OF SATELLITE BEACH, a Florida municipal corporation, 565 Cassia Boulevard, Satellite Beach, Florida 32937 (hereinafter "the CITY"), the CITY OF SATELLITE BEACH COMMUNITY REDEVELOPMENT AGENCY, a Florida dependent special district, 565 Cassia Boulevard, Satellite Beach, FL 32937 (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), 2725 Judge Fran Jamieson Way, Viera, Florida 32940 (hereinafter collectively called "the COUNTY").

WITNESSETH:

WHEREAS, the CITY created the CRA pursuant to CITY Resolution No. 755 and Ordinance No. 836 after the COUNTY delegated its authority under Part III, ch.163, Florida Statutes, as set forth in COUNTY Resolution 02-136; and

WHEREAS, the CITY created a tax increment redevelopment trust fund (CRA TIF) pursuant to §163.387, Florida Statutes, CITY Ordinance No. 837 and its delegation of authority from COUNTY; and

WHEREAS, the CITY and COUNTY have continuously paid their respective full CRA 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

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 address the County's budget concerns involves 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; 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 by this reference incorporated herein.

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.** In accordance with §163.387(3)(b), Florida Statutes, notwithstanding any provision in §163.387, Florida Statutes to the contrary, after September 30, 2026, the COUNTY shall no longer be required to contribute a tax increment of any amount to the CRA TIF.

5. **COUNTY TIF PAYMENT.** Subject to the CRA annual payback provision in section 6 below and subject to the County CRA payment expiration provision in section 4 above, 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 2025-2026, however, in no event shall the COUNTY continue to pay a tax increment into the CRA TIF after September 30, 2026.

6. **CRA ANNUAL PAYBACK.** The CITY and CRA agree to return and remit to the COUNTY, at the end of each fiscal year, the County's ratio of unspent tax increment funds that may be close to the amounts specified for each fiscal year, depending on revenues and project expenditures, in the Plan.

7. **COUNTY DISTRIBUTION.** The COUNTY will be responsible for transferring to the appropriate revenue fund for each County Taxing Authority the proportion that the Taxing Authority's increment paid into the CRA TIF in a fiscal year bears to the total amount paid into the CRA TIF by all County Taxing Authorities for that fiscal year.

8. **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, as that date is determined under state law.

9. **ANNUAL AUDIT; REPORT; AND MEETING.** Each year, the CRA shall prepare and submit to the COUNTY a report in the form set forth in Exhibit A, attached hereto. The CRA or CITY shall also submit the annual CRA audit report required by section 163.387(8), Florida Statutes. The CITY and CRA agree to contractually require the independent auditor preparing that audit report to examine CRA expenditures and certify that all CRA TIF revenues have been lawfully expended solely in compliance with and for the community redevelopment purposes authorized under the provisions of chapter 163, Part III, Florida Statutes. The City Manager of the CITY or Chairperson of the CRA governing body shall annually meet with the County Commissioner in whose District the CRA is located to discuss the annual and audit reports.

10. **PROJECT IDENTIFICATION.** The CRA, CITY and COUNTY agree that the CRA plan shall specifically identify the CRA redevelopment projects to be funded by CRA tax increment and the funds proposed to be allocated to each such project. A list of the currently approved CRA projects, as set forth in the current CRA plan, is attached hereto as Exhibit B. Nothing in this section shall prevent the CRA, in its discretion, from reallocating plan approved funding to other projects identified in the approved CRA plan, provided that any new projects not specified in the plan do not exceed the total planned expenditures outlined in the Plan. Any changes to the CRA plan subsequent to the execution of this agreement shall require the approval of the Brevard County Board of County Commissioners.

11. **NO NEW INDEBTEDNESS.** The Parties agree that the CRA shall not obligate itself to any new indebtedness or extend existing indebtedness for which County increment funds have been pledged as a source of repayment.

12. **ADMINISTRATIVE EXPENSES.** The CITY and CRA agree to limit expenses for administrative services provided to the CRA to an amount not to exceed 5% of the total City and County increments.

13. **EFFECT OF AGREEMENT.** This agreement, including the exhibits and all documents and papers delivered pursuant hereto, and any written amendments hereto executed by the parties to this agreement constitute the entire agreement between the parties and supersedes all prior agreements and understandings, oral or written, among the parties to this agreement with respect to the subject matter hereof. This agreement may be amended only by written agreement approved and executed with the same formalities as this Agreement by all parties. Nothing in this agreement shall be interpreted as modifying the authority of the Board of County Commissioners as outlined in Section 3(b) of Resolution No. 02-136.

Nothing in this agreement shall be deemed to affect the existing Interlocal Agreement dated August 20, 2013 between the CITY, CRA and COUNTY relating to the repayment of the CRA and CITY to the COUNTY of increment funds that had been previously utilized by the City for general government purposes.

14. **ATTORNEY'S FEES.** In the event any litigation arises out of this Agreement or

under this Agreement, each party shall bear its own attorney's fees and costs.

15. **NOTICES.** All notices, requests, demands and other communications which are required or may be given under this agreement shall be in writing and, in the case of notice to the City or County Manager, by email. Notice shall be deemed to have been duly given if emailed and by personal delivery or deposit of the same in first class mail, postage prepaid by certified mail:

CITY: City Manager/CRA Director
City of Satellite Beach
565 Cassia Boulevard
Satellite Beach, FL 32937
(email address available at City Website)

CRA: CRA/Director c/o City Manager
CRA of Satellite Beach
565 Cassia Boulevard
Satellite Beach, FL 32937

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.

16. **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.

17. **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.

CITY OF SATELLITE BEACH

By: 
Its:

CITY OF SATELLITE BEACH COMMUNITY REDEVELOPMENT AGENCY

By: 
Its:

BREVARD COUNTY

By: 
Rita Pritchett, Chair
(as approved by the Board on 1/9/ 2018)

ATTEST:



Scott Ellis, Clerk

Community Redevelopment Agency Annual Report Template

- I. INTRODUCTION, MISSION AND OVERVIEW:
- II. BOARD MEMBERS AND STAFF:
- III. BOUNDARY LINES:
- IV. HISTORY
 - a. Creation Date:
 - b. Plan Amendment Dates:
 - c. Applicable Resolution(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 estimate cost for each project
 - b. Number of jobs create and sector of the economy from which these jobs were created within the CRA

Community Redevelopment Agency Annual Report Template

- 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 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
-

Table 6. Revenue and Expenditure Projections FY 15/16 - FY 25/26

REVENUES	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	FY 2020/2021	FY 2021/2022	FY 2022/2023	FY 2023/2024	FY 2024/2025	FY 2025/2026
City TIF	\$ 841,615	\$ 981,740	\$ 1,126,417	\$ 1,194,002	\$ 1,277,582	\$ 1,367,013	\$ 1,449,034	\$ 1,535,976	\$ 1,628,134	\$ 1,725,822	\$ 1,829,372
Transfer Payment from City GF	\$ 35,338	\$ 35,338	\$ 35,338	\$ 35,338	\$ 35,338	\$ 35,338	\$ 35,338	\$ 35,338	\$ 35,338	\$ 35,338	\$ 35,338
County TIF	\$ 496,264	\$ 547,931	\$ 602,894	\$ 639,068	\$ 671,021	\$ 724,703	\$ 768,185	\$ 814,276	\$ 863,133	\$ 914,920	\$ 969,816
Fund Balance	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Refund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ 4,500	\$ 2,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500
TOTAL REVENUES	\$ 1,391,717	\$ 1,567,509	\$ 1,769,149	\$ 1,872,908	\$ 1,988,441	\$ 2,131,554	\$ 2,257,057	\$ 2,390,090	\$ 2,531,105	\$ 2,680,561	\$ 2,839,025
EXPENSES											
Bank of America Loan	\$ 508,600	\$ 491,740	\$ 493,777	\$ 493,777	\$ 508,600						
Operating											
Interlocal Agreement (City/CRA)	\$ 167,974	\$ 193,344	\$ 185,779	\$ 185,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Services	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consultant Fees	\$ 1,500	\$ 1,500	\$ 1,600	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Agreement with Breward County	\$ 144,341	\$ 142,923	\$ 210,008	\$ 277,331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel & Training	\$ 7,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Fees	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500
Operating Supplies	\$ 5,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tuition, Memberships, Publications	\$ -	\$ 1,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Expenses	\$ 340,315	\$ 357,867	\$ 415,887	\$ 483,110	\$ 4,500						
Transfer to General Fund	\$ 245,771	\$ 243,355	\$ 142,564	\$ -							
Projects											
Facade Grants	\$ 65,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Beach Access Signage Project	\$ 24,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A1A Streetscape Project	\$ 20,000	\$ 50,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Civic Center Renovation Project	\$ -	\$ 71,150	\$ 175,000	\$ 230,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jackson Avenue Streetscape Project	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Projects Expenses	\$ 109,000	\$ 161,150	\$ 350,000	\$ 580,000	\$ -						
TOTAL EXPENSES	\$ 1,208,686	\$ 1,254,112	\$ 1,402,228	\$ 1,556,887	\$ 513,100						
Revenues Less Expenses	\$ 183,031	\$ 313,397	\$ 366,921	\$ 316,021	\$ 1,475,341	\$ 1,618,454	\$ 1,743,957	\$ 1,876,990	\$ 2,018,005	\$ 2,167,481	\$ 2,325,925
City TIF Payback	\$ 112,819	\$ 200,574	\$ 238,499	\$ 189,612	\$ 885,205	\$ 971,072	\$ 1,046,374	\$ 1,126,194	\$ 1,210,803	\$ 1,300,488	\$ 1,395,555
County TIF Payback	\$ 75,212	\$ 112,823	\$ 128,422	\$ 126,408	\$ 590,136	\$ 647,381	\$ 697,583	\$ 750,796	\$ 807,202	\$ 866,992	\$ 930,370

CITY OF SATELLITE BEACH, FLORIDA

565 CASSIA BOULEVARD 32937-3116
(321) 773-4407
(321) 779-1388 FAX



INCORPORATED 1957

April 23, 2018

Tammy Rowe, Deputy Clerk
Brevard County Board of County Commissioners
P.O. Box 999
Titusville, FL 32781

RE: Interlocal Agreement with Brevard County, City of Satellite Beach, and
City of Satellite Beach Community Redevelopment Agency

Dear Deputy Clerk Rowe:

At the April 4, 2018 Community Redevelopment Agency meeting, the Agency approved the Interlocal Agreement. At the April 18, 2018 City Council meeting, the City Council approved the Interlocal Agreement. Enclosed is an original fully executed Agreement.

Should you need further information, please do not hesitate to contact me.

Sincerely,

Leonor Olexa, CMC
City Clerk

Enclosures

Abbate, Frank B

From: Courtney Barker <cbarker@satellitebeach.org>
Sent: Tuesday, October 17, 2017 2:34 PM
To: Abbate, Frank B
Subject: RE: Satellite Beach CRA

Good Afternoon Frank,

Thank you for your email. I heard about the meeting, mostly from people calling me telling me how sorry they were that a County Commission member could have such animosity for the City, especially considering how well our agreement favors the County. Unfortunately, my City Council members also heard about the presentation made at the meeting, and they are quite upset. While I can certainly bring back the changes the County wants, I do not believe that this will be fruitful. In fact, I believe that this will actually be a detriment, as there may be some more bad feelings expressed at the meeting, furthering the divide. Additionally, I have some issues with the items in your email:

The City will not agree to the County having any auditing authority of the City, and will not agree to any language that suggests that the County has auditing authority of the City. The City has already been through the political auditing common with the County Commission and CRAs, and we have absolutely no intention in going through that again. With a precise list of projects and budgets, what does the County need to audit us for?

We agree that to change the Plan, we will be happy to get approval from the County. We also agree to even provide the PROPOSED budget to you prior to July 31st so you can see that we are not spending anything differently.

I am not sure why the County wants stipulations on the debt service spending, but the type of debt service we have does not allow early payoffs. The percentages you provided also make absolutely no sense. The total amount of the TIF paid by the County for FY 16/17 is \$547,931. The City returned \$142,923 to the County at the end of that year. This is 26% of the total TIF. This percentage will rise by the end of FY 18/19, with approximately 50% of the TIF being returned to the County. What if the City wants to return more? Would you rather your funds be spent on debt service? We also have the amount we are spending on debt service outlined in the exhibit in the ILA. What does this provision accomplish?

Given our recent history of paybacks to the County at the end of the year, which have exceeded the Interlocal Agreement amounts we have now, I strongly recommend allowing me to present this information to the Commission with the current agreement. We have just amended the Plan to cut a project and end projects a year earlier than the five-year early end date we put in the Plan three years ago. It is clear that we have every intention on closing down the CRA.

I understand that our County Commissioner will not be able to attend a meeting until December. Therefore, we ask that this be placed on the first meeting in December. Thanks so much for your assistance on this, and we hope that with some more understanding of our efforts, we can get this passed.

Respectfully,

Courtney Barker, AICP
City Manager
City of Satellite Beach, FL
[565 Cassia Blvd](#)
[Satellite Beach, FL 32937](#)
Phone: [\(321\)773-4407](tel:(321)773-4407)

From: Abbate, Frank B [mailto:Frank.Abbate@brevardfl.gov]
Sent: Monday, October 16, 2017 3:43 PM
To: Courtney Barker <cbarker@satellitebeach.org>
Cc: Knox, Scott L <Scott.Knox@brevardfl.gov>
Subject: Satellite Beach CRA

Courtney:

As I know you are aware, last Tuesday evening the Board considered the draft Interlocal agreement between the Board of County Commissioners, the City of Satellite Beach and the City's CRA. As a result of that review and Board discussion, the Board authorized and directed further negotiations, requesting the following language be included in the CRA agreement:

- Nothing in this agreement shall be interpreted as modifying the authority of the Board of County Commissioners as outlined in Section 3(b) of Resolution 02-136.
- The City and County agree that, in accordance with its authority under section 125.01(x), Florida Statutes, at any time during the term of this agreement the County shall have the right to require the CRA to retain an independent auditor to conduct a performance audit paid for by the County. At the discretion of the County, any performance audit of the CRA required by the County shall include any or all of the matters specified in the definition of "performance audit" set forth in section 11.45(1)(h), Florida Statutes (2016).
- The City represents and agrees that the City shall apply no less than 40%, and no more than 60%, of the annual County tax increment solely for the payment of debt service on bonds, until such time as all Projects, as described in Section 10 of this agreement, are completed.

Scott Knox and I are available to meet with you and your earliest convenience to discuss this additional language. Should we be able to agree to non-substantive changes to the additional proposed language, the Board Chairman has been authorized to execute the inter-local agreement. We look forward to hearing from you and/or meeting with you so that we can continue our efforts to reach an agreement acceptable to all parties. We remain committed to working with you as Satellite Beach has been a strong partner and we appreciate your efforts in working with the County to draft an Interlocal agreement that will address the concerns of all parties. Scott and I look forward to hearing from you soon.

Respectfully,

Frank

Frank Abbate
County Manager
2725 Judge Fran Jamieson Way, Bldg. C
Viera, FL 32940
PH: (321) 633-2001

FAX: (321) 633-2115



BOARD OF COUNTY COMMISSIONERS

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