

**The Economic & Fiscal Impacts
of Brown & Brown Insurance
Relocation and Operation
in Daytona Beach
Volusia County, Florida**

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Prepared by

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Executive Summary

Fishkind & Associates, Inc. (“Fishkind”) has contracted with Brown & Brown Insurance (“Brown & Brown”) to conduct an economic and fiscal impact analysis of its proposed relocation of business operations from the northeast United States to a new 10-story office operation (“Project”) on Beach Street in Daytona Beach, Florida. The office would have an estimated 625 new employees as well as include the existing Brown & Brown workforce in the County, for a total of an estimated 900 employees. Completion and occupancy of the proposed \$30 million facility is projected for the first quarter of 2020.

- The Project will generate significant economic impact for the community during the construction phase generating 225 jobs annually during the construction period with annual earnings of \$8.7 million (Table E1).

Table E1. Summary of Construction Impacts (Annual) to Volusia County

Construction Impact Summary (Annual)					
Impact Type	Employment	Labor Income	Total Value Added	Output	Avg. Wage
Direct Effect	161	\$6,176,089	\$9,228,301	\$19,500,001	\$38,361
Indirect Effect	22	\$1,005,421	\$1,712,473	\$3,414,411	\$45,701
Induced Effect	41	\$1,522,013	\$2,804,774	\$4,934,169	\$37,122
Total Effect	225	\$8,703,523	\$13,745,547	\$27,848,581	\$38,682

Source: IMPLAN and Fishkind and Associates, Inc.

- The permanent on-going impacts associated with the direct operation of the Project are estimated to result in 753 jobs annually with annual earnings of \$33.1 million, which is an average per capita wage of \$43,962, which is nearly 100% higher than the Daytona Beach per capita average wage of \$22,794 and nearly 100% higher than the Volusia County per capita average of \$27,134. The total economic impact of the project is estimated at 1,683 jobs and annual earnings of \$71.5 million. Table E2 summarizes the on-going impacts.

Table E2. Summary of On-Going Brown & Brown Operation Impacts to Volusia County

Operations Impact Summary					
Impact Type	Employment	Labor Income	Total Value Added	Output	Avg Wage
Direct Effect	753	\$33,103,364	\$46,861,567	\$107,454,235	\$43,962
Indirect Effect	590	\$25,927,584	\$39,378,529	\$88,845,629	\$43,945
Induced Effect	340	\$12,505,952	\$23,044,125	\$40,541,232	\$36,782
Total Effect	1,683	\$71,536,899	\$109,284,220	\$236,841,095	\$42,506

Source: IMPLAN and Fishkind and Associates, Inc.

The fiscal impact analysis estimated the impacts of the project to the City of Daytona Beach's budget as well as impacts to the Community Redevelopment Area (CRA). The Brown & Brown Insurance building is projected to have a taxable value of \$37.2 million and generate \$245,000 in operating ad valorem revenue each year for the City of Daytona Beach by 2021. The net fiscal impact is projected to be very positive at \$188,000 per year. Table E3 summarizes the results.

Table E3. Summary of Fiscal Impacts (2021)

Year	Taxable Value	City Ad Valorem	Total Operating Revenue	Total Operating Expenditure	Net Fiscal Impact
2021	\$37,200,000	\$245,520	\$363,370	\$175,264	\$188,106

- The 20-year/10% NPV of the net fiscal impact exceeds \$1.46 million
- The property base value is \$1,943,821. The ad valorem revenue generated by the taxable value above this amount, \$35.2 million, is attributable to the TIF for possible infrastructure development and financing/revenue sharing activity. The initial year after build-out, the TIF revenue is projected to reach \$592,000. Table E4 summarizes the results.

Table E4. Summary of Fiscal Impacts (2021)

Year	City of Daytona Beach	Volusia County General Fund	Other Taxing Authorities	Total CRA TIF Revenue
2021	\$232,691	\$215,063	144,568	\$592,321

1.0 Introduction

Fishkind has contracted with Brown & Brown to conduct an economic and fiscal impact analysis of its proposed relocation of business operations from the northeast United States to a new 10-story office operation on Beach Street in Daytona Beach, Florida. The office would have an estimated 625 new employees and support an existing base of employment currently within Volusia County.

Completion and occupancy of the proposed \$30 million facility is projected for the first quarter of 2020. The facility will be located on Beach Street within the Downtown Community Redevelopment Area (CRA). Map 1 shows the project location.

Map 1. Brown & Brown Insurance Office - Proposed Location



The following report provides a detailed analysis complete with appendix tables for tax revenues, sales taxes, expenditures, jobs, economic output, and other fiscal and economic impact information for the project.

2.0 Defining an Economic Impact and a Fiscal Impact

An economic impact analysis addresses the impacts of a proposed development on jobs, economic output, and wages. These impacts can be both directly and indirectly generated by a development. A direct economic impact is generated as a result of workers directly employed by the development, wages earned by those workers, and money spent in the community by those workers. In addition, the money spent in the community by the residents also creates an economic impact.

Indirect and induced impacts refer to the downstream effect of the direct impacts that create additional economic benefits for the community because of the direct employment, wages, and spending creating further economic opportunities as dollars are spent in the economy. The City and County do not directly receive economic impacts into their budget. These economic impacts create sales and jobs within the City and County.

The Consultant conducted an economic impact analysis of the development of the project in its entirety. This study includes the economic impacts of the short-term construction activity associated with construction of the Project and the long-term insurance operation. The Consultant used IMPLAN (IMpact Analysis for PLANning) modeling system to estimate the economic impacts of the project in Volusia County. A summary of IMPLAN is provided herein:

IMPLAN's Social Accounting Matrices (SAMs) capture the actual dollar amounts of all business transactions taking place in a regional economy as reported each year by businesses and governmental agencies. SAM accounts are a better measure of economic flow than traditional input-output accounts because they include "non-market" transactions. Examples of these transactions would be taxes and unemployment benefits.

Multipliers

Social Accounting Matrices can be constructed to show the effects of a given change on the economy of interest. These are called Multiplier Models. Multiplier Models study the impacts of a user-specified change in the chosen economy for 440 different industries. Because the Multiplier Models are built directly from the region specific Social Accounting Matrices, they will reflect the region's unique structure and trade situation.

Multiplier Models are the framework for building impact analysis questions. Derived mathematically, these models estimate the magnitude and distribution of economic impacts, and measure three types of effects which are displayed in the final report. These are the direct, indirect, and induced changes within the economy. Direct effects are determined by the Event as defined by the user (i.e. a \$10 million dollar order is a \$10 million dollar direct effect). The indirect effects are determined by the amount of the direct effect spent within the study region on supplies, services, labor and taxes. Finally the induced effect measures the money that is re-spent in the study area as a result of spending from the indirect effect. Each of these steps recognizes an important leakage from the economic study region spent on purchases outside of the defined area. Eventually these leakages will stop the cycle.

A fiscal impact pertains to those revenues and expenditures directly received by the local government because of the Project's operations and construction activity. Fiscal impact revenues include ad valorem taxes, gas taxes, sales taxes, charges for service, and other revenues received. Fiscal impact expenditures include items such as general government expenses, law enforcement, roads, fire department, and others. Therefore, fiscal impacts directly impact the budget revenues and expenditures.

3.0 Economic Impacts

3.1 Economic Impact of the Brown & Brown Project

The proposed 10-story office building Project will cost an estimated \$30 million to construct. The Consultant estimated the economic impacts associated with development of the entire \$30 million facility. Based on information from Brown & Brown and Fishkind's assumptions regarding the leakage of construction funds beyond Volusia County, Fishkind estimated the annual economic impacts over the construction period. Table 1 summarizes the construction impacts of the project in Volusia County.

Table 1. Summary of Construction Impacts (Annual) to Volusia County

Construction Impact Summary (Annual)					
Impact Type	Employment	Labor Income	Total Value Added	Output	Avg. Wage
Direct Effect	161	\$6,176,089	\$9,228,301	\$19,500,001	\$38,361
Indirect Effect	22	\$1,005,421	\$1,712,473	\$3,414,411	\$45,701
Induced Effect	41	\$1,522,013	\$2,804,774	\$4,934,169	\$37,122
Total Effect	225	\$8,703,523	\$13,745,547	\$27,848,581	\$38,682

Source: IMPLAN and Fishkind and Associates, Inc.

The analysis indicates that the construction of the project will directly generate 161 full-time jobs in Volusia County. In addition, the construction impacts will generate an additional 63 full-time jobs within Volusia County. The average wage of employment associated with the 225-annual direct and indirect jobs is just less than \$39,000.

Once complete, the \$30 million, ten-story 180,000 to 200,000 square foot building will be an insurance operation of 625 new full-time employees to Volusia County. In addition to the 625 new full-time insurance employees, the project will result in an estimated net increase of 300 new households within the Daytona Beach / Volusia County market as a result of the relocation and transfer of existing employees from other Brown & Brown operations. The estimated economic impacts of the insurance operation and net new household spending are summarized in Table 2 and Table 3.

Table 2. Summary of On-Going Brown & Brown Operation Impacts to Volusia County

Operations Impact Summary					
Impact Type	Employment	Labor Income	Total Value Added	Output	Avg Wage
Direct Effect	753	\$33,103,364	\$46,861,567	\$107,454,235	\$43,962
Indirect Effect	590	\$25,927,584	\$39,378,529	\$88,845,629	\$43,945
Induced Effect	340	\$12,505,952	\$23,044,125	\$40,541,232	\$36,782
Total Effect	1,683	\$71,536,899	\$109,284,220	\$236,841,095	\$42,506

Source: IMPLAN and Fishkind and Associates, Inc.

Table 3. Top Ten Industries Impacted Brown & Brown Operation to Volusia County

Top Ten for Employment						
Sector	Description	Employment	Labor Income	Total Value Added	Output	Avg Wage
438	Insurance agencies, brokerages, and related activities	1,027	\$49,613,659	\$71,518,723	\$169,963,586	\$48,309
517	Private households	102	\$1,604,725	\$1,604,725	\$1,605,592	\$15,733
440	Real estate	42	\$597,538	\$4,264,599	\$6,474,596	\$14,227
501	Full-service restaurants	37	\$821,004	\$922,274	\$1,755,873	\$22,189
482	Hospitals	20	\$1,559,557	\$1,779,330	\$3,107,355	\$77,978
502	Limited-service restaurants	20	\$361,190	\$926,958	\$1,623,867	\$18,060
464	Employment services	18	\$562,020	\$819,768	\$1,099,417	\$31,223
454	Management consulting services	17	\$462,808	\$775,042	\$1,208,101	\$27,224
448	Accounting, tax preparation, bookkeeping, and payroll	17	\$711,773	\$718,216	\$1,541,748	\$41,869
405	Retail - General merchandise stores	17	\$474,780	\$830,948	\$1,314,960	\$27,928

Source: IMPLAN and Fishkind and Associates, Inc.

The analysis indicates that the insurance operation will directly generate 625 new jobs. In addition, the insurance operation and net new household spending will generate an additional 1,058 jobs within Volusia County. The average wage of employment directly associated with the insurance operations and net new household activities is just more than \$43,000. Both the construction phase and the on-going insurance operations will provide a significant economic stimulus for the local economy.

4.0 Fiscal Impact of the Brown & Brown Insurance Operation Building

4.1 Introduction

Fishkind & Associates, Inc. has been contracted to conduct a fiscal impact analysis of the Brown & Brown Insurance building to be located in the City of Daytona Beach within the Downtown Community Redevelopment Area (CRA). The proposed project consists of a 180,000 to 200,000 square foot corporate headquarters office building. Occupancy is currently slated for early 2020. The following provides a detailed analysis complete with appendix tables for ad valorem tax and other City operating revenues, City operating expenditures, projected CRA TIF revenues, and other fiscal impact information for the project.

4.2 Taxable Property Values

Table 4 provides the projected total taxable value at years 5-year intervals. These taxable values include both the City’s portion and the tax increment financing (TIF) portion. These values are also provided in detail in Appendix Table 2. The taxable values are offset by one year for the timing of their appearance on the tax roll. By 2024, the Brown & Brown Insurance building will have a taxable value approaching \$30.9 million.

In 1982, the subject parcels were included in an area designated for the Daytona Beach Downtown CRA with TIF revenue sharing designed to promote economic development. The base value of the subject property is assumed to be \$1,943,821, based upon Property Appraiser data for 1983. Property taxes on the base value stay with the City’s General Fund. Taxes on the increase in value can be used by the CRA to provide infrastructure and help finance development. The CRA is scheduled to sunset in 2036, after which all ad valorem revenues will return to the taxing authorities.

Table 4. Taxable Value

Year	Total Taxable Value	CRA TIF Taxable Value
2024	\$38,327,197	\$36,383,376
2029	\$40,282,269	\$38,338,448
2034	\$42,337,070	\$40,393,249
2036	\$43,188,045	\$41,244,224

Source: Fishkind and Associates, Inc.

4.3 Fiscal Impacts – City of Daytona Beach

The fiscal impacts, as presented in this study, have been calculated using the overall table values and provide fiscal information as though the CRA was not in place. This allows reviewers to see the actual beneficial impact of the development before ad valorem revenues are allocated for other purposes. Table 5 provides a summary of the overall fiscal impacts of the development on the City of Daytona Beach. Additional details are provided Appendix Table 2. This table shows that the ad valorem taxes generated by the Brown & Brown Insurance building for the City’s General Fund will reach \$252,960 by 2024.

The City will also receive other revenues generated by the development’s employees and business expenditures such as sales tax, gas taxes, franchise fees, excise tax and permit fees. Total annual revenues flowing from the project to the City are projected at \$374,451 by 2024 (based upon the FY 2017 Budget).

Table 5. Fiscal Impacts Summary – City of Daytona Beach

Year	Ad Valorem	Total Operating Revenue	Total Operating Expenditure	Net Fiscal Impact
2024	\$252,960	\$374,451	\$183,270	\$191,181
2029	\$265,863	\$393,798	\$197,434	\$196,364
2034	\$279,425	\$414,301	\$212,692	\$201,608
2036	\$285,041	\$422,841	\$219,121	\$203,720

Source: Fishkind and Associates, Inc.

Expenditures will be made by the City on behalf of the business and employees associated with the development. These expenditures include general government services, police, fire, transportation, business development, etc. and are projected to be \$183,270 in 2024.

Revenues generated by the Project for the City are projected to exceed the expenditures made on behalf of its' employees. The annual net fiscal benefit for City of Daytona Beach from the development will be \$191,181 in 2024. The present value of this operating income stream for the City is over \$1.46 million (20 years at 10%, Appendix Table 1).

4.4 City of Daytona Beach - Capital Facility Impacts

The City of Daytona Beach charges impact fees for roads, police, fire protection and general government. The Project is projected to pay approximately \$72,010 in road impact fees, \$82,080 in police impact fees, \$48,260 in fire impact fees and \$150,290 in general government impact fees (Table 6). Impact fees for possible accessory development, such as a parking garage, etc. and potential impact fee credits for existing structures have not been included in this calculation.

Table 6. Mobility and Impact Fee Revenues*

Impact Fees	
Roads	\$72,010
Law Enforcement	\$82,080
Fire	\$48,260
Public Buildings	\$150,290
Total Capital Revenue	\$352,640

Source: Fishkind and Associates, Inc.

*Based on a 190,000 sq.ft. building

4.5 Downtown CRA Revenues

As discussed above, the tax revenue generated by the property's taxable value in excess of its base value is redirected to the CRA to provide infrastructure, capital improvements and financing of new projects. Table 7 provides the projected TIF revenue for the CRA. Details, including each of the taxing authorities, are provided in Appendix Table 1. After the initial year on the tax roll, the Brown & Brown Insurance building is projected to generate approximately \$592,000+ for the CRA each year through 2036.

Table 7. Downtown CRA Projected TIF Revenues

Year	City of Daytona Beach	Volusia County General Fund	Other Taxing Authorities	Total CRA TIF Revenue
2020	\$11,723	\$10,835	\$7,283	\$29,841
2021	\$232,691	\$215,063	\$144,568	\$592,321
2022	\$235,146	\$217,332	\$135,743	\$588,221
2023	\$237,626	\$219,624	\$137,175	\$594,424
2024	\$240,130	\$221,939	\$138,621	\$600,690
2025	\$242,660	\$224,277	\$140,081	\$607,017
2026	\$245,215	\$226,638	\$141,556	\$613,408
2027	\$247,795	\$229,023	\$143,045	\$619,863
2028	\$250,401	\$231,432	\$144,550	\$626,383
2029	\$253,034	\$233,865	\$146,069	\$632,968
2030	\$255,692	\$236,322	\$147,604	\$639,618
2031	\$258,378	\$238,804	\$149,154	\$646,335
2032	\$261,090	\$241,310	\$150,720	\$653,120
2033	\$263,829	\$243,842	\$152,301	\$659,972
2034	\$266,595	\$246,399	\$153,898	\$666,893
2035	\$269,390	\$248,981	\$155,511	\$673,882
2036	\$272,212	\$251,590	\$157,140	\$680,942
Total	\$4,043,606	\$3,737,272	\$2,345,021	\$10,125,900

Source: Fishkind and Associates, Inc.

The total TIF revenue to the CRA through 2036 is projected to reach \$10.1 million.

5.0 Fiscal Impact Model Methodology

5.1 Modified Per Capita Methodology

A variety of methods exist for quantifying the revenue impacts flowing from a development opportunity such as the one presented here. The approach used in this report is the modified per capita approach.

The per capita approach involves the calculation of revenues using the latest published financial reports for the appropriate population basis (i.e. per person, per employee, per person and employee, etc.). Ad valorem and some other fees and tax revenues for the Project is usually estimated directly.

From an economic perspective the per capita approach is equivalent to assuming that average revenue generation applies to the particular situation being evaluated. This is a reasonable assumption in most cases for two reasons. First, local governments must run balanced budgets, so that current costs and current revenues balance and are appropriate for current circumstances. Second, assuming that long run averages apply, also means that any excess capacity is maintained in the various systems and not allocated to the project. Furthermore, there is nothing peculiar about the location or the type of project that indicates that per capita parameters estimated from the latest budgets would not be reflective of actual costs and revenues.

5.2 City Fiscal Impact Calculations

Property taxes are calculated based upon the taxable property value and the current Millage rate (see Appendix Tables 1 and 3). The building value was provided by Brown & Brown and represents the combination of land cost, construction cost and tangible personal property.

Most other revenues and expenditures were made from the per capita methodology. The per capita numbers used are the full-time equivalents (FTE) residents, employees and, when appropriate, FTE visitors. The residential FTE is based upon the number of people per household using the average people per household for the county and multiply by the equivalent factor of 76.19 percent. The employee FTE calculation is based upon the number of workers and the percentage of time they spend at work (40 hours per every 168-hour week). The FTE visitor number is calculated by the projected average occupancy and average people per room. The revenues and expenditures are calculated by multiplying the FTE residents and/or employees and/or visitors by the per capita amounts from the City Budget.

The Budget revenues and expenditures from the City's General Fund were divided by the FTE City population, the FTE City employment, and when appropriate, the FTE visitors to provide the per capita amount used for each projected employee.

5.3 Assumptions – Appendix Table 3

Appendix Table 3 contains the basic data, assumptions and sources used in the fiscal impact model. These are provided for completeness and allow for the replication of our results.

FISCAL IMPACT APPENDIX TABLES

**Appendix Table 1
Brown Insurance Building
Development Impact Summary**

<u>(End of Year Totals)</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Office Development (sq.ft.)	190,000	190,000	190,000	190,000	190,000
Total Taxable Value	\$3,720,000	\$37,200,000	\$37,572,000	\$37,947,720	\$38,327,197
Subject Parcels Base Value (1983)	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>
CRA TIF Taxable Value	\$1,776,179	\$35,256,179	\$35,628,179	\$36,003,899	\$36,383,376
Employment	900	900	900	900	900
City of Daytona Beach	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total Operating Revenues Generated	\$112,056	\$363,370	\$367,021	\$370,715	\$374,451
Total Operating Expenditures Generated	<u>\$129,506</u>	<u>\$175,264</u>	<u>\$177,893</u>	<u>\$180,562</u>	<u>\$183,270</u>
Net Fiscal Impact of Operations	-\$17,450	\$188,106	\$189,128	\$190,153	\$191,181
Net Present Value of Operating Impact	<u>5 Years</u> \$530,277	<u>10 Years</u> \$987,119	<u>20 Years</u> \$1,464,061	<u>30 Years</u> \$1,657,635	
Capital Revenues					
Roads	\$72,010				
Law Enforcement	\$82,080				
Fire	\$48,260				
Public Buildings	<u>\$150,290</u>				
Total Capital Revenue	\$352,640				
CRA TIF Revenue	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Volusia County General Fund	\$10,835	\$215,063	\$217,332	\$219,624	\$221,939
Volusia Forever	\$161	\$3,191	\$0	\$0	\$0
Volusia Echo	\$355	\$7,051	\$0	\$0	\$0
Mosquito Control	\$334	\$6,628	\$6,698	\$6,769	\$6,840
Ponce Inlet Port Authority	\$165	\$3,275	\$3,310	\$3,345	\$3,380
Halifax Hospital	\$4,492	\$89,166	\$90,107	\$91,057	\$92,017
D.B Downtown Development Authority	<u>\$1,776</u>	<u>\$35,256</u>	<u>\$35,628</u>	<u>\$36,004</u>	<u>\$36,383</u>
Total Other Taxing Authorities TIF Revenue	\$18,118	\$359,631	\$353,075	\$356,799	\$360,559
City of Daytona Beach	\$11,723	\$232,691	\$235,146	\$237,626	\$240,130
Total CRA TIF Revenue	\$29,841	\$592,321	\$588,221	\$594,424	\$600,690

**Appendix Table 1
Brown Insurance Building
Development Impact Summary**

<u>(End of Year Totals)</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Office Development (sq.ft.)	190,000	190,000	190,000	190,000	190,000
Total Taxable Value	\$38,710,469	\$39,097,574	\$39,488,550	\$39,883,435	\$40,282,269
Subject Parcels Base Value (1983)	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>
CRA TIF Taxable Value	\$36,766,648	\$37,153,753	\$37,544,729	\$37,939,614	\$38,338,448
<u>Employment</u>	900	900	900	900	900
<u>City of Daytona Beach</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Total Operating Revenues Generated	\$378,232	\$382,056	\$385,925	\$389,838	\$393,798
Total Operating Expenditures Generated	<u>\$186,019</u>	<u>\$188,809</u>	<u>\$191,642</u>	<u>\$194,516</u>	<u>\$197,434</u>
Net Fiscal Impact of Operations	\$192,212	\$193,246	\$194,283	\$195,322	\$196,364

Net Present Value of Operating Impact

Capital Revenues

Roads
Law Enforcement
Fire
Public Buildings
Total Capital Revenue

<u>CRA TIF Revenue</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Volusia County General Fund	\$224,277	\$226,638	\$229,023	\$231,432	\$233,865
Volusia Forever	\$0	\$0	\$0	\$0	\$0
Volusia Echo	\$0	\$0	\$0	\$0	\$0
Mosquito Control	\$6,912	\$6,985	\$7,058	\$7,133	\$7,208
Ponce Inlet Port Authority	\$3,416	\$3,452	\$3,488	\$3,525	\$3,562
Halifax Hospital	\$92,987	\$93,966	\$94,954	\$95,953	\$96,962
D.B Downtown Development Authority	<u>\$36,767</u>	<u>\$37,154</u>	<u>\$37,545</u>	<u>\$37,940</u>	<u>\$38,338</u>
Total Other Taxing Authorities TIF Revenue	\$364,357	\$368,194	\$372,068	\$375,982	\$379,934
City of Daytona Beach	\$242,660	\$245,215	\$247,795	\$250,401	\$253,034
Total CRA TIF Revenue	\$607,017	\$613,408	\$619,863	\$626,383	\$632,968

**Appendix Table 1
Brown Insurance Building
Development Impact Summary**

<u>(End of Year Totals)</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>
Office Development (sq.ft.)	190,000	190,000	190,000	190,000	190,000
Total Taxable Value	\$40,685,092	\$41,091,943	\$41,502,862	\$41,917,891	\$42,337,070
Subject Parcels Base Value (1983)	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>	<u>\$1,943,821</u>
CRA TIF Taxable Value	\$38,741,271	\$39,148,122	\$39,559,041	\$39,974,070	\$40,393,249
Employment	900	900	900	900	900
<u>City of Daytona Beach</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>
Total Operating Revenues Generated	\$397,804	\$401,856	\$405,956	\$410,104	\$414,301
Total Operating Expenditures Generated	<u>\$200,395</u>	<u>\$203,401</u>	<u>\$206,452</u>	<u>\$209,549</u>	<u>\$212,692</u>
Net Fiscal Impact of Operations	\$197,408	\$198,455	\$199,504	\$200,555	\$201,608

Net Present Value of Operating Impact

Capital Revenues

Roads
Law Enforcement
Fire
Public Buildings
Total Capital Revenue

<u>CRA TIF Revenue</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>
Volusia County General Fund	\$236,322	\$238,804	\$241,310	\$243,842	\$246,399
Volusia Forever	\$0	\$0	\$0	\$0	\$0
Volusia Echo	\$0	\$0	\$0	\$0	\$0
Mosquito Control	\$7,283	\$7,360	\$7,437	\$7,515	\$7,594
Ponce Inlet Port Authority	\$3,599	\$3,637	\$3,675	\$3,714	\$3,753
Halifax Hospital	\$97,981	\$99,010	\$100,049	\$101,098	\$102,159
D.B Downtown Development Authority	<u>\$38,741</u>	<u>\$39,148</u>	<u>\$39,559</u>	<u>\$39,974</u>	<u>\$40,393</u>
Total Other Taxing Authorities TIF Revenue	\$383,926	\$387,958	\$392,030	\$396,143	\$400,297
City of Daytona Beach	\$255,692	\$258,378	\$261,090	\$263,829	\$266,595
Total CRA TIF Revenue	\$639,618	\$646,335	\$653,120	\$659,972	\$666,893

**Appendix Table 1
Brown Insurance Building
Development Impact Summary**

<u>(End of Year Totals)</u>	<u>2035</u>	<u>2036</u>
Office Development (sq.ft.)	190,000	190,000
Total Taxable Value	\$42,760,441	\$43,188,045
Subject Parcels Base Value (1983)	<u>\$1,943,821</u>	<u>\$1,943,821</u>
CRA TIF Taxable Value	\$40,816,620	\$41,244,224
<u>Employment</u>	900	900

<u>City of Daytona Beach</u>	<u>2035</u>	<u>2036</u>
Total Operating Revenues Generated	\$418,546	\$422,841
Total Operating Expenditures Generated	<u>\$215,883</u>	<u>\$219,121</u>
Net Fiscal Impact of Operations	\$202,663	\$203,720

Net Present Value of Operating Impact

Capital Revenues

Roads
Law Enforcement
Fire
Public Buildings
Total Capital Revenue

<u>CRA TIF Revenue</u>	<u>2035</u>	<u>2036</u>
Volusia County General Fund	\$248,981	\$251,590
Volusia Forever	\$0	\$0
Volusia Echo	\$0	\$0
Mosquito Control	\$7,674	\$7,754
Ponce Inlet Port Authority	\$3,792	\$3,832
Halifax Hospital	\$103,229	\$104,311
D.B Downtown Development Authority	<u>\$40,817</u>	<u>\$41,244</u>
Total Other Taxing Authorities TIF Revenue	\$404,493	\$408,730
City of Daytona Beach	\$269,390	\$272,212
Total CRA TIF Revenue	\$673,882	\$680,942

Appendix Table 2
Brown Insurance Building
Fiscal Impact Detail

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Revenues</u>						
Ad Valorem Taxes	\$24,552	\$245,520	\$247,975	\$250,455	\$252,960	\$255,489
Local Option Fuel Taxes	\$2,167	\$2,933	\$2,977	\$3,022	\$3,067	\$3,113
Franchise Fees	\$13,083	\$17,705	\$17,971	\$18,240	\$18,514	\$18,792
Utility Taxes	\$21,478	\$29,067	\$29,503	\$29,946	\$30,395	\$30,851
Occupational Licenses	\$2,109	\$2,855	\$2,897	\$2,941	\$2,985	\$3,030
Intergovernmental	\$2,012	\$2,723	\$2,764	\$2,805	\$2,847	\$2,890
Sales Tax - Half Cent	\$10,341	\$13,995	\$14,205	\$14,418	\$14,634	\$14,854
Charges for Services	\$6,709	\$9,080	\$9,216	\$9,354	\$9,494	\$9,637
Judgments, Fines and Forfeitures	\$1,011	\$1,368	\$1,388	\$1,409	\$1,430	\$1,452
Interest and Other Earnings	\$851	\$1,135	\$1,135	\$1,135	\$1,135	\$1,135
Rents and Royalties	\$284	\$379	\$379	\$379	\$379	\$379
Miscellaneous Revenues	\$1,159	\$1,545	\$1,545	\$1,545	\$1,545	\$1,545
Interfund Transfers /Cash Forward	<u>\$26,299</u>	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>
Total Revenues	\$112,056	\$363,370	\$367,021	\$370,715	\$374,451	\$378,232
<u>Expenditures</u>						
City Manager	\$8,522	\$11,533	\$11,706	\$11,882	\$12,060	\$12,241
City Clerk	\$910	\$1,232	\$1,250	\$1,269	\$1,288	\$1,308
Financial and Administrative	\$9,435	\$12,768	\$12,960	\$13,154	\$13,351	\$13,552
City Attorney	\$2,222	\$3,008	\$3,053	\$3,098	\$3,145	\$3,192
Police	\$63,045	\$85,320	\$86,600	\$87,899	\$89,218	\$90,556
Fire	\$25,923	\$35,082	\$35,608	\$36,142	\$36,684	\$37,235
Public Works	\$19,024	\$25,746	\$26,132	\$26,524	\$26,922	\$27,326
Business Enterprises	<u>\$425</u>	<u>\$575</u>	<u>\$584</u>	<u>\$592</u>	<u>\$601</u>	<u>\$610</u>
Total Expenditures	\$129,506	\$175,264	\$177,893	\$180,562	\$183,270	\$186,019
Net Fiscal Impact	-\$17,450	\$188,106	\$189,128	\$190,153	\$191,181	\$192,212

Appendix Table 2
Brown Insurance Building
Fiscal Impact Detail

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Revenues						
Ad Valorem Taxes	\$258,044	\$260,624	\$263,231	\$265,863	\$268,522	\$271,207
Local Option Fuel Taxes	\$3,160	\$3,207	\$3,255	\$3,304	\$3,354	\$3,404
Franchise Fees	\$19,074	\$19,360	\$19,650	\$19,945	\$20,244	\$20,548
Utility Taxes	\$31,314	\$31,783	\$32,260	\$32,744	\$33,235	\$33,734
Occupational Licenses	\$3,075	\$3,121	\$3,168	\$3,216	\$3,264	\$3,313
Intergovernmental	\$2,934	\$2,978	\$3,022	\$3,068	\$3,114	\$3,160
Sales Tax - Half Cent	\$15,077	\$15,303	\$15,532	\$15,765	\$16,002	\$16,242
Charges for Services	\$9,781	\$9,928	\$10,077	\$10,228	\$10,382	\$10,537
Judgments, Fines and Forfeitures	\$1,474	\$1,496	\$1,518	\$1,541	\$1,564	\$1,588
Interest and Other Earnings	\$1,135	\$1,135	\$1,135	\$1,135	\$1,135	\$1,135
Rents and Royalties	\$379	\$379	\$379	\$379	\$379	\$379
Miscellaneous Revenues	\$1,545	\$1,545	\$1,545	\$1,545	\$1,545	\$1,545
Interfund Transfers /Cash Forward	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>
Total Revenues	\$382,056	\$385,925	\$389,838	\$393,798	\$397,804	\$401,856
Expenditures						
City Manager	\$12,425	\$12,611	\$12,800	\$12,992	\$13,187	\$13,385
City Clerk	\$1,327	\$1,347	\$1,367	\$1,388	\$1,409	\$1,430
Financial and Administrative	\$13,755	\$13,961	\$14,171	\$14,383	\$14,599	\$14,818
City Attorney	\$3,240	\$3,289	\$3,338	\$3,388	\$3,439	\$3,490
Police	\$91,914	\$93,293	\$94,692	\$96,113	\$97,554	\$99,018
Fire	\$37,793	\$38,360	\$38,935	\$39,519	\$40,112	\$40,714
Public Works	\$27,736	\$28,152	\$28,574	\$29,003	\$29,438	\$29,880
Business Enterprises	<u>\$619</u>	<u>\$629</u>	<u>\$638</u>	<u>\$648</u>	<u>\$657</u>	<u>\$667</u>
Total Expenditures	\$188,809	\$191,642	\$194,516	\$197,434	\$200,395	\$203,401
Net Fiscal Impact	\$193,246	\$194,283	\$195,322	\$196,364	\$197,408	\$198,455

Appendix Table 2
Brown Insurance Building
Fiscal Impact Detail

	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>
<u>Revenues</u>					
Ad Valorem Taxes	\$273,919	\$276,658	\$279,425	\$282,219	\$285,041
Local Option Fuel Taxes	\$3,455	\$3,507	\$3,560	\$3,613	\$3,667
Franchise Fees	\$20,856	\$21,169	\$21,486	\$21,809	\$22,136
Utility Taxes	\$34,240	\$34,753	\$35,275	\$35,804	\$36,341
Occupational Licenses	\$3,363	\$3,413	\$3,464	\$3,516	\$3,569
Intergovernmental	\$3,208	\$3,256	\$3,305	\$3,354	\$3,404
Sales Tax - Half Cent	\$16,485	\$16,733	\$16,984	\$17,238	\$17,497
Charges for Services	\$10,695	\$10,856	\$11,019	\$11,184	\$11,352
Judgments, Fines and Forfeitures	\$1,611	\$1,636	\$1,660	\$1,685	\$1,710
Interest and Other Earnings	\$1,135	\$1,135	\$1,135	\$1,135	\$1,135
Rents and Royalties	\$379	\$379	\$379	\$379	\$379
Miscellaneous Revenues	\$1,545	\$1,545	\$1,545	\$1,545	\$1,545
Interfund Transfers /Cash Forward	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>	<u>\$35,065</u>
Total Revenues	\$405,956	\$410,104	\$414,301	\$418,546	\$422,841
<u>Expenditures</u>					
City Manager	\$13,586	\$13,790	\$13,996	\$14,206	\$14,419
City Clerk	\$1,451	\$1,473	\$1,495	\$1,517	\$1,540
Financial and Administrative	\$15,040	\$15,266	\$15,495	\$15,727	\$15,963
City Attorney	\$3,543	\$3,596	\$3,650	\$3,705	\$3,760
Police	\$100,503	\$102,010	\$103,541	\$105,094	\$106,670
Fire	\$41,325	\$41,945	\$42,574	\$43,212	\$43,860
Public Works	\$30,328	\$30,783	\$31,244	\$31,713	\$32,189
Business Enterprises	<u>\$677</u>	<u>\$687</u>	<u>\$698</u>	<u>\$708</u>	<u>\$719</u>
Total Expenditures	\$206,452	\$209,549	\$212,692	\$215,883	\$219,121
Net Fiscal Impact	\$199,504	\$200,555	\$201,608	\$202,663	\$203,720

Appendix Table 3
Brown Insurance Building
Fiscal Impact Assumptions

<u>Millage</u>			
General Fund	6.6000 Mills		
		Equivalent	Full-Time
		<u>Factor</u>	<u>Equivalent</u>
Population-Working Residents	37,917	0.7619	28,889
Population-Non-Working Residents	23,996	1.0000	23,996
Population- Seasonal	<u>9,008</u>	<u>0.34615</u>	3,118
Population (peak season)	70,921		56,003
Population (total)	61,913		
ESRI ACS Population Summary			
Employment (total)	63,195	0.2381	15,047
(State of Florida ES-202, 2016)			
		<u>Value</u>	
Office Development	\$158 per sq.ft.		
Annual Growth Rate of Property Value	1.0%		