

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

36-5

AGENDA ITEM SUMMARY

**Meeting Date:** May 05, 2020 ☒ **Consent** ☐ **Regular**  
☐ **Workshop** ☐ **Public Hearing**

**Department:** Office of Financial Management & Budget

**Submitted By:** Office of Financial Management & Budget

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to receive and file: Annual Report and Financial Audit for the Fiscal year ending September 30, 2019 from the Boynton Beach CRA.

**Summary:** The Boynton Beach CRA has submitted its Annual Report and Financial Audit for the Fiscal Year ending September 30, 2019 as per section number 163.371, Florida Statutes. Countywide (DB).

**Background and Justification:** N/A

**Attachments:** Annual Report and Financial Audit

**Recommended by:**

  
Department Director

4/2/2020  
Date

**Approved by:**

  
County Administrator

4/7/2020  
Date

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

<b>Fiscal Years</b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>
<b>Capital Expenditures</b>	_____	_____	_____	_____	_____
<b>Operating Costs</b>	_____	_____	_____	_____	_____
<b>External Revenues</b>	_____	_____	_____	_____	_____
<b>Program Income (County)</b>	_____	_____	_____	_____	_____
<b>In-Kind Match (County)</b>	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	_____	_____	_____	_____

### # ADDITIONAL FTE POSITIONS (Cumulative)

Is Item Included In Current Budget? Yes \_\_\_\_\_ No **X**  
 Does this item include the use of Federal Funds? Yes \_\_\_\_\_ No **X**  
**Budget Account No.** \_\_\_\_\_ **Fund** \_\_\_\_\_ **Department** \_\_\_\_\_ **Unit** \_\_\_\_\_ **Object** \_\_\_\_\_

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

### C. Departmental Fiscal Review:

### III. REVIEW COMMENTS

**A. OFMB Fiscal and/or Contract Dev. and Control Comments:**

OFMB 4/3/2020 4/2 N/A  
Contract Dev. and Control

### B. Legal Sufficiency:

/s/ David C. Behar 4/1/2020  
Assistant County Attorney

### C. Other Department Review:

N/A

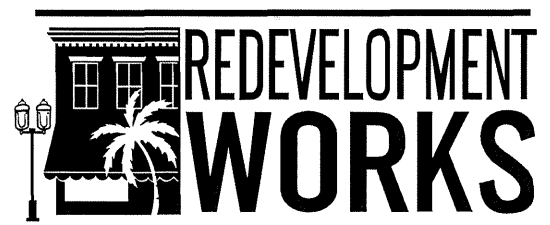
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**Department Director**

**This summary is not to be used as a basis for payment**



# FINANCIAL & ANNUAL REPORT FISCAL YEAR 2018 - 2019





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# A MESSAGE FROM THE CHAIR



Steven B. Grant  
BOARD CHAIR



Justin Katz  
VICE CHAIR



Mack McCray  
BOARD MEMBER



Christina Romelus  
BOARD MEMBER



Ty Penserga  
BOARD MEMBER

## CRA ADVISORY BOARD MEMBERS

### Chair

Linda Cross

### Vice Chair

Robert Pollock

### Board Members

Golene Gordon

Tom Devlin

Allan Hendricks

Rick Maharajh

Anthony Barber

As downtown Boynton Beach continues to buzz with the construction of the Town Square Redevelopment Project, the Boynton Beach CRA (BBCRA) moved forward with several new redevelopment projects and programs worth celebrating.

One of the most significant achievements for the BBCRA in creating affordable living opportunities was the State award of funding through the 9% Low Income Housing Tax Credit Funding Program for the Ocean Breeze East Apartments project located at 700 N. Seacrest Boulevard. The developer, Centennial Management Corp., received State funding to begin construction of the 123 unit, affordable multi-family rental apartment complex which has an anticipated completion of December 2020. Centennial Management Corp was also selected as the developer for the mixed-use project along the Martin Luther King Jr. Boulevard Corridor in January 2019. It is with great hope that the developer will have another successful application for state funding.

In regards to the creation of affordable single-family home ownership opportunities, on August 8, 2019, the BBCRA, in partnership with the City, Habitat for Humanity, and the Boynton Beach Faith Based CDC, broke ground on the construction of ten new homes on NW 11th Avenue. The BBCRA also provided additional grant funding through the Nonprofit Organization Grant Program (NOGP) to Habitat for Humanity of South Palm Beach County for the construction of two duplexes and one single-family home as well as several housing rehabilitation and critical repairs.

During the fiscal year, the BBCRA completed several significant community improvement projects designed with extensive involvement from the community. These include the completion of the Sara Sims Park and Cemetery Renovation project and the NW 11th Avenue Roadway Infrastructure project. The BBCRA also initiated the design process for the NE 3rd Street extension which will facilitate traffic circulation, provide utility improvements, and on-street parking and sidewalk enhancements for the neighborhood.

The BBCRA continued its mission to leverage local public dollars with grant funding for redevelopment and rehabilitation projects. The CRA's successful application to the Federal Land Access Program for the Boynton Beach Boulevard Complete Street project provided \$505,224 in grant dollars to be used for the design fee in conjunction with a \$2.23 million grant for the project's construction from the Transportation Planning Agency's Local Initiative Grant that was awarded in 2018. The BBCRA also received \$77,050 in grant funding by the Solid Waste Authority Blighted and Distressed Property Clean-up and Beautification Grant Program to assist in the demolition of a distressed structure located at 201 NE 9th Avenue and for additional rehabilitation of the Historic Woman's Club of Boynton Beach which included interior and exterior painting, waterproofing, and refinishing of interior wood floors.

One of the best things about community redevelopment is working with the heart and soul of the community which is so evident with the business owners participating in the BBCRA's Economic Development Grant Program. The BBCRA had the pleasure of financially assisting 13 new businesses adding over 15,896 square feet of new retail, restaurant, and professional office space. Additionally, four existing businesses were able to expand and/or make façade improvements totaling over 26,030 square feet of commercial space. The BBCRA awarded \$196,283 in Commercial Property Improvement and \$150,049 in Commercial Rent Reimbursement Grant funding.

To further its commitment to business development and promotion, the BBCRA created a new promotional event series called "Rock the Plaza", a business development initiative that features live music and entertainment that takes place at a designated commercial plaza in an effort to highlight the goods and services available locally and encourage community members to visit and shop businesses they may have overlooked.

Even with the success of the past year, the CRA is keenly aware that it must continue its focus to be inclusive and diverse in the development of our public spaces, housing types, businesses, and modes of transportation. With the assistance of the CRA, Boynton Beach is on its way to become a model sustainable community that will be well positioned for growth and with that comes the ability to attract future entrepreneurs while retaining local talents.

Steven B. Grant  
Board Chair, Boynton Beach Community Redevelopment Agency  
Mayor, City of Boynton Beach



# HOW THE CRA WORKS



## MISSION STATEMENT

The Boynton Beach Community Redevelopment Agency (BBCRA) serves the community by guiding redevelopment activities, such as affordable housing, free special events and small business funding programs, that create a vibrant downtown core and revitalized neighborhoods within the Agency's District comprised of 1,650 acres along the eastern edge of the City of Boynton Beach.

Local governments created Community Redevelopment Agencies (CRA) to revitalize areas that have been neglected or forgotten, resulting in declining property values, commercial vacancies, lack of quality affordable housing and decaying infrastructure. CRAs breathe new life into communities through projects such as roadway and utility improvements, historic preservation, business development and property improvement grants, and neighborhood parks. CRAs are financed through tax increment funding from the counties and/or cities, which uses existing property tax revenue, not an additional tax, from increases in property tax values within a designated area – property tax value increases that are the result of effective redevelopment and financial reinvestment. It is used to leverage public funds with private funds to stimulate redevelopment activity in the targeted area without raising property taxes.

The Boynton Beach CRA (BBCRA) is responsible for developing and implementing projects identified in the Community Redevelopment Plan within the CRA boundaries. The BBCRA Plan includes the overall goals for redevelopment in the area, as well as identifying the potential projects and programs planned for the area. The redevelopment plan is a living document that can be updated to meet the changing needs within the Community Redevelopment District.

CRAs work for Florida's communities. When a CRA uses the tools provided under the existing statutory regulations to reinvest and guide revitalization, it provides the building blocks and incentives for other stakeholders to join the process. The end result is a more vibrant, livable, and healthy community for all its residents.

# FINANCIAL SUMMARY 2018-2019

The Boynton Beach CRA is a quasi-governmental, Special District operating under Title XI, Chapter 163, Part III of the Florida Statutes. The agency's annual financial operations run on a fiscal year calendar beginning on October 1st and ending on September 30th of each year.

The Boynton Beach CRA is funded through tax increment revenues. Properties located within the boundaries of the BBCRA do not pay any additional property taxes; rather, a portion of the annual City and County property taxes collected are transferred to the BBCRA. The greater the increase in taxable property values over the CRA's base year (1982), the larger the incremental increase in revenues transferred to the BBCRA. Other sources of funding for redevelopment activities include the issuance of taxable and nontaxable bonds, marina revenue and grants.

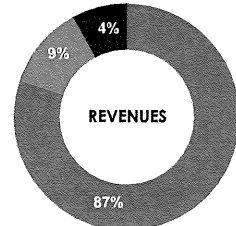
The BBCRA's annual budget is comprised of three accounting funds; 1) the General Fund which contains the administrative, general operation, insurances, property maintenance and marina related items; and 2) the Project Fund which contains all of the capital projects, development projects, property acquisitions, local business grant programs and promotional events, tax increment funding incentive agreements as well as the Neighborhood Officer Program; and 3) the Debt Service Fund which contains the BBCRA's financial debt obligations and encumbrances such as bond repayments.

The Boynton Beach CRA's tax increment revenues for the fiscal year 2018-2019 budget increased by 6% or \$772,000 to approximately \$12.5 million. This resulted primarily from: Increased property values by 11 % within the BBCRA area from residential, multi-family, condominiums and commercial properties. For the eleventh year in a row the BBCRA has received a clean audit for the financial operations of the agency for fiscal year 2018-2019.

As the BBCRA area continues to see positive economic growth and the agency itself continues reinvest funding into capital projects that enhance the overall area, prioritizing expenditures and longer range financial planning becomes even more important.

## REVENUES

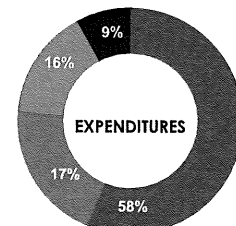
Revenues		
Tax Increment Revenue	\$ 12,549,087	87%
Interest Income & Grant Revenue	\$ 540,026	4%
Other Revenue	\$ 1,304,480	9%
<b>Total Revenues</b>	<b>\$ 14,393,593</b>	<b>100%</b>



■ Tax Increment Revenue  
■ Interest Income & Grant Revenue  
■ Other Revenue

## EXPENDITURES

Expenditures		
General Government	\$ 2,264,736	17%
Boynton Harbor Marina	\$ 1,140,178	9%
Capital Outlay & Redevelopment Projects	\$ 7,589,091	58%
Debt Service - Annual	\$ 2,133,709	16%
<b>Total Expenditures</b>	<b>\$ 13,127,714</b>	<b>100%</b>



■ Capital Outlay & Redevelopment Projects  
■ General Government  
■ Debt Service - Annual  
■ Boynton Harbor Marina

### Financials as of September 30, 2019

#### ASSETS & LIABILITIES

Total Assets: \$37,436,877 Total Liabilities: \$14,648,304

The Boynton Beach CRA's financial statements may be obtained on our website at [BoyntonBeachCRA.com](http://BoyntonBeachCRA.com) contact Vicki Hill, CRA Finance Director at [hillv@bbf.us](mailto:hillv@bbf.us) or 561.600.9092.

# PROJECT FUND ALLOCATIONS

## BBCRA Project Fund Spreadsheet Fiscal Year 2018-2019

Town Square Project Funding	\$ 3,700,000
MLK Corridor Redevelopment	\$ 1,600,000
Cottage District Project	\$ 140,462
Future Development Projects	\$ 883,712
Model Block	\$ 137,270
Property Acquisition	\$ 475,000
Historic Woman's Club Capital Improvements	\$ 150,000
Marina Harbor Master Improvements	\$ 40,000
Site Work & Demolition	\$ 66,315
Nonprofit Grant - Business/Housing	\$ 95,000
Economic Development	\$ 554,356
Professional Services	\$ 429,979
Neighborhood Officer Program	\$ 370,000
Business Promotional Events	\$ 549,000
Marketing/ Business Assistance	\$ 80,000
Community Caring Center Acquisition	\$ 250,000
Direct Incentive Funding Agreements (DIFA)	\$ 1,207,000
<b>Total</b>	<b>\$10,728,094</b>



## ASSESSED PROPERTY VALUES & TAX INCREMENT REVENUE

	Property Tax Assessed Values Within the BBCRA Area	Percentage of (%) Change	Tax Increment Revenue (TIF) used for BBCRA Budget	Percentage of (%) Change
Created 1983	\$ 13,630,912			
FY 1989 - 1990	\$ 39,466,737		\$ 183,535	
FY 1995 - 1996	\$ 73,498,930	439.2%	\$ 158,398	-13.7%
FY 2005 - 2006	\$ 827,149,288	1025.4%	\$ 6,076,347	3736.1%
FY 2015 - 2016	\$ 1,105,502,452	33.7%	\$ 9,585,902	58.8%
FY 2018 - 2019	\$ 1,351,302,263	22.2%	\$12,421,686	29.6%

## CRA DISTRICT PROJECTS & PROGRAMS

### ECONOMIC DEVELOPMENT GRANTS

After another successful year of operation, the BBCRA's Economic Development Grant Programs assisted 13 "new businesses", adding over 15,896 square feet of new retail, restaurant, and professional office space to the BBCRA area. Additionally, four "existing businesses" were able to expand and/or make façade improvements totaling just over 26,030 square feet of commercial space.

These grants, which act as 50% matching, reimbursable grants, continue to further the BBCRA's mission to activate vacant commercial space, create jobs and develop a vibrant downtown.

## 24 GRANT RECIPIENTS

#### RESTAURANT

Benvenuto Restaurant  
Common Grounds Coffee  
Tokio Ramen

#### OFFICE AND RETAIL

Beach Tennis  
4 Reel Services  
Property Damage  
Consultants  
Florida Tackle Company  
Boca Babes OBGYN /  
Terre Noire Properties, LLC

#### SPECIALTY BUSINESS

Alchemy Eco Salon  
Phairis Luxury  
Novus Escape Room  
Fly & Flow Fitness  
E & C's Beauty Experience  
Angel's Secrets

#### FACADE IMPROVEMENT

Monnin Properties  
The Carly Corporation

**\$196,283.27**

Commercial  
Property  
Improvement  
Grant Program

**\$150,049.50**

Commercial  
Rent  
Reimbursement  
Grant Program

**\$346,332.77**

Total  
Grant  
Dollars  
Awarded

**\$887,239.31**

Total Amount  
of Matching  
Private Funds  
Invested

FOR MORE INFORMATION ON THE CRA ECONOMIC DEVELOPMENT GRANT PROGRAMS  
Visit our website at [BoyntonBeachCRA.com](http://BoyntonBeachCRA.com) or contact Bonnie Nicklien, Administrative Services and  
Grant Manager at [NicklienB@bbfl.us](mailto:NicklienB@bbfl.us) or 561.600.9090.

## GRANT RECIPIENTS

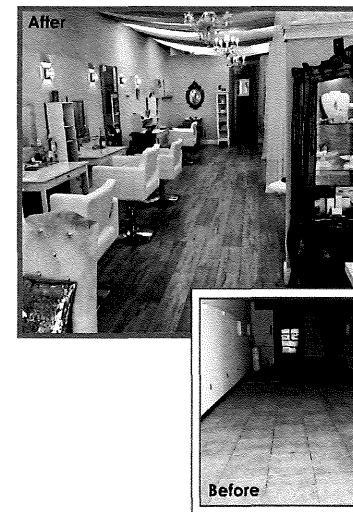
### BENVENUTO RESTAURANT & BANQUET FACILITY

1730 N. FEDERAL HWY. • 561.364.0600



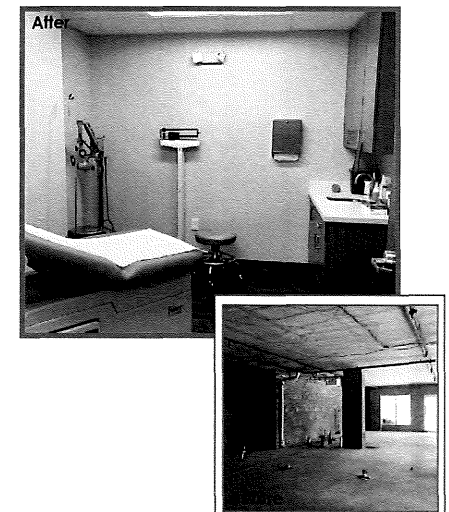
### PHAIRIS LUXURY

413 S. FEDERAL HWY. • 561.906.7408



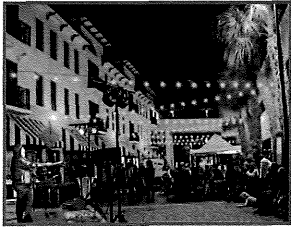
### BOCA BABES OBGYN

625 CASA LOMA BLVD. • 561.413.2832





## BUSINESS PROMOTIONS AND EVENTS



### ROCK THE PLAZA

Over the past few years the way that consumers interact with marketplace merchants has significantly changed. Consequently, the BBCRA introduced Rock the Plaza, a business promotional event series that featured live music and entertainment in an effort to encourage community members to visit local shopping plazas and businesses that they may have previously bypassed. The event series spotlighted the various restaurants, retail and service merchants within four plazas located within the BBCRA area - Sunshine Square, One Boynton, Ocean Palm Plaza, and Ocean Plaza. Business owners were provided customized media kits for the events and the opportunity to have face-to-face interactions with patrons, which allowed them to generate leads, provide product samples, and educate the public about their businesses.



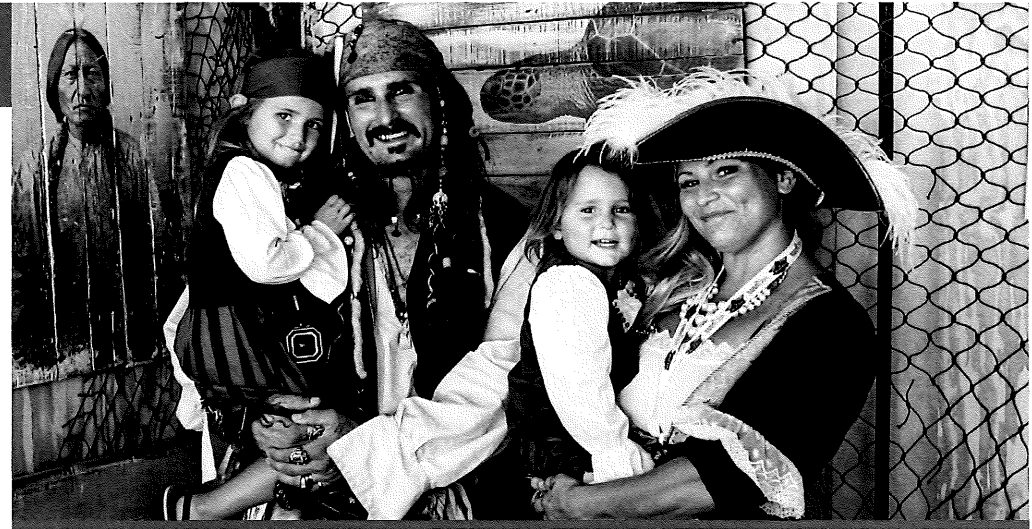
### BLARNEY BASH

The 5th Annual Boynton Beach Blarney Bash event drew nearly 4,000 guests to the BBCRA's Downtown District to celebrate St. Patrick's Day. The family-friendly event featured a variety of live entertainment, such as Celtic music and Irish dance performances, Irish cuisine, and festive costumed characters clad in green. The event showcased six businesses that are located within the BBCRA area: Alchemy Eco Salon, Boardwalk Italian Ice & Creamery, Driftwood, Flora Beauty Supply, Novus Escape Room, and Your CBD Store. Event patrons were encouraged to participate in The Lucky Gold Hunt game, which placed them in direct contact with the participating BBCRA area businesses.



### LIGHT UP THE PARK

Due to the redevelopment of Downtown Boynton Beach, the site that was previously used to install a holiday tree was unavailable, therefore, it was necessary to think of a creative way to incorporate a BBCRA business promotional event for the holidays. The Light up the Park event featured a festive lighting of the Banyan trees located in Dewey Park, live music, children's activities, and food and beverage offerings from BBCRA area restaurant Driftwood as well as highlighted the adjacent businesses along the Ocean Avenue corridor. The event occurred directly after the City's Holiday Parade and attracted approximately 800 visitors to the BBCRA's Downtown District.



### BOYNTON BEACH HAUNTED PIRATE FEST & MERMAID SPLASH

PIRATES + MERMAIDS + LOCAL BUSINESSES = SUCCESS IN DOWNTOWN BOYNTON BEACH!

In October 2018, approximately 50,000 visitors converged in the BBCRA's Downtown District for the 7th Annual Boynton Beach Haunted Pirate Fest & Mermaid Splash. Over the years this business promotional event has seen explosive growth and has become the BBCRA's largest and most successful event. The event serves as an economic driver, that uniquely activates the Downtown District and showcases merchants operating out of the BBCRA area. Seventeen business located in the BBCRA area took advantage of the opportunity to exhibit their goods and services in the designated business development section of the festival. Festival attendees were encouraged to participate in a fun treasure hunt, which placed them in direct contact with the BBCRA area businesses that were featured at the event.



### IN CULTURE ART WALK

In January 2019, the BBCRA partnered with the Boynton Beach Art District for the In Culture Art Walk. The event was an enhanced version of the monthly Art Walk and part of the Art Synergy Palm Beach Art Week. The event featured art exhibitions from artists who have studios located in the Industrial Art District, as well as unique art and food vendors, live music and entertainment. The BBCRA enhanced the event with logistical support in the areas of: Coordinating lawn maintenance and cleaning of the event site, booking entertainment, securing food vendors, and providing funding for various rentals, such as - tents, staging, portable toilets, sound equipment, power, and café lights. A survey conducted at the event indicated that 61% of attendees had never visited the Art District prior to the event; confirming that the additional marketing efforts and event enhancements provided increased exposure and attracted new visitors to the area.

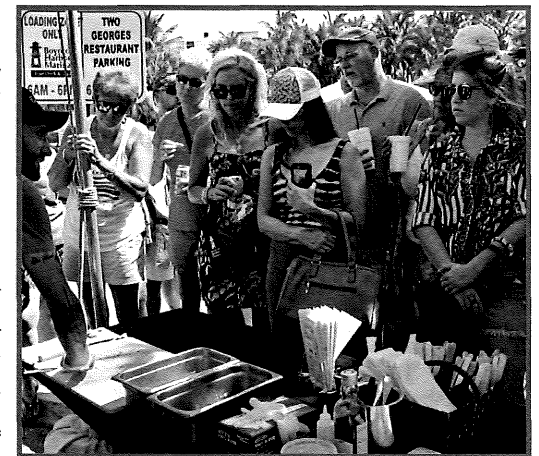


### HOLIDAY BOAT PARADE

Hundreds of spectators came to the Boynton Harbor Marina for prime viewing of the 47th Annual Boynton Beach & Delray Beach Holiday Boat Parade. The event, which was co-funded by the City of Delray Beach, featured thirty-three festively decorated vessels and was the premier holiday attraction for the marina. Each year, on the night of the parade, Banana Boat, Prime Catch, and Two Georges Waterfront Restaurant have an abundance of customers vying for waterfront seats that will provide an up-close view of the festive parade. It is estimated that more than 20,000 people viewed the parade which illuminated the Intracoastal Waterways between Boynton Beach and Delray Beach.

### ROCK THE MARINA & LIONFISH DERBY

In an effort to activate the Boynton Harbor Marina and bring exposure to the dive charters and restaurants operating out of the marina, the BBCRA hosted the Rock the Marina & Lionfish Derby event. The lively event had two primary functions - eradicate as many invasive lionfish as possible from the waterways and promote the businesses located at the marina. The forty-eight divers that participated in the Lionfish Derby successfully removed 535 lionfish from the waterways. For the event the BBCRA partnered with seven businesses located within the BBCRA area: Boynton Beach Dive Center, Splashdown Divers, Loggerhead Enterprises, Starfish Scuba, Underwater Explorers, Driftwood, and Marina Café. To provide additional exposure to local restaurants the event included a Lionfish Dip Contest, which featured custom dips that were prepared by four participating restaurants; The Fish Depot, Sweet Water, Hurricane Alley, and Driftwood, who was voted the winner by event attendees. The BBCRA also partnered with several not-for-profit organizations, Sea Turtle Adventures, The Reef Institute, and Under Blue Waters, LLC, to educate the divers and provide hands-on marine science lessons and environmental stewardship information to the public during the event.





## SOCIAL MEDIA OUTREACH PROGRAM

### ASSISTING LOCAL BUSINESSES IN NAVIGATING SOCIAL MEDIA AS A MARKETING PLATFORM

Social media is rapidly changing the way companies market and promote their businesses. This wave of interactive technology has transformed our knowledge of day-to-day communication and business operations. Small businesses are unable to compete with the national brands who are interacting with customers more than ever on social media.

Recognizing that need, the Boynton Beach CRA developed the Social Media Outreach Program (SMOP) which is free of charge to businesses located within the BBCRA area. SMOP aids in supplementing a participating business's marketing efforts, and provides an understanding of how social media may be used to customize strategies for business promotion to increase customer engagement through a professional online identity. SMOP has assisted businesses by offering one-on-one training, group classes, and assisting in marketing local businesses through the BBCRA's existing online presence. The BBCRA's SMOP Program has assisted over 77 local businesses within the BBCRA area.

Not only does the program educate small business owners on how to engage the younger and tech-savvy audience, but also allows businesses to connect with each other through the BBCRA's social media resources to bring awareness to the community of the goods and services that are available within the Boynton Beach CRA area. In 2019, the SMOP program was recognized by the International Economic Development Council with the Silver Award of Excellence in Economic Development.



#### BY CYCLE

"By Cycle is by far the best bike shop I have ever had the pleasure of visit, the staff is very professional, knowledgeable, and friendly. I have purchased many bikes and accessories from this shop and I plan on doing business with them in the future."

- Online Review



#### THAT'S AMORE

"The service was fantastic, only to be outdone by the incredible food. We went the first time tonight and I can't wait to go back."

- Online Review



#### FLY & FLOW FITNESS

"My friend and I came here for the first time a few months ago and it was super amazing! Very beautiful and clean studio! The instructor was super sweet, kind, polite, knowledgeable, and made you feel comfortable! We had a good time and would recommend."

- Online Review



## SMALL BUSINESS VIDEO AD CAMPAIGN



TWO GEORGES • TwoGeorgesRestaurant.com  
728 Casa Loma Blvd, Boynton Beach, FL • 561-736-2717

BOYNTON BEACH CRA

The Boynton Beach CRA created the Small Business Video Ad Promotional Campaign to promote local businesses to the community as part of an economic development initiative to encourage growth and development in downtown Boynton Beach. The idea led to professional video ads that featured area businesses in two-minute videos on the Boynton Beach CRA Facebook page. The results from pairing the two-minute business videos with social media created awareness of the downtown businesses and increased the amount of customers to downtown Boynton Beach.



BOYNTON BEACH DIVE CENTER • BoyntonBeachDiveCenter.com  
212 S. Federal Hwy, Boynton Beach, FL • 561-732-8590

BOYNTON BEACH CRA

## DOWNTOWN DISTRICT

### BOYNTON HARBOR MARINA

As the eastern anchor of the downtown core and the only south County public marina, the BBCRA-owned Boynton Harbor Marina has become a waterfront destination for Palm Beach County with its spectacular waterfront dining and family fun activities such as fishing and scuba diving charters, boat rentals, parasailing, drift fishing, and jet ski rentals. Due to its prime location which allows for quick access to the ocean and two very popular waterfront restaurants on site, the Boynton Harbor Marina has attracted several new marine related businesses such as Boynton Beach Parasailing and Fish Envy Charters. With the future development of Town Square and other proposed projects coming online within proximity of the Marina, the Boynton Beach CRA anticipates even more retail and restaurants furthering the Boynton Harbor Marina as an emerging place-making destination.



### BOYNTON HARBOR MARINA FISCAL YEAR 2018-2019

The BBCRA owns 18 marina slips for lease to marine related commercial businesses such as: Dive charters, fishing charter, jet ski and boat rentals, parasailing and a commercial cruise charter.

- 17 of those slips are rented to tenants paying \$19 per linear vessel foot plus utilities
- Annual slip income totaled \$119,401

The Boynton Harbor Marina Fuel Dock is a Certified ValvTect Marina carrying both "Non - Ethanol" Marine Gasoline & Marine Diesel with Bioguard Plus 6.

- Annual fuel sales were \$1,221,375
- 265,963.85 gallons of gasoline sold for a total of \$1,005,093
- 71,349.36 gallons of diesel was sold for a total of \$216,228

To maintain the marina operations, structures & grounds, the following costs were allocated during the budget year:

#### MARINA MANAGEMENT

- Staffing & Security - \$218,591
- Annual Landscape Maintenance - \$22,600

#### PROPERTY MAINTENANCE & IMPROVEMENT

- Brick Paver Project - \$10,905
- Decorative Railings - \$8,382
- Parking Lot Repairs & Repaving - \$10,367

## COMMERCIAL MARINA BUSINESSES

#### FISHING CHARTERS

Billable Hours Charters  
(561) 866-3366  
billablehourscharters.com

Chip's Ahoy Charter  
(561) 436-1417  
chipsahoycharters.com

Fish Envy  
(561) 451-7646  
BocaRatonFishingCharters.com

#### Ham'r Time Sport Fishing Charters

(561) 685-1207  
hamrtimesportfishing.com

Miller Time Fishing Charters  
(561) 732-3597 or (561) 789-9376  
millertimefishing.com

#### DRIFT FISHING

Seamist Deep Sea Drift Fishing  
(561) 732-9974  
seamist3.com

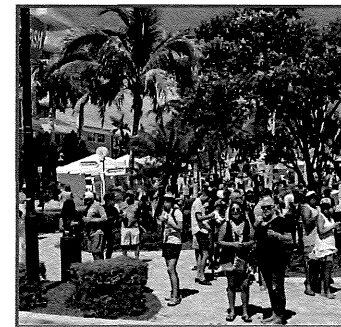
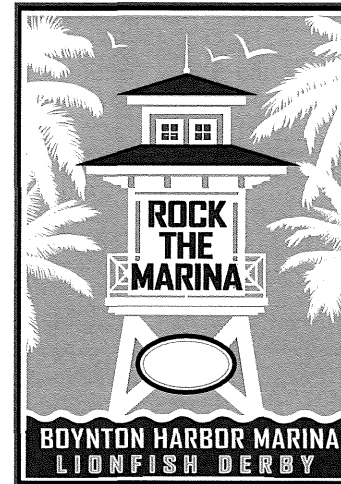
#### BOAT RENTAL

Boynton Beach Boat Rentals  
(561) 735-2149  
BoyntonBoatRental.com

Gulfstream Boat Club  
(561) 865-7797  
gulfstreamboatclub.com

Intracoastal Boat Rental  
(561) 735-0612  
wavejumpers.com

### MARINA DESTINATION PLACE-MAKING



#### 1ST ANNUAL ROCK THE MARINA & LIONFISH DERBY

Rock the Marina & Lionfish Derby event kicked off the summer of fun at the Boynton Harbor Marina on Saturday, June 1, 2019 hosted the Boynton Beach CRA. The Boynton Beach Dive Center coordinated the "Calling All Divers" and recruited 48 divers to participate in the Lionfish Derby. Divers boarded Boynton Harbor Marina's dive charters: Loggerhead Enterprises, Splashdown Divers, Starfish Scuba, and Underwater Explorers for a three-tank dive removing 535 invasive lionfish from the waterways. Prizes were awarded to the divers in three categories: Most fish, largest fish, and smallest fish.

Non-diving event goers enjoyed listening to live music from Spred the Dub while learning how to prep and cook lionfish from Driftwood restaurant's Chef Jimmy Everett and sampling complimentary lionfish tastings.

This business development initiative provided promotional exposure for four BBCRA restaurants: Driftwood, The Fish Depot, Sweetwater, and Hurricane Alley. These local favorites competed in a Lionfish Dip Contest, which featured their custom lionfish dips, for a chance to win "The BEST Lionfish Dip" title in Boynton Beach. Event goers were encouraged to visit the Lionfish Dip Contest Booth to sample the dip and vote for the best lionfish dip. Driftwood received the most votes winning the coveted title. All of the lionfish caught during the event were donated to local restaurants.

The event also highlighted marine conservation and sustainability efforts taking place throughout Palm Beach County with participation from the City of Boynton Beach Sustainability Department, The Reef Institute, Sea Turtle Adventures, and Under Blue Waters.

#### SCUBA DIVING CHARTERS

Splashdown Divers  
(561) 736-0712  
splashdowndivers.com

Starfish Scuba  
(561) 212-2954  
StarfishScuba.com

Loggerhead Enterprise  
(561) 588-8686  
loggerheadcharters.com

#### Underwater Explorers

(561) 577-3326  
diveboyntonbeach.com

#### JET SKI RENTALS

Boynton Beach Jet Ski Rental  
(561) 735-2149  
BoyntonBoatRentals.com

Intracoastal Jet Ski Rentals  
(561) 735-0612  
wavejumpers.com

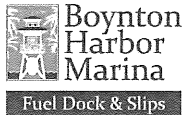
#### INTRACOASTAL PLEASURE CRUISE CHARTER

Limbo Charters  
(561) 735-1433  
limbocharters.com

#### PARASAILING TRIPS

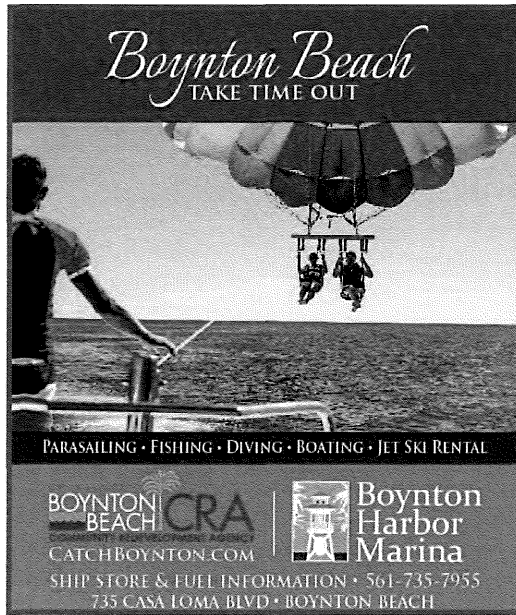
Boynton Beach Parasailing  
(561) 359-8359  
boyntonbeachparasailing.com

## DOWNTOWN DISTRICT

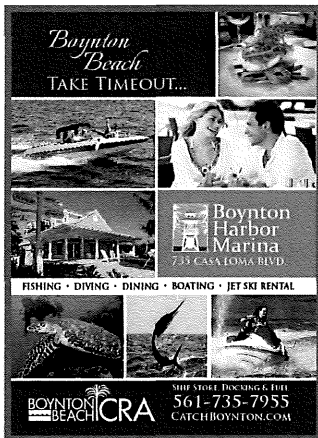


### MARINA MARKETING

The Boynton Beach CRA's annual marketing campaign "Take Time Out" for the fiscal year 2018-19 began with a focus on the Boynton Harbor Marina businesses located in the heart of the Downtown District. Identified as the eastern anchor of the City's downtown core and the only south County public marina, the visual elements of the campaign captured the essence of the lifestyle of Boynton Beach while supporting the marina tenants and surrounding businesses. The marketing campaign, paid for by the BBCRA, works as a catalyst for long term growth by supporting the broader vision of delivering and communicating value for the purpose of attracting new residents, visitors and businesses to downtown Boynton Beach.



### MARINA MARKETING CAMPAIGN "TAKE TIME OUT"



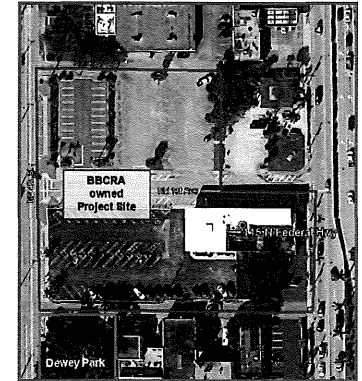
- Social media posts & digital display ads on BBCRA Facebook page
- Discover the Palm Beaches Annual magazine ad & website presence
- Delray Newspaper & Boca Newspaper print ads
- Neighborhood News print and digital ads
- Coastal Angler print and digital ads
- Florida Sport Fishing Magazine print ads
- Marina Life print ads and website presence
- Waterway Guide print ads & website presence
- Sun Sentinel Gateway Gazette newspaper print ads
- Street pole banners created and installed in the surrounding areas of the marina
- Social Media Video Ad Campaign for Business Development consisting of a two-minute video promotion highlighting the goods and services available on site



## REDEVELOPMENT WORKS

### 115 NORTH FEDERAL HIGHWAY

The BBCRA purchased the property located at 115 N. Federal Highway and the associated property located at 501 NE 1st Avenue on May 14, 2018. While currently acting as the temporary home for the Boynton Beach City Library during the Town Square Project, these properties are important components in the future redevelopment of the downtown core. The subject property is located within the Downtown District of the BBCRA Redevelopment Plan, lies within the Central Business District (CBD) zoning category as well as the Transit Oriented Development (TOD) area and the Mixed-Use High (MU-H) Land Use designation. The property may be considered for a variety of redevelopment purposes such as a future mixed-use development project with commercial frontage, downtown parking garage or other types of uses as determined by the BBCRA Board.



## CRA DISTRICT PROJECTS & PROGRAMS



### SOLID WASTE AUTHORITY GRANT

On November 15, 2018, BBCRA staff submitted a grant application to the Solid Waste Authority's (SWA) Blighted and Distressed Property Clean-up and Beautification Grant Program (BDPCBGP) and was awarded \$77,050 in funding. The BDPCBGP grant activities include \$11,050 for the demolition of a deteriorating building located at 201 NE 9th Avenue and \$66,000 for the interior and exterior painting, doors and windows repairs, and waterproofing work at the Historic Woman's Club of Boynton Beach, an original Addison Mizner building on the National Register of Historic Places. There was a cost savings for the work on the windows and doors since the main components were structurally sound. The BBCRA however had to spend more money for the interior and exterior repainting and waterproofing since the stucco/plaster and wood flooring repairs were more extensive than originally anticipated. In FY 2018-19, the BBCRA spent a total of \$265,834.67 to complete the critical repairs to the building's envelope. The project was completed in December of 2019 so that the facility can resume operations and be open to the public as a unique events venue in early 2020. The SWA's continued support help offset unanticipated costs to prevent further damage to one of the City's historical landmarks and contributed to the BBCRA's efforts in the elimination of blighted conditions in the Heart of Boynton neighborhood. This is another successful leveraging of public resources to accomplish a common goal.





## CULTURAL DISTRICT



### TOWN SQUARE MIXED USE & GOVERNMENTAL PROJECT

The 16.5 acre Town Square Public Private Partnership (P3) Mixed-Use and Governmental Complex Project has been identified as the catalyst project in redevelopment of both the Boynton Beach Boulevard and Cultural Districts within the BBCRA area. The Town Square project consists of: 1) New City Hall/Library building; 2) new Fire Station No.1; 3) new urban park space and amphitheater; 4) new streetscape and pedestrian improvements; 5) adaptive-reuse of the historic Boynton Beach High School building into a cultural/convention/community center; 6) new District Energy Building; and, 7) new private sector hotel and mixed-use structures with ground floor commercial and residential units located on the upper floors.

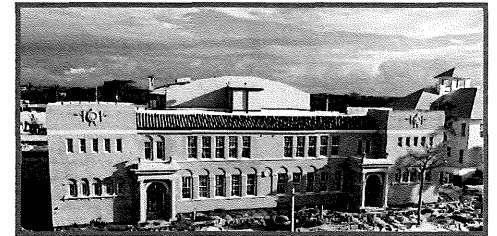
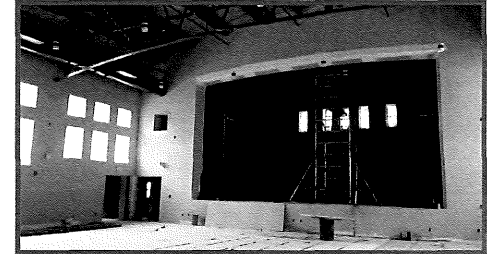
The P3 team is made up of the Boynton Beach CRA, City of Boynton Beach, E2L Real Estate Solutions, and JKM Development. The final Town Square Master Plan was approved by the Boynton Beach CRA and City of Boynton Beach in March of 2018 and the financing for Phase 2 of the project was secured in August of 2018 and construction activities for the Town Square project started on September 17, 2018.



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The total cost of the public sector components of the Town Square Project will total approximately \$80,000,000. The Boynton Beach CRA obtained approval from both the City and County to contribute tax increment revenue toward the project and entered into an Interlocal Agreement (ILA) with the City of Boynton Beach to secure this funding. During Fiscal Years 2016-2017, 2017-2018 and 2018-2019, the Boynton Beach CRA has provided a total of \$6,700,000 for project construction as part of their annually approved Project Fund budget.

The designs and financing of the private sector hotel and mixed-use components will be finalized and construction is anticipated to start by late spring of 2020. According to current construction schedules, new City Hall/Library building and the historic Boynton Beach High School building renovation will be completed and fully operational by August 2020. All of the associated parking garages and private sector components will be completed within the next 24-32 months at a cost of approximately \$200,000,000, generating approximately \$2,500,000 in annual tax increment revenue.



## BOYNTON BEACH BOULEVARD DISTRICT

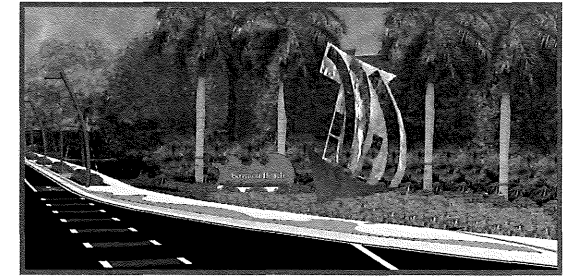
### EAST BOYNTON BEACH BOULEVARD BEAUTIFICATION

The beautification of the East Boynton Beach Boulevard (BBB) Corridor from US1 to I-95 is a necessity to physically transform the entrance to the City's commercial core to a more livable downtown. The improvements include an artistic gateway feature, widened sidewalks, decorative lighting, landscaping, accommodations for bicycles and mass transit, and mid-block pedestrian crossing to support the community's vision for a more complete street at the most significant commercial corridor and the City's namesake.

In September 2018, the BBCRA's and City's Transportation Planning Agency's (PBCTPA) Local Initiative (LI) Grant Program application for the BBB improvements was awarded \$2,232,414 in funding for the project, implementing Smart Growth principles by incorporating traffic calming measures and accommodating various modes of transportation in the roadway design. The grant funds will pay for the basic roadway construction costs with the City and BBCRA paying for the streetscape enhancements above and beyond the basic

elements such as but not limited to the decorative pavement and lighting.

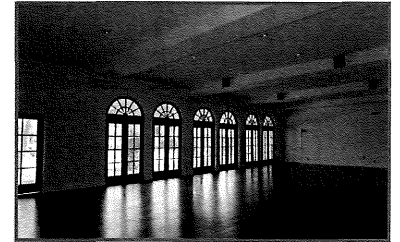
In April 2019, the BBCRA and City were also awarded \$631,530, from the Federal Land Access Program (FLAP) for the design costs for the BBB improvements. FLAP funding supports connectivity and accessibility to federally funded lands, which in this case is the Intracoastal Waterway. The project will leverage multiple public funding sources resulting in improved connectivity and economic development of the Boynton Harbor Marina for a more sustainable Downtown Boynton Beach. Design work for the project will begin in 2020 with TPA LI construction funding availability in 2023. The BBCRA allocated \$500,000 in the FY 2019-2020 Budget to be used towards the project's design costs.



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## FEDERAL HIGHWAY DISTRICT



## HISTORIC WOMAN'S CLUB OF BOYNTON BEACH

In 2018 the first project addressed at the Historic Woman's Club of Boynton Beach was the replacement of the authentic barrel tile roof and balcony floorings. The new roof and balcony floorings were completed in April 2019. After the completion of the roof project the next major renovation included the repair of deteriorated windows and doors in preparation for the interior and exterior painting and waterproofing of the building. The repairs to the windows and doors began in May and were completed in early August 2019. The BBCRA then began the painting and waterproofing in late August 2019. Part of the paint project included the refinishing of the wood floors on both the first and second floors. BBCRA staff was successful at obtaining a Solid Waste Authority of Palm Beach County grant in the amount of \$66,000 to reimburse funding expended by the BBCRA for this work. The paint project was completed on time and within budget in December 2019. Additional minor improvements were scheduled throughout 2019 so that the building can be reopened to the public in early 2020 for cultural and civic activities, social events, family gatherings, and other private functions.



## HEART OF BOYNTON DISTRICT



### SARA SIMS PARK

The preliminary design for the 8.2 acre Sara Sims Park and Cemetery Renovation Project was developed jointly by City and BBCRA staff, building on the information gathered through BBCRA organized community input meetings and community survey results gathered in 2017. In 2018, the BBCRA hired Kimley-Horn & Associates to prepare final design and construction documents for the project and construction began in the Fall of 2018. Crime Prevention Through Environmental Design (CPTED) standards and other security features such as cameras were incorporated into the park as well as electrical power and water service designed to accommodate a performance pavilion. The BBCRA contributed \$721,000 for the design and construction of the \$1.35 million dollar project.

IMPROVEMENTS TO SARA SIMS PARK WERE COMPLETED IN SEPTEMBER 2019 AND INCLUDE THE FOLLOWING AMENITIES:

- Site lighting, benches and new parking
- Landscaping and irrigation
- Cell phone charging station
- Signage, additional waste receptacles, and decorative aluminum fencing
- A new restroom building near the playground
- New walkways or fitness paths and decorative concrete pavement
- Three 12' x 14' small pavilions and one 25' x 25' large pavilion with a hose, bib, picnic table, grills, and waste receptacles

## NW 11TH AVENUE ROADWAY IMPROVEMENT PROJECT



BEFORE



AFTER

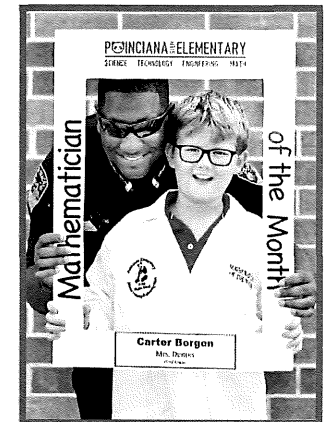
The Boynton Beach CRA and the City of Boynton Beach have collaborated on the land acquisition, affordable single-family homeownership and roadway improvements for the Model Block project since 2012 and continued this partnership in FY 2018-19. The Boynton Beach CRA and the City of Boynton Beach have collaborated on the land acquisition, affordable single-family homeownership and roadway improvements for the Model Block project since 2012 and continued this partnership in FY 2018-19. Located within the Heart of Boynton District and the Poinciana Gardens neighborhood within the block between NW 10th and NW 11th Avenues, the Model Block project consists of the development of 16 new single-family homes and infrastructure improvements within the NW 11th Avenue right-of-way. Kimley-Horn & Associates, Inc was hired by the BBCRA to design roadway, utility, and pedestrian improvements and provide construction administration for the project. The BBCRA contributed \$39,718.00 towards the NW 11th Avenue infrastructure improvements in Fiscal Year 2018-2019. On April 15, 2019 construction improvements on NW 11th Avenue was completed in preparation for the construction of the remaining ten single-family homes fronting on NW 11th Avenue. Construction on the first of five of the homes built by Habitat for Humanity of South Palm Beach County (HFHSPBC) commenced on August 8, 2019 and the first of the five homes to be built by the Boynton Beach Faith Based Community Development Corporation (CDC) started shortly thereafter.

## NEIGHBORHOOD OFFICER PROGRAM

The Neighborhood Officer Program (NOP) was created to cultivate high levels of mutual trust, understanding and respect between police and the residents of the neighborhoods they patrol by integrating police personnel into the fabric of our community. Moreover, this program assists in reducing crime and improving the quality of life within historically plighted neighborhoods where it requires the development of problem-solving partnerships and substantive relationships. After several years of success, the Boynton Beach CRA continues to budget monies to fund the NOP as it essential to support growth of the Program and redevelopment of the BBCRA area by developing relationships that transform the confines of ordinary policing.

BELOW ARE SOME OF THE ACCOMPLISHMENTS AND ACTIVITIES FOR THE NEIGHBORHOOD OFFICER PROGRAM IN THE FOUR YEARS SINCE INCEPTION OF THE PROGRAM.

- Integrate the Homeless Outreach Team (HOT) in the BBCRA area
- Read with a Cop at Poinciana Elementary & Carolyn Sims Center
- Assist Pathways to Prosperity™ with moving individuals out of poverty & create a path to self-sufficiency
- Facilitate the Boynton Beach Police Department's recruitment efforts
- Facilitate the back-to-school/health fair at St. John's Church
- Attend all BBCRA related events and meetings
- Mentor children in Cub Scout Pack #243
- Mentor children at both Galaxy Elementary & Poinciana Elementary schools
- Facilitate with stakeholders the back-to-school book bag giveaways
- Distributing food in the community in partnership with the local food bank
- Facilitate Early Child Leadership Collaborative Meetings
- Facilitate Habitat for Humanity™ Ribbon Cuttings, Home Dedication, etc.
- Attend Healthier Boynton Caregiver meetings
- Attend meetings in the Heart of Boynton on a bi-weekly basis



## HEART OF BOYNTON DISTRICT



### MARTIN LUTHER KING JR. BOULEVARD CORRIDOR REDEVELOPMENT PROJECT

On June 18, 2018 the Boynton Beach CRA issued a Request for Proposals and Developer Qualifications (RFP/RFQ) for a development project utilizing the BBCRA owned properties along Martin Luther King Jr. Boulevard corridor between N. Seacrest Boulevard and Federal Highway in the Heart of Boynton District. The BBCRA identified incentives such as land, direct or indirect funding, design or site plan assistance, infrastructure support and partnerships to private sector developer to make the desired redevelopment project more attractive and financially feasible.

The BBCRA received two development proposals and at their February 12, 2019 meeting the BBCRA Board selected Centennial Management Corporation (CMC). In their proposal, CMC would acquire the BBCRA owned land and construct the project consisting of a minimum of 124 affordable multi-family rental apartments, 8,500 square feet of retail/commercial space, pedestrian plaza, leasing office-clubhouse, streetscape and landscape improvements, as well as future infill home ownership opportunities. A Purchase and Development Agreement was executed by both parties on September 16, 2019. As this proposed project progresses, the BBCRA and the CMC development team are committed to revitalizing the corridor using the vibrant culture of the Heart of Boynton as inspiration as well as public input from various community meetings.



### DESIGN OF NE 3RD STREET RIGHT-OF-WAY PROJECT

Over the course of several years, the Boynton Beach CRA has been acquiring properties along the MLK Jr. Boulevard corridor and NE 3rd Street in order to extend NE 3rd Street from NE 9th Avenue to E. Martin Luther King Jr. Boulevard. The extension of NE 3rd Street through to E. Martin Luther King Jr. Boulevard will provide a north/south access street for the distribution of traffic between E. Martin Luther King Jr. Boulevard and NE 9th Avenue from N. Railroad Avenue (which is one-way north at NE 9th Avenue) and N. Seacrest Blvd. The new 50' right-of-way will include utility improvements as well as pedestrian enhancements.

The design and construction plans will be provided by the firm of Baxter & Woodman, Inc. and will be completed by September 2020. The new roadway project will include underground utility upgrades, on-street parking spaces and sidewalks. The project is estimated to take approximately 15 months to complete from design through construction.

In August of 2019, the BBCRA approved \$85,000 of funding for Baxter & Woodman, Inc.'s consulting services, which includes the engineering design through construction administration, through an Interlocal Agreement with the City of Boynton Beach.



### OCEAN BREEZE EAST APARTMENTS

The Boynton Beach CRA continued their mission to redevelop the vacant 4.4 acre site into a quality designed and well-managed affordable multi-family rental apartment complex within the Heart of Boynton District.

As the result of a Request for Proposal and Developer's Qualifications (RFP/RFQ) solicitation process in August 2017, the BBCRA Board selected the for-profit affordable housing developer from Miami Lakes, Centennial Management Corp. (CMC), to purchase and redevelop the vacant property into a much-needed affordable multi-family rental apartment complex called Ocean Breeze East Apartments. The urban infill rental housing project will consist of a 123 unit, 1, 2 and 3 bedroom affordable multi-family rental apartments and associated parking, resident recreational amenities, upgraded landscaping, streetscape and pedestrian improvements, and approximately 1,000 square feet of 'flex space'.

Estimated monthly rents for the project are \$392 to \$782 for a one bedroom, \$469 to \$937 for a two bedroom, and \$535 to \$1,075 for a three bedroom unit based on Area Median Income (AMI) data.

The key to this project's success was CMC's proven track record and experience with applying and obtaining project funding from the Florida Housing Finance Corporation (FHFC) through its 9% Low Income Housing Tax Credit (LIHTC) Program. The Boynton Beach CRA assisted with the project by selling the land to Centennial for \$800,000 and partnering with the City of Boynton Beach through an Interlocal Agreement to provide a \$567,500 local government matching contribution.

The Ocean Breeze East Apartment project broke ground in November 2019 and construction is underway with an anticipated project completion in late 2020.

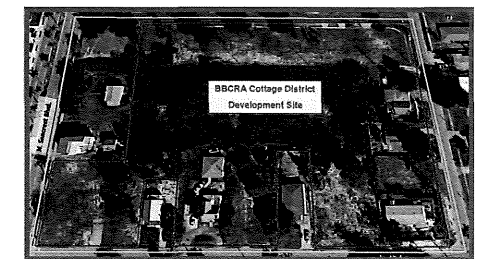
### COTTAGE DISTRICT INFILL HOUSING REDEVELOPMENT

During Fiscal Year 2018-2019, the Boynton Beach CRA issued a Request for Proposals and Developer Qualifications (RFP/RFQ) to solicit interest for the redevelopment of the BBCRA owned vacant parcels located on N. Seacrest Boulevard between NE 4th and NE 5th Avenues, known in the Redevelopment Plan as the Cottage District Infill Housing Redevelopment Project. Three proposals were submitted and the BBCRA Board spent Fall 2018 negotiating the details of the project's site plans and financing strategies. Due to various financial shortcomings with each proposal, the BBCRA Board terminated negotiations with the first ranked Proposer in September 2018 as well as the second ranked Proposer in March 2019.

Conceptual project site plans propose construction of approximately 30-34 new single family, owner occupied housing units. The units will be built using energy efficient components, an attractive architectural design, quality construction, a green space/park and community streetscape and pedestrian elements consistent with the requirements of

the BBCRA's 2016 Boynton Beach Redevelopment Plan.

Moving forward, the goal of the Boynton Beach CRA staff and the City of Boynton Beach Utility Department is to use the next 18 months to two years to address the infrastructure components, financial impact, and other site development criteria surrounding the project site.





## HEART OF BOYNTON DISTRICT

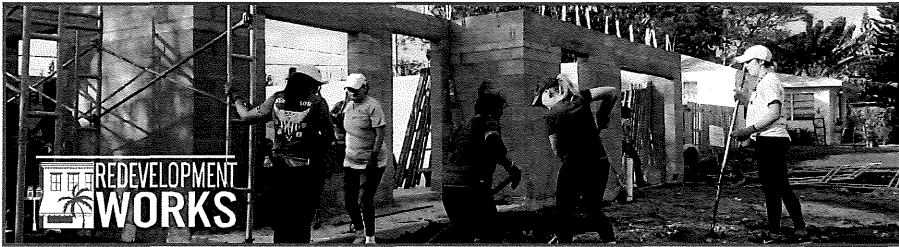
### WORKFORCE & AFFORDABLE HOUSING PROJECTS

The BBCRA continues to work closely with Habitat for Humanity of South Palm Beach County and other affordable housing providers on several affordable housing projects, which are key components of the BBCRA's neighborhood revitalization effort.



#### MODEL BLOCK

The Model Block Project has been an ongoing partnership between the City of Boynton Beach, the Boynton Beach BBCRA, the Boynton Beach Faith Based CDC and Habitat for Humanity of South Palm Beach County (HFHSPBC). In 2019 the BBCRA contributed \$12,817.63 funding to the road improvements and underground utilities on NW 11th Avenue and transferred BBCRA-owned properties located south of NW 11th Avenue to the City for the second phase of the Model Block Project. With the completion of the roadway improvements on NW 11th Avenue in April of 2019 and the City's transfer of the ten properties to HFHSPBC and the CDC, the construction of ten single family homes on NW 11th Avenue commenced on August 8, 2019.



### NONPROFIT ORGANIZATION GRANT PROGRAM AFFORDABLE & WORKFORCE HOUSING FUNDING

On March 13, 2019, the BBCRA Board approved a grant agreement in the amount of \$75,000 to support the efforts of Habitat for Humanity International's (d/b/a Habitat for Humanity of South Palm Beach County's) (HFHSPBC) Increasing the Quality of Life Program. The HFHSPBC's project is contributing to the City's affordable housing stock and providing a direct benefit to the stakeholders within the CRA area with the following activities over a period of 12 months:

- Build three new single-family units (one 2-unit villa at 125 and 127 NE 12th Avenue and one detached single-family home located at 110 NW 6th Avenue)
- Complete three neighborhood revitalization projects (including home renovations and critical repairs) within the BBCRA area
- Conduct home ownership and home building/home maintenance education workshops, and leveraging volunteers and public/private/nonprofit donations

On April 30, 2019, HFHSPBC also completed a 2-unit villa located at 1118 and 1120 NE 2nd Street. The BBCRA contributed \$40,000 in the previous fiscal year towards the construction of these units.



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## PROFESSIONAL AWARDS & RECOGNITIONS

### INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL



### INTERNATIONAL DOWNTOWN ASSOCIATION



### 2019 FLORIDA FESTIVAL & EVENTS ASSOCIATION SUNSATONAL AWARDS

#### FIRST PLACE

- Annual Report Fiscal Year 2017-18
- Radio Ad: Boynton Beach Haunted Pirate Fest & Mermaid Splash Mermaid Shelly

#### SECOND PLACE

- Event Photo: Boynton Beach Haunted Pirate Fest & Mermaid Splash
- PTV Pirate Television Social Media & Youtube: Boynton Beach Haunted Pirate Fest & Mermaid Splash
- Promotional T-Shirt: Holiday Boat Parade
- Calling All Captains Flyer: Holiday Boat Parade
- Event Map: Boynton Beach Haunted Pirate Fest & Mermaid Splash

#### THIRD PLACE

- PR/Media Campaign: Boynton Beach Haunted Pirate Fest & Mermaid Splash
- Promotional Mailer: Boynton Beach Haunted Pirate Fest & Mermaid Splash
- Billboard: Boynton Beach Blarney Bash

### 2019 INTERNATIONAL FESTIVAL & EVENTS ASSOCIATION HAAS & WILKERSON PINNACLE AWARDS

#### GOLD

- Best Event Program: Boynton Beach Haunted Pirate Fest & Mermaid Splash
- Best Single Newspaper Display Ad: Holiday Boat Parade Boynton Beach Delray Beach
- Best Event Promotional Photograph: Boynton Beach Haunted Pirate Fest & Mermaid Splash
- Best Social Media Campaign PTV Pirate Television: Boynton Beach Haunted Pirate Fest & Mermaid Splash

#### SILVER

- Silver - Best Outdoor Billboard: Blarney Bash Boynton Beach

#### BRONZE

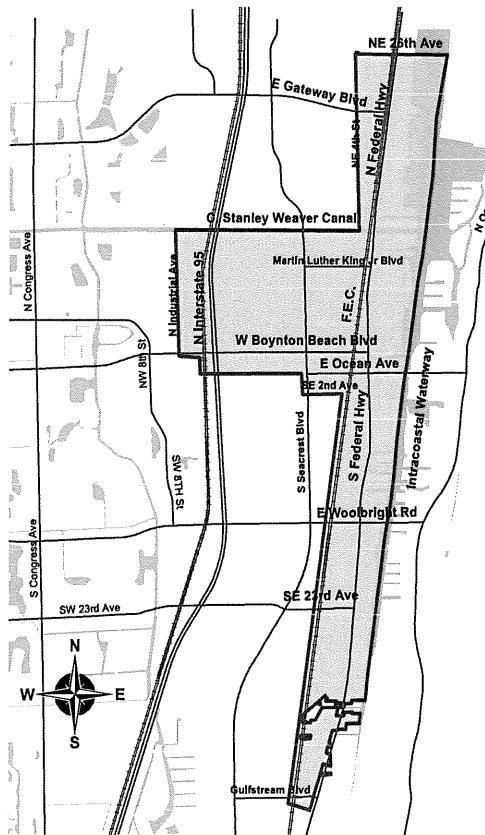
- Bronze - Best Miscellaneous Printed Materials (Multiple Page): Annual Report

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## BBCRA DISTRICT

## BBCRA STAFF



- CRA AREA - 1,650 acres
- Water
- Major Roads
- Railroads



**Michael Simon**  
Executive Director

**Thuy Shutt**  
Assistant Director

**Vicki Hill**  
Finance Director

**Theresa Utterback**  
Development Services Manager

**Bonnie Nicklien**  
Administrative Services & Grant Manager

**Jobara Jenkins**  
Accounting & Finance Manager

**Tracy Smith-Coffey**  
Marketing & Business Development Specialist

**Mercedes Coppin**  
Business Promotions & Events Manager

**Azim Hussain**  
Marketing, Events, & Economic Development Assistant

**Renee Roberts**  
Social Media & Communications Specialist



**SKJTG**  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

### Boynton Beach Community Redevelopment Agency

#### 2019 Audit Results and Required Communications

Report to Those Charged With Governance



December 12, 2019

Management and Board Members  
Boynton Beach Community  
Redevelopment Agency  
7110 North Federal Highway  
Boynton Beach, Florida 33433

Dear Management and Board Members:

We are pleased to present the results of our audit of the basic financial statements of the Boynton Beach Community Redevelopment Agency (the Agency) for the year ended September 30, 2019.

This report summarizes our audit, the scope of our engagement, and key observations and findings from our audit procedures for the year ended September 30, 2019. This report also contains the communications required by our professional standards and by *Government Auditing Standards*.

The audit was designed to express an opinion on the Agency's 2019 basic financial statements. In accordance with professional standards, we obtained a sufficient understanding of internal control to plan the audit and to determine the nature, timing, and extent of tests to be performed. However, we were not engaged to and we did not perform an audit of internal control over financial reporting.

This report is intended solely for the information and use of those charged with governance of the Agency, and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate this opportunity to meet with you to discuss the contents of this report, and to answer any questions that you may have about this report or any other audit-related matters. If you have any questions, please contact Ritchie C. Tandoe, Partner in Charge of the audit, at (305) 268-8633, ext. 8016.

Very truly yours,

*Samsen Kline Jasmines Tandoe de Camarero, LLP*

## Boynton Beach Community Redevelopment Agency 2019 Audit Results and Required Communications

Generally Accepted Auditing Standards and *Government Auditing Standards* require the auditor to communicate certain matters to those charged with governance that may assist in overseeing management's financial reporting and disclosure process. Below is a summary of these required communications, and our response to each, as they apply to the Agency as of and for the fiscal year ended September 30, 2019.

Required Communication	Response
<p><b>Auditors' Responsibilities Under Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAS)</b></p> <p>Our responsibility is to express opinions on the Agency's financial statements based on our audit conducted in accordance with auditing standards generally accepted in the United States and <i>Government Auditing Standards</i>. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.</p> <p>In addition, we are required to report on the Agency's internal control over financial reporting and on compliance and other matters. However, providing assurance on the internal control or compliance with certain provisions of laws, regulations, contracts, and agreements was not an objective of our audits, and accordingly, we do not express such opinions.</p>	<p>We have issued an unmodified opinion (i.e. a clean opinion) on the Agency's basic financial statements for the year ended September 30, 2019.</p> <p>We have also issued our report on the Agency's internal control over financial reporting and on compliance and other matters for the year ended September 30, 2019. We noted no material weaknesses or material noncompliance issues.</p> <p>Both reports were dated December 12, 2019.</p>
<p><b>Significant Accounting Policies</b></p> <p>Initial selection of and changes in significant accounting policies or their application and new accounting and reporting standards during the year must be reported.</p> <p>In addition, we must discuss our judgments about the quality, not just the acceptability, of the accounting policies as applied in the Agency's financial reporting.</p>	<p>The Agency's significant accounting policies are described in Note 1 to the financial statements.</p> <p>Accounting principles selected by management are consistent with those prescribed by government accounting standards, and the Agency's financial statements and related disclosures are clearly presented in a complete manner.</p>
<p><b>Accounting Estimates</b></p> <p>The preparation of the financial statements requires the use of accounting estimates. We are required to inform the Board of such accounting estimates and about our conclusions regarding the reasonableness of those estimates.</p>	<p>For fiscal year ended September 30, 2019, management's judgment was called upon to establish the useful lives of capital assets. We have determined that such estimates are reasonable.</p>
<p><b>Methods of Accounting for Significant Unusual Transactions and for Controversial or Emerging Areas</b></p> <p>We are required to inform those charged with governance about the methods used to account for significant unusual transactions and the effects of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p>	<p>We did not identify any significant unusual transactions by the Agency or any significant accounting policies used by the Agency related to controversial or emerging areas for which there is a lack of authoritative guidance.</p>
<p><b>Significant and/or Unadjusted Audit Adjustments</b></p> <p>We are required to inform those charged with governance about auditor adjustments arising from the audit (whether recorded or not) that could, in our judgment, have a significant effect, individually or in the aggregate, on the Agency's financial statements.</p>	<p>We did not identify any material audit adjustments during our audit of the financial statements as of and for the fiscal year ended September 30, 2019.</p>

Boynton Beach Community Redevelopment Agency  
2019 Audit Results and Required Communications

Required Communication	Response
<p><b>Fraud and Illegal Acts</b></p> <p>We are required to inform those charged with governance about any and all fraud and illegal acts involving senior management and any fraud and illegal acts (whether caused by management or other employees) that cause a material misstatement of financial resources.</p>	<p>We are not aware of any fraud or illegal acts that occurred during the fiscal year involving senior management, or any fraud or illegal acts involving any employee that would cause a material misstatement of the financial statements.</p>
<p><b>Disagreements or Difficulties with Management</b></p> <p>We are required to inform those charged with governance about any significant disagreements or difficulties encountered with management.</p>	<p>We did not encounter any significant disagreements or difficulties with management during the course of the audit.</p>
<p><b>Major Issues Discussed with Management Prior to Retention</b></p> <p>We are required to inform those charged with governance about any major issues discussed with management prior to retaining us as auditors.</p>	<p>We did not discuss any major issues with management prior to retaining us as your auditors.</p>
<p><b>Independence</b></p> <p>We are required to communicate with those charged with governance, at least annually, the following:</p> <ol style="list-style-type: none"> <li>1. Disclose, in writing, all relationships between us and the Agency and its related entities that, in our professional judgment, may reasonably be thought to impede our independence;</li> <li>2. Confirm in writing that, in our professional judgment, we are independent of the Agency in accordance with generally accepted auditing standards and <i>Government Auditing Standards</i>; and</li> <li>3. Disclose any non-audit services performed for the Agency.</li> </ol>	<ol style="list-style-type: none"> <li>1. There are no relationships between us and the Agency and its related entities that, in our professional judgment, may reasonably be thought to impede our independence.</li> <li>2. With regards to our audit of the Agency as of September 30, 2019, we are independent with respect to the Agency, in accordance with Rule 101 of the American Institute of Certified Public Accountants' Code of Professional Conduct, its interpretations and rulings, and <i>Government Auditing Standards</i>.</li> <li>3. We have not performed any non-audit services for the Agency during the fiscal year ended September 30, 2019, or thereafter.</li> </ol>
<p><b>Management Letter</b></p> <p>We are required to issue a management letter responding to certain requirements in accordance with the <i>Rules of the Auditor General</i> of the State of Florida.</p>	<p>We have issued a management letter in accordance with the <i>Rules of the Auditor General</i> of the State of Florida, dated December 12, 2019.</p>
<p><b>Management Representations</b></p> <p>We are required to communicate with those charged with governance about representations requested from management.</p>	<p>We requested certain representations from management that are included in the management representation letter dated December 12, 2019.</p>

**BOYNTON BEACH  
COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Basic Financial Statements

September 30, 2019

(With Independent Auditor's Report Thereon)

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

For the Year Ended September 30, 2019

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**FINANCIAL SECTION**

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## Independent Auditor's Report

To the Board of Commissioners  
Boynton Beach Community  
Redevelopment Agency:

### Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities and each major fund of the Boynton Beach Community Redevelopment Agency (the Agency), a component unit of the City of Boynton Beach, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Agency as of September 30, 2019, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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## Independent Auditor's Report

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#### **Other Matters**

##### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 8 and 23 through 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

##### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2019 on our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting.

*Anderson Kline Gasparine Landee S. Hamarra, CPA*

Miami, Florida  
December 12, 2019

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## **Management's Discussion and Analysis**

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**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2019

The Management's Discussion and Analysis (MD&A) of the Boynton Beach Community Redevelopment Agency (the "Agency") is designed to provide an objective and easy to read analysis of the financial activities based on currently known facts, decisions, and conditions. The MD&A provides a broad overview, short-term and long-term analysis of the Agency's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the Agency's financial activity and identify changes in the Agency's financial position and its ability to address the next year's challenges. Finally, the MD&A will identify any material deviations from the approved budget.

The Agency is an independent agency and a component unit of the City of Boynton Beach, Florida ("City"). The Agency has presented 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*.

The information contained in this MD&A is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the footnotes and required supplementary information provided.

**FINANCIAL HIGHLIGHTS**

The Agency's tax increment revenues increased by 6% or \$772 thousand to approximately \$12.5 million during the fiscal year. This resulted primarily from increased property values by 11% within the CRA district from residential, multi-family, condominiums and commercial properties.

The Agency began the fiscal year with a net position balance of approximately \$22.02 million. The Agency's total revenues for the year ended September 30, 2019 were approximately \$14.39 million, while total expenses were approximately \$12.78 million, increasing net position by approximately \$1.61 million.

The CRA's guiding document for annual budgeting, programs and projects is the CRA Redevelopment Plan. The CRA Redevelopment Plan is organized into six separate districts, each identified according to their character, history, location, land use make-up and intended purpose; 1) the Industrial Craft District; 2) the Heart of Boynton District; 3) the Cultural District; 4) the Boynton Beach Boulevard District; 5) the Downtown District; and 6) the Federal Highway District. While the Redevelopment Plan can be revised, it will remain the planning document used by the CRA for the next twenty years.

The Boynton Harbor Marina, Marina Open Space project was completed in January 2017 and will require ongoing maintenance while under the CRA's ownership. This project provides green space and seating areas for patrons waiting to board the fishing and dive charters, or for those who choose to enjoy watching the boats go by. The new attraction continues to boost the visitor's overall experience in beautiful downtown Boynton Beach.

The CRA, in cooperation with the City of Boynton Beach Police Department, continues to fund the Neighborhood Officer Program (NOP) Innovative Policing Initiative in the Heart of Boynton. In 2018-2019, the partnership funded a Sergeant and two officers to enhance the Unit's ability to provide a positive presence in the community. The goal of the program is to address crime holistically within the Heart of Boynton by promoting an atmosphere that emphasizes a sense of trust, caring and community investment. Public safety cultivates personal relationships between police personnel assigned to the neighborhood on foot and bike patrols.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2019

Downtown redevelopment within the CRA boundaries continues at a rapid pace. In February 2018, the CRA celebrated the completion of 500 Ocean, a mixed-use development located at 101 S. Federal Highway, Boynton Beach, FL 33435. The land, which was once an eyesore to the community and now features 341 luxury apartments and approximately 20,000 square feet of retail and office space. The CRA was recognized by the Florida Redevelopment Association by receiving the Roy F. Kenzie Award for Outstanding New Development Project for our planning and financial partnership with the project. When the CRA purchased the Historic Woman's Club of Boynton Beach in FY 17-18 we took on the challenge of much needed improvements and renovations. The CRA, along with funding from the Solid Waste Authority Grant, began the roof and balcony replacement in August 2018. Ongoing capital improvements are scheduled throughout 2019 so that it can be reopened to the public for civic activities, social events, family gatherings and other special events.

The Heart of Boynton District redevelopment efforts continue with the Ocean Breeze East project and Martin Luther King, Jr. Boulevard Corridor project for the development of new, affordable multifamily rental housing. These efforts also included pre-development improvements for the Cottage District and Model Block Projects which will provide new affordable home ownership opportunities in the area. The Model Block Project is a partnership between the City and the CRA to revitalize an entire block west of Seacrest and along west Martin Luther King, Jr. Boulevard this will include building for-sale single-family homes, constructing streetscape, installing new utilities and extending N.W. 11<sup>th</sup> Avenue from Seacrest to N.W. 1<sup>st</sup> Street. The key goal of the Heart of Boynton redevelopment efforts is to create affordable housing and improve neighborhoods within the Boynton Beach Community Redevelopment Area.

The Town Square Project site area encompasses 16.5 acres of City-owned properties within a key redevelopment area of downtown Boynton Beach. A total of \$8.3 Million was allocated in the last three CRA fiscal year budgets for the design drawings, permitting and renovation of the historic Boynton Beach High School building. The CRA has made a significant commitment to provide funding for completion of the Town Square Project over the next twenty years. The new City Hall/Library building should be open for business by the end of fiscal year 2019-2020. Economic development assistance programs targeted to existing and new businesses within the CRA district continue to be successful. A total of 22 commercial grant awards were approved and approximately \$346,333 was disbursed during the fiscal year to businesses for facade improvements, interior and exterior renovations, and rent reimbursement subsidies.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Agency's basic financial statements are comprised of the 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The government-wide financial statements provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business. In addition, the government-wide statements are prepared using the accrual basis of accounting. The *Statement of Net position* (balance sheet) presents information on the Agency's assets and liabilities, with the difference between the two reported as net position.

The *Statement of Activities* (income statement) presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in revenues are reported as soon as underlying events giving rise to the change occur regardless of the timing of related cash flows. The expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2019

The government-wide financial statements present functions of the Agency that are principally supported by tax increment financing (governmental activities). The governmental activities of the Agency include general government activities, public safety and redevelopment projects. Thus, the Agency has no business-type activities.

The government-wide financial statements are found beginning on page 9 of this report.

**Fund Financial Statements**

The governmental fund financial statements provide readers with an overview of each fund and its related function in a traditional format. A fund is a grouping of related accounts that maintain control over resources that are segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements. The Agency utilizes three funds for the fiscal year ending September 30, 2019, the *General Fund*, which is a governmental fund, the *Debt Service Fund*, used for servicing all debt payments and the *Projects Fund*, from which all capital outlays financed from Bond proceeds or other sources of financing are spent.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than government-wide financial statements, and it is therefore useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By comparing and contrasting, readers may better understand the long-term impact of the Agency's near term financing decisions. The "Balance Sheet – Governmental Funds" and "Statement of Revenues, Expenditures, and Change in Fund Balance – Governmental Funds" are reconciled as shown on the "Reconciliation of the Balance Sheet – Governmental Fund to the Statement of Net position" and the "Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance – Governmental Funds to the Statement of Activities" to facilitate the comparison between the *governmental funds* and *governmental activities*.

The Agency adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule provided for the General Fund demonstrates compliance with this budget.

The basic governmental funds financial statements can be found beginning on page 11 of this report. The reconciliations between the governmental funds and governmental activities are found on pages 12 and 14.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. These notes to the basic financial statements begin on page 15 of this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Agency's budget to actual results for the General Fund for the current year. The required supplementary information can be found on page 24 and 25 of this report.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2019

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by approximately \$23.6 million at the close of the most recent fiscal year. However, the largest portion of the Agency's total assets, 58%, is reflected in its capital assets.

**Summary of Net Position**

	<b>September 30,</b>	
	<b>2019</b>	<b>2018</b>
<b>Assets</b>		
Current and other assets	\$ 15,645,131	\$ 13,824,257
Capital assets	21,791,746	23,014,578
<b>Total assets</b>	<b>37,436,877</b>	<b>36,838,835</b>
<b>Deferred outflows of resources</b>	<b>838,263</b>	<b>958,015</b>
<b>Liabilities</b>		
Current liabilities	2,542,088	1,936,093
Long-term liabilities	12,106,216	15,554,628
<b>Total liabilities</b>	<b>14,648,304</b>	<b>15,779,721</b>
<b>Net position</b>		
Invested in capital assets, net of related debt	8,977,483	8,318,563
Restricted for:		
Capital projects	11,849,341	11,105,679
Debt service	109,356	91,183
Unrestricted	2,690,656	2,501,704
<b>Total net position</b>	<b>\$ 23,626,836</b>	<b>\$ 22,017,129</b>

The Agency has restricted assets for various capital projects.

**Governmental Activities**

Governmental activities increased the Agency's net position by approximately \$1.61 million. Key elements of this decrease are detailed as follows:

**Summary of Changes in Net Position**

	<b>Year Ended September 30,</b>	
	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Program Revenues		
Charges for services	\$ 1,304,480	\$ 1,267,068
General Revenues		
Tax increment revenues	12,549,087	11,776,329
Other revenues	540,026	355,124
<b>Total revenues</b>	<b>14,393,593</b>	<b>13,378,521</b>



**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2019

**Summary of Changes in Net Position (continued)**

	<b>Year Ended September 30,</b>	
	<b>2019</b>	<b>2018</b>
<b>Expenses</b>		
General government	3,615,970	3,422,366
Redevelopment projects	7,295,491	5,508,718
Interest on long-term debt	542,461	588,538
Loss on sale and disposal of capital assets	1,329,964	5,059,932
<b>Total expenses</b>	<b>12,783,886</b>	<b>14,579,554</b>
 Change in net position	 1,609,707	 (1,201,033)
Net position beginning of year	22,017,129	23,218,162
<b>Net position end of year</b>	<b>\$ 23,626,836</b>	<b>\$ 22,017,129</b>

Tax increment revenues increased by approximately \$773 thousand during fiscal year 2019, the result of increased taxable values.

Year-to-year expenses decreased by approximately \$1.79 million. This was due primarily to the increase in redevelopment projects and decrease in loss on sale of capital assets.

**FINANCIAL ANALYSIS OF THE AGENCY'S FUNDS**

The focus of the Agency's governmental funds is to provide information on near-term inflows, outflows and balances of expendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of fiscal year 2019, the Agency's governmental funds reported an ending fund balance of approximately \$14.86 million, of which approximately \$256.6 thousand is nonspendable, \$4.95 million is committed, \$9.25 million is assigned and \$411 thousand is unassigned funds.

**GENERAL BUDGETARY HIGHLIGHTS**

In fiscal year 2018-2019, actual total revenues were favorable over budgetary estimates by approximately \$726 thousand, and actual total expenditures were favorable over budgetary estimates by \$418 thousand. Refer to page 24 for budgetary comparison schedule.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

During the year end September 30, 2019, the Agency spent approximately \$331 thousand in capital assets and transferred \$31 thousand from Construction in Progress to Building. This includes approximately \$14.5 thousand for properties acquired in the CRA district targeted for Plan for MLK Corridor and Community Caring Center and approximately \$279 thousand which are primarily the result of the Woman's Club roof replacement-The CRA transferred 1 property to the Habitat of Humanity with book value of approximately \$9,300, Land & Land Improvement transfers to the City of Boynton Beach with approximate values of \$1.3 Million, demolition of building on land to be used as part of MLK project of \$115 thousand and furniture and fixtures write-off and disposal of approximately \$155 thousand.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2019

**Long-Term Debt**

At the end of fiscal year 2019, the Agency has total bond debt outstanding of approximately \$13.74 million. Of this amount, approximately \$10.20 million represents the 2012 refunding Revenue Bonds and \$3.54 million represents the 2015 Revenue Bonds.

**ECONOMIC FACTORS AFFECTING NEXT YEAR'S BUDGET**

Assessed property valuations within the community redevelopment district increased approximately 11.2% versus prior year resulting in an increase in tax increment revenues of \$1.39 Million, net of estimated adjustments for tax roll certifications. The Agency's Board approved the 2019-2020 budget including utilization of tax increment revenues for a number of projects including key acquisition funding, funding for the Town Square project, infrastructure improvements, community police program, Heart of Boynton initiatives and the continuation of business and economic incentive programs.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Vicki Hill, Finance Director at 710 North Federal Highway, Boynton Beach, Florida 33435.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Statement of Net Position

September 30, 2019

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**Basic Financial Statements**

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	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 15,381,916
Accounts receivables	6,536
Prepays	256,679
Capital assets, net of accumulated depreciation:	
Land	16,304,445
Furniture and equipment	116,730
Renovations	741,401
Leasehold improvements	23,542
Construction in progress	41,708
Building	3,571,733
Land improvements	981,152
Vehicle	11,035
Total assets	<u>37,436,877</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	
Deferred amount on refunding	<u>838,263</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	767,002
Deposits payable	13,086
Long-term liabilities:	
Due within one year	1,762,000
Due in more than one year	
Bonds and loans payable	11,976,000
Compensated absences	130,216
Total liabilities	<u>14,648,304</u>
<b>NET POSITION</b>	
Net Investment in capital assets	8,977,483
Restricted for:	
Capital projects	11,849,341
Debt service	109,356
Note receivable	-
Unrestricted	2,690,656
Total net position	<u><u>\$ 23,626,836</u></u>

The notes to the basic financial statements are an integral part of this statement.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Statement of Activities

For the Year Ended September 30, 2019

Functions/Programs	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges For Services	
Governmental Activities:			
General government	\$ 3,615,970	\$ 1,304,480	\$ (2,311,490)
Redevelopment projects	7,295,491	-	(7,295,491)
Interest on long-term debt	542,461	-	(542,461)
Total	<u>\$ 11,453,922</u>	<u>\$ 1,304,480</u>	<u>\$ (10,149,442)</u>
General Revenues:			
Tax increment revenue			\$ 12,549,087
Transfers and Loss on sale of capital assets			(1,329,964)
Interest and other income			540,026
Total general revenues			<u>11,759,149</u>
Change in net position			1,609,707
Net position - beginning of year			<u>22,017,129</u>
Net position - end of year			<u>\$ 23,626,836</u>

The notes to the basic financial statements are an integral part of this statement.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Balance Sheet  
Governmental Funds

September 30, 2019

	General Fund	Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,770,526	\$ 12,502,034	\$ 109,356	\$ 15,381,916
Accounts receivables	6,536	-	-	6,536
Prepays	184,488	72,191	-	256,679
Total assets	<u>\$ 2,961,550</u>	<u>\$ 12,574,225</u>	<u>\$ 109,356</u>	<u>\$ 15,645,131</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and accrued expenses	\$ 42,328	\$ 724,674	\$ -	\$ 767,002
Deposits payable	12,876	210	-	13,086
Total liabilities	<u>55,204</u>	<u>724,884</u>	<u>-</u>	<u>780,088</u>
Fund Balances:				
Nonspendable	184,488	72,191	-	256,679
Committed	884,693	3,956,936	109,356	4,950,985
Assigned	1,425,909	7,820,214	-	9,246,123
Unassigned	411,256	-	-	411,256
Total fund balances	<u>2,906,346</u>	<u>11,849,341</u>	<u>109,356</u>	<u>14,865,043</u>
Total liabilities and fund balances	<u>\$ 2,961,550</u>	<u>\$ 12,574,225</u>	<u>\$ 109,356</u>	<u>\$ 15,645,131</u>

The notes to the basic financial statements are an integral part of this statement.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Reconciliation of the Balance Sheet - Governmental Funds  
to the Statement of Net Position

For the Year Ended September 30, 2019

Fund balance - governmental funds	\$ 14,865,043
Amounts reported for governmental activities in the statement of net asset are different because:	
Capital assets used in governmental activities are not reported in the governmental funds.	
Capital assets - net of accumulated depreciation	21,791,746
Deferred outflow of resources - reported as deferred amount on refunding	838,263
Long-term liabilities are not reported in the governmental funds.	
Compensated absences	(130,216)
Bonds and notes payable	(13,738,000)
Net position of governmental activities	<u>\$ 23,626,836</u>

The notes to the basic financial statements are an integral part of this statement.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds

For the Year Ended September 30, 2019

	General Fund	Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>				
Tax increment revenue	\$ 12,549,087	\$ -	\$ -	\$ 12,549,087
Charges for services	1,304,480	-	-	1,304,480
Interest and other income	294,159	230,450	15,417	540,026
Total revenues	<u>14,147,726</u>	<u>230,450</u>	<u>15,417</u>	<u>14,393,593</u>
<b>EXPENDITURES</b>				
General government	3,366,813	-	-	3,366,813
Redevelopment projects	-	7,295,491	-	7,295,491
Debt service:				
Principal	-	-	1,711,000	1,711,000
Interest and other charges	-	-	422,709	422,709
Capital outlay	38,101	293,600	-	331,701
Total expenditures	<u>3,404,914</u>	<u>7,589,091</u>	<u>2,133,709</u>	<u>13,127,714</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,742,812</u>	<u>(7,358,641)</u>	<u>(2,118,292)</u>	<u>1,265,879</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	8,102,303	2,136,465	10,238,768
Transfers out	(10,238,768)	-	-	(10,238,768)
Total other financing sources (uses)	<u>(10,238,768)</u>	<u>8,102,303</u>	<u>2,136,465</u>	<u>-</u>
Net change in fund balances	504,044	743,662	18,173	1,265,879
Fund balances - beginning of year	2,402,302	11,105,679	91,183	13,599,164
Fund balances - end of year	<u>\$ 2,906,346</u>	<u>\$ 11,849,341</u>	<u>\$ 109,356</u>	<u>\$ 14,865,043</u>

The notes to the basic financial statements are an integral part of this statement.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Reconciliation of the Statements of Revenues, Expenditures and  
Changes in Fund Balances - Governmental Funds to the Statement of Activities

For the Year Ended September 30, 2019

Net changes in fund balances - total governmental funds	\$ 1,265,879
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	
Expenditures for capital assets	331,701
Less current year depreciation expense	(224,569)
Disposal of capital assets	(1,329,964)
For governmental funds, the issuance of long-term debt provides current financial resources and the repayment of long-term debt consumes current financial resources. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal payments on long-term debt	1,711,000
Amortization on deferred amount on refunding	(119,752)
Some expenses reported in the statement of activities do not require the use of current financial resource and, therefore, are not reported as expenditures in governmental funds.	
Net change in long-term compensated absences.	(24,588)
Change in net position of governmental activities	<u>\$ 1,609,707</u>

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**Notes to the Basic Financial Statements**

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The notes to the basic financial statements are an integral part of this statement.



**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Basic Financial Statements

September 30, 2019

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of the Boynton Beach Community Redevelopment Agency (the "Agency") significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements. The accounting policies of the Agency conform to U.S. generally accepted accounting principles applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

**A. Organization and reporting entity**

The Agency is a component unit established by the City of Boynton Beach, Florida (the "City") under the authority granted by Florida Statutes 163, Section III. The purpose of the Agency is to promote and guide physical and economic redevelopment in the City and part of Palm Beach County, Florida (the "District"). The Agency is a legally separate entity established by Ordinance number 83-41 of the City on December 20, 1983.

The Agency has adopted GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, for the purpose of evaluating whether it has any component units. Based on the criteria therein, the Agency has determined that there are no component units that meet criteria for inclusion in the Agency's financial statements.

The Agency is governed by a board comprised of elected officials. The City is considered to be financially accountable for the Agency and in accordance with GASB Statement No. 61, and therefore the Agency is considered to be a blended component unit in the City's comprehensive annual financial report.

**B. Reporting model**

The Agency's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide financial statements

The statement of net position and the statement of activities report information on all of the activities of the Agency. Governmental activities are reported separately from business-type activities which rely on fees charged to external parties as their primary revenues. The Agency has no business-type activities.

The statement of net position reports the Agency's financial position as of the end of the fiscal year. In this statement, the Agency's net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Agency. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges for services that are directly related to a given function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Tax increment revenue and other items not meeting the definition of program revenue are reported instead as general revenue.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Basic Financial Statements

September 30, 2019

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Reporting model (Continued)**

Fund financial statements

For the fiscal year ending September 30, 2019, the Agency reports three major funds, the General Fund, the Debt Service Fund, and the Projects Fund. The General Fund is classified as a governmental fund and accounts for all financial resources controlled by the Agency. The Debt Service Fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term obligation debt. The Projects Fund accounts for financial resources to be used for redevelopment programs and the acquisition or construction of capital projects. The governmental fund statement includes reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental fund.

**C. Measurement focus and basis of accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**D. Cash, cash equivalents and investments**

Cash and cash equivalents are defined as short-term highly liquid investments that are both readily convertible to known amounts of cash and have an original maturity of three months or less from the date of purchase. Cash and cash equivalents consist of petty cash and deposits with financial institutions qualified as public depositories under Florida law. All deposits are insured by federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

Investments made locally consist of amounts placed in obligations of United States Government Agencies and Instrumentalities, and are reported at fair value. The Agency is authorized to invest in direct obligations of the United States of America or any agency thereof, interest bearing time or demand deposits with any qualified depository institution, commercial paper, bankers' acceptances, state and/or local government taxable debt, mutual funds, repurchase agreements and the State Treasurer's investment pool, which has the characteristics of a money market fund.

**E. Capital assets**

Capital assets are defined by the Agency as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than one year. These assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. Capital assets are depreciated using the straight-line method over the assets' estimated useful lives of all reported capital assets, except land and land improvements. The estimated useful life of furniture, fixtures and equipment is four to ten years.

BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Basic Financial Statements

September 30, 2019

BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Basic Financial Statements

September 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fund equity / net position

Fund equity

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent, as follows:

- Nonspendable fund balance - amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- Committed fund balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority.
- Assigned fund balance - amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned fund balance - amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purpose within the general fund.

When both restricted and unrestricted amounts are available for use, it is the Agency's practice to use restricted resources first. Additionally, the Agency would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance.

Net position

The government-wide financial statements utilize a net position presentation. Net position can be categorized as net investment in capital assets, restricted, or unrestricted. The first category represents capital assets, less accumulated depreciation and net of any outstanding debt associated with the acquisition of capital assets. Restricted net position represents amounts that are restricted by requirement of debt indenture or enabling legislation. Unrestricted net position represents the net position component of the Agency which is not restricted for any project or purpose.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use unrestricted resources first, and then restricted resources as they are needed.

G. Bond premiums, discounts and issuance costs

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures in the fund financial statements and redevelopment projects expense in the government-wide financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Deferred outflows of resources

The statement of financial position reports a separate section for deferred outflows of resources representing a consumption of net position that applies to a future period and is not recognized as an outflow of resources in the current period. The Agency has only one item that qualifies for reporting in this category, the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of refunded debt.

I. Revenue sources

Tax increment revenues are the primary source of revenue for the Agency. Tax increment revenues are collected from two governmental entities that levy property taxes within the legally defined redevelopment area of the Agency, which is the City of Boynton Beach, Florida and Palm Beach County, Florida.

J. Compensated absences

It is the Agency's policy to permit employees to accumulate earned but unused vacation and sick pay. Employees may, depending on their level of service and policy of the Agency, be paid for various amounts of their total accrued leave by the end of each fiscal year, upon termination or retirement. The Agency accrues a liability for leave hours that meet the criteria for payment at the eligible employees' current rates of pay.

K. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

L. Reclassifications

Certain prior year amounts have been reclassified to conform to the current year's presentation.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

All of the Agency's bank deposits are insured by the Federal Deposit Insurance Corporation or collateralized in accordance with Florida Security for Public Deposits Act (the "Act"). Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral having a market value equal to 50% of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. If the public deposits exceed the total amount of the regulatory capital accounts of a bank or the regulatory net worth of a savings association, the required collateral shall have a market value equal to 125% of the deposits.

The Agency's investment policy is designed to ensure the prudent management of funds, and the availability of operating and capital funds when required, while earning a competitive return within the policy framework. The primary objectives, in order of priority, of investment activity shall be safety, interest rate risk, liquidity and yield. As of September 30, 2019, the Agency does not have any investments.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Basic Financial Statements

September 30, 2019

**3. CAPITAL ASSETS**

Capital assets activity for the year ended September 30, 2019, is as follows:

	Balance at 9/30/2018	Additions/ Transfers	Deletions/ Transfers	Balance at 9/30/2019
Capital assets, not being depreciated:				
Land	\$ 17,049,742	\$ 14,501	\$ (759,798)	\$ 16,304,445
Construction in progress	73,193	-	(31,485)	41,708
Total capital assets, not being depreciated	17,122,935	14,501	(791,283)	16,346,153
Capital assets, being depreciated:				
Building	3,636,409	310,584	(115,877)	3,831,116
Renovations	1,090,247	-	-	1,090,247
Land improvements	1,710,389	-	(589,089)	1,121,310
Leasehold improvements	147,145	-	-	147,145
Furniture and equipment	375,247	38,101	(155,641)	257,707
Vehicle	15,850	-	-	15,850
Total capital assets, being depreciated	6,975,287	348,685	(860,597)	6,463,375
Less accumulated depreciation for:				
Building	(167,595)	(93,357)	1,569	(259,383)
Renovations	(313,480)	(35,336)	-	(348,846)
Land improvements	(224,563)	(56,319)	140,724	(140,158)
Leasehold improvements	(110,950)	(12,653)	-	(123,603)
Furniture and equipment	(265,471)	(23,644)	148,138	(140,977)
Vehicle	(1,585)	(3,230)	-	(4,815)
Total accumulated depreciation	(1,083,644)	(224,569)	290,431	(1,017,782)
Total capital assets, being depreciated, net	5,891,643	124,116	(570,166)	5,445,593
Total capital assets, net of accumulated depreciation	\$ 23,014,578	\$ 138,617	\$ (1,361,449)	\$ 21,791,746

Depreciation expense of \$224,569 was charged to general government for fiscal year 2019.

**4. LONG-TERM LIABILITIES**

At September 30, 2019, bonds and loans payable consist of the following:

**BONDS:**

2012 Tax Increment Refunding Revenue Bonds dated October 18, 2012, due in annual principal installments of \$143,000 to \$1,530,000 through October 1, 2026, bearing an interest rate of 2.56%. \$ 10,203,000

2015 Tax Increment Refunding Revenue Bonds, dated March 26, 2015 due in annual principal installments of \$360,000 to \$725,000 through October 1, 2026, bearing an interest rate of 3.3%. 3,535,000  
13,738,000

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Basic Financial Statements

September 30, 2019

**4. LONG-TERM LIABILITIES (Continued)**

The annual requirements to amortize bonds and loans payable outstanding as of September 30, 2019, are as follows:

Fiscal Year(s)	2012 Tax Increment Refunding Revenue Bonds		2015 Tax Increment Refunding Revenue Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 1,367,000	\$ 261,197	\$ 395,000	\$ 116,655	\$ 1,762,000	\$ 377,852
2021	1,397,000	226,202	410,000	103,620	1,807,000	329,822
2022	1,439,000	190,438	420,000	90,090	1,859,000	280,528
2023	1,471,000	153,600	435,000	76,230	1,906,000	229,830
2024	1,512,000	115,942	445,000	61,875	1,957,000	177,817
2025-2026	3,017,000	116,403	1,430,000	71,115	4,447,000	187,518
	<u>\$ 10,203,000</u>	<u>\$ 1,063,782</u>	<u>\$ 3,535,000</u>	<u>\$ 519,585</u>	<u>\$ 13,738,000</u>	<u>\$ 1,583,367</u>

The changes in long-term liabilities for the year ended September 30, 2019 are summarized as follows:

	Balance at 9/30/18	Additions	Deletions	Balance at 9/30/19	Due within one year
Bonds payable	\$ 15,449,000	\$ -	\$ (1,711,000)	\$ 13,738,000	\$ 1,762,000
Compensated absences	105,628	24,588	-	130,216	-
Total long-term liabilities	<u>\$ 15,554,628</u>	<u>\$ 24,588</u>	<u>\$ (1,711,000)</u>	<u>\$ 13,868,216</u>	<u>\$ 1,762,000</u>

Prior years' defeasance of debt

In fiscal years 2015 and 2013, the Agency defeased certain increment revenue bonds, placing the proceeds of new refunding bonds in an irrevocable trust to provide for all future debt service on the refunded portions of the increment revenue bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Agency's financial statements. The refundings resulted in a difference between the reacquisition price and the net carrying amount of the old debt, which is being charged to operations through 2026 using the effective-interest method. As of September 30, 2019, there are no outstanding balances on either of the defeased bonds.

**5. FUND BALANCES**

At September 30, 2019, the Agency reported the following governmental fund balances:

- Nonspendable fund balance - These amounts cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Committed fund balance - these amounts can only be used for specific purposes pursuant to constraints imposed by the Board of the Agency. The items cannot be removed unless the Board removes it in the same manner it was implemented.
- Assigned fund balance - these amounts are approved and constrained by the Agency's intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned fund balance - These amounts have not been assigned to other funds and have not been restricted, committed, or assigned for a specific purpose.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Basic Financial Statements

September 30, 2019

**5. FUND BALANCES (Continued)**

Below is a table of fund balance categories and classifications, by fund, at September 30, 2019:

	<u>General Fund</u>	<u>Projects Fund</u>	<u>Debt Service Fund</u>
Nonspendable	\$ 184,488	\$ 72,191	\$ -
Committed	884,693	3,956,936	109,356
Assigned	1,425,909	7,820,214	-
Unassigned	411,256	-	-
Total	<u>\$ 2,906,346</u>	<u>\$ 11,849,341</u>	<u>\$ 109,356</u>

**6. INTERFUND TRANSFERS**

During the fiscal year ended September 30, 2019, the General Fund transferred \$8,102,303 and \$2,136,465 to the Projects Fund and Debt Service Fund, respectively. The transfers made to the Projects Fund were to fund the costs of ongoing redevelopment projects. The transfers made to the Debt Service Fund were to fund the annual debt service expenditures on the bonds and loans payable.

**7. HOMEBUYER ASSISTANCE PROGRAM**

The Agency established the Homebuyer Assistance Program to assist local residents with the purchase of a home by providing a subsidy in an amount not to exceed \$50,000 per homeowner. The subsidy is secured by a mortgage, which is required to be paid back only under certain circumstances outlined in the mortgage agreement. The mortgage is forgiven if the homeowner remains in the home during the full term outlined in the agreement. The amount of mortgages receivable outstanding at September 30, 2019 total \$1,394,672. Given the nature of these loans, collection is uncertain, and therefore an allowance for uncollectible mortgages has been established at 100% of the value of the mortgages receivable outstanding. Consequently, these mortgages are not recognized on the financial statements.

**8. RISK MANAGEMENT**

The Agency is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency purchases commercial insurance for the risks of loss to which it is exposed. Policy limits and deductibles are reviewed by management and established at amounts to provide reasonable protection from significant financial loss. Settlements did not exceed insurance coverage in the past three fiscal years.

**9. COMMITMENTS AND CONTINGENCIES**

**A. Economic development programs**

The Agency established Economic Development Programs in an effort to promote the redevelopment of and retain existing businesses located in the CRA area as well as attract new businesses to Boynton Beach. These programs for commercial businesses include Facade Programs, Rent Subsidy, Interior Build-Out and Signage. During fiscal year 2019, the Agency closed and disbursed \$310,094 in Economic Development Grants.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Basic Financial Statements

September 30, 2019

**9. COMMITMENTS AND CONTINGENCIES (Continued)**

**B. Lease commitments**

The Agency leases a building under a ten-year commercial lease agreement with a remaining term of six years and base rent increases of 4% a year plus expenses for real estate taxes, insurance and maintenance of the property. The lease is non-cancelable until year 7. If terminated during years 7 through 10, the Agency is obligated to pay a portion of the monthly rent dependent on the termination year. Under the terms of the lease, the Agency was responsible for interior renovations totaling \$88,000. The landlord will credit the Agency a total of \$73,000 proportionately in years 8, 9 and 10 of the lease, unless the Agency terminates the lease. Rental costs for the year ended September 30, 2019 totaled \$79,920.

Future minimum lease payments are as follows:

<u>FYE September 30,</u>	
2020	\$ 76,993
2021	77,672

**10. RETIREMENT CONTRIBUTIONS**

The Agency participates in a 401(a) defined contribution retirement plan and a 457(b) deferred compensation plan (the "Plans"). The Plans are qualified under Sections 401(1), 403 (a) and 501(a) of the Internal Revenue Code. The Plans are administered by independent trustees. All employees who meet the requirements are qualified to participate. Employees make voluntary contributions to the 457(b) plan. The Agency's required contribution is 25% of the total salaries of qualified participants. Employer contributions to both plans in fiscal year 2019 totaled \$194,437.

**11. RELATED PARTY TRANSACTIONS**

The Agency is a blended component unit of the City of Boynton Beach, Florida. For the year ended September 30, 2019, the Agency's tax increment revenues include \$7,817,513 received from the City. In addition, the Agency reimbursed the City for services performed on behalf of the Agency such as recording, information technology services, Clean & Safe program, landscape and maintenance services, festival expenses, human resource and payroll services, facility rental and permitting fees paid during the year. Payments to the City for these services during the year ended September 30, 2019 totaled \$5,163,014.

**12. SUBSEQUENT EVENTS**

The Agency evaluated subsequent events through December 12, 2019, the date the financial statements were available to be issued, and does not believe that there are any such events or transactions that require disclosure.

**13. NEW PRONOUNCEMENTS ISSUED**

The following new pronouncements effective for the fiscal year ending September 30, 2019 were adopted by the Agency, but were determined by management that such pronouncements did not have an effect on the Agency's financial reporting:

- GASB Statement No. 83, *Certain Asset Retirement Obligations*
- GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Placements*



**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Budgetary Comparison Schedule (Unaudited)  
General Fund

For the Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Tax increment revenue	\$ 12,421,686	\$ 12,421,686	\$ 12,549,087	\$ 127,401
Charges for services	1,000,000	1,000,000	1,304,480	304,480
Interest and other income	-	-	294,159	294,159
Total revenues	<u>13,421,686</u>	<u>13,421,686</u>	<u>14,147,726</u>	<u>726,040</u>
<b>EXPENDITURES</b>				
General government	3,822,918	3,822,918	3,366,813	456,105
Capital Outlay	-	-	38,101	(38,101)
Total expenditures	<u>3,822,918</u>	<u>3,822,918</u>	<u>3,404,914</u>	<u>418,004</u>
Excess of revenues over expenditures	<u>9,598,768</u>	<u>9,598,768</u>	<u>10,742,812</u>	<u>308,036</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(9,598,768)	(10,238,768)	(10,238,768)	-
Fund balance allocation	-	640,000	-	640,000
Total other financing sources (uses)	<u>(9,598,768)</u>	<u>(9,598,768)</u>	<u>(10,238,768)</u>	<u>640,000</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>504,044</u>	<u>\$ 948,036</u>
Fund balances - beginning of year			<u>2,402,302</u>	
Fund balances - end of year			<u>\$ 2,906,346</u>	

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**Required Supplementary Information**

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The notes to the Budgetary Comparison Schedule are an integral part of this schedule.

**BOYNTON BEACH COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Boynton Beach, Florida)

Notes to the Budgetary Comparison Schedule

September 30, 2019

**1. BUDGETARY INFORMATION**

The Agency is required to establish a budgetary system and an approved annual budget for the General Fund, Debt Service Fund and Project Fund. The Agency's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. In accordance with generally accepted accounting principles, budgetary comparison information is disclosed only for the General Fund.

The budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles, with the exception of compensated absences. Compensated absences are budgeted only to the extent expected to be paid, rather than on the modified accrual basis. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board.

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate.

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**Compliance Section**

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**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters Based  
on an Audit of Financial Statements Performed In Accordance  
With Government Auditing Standards**

To the Board of Commissioners  
Boynton Beach Community  
Redevelopment Agency:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Boynton Beach Community Redevelopment Agency (the Agency), a component unit of the City of Boynton Beach, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 12, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Sanson Kline Jacomino Tandoc & Gamarra, LLP*

Miami, Florida  
December 12, 2019



**Management Letter in Accordance with the  
Rules of the Auditor General of the State of Florida**

To the Board of Commissioners  
Boynton Beach Community  
Redevelopment Agency:

**Report on the Financial Statements**

We have audited the financial statements of the Boynton Beach Community Redevelopment Agency (the Agency), a component unit of the City of Boynton Beach, Florida, as of and for the fiscal year ended September 30, 2019, and have issued our report dated December 12, 2019.

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

**Other Report**

We have issued our Independent Auditors' Reports on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that reports, which is dated December 12, 2019, should be considered in conjunction with this management letter.

**Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

**Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosures are made in note 1(A) to the Agency's financial statements.

**Financial Condition**

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures as of September 30, 2019. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

**Other Matters**

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

Our management letter is intended solely for the information and use of the Florida Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and the Board of Directors and management of the Agency, and is not intended to be and should not be used by anyone other than these specified parties.

*Sanson Kline Jacomino Tandoc & Gamarra, LLP*

Miami, Florida  
December 12, 2019