

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY ANNUAL REPORT



Under Chapter 163.356(3) (C)



FISCAL YEAR ENDING
SEPTEMBER 30, 2011

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March 2012

Message from the Executive Director:

We are pleased to submit the Annual Report of the Jupiter Community Redevelopment Agency for the fiscal year ended September 30, 2011. Section 162.356(8) (C), Florida Statutes, requires each CRA to file with its governing body, on or before March 31 of each year, a report of its activities for the preceding fiscal year, which shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year. The report also provides additional information of interest to the residents and businesses.

The 2010/2011 Fiscal Year was the fourth consecutive year of declining budget revenue funds. This is a classic case of bad news, and good news. Of course, the bad news is the declining revenue which is anticipated to continue through 2012 in to 2013. The good news is that the land values are dropping to a level where property owners and/or developers are considering new projects. The “flippers” are gone; properties in foreclosure are being sold by the banks and we are starting to see projects come in for approval.

As of this date, the following projects are in various stages of site plan review:

1. 9,600 SF of office/retail at Jupiter Yacht Club (please note that 100% of the existing commercial space is leased)
2. The 104 unit condominium project at Mangrove Bay has been purchased as a foreclosure by Jack Wier
3. Seasport Marina converting to a restaurant with wet slip marina
4. Bubba Gump's restaurant replacing the Crabhouse
5. Waterpointe Townhouse development becoming a 30 unit multi-family apartment complex with commercial along US1
6. Expansion of Guanabanas to include a prep kitchen, office and public restrooms

The commercial businesses listed above are anticipated to create approximately 150 new net jobs. This figure does not include jobs created by the conversion of Crabhouse to Bubba Gumps. The majority of the new jobs will be created by the new restaurant being constructed at the Seasport Marina property.

Mr. Mastroianni, Harbourside developer, reports that he has secured \$25,000,000 in paid in investment funds and \$60M in committed funds from EB5 investors. Once the first 50 investors receive their approved I-526 applications, the closing on the town's property will take place. The developer will need an additional 40 investors to complete the offering. Mr. Mastroianni anticipates having the remainder of the investors within a couple of months with site development construction beginning fall 2012. The Harbourside Project is anticipated to create 1,000 plus permanent jobs.

In summary, we believe the worst of the economic downturn is behind us though we may experience another couple years of declining revenues. During 2012 and 2013, the majority, if not all of the projects listed above will be out of the ground if not completed. These are strong indicators that the market is stabilizing.

Respectfully submitted,

Andrew D. Lukasik
Executive Director

CRA PRINCIPAL OFFICIALS

The CRA Commission consists of five commissioners who also serve as Members of the Town of Jupiter Council. The terms of office of the commissioners are concurrent with the terms of the Mayor and the members of the Town Council. The Chair and Vice-Chair are designated by majority vote of the Town Council.

The commissioners for the 2010/2011 Fiscal Year are as follows:



**Karen Golonka
Chair**



**Jim Kuretski
Vice-Chair**



**Todd Woodraska
Commissioner**



**Robert Friedman
Commissioner**



**Wendy Harrison
Commissioner**

COMMUNITY REDEVELOPMENT AGENCY STAFF

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Mission:

The mission of the CRA is to implement the Community Redevelopment Plan as adopted by the Jupiter Town Council pursuant to Chapter 163, Part III of the Florida Statutes, and to use Tax Increment Financing (TIF) as a source of funding for capital improvement projects identified in the plan and to ensure that development within the CRA district meets the quality standards consistent with the community's vision for Jupiter.

Jupiter Community Redevelopment Agency 210 Military Trail Jupiter, FL 33458

INTRODUCTION

Requirement for an Annual Report

The Community Redevelopment Agency Commission shall file with the Town of Jupiter and with the Auditor General of the State of Florida, on or before March 31 of each year, a report of its activities for the proceeding fiscal year, which report shall include a complete financial statement setting forth the CRA's assets, the time of filing this report, the CRA shall publish in a newspaper of general circulation in the Town a notice to the effect that such report has been filed with the Town and that the report is available for inspection during business hours in the office of the Clerk of the Town. The notice of the filing of the annual report will be placed in the Palm Beach Post on March 17, 2012.

CRA Purpose

Florida State Statute 163 allows a Community Redevelopment Agency to be created for one or more of the following purposes: the elimination and prevention of blight; or the reduction or prevention of crime; or for the provision of affordable housing; or the rehabilitation and revitalization of coastal resort and tourist areas that are deteriorating and economically distressed.

History

The Jupiter Community Redevelopment Agency (Jupiter CRA) was created in fall 2001 by the Jupiter Town Council under Chapter 163, Part III of the Florida Statutes. The Jupiter CRA boundary originally included an area consisting of approximately 397 acres. In 2011, the CRA boundaries were expanded via Resolution No. CRA 3-11, Town of Jupiter Resolution No. 22-11 and Palm Beach County Resolution No. R-2011-1104 to include approximately 0.62 acres from 960 North A1A and approximately 0.91 acres located at 950 North A1A. The total CRA boundaries now consist of approximately 399 acres. The newly expanded boundaries of the CRA District are included on the map herein.

The governing body of the Jupiter CRA is the Jupiter Town Council. The Council is comprised of five (5) members. Under the State Statutes and the Town ordinances, the Jupiter CRA has substantial powers and authority within the Jupiter CRA area. These include the power to make and execute contracts, to acquire and dispose property, to approve development plans, to implement a program of voluntary or compulsory rehabilitation of buildings, to mortgage its property, to borrow and invest money, and to apply for and accept grants and contributions.

The Community Redevelopment Plan was formally adopted in 2008.

Tax Increment Financing (TIF)

The primary revenue earned by the CRA is Ad Valorem Taxes from Tax Increment Financing. Tax Increment Financing, or TIF, is the amount of tax specifically due to increased property values within the CRA District. The Town established the Redevelopment Trust Fund using 2003 as the base year for tax increment revenues. The Community Redevelopment Agency collects TIF funds only from the Palm Beach County and the Town of Jupiter. The CRA land area consists of approximately 399 acres as amended in 2011; the 2003 base year value was \$160,330,204 as determined by the Palm Beach County Property Appraisers office.

Fiscal Year 2010/2011 Jupiter CRA Activities

The Jupiter CRA is treated as a special revenue fund of the Town. An independent financial audit by an external CPA firm has been accomplished annually to be in compliance with Section 163.387(8), Florida Statutes. An annual budget is also adopted by the Jupiter CRA Commission to be in compliance with Section 189.418(3). Major activities and accomplishments of the Jupiter CRA in Fiscal Year 2010/2011 include:

1) Planning and Activity Efforts:

- CRA Boundary Expansion including properties located at 950 and 960 North A1A (Approx. 1.5 ac)
- A1A Roadway Improvement Plan
- Inlet Village Retail Concept
- Closed on the land to construct the Riverwalk at Executive Park Plaza and executed Construction Easements with the owners of Executive Park Plaza
- Approval of conceptual plan for Riverwalk signage (Wayfinding, History, Points of Interest)
- Staff prepared and submitted an application to Florida Redevelopment Association competing with several cities statewide for one of the ten State Awards
- Staff earned the CRA Program Management Certification through the Florida Redevelopment Association which is a two-year certification program for professionals and administrators. Studies included: Redevelopment 101, Redevelopment Financing and Funding, Redevelopment Housing, Economic Redevelopment, Marketing, Incentives, and Operations and Capacity Building



2) Capital Projects Work Efforts:

- Relocated 14 palms & gumbo limbo trees scheduled for demolition from US 1 median to Inlet Village Park
- Completed barricade fencing project at Inlet Village Park with archeologist oversight
- **Riverwalk at River Plaza Executive Park** Construction Contract was advertised, bid and a contract was executed during 2011. Construction is 50% completed as of March 1, 2012



- **Riverwalk, Seawall and Public Docks at Harbourside**

December, 2010 – Incentive Agreement to the Northern Riverwalk Community Development District (CDD) to construct Riverwalk, Seawall and Public Docks at Harbourside Area

May, 2011- Loan approved to Northern Riverwalk Community Development District (CDD) for \$3,660,908 to construct Riverwalk, Seawall and Public Docks at Harbourside Area

Currently - Riverwalk and Seawall at Harbourside is under construction to be completed in March, 2012



- **A1A Design**

December, 2010 - Work Order issued to Calvin Giordano initiating the design of A1A

Design work is proceeding and to be completed and permitted in 2013 with construction scheduled to begin 2014

3) Business Assistance via Staff Support

- Pa Ja Motel Annexation (owner suspended process due to pending sale)
- Guanabanas Restaurant Expansion to incorporate a more efficient kitchen, offices and public restrooms
- Paddle Board/Kayak businesses lease/usage of public docks
- Blueline Paddle & Surfboard holds racing events on Inlet Village Park docks, bringing customers to local restaurants and businesses. There were 80 participants and the award ceremonies were held in partnership with Guanabanas Restaurant



- Staff introduced the owners of the Best Western Hotel, Dive Bar Restaurant and Riverwalk Dive Center and suggested that they work together on joint business marketing. The owners have reported that they have had mutual success with “Dive, Dine & Stay” packages.



- Renewed Parking License Agreements at Love St. Parking Lot with Guanabanas Restaurant & Square Grouper that will generate \$24,000 annual revenue.

4) Riverwalk / Inlet Village Promotional Activity

- **East Coast Greenway Alliance Designation**

Spring, 2011 - staff submitted an application to the East Coast Greenway Alliance (ECGA) to have the Riverwalk designated part of the National Trail from Maine to Key West

Summer, 2011 - the Riverwalk was designated as part of the ECGA trail

Fall, 2011 - CRA hosted the ECGA annual meeting at the Riverwalk at Jupiter Yacht Club. Approximately 40 people attended the meeting staying at the Best Western Hotel and dining at the Dive Bar Restaurant



- HOA & Organizations Presentations to:
 - Board of Realtors Annual Breakfast
 - Jupiter Hills HOA
 - Suni Sands Residents
 - Florida Planning Association

- Information Booths on Riverwalk's CRA progress and projects at public events attended by over 3,000 people at the:
 - Friends of Jupiter Beach annual event on the Riverwalk Events Plaza
 - Jupiter Jubilee Event



5) Events

- Holiday Boat Parade Celebration - held on Jupiter's Riverwalk Events Plaza attracted over 4,000 residents and visitors increasing revenue for vendors, shops and restaurants in the area



- Friends of Jupiter Beach Annual event - a fund-raiser supporting the beach clean-up projects by this organization



- SIDS (Sudden Infant Death Syndrome Alliance) Walk-a-thon - annual fundraising event travels on the Riverwalk from the Events Plaza south to the Best Western Hotel increasing awareness and raising funds for research
- Kid's Cancer Foundation of South FL - held their annual fundraising music festival with proceeds going towards building the only kid's cancer treatment center in Palm Beach County

Tax Increment Revenue:

The primary revenue earned by the CRA is Ad Valorem Taxes from Tax Increment Financing or TIF. This is the amount of tax specifically due to increased property values within the CRA District. The year 2003 was established as the base year for tax increment revenues. The tax increment revenue is determined annually as 95 percent of the difference between: (a) the amount of ad valorem taxes levied each year by each taxing authority contributing to the Jupiter CRA on taxable real property contained within the redevelopment area, and (b) the amount of ad valorem taxes which would have been generated by the rate at which the tax is levied each year by the taxing authority.

These revenues are only collected from Palm Beach County and the Town of Jupiter.

The following entities are not included in the taxes levied:

- Jupiter Debt (Community Center and Open Space)
- Jupiter Fire/Rescue
- Jupiter Inlet District
- South Florida Water Management District
- Florida Inland Navigation District
- Everglades Construction
- Palm Beach County Debt
- Children's Services Council
- Library Debt & Library Operating
- School District and associated General Obligation Debt funded by ad valorem taxes

Jupiter CRA Total Property Tax Revenue in Redevelopment Area

<u>Fiscal Year</u>	<u>Palm Beach County</u>	<u>Town of Jupiter</u>	<u>Total Property Tax Revenue</u>
2005	\$168,479	\$ 98,073	\$ 266,552
2006	\$ 299,630	\$ 177,605	\$ 477,235
2007	\$ 752,596	\$ 425,903	\$ 1,178,499
2008	\$ 747,616	\$ 439,324	\$ 1,186,940
2009	\$ 696,149	\$ 451,037	\$ 1,147,186
2010	\$ 607,448	\$ 361,891	\$ 969,339
2011	\$ 464,252	\$ 268,697	\$ 732,949

Additional Miscellaneous CRA Revenues

Leasing Riverwalk Events Plaza.....	\$3,475
Leasing Love Street Parking Lo.....	\$18,000
Sponsor/Vendor Fees Holiday Boat Parade Celebration.....	\$2,625
Annual Dock Fee Jupiter Yacht Club Marina	\$1,000
Sponsor/Vendor Fees Harvest Festival	\$6,400
Grant Revenues.....	\$45,000
Expense Reimbursements.....	\$49,780
Developer Contribution (WCI)	\$90,000
Total Additional CRA Revenues.....	\$216,280

Financial Statements

The Jupiter CRA is considered a blended component unit of the Town and therefore it is included in the Town's annual financial audit. In order to meet the requirement of Section 163.387(8), Florida Statutes, which requires the CRA to provide for annual audit of the redevelopment trust fund, the Jupiter CRA has been treated as a major fund of the Town. The financial statements included herein are unaudited statements of the Jupiter CRA. Audited statements are included in the Town's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending September 30, 2011 and may be obtained in the Town Clerk's office, 210 Military Trail, Jupiter, Florida or online at www.jupiter.fl.us.

Community Redevelopment Agency Fiscal Year 2010/2011
Financial Statements

Town of Jupiter Community Redevelopment Agency
 Balance Sheet..... September 30, 2011

Assets:		<u>Community Redevelopment Agency</u>
	Cash and investments	\$ 881,562
	Accounts receivables-grants	44,565
	Note Receivable	1,257,125
	Prepaid items	<u>295</u>
	Total assets	<u>\$ 2,183,547</u>
Liabilities:		
	Accounts payable	\$ 313,329
	Due to other funds	6,067,246
	Deposits	<u>60,238</u>
	Total liabilities	<u>6,440,813</u>
Fund balances:		
	Non-spendable:	
	Prepaid items:	295
	Unassigned:	<u>(4,257,561)</u>
	Total fund balance	<u>(4,257,266)</u>
	Total liabilities and fund balance	<u>\$2,183,547</u>

Town of Jupiter Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance
Year ended September 30, 2011

Community Redevelopment Agency

Revenues:

Taxes	\$ 738,791
Interest	2,392
Miscellaneous	<u>216,280</u>
Total revenues	<u>957,463</u>

Expenditures:

Current:	
General government	452,168
Capital outlay:	
Physical and economic environment	610,067
Debt service:	
Interest and fiscal charges	<u>182,500</u>
Total expenditures	<u>1,244,735</u>
Revenues over expenditures	<u>(287,272)</u>

Other financing uses:

Transfers out	-0-
Excess (deficiency) of revenues over expenditures and other financing uses	(287,272)

Fund balance – beginning of year (3,969,994)

Fund balance – end of year \$ (4,257,266)

Work Plan for 2011/2012

- Catalog and GIS Mapping of the Riverwalk Corridor for the purpose of providing an interactive map whereby the internet user can click on any section of the Riverwalk and identify information related to that section. Information may include:
 - Ownership (fee simple/perpetual easement)
 - Legal description and sketch
 - Maintenance responsibility
 - Permits and conditions
 - Environmental mitigation and reports
 - Lease agreements
 - Utilities
 - Etc.

This interactive map will provide easy access to data that is currently held in a couple hundred files. This will reduce the amount of staff time needed to locate and research files to obtain these records.

- Update Riverwalk/Inlet Village brochures. These brochures are distributed to the public during events such as Jupiter Jubilee, Holiday Boat Parade and other events and presentations. This year we have had numerous requests from the hotels and timeshare condominiums in the area for brochures to give to their guests.
- Develop an Inlet Village Parking Management Plan that addresses the long term Master Development Plan for the Inlet Village as well as the interim uses existing today.
- Proposed Inlet Village Retail Development.
- Develop a long-term sustainability plan for the maintenance, repair and operation of the Riverwalk and other associated amenities.
- Schedule community events on the Riverwalk Events Plaza via leasing (2 or more events) and town sponsored (3 events).