

**West Palm Beach
Community Redevelopment Agency**

Prepared by:
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Annual Report

For the Year Ending September 30, 2010



*“Stimulating redevelopment activity in order to strengthen the
economic base of the redevelopment area”*



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The City of West Palm Beach
Department of Finance
P.O. Box 3366
West Palm Beach, FL 33402

Date: March 31, 2011

Subject: **2010 Annual Report for the West Palm Beach Community Redevelopment Agency**

Ladies and Gentleman:

Presented herein is the 2010 Annual Report for the West Palm Beach Community Redevelopment Agency ("Agency").

The Agency's 2010 Annual Report covers the period from October 1, 2009, through September 30, 2010, and includes the following information:

- general background information regarding the Agency;
- general background information regarding the Redevelopment Areas;
- historical/current economic and financial data regarding the Redevelopment Areas including historical tax increment revenue collections, gross taxable property values and new construction, contributing taxing authority millage rates, tax-base segmentation and taxpayer concentration, tax increment revenue pledges/financial obligations, etc; and
- financial statements for the fiscal year ending September 30, 2010.

The Annual Report has been prepared in accordance with F.S. 163.356(3)(c) and 13.387.(8).

Sincerely,

Randy Sherman
Treasurer

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Board of Commissioners



**District 1
Commissioner:
Molly Douglas**



**Chair:
Lois J. Frankel**



**District 2
Commissioner:
Ike Robinson, Jr.**



**District 3
Commissioner:
Kimberly Mitchell**



**District 4
Commissioner:
Jeri Muoio**



**District 5
Commissioner:
William Moss**

West Palm Beach CRA – 2010 Annual Report

Agency Executive Staff

Executive Director

Kim Briesemeister

Treasurer

Randy Sherman, CPA, CTP, CGFO

CRA Attorney

Claudia McKenna, Esquire



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The Agency

Background

The City Commission of the City of West Palm Beach (“City”) declared on August 27, 1984, through adoption of Resolution No. 97-84 that there existed within the City slum or blighted areas and a shortage of affordable housing and that there is a corresponding need for a community redevelopment agency (“CRA”). Accordingly, the City Commission through adoption of Ordinance No. 1805-84 on September 10, 1984, created the West Palm Beach Community Redevelopment Agency (“Agency”). Chapter 163, Part III, Florida Statutes, as amended (“Redevelopment Act”) authorizes a municipality to create a CRA after finding that there exists within the municipality slum or blighted areas.

Pursuant to the Redevelopment Act, the governing body of a municipality may declare itself the CRA, in which case all the rights, powers, duties, privileges, and immunities vested by F.S. Chapter 163, Part III, in the CRA will be vested in the governing body of the municipality. The City Commission has chosen this option and functions as the Agency.

Powers

The Agency possesses all of the powers necessary to carry-out community redevelopment including the following:

- Hiring staff and consultants;
- Installation, construction, or reconstruction of streets, utilities, parks and playgrounds;
- Voluntary or compulsory repair and rehabilitation programs;
- Constructing foundations and platforms for housing;
- Holding, improving, cleaning or preparing property for future construction;
- Mortgaging or pledging property;
- Borrowing money and investing funds
- Acquisition and disposition of property; and
- Relocating owners and occupants.

Funding Source

The primary funding source available to the Agency consists of Tax Increment revenues. Tax Increment revenues are a unique tool available to cities and counties for redevelopment activities and are used to leverage public funds to promote private sector activity in the targeted redevelopment area. The taxable value of all real property in the redevelopment area is determined as of a fixed date¹, also known as the “base-year” value. Taxing authorities, which contribute to the Tax Increment, continue to receive ad valorem tax revenues (a.k.a. property tax revenues) based on the base-year value. Revenues generated from the base-year value are available for general government purposes. However, ad valorem revenues from increases in real property value, referred to as “Tax Increment,” are deposited into the Community Redevelopment Agency Trust Fund and dedicated to the redevelopment area.

Redevelopment Areas

The Agency consists of the following two separate Redevelopment Areas comprising approximately 1,399-acres²:

- City Center Community Redevelopment Area (hereafter referred to as the “CCCRA”; approximately 940-acres); and
- Northwood/Pleasant City Community Redevelopment Area (hereafter referred to as the “NPCCRA”; approximately 459-acres).

Fund Types

The Funds of the Agency are as follows:

- Redevelopment Trust Funds (used to account for operations and transfers to Capital Project/Debt Service Funds):
 - *City Center Community Redevelopment Area Redevelopment Trust Fund* (a.k.a. “Community Redevelopment Agency Fund” and “CCCRA Operating Fund”); and
 - *Northwood/Pleasant City Community Redevelopment Area Redevelopment Trust Fund* (a.k.a. “Northwood/Pleasant City CRA

¹ F.S. § 163.387 defines the base-year value as the value associated with the most recent assessment tax-roll used in connection with the taxation of property within the redevelopment area by each applicable Taxing Authority prior to the effective date of the Ordinance providing for the funding of the redevelopment trust fund.

² The acreage information identified herein for the Agency is based on Geographic Information Systems mapping technology.

Fund” and “NPCCRA Operating Fund”).

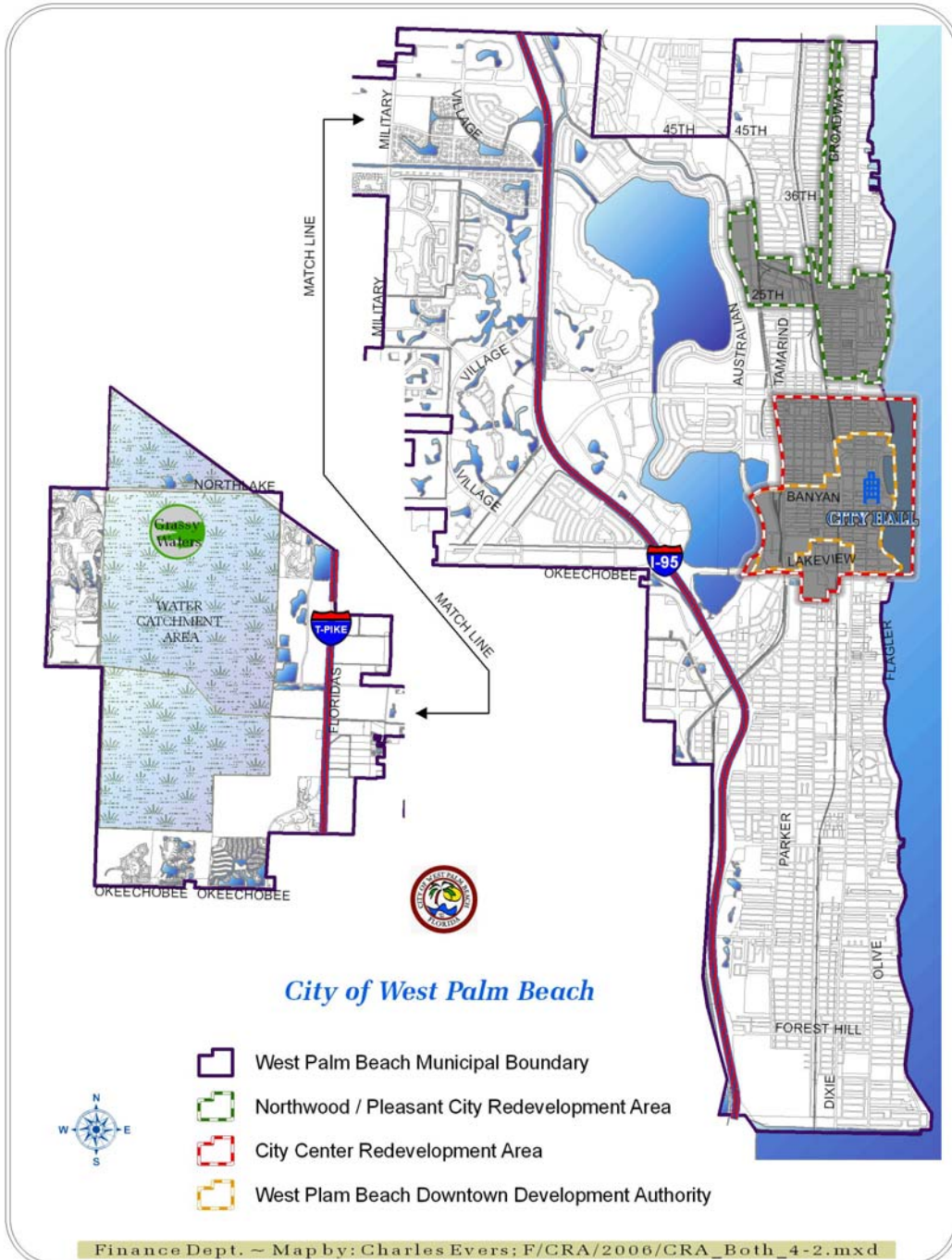
- Capital Project Funds (used to account for capital projects):
 - *Community Redevelopment Acquisition Fund*: used to account for general capital projects within the CCCRA;
 - *CRA City Center Fund*: used to account for costs related to the design and construction of the City Center Project within the CCCRA;
 - *CCCRA Series 2006A Construction Fund*: used to account for projects funded through issuance of the Tax Increment Revenue Bonds (“TIR Bonds”), Series 2006A;
 - *CCCRA Series 2006B Construction Fund*: used to account for projects funded through issuance of the TIR Bonds, Series 2006B;
 - *NPCCRA Series 2005A Construction Fund*: used to account for projects funded through issuance of the TIR Bonds, Series 2005A; and
 - *NPCCRA Series 2005B Construction Fund*: used to account for projects funded through issuance of the TIR Bonds, Series 2005B.
- Debt Service Funds (used to account for debt service on Agency issued debt obligations):
 - *CCCRA Series 2010 A & B Debt Service Fund*: used to account for debt service on the TIR Bonds, Series 2010 A & B
 - *CCCRA Senior Debt Service Fund*: used to account for debt service on the TIR Bonds, Series 2006A;
 - *CCCRA Subordinate Debt Service Fund*: used to account for debt service on the TIR Bonds, Series 2006B;
 - *NPCCRA Senior Debt Service Fund*: used to account for debt service on the TIR Bonds, Series 2005A;
 - *NPCCRA Debt Service Reserve Fund*: used to account for the debt service reserve requirement of the TIR Bonds, Series 2005A; and
 - *NPCCRA Subordinate Debt Service Fund*: used to account for debt service on the TIR Bonds, Series 2005B.



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West Palm Beach CRA – 2010 Annual Report

Boundary Map





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City Center Redevelopment Area

Background

Through adoption of Resolution No. 97-84 on August 27, 1984, the West Palm Beach City Commission (“City Commission”) declared the City Center Community Redevelopment Area (“CCCRA”) blighted and indicated that there is a corresponding need for a community redevelopment agency (“CRA”). Accordingly, the City Commission through adoption of Ordinance No. 1805-84 on September 10, 1984, created the West Palm Beach Community Redevelopment Agency (“Agency”) to carry out the purposes set forth in the Redevelopment Act. The City Commission created the City Center Community Redevelopment Area Trust Fund (“CCCRA Trust Fund”) through adoption of Ordinance No. 1809-84 on September 10, 1984, and approved the City Center Community Redevelopment Area Redevelopment Plan (“CCCRA Redevelopment Plan”) through adoption of Resolution No. 184-85 on December 23, 1985.

The original CCCRA comprised an area of approximately 909-acres³ and was bounded by Palm Beach Lakes Boulevard to the north, Okeechobee Boulevard to the south, the Intracoastal Waterway to the east and the CSX Railroad tracks and Australian Avenue to the west.

During the late 1980s, a substantial portion of the project area that now comprises the CityPlace Development was assembled by the Downtown/Uptown Venture (“D/U Venture”). Specifically, the D/U Venture assembled approximately 77-acres on both sides of Okeechobee Boulevard (i.e. properties were located both inside and outside the original boundaries of the CCCRA) in order to develop a large-scale mixed-use project. The D/U Venture never fulfilled its development goals due to poor market conditions and limited financial capacity. Many of the properties assembled by the D/U Venture ultimately went into foreclosure proceedings and presented the City with a major challenge in the form of vacant lots and blighted conditions. The City Commission, in an effort to further combat the blighted conditions, expanded the boundaries of the CCCRA to incorporate the entire 77-acre area mentioned above (“Expanded Area”).

³ The acreage information identified herein for the CCCRA is based on Geographic Information Systems mapping technology.

Pursuant to the adoption of Resolution No. 196-95 on October 10, 1995, and Resolution No. 350-95 on November 20, 1995, the City Commission declared the Expanded Area blighted pursuant to the Redevelopment Act and approved the inclusion of said Area into the CCCRA bringing the total acreage within the CCCRA to 940-acres⁴. On December 4, 1995, the City Commission approved the Amended and Restated Community Redevelopment Plan for the Expanded CCCRA through adoption of Resolution No. 329-95 and amended the CCCRA Trust Fund to include the Expanded Area through adoption of Ordinance No. 2893-95.

Historical Data

Historical Tax Increment Revenues

The Redevelopment Act provides that upon creation of a CRA, a municipality shall establish, on behalf of the CRA, a Trust Fund. Taxing Authorities, as defined in the Redevelopment Act, which levy ad valorem taxes on real property subject to taxation located within the CRA, are required by January 1st of each year to deposit into the Trust Fund an amount equal to 95% of the difference between⁵:

- a) The amount of ad valorem taxes levied each year by that Taxing Authority on taxable real property contained within the geographical boundaries of the CRA, exclusive of any amount from any debt service millage; and
- b) The amount of ad valorem taxes which would have been produced by the millage rate upon which the tax is levied each year by the Taxing Authority on the assessed value of the taxable real property in the CRA as of January 1st of the base year⁶, exclusive of any amount from any debt service millage.

The Taxing Authorities which are obligated to make annual deposits into the CCCRA Trust Fund are as follows:

⁴ The acreage information identified herein for the CCCRA is based on Geographic Information Systems mapping technology.

⁵ Calculations referenced herein use the current fiscal year's millage rate as established by the Taxing Authority.

⁶ The aggregate assessed valuation of taxable real property in the original CCCRA as of January 1, 1984, used for determining the incremental assessed valuation in future years was \$250,397,610. The aggregate assessed valuation of taxable real property in the Expanded Area of the CCCRA as of January 1, 1995, used for determining the incremental assessed valuation in future years was \$1,114,340. Such valuations are referred to as "Base Year" values and total \$251,511,950.

- City of West Palm Beach (“City”);
- Palm Beach County; and the
- West Palm Beach Downtown Development Authority (“DDA”).

The following table provides a 10-year summary of historical tax increment revenues for the CCCRA segmented by Taxing Authority.

Historical CCCRA Tax Increment Revenues						
Tax Roll Year Ended	Fiscal Year Ended	City of West Palm Beach	Palm Beach County	Downtown Development Authority	Total	Percentage Increase Over Prior Year
December 31	September 30					
2001	2002	\$ 3,815,079	\$ 2,183,473	\$ 404,537	\$ 6,403,089	37.17%
2002	2003	4,756,135	2,709,191	486,313	7,951,639	24.18%
2003	2004	5,773,315	3,288,597	579,729	9,641,641	21.25%
2004	2005	7,506,633	4,275,930	774,532	12,557,095	30.24%
2005	2006	9,433,241	5,313,661	958,127	15,705,029	25.07%
2006	2007	13,545,607	7,385,375	1,408,723	22,339,705	42.25%
2007	2008	13,728,372	7,217,913	1,579,981	22,526,266	0.84%
2008	2009	14,421,747	7,222,526	1,615,141	23,259,414	3.25%
2009 (1)	2010 (1)	14,647,396	7,880,738	1,412,395	23,940,529	2.93%
2010 (2)	2011 (2)	12,564,844	7,392,092	1,213,605	21,170,541	-11.57%

Source - City of West Palm Beach Finance Department.

(1) Represents tax increment revenues derived from a Final Taxable Property Value as provided by the Palm Beach County Property Appraiser's Office (the "PAO"). The Final Certification of Taxable Value was available at time of printing.

(2) Represents tax increment revenues derived from a Preliminary Certification of Taxable Value as provided by the PAO. The Final Certification of Taxable Value was not available at time of printing.

Historical Taxable Property Values and New Construction

The following table provides a 10-year summary of the historical assessment (taxable) values and increment values for the CCCRA as of January 1st of each year. The Taxing Authorities that deposit Tax Increment into the CCCRA Trust Fund based upon the incremental value shown in the following table include the City and Palm Beach County.

HISTORICAL CCCRA REAL PROPERTY ASSESSED VALUES						
Taxing Authorities: City of West Palm Beach and Palm Beach County						
		A		B	= A - B	
Tax Roll Year Ended	Fiscal Year Ended	Final Gross Taxable Value	Percentage Increase Over Prior Year	Base Year Taxable Value	Incremental Value (1)	Percentage Increase Over Prior Year
December 31	September 30					
2001	2002	\$ 756,653,206	3.84%	\$ 251,511,950	\$ 505,141,256	41.05%
2002	2003	885,240,838	16.99%	251,511,950	633,728,888	25.46%
2003	2004	1,020,774,511	15.31%	251,511,950	769,262,561	21.39%
2004	2005	1,251,729,547	22.63%	251,511,950	1,000,217,597	30.02%
2005	2006	1,508,439,448	20.51%	251,511,950	1,256,927,498	25.67%
2006	2007	2,067,885,602	37.09%	251,511,950	1,816,373,652	44.51%
2007	2008	2,260,928,135	9.34%	251,511,950	2,009,416,185	10.63%
2008	2009	2,262,212,175	0.06%	251,511,950	2,010,700,225	0.06%
2009 (2)	2010 (2)	2,161,160,564	-4.47%	251,511,950	1,909,648,614	-5.03%
2010 (3)	2011 (3)	1,889,648,664	-12.56%	251,511,950	1,638,136,714	-14.22%

Source - City of West Palm Beach Finance Department.

(1) Incremental Value equals the Final Gross Taxable Value minus the Base Year Taxable Value.
(2) Represents Final Taxable Value as provided by the Palm Beach County Property Appraiser's Office (the "PAO").
(3) Represents the Preliminary Certification of Taxable Value as provided by the PAO. Final Certification was not available at time of printing.

The calculations for determining the Tax Increment due from the West Palm Beach Downtown Development Authority ("DDA") require different Base Year values because the boundaries of the DDA lie within the boundaries of the CCCRA but do not encompass the entire area. The following table summarizes the historical assessment (taxable) values and Increment values for those properties contained within DDA boundaries, and thereby within the CCCRA, as of January 1st of each year.

HISTORICAL CCCRA REAL PROPERTY ASSESSED VALUES						
Taxing Authorities: Downtown Development Authority						
		A		B	= A - B	
Tax Roll Year Ended	Fiscal Year Ended	Final Gross Taxable Value	Percentage Increase Over Prior Year	Base Year Taxable Value (4)	Incremental Value (1)	Percentage Increase Over Prior Year
December 31	September 30	Value	Prior Year	Value (4)	Value (1)	Prior Year
2001	2002	\$ 617,392,072	14.31%	\$ 191,563,585	\$ 425,828,487	22.17%
2002	2003	703,471,938	13.94%	191,563,585	511,908,353	20.21%
2003	2004	801,804,454	13.98%	191,563,585	610,240,869	19.21%
2004	2005	1,006,860,043	25.57%	191,563,585	815,296,458	33.60%
2005	2006	1,200,118,034	19.19%	191,563,585	1,008,554,449	23.70%
2006	2007	1,674,430,286	39.52%	191,563,585	1,482,866,701	47.03%
2007	2008	1,854,701,902	10.77%	191,563,585	1,663,138,317	12.16%
2008	2009	1,891,711,869	2.00%	191,563,585	1,700,148,284	2.23%
2009 (2)	2010 (2)	1,678,294,850	-11.28%	191,563,585	1,486,731,265	-12.55%
2010 (3)	2011 (3)	1,469,042,459	-12.47%	191,563,585	1,277,478,874	-14.07%

Source - City of West Palm Beach Finance Department.

(1) Incremental Value equals the Final Gross Taxable Value minus the Base Year Taxable Value.

(2) Represents Final Taxable Value as provided by the Palm Beach County Property Appraiser's Office (the "PAO"). The Final Certification of Taxable Value was available at time of printing.

(3) Represents the Preliminary Certification of Taxable Value as provided by the PAO. The Final Certification of Taxable Value was not available at time of printing.

(4) The aggregate assessed valuation of taxable real property in the DDA as of January 1, 1984, used for determining the incremental assessed valuation in future years was \$191,563,585. Such valuation is referred to as the "Base Year" value.

The following table provides a 5-year summary of historical new construction (taxable) values for the CCCRA. It should be noted that the following new construction values are included in the gross taxable values set forth in the table entitled *Taxing Authorities: City of West Palm Beach and Palm Beach County* and, if contained within DDA boundaries, the table entitled *Taxing Authorities: West Palm Beach Downtown Development Authority*.

Historical CCCRA New Construction Taxable Values			
Tax Roll	Fiscal	New	
Year	Year	Construction	
Ended	Ended	Taxable Value	Notes:
December 31	September 30		
2006	2007	\$ 29,516,104	(1)
2007	2008	244,575,700	(2)
2008	2009	137,693,267	(3)
2009	2010	412,821,554	(4)
2010	2011	16,372,691	

Source - City of West Palm Beach Finance Department.

(1) Includes \$30 million in new construction value associated with portions of the 610 Clematis Development (residential). Demolitions within the CCCRA effectively reduced the new construction figure to the \$29 million reported herein.

(2) Includes new construction values for the following developments: \$35 million representing the remaining portions of the 610 Clematis Development (residential); \$46 million associated with the Metropolitan Development (residential); \$81 million associated with the One City Plaza Development (residential); \$68 million associated with the Prado Development (residential); \$2 million for the Southern Community Bank; etc.

(3) Includes new construction values for the following development: \$100 million associated with the Two City Plaza Development (residential).

(4) Includes new construction values for the following developments: \$60 million associated with the City Palms Development (residential), \$84 million associated with the new City Hall and \$17 million associated with the 500 Banyan Street Parking Garage .

Segmentation of Tax-Base, Taxpayer Concentration and Principal Developments

The segmentation of taxable values within the CCCRA by property-use type is approximately 86% Residential and 14% Commercial properties.

An important analysis to consider when discussing assessment values pertains to taxpayer concentration, or more specifically, the percentage of total tax increment generated from the Agency's principal taxpayers. Taxpayer concentration is a measure of revenue risk for the Agency. A low taxpayer concentration indicates a diverse base of taxpayers and a stronger ability to adapt to the loss of any one taxpayer.

The following table sets forth the Fiscal Year ("FY") 2010 taxpayer concentration for the CCCRA.

FY 2010 TOP 10 CCCRA PRINCIPAL TAXPAYERS			
Taxpayer	Use of Property	Taxable Value (1)	Percentage of Fiscal Year 2010 Gross Taxable Value (1)
Phillips Point II, LLC	Office	\$ 110,857,434	5.36%
Kravis Center for the Performing Arts	Performing Arts Center	52,031,147	2.52%
CityPlace Office 1, LLC	Office	51,322,523	2.48%
Esperante Holdings, LP	Office	50,881,800	2.46%
West Palm Beach CRA (Lessor)	Mixed-Use (CityPlace)	50,700,000	2.45%
Flagler Center Properties	Office	28,000,000	1.35%
One Clearlake Centre, LLC	Office	26,282,657	1.27%
Lourdes-Noreen McKeen Residence	Geriatric Care Facility	24,971,831	1.21%
Gaedeke Holdings, Ltd.	Office	23,000,000	1.11%
PBM Properties, LLC	Hotel	22,610,233	1.09%
TOTAL			21.30%

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office (the "PAO").

(1) The taxable value figures set forth herein are based on preliminary detailed assessment data as provided by the PAO for fiscal year 2010. The detailed assessment data from the Estimate of Final Taxable Property Value was not available at time of printing.

The following table provides a segmentation of taxable values within the CCCRA by development for FY 2010.

FY 2010 TOP 10 CCCRA PRINCIPAL DEVELOPMENTS			
Development	Use of Property	Taxable Value (1),(2)	Percentage of Fiscal Year 2010 Gross Taxable Value
2 City Plaza Condominium	Mixed-Use	\$ 176,357,104	8.53%
One Watermark Place Condominium	Residential	109,224,010	5.28%
Trump Towers Condominium	Residential	95,659,459	4.63%
City Place South Tower	Mixed-Use	88,836,238	4.30%
1 City Plaza Condominium	Residential	87,839,363	4.25%
Waterview Towers Condominium	Residential	66,436,750	3.21%
The Strand Condominium	Office/Residential	48,522,695	2.35%
City Palms Condominium	Residential	40,677,306	1.97%
The Edge Condominium	Residential	40,368,717	1.95%
The Prado Condominium	Residential	38,344,218	1.85%
TOTAL			38.32%

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office (the "PAO").

(1) Taxable value represents the value for the entire development and not the taxable value attributable to any individual taxpayer (e.g. taxable value for condominiums is for the entire complex, not any individual condominium owner or group of owners).

(2) The taxable value figures set forth herein are based on preliminary detailed assessment data as provided by the PAO for fiscal year 2010. The detailed assessment data from the Estimate of Final Taxable Property Value was not available at time of printing.

Historical Taxing Authority Millage Rates

The table below provides a 10-year summary of the operating millage rates levied by each Taxing Authority obligated to make payments to the CCCRA Trust Fund.

HISTORICAL CCCRA MILLAGE RATES				
Tax Roll Year Ended December 31	Fiscal Year Ended September 30	City of West Palm Beach	Palm Beach County	Downtown Development Authority (1) (2)
2001	2002	7.9500	4.5500	2.0000
2002	2003	7.9000	4.5000	2.0000
2003	2004	7.9000	4.5000	2.0000
2004	2005	7.9000	4.5000	2.0000
2005	2006	7.9000	4.4500	2.0000
2006	2007	7.8500	4.2800	1.7500
2007	2008	7.1916	3.7811	1.5000
2008	2009	7.5500	3.7811	1.0000
2009	2010	8.0739	4.3440	1.0000
2010	2011	8.0739	4.7500	1.0000

Source - City of West Palm Beach Finance Department.

(1) Pursuant to Interlocal Agreement, revenue derived from the second mill of the DDA tax levy has been exempted from inclusion into the CCCRA Redevelopment Trust Fund, as such revenue is to be used by the DDA to provide trolley service and marketing programs to retain and attract business in the CCCRA or for any other purpose that supports the CCCRA Redevelopment Plan.

(2) The DDA, through a special referendum election held on August 17, 1993, received approval to levy a millage rate of 2.0 mills. However, the Agency has exempted via Interlocal Agreement the second mill, or any portion thereof (i.e. any portion above a 1.0 mill levy), from inclusion into the CCCRA Trust Fund. The Interlocal Agreement states that the exempt second mill, or any portion thereof, is to fund items such as the downtown trolley, security, maintenance, marketing programs and other costs services that may be needed from time to time which further the approved CCCRA Redevelopment Plan.

Tax Increment Revenue Pledge/Financial Obligations

The following section provides a brief overview of the presently outstanding tax increment revenue pledges/financial obligations of the CCCRA.

Tax Increment Revenue Pledge/Financial Obligation to Developer: The following section provides a narrative of the CCCRA's tax increment revenue pledge to the CityPlace Community Development District and financial obligation to Renaissance Partners as set forth in the *CCCRA – Schedule of Tax Increment Revenue Pledge/Financial Obligations* on page 17.



CityPlace Community Development District (Interlocal Agreement)

One of the nation's largest urban developments opened October 1, 2000: the award-winning mixed-use CityPlace project, with lofts, townhomes, garden-condominiums, a luxury 20-screen *Muvico* Theater, restaurants such as the *Cheesecake Factory*, and national & specialty retailers which share space in an architecturally distinct complex that is reminiscent of a European town center. CityPlace serves as a model for public/private cooperation. On December 8, 1998, the CityPlace Community Development District⁷ ("CDD") issued \$55.2 million in Capital Improvement Revenue Bonds, Series 1998 (the "CDD Bonds"). The CDD Bonds

funded public capital improvements associated with the CityPlace project (e.g. parking garage, public landscaping, etc.), a Reserve Account and three (3) years of capitalized interest to fund debt service while said project was being developed.

The primary pledges for the CDD Bonds are special assessments on the retail tenants within the CDD and tax increment revenues generated within the CityPlace Project Area. The Agency has pledged CCCRA tax increment revenues to pay debt service on the CDD Bonds as provided in an Interlocal Agreement⁸ and further described below.

The CDD is required to levy special assessments on the retail tenants that, together with 80% of the tax increment revenues generated within the CityPlace Project Area, are sufficient to fund the debt service on the CDD Bonds. In addition to pledging 80% of the tax increment revenues generated within the CityPlace Project Area (due annually to the CDD on January 31st), the Agency also pledges the following Coverage Revenues:

⁷ The CDD is a separate legal entity created under Chapter 190, Florida Statutes.

⁸ Interlocal Agreement dated as of October 9, 1998, as amended, among the City, the Agency, and the CDD.

- the remaining 20% of tax increment revenues generated within the CityPlace Project Area; and
- tax increment revenue totaling \$2.0 million generated outside the CityPlace Project Area (excluding tax increment obligated under the development agreement with Renaissance Partners discussed below).

The Coverage Revenues are due to the CDD Bonds trustee annually on January 31st and are returned to the Agency and un-obligated annually on May 1st if sufficient funds exist⁹ to make the debt service payments on the CDD Bonds. Historically, all coverage revenues have been returned to the Agency annually on May 1st. In the event that there is a deficit and all or a portion of the Agency's Coverage Revenues are utilized to fund debt service on the CDD Bonds, the CDD is obligated to assess for the shortfall and repay the Agency.

The debt service on the CDD Bonds is approximately \$4.2 million annually (i.e. principal and interest) until maturity of the CDD Bonds in 2026. This obligation terminates upon maturity in 2026.

- Renaissance Partners/1 & 101 North Clematis (Development Agreement)

One of the Agency's stated redevelopment initiatives within the CCCRA is the provision of public parking. Accordingly, the Agency entered into a Development Agreement¹⁰ with Renaissance Partners (i.e. Developer of the 1 & 101 North Clematis Development; hereafter referred to as the "Development") that obligates the Developer to make available 200-parking spaces for the general public on a first-come, first-served basis. In consideration for the Developer providing the public parking, the Agency has agreed to remit annually on or before January 31st up to \$180,000 of the tax increment revenues generated from the Development. The Agreement is in place through December 31, 2025, unless otherwise terminated.

⁹ Funding referenced herein is composed of special assessments on the retail tenants and the 80% of the tax increment revenues generated within the CityPlace Project Area.

¹⁰ Development Agreement between the Agency and Renaissance Partners dated March 9, 1998 and approved through Resolution No. 98-13 (Agency). The Development Agreement has been subsequently assigned to the Lionstone Group.

Tax Increment Revenue Pledge: The following section provides a narrative of the CCCRA's tax increment revenue pledges as set forth in the CCCRA – *Schedule of Tax Increment Revenue Pledge/Financial Obligations* on page 17.

- Tax Increment Revenue Bonds, Series 2006A/B

In December 2006, the Agency issued approximately \$87.5 million¹¹ in Tax Increment Revenue Bonds¹² (the “TIR Bonds”), Series 2006A and Subordinate TIR Bonds, Taxable Series 2006B, for the purpose of financing redevelopment projects as set forth in the CCCRA Redevelopment Plan and Strategic Finance Plan¹³.

Redevelopment projects funded through the TIR Bonds, Series 2006A/B, include the following: City Center Development (i.e. state-of-the-art library, adjacent cultural/ retail/office space, and an onsite public parking garage) in an amount totaling \$47.4 million; Waterfront Park and City Commons project in an amount totaling \$15.5 million; Clematis Street Parking Garage in an amount totaling \$23.5 million; and repayment of approximately \$1.5 million¹⁴ in outstanding Capital Improvement Revenue Notes, Series 2003.



¹¹ Represents par value of the TIR Bonds; proceeds totaled \$87.5 million as the TIR Bonds were issued at a premium.

¹² Authorizing Resolution No. 06-93 (Agency) and Resolution No. 501-06 (City) dated as of November 6, 2006.

¹³ Please refer to the section entitled *Strategic Finance Plan and Current Updates* on page 39 for more detailed information.

¹⁴ Represents the allocation of land acquisition costs attributable to the adjacent cultural/retail/office space of the City Center Development. Said costs were funded through the TIR Bonds, Series 2006B (taxable), to ensure flexibility in usage (i.e. public and private uses are permitted). Please refer to the section entitled *Capital Improvement Revenue Refunding Note, Series 2006 (Interlocal Agreement)* on page 28 for detailed information.

The TIR Bonds, Series 2006A, were issued in an amount totaling \$77.1 million¹⁵ and at an all-in-true-interest-cost of 4.54% and carry a 30-year term (maturity in 2036). Debt Service on the TIR Bonds, Series 2006A, consists of annual interest-only payments approximating \$3.6 million through 2013 with principal amortization commencing in 2014 through maturity (annual debt service increasing to approximately \$5.4 million). As of September 30, 2010, the outstanding principal balance totaled \$77.2 million.

The TIR Bonds, Series 2006B, were issued in an amount totaling \$10.4 million at an all-in-true-interest-cost of 5.46% and carry a 7-year term (maturity in 2013). Debt Service on the TIR Bonds, Series 2006B, consists of annual principal and interest payments approximating \$1.8 million through maturity. As of September 30, 2010, the outstanding principal balance totaled \$4.9 million.

Financial Obligations to the City of West Palm Beach: The following section provides a narrative of the CCCRA's financial obligations as set forth in the CCCRA – *Schedule of Tax Increment Revenue Pledge/Financial Obligations* on page 17. The following listing represents CCCRA financial obligations to the City of West Palm Beach as set forth in their respective interlocal agreements. Said financial obligations do not represent pledges of tax increment revenues.

- \$25 million Sunshine State Government Financing Commission Loans (Interlocal Agreement)

CityPlace serves as a model for public/private cooperation. Specifically, the City funded the purchase of land for CityPlace and the Palm Beach County Convention Center through the issuance of the three (3) loans from the Sunshine State Government Financing Commission (“SSGFC”).

The series and original principal amounts of the SSGFC Loans are as follows:

- √ SSGFC Loan, Series 1995; original principal amount = \$15.0 million. During FY10, the loan was paid off from the proceeds of the CRA Series 2010 B Tax Increment Revenue Refunding Bonds and as of September 30, 2010, the outstanding principal balance was \$0;

¹⁵ Represents par value of the TIR Bonds, Series 2006A; proceeds totaled \$79.4 million as the TIR Bonds, Series 2006A were issued at a premium.

- √ SSGFC Loan, Series 1996; original principal amount = \$5.0 million. During FY10, the loan was paid off from the proceeds of the CRA Series 2010 B Tax Increment Revenue Refunding Bonds and as of September 30, 2010, the outstanding principal balance was \$0; and

- √ SSGFC Loan, Series 1997; original principal amount = \$5.0 million. During FY10, the loan was paid off from the proceeds of the CRA Series 2010 B Tax Increment Revenue Refunding Bonds and as of September 30, 2010, the outstanding principal balance was \$0.

The SSGFC Loan, Series 1995, pledged the City's public service tax revenues while the SSGFC Loans, Series 1996 and 1997, were secured by the City's covenant to budget and appropriate its non-ad valorem revenues to the debt service. The Agency was obligated via Interlocal Agreement¹⁶ to pay to the City an amount equal to the debt

service on the SSGFC Loans from available tax increment revenues within the CCCRA. However, only the SSGFC Loan, Series 1997, was being funded by the Agency as the SSGFC Loans,



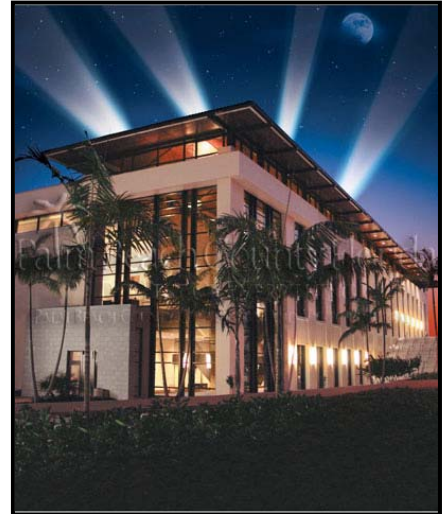
Series 1995 and 1996 were serviced by the developer of CityPlace through a Lease Agreement for the corresponding land parcels.

¹⁶ Second Amended and Restated Interlocal Agreement for \$25 Million Sunshine State Loan dated July 24, 2000, between the City and the Agency.

- Palm Beach County Convention Center Promissory Note (Interlocal Agreement)

The City is obligated via an Interlocal Agreement with Palm Beach County to make payments on a \$5.0 million promissory note which is used to partially offset the operating costs of the Palm Beach County Convention Center.

The Agency is obligated to the City via Interlocal Agreement¹⁷ to pay to the City an amount equal to the debt service on the promissory note from available tax increment revenues within the CCCRA. As of September 30, 2010, the outstanding principal balance totaled \$3.25 million.



- Capital Improvement Revenue Refunding Note, Series 2006 (Interlocal Agreement)

The City issued \$17.7 million in taxable Capital Improvement Revenue Notes, Series 2003 (the “Series 2003 Note”), and advanced the Agency the net proceeds for the purposes of acquiring the D&D Center Block and repaying an existing \$1.6 million City Advance for the purchase of the FEC/Clematis Parking Lot.

The Agency and the City are in partnership on redeveloping the D&D Center Block with the construction of the City Center Development which includes a City Hall, state-of-the-art Library, adjacent cultural/retail/office space, and an onsite public parking garage.

The City refunded approximately \$16.2 million¹⁸ of the Series 2003 Note through the issuance of tax-exempt Capital Improvement Revenue Refunding Notes, Series 2006 (the “Series 2006 Note”), on July 17, 2006. The Series 2006 Note is a tax-exempt bank loan with a

¹⁷ Second Amended and Restated Interlocal Agreement (For CRA Payment of Debt Service on \$5,000,000 Promissory Note for the Convention Center and for Repayment of Other Convention Center and CityPlace Obligations, and to Provide for CityPlace/Convention Center Infrastructure Work) dated April 16, 2001, between the City and the Agency.

¹⁸ The remaining principal portion of the Series 2003 Note totaled \$1.5 million and was refunded through issuance of the Tax Increment Revenue Bonds, Series 2006B (please refer to the section entitled *Tax Increment Revenue Bonds, Series 2006A/B* on page 25 for more detailed information).

15-year level amortization. The Agency is obligated via Interlocal Agreement¹⁹ to pay to the City an amount equal to its applicable portion²⁰ of the debt service associated with the Series 2006 Note from available tax increment revenues within the CCCRA. The Agency's initial allocable principal portion of the Series 2006 Note totaled approximately \$11.5 million. During FY10, the Agency's outstanding note principal portion of \$9,829,000 was paid off from the proceeds of the CRA Series 2010 A Tax Increment Revenue Refunding Bonds, and as of September 30, 2010, the outstanding principal balance of the Series 2006 Note was \$0.

- Public Service Tax Bonds (Interlocal Agreement)

The City issued Public Service Tax Bonds, Series 1992 and 1993, on behalf of the Agency for the purposes of funding projects within the boundaries of the CCCRA. The debt was utilized to fund numerous downtown projects including:

- √ \$18.0 million for various downtown projects including: El Campeon (now called Quadrille Boulevard), Meyer Amphitheatre (pictured to the right), retail grants and loans, Palm Beach County Courthouse Garage, waterfront improvements, Northwest Freshwater Lakes Housing Program, Northwest Neighborhood and Narcissus Avenue streetscapes;
- √ \$14.1 million for the acquisition of land for the new Palm Beach County Judicial Center; and
- √ \$1.3 million for the Clematis Streetscape project.



Over the years, the City has refunded or defeased all of the aforementioned debt to reduce interest costs and to release pledges of the tax increment revenues of the Agency as follows:

¹⁹ Interlocal Agreement for debt service associated with the Series 2006 Note dated July 17, 2006, between the City and the Agency.

²⁰ Debt service on the Series 2006 Note is split-funded by the City and the Agency in accordance with an allocation of the land costs associated with the City Center Development (i.e. City funded land costs associated with the City Hall portion of the City Center Development while the Agency funded land costs associated with the Library, adjacent cultural/retail/office space, and on-site public parking garage).

- √ The City advance refunded approximately \$10.0 million of the outstanding Public Service Tax Bonds, Series 1992, through issuance of Public Service Tax Refunding Bonds, Series 1997 (“Series 97 PST Bonds”). During FY10, the City issued the Series 2010 Public Service Tax Refunding Bonds and refunded all of the outstanding the Series 1997 Public Service Tax Refunding Bonds. As of September 30, 2010, the Series 2010’s outstanding principal balance totaled \$11.1 million.
- √ In 1998, the City issued the Series 1998 Public Service tax Bonds and City cash defeased the remaining \$200,000 of the outstanding Public Service Tax Bonds, Series 1992, and the remaining \$22.8 million of the outstanding Public Service Tax Bonds, Series 1993, (collectively the “Defeased Bonds”). During FY10, the City issued the Series 2010 Public Service Tax Refunding Bonds and refunded all of the outstanding the Series 1998 Public Service Tax Refunding Bonds. As of September 30, 2010, the Series 2010’s outstanding principal balance totaled \$11.1 million.
- √ The Agency is obligated via Interlocal Agreement²¹ to pay to the City an amount equal to the debt service associated with the Series 2010 PST Bonds and the Defeased Bonds from available tax increment revenues within the CCCRA.

Financial Obligation to the Downtown Development Authority: The following section provides a narrative of the CCCRA’s financial obligations as set forth in the *CCCRA – Schedule of Tax Increment Revenue Pledges/Financial Obligations* on page 17. The following listing represents the CCCRA financial obligation to the West Palm Beach Downtown Development Authority (the “DDA”). Said financial obligation does not represent a pledge of tax increment revenues.

- DDA Work Plan (Interlocal Agreement)

The DDA Work Plan identifies six (6) initiatives for strengthening the quality-of-life for residents and the competitive position for merchants in the downtown area. The initiatives include: (1) Enhance the business environment; (2) Improve the downtown image; (3) Re-

²¹ Interlocal Agreement relating to Public Service Tax Bonds dated June 19, 2006, between the City and the Agency.

establish customer base and re-connect with industry partners; (4) Address our growing community needs; (5) Improve the physical environment; (6) Address transportation. The following section highlights several of the programs and corresponding accomplishments.

The Agency is obligated via Interlocal Agreement²² with the DDA to provide funding for the Work Plan in an amount calculated as follows: (i) 95% of the revenue to be generated by the DDA on a full 2.00-mill levy based on certified values as provided by the Palm Beach County Property Appraiser's Office (the "PAO"); reduced by (ii) to the extent any of the DDA 2nd Mill is levied, the amount of the DDA 2nd Mill which is exempted pursuant to that certain Interlocal Agreement dated July 17, 2006; and further reduced by (iii) an amount equivalent to any DDA Assessments on properties within its boundaries.

It should be noted that the DDA Work Plan funding obligation will vary in accordance with property values as provided annually by the PAO. The Interlocal Agreement shall continue through September 30, 2011, with the option to extend one additional 5-year term.

²² Interlocal Agreement relating to the DDA Work Plan dated August 25, 2006, between the Agency and the West Palm Beach Downtown Development Authority.



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**West Palm Beach Community Redevelopment Agency
City Center Community Redevelopment Area
Schedule of Tax Increment Revenue Pledge/Financial Obligations**

	Term	Underlying Obligation 30-Sep-10	Estimated Expense FY 2011
Tax Increment Revenue Pledge/ Financial Obligation to Developer			
Revenue Pledge per Interlocal Agreement			
(1) CityPlace Community Development District ("CDD")			
Increment Revenues due CDD			
<i>80% of tax increment within CityPlace Project</i>	2026	N/A	\$ 2,870,172
Coverage Revenues			
<i>20% of tax increment within CityPlace Project</i>		N/A	N/A
<i>\$2.0M of tax increment outside CityPlace Project</i>		N/A	N/A
Development Agreement			
(1) Renaissance Partners/1 & 101 North Clematis			
<i>Up to \$180,000 of TIF within the Project</i>	2025	N/A	180,000
Tax Increment Revenue Pledge			
Tax Increment Revenue ("TIR") Bonds, Series 2006A	2036	77,175,000	3,566,450
TIR Bonds, Subordinate Taxable Series 2006B	2013	4,950,000	1,766,223
CCCRA Financial Obligations to City			
Established via Interlocal Agreement(s) with the City of West Palm Beach			
Palm Beach County Convention Center Promissory Note	2023	3,250,000	250,000
Public Service Tax Bonds			
PST Refunding Bonds, Series 2010	2014	11,170,000	2,031,806
(1) CCCRA Financial Obligation to DDA			
Established via Interlocal Agreement with the Downtown Development Authority			
DDA Work Plan	2011	N/A	3,095,168
		\$ 96,545,000	\$ 13,759,819

Notes:

- (1) The Tax Increment Revenue figures set forth herein are based on a forecast of taxable values for the underlying development/project-area and are subject to change.

FY 2010 Financial Activity – CCCRA Redevelopment Trust Fund

Revenues

As detailed in the *Statement of Activity* beginning on page 53, the CCCRA collected the following revenues for FY 2010:

CCCRA Redevelopment Trust Fund
Condensed Statement of Revenues for FY 2010

Tax Increment Revenues:	
City of West Palm Beach	\$ 14,647,396
Palm Beach County	7,879,919
West Palm Beach Downtown Development Authority ("DDA")	1,456,591
Proceeds of Refunding Bonds	15,564,000
Special Assessments/Loan Repayments	21,564
CityPlace Partners' Lease Payment (<i>SSGFC Series 1995 & 1996</i>):	801,121
Interest	347,311
Miscellaneous Earnings	235,812
	\$ 40,953,714

Notes

Please refer to the Tax Increment Revenue Pledge Section for more detailed information.

- **Tax Increment Revenues** for the Agency in FY 2010 totaled over \$23 million and represents an increase of 2.86%, or \$666,500 over FY 2009. Property values (taxable) within the CCCRA for FY 2010 totaled over \$2.1 billion.
- As set forth in the *Schedule of Tax Increment Revenue Pledge/Financial Obligations* on page 17, funding for debt service on the Series 1995 and 1996 Sunshine State Government Financing Commission ("SSGFC") Loans was provided through **CityPlace Partners' Lease Payments** as per the respective Lease Agreement for the corresponding land parcels. This represented pass-thru revenue for the Agency as the lease payment received from CityPlace Partners was equivalent to the required debt service on the Series 1995 and 1996 SSGFC Loans.

Expenditures

As detailed in the *Statement of Activity* beginning on page 54, the CCCRA incurred the following expenditures in FY 2010:

CCCRA Redevelopment Trust Fund
Condensed Statement of Expenditures for FY 2010

Economic Environment

City Administrative Services Fee	\$	2,836,615
Operating Expenses		270,703
CRA Initiatives		379,909
Grant Program		754,621
Program Funding to the DDA		3,095,168
CityPlace Partners' Trolley Contribution (<i>pass-thru to DDA</i>)		59,735

Capital Outlay

Community Improvements		192,438
Land Acquisition		5,972,297
Parking Initiatives		-
Miscellaneous Capital Outlay		-

Tax Increment Revenue Pledge/Financial Obligations

Tax Increment Revenue ("TIR") Pledge/Financial Obligation to Developer:		
TIR due the CityPlace Community Development District		3,410,867
TIR Pledge:		
TIR Bonds, Series 2006A (tax-exempt)		3,533,950
TIR Bonds, Series 2006B (taxable)		1,755,893
TIR Bonds, Series 2010A (tax exempt)		615,417
TIR Bonds, Series 2010B (taxable)		191,226
Financial Obligations to the City of West Palm Beach:		
Sunshine State Government Financing Commission ("SSGFC") Loans		6,569,350
Palm Beach County Convention Center Promissory Note		250,000
City Advance for Convention Center/CityPlace Obligations		-
Capital Improvement Revenue Refunding Note, Series 2006		-
Public Service Tax ("PST") Refunding Bonds, Series 1997		1,914,508
Defeased PST Bonds, Series 1993		-
Interest on Advances from City of West Palm Beach		767,193

	\$	32,569,890
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City Administrative Services Fee totals \$2,836,615 for FY 2010 and represents repayments to the City for the following:

- √ miscellaneous administrative services as set forth in the City's Cost Allocation Plan and Innovative Policing Plan which enhances existing levels of law enforcement through community policing innovations provided within the CCCRA; and
 - √ allocated cost for nine (9) City staff members dedicated to Agency activities (funding for said positions is split between the CCCRA and the NPCCRA).
- Several of the larger subcomponents of the **CRA Initiatives** category include:

- Professional and technical assistance relating to architectural, engineering, economic development, affordable housing and other redevelopment matters (FY 2010 expenditures total \$275,000). Specific projects include façade studies and design services for the Quadrille Streetscape project.
- **Program Funding to the DDA** totals \$3,095,168 for FY 2010 and is aimed at strengthening the quality-of-life for residents and the competitive position for merchants in the Downtown Area through the achievement of the following strategic initiatives: (1) Enhance the business environment; (2) Improve the downtown image; (3) Re-establish customer base and re-connect with industry partners; (4) Address our growing community needs; (5) Improve the physical environment; (6) Address transportation. The following section highlights several of the programs and corresponding accomplishments.

√ Retail Vacancy Reduction

- New Business Openings: From October 2009 to September 2010, 36 businesses either signed leases or opened in the Clematis District including the following: The Blind Monk, Habatat Gallery, Don Ramon and many more.
 - Retail and Property Incentive Programs: From September 2009 to October 2010, the DDA made significant changes to the incentive programs to attract new retailers and local businesses to the “connector areas” of Olive Avenue, Dixie Highway and the 500 block of Clematis Street and Rosemary Avenue. The DDA approved over \$225,028 in loans and grant programs including large project grants, grand opening assistance and façade grants which leveraged \$1,118,898 million in private investment.
 - Advertising and Marketing Initiatives: The DDA reaches out to target businesses utilizing several strategies including; Commercial Broker meetings and tours, direct mailings, press packages, media stories, etc.
 - Trolley: Trolley ridership has increased over the last year and has exceeded expectations.

√ Downtown Image Improvement

- Safety/Security Perception: In FY 2010 DDA Safety Guides continued to provide courtesy visits to Downtown Businesses as well as addressing information requests, and maintenance issues. The Safety Guides serve as a compliment to the Entertainment District Unit (EDU) of the West Palm Beach Police Department and coordinate their efforts closely to ensure the most effective and efficient use of resources in keeping Downtown safe for residents, businesses, and visitors. Additionally, the downtown has the lowest crime stats since the EDU was established, and this program continues to be recognized as a “national best practice” model.
- Improving Business Image: From October 2009 to September 2010, the DDA approved over \$84,136 in façade grants to nine (9) area businesses which was matched with over \$195,740 in private investment, leveraging a total of over \$279,876 in façade improvements within the Clematis District.

Before



After



√ Consumer Attraction and Industry Outreach

- Consumer Advertising: The DDA continued the Downtown “Say Hello to a New Day” advertising campaign within a 30 mile radius. The ads continued to run on 17 different media outlets including print, cultural publications and five radio stations. The DDA continued

promotional campaigns in the Wellington neighborhood news and the Palm Beach Post, TGIF, and Palm Beach Pulse.

- Retail Promotions: In FY 2010, the DDA was involved in numerous retail promotions, including, but not limited to:
 - About Downtown / Parking Brochure - 40,000 mailed directly to City of West Palm Beach residents.
 - 2010 DDA Downtown Calendar – 500 distributed
 - Monthly Events Calendar – 1,000 distributed monthly
 - Annual DDA Holiday Brochure– distributed to 8,000 downtown residents.
 - Retail Events: The Zombie Crawl, Moonfest, Palm Beach Art and Music Festival
 - Holiday Retail Advertising
 - Free Holiday Valet for shoppers Downtown
 - Downtown Catch All Brochures that serve as Downtown Directories – 8,000 distributed

√ Address Growing Community Needs: The DDA is involved in numerous resident communication initiatives:

- Neighbor Nights Networking: The DDA hosted six (6) Neighborhood Nights networking events for Downtown residents during fiscal year 2010 held at area businesses. Over 100 residents attended each event and received gifts from downtown merchants.
- Community Communication: The DDA is involved in numerous resident communication initiatives including:
 - DDA Weekly Newsletter – 3,000 distributed weekly.
 - DDA & CRA Quarterly Newsletter – 10,000 distributed quarterly.
 - Residential Quarterly newsletter – mailed to 8,000 downtown residents.

- DDA Public Safety Guides – guides deliver information regarding road closures, events and seminars to businesses and residents.
 - www.westpalmbeachdda.com – user friendly DDA website that continues to be updated with events, press releases, publications and more.
 - www.downtowncelebrations.com – user friendly DDA website that lists events, specials and promotions downtown.
 - DDA Continues social networking outreach such as Facebook, Twitter, MySpace and Google Calendar alerts.
 - Quarterly meetings with residential property managers to keep them informed.
 - Business meetings every other month.
- **Capital Outlay** totals \$6,287,950 for FY 2010 and included funding for Capital items such as:
 - √ **Property Acquisition and Improvements** totaled \$6,088,700 including parcels located in the Northwest area and downtown.
 - √ **Disbursement Grants Property Improvements** totaled \$199,250 as public investment which leveraged approximately \$420,157 on private investment.
 - **Tax Increment Revenue Pledge/Financial Obligations** totals \$9.8 million for FY 2010 and includes expenses associated with tax increment revenue pledges/financial obligations²³ of the CCCRA.
 - **Transfers-Out** for FY 2010 totaled \$14.8 million and includes transfers-out to other Funds of the Agency and/or the City for CRA Board approved redevelopment purposes.

Strategic Finance Plan and Current Updates

In October 2004, the Agency recognized that a more aggressive approach was needed to effectively address blighted conditions within the Redevelopment Areas. Staff

²³ Please refer to the section entitled *Tax Increment Revenue Pledge/Financial Obligations* on page 17 for more detailed information.

responded through creation of a five-year strategic redevelopment program (i.e. hereinafter referred to as the “Strategic Finance Plan”) that incorporated existing planning reports/studies, feedback from community forums/charettes, etc., with the end result being the identification and prioritization of redevelopment projects that enable the Agency to effectively and efficiently combat blight and address affordable housing availability.

The Strategic Finance Plan sets forth a five-year redevelopment program that provides the necessary vision and resources to effectively carryout redevelopment within the Agency. The Strategic Finance Plan is anticipated to increase private sector investment as the development community, residents, lenders and other stakeholders will recognize that a solid financial commitment has been made by the elected officials.

- Strategic Finance Plan for the CCCRA

- √ The Agency Board adopted Resolution No. 05-65 on November 7, 2005, which provided for approval of the Strategic Finance Plan for the CCCRA. The Strategic Finance Plan is amended annually with the most recent amendment via approval of Resolution No. 10-47 on September 7, 2010²⁴.

The CCCRA is forecasting movement in existing taxable values (i.e. not including new construction) as follows: FY2010-2011 reduction of 14.44% and FY 2012-2014 (nominal growth of 0% to 2.0%).

The Strategic Finance Plan for the CCCRA forecasts investment totaling approximately \$22 million (excluding operations/debt service) within CCCRA boundaries over the next five (5) years.

- Tax Increment Revenue Bonds, Series 2006A/B

- √ Pursuant to the Strategic Finance Plan for the CCCRA, the Agency issued Tax Increment Revenue Bonds, Series 2006A/B²⁵, in December 2006, for the purposes of financing redevelopment projects including the City Center Development (library and adjacent cultural/retail/office space and on-site parking garage), the Waterfront Park and City Commons Project, and the Clematis Street Parking Garage.

²⁴ The Strategic Finance Plan for the CCCRA can be obtained electronically at www.wpbcr.org.

²⁵ Please refer to the section entitled *Tax Increment Revenue Pledge* on page 17 for more detailed

Northwood/Pleasant City Redevelopment Area

Background

Through adoption of Resolution No. 129-93 on June 28, 1993, the West Palm Beach City Commission (“City Commission”) declared a portion of the Northwood Area blighted and approved creation of the Agency’s second district; the Northwood/Pleasant City Community Redevelopment Area (“NPCCRA”). Additionally, the City Commission created the Northwood/Pleasant City Community Redevelopment Area Trust Fund (“NPCCRA Trust Fund”) through adoption of Ordinance No. 2782-94 on October 24, 1994, and approved the Northwood/Pleasant City Community Redevelopment Area Redevelopment Plan (“NPCCRA Redevelopment Plan”) through adoption of Resolution No. 282-94 on October 11, 1994.

The original NPCCRA comprised all the existing commercial corridors such as Broadway Avenue and Dixie Highway and districts such as the Northwood Business District and the Electronics Way Industrial District within the Northwood and Pleasant City neighborhoods. The boundaries of the NPCCRA were established in Resolution No. 129-93 and amended by Resolution No. 467-01 in December 2001 to include the residential portion of the Pleasant City neighborhood bringing the total size of the NPCCRA to approximately 459-acres²⁶. Additionally, the Redevelopment Plan and the NPCCRA Trust Fund were amended during December 2001 to reflect the NPCCRA’s expanded boundaries.

On September 13, 1993, the Agency approved creation of the Northwood/Pleasant City Community Redevelopment Advisory Board (“CRAAB”) to facilitate input from the community. The CRAAB is composed of an eleven-member board, appointed by the Agency, which represents the business, financial, professional, and residential sectors of the Agency.

²⁶ The acreage information identified herein for the NPCCRA is based on Geographic Information Systems mapping technology.

Historical Data

Historical Tax Increment Revenues

The Redevelopment Act provides that upon creation of a CRA, a municipality shall establish, on behalf of the CRA, a Trust Fund. Taxing Authorities, as defined in the Redevelopment Act, which levy ad valorem taxes on real property subject to taxation located within the CRA, are required by January 1st of each year to deposit into the Trust Fund an amount equal to 95% of the difference between²⁷:

- c) The amount of ad valorem taxes levied each year by that Taxing Authority on taxable real property contained within the geographical boundaries of the CRA, exclusive of any amount from any debt service millage; and
- d) The amount of ad valorem taxes which would have been produced by the millage rate upon which the tax is levied each year by the Taxing Authority on the assessed value of the taxable real property in the CRA as of January 1st of the base year²⁸, exclusive of any amount from any debt service millage.

The Taxing Authorities which are obligated to make annual deposits into the NPCCRA Trust Fund are as follows:

- City of West Palm Beach (“City”); and
- Palm Beach County.

The following table provides a 10-year summary of historical tax increment revenues for the NPCCRA segmented by Taxing Authority.

²⁷ Calculations referenced herein use the current fiscal year's millage rate as established by the Taxing Authority.

²⁸ The aggregate assessed valuation of taxable real property in the original NPCCRA as of January 1, 1994, used for determining the incremental assessed valuation in future years was \$77,201,813. The aggregate assessed valuation of taxable real property in the Expanded Area of the NPCCRA as of January 1, 2001, used for determining the incremental assessed valuation in future years was \$9,731,463. Such valuations are referred to as “Base Year” values and total \$86,933,276.

Historical NPCCRA Tax Increment Revenues							
Tax Roll Year Ended	Fiscal Year Ended	City of			Percentage Increase/Decrease	Dollar Increase/(Decrease)	
December 31	September 30	West Palm Beach	Palm Beach County	Total	Over Prior Year	Over Prior Year	
2001	2002	\$ 318,498	\$ 182,285	\$ 500,783	55.73%	\$ 179,212	
2002	2003	448,147	255,274	703,421	40.46%	202,638	
2003	2004	758,611	432,120	1,190,731	69.28%	487,310	
2004	2005	1,244,412	708,842	1,953,254	64.04%	762,523	
2005	2006	1,659,298	934,668	2,593,966	32.80%	640,712	
2006	2007	3,203,488	1,746,615	4,950,103	90.83%	2,356,137	
2007	2008	2,984,883	1,569,350	4,554,233	-8.00%	(395,869)	
2008	2009	2,723,498	1,363,950	4,087,448	-10.25%	(466,786)	
2009 (1)	2010 (1)	2,101,222	1,130,521	3,231,743	-20.93%	(855,705)	
2010 (2)	2011 (2)	1,713,345	1,007,987	2,721,332	-15.79%	(510,410)	

Source - City of West Palm Beach Finance Department.

(1) Represents tax increment revenues derived from Final Taxable Property Value as provided by the Palm Beach County Property Appraiser's Office (the "PAO"). The Final Certification of Taxable Value was available at time of printing.

(2) Represents tax increment revenues derived from a Preliminary Certification of Taxable Value as provided by the PAO. The Final Certification of Taxable Value was not available at time of printing.

Historical Taxable Property Values and New Construction

The following table provides a 10-year summary of the historical assessment (taxable) values and increment values for the NPCCRA as of January 1st of each year. The Taxing Authorities that deposit Tax Increment into the NPCCRA Trust Fund based upon the incremental value shown in the following table include the City and Palm Beach County.

HISTORICAL NPCCRA REAL PROPERTY ASSESSED VALUES							
	A	B	= A - B				
Tax Roll Year Ended December 31	Fiscal Year Ended September 30	Final Gross Taxable Value	Percentage Increase Over Prior Year	Base Year Taxable Value (1)	Incremental Value (2)	Percentage Increase Over Prior Year	Dollar Increase Over Prior Year
2001	2002	\$ 129,104,436	24.43%	\$ 86,933,276	\$ 42,171,160	58.80%	\$ 15,615,806
2002	2003	146,646,415	13.59%	86,933,276	59,713,139	41.60%	17,541,979
2003	2004	188,014,076	28.21%	86,933,276	101,080,800	69.28%	41,367,661
2004	2005	252,744,350	34.43%	86,933,276	165,811,074	64.04%	64,730,274
2005	2006	308,025,645	21.87%	86,933,276	221,092,369	33.34%	55,281,295
2006	2007	516,499,165	67.68%	86,933,276	429,565,889	94.29%	208,473,520
2007	2008	523,829,387	1.42%	86,933,276	436,896,111	1.71%	7,330,222
2008	2009	466,647,209	-10.92%	86,933,276	379,713,933	-13.09%	(57,182,178)
2009 (3)	2010 (3)	360,879,313	-22.67%	86,933,276	273,946,037	-27.85%	(105,767,896)
2010 (4)	2011 (4)	310,309,962	-14.01%	86,933,276	223,376,686	-18.46%	(50,569,351)

Source - City of West Palm Beach Finance Department.

(1) The boundaries of the Northwood/Pleasant City Community Redevelopment Area (the "NPCCRA") were expanded in December, 2001 to include the residential neighborhood located in the Pleasant City area. The aggregate assessed value of the taxable real property in the expanded boundary of the NPCCRA as of January 1, 2001, was \$9,731,463. In tax roll year 2001, fiscal year 2002, such amount was added to the assessed value of the taxable property originally located in the NPCCRA to establish a new base year taxable value for use in determining the NPCCRA Tax Increment Revenues to be deposited into the NPCCRA Redevelopment Trust Fund.

(2) Incremental Value equals the Final Gross Taxable Value minus the Base Year Taxable Value.

(3) Represents Final Taxable Value as provided by the Palm Beach County Property Appraiser's Office (the "PAO"). The Final Certification of Taxable Value was available at time of printing.

printing.

The following table provides a 5-year summary of historical new construction (taxable) values for the NPCCRA. It should be noted that the following new construction values are included in the gross taxable values set forth in the table entitled *Taxing Authorities: City of West Palm Beach and Palm Beach County*.

HISTORICAL NPCCRA NEW CONSTRUCTION TAXABLE VALUES				
Tax Roll Year Ended December 31	Fiscal Year Ended September 30	New Construction Taxable Value		Notes
2006	2007	73,533,490		(1)
2007	2008	5,599,937		
2008	2009	(1,682,536)		
2009	2010	4,399,527		
2010	2011	(20,523)		

Source - City of West Palm Beach Finance Department.

(1) Increase in taxable value primarily attributable to the Slade Condominium.

Segmentation of Tax-Base, Taxpayer Concentration and Principal Developments

The segmentation of taxable values within the NPCCRA by property-use type highlights a tax-base of approximately 62% Residential and 38% Commercial properties.

An important analysis to consider when discussing assessment values pertains to taxpayer concentration, or more specifically, the percentage of total tax increment generated from the Agency's principal taxpayers. Taxpayer concentration is a measure of revenue risk for the Agency. A low taxpayer concentration indicates a diverse base of taxpayers and a stronger ability to adapt to the loss of any one taxpayer. The following table sets forth the Fiscal Year ("FY") 2010 taxpayer concentration for the NPCCRA.

FY 2010 Top 10 NPCCRA PRINCIPAL TAXPAYERS			
Taxpayer	Use of Property	Taxable Value (1)	Percentage of Fiscal Year 2009 Gross Taxable Value
1515 Flagler Property LP	Office	\$ 26,639,972	5.16%
Eastern Financial Florida Credit Union	Land	7,038,324	1.36%
Mountain West Palm Real Estate, Inc.	Warehouse/Distribution	5,018,541	0.97%
Syndicated Holdings, LLC	Land	4,785,921	0.93%
WSG West Palm Beach Development, Inc.	Office	4,501,080	0.87%
National Land Company, Inc.	Manufacturing	3,691,301	0.71%
CK 1919, LLC	Office	2,813,887	0.54%
Barcelona Square Limited Partnership	Land	2,474,010	0.47%
Waterside Building, Ltd.	Office	2,142,018	0.41%
Keller Trust	Warehouse/Distribution	2,072,875	0.40%
TOTAL			11.81%

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office.

(1) The taxable value figures set forth herein are based on preliminary detailed assessment data as provided by the PAO for fiscal year 2010. The detailed assessment data from the Estimate of Final Taxable Property Value was not available at time of printing.

The following table provides a segmentation of taxable values within the NPCCRA by development for FY 2010.

FY 2010 Top 10 NPCCRA PRINCIPAL DEVELOPMENTS			
Development	Use of Property	Taxable Value (1),(2)	Percentage of Fiscal Year 2009 Gross Taxable Value
Flagler Pointe Condominium	Residential	\$ 41,962,159	8.12%
The Slade Condominium	Residential	34,763,686	6.73%
Portofino Condominium	Residential	13,788,963	2.67%
La Fontana Condominium	Residential	9,718,942	1.88%
Majestic Towers Condominium	Residential	8,842,916	1.71%
Villa Lofts Condominium	Residential	5,894,567	1.14%
Downtown Business Park Condominium	Office	3,976,290	0.77%
Toy Store Condominium	Residential	1,616,498	0.31%
Butler Medical Center Condominium	Office	1,419,238	0.27%
Flagler Court Condominium	Residential	565,320	0.11%
TOTAL			23.71%

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office (the "PAO").

(1) Taxable value represents the value for the entire development and not the taxable value attributable to any individual taxpayer (e.g. taxable value for condominiums is for the entire complex, not any individual condominium owner or group of owners).

(2) The taxable value figures set forth herein are based on preliminary detailed assessment data as provided by the PAO for fiscal year 2010. The detailed assessment data from the Estimate of Final Taxable Property Value was not available at time of printing.

Historical Taxing Authority Millage Rates

The table below provides a 10-year summary of the operating millage rates levied by each Taxing Authority obligated to make payments to the NPCCRA Trust Fund.

HISTORICAL NPCCRA MILLAGE RATES			
Tax Roll Year Ended December 31	Fiscal Year Ended September 30	City of West Palm Beach	Palm Beach County
2001	2002	7.9500	4.5500
2002	2003	7.9000	4.5000
2003	2004	7.9000	4.5000
2004	2005	7.9000	4.5000
2005	2006	7.9000	4.4500
2006	2007	7.8500	4.2800
2007	2008	7.1916	3.7811
2008	2009	7.5500	3.7811
2009	2010	8.0739	4.3440
2010	2011	8.0739	4.7500

Source - City of West Palm Beach Finance Department.

Tax Increment Revenue Pledge

The following section provides a brief overview of the presently outstanding tax increment revenue pledges of the NPCCRA.

Tax Increment Revenue Bonds: In December 2005, the Agency issued approximately \$24.8 million²⁹ in Tax Increment Revenue Bonds³⁰ (the “TIR Bonds”), Series 2005A and Subordinate TIR Bonds, Taxable Series 2005B, for the purpose of financing redevelopment projects as set forth in the Strategic Finance Plan for the NPCCRA.

Redevelopment projects funded through TIR Bonds, Series 2005A/B, include the following: Infrastructure/Streetscape Improvements totaling \$13.2 million; Redevelopment Incentives totaling \$2.0 million; Railroad Buffer totaling \$535,000; Land Acquisition totaling \$6.5 million.

The TIR Bonds, Series 2005A, were issued in an amount totaling \$17.5 million³¹ at an all-in-true-interest-cost of 5.05% and carry a 30-year term (maturity in 2035). The issue amount included \$1.6 million representing a cash-funded debt service reserve. Debt Service on the TIR Bonds, Series 2005A, consists of annual interest-only payments approximating \$879,000 through 2020 with principal amortization commencing in 2021 through maturity (annual debt service increasing to approximately \$1.7 million). As of September 30, 2010, the outstanding principal balance totaled \$17.5 million.

The TIR Bonds, Series 2005B, were issued in an amount totaling \$7.3 million at an all-in-true-interest-cost of 5.78% and a 16-year term (maturity in 2021). Debt Service on the TIR Bonds, Series 2005B, consists of annual interest-only payments approximating \$415,000 through 2009 with principal amortization commencing in 2010 through maturity (annual debt service increasing to approximately \$850,000). As of September 30, 2010, the outstanding principal balance totaled \$6.8 million.

²⁹ Represents par value of the TIR Bonds; proceeds totaled \$25.0 million as the TIR Bonds were issued at a premium.

³⁰ Authorizing Resolution No. 05-82 (Agency) and Resolution No. 541-05 (City) dated as of December 5, 2005.

³¹ Represents par value of the TIR Bonds, Series 2005A; proceeds totaled \$17.7 million as the TIR Bonds were issued at a premium.

**West Palm Beach Community Redevelopment Agency
Northwood/Pleasant City Community Redevelopment Area
Schedule of Tax Increment Revenue Pledges**

		Underlying Obligation 30-Sep-10	Estimated Expense FY 2011 (1)
		Term	
Tax Increment Revenue Pledges			
Tax Increment Revenue ("TIR") Bonds, Series 2005A	2035	17,530,000	876,500
TIR Bonds, Subordinate Taxable Series 2005B	2021	6,835,000	844,770
		\$ 24,365,000	\$ 1,721,270

Notes:

- (1) Figures are representative of the transfers-out of the NPCCRA Trust Fund for debt service on the TIR Bonds, Series 2006A/B. Actual debt service may be greater with the difference offset through investment earnings within the NPCCRA Senior Debt Service Fund, NPCCRA Subordinate Debt Service Fund, and/or the NPCCRA Debt Service Reserve Fund.

FY 2010 Financial Activity – NPCCRA Redevelopment

Trust Fund

Revenues

As detailed in the *Statement of Activity* beginning on page 53, the NPCCRA collected the following revenues for FY 2010:

NPCCRA Redevelopment Trust Fund	
Condensed Statement of Revenues for FY 2010	
Tax Increment Revenues:	
City of West Palm Beach	\$ 2,101,222
Palm Beach County	1,130,005
Assessment/Loan Repayments	2,879
Interest	148,123
Miscellaneous Earnings	51,631
	\$ 3,433,860

- **Tax Increment Revenues** for the Agency in FY 2010 total \$3.2 million and represents a decrease of 20.94% over FY 2009. Property Values (taxable) within the NPCCRA for FY 2010 total \$360.8 million, which represents a decrease of 22.67% over FY 2009.

Expenditures

As detailed in the *Statement of Activity* beginning on page 54, the NPCCRA incurred the following expenditures in FY 2010:

NPCCRA Redevelopment Trust Fund	
Condensed Statement of Expenditures for FY 2010	
Economic Environment	
City Administrative Services Fee	\$ 1,019,160
Operating Expenses	469,552
CRA Initiatives	400,210
Grant Program	307,858
Capital Outlay	
Community Improvements	23,900
Tax Increment Revenue ("TIR") Pledge	
TIR Bonds, Series 2005A (<i>tax-exempt</i>)	803,500
TIR Bonds, Series 2005B (<i>taxable</i>)	845,763
	\$ 3,869,943

- The **City Administrative Services Fee** totals \$1,019,160 for FY 2010 and represents repayments to the City for the following:
 - Miscellaneous administrative services as set forth in the City's Cost Allocation Plan; and **Innovative Policing** expenditures total \$237,000 for FY 2010. Innovative Policing is designed by the Police Chief to enhance existing levels of law enforcement through community policing innovations provided within the NPCCRA.
 - √ allocated costs for nine (9) City staff members dedicated to Agency activities (funding for said positions is split between the CCCRA and the NPCCRA).
- Several of the larger subcomponents of the **CRA Initiatives** category include:
 - √ Professional and technical assistance relating to architectural, engineering, economic development, affordable housing and other redevelopment matters (FY 2010 expenditures total \$175,000). Specific projects include façade studies, special event and graphic services.



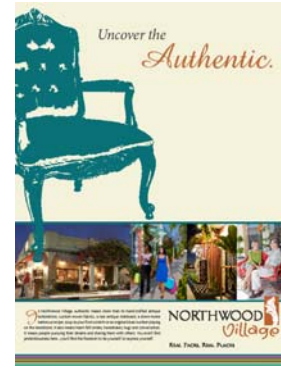
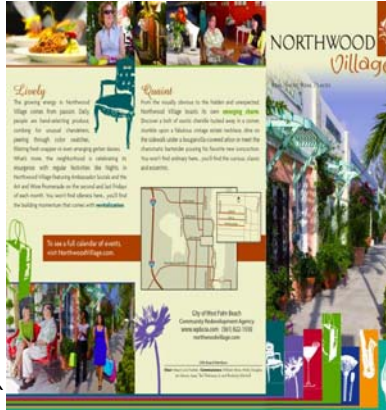


✓ Safety/Security Perception The CRA retained the services of IPC Security in Northwood Village to eliminate the public perception of the area as being unsafe. In addition, they act as ambassadors by visiting area businesses, answering information requests, and reporting maintenance issues (FY 2010 expenditures totaled \$350,000.)

✓ Funding for marketing, special events, etc. within the NPCCRA aimed at promoting redevelopment activity by increasing consumer traffic and supporting our local businesses and neighborhoods (FY 2010 expenditures total \$385,000).

Accomplishments include:

- Promoting existing and newly located businesses to Northwood Village. Positioned Northwood Village as a place of destination by holding a monthly Art and Wine Promenade, a strolling event that includes live music, restaurant and wine tastings. The CRA secured radio and wine sponsorship. This monthly event provides valuable exposure to merchants. It is estimated 500 visitors attend these events and discovered the variety of shops and restaurants in the area.
- In June 2010 the Urban Land Institute (ULI) assembled a Technical Advisory Panel (TAP) to study how to strategically jump-start redevelopment within the Northwood/Pleasant City CRA, particularly the Anchor Site, Blum Park, and CRA properties owned within Northwood Village. The findings included creating a public realm to catalyze investments, emphasize connectivity, to create nodes with special niche markets and to build and promote existing assets.
- Some of the printed collateral materials included; the Northwood Village Merchant Map, monthly invitations, investor packages, calendar of events as well as print advertising. Ten (10) new businesses opened within the NPCCRA during FY 2010. The Agency assists with grand opening events and promotes these new businesses through post card mailings, official ribbon cutting, West Palm Beach TV coverage and press releases.



- Disbursements for **Grants** for FY 2010 totaled \$328,562 which leveraged approximately \$738,075 million in private investment.



- **Capital Outlay** expenditures totaled \$1,338,704 for FY 2010 and included funding for: (1) infrastructure and streetscape improvements; (2) property acquisition; (3) FEC Buffer Wall; (4) Currie Commons park improvements.

Strategic Finance Plan and Current Updates

In October 2004, the Agency recognized that a more aggressive approach was needed to effectively address blighted conditions within the Redevelopment Areas. Staff responded through creation of a five-year strategic redevelopment program (i.e. hereinafter referred to as the “Strategic Finance Plan”) that incorporated existing planning reports/studies, feedback from community forums/charettes, etc., with the end result being the identification and prioritization of redevelopment projects that enable the Agency to effectively and efficiently combat blight and address affordable housing availability.

The Strategic Finance Plan sets forth a five-year redevelopment program that provides the necessary vision and resources to effectively carryout redevelopment within the Agency. The Strategic Finance Plan is anticipated to increase private sector investment as the development community, residents, lenders and other stakeholders will recognize that a solid financial commitment has been made by the elected officials.

- Strategic Finance Plan for the NPCCRA

The Agency Board adopted Resolution No. 05-23 on April 11, 2005, which provided for approval of the Strategic Finance Plan for the Area. The Strategic Finance Plan is amended annually with the most recent amendment via approval of Resolution No. 10-46 on September 7, 2010³².

The NPCCRA is forecasting movement in existing taxable values (i.e. not including new construction) as follows: FY 2011 (reduction of 14.01 %); FY 2012-2014 (growth of 0% to 2.0%).

The Strategic Finance Plan for the NPCCRA forecasts investment totaling approximately \$5.2 million (excluding operations/debt service) within NPCCRA boundaries over the next five (5) years

³² The Strategic Finance Plan for the NPCCRA can be obtained electronically at www.wpbcr.org.

West Palm Beach CRA – 2010 Annual Report

Statement of Activity

The following Statement of Activity for the West Palm Beach Community Redevelopment Agency's Redevelopment Trust Funds covers the period from October 1, 2009, through September 30, 2010. A Reconciliation Statement is also included that reconciles the Statement of Activity to the Statement of Revenues, Expenditures and Changes in Fund Balances as found within the Financial Statements section of the Report.

Redevelopment Trust Funds
Statement of Activity (Non-GAAP Basis)
September 30, 2010

	Fund 105 City Center Redevelopment Area	Fund 107 Northwood/ Pleasant City Redevelopment Area
Revenues:		
Tax Increment Revenues:		
City of West Palm Beach ("City")	14,647,396	2,101,222
Palm Beach County	7,879,919	1,130,005
West Palm Beach Downtown Development Authority ("DDA")	1,456,591	-
CityPlace Partners' Lease Payment (SSGFC Series 1995 & 1996)	801,121	-
Proceeds of Refunding Bonds	15,564,000	-
Assessment/Loan Repayments	21,564	2,879
Interest	347,311	148,123
Miscellaneous Earnings	235,812	51,631
	40,953,714	3,433,860
Expenses:		
Economic Environment		
City Administrative Services Fee	2,836,615	1,019,160
Operating Expenses:		
Professional/Other Contractual Services (general)	135,600	330,758
Legal Services (general)	22,272	11,248
Promotional/Advertising (general)	302	1,052
Utilities Service Charges (general)	15,904	26,372
Travel/Training (general)	4,185	7,428
Operating Expenses (general)	35,820	70,312
Printing (general)	21,547	-
Repair/Maintenance (general)	14,732	16,445
Miscellaneous	20,341	5,937
CRA Initiatives:		
Architectural/Engineering/Other Consultants	60,810	71,025
Construction Management Consultant	234,855	-
Planning (Professional Services)	48,300	6,900
Downtown Traffic Model (Professional Services)	4,470	-
Downtown Master Plan Implementation (Professional Services)	-	-
Marketing/Special Events/Festivals	20,258	253,246
Neighborhood Support	3,946	4,215
Maintenance	7,270	64,824
Grants:		
Palm Beach County Development Regions Grant Program	117,290	160,383
Façade Improvement Grant Program	26,539	45,783
Relocation/Attraction Assistance	205,372	28,862
Redevelopment Initiatives	405,420	72,830
Program Funding to the DDA:		
Downtown Development Authority Initiatives	3,095,168	-
CityPlace Partners' Trolley Contribution (pass-thru to DDA)	59,735	-
Capital Outlay		
Technology/Equipment Requirements	-	-
Community Improvements	192,438	23,900
Parking Initiatives	-	-
Signage/Banners	-	-
Property Acquisition/Due Diligence:	5,972,297	-
Tax Increment Revenue Pledge/Financial Obligations		
Tax Increment Revenue ("TIR") Pledge/Financial Obligation to Developer:		
TIR due the CityPlace Community Development District	3,410,867	-
TIR Pledge:		
TIR Bonds, Series 2005A (tax-exempt)	-	803,500
TIR Bonds, Series 2005B (taxable)	-	845,763
TIR Bonds, Series 2006A (tax-exempt)	3,533,950	-
TIR Bonds, Series 2006B (taxable)	1,755,893	-
TIR Bonds, Series 2010A (tax exempt)	615,417	-
TIR Bonds, Series 2010B (taxable)	191,226	-
Financial Obligations to the City of West Palm Beach:		
Sunshine State Government Financing Commission ("SSGFC") Loans	6,569,350	-
Palm Beach County Convention Center Promissory Note	250,000	-
City Advance for Convention Center/CityPlace Obligations	-	-
Capital Improvement Revenue Refunding Note, Series 2006	-	-
Public Service Tax ("PST") Refunding Bonds, Series 1997	1,914,508	-
Defeased PST Bonds, Series 1993	-	-
Interest on Advances from City of West Palm Beach	767,193	-
	32,569,890	3,869,943
Revenues Over/(Under) Expenses:	8,383,824	(436,083)

Notes:

Please Note: the figures contained herein are subject to rounding.

**West Palm Beach Community Redevelopment Agency
Redevelopment Trust Funds**

Reconciliation of the *Statement of Activity* to the
Statement of Revenues, Expenditures and Changes in Fund Balances
September 30, 2010

	Fund 105 City Center Redevelopment Area	Fund 107 Northwood/ Pleasant City Redevelopment Area
Income (<i>Statement of Activity</i>):	<u>\$ 8,383,824</u>	<u>\$ (436,083)</u>
Accounting Reclassifications to the Balance Sheet:	-	-
Net Change in Fund Balances (<i>Statement of Revenues, Expenditures and Changes in Fund Balances</i>):	<u>\$ 8,383,824</u>	<u>\$ (436,083)</u>

Notes:

Please Note: the figures contained herein are subject to rounding.



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West Palm Beach CRA – 2010 Annual Report

Financial Statements

This CRA Annual Report for the fiscal year ending September 30, 2010 has been prepared in accordance with the following statutory requirements:

- F.S. § 163.356(3)(c)

This CRA Annual Report has been prepared in accordance with F.S. § 163.356(3)(c) including a report of activities for the preceding fiscal year, a complete financial statement setting forth its assets, liabilities, income, and operating expenses, and a notice of publication in a newspaper of general circulation within our City that informs stakeholders that said report is available for review.

- F.S. § 163.387(8)

Within the context of financial reporting, the West Palm Beach Community Redevelopment Agency (“Agency”) is considered a component unit of the City of West Palm Beach (“City”) and is therefore included in the City’s audited Comprehensive Annual Financial Report (“CAFR”). The Agency’s Redevelopment Trust Funds are reported as major funds within the City’s CAFR and are therefore specifically included in the City’s audit opinion.

Accordingly, the Financial Statements included herein for the Agency are sourced from the City’s CAFR for the fiscal year ending September 30, 2010, which received an unqualified audit opinion dated March 30, 2011 from the firm McGladrey & Pullen LLP.

A copy of the City’s 2010 CAFR can be obtained electronically from the City’s website at www.wpb.org/finance/accounting.php.



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Redevelopment Trust Funds

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
REDEVELOPMENT TRUST FUNDS
BALANCE SHEET
SEPTEMBER 30, 2010**

	<u>City Center CRA Fund</u>	<u>Northwood/P leasant City CRA Fund</u>
ASSETS:		
Cash and cash equivalents	\$ 18,728,972	\$ 6,524,242
Receivables (net):		
Accounts	761,550	-
Interest	52,384	19,118
Notes	379,705	5,006
Liens and assessments	84,186	-
Due from other governments	-	4,650
Investment in direct financing lease	3,315,000	-
Land held for resale	6,000,000	-
	<u>6,000,000</u>	<u>-</u>
Total assets	<u><u>\$ 29,321,797</u></u>	<u><u>\$ 6,553,016</u></u>
LIABILITIES AND FUND BALANCES:		
Liabilities:		
Vouchers payable and accrued liabilities	\$ 70,395	\$ 75,564
Due to other funds	799,971	-
Due to other governments	5,237	-
Advances from other funds	9,552,211	-
Unearned/deferred revenue	3,822,622	25,916
Total Liabilities	<u>14,250,436</u>	<u>101,480</u>
Fund balances (deficit):		
Reserved for:		
Encumbrances	325,808	165,130
Land held for resale	6,000,000	165,130
Unreserved, undesignated, reported in:		
Special revenue funds	8,745,553	6,286,406
Total Fund Balances	<u>15,071,361</u>	<u>6,451,536</u>
Total liabilities and fund balances	<u><u>\$ 29,321,797</u></u>	<u><u>\$ 6,553,016</u></u>

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
REDEVELOPMENT TRUST FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	<u>City Center CRA Fund</u>	<u>Northwood/P leasant City CRA Fund</u>
Revenues:		
Intergovernmental	\$ 9,336,510	\$ 1,180,005
Charges for services	28,685	-
Special assessments	3,165	-
Rents and royalties	801,121	-
Interest	347,314	148,122
Miscellaneous	209,271	4,511
Total revenues	<u>10,726,066</u>	<u>1,332,638</u>
Expenditures:		
Current:		
Economic environment	10,807,617	2,196,780
Capital outlay	264,735	23,900
Debt service:		
Interest charges	767,193	-
Total Expenditures	<u>11,839,545</u>	<u>2,220,680</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,113,479)</u>	<u>(888,042)</u>
Other Financing Sources (Uses):		
Issuance of Debt	15,564,000	-
Transfers in	14,663,648	2,101,222
Transfers out	(14,830,345)	(1,649,263)
Total Other Financing Sources (Uses)	<u>15,397,303</u>	<u>451,959</u>
Net changes in fund balances	14,283,824	(436,083)
Fund balances (deficit) - beginning	<u>787,537</u>	<u>6,887,619</u>
Fund balances (deficit) - ending	<u><u>\$ 15,071,361</u></u>	<u><u>\$ 6,451,536</u></u>

CITY OF WEST PALM BEACH, FLORIDA

CITY CENTER CRA FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -

BUDGET AND ACTUAL - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED September 30, 2010

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 9,484,418	\$ 9,301,007	\$ 9,336,510	\$ 35,503
Charges for services	-	-	28,685	28,685
Special assessments	5,884	5,884	3,165	(2,719)
Rents and royalties	1,002,141	792,481	801,121	8,640
Interest	150,000	150,000	347,314	197,314
Miscellaneous	213,053	5,993,583	209,271	(5,784,312)
Total Revenues	10,855,496	16,242,955	10,726,066	(5,516,889)
Expenditures:				
Current:				
Economic environment	16,005,179	14,617,698	10,807,617	3,810,081
Capital outlay	2,280,024	8,420,005	264,735	8,155,270
Interest charges	-	-	767,193	(767,193)
Total Expenditures	18,285,203	23,037,703	11,839,545	11,198,158
Excess (deficiency) of revenues over expenditures	(7,429,707)	(6,794,748)	(1,113,479)	5,681,269
Other financing sources (uses):				
Issuance of Debt	-	15,564,000	15,564,000	-
Transfers in	16,411,196	14,647,396	14,663,648	16,252
Transfers out	(11,201,598)	(25,919,900)	(26,051,857)	(131,957)
Total other financing sources (uses)	5,209,598	4,291,496	4,175,791	(115,705)
Net changes in fund balances	\$ (2,220,109)	\$ (2,503,252)	\$ 3,062,312	\$ 5,565,564

**Reconciliation of Budgetary Other Financing Sources (Uses)
to GAAP Basis Other Financing Sources (Uses):**

Other financing sources (uses) reported on this statement	\$ 4,175,791
Transfers out reclassified to reduce advances from other funds	11,221,512
Other financing sources (uses) GAAP basis	\$ 15,397,303

The accompanying notes are an integral part of the financial statements.

CITY OF WEST PALM BEACH, FLORIDA

NORTHWOOD/PLEASANT CITY CRA FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -

BUDGET AND ACTUAL - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED September 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 1,127,100	\$ 1,150,915	\$ 1,180,005	\$ 29,090
Interest	110,000	110,000	148,122	38,122
Miscellaneous	-	-	4,511	4,511
Total revenues	<u>1,237,100</u>	<u>1,260,915</u>	<u>1,332,638</u>	<u>71,723</u>
Expenditures:				
Current:				
Economic environment	2,715,421	2,715,421	2,196,780	518,641
Capital outlay	<u>239,330</u>	<u>260,240</u>	<u>23,900</u>	<u>236,340</u>
Total expenditures	<u>2,954,751</u>	<u>2,975,661</u>	<u>2,220,680</u>	<u>754,981</u>
Excess (deficiency) of revenues over expenditures	<u>(1,717,651)</u>	<u>(1,714,746)</u>	<u>(888,042)</u>	<u>826,704</u>
Other financing sources (uses):				
Transfers in	2,304,118	2,101,222	2,101,222	-
Transfers out	<u>(1,649,263)</u>	<u>(1,649,263)</u>	<u>(1,649,263)</u>	<u>-</u>
Total other financing sources (uses)	<u>654,855</u>	<u>451,959</u>	<u>451,959</u>	<u>-</u>
Net changes in fund balances	<u><u>\$(1,062,796)</u></u>	<u><u>\$(1,262,787)</u></u>	<u><u>\$(436,083)</u></u>	<u><u>\$ 826,704</u></u>



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Capital Project Funds

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
CAPITAL PROJECT FUNDS
BALANCE SHEET
SEPTEMBER 30, 2010**

	Community Development Acquisition Fund	CRA D & D Acquisition Fund	CRA City Center Fund	NPCCRA Series 2005A Construction Fund
ASSETS:				
Cash and cash equivalents	\$ -	\$ 176,954	\$ 800,828	\$ 6,783
Investments	-	-	-	4,685,487
Receivables (net):				
Accounts	-	-	-	-
Interest	-	506	2,291	-
Due from other governments	-	-	-	-
Total assets	\$ -	\$ 177,460	\$ 803,119	\$ 4,692,270
LIABILITIES AND FUND BALANCES:				
Vouchers payable and accrued liabilities	\$ -	\$ -	\$ 38,143	\$ 217,672
Due to other funds	-	-	-	-
Total liabilities	-	-	38,143	217,672
Fund balances:				
Reserved for:				
Encumbrances	-	-	-	827,109
Unreserved reported in:				
Capital projects funds	-	177,460	764,976	3,647,489
Total fund balances	-	177,460	764,976	4,474,598
Total liabilities and fund balances	\$ -	\$ 177,460	\$ 803,119	\$ 4,692,270

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
CAPITAL PROJECT FUNDS
BALANCE SHEET
SEPTEMBER 30, 2010**

	<u>NPCCRA Series 2005B Construction Fund</u>	<u>CCCRA Series 2006A Construction Fund</u>	<u>CCCRA Series 2006B Construction Fund</u>
ASSETS:			
Cash and cash equivalents	\$ 4,157	\$ 3,435,366	\$ 403,322
Investments	720,734	-	-
Receivables (net):			
Accounts	-	-	-
Interest	27	9,773	1,161
Due from other governments	-	-	-
 Total assets	 <u>\$ 724,918</u>	 <u>\$ 3,445,139</u>	 <u>\$ 404,483</u>
 LIABILITIES AND FUND BALANCES:			
 Vouchers payable and accrued liabilities	 \$ -	 \$ 503,849	 \$ 33,196
Due to other funds	-	-	-
 Total liabilities	 <u>-</u>	 <u>503,849</u>	 <u>33,196</u>
 Fund balances:			
Reserved for:			
Encumbrances	18,257	195,961	-
Unreserved reported in:			
Capital projects funds	706,661	2,745,329	371,287
 Total fund balances	 <u>724,918</u>	 <u>2,941,290</u>	 <u>371,287</u>
 Total liabilities and fund balances	 <u>\$ 724,918</u>	 <u>\$ 3,445,139</u>	 <u>\$ 404,483</u>

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES-
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	Community Redevelopmen t Acquisition Fund	CRA D & D Acquisition Fund	CRA City Center Fund	NPCCRA Series 2005A Construction Fund
Revenues:				
Interest	227	3,667	16,339	(539)
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	227	3,667	16,339	(539)
Expenditures:				
Capital outlay	<u>-</u>	<u>-</u>	<u>200,916</u>	<u>1,230,737</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>200,916</u>	<u>1,230,737</u>
Excess (deficiency) of revenues over (under) expenditures	<u>227</u>	<u>3,667</u>	<u>(184,577)</u>	<u>(1,231,276)</u>
Other financing sources (uses):				
Transfers out	<u>(16,252)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(16,252)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(16,252)	3,667	(184,577)	(1,231,276)
Fund balances (deficits) - beginning	<u>16,025</u>	<u>173,793</u>	<u>949,553</u>	<u>5,705,874</u>
Fund balances (deficits) - ending	<u>\$ -</u>	<u>\$ 177,460</u>	<u>\$ 764,976</u>	<u>\$ 4,474,598</u>

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES-
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	NPCCRA Series 2005B Construction Fund	CCCRA Series 2006A Construction Fund	CCCRA Series 2006B Construction Fund
Revenues:			
Interest	\$ 404	\$ 281,397	\$ 6,285
Miscellaneous	10,500	120,086	351
Total revenues	<u>10,904</u>	<u>401,483</u>	<u>6,636</u>
Capital outlay	<u>107,967</u>	<u>7,100,954</u>	<u>379,600</u>
Total expenditures	<u>107,967</u>	<u>7,100,954</u>	<u>379,600</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(97,063)</u>	<u>(6,699,471)</u>	<u>(372,964)</u>
Other financing sources (uses):			
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(97,063)	(6,699,471)	(372,964)
Fund balances (deficits) - beginning	<u>821,981</u>	<u>9,640,761</u>	<u>744,251</u>
Fund balances (deficits) - ending	<u><u>\$ 724,918</u></u>	<u><u>\$ 2,941,290</u></u>	<u><u>\$ 371,287</u></u>

CITY OF WEST PALM BEACH, FLORIDA

CRA D&D ACQUISITION FUND

COMMUNITY REDEVELOPMENT AGENCY

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 3,667	\$ 3,667
Total revenues	<u>-</u>	<u>-</u>	<u>3,667</u>	<u>3,667</u>
Expenditures:				
Capital outlay	89,900	89,900	-	89,900
Total expenditures	<u>89,900</u>	<u>89,900</u>	<u>-</u>	<u>89,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(89,900)</u>	<u>(89,900)</u>	<u>3,667</u>	<u>93,567</u>
Net change in fund balances	<u>\$ (89,900)</u>	<u>\$ (89,900)</u>	<u>\$ 3,667</u>	<u>\$ 93,567</u>
Fund balances - beginning			<u>173,793</u>	
Fund balances - ending			<u>\$ 177,460</u>	

CITY OF WEST PALM BEACH, FLORIDA

CRA CITY CENTER CONSTRUCTION FUND

COMMUNITY REDEVELOPMENT AGENCY

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -

BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 16,339	\$ 16,339
Total revenues	<u>-</u>	<u>-</u>	<u>16,339</u>	<u>16,339</u>
Expenditures:				
Current:				
Capital outlay	<u>889,480</u>	<u>889,480</u>	<u>200,916</u>	<u>688,564</u>
Total expenditures	<u>889,480</u>	<u>889,480</u>	<u>200,916</u>	<u>688,564</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(889,480)</u>	<u>(889,480)</u>	<u>(184,577)</u>	<u>704,903</u>
Net change in fund balances	<u><u>\$ (889,480)</u></u>	<u><u>\$ (889,480)</u></u>	<u><u>\$ (184,577)</u></u>	<u><u>\$ 704,903</u></u>
Fund balances - beginning			<u>949,553</u>	
Fund balances - ending			<u><u>\$ 764,976</u></u>	

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT AGENCY

NPCCRA SERIES 2005A CONSTRUCTION FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ (539)	\$ (539)
Total revenues	-	-	(539)	(539)
Expenditures:				
Current:				
Economic environment	1,331,478	1,331,478	255,457	1,076,021
Capital outlay	3,774,407	3,774,407	975,280	2,799,127
Total expenditures	5,105,885	5,105,885	1,230,737	3,875,148
Excess (deficiency) of revenues over (under) expenditures	(5,105,885)	(5,105,885)	(1,231,276)	3,874,609
Net change in fund balances	\$ (5,105,885)	\$ (5,105,885)	\$ (1,231,276)	\$ 3,874,609
Fund balances - beginning			5,705,874	
Fund balances - ending			\$ 4,474,598	

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT AGENCY

NPCCRA SERIES 2005B CONSTRUCTION FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 404	\$ 404
Miscellaneous	-	-	10,500	10,500
Total revenues	-	-	10,904	10,904
Expenditures:				
Current:				
Capital outlay	437,118	821,979	107,967	714,012
Debt Service:				
Total expenditures	437,118	821,979	107,967	714,012
Excess (deficiency) of revenues over (under) expenditures	(437,118)	(821,979)	(97,063)	724,916
Net change in fund balances	\$ (437,118)	\$ (821,979)	\$ (97,063)	\$ 724,916
Fund balances - beginning			821,981	
Fund balances - ending			\$ 724,918	

CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
CCCRA SERIES 2006A CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - BUDGETARY BASIS
For The Fiscal Year Ended September 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 281,397	\$ 281,397
Miscellaneous	-	-	120,086	120,086
Total revenues	<u>-</u>	<u>-</u>	<u>401,483</u>	<u>401,483</u>
Expenditures:				
Current:				
Economic environment	4,861	4,861	-	4,861
Capital outlay	<u>7,927,774</u>	<u>7,927,774</u>	<u>7,100,954</u>	<u>826,820</u>
Total expenditures	<u>7,932,635</u>	<u>7,932,635</u>	<u>7,100,954</u>	<u>831,681</u>
Excess (deficiency) of revenues over expenditures	<u>(7,932,635)</u>	<u>(7,932,635)</u>	<u>(6,699,471)</u>	<u>1,233,164</u>
Net changes in fund balances	<u>(7,932,635)</u>	<u>(7,932,635)</u>	(6,699,471)	<u>1,233,164</u>
Fund balances (deficit) - beginning			<u>9,640,761</u>	
Fund balances (deficit) - ending			<u>\$ 2,941,290</u>	

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT FUND

CCCRA SERIES 2006B CONSTRUCTION FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 6,285	\$ 6,285
Miscellaneous	-	-	351	351
Total revenues	<u>-</u>	<u>-</u>	<u>6,636</u>	<u>6,636</u>
Expenditures:				
Current:				
Capital outlay	<u>682,782</u>	<u>682,782</u>	<u>379,600</u>	<u>303,182</u>
Total expenditures	<u>682,782</u>	<u>682,782</u>	<u>379,600</u>	<u>303,182</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(682,782)</u>	<u>(682,782)</u>	<u>(372,964)</u>	<u>309,818</u>
Net change in fund balances	<u>\$ (682,782)</u>	<u>\$ (682,782)</u>	<u>\$ (372,964)</u>	<u>\$ 309,818</u>
Fund balances - beginning			<u>744,251</u>	
Fund balances - ending			<u>\$ 371,287</u>	



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Debt Service Funds

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
DEBT SERVICE FUNDS
BALANCE SHEET
SEPTEMBER 30, 2010**

	NPCCRA Debt Service Reserve Fund	NCCRA Subordinate Debt Service Fund	CCCRA Series 2006A Debt Service Fund
ASSETS:			
Cash and cash equivalents	\$ 1,697,414	\$ 23,719	\$ 57,163
Receivables (net):			
Interest	4,824	68	4,215
Total assets	\$ 1,702,238	\$ 23,787	\$ 61,378
 Fund balances:			
Unreserved reported in:			
Debt service funds	1,702,238	23,787	61,378
Total fund balances	1,702,238	23,787	61,378
 Total liabilities and fund balances	\$ 1,702,238	\$ 23,787	\$ 61,378

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
DEBT SERVICE FUNDS
BALANCE SHEET
SEPTEMBER 30, 2010**

	CCCRA Series 2006A Debt Service Fund	CCCRA Series 2006B Debt Service Fund	CCCRA Series 2010 A & B Debt Service Fund
ASSETS:			
Cash and cash equivalents	\$ 57,163	\$ 12,737	\$ 3,371
Receivables (net):			
Interest	4,215	36	5
Total assets	\$ 61,378	\$ 12,773	\$ 3,376
 Fund balances:			
Unreserved reported in:			
Debt service funds	61,378	12,773	3,376
Total fund balances	61,378	12,773	3,376
 Total liabilities and fund balances	\$ 61,378	\$ 12,773	\$ 3,376

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
DEBT SERVICE FUNDS**

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES-
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	<u>NPCCRA Senior Debt Service Fund</u>	<u>NPCCRA Debt Service Reserve Fund</u>	<u>NPCCRA Subordinate Debt Service Fund</u>
Revenues:			
Interest income	\$ 3,264	\$ 65,854	\$ 1,752
Total revenues	<u>3,264</u>	<u>65,854</u>	<u>1,752</u>
Expenditures:			
Current:			
Debt service:			
Principal retirement	-	-	445,000
Interest charges	876,500	-	400,762
Issuance cost and other	539	-	-
Total expenditures	<u>877,039</u>	<u>-</u>	<u>845,762</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(873,775)</u>	<u>65,854</u>	<u>(844,010)</u>
Other financing sources (uses):			
Transfers in	945,868	-	845,763
Transfers out	-	(142,368)	-
Total other financing sources (uses)	<u>945,868</u>	<u>(142,368)</u>	<u>845,763</u>
Net change in fund balances	72,093	(76,514)	1,753
Fund balances (deficits) - beginning	<u>(49,763)</u>	<u>1,778,752</u>	<u>22,034</u>
Fund balances (deficits) - ending	<u><u>\$ 22,330</u></u>	<u><u>\$ 1,702,238</u></u>	<u><u>\$ 23,787</u></u>

**CITY OF WEST PALM BEACH, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
DEBT SERVICE FUNDS
BALANCES-**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	CCCRA Series 2006A Debt Series Fund	CCCRA Series 2006B Debt Series Fund	CCCRA Series 2010 A & B Debt Service Fund
Revenues:			
Interest income	\$ 28,943	\$ 964	\$ (772)
Total revenues	<u>28,943</u>	<u>964</u>	<u>(772)</u>
Expenditures:			
Current:			
Debt service:			
Principal retirement	-	1,455,000	615,417
Interest charges	3,566,450	300,892	109,226
Issuance cost and other	500	-	77,852
Total expenditures	<u>3,566,950</u>	<u>1,755,892</u>	<u>802,495</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,538,007)</u>	<u>(1,754,928)</u>	<u>(803,267)</u>
Other financing sources (uses):			
Transfers in	3,533,950	1,755,893	806,643
Transfers out	-	-	-
Total other financing sources (uses)	<u>3,533,950</u>	<u>1,755,893</u>	<u>806,643</u>
Net change in fund balances	(4,057)	965	3,376
Fund balances (deficits) - beginning	<u>65,435</u>	<u>11,808</u>	<u>-</u>
Fund balances (deficits) - ending	<u>\$ 61,378</u>	<u>\$ 12,773</u>	<u>\$ 3,376</u>

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT AGENCY

NPCCRA SENIOR DEBT SERVICE FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -

BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ 5,000	\$ 5,000	\$ 3,264	\$ (1,736)
Total revenues	5,000	5,000	3,264	(1,736)
Expenditures:				
Debt Service:				
Interest charges	876,000	876,000	876,500	(500)
Issuance costs and other	2,500	2,500	539	1,961
Total expenditures	878,500	878,500	877,039	1,461
Excess (deficiency) of revenues over (under) expenditures	(873,500)	(873,500)	(873,775)	(275)
Other financing sources (uses):				
Transfers in	873,500	873,500	945,868	72,368
Total other financing sources (uses)	873,500	873,500	945,868	72,368
Net change in fund balances	\$ -	\$ -	\$ 72,093	\$ 72,093
Fund balances - beginning			(49,763)	
Fund balances - ending			\$ 22,330	

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT AGENCY

NPCCRA DEBT SERVICE RESERVE FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 65,854	\$ 65,854
Total revenues	<u>-</u>	<u>-</u>	<u>65,854</u>	<u>65,854</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>65,854</u>	<u>65,854</u>
Other financing sources (uses):				
Transfer out	<u>(70,000)</u>	<u>(70,000)</u>	<u>(142,368)</u>	<u>(72,368)</u>
Total other financing sources (uses)	<u>(70,000)</u>	<u>(70,000)</u>	<u>(142,368)</u>	<u>(72,368)</u>
Net change in fund balances	<u>\$ (70,000)</u>	<u>\$ (70,000)</u>	\$ (76,514)	<u>\$ (6,515)</u>
Fund balances - beginning			<u>1,778,752</u>	
Fund balances - ending			<u>\$ 1,702,238</u>	

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT AGENCY

NPCCRA SUBORDINATE DEBT SERVICE FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -

BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ 2,500	\$ 2,500	\$ 1,752	\$ (748)
Total revenues	2,500	2,500	1,752	(748)
Expenditures:				
Current:				
Debt Service:				
Principal retirement	445,000	445,000	445,000	-
Interest charges	400,763	400,763	400,762	1
Issuance costs and other	2,500	2,500	-	2,500
Total expenditures	848,263	848,263	845,762	2,501
Excess (deficiency) of revenues over (under) expenditures	(845,763)	(845,763)	(844,010)	1,753
Other financing sources (uses):				
Transfers in	845,763	845,763	845,763	-
Total other financing sources (uses)	845,763	845,763	845,763	-
Net change in fund balances	\$ -	\$ -	\$ 1,753	\$ 1,753
Fund balances - beginning			22,034	
Fund balances - ending			\$ 23,787	

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT AGENCY

CCCRA SERIES 2006A DEBT SERVICE FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ 10,000	\$ 10,000	\$ 28,943	\$ 18,943
Total revenues	10,000	10,000	28,943	18,943
Expenditures:				
Debt Service:				
Interest charges	3,566,450	3,566,450	3,566,450	-
Issuance costs and other	2,500	2,500	500	2,000
Total expenditures	3,568,950	3,568,950	3,566,950	2,000
Excess (deficiency) of revenues over (under) expenditures	(3,558,950)	(3,558,950)	(3,538,007)	20,943
Other financing sources (uses):				
Transfers in	3,558,950	3,558,950	3,533,950	(25,000)
Total other financing sources (uses)	3,558,950	3,558,950	3,533,950	(25,000)
Net change in fund balances	\$ -	\$ -	\$ (4,057)	\$ (4,057)
Fund balances - beginning			65,435	
Fund balances - ending			\$ 61,378	

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT AGENCY

CCCRA SERIES 2006B DEBT SERVICE FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ 2,500	\$ 2,500	\$ 964	\$ (1,536)
Total revenues	2,500	2,500	964	(1,536)
Expenditures:				
Debt Service:				
Principal retirement	1,455,000	1,455,000	1,455,000	-
Interest charges	300,893	300,893	300,892	1
Issuance costs and other	2,500	2,500	-	2,500
Total expenditures	1,758,393	1,758,393	1,755,892	2,501
Excess (deficiency) of revenues over (under) expenditures	(1,755,893)	(1,755,893)	(1,754,928)	965
Other financing sources (uses):				
Transfers in	1,755,893	1,755,893	1,755,893	-
Total other financing sources (uses)	1,755,893	1,755,893	1,755,893	-
Net change in fund balances	\$ -	\$ -	\$ 965	\$ 965
Fund balances - beginning			11,808	
Fund balances - ending			\$ 12,773	

CITY OF WEST PALM BEACH, FLORIDA

COMMUNITY REDEVELOPMENT AGENCY

CCRA 2010 A&B SERIES DEBT SERVICE FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ (772)	\$ (772)
Total revenues	-	-	(772)	(772)
Expenditures:				
Debt Service:				
Principal retirement	-	615,417	615,417	-
Interest charges	-	160,570	109,226	51,344
Issuance costs and other	-	82,000	77,852	4,148
Total expenditures	-	857,987	802,495	55,492
Excess (deficiency) of revenues over (under) expenditures	-	(857,987)	(803,267)	54,720
Other financing sources (uses):				
Transfers in	-	857,987	806,643	(51,344)
Total other financing sources (uses)	-	857,987	806,643	(51,344)
Net change in fund balances	\$ -	\$ -	\$ 3,376	\$ 3,376
Fund balances - beginning			-	
Fund balances - ending			\$ 3,376	



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