

CITY OF NEW SMYRNA BEACH



COMMUNITY REDEVELOPMENT AGENCY

**FISCAL YEAR 2012 - 2013
ANNUAL REPORT**

CITY OF NEW SMYRNA BEACH
CITY COMMISSION

ADAM BARRINGER, MAYOR
JASON MCGUIRK, VICE-MAYOR
JUDY REIKER, COMMISSIONER
JACK GRASTY, COMMISSIONER
KIRK JONES, COMMISSIONER

PAM BRANGACCIO, CITY MANAGER

COMMUNITY REDEVELOPMENT AGENCY

ADAM BARRINGER, CHAIR
JACK GRASTY
JUDY REIKER
JASON MCGUIRK
KIRK JONES
KATHERINE COOLEY
DOLORES BURKARD

CRA STAFF

TONY OTTE, CRA/ECONOMIC DEVELOPMENT DIRECTOR
RENEE RICHARDS, ADMINISTRATIVE ASSISTANT
DONNA GRAY-BANKS, COM. RESOURCE COORD. (PART-TIME)
HOLLY SMITH, MARKETING COORD. (PART-TIME)
FRANK GUMMEY, 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 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 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.

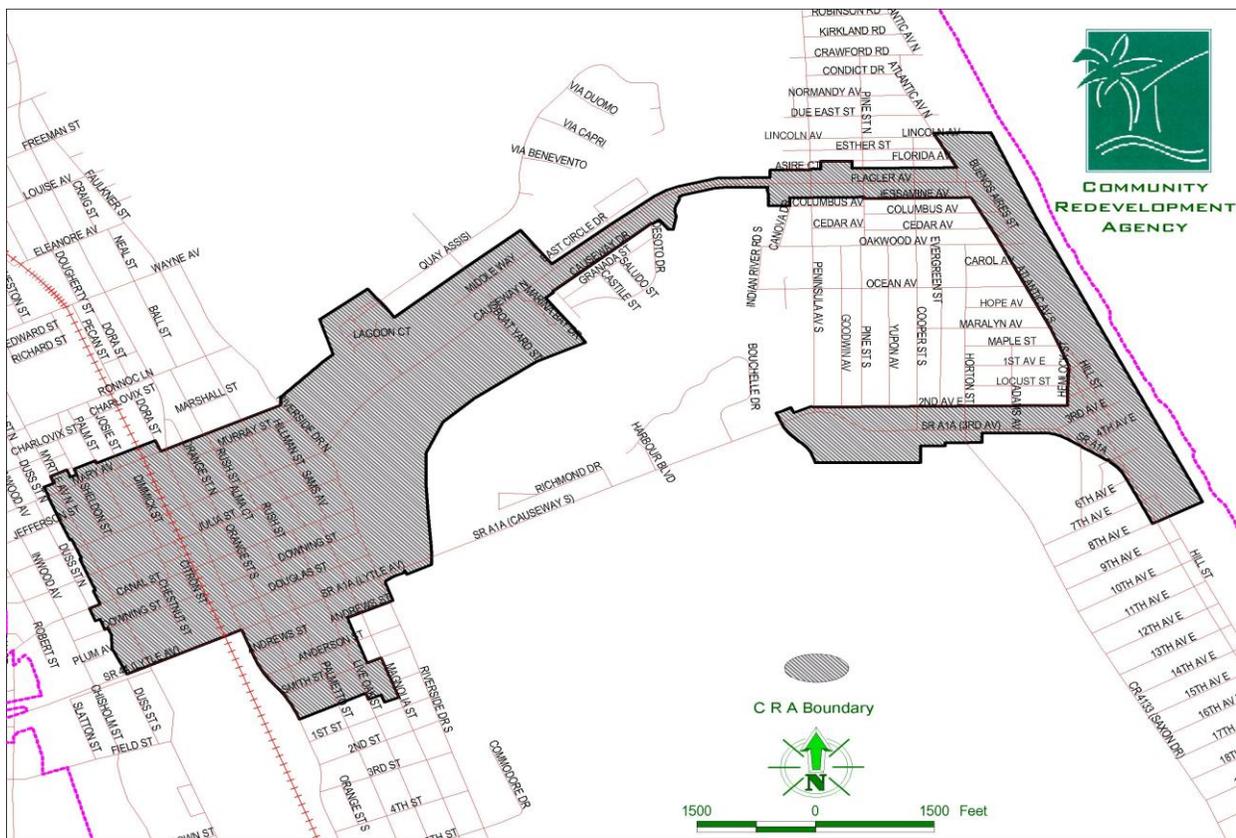
In 2009 the CRA again updated the Master Plan through a process involving numerous meetings with citizen and business owner input. The updated plan was approved in 2010 and contains a wide range of projects and recommendations. The plan outlines broad frameworks for action as well as specific capital 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.

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 the plans have been initiated and some projects have now been completed. As noted in the following text much work is being accomplished in concert with the CRA's many partners. CRA staff works closely with staff members from many organizations including Volusia County, Team Volusia, the Utilities Commission, Bert Fish Medical Center, the Southeast Volusia Chamber of Commerce and the Southeast Volusia Advertising Authority, as well as the representatives of the business and community groups within the CRA. The CRA and City Commission have added new grant programs in the past few years. Grants on Canal Street have helped to raise the occupancy level for storefront locations.

In the 2011-2012 Fiscal Year the governance of the CRA changed. The CRA board membership was revised to include the members of the City Commission, plus two citizen members.

FY 2012-2013 was another year of significant progress and it is anticipated that the CRA will begin wrapping up its operation in the next two fiscal years with the final projects to be approved.

Map of the Community Redevelopment Agency District



Summary of Activities

- **CRA Master Plan Update**

CRA activities are based on the recommendations of the CRA Master Plan Update. The Plan was approved in 2010 and it provides a vision for CRA activities in the final 5 years of the CRA until it sunsets in 2015. The plan contains the following “strategic frameworks”:

- 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 Executive Summary of the Master Plan Update notes that, “Regarding action plan initiatives, the most significant ‘new idea’ coming out of the Master Plan process is simply the recognition that bricks and mortar public infrastructure alone are not enough to facilitate redevelopment – particularly in a challenging and competitive environment. ‘Build it and they will come’ is often misrepresented as an end to itself. Updated public infrastructure, while very important, often serves only to ‘set the table’ – creating a desirable address for investment. There are critically important additional steps to actually leverage the investment and create activity. Successful redevelopment authorities take an active role in bringing ‘Feet to the Street’, creating positive energy while directly facilitating investment through engagement and collaboration with private interests.”

The CRA Master Plan Update is available on the City website at www.cityofnsb.com.

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



Capital Improvement Projects

- **Washington Street Streetscape Improvements – now complete**

During FY 10/11 the CRA began the design for the Washington Street Streetscape Project, from N. Myrtle Ave to US 1, which included features such as a new stormwater drainage system, new curbs, sidewalks, decorative street lights, landscaping and complete reconstruction of the roadway. The plans were discussed at several community meetings and direction was received for various aspects of the design. The completed plans were then bid out and responses were due on September 26, 2012. A contractor was selected and construction was completed in FY 2012-2013.



Pre-project condition at Washington St.



Washington St. Groundbreaking - January 10, 2013



Washington St. Improvements completed – September 2013

- **Esther Street Beachfront Park**

The CRA and City Commission approved the Esther Street Beachfront Park project in three phases:

1. The construction of a seawall and dunes, and the installation of plants,
2. The construction of a dune walkover structure and
3. The construction of the park features, parking lot, park entryway, stormwater facilities and re-paving of the streets that were disturbed during construction.

Phases 1 and 2 were completed before Phase 3 was initiated. Construction plans were completed and bid out and a contractor was selected for Phase 3 on June 26, 2012. Construction began in the final quarter of FY 2011-2012.

The stormwater facilities for this project included inlets, piping and a pump station that conveys stormwater from areas of North Atlantic Street that have historically been subject to flooding. . Funding sources for this project include the CRA and the Florida Department of Environmental Protection.



Esther St. Beachfront – before



Esther St. Beachfront Park – complete – April 2013

- **Gateway Landscaping and Beautification (under construction)**



The CRA property at the Northwest corner of US 1 and Canal Street was purchased by the CRA in 2009. This site was the former location of a lumber yard with unsightly buildings and contaminated soils. The buildings were demolished and the City received a grant from the Florida Department of Environmental Protection to clean the site to a commercial level. The site is now scheduled to become a beautifully landscaped parking lot which will be a gateway feature for the Canal Street area. An engineering firm and contractor were selected in the first half of FY 2012-2013 and by the end of the fiscal year the site was in the construction phase.

- **Mary Avenue Play Park**



Under Construction – June 2013



Complete – September 2013

The Mary Avenue Play Park project was requested by residents at a Historic Westside Community Meeting. The project revitalized an existing play park and added restroom facilities.

- **Banner Program**



Banner Program complete - July 2013

The Banner program provided “NSB Waterfront Loop” banners to several areas in the CRA including Third Avenue, Old Fort Park, the North Causeway, and Flagler Avenue.

Brownfield Program within the CRA

- **Closeout of the EPA Brownfield Assessment Grant: Partnering with the Cities of Edgewater and Oak Hill for a second Brownfield Assessment Grant**

CRA staff worked with staff members from the City of Edgewater and the City of Oak Hill to apply for a second Brownfield Assessment grant. The grant was awarded in May, 2013 and an engineering consultant was selected. Sites will be selected and processed in FY 2013-2014.

New Programs/Studies/Plans

- **Home Renovation in Partnership with Habitat for Humanity (5 homes complete)**

The City Commission approved an agreement with Southeast Volusia Habitat for Humanity which allows homeowners to combine the CRA's residential programs with Habitat's Brush with Kindness program. This combination permits the homeowners to access the CRA residential programs without having a cash outlay. Work on the first group of homes (five homes on Mary Ave.) was completed in FY 2012 -2013.



504 Mary Avenue - Before



After

- **Independent Business Move-In Program**



In FY 2011-2012, this program was amended to include “non-profit cultural arts business consortia”. There has been one applicant under the program amendment and a facility called “The HUB” opened in a sizable commercial space in the downtown area that had been vacant for over a year. The grant provides a partial rent payment every month. The HUB has leases with over 50 artists who display their work in the facility. Some of the artists also have rental work space and visitors can view art being created, or attend concerts or classes on the premises.

Significant Programs/Activities

- **“Branding the District”**

One of the recommendations in the CRA Master Plan Update is “Branding the District”, recognizing that there is a circle of significant streets and bridges that link all of the “character places” within the CRA district. The ‘circle’ can be marketed as a place for shopping, festivals and events. In addition, the new “brand” will need to be marketed. Marketing, Branding and Events are critical to downtowns – to create activity in emergent areas and to compete with much larger and more organized advertising campaigns of the national retailers found in suburban centers. These efforts need to include the marketing of available sites and a comprehensive calendar of events. This was a new effort, since the Flagler Avenue, Canal Street and Third Avenue areas are three distinct locations that had previously marketed themselves independently.

The CRA hired a qualified marketing consultant who prepared a marketing plan. In the 2011-2012 fiscal year the plan was implemented with the logo below, advertising the CRA area as the NSB Waterfront Loop. Marketing activities have continued pursuant to the marketing plan.

The name and logo also appear on the Wayfinding signage. Marketing activities include:

- The maintenance of a website, the nsbwaterfrontloop.com and a Facebook page,
- The management of an active marketing campaign that includes newspaper, magazine and radio ads and
- Press releases for significant events.



- **Business Academy**

CRA Staff continues to operate a “Business Academy” to provide training for business owners. Classes are taught by instructors from several agencies including the Small Business Development Center at Daytona State College. Classes are held at the Babe James Center.

- **Historic Westside Community Meetings**

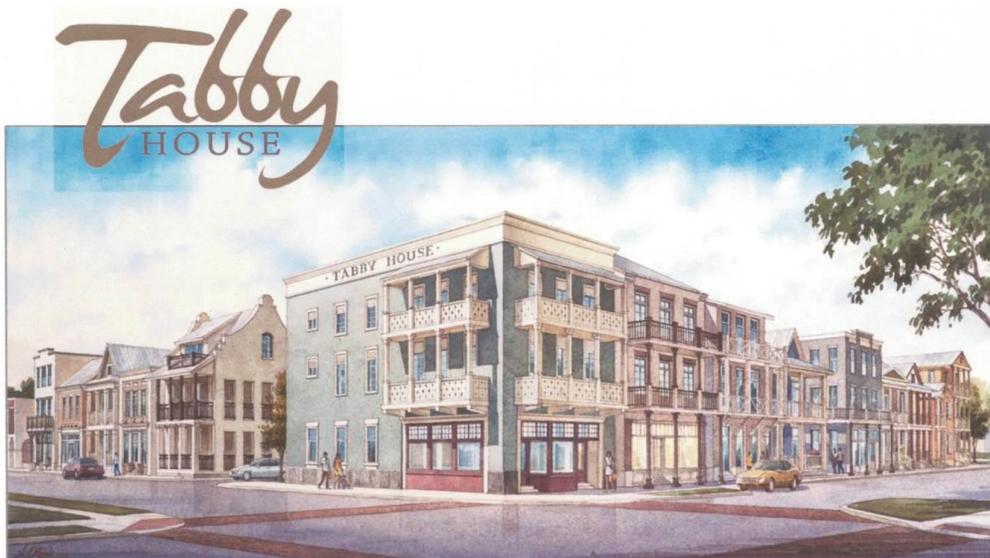
CRA staff attends and participates in community meetings for the Historic Westside. These meetings are held every other month at the Babe James Community Center. Staff makes reports on projects and solicits citizen input.

Development-Related Activities

- **103 Faulkner**

CRA staff prepared an RFP for 1.4 acres of City property at this location, the former site of City shuffleboard and tennis courts which had been previously demolished. This site also includes a fire station that is in use until a new fire station (currently under construction on SR44) is completed.

There was one response to the RFP and by the end of the fiscal year, CRA staff and the City attorney were in negotiations with the respondent. (Note: the CRA and City Commission have approved a contract with this firm for the construction of 20+ townhouses.)



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- **Railroad Avenue at Julia St.**

CRA staff issued a Request for Proposals (RFP) for this site, which includes assembled adjacent properties, and received one response. Staff negotiated an agreement with the Housing Authority that was approved by the City Commission for the development of 4 to 6 affordable housing units.

- **Request for Proposals (RFPs) – AOB (Administrative Office Building) Site**

The City Commission authorized staff to advertise a “Request for Proposals” for the sale and development of the Administrative Office Building (AOB) property, located at 160 North Causeway. This five acre property is also located on the Intercoastal Waterway and was the former site of a wastewater treatment plant operated by the City’s Utilities Commission and more recently the site of the Marine Discovery Center. When the Marine Discovery Center finalized its plans to re-locate to the former high school site across the causeway, the property became available for development.

Two previous RFP’s had been developed by CRA staff and issued for the “sale or lease and development” of the property which resulted in one response each time. Those responses did not result in having an approved project. The third RFP for the AOB site required responses to be submitted by October 4, 2013. Although 4 responses were received, a contract was not approved for a project.



(AOB Site)

Marketing of Available Sites

As noted above, the CRA Master Plan calls for the marketing of available sites. The official website for the City of New Smyrna Beach www.cityofnsb.com contains a list of leasable spaces within the CRA (as well as the US 1 Corridor and at the Municipal Airport). The list can be found in the “Community Redevelopment” section of the City’s website.

CRA Grant Programs

GRANTS AWARDED DURING FISCAL YEAR 2012 - 2013	
402 N. Orange	Residential Property Improvement
318 N. Dixie	Small Scale (no match)
313 Julia St.	Small Scale (no match)
204/206 Live Oak St.	Small Scale (no match)
504 Mary Ave.	Small Scale (no match)
529 Washington St.	Combined Grant
409 S. Orange St.	Combined Grant
504 Flagler Ave.	Combined Grant
317 Flagler Ave.	Combined Grant
124 Canal St.	Large Grant
309 Flagler Ave.	Opportunity Site Grant
248 N. Causeway	Opportunity Site Grant
115 Washington St.	Opportunity Site Grant
132 Canal St.	Rental Assistance Grant

- **Opportunity Site Grant Project**



309 Flagler Ave. - before



309 Flagler Ave. – Inn on the Avenue – Complete - August 2013

- **Opportunity Site Grant Project**



Feger's Marina – before



New Smyrna Harbor Marina & Outrigger's Restaurant – Under construction

- **Parking**

The adequate provision of parking in the Flagler Avenue area is identified as a work task in the CRA Master Plan Update. Since the adoption of the Master Plan Update in 2010, the CRA has provided a grant to build a parking lot (Flagler Dunes), improved the parking at the Flagler Beachfront Pavilion, opened the Coronado Civic Center lot for public parking and leased a 65 space parking area at a church (to make up for the loss of approximately 30 parking spaces in the lot across the street where the hotel now stands). A parking lot has been constructed with the Esther Street Beachfront Park. The CRA also began offering free shuttle service during special events held on Flagler Avenue from the AOB lot.

During the 2011-2012 Fiscal Year, the City Commission appointed a “Parking Task Force” to explore options to increase the parking capacity in the Flagler Ave area, particularly during special events. The Task Force presented its report in April and made recommendations regarding implementing kiosks for paid parking on Flagler.

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. FY 2010-2011 was the first year the funding exemption took place the exemption has continued in FY 2011-12 and FY 2012-13.



Bert Fish Medical Center

- **Partnerships**

Partnerships are one of the keys to CRA success. The CRA maintains a close working relationship with many organizations. Volusia County is the primary partner for the CRA. In addition to funding, the Volusia County Economic Development Department provides assistance in the expansion and retention of businesses. Team Volusia is a relatively new organization and a portion of the annual payment for participation in Team Volusia comes from the CRA. Team Volusia provides leads and information that are valuable to redevelopment efforts.



New Smyrna Beach Utilities Commission

WE APPRECIATE OUR PARTNERS!

- ❖ Volusia County
- ❖ Volusia County Department of Economic Development
- ❖ Team Volusia
- ❖ Bert Fish Hospital and Southeast Volusia Hospital District
- ❖ NSB Utilities Commission
- ❖ Southeast Volusia Chamber of Commerce
- ❖ Canal Street Historic District
- ❖ Merchants of Flagler Hospitality Group
- ❖ Third Avenue Merchants Group
- ❖ Historic Westside Community
- ❖ Southeast Volusia Advertising Authority
- ❖ Daytona State College Small Business Development Center
- ❖ Career Source Flagler/Volusia
- ❖ Other residential, civic and business organizations

CRA related financial information from the City of New Smyrna Beach Financial Audit Fiscal Year 2012-13

CITY OF NEW SMYRNA BEACH, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	General	Community Redevelopment Agency	Airport Industrial Park	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Equity in pooled cash and investments	\$ 7,333,144	\$ 2,750,570	\$ 519,240	\$ 4,563,135	\$ 7,795,688	\$ 22,961,777
Receivables, net:						
Accounts receivable	446,895	300	279,937	-	177,616	904,748
Delinquent taxes	207,663	-	-	-	13,197	220,860
Due from component unit	469,718	-	-	-	-	469,718
Due from other governments	1,317,210	275,000	121,648	-	2,528	1,716,386
Advances to other funds	599,881	-	-	-	-	599,881
Inventories	500	-	29,392	-	-	29,892
Prepaid items	672,880	8,653	2,113	-	35	683,681
Total Assets	\$ 11,047,891	\$ 3,034,523	\$ 952,330	\$ 4,563,135	\$ 7,989,064	\$ 27,586,943
Liabilities, Deferred Inflow of Resources, and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 1,361,047	\$ 228,978	\$ 60,885	\$ 160,023	\$ 111,419	\$ 1,922,352
Deposits	109,346	-	56,133	-	-	165,479
Unearned income	137,586	-	-	-	-	137,586
Total liabilities	1,607,979	228,978	117,018	160,023	111,419	2,225,417
Deferred inflow of resources:						
Unavailable revenue - taxes	207,663	-	-	-	13,197	220,860
Unavailable revenue - special assessments	233,787	-	-	-	-	233,787
Total deferred inflow of resources	441,450	-	-	-	13,197	454,647
Fund balances:						
Nonspendable:						
Inventories and prepaids	673,380	8,653	31,505	-	35	713,573
Advances	599,881	-	-	-	-	599,881
Spendable:						
Restricted for:						
Public safety	7,052	-	-	-	1,361,987	1,369,039
Economic environment	-	2,796,892	-	-	-	2,796,892
Debt service	-	-	-	-	319,981	319,981
Capital projects	30,000	-	-	4,403,112	2,698,836	7,131,948
Tree replacement	73,137	-	-	-	-	73,137
Committed to:						
Physical environment	-	-	-	-	3,483,609	3,483,609
Assigned for:						
General government	638,564	-	-	-	-	638,564
Public safety	269,325	-	-	-	-	269,325
Transportation	492,499	-	803,807	-	-	1,296,306
Culture/ recreation	304,383	-	-	-	-	304,383
Parks & rec assistance program	23,094	-	-	-	-	23,094
Special events	69,707	-	-	-	-	69,707
2014 budget	549,859	-	-	-	-	549,859
Unassigned	5,267,581	-	-	-	-	5,267,581
Total fund balances	8,998,462	2,805,545	835,312	4,403,112	7,864,448	24,906,879
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 11,047,891	\$ 3,034,523	\$ 952,330	\$ 4,563,135	\$ 7,989,064	\$ 27,586,943

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

CITY OF NEW SMYRNA BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	General	Community Redevelopment Agency	Airport Industrial Park	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 11,638,487	\$ 538,519	\$ -	\$ -	\$ 1,451,677	\$ 13,628,683
Licenses and permits	4,057,874	-	-	-	1,435,710	5,493,584
Intergovernmental	2,686,327	1,201,891	279,157	-	21,978	4,189,353
Charges for services	423,144	-	-	-	1,868,404	2,291,548
Fines and forfeitures	45,557	-	-	-	32,679	78,236
Investment income	24,124	-	29	2	653	24,808
Miscellaneous	333,143	-	2,764,445	3,850	456,874	3,558,312
Total revenues	<u>19,208,656</u>	<u>1,740,410</u>	<u>3,043,631</u>	<u>3,852</u>	<u>5,267,975</u>	<u>29,264,524</u>
Expenditures						
Current:						
General government	2,576,858	-	-	-	-	2,576,858
Public safety	10,377,783	-	-	4,197	739,251	11,121,231
Transportation	1,392,844	-	2,610,361	-	-	4,003,205
Economic environment	-	2,909,623	-	-	-	2,909,623
Physical environment	-	-	-	-	444,991	444,991
Culture/ recreation	2,249,784	-	-	-	-	2,249,784
Buildings and maintenance	413,832	-	-	-	-	413,832
Debt service:						
Principal	377,653	-	59,010	-	1,704,469	2,141,132
Interest	30,692	-	5,014	-	915,577	951,283
Capital outlay	1,729,682	2,625,241	319,391	840,300	511,774	6,026,388
Total expenditures	<u>19,149,128</u>	<u>5,534,864</u>	<u>2,993,776</u>	<u>844,497</u>	<u>4,316,062</u>	<u>32,838,327</u>
Excess (deficiency) of revenues over expenditures	<u>59,528</u>	<u>(3,794,454)</u>	<u>49,855</u>	<u>(840,645)</u>	<u>951,913</u>	<u>(3,573,803)</u>
Other financing sources (uses)						
Transfers in	1,095,915	172,222	-	-	1,197,753	2,465,890
Transfers out	(608,791)	(342,211)	-	-	(472,182)	(1,423,184)
Total other financing sources (uses)	<u>487,124</u>	<u>(169,989)</u>	<u>-</u>	<u>-</u>	<u>725,571</u>	<u>1,042,706</u>
Net change in fund balances	<u>546,652</u>	<u>(3,964,443)</u>	<u>49,855</u>	<u>(840,645)</u>	<u>1,677,484</u>	<u>(2,531,097)</u>
Fund balances, beginning of year	8,451,810	6,769,988	785,457	5,243,757	6,186,964	27,437,976
Fund balances, end of year	<u>\$ 8,998,462</u>	<u>\$ 2,805,545</u>	<u>\$ 835,312</u>	<u>\$ 4,403,112</u>	<u>\$ 7,864,448</u>	<u>\$ 24,906,879</u>

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