

# FY2015/2016 CRA ANNUAL REPORT



**State Road 100 Corridor  
Community Redevelopment Agency**

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### Introduction

The State Road 100 Corridor Community Redevelopment Agency (SR 100 CRA) Fiscal Year 2015/2016 Annual Report describes all activities for the period October 1, 2015 through September 30, 2016. The report includes a complete financial statement of the SR 100 CRA's revenues and expenses, amount of tax increment funds collected and a record of SR 100 CRA's activities for the fiscal year.

The SR 100 CRA was created in 2004 as a measure to assist the City of Palm Coast in its efforts to encourage investment, economic development, and redevelopment in the State Road 100 Corridor area. Redevelopment is necessary to create the community envisioned by the City's citizens, merchants, and visitors. The SR 100 CRA continues to pursue voluntary acquisition of properties as part of its strategy to reduce or eliminate the blight identified in 2004.

## Frequently Asked Questions

### *What is a Community Redevelopment Agency (CRA)?*

A Community Redevelopment Agency (CRA) is a dependent taxing district established by local government for the purpose of carrying out redevelopment activities that include reducing or eliminating blight, increasing the tax base, and encouraging public and private investments in the redevelopment area. The members of the City Council also serve as the Board members of the SR 100 CRA.

### *Why create a CRA?*

CRAs are created to assist local governments in pursuing redevelopment in targeted areas that are characterized by blight and disinvestment. By establishing a CRA, local governments are given a financial and planning mechanism by which to redevelop areas where private market forces aren't working.



### *Where are the designated CRA areas?*

The SR 100 CRA encompasses 2,946 acres and is generally located east of Belle Terre Parkway, north of the State Road 100 centerline, south of Royal Palms Parkway, and approximately 0.75 miles east of Interstate 95.

### *What type of activities will happen in CRA areas?*

Redevelopment activities are outlined in the SR 100 CRA Redevelopment Plan. The Redevelopment Plan is a document that is approved by the City and the SR 100 CRA Board. The Redevelopment Plan outlines the goals and objectives for the district, and more importantly, outlines the specific programs and capital improvements designed to reach those goals.

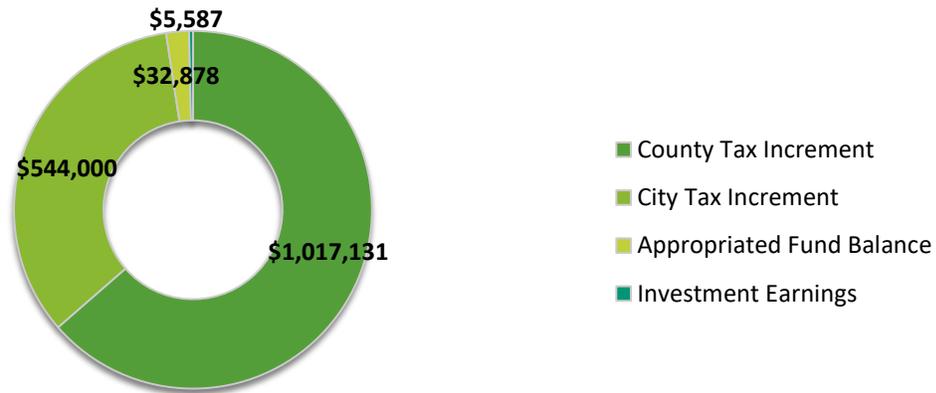
### *How are redevelopment activities funded?*

Activities in CRA districts are predominantly funded by tax increment. Tax increment is calculated based on the dollar value of all real property in the Community Redevelopment Area at the time CRA district is created, also known as the "frozen value". Taxing authorities who contribute to the tax increment continue to receive property tax revenues based on the frozen value. However, any tax revenues from increases in real property value, referred to as "increment", are deposited into the Community Redevelopment Agency Trust Fund and dedicated to the redevelopment area. It

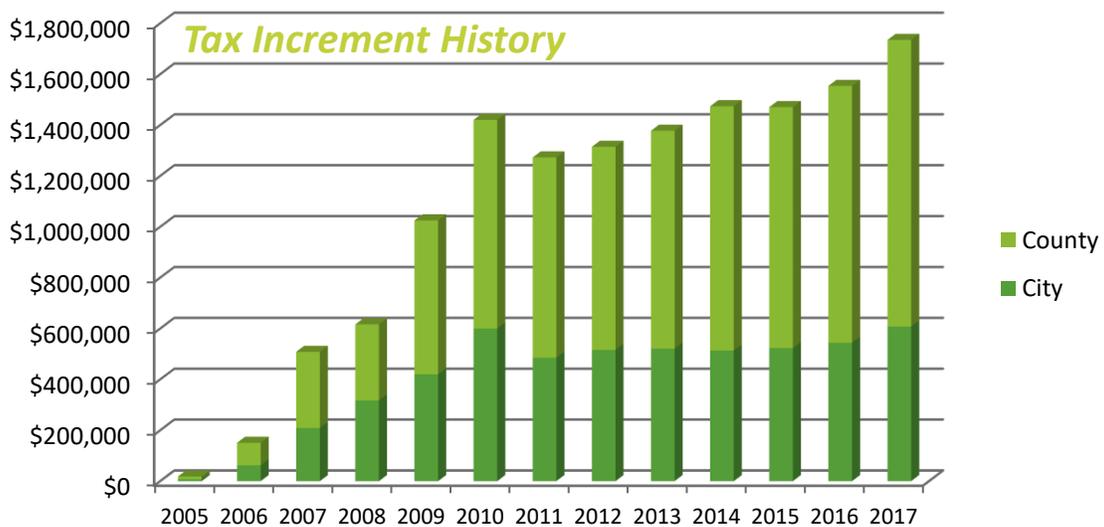
is important to note the property tax revenue collected by the School Board and any special district (ex: SJRWMD) are not affected under the tax increment financing process. Tax increment revenues can be used immediately, saved for a particular project, or bonded to maximize the funds available. Any funds received from a tax increment financing area must be used in accordance with the Redevelopment Plan for specific redevelopment purposes within the targeted area, and not for general governmental purposes.

### FY 2015/2016 Revenues

During the 2015/2016 Fiscal Year, the SR 100 CRA Trust Fund received a total of \$1,561,131 in tax increment funds (\$1,017,131 from Flagler County and \$544,000 from the City of Palm Coast). In addition, \$5,587 was received in investment earnings.



The tax increment funds received this past year of \$1,561,131 increased approximately 6% compared to the previous year's receipt of \$1,470,538 of tax increment funds. The projected tax increment funds for next year are \$1,734,922, which represents an 11% increase.



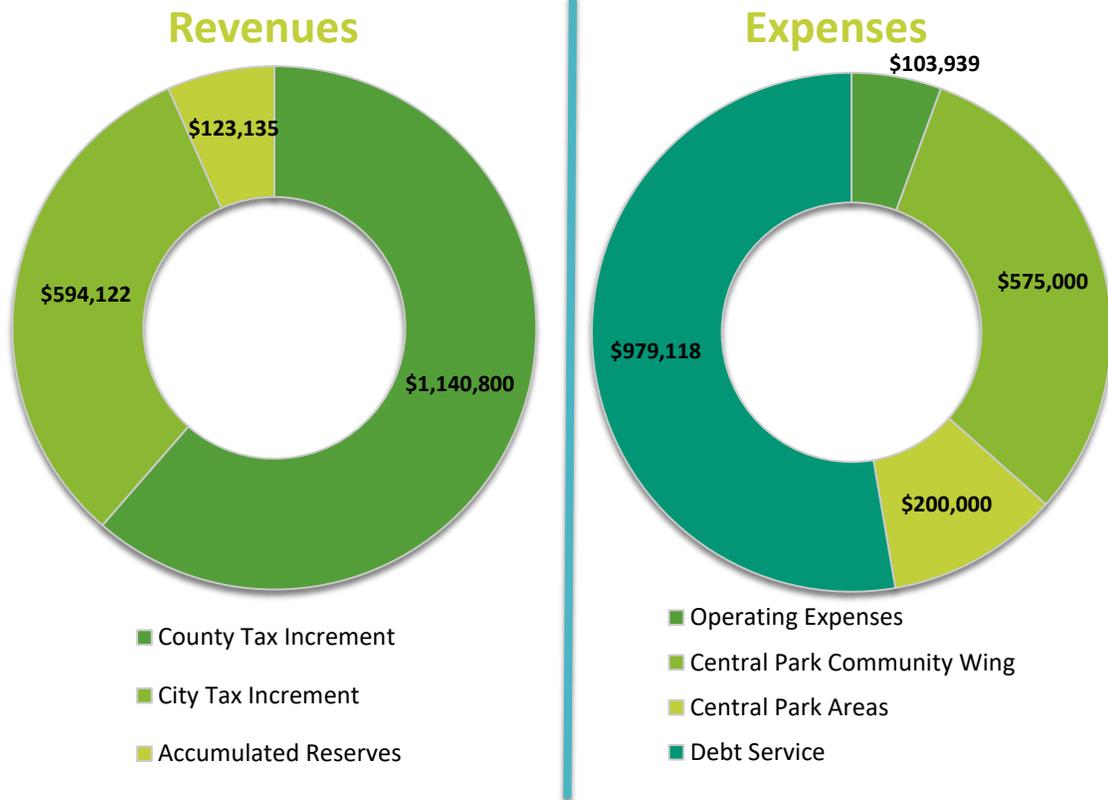
### FY 2015/2016 Expenses

During the 2015/2016 Fiscal Year, the SR 100 CRA Trust Fund expended a total of \$1,599,596.

FY 2015/2016 Expenses (Preliminary)	
Operating Expenses	\$70,400
Central Park Community Wing	\$550,000
Debt Service	\$979,196
<b>Total</b>	<b>\$1,599,596</b>

### FY 2016/2017 Budget

The 2016/2017 Fiscal Year Budget for the SR 100 CRA Trust Fund is \$1,858,057. The City estimates \$123,135 will be used from accumulated reserves. This budget includes funds towards repayment of construction of Central Park Community Area Improvements as part of the overall City Hall Project.



## Major Projects

### Central Park Community Areas

The City of Palm Coast completed the Central Park Community Rooms as part of the overall City Hall project. This project was funded by the City's general capital funds and is being repaid with SR100 CRA funds. The community rooms will be helpful in accommodating groups displaced by the renovation of the Community Center as well.



### Land Purchases

The State Road 100 Corridor Community Redevelopment Area (SR 100 CRA) Plan outlines two target areas for redevelopment. These areas, Midway and Whispering Pines, are antiquated subdivisions with no existing infrastructure except for dirt driveways. The SR 100 CRA has acquired many of these properties as part of an overall strategy to eliminate or reduce blight in the area and aggregate property for future redevelopment. The SR 100 CRA Board has directed City staff

to pursue voluntary acquisitions where the property owners are willing to sell their property at the appraised value. As willing property owners come forward, City staff will bring forward items for City Council and SR 100 CRA Board consideration. In addition, this past fiscal year, City staff released an RFP for redevelopment proposals.



## Other Items of Interest

### Development in SR 100 CRA Area

Over the past year, development of the approved major projects continue within the SR 100 CRA area: Shoppes at Palm Coast (commercial/retail center), Palm Coast Arts Foundation Phase 1 – The Pavilion. With the improvement in the local real estate market, City staff anticipates additional development and capital investment in the upcoming year.

### SR100 CRA Debt Obligations

The SR 100 CRA has two outstanding loans. In January 2017, the City modified the Ameris Bank loan, which decreased the interest rate from 4.44% to 3.45% and results in a savings of approximately \$400,000 over the remaining life of the loan.

Debtor	Principal	Interest Rate	Maturity Date	FY2015/2016 Payment
BB&T Bank	\$4,644,000	2.29%	October 2024	\$525,730
Ameris Bank	\$5,839,000	3.45%	October 2028	\$453,466