

DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
IMPROVING THE ISLAND AND THE COVE WITH YOU.



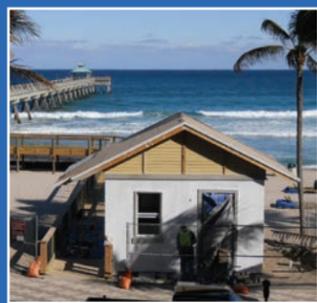
City of
**DEERFIELD
BEACH**

COMMUNITY REDEVELOPMENT AGENCY
FY 2012 ANNUAL REPORT



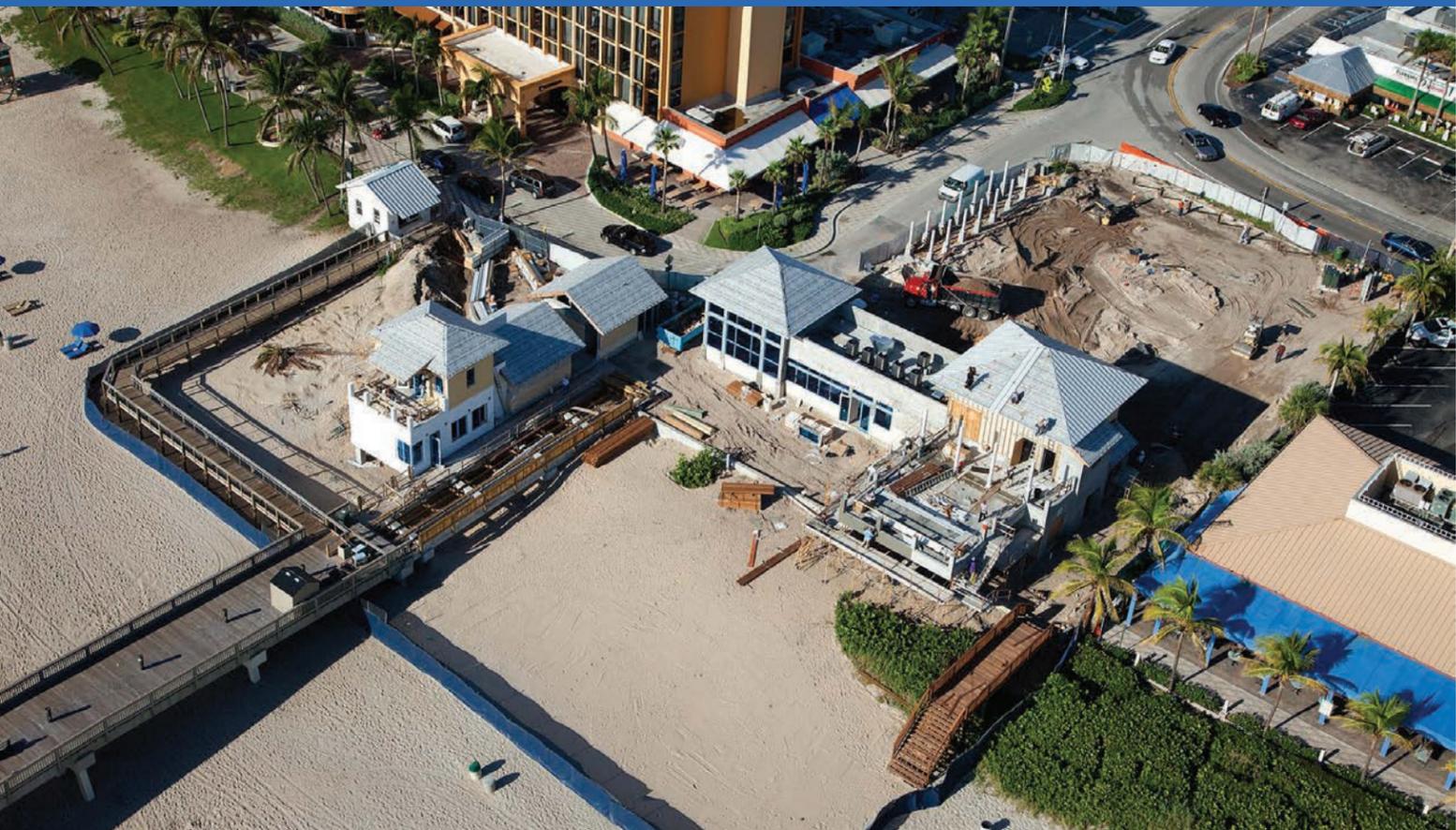
City of
**DEERFIELD
BEACH**

CITY OF DEERFIELD BEACH COMMUNITY REDEVELOPMENT AGENCY
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PIER ENTRANCE BUILDINGS

After completing an inclusive, community driven design process, the CRA moved into the construction phase of the Pier Entrance Buildings. The new facility was designed to achieve ADA compliance, provide safe access to the pier, and serve as the anchor to attract investment in the CRA District. The facility was also designed to be the City of Deerfield Beach's first LEED certified building. Stiles Construction was selected to construct the facility. Great care was taken to maintain access to the Pier during construction via a temporary elevated walkway and bait shack. All temporary materials will be re-used in the project to reduce project waste, including the temporary bait shack which was designed to be lifted from its temporary foundation and relocated elsewhere in the CRA District.



PLAN MODIFICATION

As the CRA continues to implement the redevelopment plan, opportunities arise that were unforeseen in the creation of the original 1999 CRA Plan. In FY 12 the CRA voted to amend the CRA Plan to allow for property acquisition to take advantage of the slump in real estate values and realize a key redevelopment project – the expansion of Sullivan Park as part of the Cove Maritime Village redevelopment concept (above right) created by the Urban Land Institute Technical Advisory Panel.

PROPERTY ACQUISITION The CRA made its first real estate acquisition in FY 12 with the purchase of 1701 Riverview Road (above left) for Sullivan Park Redevelopment. The property was formerly the site of a waterfront restaurant, which was demolished in 2005 and subsequently sat vacant. The CRA bought this .67 acre parcel to create a large enough park area to serve as a regional recreation attraction and provide an amenity to spur future Cove Shopping Center redevelopment.

GRANTS Concurrent with the planning of Sullivan Park expansion, CRA staff drafted and submitted an application for grant funding to the Florida Inland Navigation District (FIND) to offset the cost of park construction. FIND, through its Waterways Assistance Program (WAP), partners with communities to create recreational facilities that provide residents with access to the Intracoastal Waterway. The CRA prepared and submitted a grant application for waterfront park redevelopment, and anticipates an award announcement in FY 13.



The redevelopment of Sullivan Park will bring the Cove Maritime Village concept to life.

FINANCIAL MANAGEMENT The CRA decided to take advantage of historically low interest rates to refinance old CRA debt and issue new debt in order to accelerate the implementation of two large scale capital improvements projects – Sullivan Park Expansion and Cove Gardens Neighborhood Improvements. The CRA's financial analyst estimates debt service cost savings of approximately \$1 million. The refinancing is scheduled to be completed in FY 13.

INFRASTRUCTURE FOR SAFETY A small, but vitally important investment was made in the installation of 9 fire hydrants. Their placement fills in service voids that previously left some District homes and businesses outside of the range of fire protection service. The CRA District is now completely fire protected.



2 0 1 2 SPECIAL EVENTS

The CRA sponsored strategic special events to encourage business development within the District. In FY 12, the CRA sponsored the Deerfield Beach 4th of July celebration, which is estimated to attract 150,000 people to the daylong event and have an estimated economic impact of \$1,500,000. In addition to the summer event on the beach, the CRA sponsored the Holiday Celebration at The Cove to similarly attract people to the newly redeveloped shopping plaza. This year's event drew approximately 1500 participants. Holiday lighting on the new entrance building was left up until the end of the holiday season to serve as an ongoing welcome message from the Cove businesses to seasonal visitors. In FY 12, the seasonal weekly Green Market returned to the Cove and brought people to the plaza on Sunday mornings for fresh, locally grown produce. The CRA began gathering economic impact data on special events that receive CRA sponsorship funding to accurately evaluate return on investment.



PRIVATE SECTOR DEVELOPMENT In December 2011 New Hotel Construction Florida LLC, owner of the adjacent Sunrider Beach Resort, broke ground on the CRA's first new hotel development in several years (below). The small boutique hotel offers 14 guest rooms, panoramic ocean views and unparalleled access to beachside recreation. The \$5 million project is scheduled for a Memorial Day weekend, 2013 completion. The capital investment and job creation are positive impacts on the redevelopment district economy.



WHAT IS A CRA?

A Community Redevelopment Agency (CRA) is a dependent taxing district established by local government for the purpose of carrying out redevelopment activities including reducing or eliminating blight, improving the tax base and encouraging public and private investments in the redevelopment area. The City of Deerfield Beach Mayor and Commissioners serve as the CRA Board of Directors in the execution of the City of Deerfield Beach CRA Plan. CRAs provide local government with a funding and planning mechanism to redevelop areas where market forces aren't performing.

WHAT IS TIR?

Redevelopment activities are primarily funded by Tax Increment Revenue (TIR). TIR is calculated by "freezing" the tax base in the year the CRA was created. Taxing authorities continue to receive tax revenue based on the frozen tax base. When tax revenues rise as a result of redevelopment activities, this "increment" is deposited into the CRA Trust Fund for use on subsequent redevelopment activities.

HISTORY OF THE DEERFIELD BEACH CRA

The Deerfield Beach CRA was created in 1999 to creatively use Tax Increment Revenue to form public private partnerships to redevelop the CRA District. Since its inception, the Deerfield Beach CRA has successfully completed or benefitted from several cornerstone redevelopment projects such as the Ocean Way Boardwalk, A1A S-Curve Improvements and the redevelopment of Hillsboro Commons Office Building and the Hillsboro Square Shopping Center.

Chairperson Peggy Noland & Board Members Joseph P. Miller, Ben Preston, Martin Popelsky and Bill Ganz

COMMERCIAL FAÇADE In FY 2012 the CRA funded two highly visible façade renovation projects. In the Cove Shopping Center, the project included new windows, awnings and painting of five store fronts that are the main focal point upon entering the plaza. On the S-Curve, the District's largest building was approved for expansion of anchor tenants outdoor seating areas, painting, landscaping and signage.



Two Georges at The Cove Restaurant, before



Two Georges at The Cove Restaurant, after



USA Deerfield Parking Garage

COMMUNITY REDEVELOPMENT AGENCY (CRA) FY 2012 FINANCIALS

ASSETS

Cash, Investments, Interest and Monies Due From Other Funds\$3,368,539

LIABILITIES & FUND BALANCE

Accounts Payable.....709,351

Total Fund Balance2,659,188

REVENUES

Property Tax (Contributions from the County and Hospital District)1,211,114

Investment Earnings/Miscellaneous Other9,560

Total Revenues1,220,674

OTHER FINANCING SOURCES AND USES

Transfers In*898,596

Transfers Out**(707,593)

EXPENDITURES

Operating Expenses.....928,218

Capital Outlay.....6,956,854

Total Expenditures7,885,072

*City of Deerfield Beach Contribution to CRA

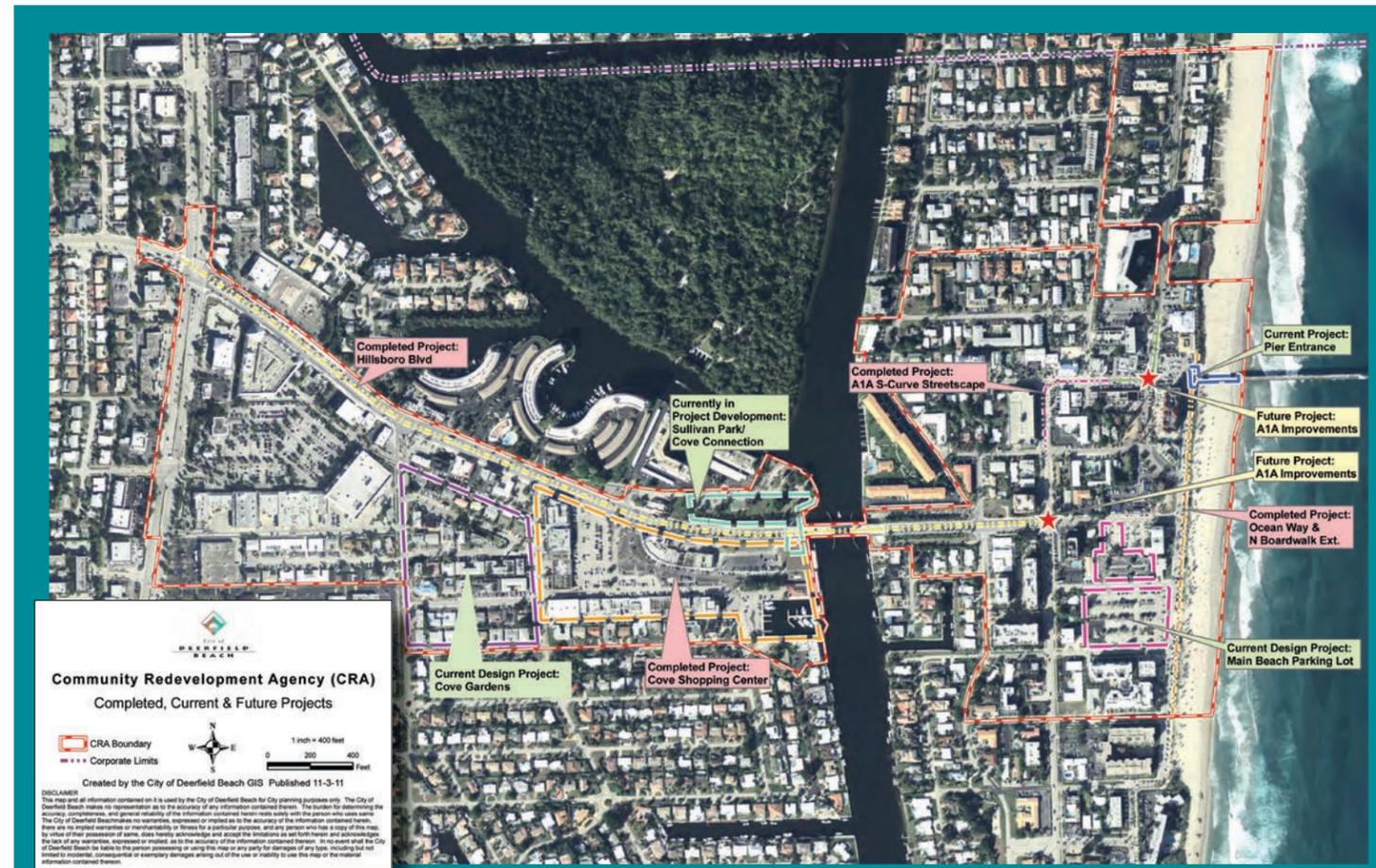
** CRA Debt Service Reimbursement to the City for Ocean Way and Hillsboro Blvd. Projects

AUDITED STATEMENTS As an agency of the City of Deerfield Beach, the Deerfield Beach CRA presents its financial statements in accordance with the reporting model required by Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

This report also contains other supplementary information in addition to the basic financial statement's themselves. The CRA adopts an annual budget for its General Fund. This report demonstrates compliance with this budget.

Copies of the Deerfield Beach CRA's financial statements are available on the website at www.Deerfield-Beach.com or may be requested by telephone at 954-480-4263.

CRA FUNDING



DEERFIELD BEACH CRA DISTRICT BOUNDARIES

The CRA's boundaries lie generally north and south of Hillsboro Boulevard from Federal Highway to the Atlantic Ocean, encompassing the two neighborhoods generally known as The Cove and The Island or Beach.