

COMMUNITY REDEVELOPMENT AGENCY
CITY OF NEW SMYRNA BEACH, FL

2006
ANNUAL REPORT





COMMUNITY REDEVELOPMENT AGENCY
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COVER PHOTO: RENEE RICHARDS

HISTORY OF THE CRA

In the mid-1980's, the business and government communities in New Smyrna Beach recognized that there was 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 problems. The Downtown Redevelopment Task Force met in late 1984 and early 1985 before recommending the City Commission establish a Community Redevelopment Agency (CRA) under the provisions of Chapter 163. The City Commission accepted the recommendation and directed that work begin on the establishment of the agency.

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. Over the years, the efforts of the CRA have resulted in major capital investment from the public sector and a corresponding investment from the private sector. Total assessed value in the district has multiplied many times over the past twenty years with the 2005 contribution to the CRA Trust Fund from tax increment revenues exceeding \$2,500,000. Tax increment revenues are expected to be over \$3,400,000 for the 2006 fiscal year.



Revenue growth is important only to the extent that it contributes to the redevelopment objectives. Capital improvements are the items that generate the most attention and excitement, but the selection of projects must complement the overall goals as they are presented in the master redevelopment plan. 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, but the CRA has continued to invest in smaller improvements where these will yield results.

In 1995, the agency undertook a review of its original redevelopment plan along with an overall review of agency operations. An outside consultant not involved with the original development of the program conducted this review. After a period of study involving City Commission, CRA Board and public participation, an updated redevelopment plan was issued. This plan confirmed the capital projects in the original plan were

still valid, suggested some additional projects, and recommended the CRA direct its primary attention to capital projects in support of its core mission of economic development. The revised redevelopment plan has now become the guiding document for the CRA program.

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 are 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 addition to capital projects the CRA has endeavored to improve the ability of its merchants to do business by collaborating with other groups to provide low cost training on a variety of business topics. The CRA has invested in studies of the local market to support business recruitment efforts, and has created matching grant programs to encourage private investment. Also, support programs have been developed to help mitigate the business impacts from streetscape construction. The CRA has supported the local merchants associations, including MainStreet, as a vital partner in these efforts. The objective has been to have not only a quality physical environment but to make local businesses as successful as possible.

The CRA Board will review its current work program and redevelopment planning efforts in 2007. As part of this review, past projects will be updated and additional projects will be brought online for planning and development.

CRA DISTRICT BOUNDARY



2006 ACTIVITIES

Completion of the \$1.85 million City Marina renovations, which started in 2002, was the highlight of 2006 for the Community Redevelopment Agency. Primary capital projects started last year were continued through 2006 with significant progress made toward implementation. In addition, the CRA Board started a new residential property improvement grant, established a formal grants and aids program and continued repairs to lighting and infrastructure.

CITY MARINA RENOVATIONS

The City of New Smyrna Beach's 42-slip public marina was completed in 2006 with a May dedication ceremony. The City Marina, located on the Atlantic Intracoastal Waterway, was built in the 1940's and underwent reconstructed in 1967.



Photo: Renee Richards

It is the closest public marina in a safe, sheltered location to the Ponce DeLeon Inlet and has a high public demand. The latest reconstruction project included a complete replacement of existing docks and seawall, timber pilings, concrete decking, a pump out station and a new ADA compliant building. Over 10% of the slips are available for transient use with a potential for future expansion.

Funding for the project came from the Community Redevelopment Agency, \$1,064,000; the Florida Inland Navigation District, \$420,000; the Ponce DeLeon Inlet and Port District, \$300,000; Saint Johns River Water Management District, \$45,000; and the Department of Environmental Protection, \$21,000. The Marina will be one of only three "Clean Marinas" in Volusia County and one of only 133 statewide.

The completion of this project came after delays from the hurricanes in 2004, construction complications from a massive coquina shelf found while attempting to drive piles, and discovery and remediation of an area of underground petroleum contamination. The newly renovated City Marina complements the Downtown CRA District, provides for additional public access and showcases the beauty of the Intracoastal Waterway.

FAULKNER STREET PARKING LOT

The Faulkner Street Parking Lot, located off of Canal Street, was completely upgraded in 2006 with new paving and striping, signage, lighting, landscaping and stormwater control. The design of the parking lot was modified to provided safer ingress and egress and make better use of the area to increase public parking spaces. The project was made possible through a partnership between the CRA and property owner Robert Wiley, who shared in the cost of construction.

The Julia Street Public Parking Lot is also being upgraded with new light fixtures as an overall part of the Faulkner Street Project. The CRA has developed public parking areas throughout the Downtown to increase opportunities for business redevelopment and provide off street parking for patrons, clients, and employees.

SOUTH ORANGE STREET & PARKING LOT IMPROVEMENTS

South Orange Street Improvements will include an upgrade to the stormwater system to control flooding in several key areas and upgrade aging infrastructure. As a part of this project, the CRA will undertake streetscape enhancements to include repaving, new curbs and gutters, sidewalks, landscaping, lighting, and burying of secondary electric lines. As a result of public meetings and CRA Board discussions, the design will also include bump outs at the intersections to calm traffic and break up the linear look of the street. The CRA will also reconstruct the Orange Street Parking Lot to provide a paved and striped surface that will maximize the number of available public parking spaces.



Design work for South Orange Street and the Orange Street Parking Lot is expected to be completed in February 2007. City staff is designing and engineering the parking lot and Glatting Jackson and GAI Consultants are completing design services for the roadway. Construction is due to begin in the spring. The City is coordinating with the Utilities Commission so that they can upgrade their water line at the time of construction.

MARY AVENUE DEMONSTRATION PROJECT

In 2004, GAI Consultants completed an analysis to study the Westside Neighborhood facilities. The report outlined an improvement strategy generated from the current inventory and analysis phases of the Westside Area Infrastructure Study. They categorized needed improvements into three areas: immediate improvements needed for safety reasons, short-term improvements for level of service reasons, and routine improvements consistent with public works practices. In addition, each improvement was given a priority ranking of high, moderate or low.

Based on the findings, the improvements that ranked highest in priority were upgrading the fire protection system by adding or relocating fire hydrants, street paving improvements in specific areas, sidewalk improvements, installation of additional lights, some street signage replacements and the creation of a gateway feature along with a streetscape.

After analyzing the report findings and area needs, the CRA Board and staff chose to begin improvements along Mary Avenue, as it appeared the best location to begin a demonstration project. Improvements on Mary Avenue will create an attractive gateway entry from US-1, provide for on street parking, enhanced lighting, sidewalk upgrades and a bike path that could serve as a connection for the master bike/pedestrian path plan across the City and ultimately, the across the County.

With the assistance of local residents and community members, GAI Consultants presented a variety of alternatives for Mary Avenue improvements and developed a design that allows for nested parking, decorative lighting, landscaping and a bike/pedestrian walkway. The Utilities Commission will be contracting separately for potable water and wastewater system improvements.

Design of Mary Avenue improvements was completed to 90% in 2006 with additional public input required for the landscaping element. The construction portion of the project should be bid in February 2007 with construction beginning shortly thereafter.

WEST CANAL STREETSCAPE



After finalizing a Local Agency Planning Agreement (LAP) with the Florida Department of Transportation, and agreeing on bid and contract documents, the CRA advertised a design build package in December 2006. The CRA will be overseeing the FDOT canal lining project in addition to designing and constructing the street improvements. Bids are due in March 2007 with an anticipated award date of May 1. The total project will take approximately 21 months to permit, design and construct.

FDOT has provided engineered concept plans for the canal pipe lining project that runs along the northern edge of the project boundary. They will fund the cost of the design, construction and construction engineering inspection services for this project. The CRA, with assistance from a Highway Beautification Grant, will fund the streetscape and road improvements. The Utilities Commission does not anticipate making any upgrades in the project area although the CRA will consider undergrounding overhead utilities based on the total cost.

Business owners located in the project area on West Canal Street have been offered matching alternate entry property improvement grants up to \$3,000 to help with access from a side or rear entrance during the construction of the project. The CRA and contractor will work cooperatively to keep the public informed as to the construction schedule and maintenance of traffic plans. Public meetings and written correspondence will also be made available to affected property owners and tenants.

HOSPITAL DISTRICT PLANNING STUDY

The CRA Board and City Commission selected Hunter Interests, Inc. to conduct the Hospital District Planning Study to assist in planning the revitalization of the area surrounding the Bert Fish Medical Center with a focus on retaining the historic attributes and character of the neighborhood.

The planning process included extensive research, interviews, and public meetings to assist in the analysis and recommendations provided in the final report. The primary areas of focus included an analysis of the real estate market in the district, parking requirements and needs, traffic issues, recommendations for City owned property, zoning and/or land use issues, historic and archeological resources, and recommended projects.

The final report suggested encouraging the creation of a medical office park between US-1 and the Bert Fish Medical Center, undertaking streetscape improvements between the hospital neighborhood and the downtown area of Canal Street, particularly on Magnolia, Palmetto,



Live Oak, and Orange Streets, and potential intersection improvements at Lytle Avenue. In addition, the report recommended that the hospital construct a parking garage at the site of their existing main parking area that would be compatible with the surrounding area. It suggested that the CRA assist in the design efforts of the garage and in construction of the nearby streetscape improvements.

Additional recommendations that Hunter Interests made included cleaning up the City-owned facility on Smith Street and converting it or selling it for medical related purposes that would put the property back onto the tax roll, as well as cleaning up other publicly owned properties for the betterment of the neighborhood. Hunter Interests presented its final report in late 2006. A follow-up public meeting is scheduled for January 2007 and the CRA Board will consider adopting the report, or a priority list of projects, following their goal setting workshop.

FLAGLER AVENUE BOARDWALK REPAIRS

The CRA has spent a great deal of time, effort and resources to create a positive, attractive environment on Flagler Avenue and Flagler Boardwalk. The Flagler Avenue Boardwalk is one of the most popular and widely used CRA projects in the City; however, due to harsh environmental conditions there are a number of major repairs, upgrades and maintenance elements that need to be addressed. Nearly all of the original hardware has rusted, pigeons seek haven in the rafters of the structure, benches and landscaping have not held up to the use and the elements, and the sand under the foundation has been eroded.

The CRA Board entered into an agreement with Schweizer-Waldroff Architects to review the existing boardwalk design and make recommendations on a method of repair or redesign. The firm is schedule to present its preliminary findings to the Board in January 2007.

The beach access ramping that was constructed in the central portion of the boardwalk has not withstood the ongoing problems associated with beach erosion, high tides, and storms. The current design was appropriate when the structure was first constructed but because of the damage due to changes to the elevation of the sand and strong wave action, the ramping became a hazard and required removal. As the beach restoration projects are performed and the beach is built back up, the CRA can have the ramping redesigned and rebuilt in a stronger fashion. Structural engineers are currently accessing the foundation and seawall to determine a proper method of remediation prior to boardwalk repairs or improvements being conducted.

Landscaping along the boardwalk continues to be a problem due to foot traffic and soil conditions. Rather than utilizing the walkways, many people walk over and on the landscaped areas causing damage to the plants. The CRA has talked with the Parks & Recreation Department and believe that the planting of sea oats could be successful and that additional palms are needed along the sidewalk area. A pilot project area of planted sea oats has been conducted in the northern most landscape area.



SOUTH ATLANTIC AVENUE PHASE II



School children, working through the Harris House of the Atlantic Center for the Arts, painted metal banners in ocean themes to be installed on all of the light fixtures on South Atlantic Avenue from Flagler Avenue to Third Avenue. The banners were manufactured by American Architectural Graphics and are similar to those located on Flagler Avenue.

The 37 brightly colored banners now complete the final phase of the South Atlantic Avenue improvements.

PUBLIC ART – WILDCAT SCULPTURE

In March 2004, the CRA Board commissioned a work of art by Elsie Shaw, called the Wildcat, to commemorate Chisholm High School and to be the centerpiece of a Veterans Memorial. The memorial consists of two low walls, lighting, and a flagpole with the Wildcat at the center. The memorial is located at the Babe James Center, which is on the site of the former Chisholm High School, and was funded jointly by the CRA and the Chisholm High Alumni Association.

The proposed walls include one for all veterans and Black Veterans of WWII whose names had been lost and painstakingly recovered by the Chisholm Alumni Association. Another wall would be dedicated to the names of former Chisholm High School students. The sculpture base will contain a plaque that will provide information about the former Chisholm School.

The Chisholm High School Wildcat sculpture was completed and installed in 2006 with a dedication ceremony held in August.



OLD FORT PARK WALL STABILIZATION

In 2006, the City Commission requested that the CRA undertake the structural analysis and repair of the historic Old Fort Park Wall in conjunction with its proposed landscaping improvements. The engineering portion of the project was competitively bid and an award will be made in January or February 2007. The engineer team will be responsible for preparing the construction documents necessary successfully repair the wall.

LIGHTING REPAIRS

Repairs to lights and electrical systems from hurricanes and other conditions have been completed. The North Causeway lights were replaced with a new style of bollards and all of the fixtures along South Atlantic Avenue have been replaced. The CRA is now involved only in the maintenance of existing systems and fixtures.

PROPERTY IMPROVEMENT GRANTS

The Property Improvement Grant Program was initiated in 1990 as a means to assist local businesses and property owners in upgrading their properties by providing a financial incentive for improvements. The program is also intended to direct the individual site design to support the overall design themes contained in the various design guidelines. The program has been very successful on both counts. Most new construction, whether or not it is supported by the CRA, adheres to the key design elements.

At the close of 2006, the total amount of Property Improvement Grants awarded by the CRA was \$425,742. The total amount of corresponding private investment these grant have generated was \$5,682,153.

GRANTS & AIDS

The CRA Board finalized a formal grants and aids policy in 2006 and accepted its first round of applications in conjunction with the 2006-2007 fiscal year. The Board awarded three grants to the Flagler Merchants Association, the Gallery Group and the New Smyrna Beach Mainstreet Association totaling \$21,418. The applicants must demonstrate that the activity will generate positive regional publicity for New Smyrna Beach and will enhance the economic viability of the CRA District. A higher priority is placed on new programs or events with a reasonable budget and ability to acquire additional funds to implement the project or program.

LOOKING FORWARD TO 2007

The CRA has an aggressive work program for 2007 with several major projects expected to be under construction at one time. With a goal setting workshop planned early in the year, the Board will have an opportunity to prioritize new projects for inclusion in the 2007-2008 budget cycle. In addition to major initiatives and projects, the CRA will focus on maintaining the existing improvements in an attractive fashion, promoting the economic development efforts of the district, and supporting the merchant association with their efforts to enhance the economic climate of the CRA area.

The CRA will continue to fund its highly successful Property Improvement Grant Program, its newly created Residential Improvement Grant Program, and provide for public art and grants for eligible activities. The Board will also consider its ability and interest in affordable housing efforts, public parking and signage programs. As a rule, the CRA Board and staff are interested in public input, comments and suggestions. Public meetings are a part of every major project and the Board actively solicits the opinions of those affected by the work program. Residents and business owners are encouraged to contact staff or Board members to acquire or provide additional information.



FINANCIAL CONDITION

The New Smyrna Beach Community Redevelopment Agency is in sound financial condition. The data presented in these pages shows the Agency's financial condition as of September 30, 2005 as reported in the City's Comprehensive Annual Financial Report. The balance sheet shows that the CRA has assets of over \$5 million to support annual operations and planned capital improvements. The CRA has been aggressive in seeking grant funding to support planned improvements as well as relying on tax increment income. The CRA has a very limited current debt level, and all current debt will be retired by 2010.

CRA BALANCE SHEET SEPTEMBER 30, 2005

Assets:

| | |
|---------------------------|---------------------------|
| Cash and Cash Equivalents | \$5,377,419 |
| Prepaid Items | <u>\$ 2,688</u> |
| Total | <u>\$5,380,107</u> |

Liabilities and Fund Balances:

| | |
|--|---------------------------|
| Accounts Payable and Other Current Liabilities | \$ 24,750 |
| Reserved for Encumbrances | \$ 312,208 |
| Reserved for Inventories and Prepaid | \$ 2,688 |
| Reserved for Community Redevelopment Projects | <u>\$5,040,461</u> |
| Total | <u>\$5,355,357</u> |

CRA STATEMENT OF REVENUE AND EXPENDITURES SEPTEMBER 30, 2005

Revenue:

| | |
|-------------------|---------------------------|
| Taxes | \$ 848,833 |
| Intergovernmental | \$1,573,298 |
| Miscellaneous | <u>\$ 117,200</u> |
| Total | <u>\$2,539,331</u> |

Expenditures:

| | |
|---------------------------------------|---------------|
| Economic Environment ¹ | \$ 444,118 |
| Other Financing Sources (Uses) | |
| Transfers In (Out) ² | \$(1,303,805) |

Excess Revenue over Expenditure and other uses \$ 791,408

Fund Balance, beginning of year **\$4,563,949**

Fund Balance, end of year **\$5,355,357**

NOTES:

¹ Expenditure for economic environment includes personal services, operating expenses and capital outlay.

² Transfers out include payment to the General Fund and to the Debt Service Fund.