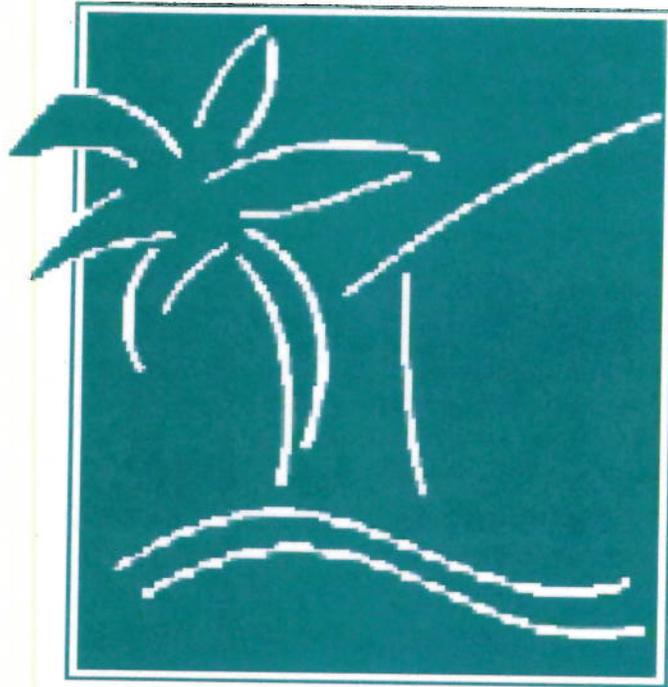


CITY OF NEW SMYRNA BEACH



**COMMUNITY REDEVELOPMENT
AGENCY**

**FISCAL YEAR 2009 - 2010
ANNUAL REPORT**

CITY OF NEW SMYRNA BEACH CITY COMMISSION

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JAMES HATHAWAY, VICE MAYOR
LYNNE PLASKETT, COMMISSIONER
JACK GRASTY, COMMISSIONER
JUDY REIKER, COMMISSIONER**

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COMMUNITY REDEVELOPMENT AGENCY

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CRA STAFF

**TONY OTTE, CRA DIRECTOR
MICHELLE MARTIN, PROJECT MANAGER
CLAUDIA SOULIE, ADMINISTRATIVE ASSISTANT
KEVIN JAMESON, PLANNER (PART-TIME)
MARK HALL, CRA ATTORNEY**

A Brief History

In the mid-1980's representatives of business and government in New Smyrna Beach recognized a need to address the declining business climate in the older core commercial areas of the City. The City Commission appointed a task force of business and property owners to examine the economic condition of the City's commercial core and recommend actions to address the problem. The Downtown Redevelopment Task Force met in late 1984 and early 1985 before recommending that the City Commission establish a Community Redevelopment Agency under the provisions of Chapter 163. The City Commission accepted the recommendation and directed that work begin on the establishment of the agency.

Over the next several months the task force and consultants developed a finding of necessity that established the justification for the district, delineated the district boundaries, and prepared a master plan to guide the redevelopment efforts in the district. The City Commission adopted these documents in July of 1985, thus establishing the New Smyrna Beach Community Redevelopment Agency.

Total assessed value in the district has significantly increased over the past twenty five years.

Since 1985 the CRA has made major capital investments to improve the CRA area and encourage private investment. The CRA began its building program by acquiring land and developing parking lots to support the existing business areas. These modest first efforts have been followed by large-scale park and streetscape projects. The CRA has also invested in smaller improvements that are likely to yield significant results.

In 1995 the agency undertook a review of its original redevelopment plan along with an overall review of agency operations. After a period of study involving the City Commission, CRA Board, and public participation, an updated redevelopment plan was issued.

The next step in the evolution of the CRA District came in 2000 when the first major expansion of the district boundaries was made. The CRA expanded its area west of U.S. 1 to about three times its original size. The CRA conducted a finding of necessity to qualify the additional land area and prepared an amendment to the Redevelopment Plan to identify projects and other improvements that were needed in the area. The City Commission approved the expansion, and the CRA has subsequently undertaken the initial phases of the improvement program for this area.

In 2009 the CRA again updated the Master Plan through a process involving numerous meetings with citizen and business owner input. The updated plan was approved in 2010 and contains a wide range of projects and recommendations. The plan outlines broad frameworks for action as well as specific capital projects. The preparation of the plan included data collection and technical studies on several specific topics, including the demand for parking spaces and parking lot capacity in the Canal Street and Flagler Avenue areas, and two market analyses to determine the types of businesses recommended for recruitment to the CRA area. A review of the new CRA Master Plan Update is included in the Summary of Activities below.

Looking ahead, the CRA is very busy with the implementation of the plan update and the accomplishment of objectives before the agency sunsets in 2015. The capital projects listed in

Summary of Activities

- **CRA Master Plan Update**

The CRA began work on an update of the CRA Master Plan in the previous fiscal year. The plan was approved by the CRA in Fiscal Year 2009-2010 and was subsequently approved by the City Commission. The approved CRA Master Plan Update is now available on the City website at www.cityofnsb.com.

The CRA Master Plan Update provides a vision for CRA activities in the final 5 years of the CRA until it sunsets in 2015. The plan is a result of an expansive process which involved receiving extensive citizen input, forming strategic frameworks, and developing a prioritized action list. The strategic frameworks developed are:

- Strengthen the Neighborhoods
- Support the Main Streets
- Create a Health Care District
- Broaden the Tourism Market
- Enhance the Green and Blue Infrastructure
- Connect the Community

The plan also recognizes the importance of partnerships. Partners include Volusia County, the Bert Fish Hospital and Southeast Volusia Hospital District, the Utilities Commission, the Southeast Volusia Chamber of Commerce, the Southeast Volusia Advertising Authority, Team Volusia, the Historic Westside Community, the Canal Street Historic District, the Flagler Hospitality Group, and other residential, civic, and business organizations. The CRA looks forward to continuing a mutually beneficial relationship with each of these partners.

The CRA is moving forward with the implementation of the Plan.

New Smyrna Beach CRA Master Plan Update - Project Report | 2010



Capital Improvement Projects

- **Flagler Avenue Boardwalk Park (in Design Phase)**

During the 2009-2010 fiscal year the CRA began the development of this project with the approval of the scope of work for the assessment of the seawall and the building of a handicap access ramp at the Flagler Avenue Boardwalk. This scope has been completed and the plans are ready to go to bid. Those plans will be combined with plans that are now being prepared for the remaining components of the project: the modification and repair of the boardwalk (wooden) structure, the demolition of the present restroom buildings and the construction of new, energy efficient and lower maintenance restroom facilities, and the delineation of parking spaces in the adjacent parking lot.



- **Wayfinding Project (in Design Phase)**

The CRA approved the scope of work for the preparation of plans for a Wayfinding system. “Wayfinding” refers to a coordinated system of signage to direct motorists and pedestrians to attractions, shops, and restaurants within the CRA district. This project includes the preparation of sign designs, the listing of locations to be included on the signs, the location of the signs, and coordination with other governmental agencies as needed. The CRA Master Plan also recommends “branding the Loop” – the streets and sidewalks that link Canal St, Flagler Ave, and 3rd Ave via Riverside Dr, the North Causeway, South Atlantic Ave, the South Causeway, and Live Oak St. The name approved for “the Loop” would appear on the Wayfinding signs and be marketed as a feature for visitors on websites including the city website and health and walking related websites. It is anticipated that this will alert visitors that New Smyrna Beach is a walkable and bicycle friendly city, with pedestrian connections to restaurants and shopping. The proposed name is “NSB Florida Waterfront Loop”.



- SAMPLES ONLY -

- **Washington Street Business District (preparing for Design Phase)**

The CRA initiated the development of this project, which will establish a business incubator in the Historic Westside area. The project includes two tracks:

- The development of a site for the business incubator. The CRA is working with the owners of a historic building on Washington St to assess the feasibility of the building for use as a business incubator. The building owners presented an extensive powerpoint to the CRA on this topic, and the CRA is implementing a schedule of activities.
- A Director for the business incubator has been hired to recruit businesses to the incubator. The Director has also begun planning for a series of classes to be held at the Babe James Community Center to instruct persons wishing to start their own business.

- **Washington Street Streetscape Improvements (in Design Phase)**

The CRA recommended to the City Commission the approval of the short list of engineering firms for the preparation of construction plans for this project. The project is for a streetscape of Washington Street, from US 1 to Myrtle Avenue. The project calls for a new stormwater piping and drainage system, new sidewalks, curbs, streets, and streetlighting.



- **Esther Street Park (in Design Phase)**

The CRA recommended to the City Commission the approval of an engineering firm for the design of a seawall for the Esther Street Park project. The design of the seawall is the first component of this project, which will include the construction of an entrance driveway, a parking lot, a stormwater retention area, and a recreation area.



- **Gateway Landscaping and Beautification (preparing for Design Phase)**

These funds are scheduled to be used for the landscaping of a portion of the Dunn Lumber site at 533 Canal Street and an easement across Canal St from the Dunn Lumber site. The project cannot be completed until the Florida Department of Environmental Protection has decontaminated the Dunn site. At the end of the 2009/10 fiscal year the FDEP was in contract negotiations with an environmental contractor for the decontamination work. The City has contracted with a landscape architect to design the landscaping for this important gateway area.

- **Riverside Park Seawall/Lighting (in Design Phase)**

The CRA recommended to the City Commission the approval of a scope of work with an engineering firm for the design of lighting in Riverside Park. The park is a destination point within the CRA and the host to a number of events that draws visitors to the Canal St business district. Additional engineering work is underway for the assessment of the seawall at the park and the development of options for seawall and deck repair, as well as the improvement of access to the park for boaters.



- **Myrtle Avenue Infrastructure Project (in Design Phase)**

The CRA approved funding for this project in the capital improvements project list in the CRA Master Plan update, and city staff is working with residents and property owners to define the scope of the project. It is anticipated that the project will include new sidewalks, curbs, street surface, crosswalks, landscaping, and intersection improvements.



- **West Canal Streetscape (complete)**

The West Canal Streetscape is a major project that started construction in August, 2009, and at the end of the 2009/10 fiscal year was nearly complete. A ribbon cutting for the completed project was held on December 17, 2010. From US 1 to Myrtle Ave, this project resulted in a new street surface, sidewalks, curbs, landscaping, and streetlighting; the removal of electric poles and the re-routing and burial of electric lines; and a major reconstruction of the stormwater system that involved the installation of a 54” pipe within the canal beneath the sidewalk on the north side of the right of way, as well as new stormwater inlets and piping. This project received substantial funding assistance and coordination from the Florida Department of Transportation, and was coordinated with utility providers including the Utilities Commission.



W. Canal Streetscape – Before



W. Canal Streetscape - After



W. Canal Streetscape – Ribbon Cutting Ceremony

- **Mary Avenue Streetscape (construction underway)**

This project calls for streetscape work between US 1 and Myrtle Ave, including a new stormwater drainage system, new curbs, sidewalks, street lights, landscaping, and street surface. Plans for the work were put out to bid and the CRA selected a bidder to recommend to the City Commission for approval. The CRA also recommended approval to the City Commission for a grant application to the Volusia County Transportation Planning Organization for XU funding in the amount of \$281,464 for improvements to the railroad right of way that are a part of the project. Construction will take place in the 2010-2011 fiscal year.



- **South Orange Streetscape (construction underway)**

This project calls for streetscape work between Canal Street and Lytle Ave, including a new stormwater drainage system, new curbs, sidewalks, street lights, landscaping, and street surface. This project will also provide hard surface parking for the CRA parking lot adjacent to S. Orange in the block between Downing and Canal Street. Plans for the work were put out to bid and the CRA selected a bidder to recommend to the City Commission for approval. Construction will take place in the 2010-2011 fiscal year.



- **Flagler Dunes Parking Lot (complete)**

A parking study completed and accepted by the CRA from AECOM (please see below) noted the need for additional parking on the east end of Flagler Avenue near the beach. The CRA recommended to the City Commission the approval of an agreement with a property owner adjacent to the Flagler Avenue Boardwalk. The agreement called for the CRA to provide \$68,000 in grant funds toward the construction of a parking lot, and in exchange the property owner would lease parking spaces in the new lot for public parking until the amount of CRA grant funding is exhausted. At the end of the 2009/10 fiscal year the new parking lot was nearly complete and was opened in the second quarter of the 2010/11 fiscal year.



- **Chamber Restoration Project (construction underway)**

The CRA recommended to the City Commission the approval of a scope of work with an architect selected for the design of exterior improvements to the Chamber building on Canal St. This is a key historic building that is a destination for visitors. The plans prepared by the architect were subsequently bid out and construction on the project is now underway.



- **Flagler Ave Shuffleboard/Coronado Civic Center enhancements (complete)**

CRA funds paid for a portion (less than 25%) of this \$181,000 project to improve this civic and recreation area destination on Flagler Ave.



Brownfield Program within the CRA

- **Selection of Environmental Consultants**

The CRA recommended to the City Commission the approval of contracts with four environmental engineering firms for this project. The contracts for the four firms were subsequently approved by the City Commission.

- **Dunn Lumber property (533 Canal Street)**

This property is located at the northwest corner of US 1 and Canal Street, and was the former location for the Dunn Lumber Company. The company ceased operation and the CRA purchased the property in February, 2009. It was determined that the property was contaminated, and the City received a grant administered by the Florida Department of Environmental Protection (FDEP) to remove the contamination.

During the 2009/10 fiscal year the CRA approved a bid to demolish the structures on the property, which was done early in the 2010/11 fiscal year with guidance from an environmental engineer and an archeologist. The site now awaits decontamination through the grant administered by the FDEP.



- **Brownfield survey**

The CRA recommended to the City Commission the approval of a scope of work from an environmental engineering firm for a survey to prepare a list of properties suspected of contamination. The survey work is underway.

- **Property near US 1 and Downing**

The CRA recommended to the City Commission the approval of a scope of work from an environmental engineering firm for assessment work at a site that had previously been determined to contain some level of contamination. This work is now underway.

New Programs/Studies/Plans

- **Commercial Impact Fee Assistance Program**

The CRA approved a pilot program to provide recipients with up to \$5,000 in grant funds for the payment of City impact fees for approved commercial projects. The purpose of the program is to help facilitate small-scale redevelopment within the CRA district.

- **Form-Based Code**

One of the recommendations in the CRA Master Plan Update is to develop a “form-based code” to facilitate redevelopment in the historic commercial areas. The plan’s consultants found that the present City land development code was developed with a more “suburban” orientation, which tends to make redevelopment more difficult. A form-based code puts less emphasis on the use of the building and more emphasis on the “form” of the building (height, setbacks, intensity or the ratio of floor area to lot size). The form is related to the location of the building in the area and the intensity of use allowed in that particular location. The CRA approved the Request for Proposals (RFP) for this work and recommended to the City Commission approval of one of the consultants who responded to the RFP. This work is now on-going in fiscal year 2010-2011.

- **Independent Business Rental Move-In Program**

The CRA began development of a new grant program to address the number of vacant commercial spaces within the district. Elements of a program were discussed at several meetings and a program was subsequently recommended for approval in the 2010/11 fiscal year. The program has a number of conditions and requires a property owner with a vacant commercial space to lower the rent by 25%. The CRA would provide monthly payments equal to 25% of the original monthly rent amount until \$5,000 is expended, or for 18 months, whichever comes first. The new tenant then pays rent at the 50% level for the initial period of occupancy.

Development Agreements

- **Agreement for the sale of CRA lots: 207 and 215 Florida Avenue**

The CRA recommended the approval of an agreement to the City Commission for the purchase and sale of these lots to a developer for a hotel project. This developer had responded to a Request for Proposals issued by the CRA. The agreement included conditions, incentives, and a timeframe for closing on the properties. At the end of the 2009/10 fiscal year the developer was finalizing his financing and had not yet closed on the property. The deadline for closing is in April, 2011.



- **Parking Leases**

The CRA continued the program to lease parking spaces in CRA lots to businesses in need of parking. The two CRA lots in the Flagler Ave area received lease payments from area businesses during fiscal year 2009/10.

CRA Grants

In fiscal year 2009/10, the CRA approved grants to make improvements at the following locations:

Commercial Property Improvement Grants

- 207 Downing Street
- 334 Canal Street (first floor)
- 334 Canal Street (second floor)
- 135 Canal Street
- 221 Washington St
- 111 Live Oak St
- 319 Flagler Ave
- 113 S. Orange St
- 600 E. Third Ave
- 227-231 Canal St
- 521-523 Canal Street
- 519 Canal St
- 310-312 Julia St
- 300 Flagler Ave
- 114 Flagler Ave
- 110 Flagler Ave

Commercial Revitalization Grants Program

- 115 S. Orange Ave
- 114 Flagler Ave

Commercial Impact Fee Assistance

- 113 S. Orange Ave
- 215 Washington St.
- 600 E. Third Ave
- 203 Washington St

Residential Property Improvement Grants

- 106 S. Myrtle
- 108. S. Myrtle

Other Redevelopment Activities

• Maintenance and Improvements on Canal Street

During fiscal year 2009/10 City staff made a number of improvements to Canal St, including:

- Pressure washing sidewalks
- Re-painting fire hydrants
- Installing bike racks
- Planned re-painting of crosswalk stripes (completed in the 2010-2011 fiscal year)

- **Discussion of the Arts District Overlay Zone**

The CRA discussed with City planning staff the establishment of an Arts Overlay zoning district. Such a zone would permit artists to receive visitors and sell their work from a dwelling unit. It is anticipated that this zone will be more fully explored in the 2010-2011 fiscal year.

- **Support for passenger rail service**

The CRA discussed and voted to support the establishment of commuter rail service in the area. It is anticipated that there will be further discussion on this topic, including the possible location of a train station in the area of Canal St.

Other Administrative Activities

- **Mission Statement**

The CRA selected the following Mission Statement:

“To maintain and enhance the Retail and Service Centers that are the Character amenity for the Entire City and Surrounding Region. To identify and implement Public Investments or Policy that will induce quality private investment response in order to reach the desired character and economic potential of the area.”

- **Relocation of the CRA office to the Connor Library Building in Old Fort Park**

CRA administrative staff moved from City Hall to the Connor Library Building in Old Fort Park.



Exemption of Hospital District

At their regular meeting on June 22, 2010 the City Commission voted to exempt the Southeast Volusia Hospital District from participation in the funding of the CRA. The Southeast Volusia Hospital District and the Bert Fish Medical Center continue to be important partners with the CRA in redevelopment efforts.



Bert Fish Medical Center

- **Partnerships**

Partnerships are one of the keys to CRA success. The CRA maintains a close working relationship with many organizations as noted above. Team Volusia is a new organization, and a portion of the annual payment for participation in Team Volusia comes from the CRA. Team Volusia provides leads and prospect information that is valuable to redevelopment efforts.



New Smyrna Beach Utilities Commission

CRA related financial
information

from the

City of New Smyrna Beach
Financial Audit 2009/10

**CITY OF NEW SMYRNA BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 793,587	\$ 761,295	\$ 761,295	\$ -
Intergovernmental revenue	1,678,037	2,313,211	3,598,058	1,284,847
Investment income	50,000	50,000	35,563	(14,437)
Miscellaneous	5,250	5,250	93,383	88,133
Total revenues	<u>2,526,874</u>	<u>3,129,756</u>	<u>4,488,299</u>	<u>1,358,543</u>
Expenditures				
Current:				
Economic environment	1,994,709	12,955,953	3,442,158	9,513,795
Excess (deficiency) of revenues over expenditures	<u>532,165</u>	<u>(9,826,197)</u>	<u>1,046,141</u>	<u>10,872,338</u>
Other financing sources (uses)				
Transfers in	9,100	-	-	-
Transfers out	(541,265)	(341,265)	(342,065)	(800)
Total other financing sources (uses)	<u>(532,165)</u>	<u>(341,265)</u>	<u>(342,065)</u>	<u>(800)</u>
Net change in fund balances	<u>-</u>	<u>(10,167,462)</u>	<u>704,076</u>	<u>10,871,538</u>
Fund balances, beginning of year	10,416,409	10,416,409	10,416,409	-
Fund balances, end of year	<u>\$ 10,416,409</u>	<u>\$ 248,947</u>	<u>\$ 11,120,485</u>	<u>\$ 10,871,538</u>

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

**CITY OF NEW SMYRNA BEACH, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010**

	General	Community Redevelopment Agency	Airport Industrial Park	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Equity in pooled cash and investments	\$ 7,280,379	\$ 11,116,033	\$ 1,230,758	\$ 7,035,785	\$ 4,775,530	\$ 31,438,485
Receivables, net:						
Accounts receivable	345,131	2,700	44,523	-	2,664	395,018
Delinquent taxes	13,357	-	-	-	-	13,357
Due from component unit	695,383	-	-	-	100,367	795,750
Due from other governments	1,229,059	393,813	436,079	-	188,126	2,247,077
Advances to other funds	3,494,897	-	-	-	-	3,494,897
Inventories	6,644	-	44,222	-	-	50,866
Deposits	402,545	-	-	-	-	402,545
Prepaid items	295,097	5,817	3,570	6,418	16,085	326,987
Total Assets	<u>\$ 13,762,492</u>	<u>\$ 11,518,363</u>	<u>\$ 1,759,152</u>	<u>\$ 7,042,203</u>	<u>\$ 5,082,772</u>	<u>\$ 39,164,982</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 710,055	\$ 369,393	\$ 175,711	\$ 855,634	\$ 28,316	\$ 2,139,109
Deposits	34,850	-	32,975	-	15,294	83,119
Deferred revenue	431,186	28,485	-	-	17,907	477,578
Due to other Governments	602,627	-	-	-	-	602,627
Total liabilities	<u>1,778,718</u>	<u>397,878</u>	<u>208,686</u>	<u>855,634</u>	<u>61,517</u>	<u>3,302,433</u>
Fund balances:						
Reserved for:						
Encumbrances	261,348	1,196,848	414,619	375,133	14,610	2,262,558
Inventories and prepaids	301,741	5,817	47,792	6,418	16,085	377,853
Deposits	402,545	-	-	-	-	402,545
Advances	3,494,897	-	-	-	-	3,494,897
Tree Replacement	437,216	-	-	-	-	437,216
Law enforcement	29,106	-	-	-	-	29,106
Parks and Recreation	17,042	-	-	-	-	17,042
Capital projects	38,055	-	-	5,003,940	1,562,592	6,604,587
Debt service	-	-	-	-	236,261	236,261
Unreserved:						
Designated for:						
Capital projects	130,000	-	-	-	-	130,000
Undesignated, reported in:						
General fund	6,871,824	-	-	-	-	6,871,824
Special revenue funds	-	9,917,820	1,088,055	-	3,191,707	14,197,582
Capital project funds	-	-	-	801,078	-	801,078
Total fund balances	<u>11,983,774</u>	<u>11,120,485</u>	<u>1,550,466</u>	<u>6,186,569</u>	<u>5,021,255</u>	<u>35,862,549</u>
Total Liabilities and Fund Balances	<u>\$ 13,762,492</u>	<u>\$ 11,518,363</u>	<u>\$ 1,759,152</u>	<u>\$ 7,042,203</u>	<u>\$ 5,082,772</u>	<u>\$ 39,164,982</u>

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