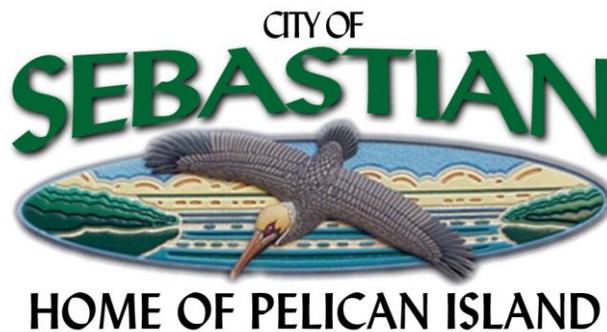


**SEBASTIAN RIVERFRONT
COMMUNITY REDEVELOPMENT AGENCY
ANNUAL REPORT**

Chapter 163.371 Florida Statute



**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

**1225 MAIN STREET
SEBASTIAN, FLORIDA 32958**

**SEBASTIAN RIVERFRONT
COMMUNITY REDEVELOPMENT AGENCY
ANNUAL REPORT**

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March 20, 2023

Sebastian Community Redevelopment Agency Board Chairman and Members
City of Sebastian, Florida

Dear Board Members:

We are pleased to submit the Annual Activity Report of the Sebastian Community Redevelopment Agency for the fiscal year ended September 30, 2023. In accordance with Chapter 163.371 Florida Statutes, each CRA is required to file with its governing body on or before March 31 each year a report of its activities for the preceding fiscal year. This report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year. In addition to meeting this legal requirement, the report provides additional information concerning the benefits afforded by the agency to other jurisdictions and citizenry in general.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. We believe the data, as presented, is accurate in all material respects, and that all disclosures necessary to enable the reader to gain an understanding of the Sebastian CRA's operation and financial activity have been included.

Respectfully submitted,

A handwritten signature in blue ink that reads "Alix Bernard".

Alix Bernard
Community Development Director/CRA Manager
City of Sebastian

A handwritten signature in black ink that reads "Kenneth W. Killgore".

Kenneth W. Killgore
Administrative Services Director
City of Sebastian

LIST OF PRINCIPAL OFFICIALS
Community Redevelopment Board
As of
September 30, 2023

Chairman
Vice Chairman
Board Member
Board Member
Board Member

Fred Jones
Christopher Nunn
Kelly Dixon
Ed Dodd
Bob McPartlan

History of the Sebastian Community Redevelopment Agency (Sebastian CRA)

The Sebastian Community Redevelopment Agency (Sebastian CRA) was created in 1995 by the City of Sebastian City Council under Chapter 163, Part III of the Florida Statutes. The original Sebastian CRA includes an area generally bounded on the north, south and east by the City limits as of 1995, and on the west by the FEC Railroad right-of-way. The Sebastian CRA was established to ensure that the downtown and surrounding vicinity would develop with a coherent community vision, and to encourage reinvestment throughout the CRA. The area later was expanded in 2003 to include the Sebastian Boulevard “Triangle” area west of the FEC Railroad right-of-way, which includes industrial and commercial land use. The total Sebastian CRA land area is approximately 398 acres (**Exhibit 1**). Excluding road rights-of-way, zoning and land use covers approximately 299 acres.

The governing body of the Sebastian CRA is the Sebastian City Council. The CRA Board is comprised of five (5) members. Under the State Statutes and the City ordinances, the Sebastian CRA has substantial powers and authority within the Sebastian 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 major funding source for the Sebastian CRA is tax increment revenue. Tax increment revenue is the increase in ad valorem tax attributed to the increase in the assessed property value over a set ‘base year’ for the redevelopment area. The government jurisdictions remitting tax increment revenue to the Sebastian CRA are the City of Sebastian and the Indian River County Board of County Commissioners.

After the establishment of the Sebastian CRA in 1995, the City established the Redevelopment Trust Fund and the base year for tax increment revenues as well as adopted the 1995 Community Redevelopment Plan. The boundary was later expanded to include the adjacent Sebastian Boulevard “Triangle” area in 2003, establishing a new base year for this area of the CRA. The redevelopment plan was also modified on behalf of the Sebastian CRA in 2003, unifying the 1995 Sebastian CRA boundary and the expansion area as one cohesive CRA. The Master Plan was again updated in 2010, presenting conceptual district recommendations, potential policy amendments, and capital improvements intended to meet the City’s redevelopment goals.

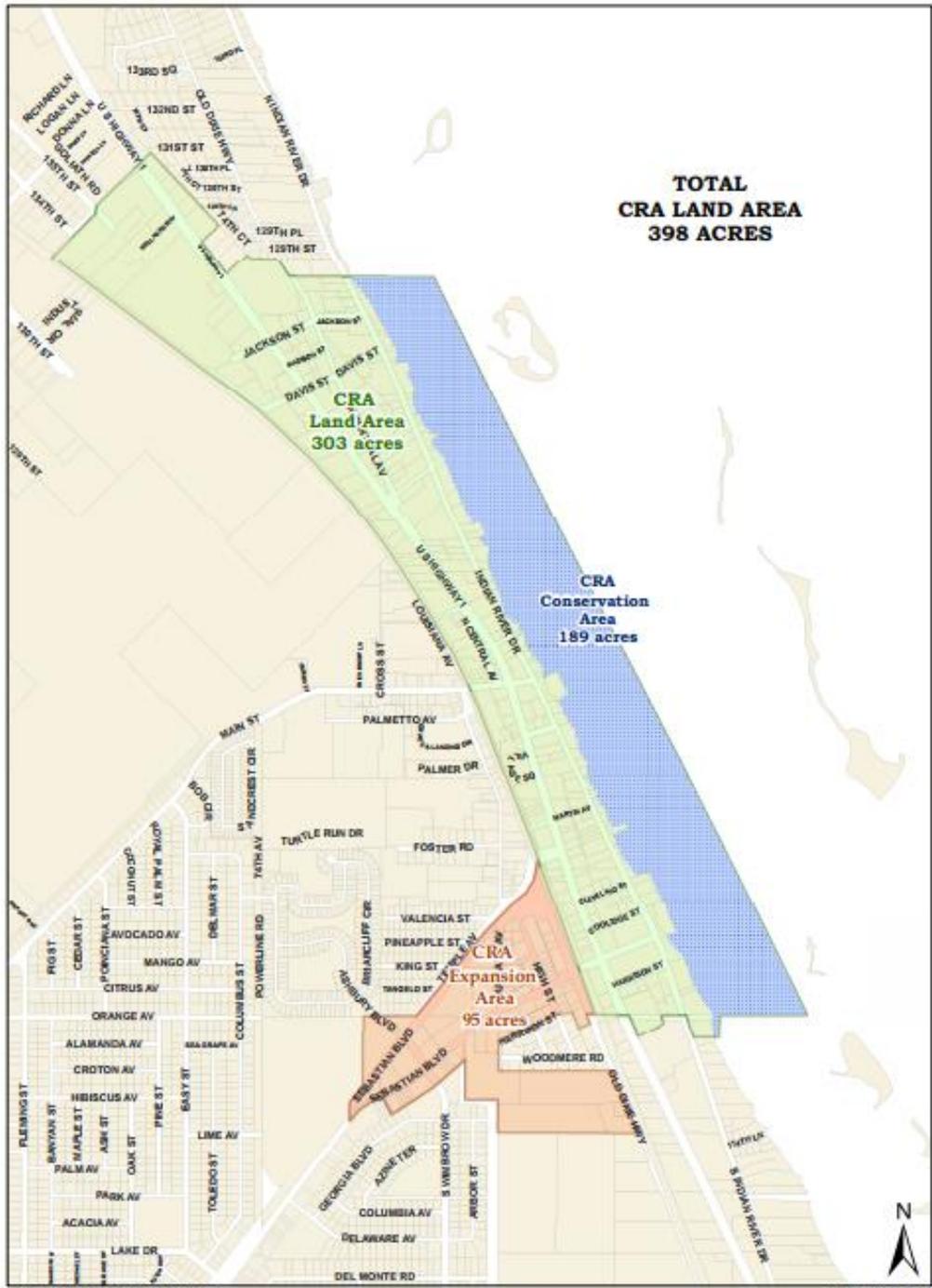
Termination of Sebastian CRA (F.S. 163.3755)

A community redevelopment agency in existence on October 1, 2019, shall terminate on the expiration date provided in the agency’s charter on October 1, 2019, or on September 30, 2039, whichever is earlier. Unless the governing body of the County or municipality that created the community redevelopment agency approves its continued existence by a majority vote of the members of the governing body, the Sebastian CRA shall sunset on September 30, 2039.

EXHIBIT I – SEBASTIAN CRA BOUNDARY MAP



Community Redevelopment Area CITY OF SEBASTIAN, FL



Accomplishments of the Sebastian Community Redevelopment Agency (Sebastian CRA)

The Sebastian CRA is treated as a special revenue fund of the City. 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 Sebastian CRA Board to be in compliance with Section 189.418(3). The Sebastian CRA has continued to move towards achievement of the goals set out in the adopted Community Redevelopment Master Plan (2010). Since the establishment of the original Sebastian CRA in 1995, numerous projects have been accomplished. Accomplishments are as follows:

- ❑ Completed Riverview Park Phase I, boat dock, landscaping, and shoreline stabilization project in 2001.
- ❑ Developed community redevelopment master plan in 2003.
- ❑ Completed Jackson Street extension, sidewalk, and street light project in 2004.
- ❑ Completed improvements to the Yacht Club including the finger pier project.
- ❑ Completed construction on the Indian River Drive/Main Street intersection project.
- ❑ Established a Façade, Sign and Landscaping matching grant program.
- ❑ Received contribution from the Clambake Foundation and provided the balance of funding for the Flag Pole project, which enhanced the view at the western entrance to the CRA area.
- ❑ Contributed \$20,000 to a film production about the story of Pelican Island.
- ❑ Constructed information boards at Riverview Park and at the Main Street Boat Ramp Park.
- ❑ Updated the CRA Master Plan in 2010.
- ❑ Provided matching funds to the Stan Mayfield Grant that was used for the purchase of the Working Waterfront Properties. Executed lease with Crab E. Bills for a commercial retail fish market and a retail commercial limited food service “Eatery”.
- ❑ Established a Sewer Connection Grant Program in 2015 to encourage septic to sewer conversions and reduce pollution into the Indian River Lagoon. Obtained funding assistance from IRLNEP for the Septic to Sewer assistance program in 2018 to the present.
- ❑ Completed roadway improvements to the Presidential Streets and Baffle Box installation for improved water quality at the outfalls.
- ❑ Completed repairs to the CavCorp boat parking property.
- ❑ Completed a Riverfront Parking Study in 2011 resulting in the establishment of the Parking-in-lieu program for parking within right-of-way of business district.
- ❑ Provided continued financial support for many events within the Riverfront District that attract many participants, providing revenue to our local businesses since 2000 including: Pelican Island Festival, Earth Day, Clam Bake, Shrimpfest, Concerts in the Park Series, and Fine Art Festival.
- ❑ Provided funding for Holiday decorations to enhance attraction to business district during holiday season.
- ❑ Acquired property along the Indian River shoreline for preservation as an extension of public property.
- ❑ Re-paved Indian River Drive and improved drainage swales and provided new enhanced pedestrian cross walks.
- ❑ Funded necessary repairs to the Working Waterfront historic property including: historic building repairs; new elastic coating roof; new plumbing and dock maintenance.
- ❑ Funded Submerged Land Leases for continued waterfront access and riverfront activities.
- ❑ Completed design work on the Landscape and Signage for the Working Waterfront and CRA District.
- ❑ Completed conceptual park design and canopy tree preservation plan for Riverview Park that included: trees, sidewalks, parking, and event areas.
- ❑ Initiated Sign Master Plan design by incorporating compatible public property identification signs throughout Riverfront CRA District.
- ❑ Completed Riverview Park Sidewalks per the Park Master Plan.
- ❑ Continued implementation of the Sign Master Plan for the Working Waterfront and Riverfront CRA District.
- ❑ Completed construction of the Working Waterfront Shoreline Protection and Commercial Fishing Distribution Center Parking Lot Improvement Plan.
- ❑ Completed Florida Inland Navigation District funds reporting for Fisherman’s Landing Working Waterfront Park.
- ❑ Completed pedestrian walking trail connection from US Hwy 1 to Indian River Drive by constructing sidewalk on N. Central Avenue as part of CDBG action plan.
- ❑ Continued funding of improvements to Riverfront Park including irrigation and landscape.
- ❑ Worked with FDOT on Complete Streets design for pending improvement project on US Hwy 1.

FY 2023 Sebastian CRA Performance Activities

Major activities and accomplishments of the Sebastian CRA in 2023 are shown in **TABLE I** and described below.

- ❑ Provided funding for Holiday decorations to enhance attraction to business district during holiday season.
- ❑ Continued funding grant programs that support public private projects including: the Façade, Sign and Landscape grant program (**TABLE II**).
- ❑ Funded Submerged Land Leases for continued waterfront access and riverfront activities.
- ❑ Continued implementation of the Sign Master Plan for the Working Waterfront and Riverfront CRA District.
- ❑ Completed Florida Inland Navigation District funds reporting for Fisherman’s Landing Working Waterfront Park.
- ❑ Provided waterfront/streetscape maintenance & facility improvements.
- ❑ Continued funding of improvements to Riverfront Park including irrigation and landscape.
- ❑ Worked with FDOT for pending improvement project on US Hwy 1.
- ❑ Completed CRA Master Plan update.

TABLE I – PERFORMANCE ACTIVITIES

PROJECT	ACTIVITY	CRA PLAN REFERENCE	ACHIEVEMENT	AMOUNT
Sign Master Plan implementation	Installation	Page 21, 23, 31, 51	On-going	\$15,266.00*
Working Waterfront Maintenance & Improvements	Maintenance	Page 20, 22, 31, 51	On-going	\$19,044.00
Marketing and Events	Promotion	Page 23, 51	On-going	\$45,369.00
Business Assistance Programs	FSL Grants	Page 24, 50, 51	On-going	\$46,593.00
Waterfront/Streetscape Maintenance & Improvement	Maintenance	Page 20, 23, 33, 37	On-going	\$109,527.00
Submerged Land Leases	Maintenance	Page 20, 22, 31, 51	Annual	\$4,429.00

*Includes other funding sources.

TABLE II
Façade, Sign, & Landscape Grant
Account Summary FY 2022/2023

Grants		Funding	Date Awarded	Funds Awarded	Funds Disbursed
	CRA FSL Grants	\$33544.29			
1.	Robin Raiff Team	1101 U.S. Highway 1	7/27/2022	\$9,992.53	Under Construction
2.	Suzanne Wille Studios	1103 U.S. Highway 1	7/27/2022	\$12,468.55	Under Construction
3.	District 2780, LLC	1105 U.S. Highway 1	7/27/2022	\$11,083.21	Under Construction

Total funding in program	\$33,544.29
Less funds disbursed	0
Available Funds Remaining	\$33,544.29

Tax Increment Revenue

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 Sebastian CRA on taxable real property contained within the redevelopment area, exclusive of the following entities:

Florida Inland Navigation District
Indian River County Mosquito Control District
Indian River County Hospital Maintenance District
School District, and associated General Obligation Debt funded by ad valorem taxes
Indian River County Land Acquisition Bond General Obligation Debt
Emergency Services Dependent Taxing District
St. Johns River Water Management District
Sebastian Inlet Taxing District

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, exclusive of the following entities:

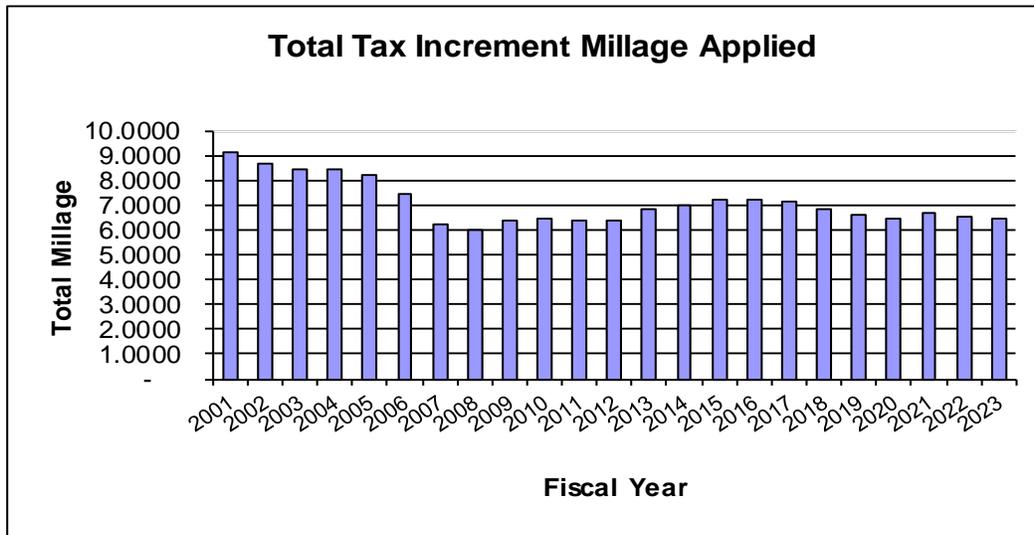
Florida Inland Navigation District
Indian River County Mosquito Control District
Indian River County Hospital Maintenance District
School District, and associated General Obligation Debt funded by ad valorem taxes
Indian River County Land Acquisition Bond General obligation Debt
Emergency Services Dependent Taxing District
St. Johns River Water Management District
Sebastian Inlet Taxing District

upon the total of the assessed value of the taxable real property in the community redevelopment area as shown on the assessment roll used by each taxing authority prior to March 22, 1995, the effective date of the ordinance creating the Redevelopment Trust Fund. Indian River County Board of County Commissioners and the City of Sebastian currently make tax increment payments into the Sebastian CRA Trust Fund.

The City's millage decreased from \$5.00 per \$1,000 in FY 2001 to \$2.9050 per \$1,000 in FY 2023. The millage for Indian River County has been decreased from \$4.1014 per \$1,000 in FY 2001 to \$3.5475 per \$1,000 in FY 2023. Rates from 2001 through 2023 are presented in Exhibit III below.

Exhibit II
Sebastian Community Redevelopment Agency
Operating Millage Rates in Redevelopment Area

<u>Fiscal Year</u>	<u>Indian River County</u>	<u>City of Sebastian</u>	<u>Total Millage Applied *</u>
2001	4.1014	5.0000	9.1014
2002	4.0501	4.5904	8.6405
2003	3.8729	4.5904	8.4633
2004	3.8377	4.5904	8.4281
2005	3.6233	4.5904	8.2137
2006	3.5204	3.9325	7.4529
2007	3.1914	3.0519	6.2433
2008	3.0202	2.9917	6.0119
2009	3.0202	3.3456	6.3658
2010	3.0892	3.3456	6.4348
2011	3.0892	3.3041	6.3933
2012	3.0892	3.3041	6.3933
2013	3.0892	3.7166	6.8058
2014	3.2620	3.7166	6.9786
2015	3.3375	3.8556	7.1931
2016	3.3602	3.8556	7.2158
2017	3.3602	3.8000	7.1602
2018	3.4604	3.4000	6.8604
2019	3.4604	3.1514	6.6118
2020	3.5475	2.9399	6.4874
2021	3.5475	3.1514	6.6989
2022	3.5475	3.0043	6.5518
2023	3.5475	2.9050	6.4525

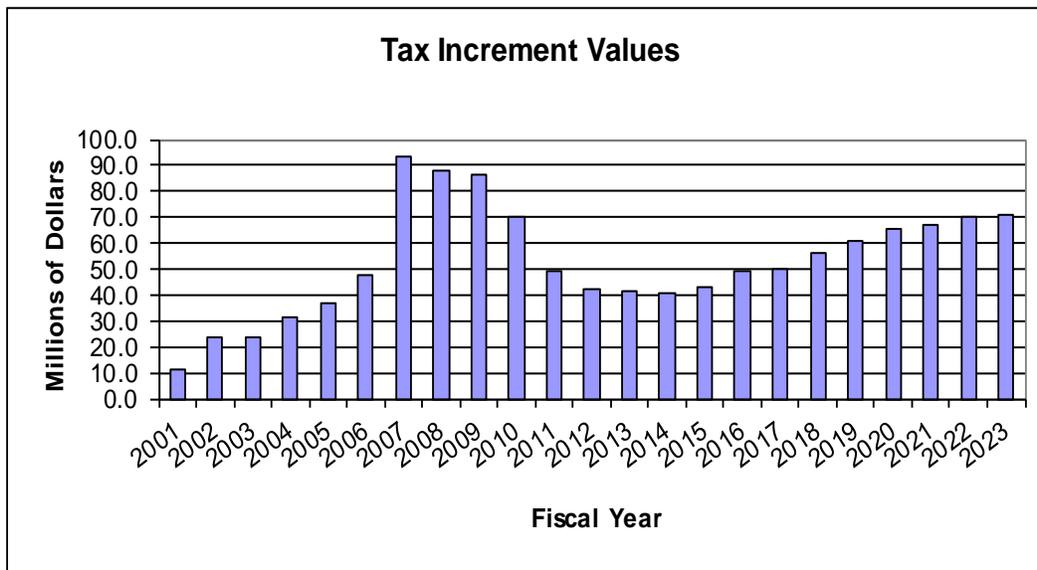


Source: City of Sebastian Administrative Services Department

The initial implementation of the tax increment financing was for the Fiscal Year 2001 and its base year value was set at the taxable value for 1994. When the CRA area was expanded, the base year value for the expanded area was set at the taxable value for 2003. As a result, by Fiscal Year 2005, the total incremental value was \$36,862,574. As compared to the Fiscal Year 2023 total incremental value of \$70,979,320, the incremental value of the redevelopment area increased by 92.6% since Fiscal Year 2005. The taxable values in redevelopment area from 2001 through 2023 are presented in Exhibit III below.

Exhibit III
Sebastian Community Redevelopment Agency
Taxable Value in Redevelopment Area

<u>Fiscal Year</u>	<u>Taxable Value</u>	<u>Base Year Value</u>	<u>Incremental Value</u>	<u>% Change in Incremental Value</u>
2001	\$45,834,920	\$34,959,870	\$10,875,050	
2002	58,263,740	34,959,870	23,303,870	114.29%
2003	58,844,190	34,959,870	23,884,320	2.49%
2004	66,307,980	34,959,870	31,348,110	31.25%
2005	78,424,554	41,561,980	36,862,574	17.59%
2006	89,418,550	41,561,980	47,856,570	29.82%
2007	134,755,060	41,561,980	93,193,080	94.73%
2008	129,700,130	41,561,980	88,138,150	-5.42%
2009	127,735,740	41,561,980	86,173,760	-2.23%
2010	111,909,020	41,561,980	70,347,040	-18.37%
2011	90,533,980	41,561,980	48,972,000	-30.39%
2012	83,558,060	41,561,980	41,996,080	-14.24%
2013	82,753,350	41,561,980	41,191,370	-1.92%
2014	82,598,780	41,561,980	41,036,800	-0.38%
2015	84,939,810	41,561,980	43,377,830	5.70%
2016	91,018,390	41,561,980	49,456,410	14.01%
2017	91,875,329	41,561,980	50,313,349	1.73%
2018	97,801,122	41,561,980	56,239,142	11.78%
2019	102,731,140	41,561,980	61,169,160	8.77%
2020	106,989,123	41,561,980	65,427,143	6.96%
2021	108,269,522	41,561,980	66,707,542	1.96%
2022	111,457,189	41,561,980	69,895,209	4.78%
2023	112,541,300	41,561,980	70,979,320	1.55%



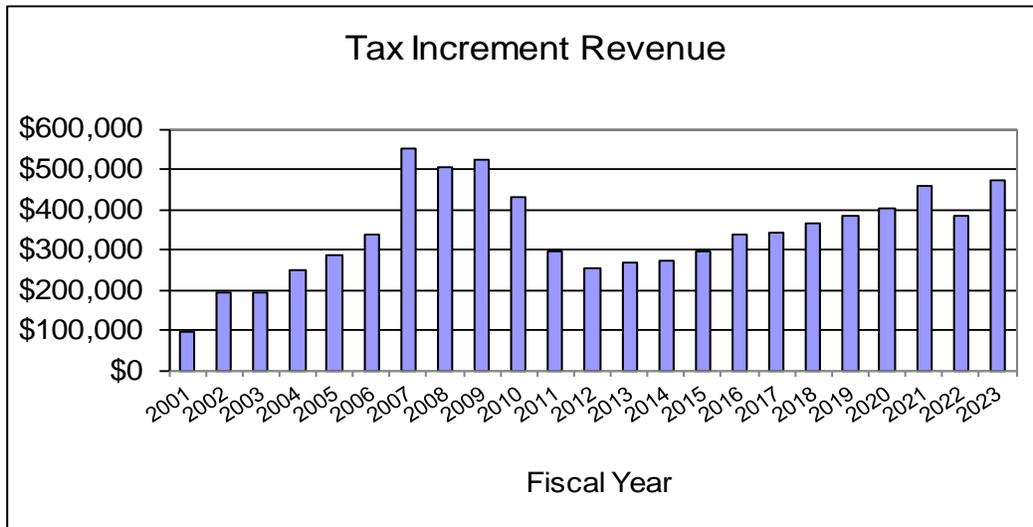
Source: City of Sebastian Administrative Services Department

Based on the millage rates and significant increases in taxable values, the tax increment revenue has risen dramatically. The total tax increment revenue in 2001 was \$94,029. The required tax increment revenue in 2023 has increased to \$469,960. However, this is a 27.04% decrease from the highest year of 2007 when the total was \$552,741. The tax increment revenues for the redevelopment area for the Fiscal Year 2001 through 2023 are presented in Exhibit IV below.

Exhibit IV
Sebastian Community Redevelopment Agency
Tax Increment Revenue

<u>Fiscal Year</u>	<u>Indian River County</u>	<u>City of Sebastian</u>	<u>Total</u>
2001	\$42,373	\$51,656	\$94,029
2002	89,664	101,625	191,289
2003	87,877	104,157	192,034
2004	114,289	136,705	250,994
2005	126,886	160,753	287,639
2006	160,051	178,786	338,837
2007	282,546	270,195	552,741
2008	252,885	250,499	503,384
2009	251,236	273,888	525,124
2010	206,450	223,585	430,035
2011	143,720	153,900	297,620
2012	123,248	131,821	255,069
2013	120,886	145,437	266,323
2014	127,169	144,891	272,060
2015	137,535	158,885	296,420
2016	157,874	181,150	339,024
2017	160,610	181,631	342,241
2018	184,879	181,652	366,531
2019	201,086	183,130	384,216
2020	220,498	182,732	403,230
2021	242,367	215,305	457,672
2022	192,832	192,833	385,665
2023	274,075	195,885	469,960

Note: The \$192,832 in 2022 should have been \$227,698. A shortage of \$34,866 which was collected in 2023, in addition to \$239,209 which was the corrected required amount due for 2023.



Source: City of Sebastian Administrative Services Department

Sebastian Community Redevelopment Agency, Florida
Balance Sheet
September 30, 2023
Unaudited

ASSETS

Cash and cash equivalents	\$	757,343
Investments		134,158
Accounts receivable		-
Interest receivable		-
Inventory		-
Lease receivable		17,476
Prepaid items		705
Total assets	\$	909,682

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	3,326
Total liabilities		3,326

Deferred inflows of resources

Deferred lease amounts	17,071
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Fund balances:

Nonspendable	705
Restricted	888,580
Total fund balance	889,285

Total liabilities and fund balance	\$	909,682
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Sebastian Community Redevelopment Agency, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended September 30, 2023

REVENUES:

Taxes:	
Property	\$ 469,960
Rental income	35,701
Investment earnings	18,989
Total revenues	524,650

EXPENDITURES:

Current:	
Economic environment	249,700
Total expenditures	249,700

Revenues over (under) expenditures	274,950
------------------------------------	---------

OTHER FINANCING USES:

Transfers out	(13,550)
Total other financing uses	(13,550)
Net changes in fund balance	261,400
Fund balance - beginning	627,885
Fund balance - ending	\$ 889,285

Sebastian Community Redevelopment Agency, Florida
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended September 30, 2023
Unaudited

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts on a Budgetary Basis</u>	<u>with Final Budget - Positive (Negative)</u>
REVENUES:				
Taxes:				
Property	\$ 380,580	\$ 380,580	\$ 469,960	\$ 89,380
Investment earnings	7,719	7,719	18,989	11,270
Other revenue	36,000	36,000	35,701	(299)
Total revenues	<u>424,299</u>	<u>424,299</u>	<u>524,650</u>	<u>100,351</u>
EXPENDITURES:				
Current:				
Economic environment	260,918	247,869	249,700	1,831
Total expenditures	<u>260,918</u>	<u>247,869</u>	<u>249,700</u>	<u>1,831</u>
Excess (deficiency) of revenues over (under) expenditures	163,381	176,430	274,950	98,520
OTHER FINANCING USES				
Transfers in	-	-	-	-
Transfers out	(15,000)	(70,001)	(13,550)	56,451
Total other financing (uses)	(15,000)	(70,001)	(13,550)	56,451
Net changes in fund balances	148,381	106,429	261,400	154,971
Fund balances - beginning	627,885	627,885	627,885	-
Fund balances - ending	<u>\$ 776,266</u>	<u>\$ 734,314</u>	<u>\$ 889,285</u>	<u>\$ 154,971</u>

