

City of Flagler Beach Community Redevelopment Agency

Fiscal Year 2016-2017 Annual Report



March 22, 2018

A Message from the City Manager

Fiscal Year 2016-2017 (abbreviated **FY17**) encompasses October 1, 2016 through September 30, 2017. This Annual Report represents an especially challenging year for the City, its businesses, and its residents, as we struggled to recuperate from not one, but two, hurricanes.

Hurricane Matthew, which struck October 7, 2016, left many of the city-owned buildings damaged. Both City Hall and the Wickline Building needed roof repair, our Maintenance and Public Works buildings suffered damage, and the City Library was flooded. We learned during this time how important the dune crossovers are to our residents – there were more inquiries as to when they would be fixed and safe to use than any other phone call to city staff.

But the most devastating loss was to the City's famous icon and the anchor of our downtown tourist destination: our Pier. A hardening project had just been completed the year before, but Mother Nature can be a tough adversary. Measuring from the now missing T-end, a total of 160 feet of pilings and memorial planks were lost to the ocean depths. While reopening the pier was the number one priority, it still took almost ten months for an assessment of its structural integrity and reconstruction repairs to be completed before it was safe for use. Much to the joy of fishermen and tourists alike, the Pier reopened on June 24, 2016, at 6 AM. *And* we were able to hold our annual Fourth of July fireworks on the Pier as we have for the last 50+ years.



Pre-Matthew. Note presence of T-end.



Post-Matthew. T-end, pilings, planks gone.

Hurricane Irma hit September 11, 2017. This storm event left most of the city buildings intact, but the exception was the City Library. Poised to reopen by mid-September, 2017, H. Irma arrived just days earlier, creating new holes in the roof and skylights. The library reopened on February 8, 2017, with a ceremony to say farewell to our retired librarian Ruth Young, and to welcome her successor, Christine Obringer.

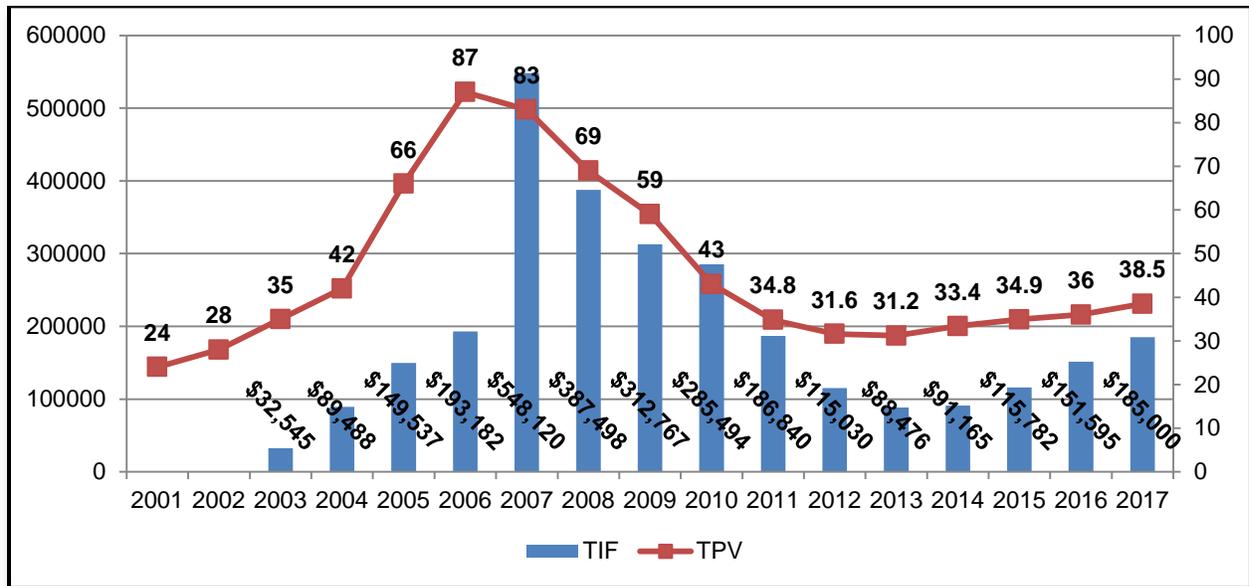
(Although not in the CRA, it should be noted for posterity that many of our residents living near wetlands, canals, or the Intracoastal Waterway, were severely flooded. H. Irma's floodwaters rose higher than the FEMA calculated 500-year flood.)

For the city’s Community Redevelopment Agency, FY17 continued to be a challenge from a financial perspective. Staff spent most of the year striving to make improvements while closely monitoring the financial health of our Trust Fund.

The CRA is funded by **Tax Increment Financing (TIF)**, a unique tool that allows the city to leverage public funds to promote redevelopment improvements in the private sector. The dollar value of all real property within the Community Redevelopment Area is determined as of a fixed date, also known as the “frozen value.” Flagler Beach’s frozen property value, assessed in 2001, is \$24,154,210.

Frozen value revenues are available for General Government purposes. However, tax revenues from increases in real property value, that is, amounts above the frozen value, are referred to as “increment” revenue. Increment revenue is deposited in the CRA Trust Fund, which is dedicated to the redevelopment area.

The blue bar graph below depicts the highs and lows of the TIF over the past 14 years. The year 2007 marks the height of the real estate bubble. The inevitable burst of that bubble is reflected in the precipitous drop in 2008, with steady declines in the five years that followed. The last four years, however, have seen a small but steady increase in the TIF.



The red line graph tracks the **Taxable Property Values (TPV)**, in millions of dollars, beginning at the base year of 2001. Since its inception in 2001, all values below \$24,154,210 are available to the city for General Government purposes.

The depressed revenue stream continues to improve. This fiscal year, like last year, there was no need for additional support from the General Fund. In fact, the city can now develop a CRA Capital Improvement Plan that will include an annual maintenance program to take care of our existing infrastructure.

Fortunately, in FY17, revenue exceeded expenditures by \$48,192.

Our existing programs will continue:

- Stormwater Maintenance
- Pedestrian Wayfinding Signs
- Parking Needs outside of Special Events
- First Friday Event
- Business Ambassador Program
- Economic Development Task Force
- Assessment of Underground Utilities for Repair
- Improvements to the Boardwalk Area

Programs Completed this FY:

- Veterans Park: Underground electrical
- Paving and Landscaping Improvements to Boardwalk Area
- New Benches at Pier

Programs to implement:

- Stormwater Projects, both inside and outside the CRA, relying on the expertise of our new City Engineer, Fred Griffith
- Veterans Park: Irrigation improvements
- Veterans Park: Solar Trees (stations provide free electrical and recharging service)
- Bike Rental Program
- Golf Cart Taxi Service

In conclusion, I am grateful to the citizens for their support, and appreciate their passion and love for this gem that we call home. I pledge to continue to implement programs in the CRA that will make Flagler Beach a place where residents can take pride, tourists will continue to visit, and businesses will enjoy a healthy profit.

FLAGLER BEACH IS A GREAT PLACE TO CALL HOME!

Larry M. Newsom
City Manager
March 22, 2018



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Community Redevelopment Agency Board

The Flagler Beach City Commission serves as the Community Redevelopment Agency Board. Members for FY15 were:

Mayor	Linda Provencher
Chairman	Jane Mealy
Vice-Chairman	Marshall Shupe
Commissioner	Rick Belhumeur
Commissioner	Kim Carney
Commissioner	Joy McGrew

Community Redevelopment Agency Staff

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History of the Community Redevelopment Agency

In 1969, the Florida Legislature passed the Community Redevelopment Act as a means for local communities to conserve, rehabilitate, or redevelop an area that constitutes an economic and social liability, as a result of a decrease in the tax base. Through Ordinance 2002-12, the City Commission of Flagler Beach officially designated itself the Community Redevelopment Agency, pursuant to Section 163.387 of the Florida Statutes.

The core downtown area was generally described as bounded by North 9th Street on the north, South 9th Street on the south, Oceanshore Boulevard (SR A1A) on the east, and Flagler Avenue on the west. South of Moody Boulevard, the boundary is a perfect rectangle, but north of Moody Boulevard (SR 100) the boundary is uneven, stepping down from Flagler Avenue toward SR A1A. The area was selected for revitalization due to an inadequate street layout, shortage of parking, and general deterioration of structures.

Over the years, the Community Redevelopment Plan has been revised as major initiatives have been completed. Utilities have been moved underground, sidewalks have been redone, streets have been repaved, stormwater systems have been constructed, and the number of parking spaces has increased through the purchase of vacant lots. Wickline Park has been upgraded with lighting and picnic tables, decorative street light posts have been added, and the number of Wayfarer signs directing residents and tourists to downtown businesses has increased, to name just a few of the more recent improvements.



CRA Boundaries (shown in yellow) are approximate.

Major Goals and Objectives

Each goal includes specific objectives.

Goal 1. Overall Redevelopment

Establish downtown Flagler Beach as a focal point for the community and to attract visitors from the entire region and beyond.

Objective 1.1. Implement the downtown master plan and architectural design guidelines through streetscaping and roadway design.

Objective 1.2. Encourage a viable downtown continuing to bring special events and music to downtown and keeping community stakeholders involved.

Objective 1.3. Continue to explore the opportunities to redevelop Block 9 (Moody Subdivision) as a high-end, mixed-use private property that will contribute exponentially to the tax rolls.

Goal 2. Overall Image

Increase the visibility, identity, and unity of the downtown through physical design, promotion, uniform store hours, and improved signage.

Objective 2.1. Seek to create public-private partnerships to develop a marketing strategy and business recruitment / retention strategy for the CRA area.

Objective 2.2. Promote a unified advertising campaign for downtown retailers by establishing a coordinated online Welcome Packet, Parking Map, and Business Directory in partnership with other local organizations.

Goal 3. Environmental

Create an attractive, safe and comfortable environment conducive to activities during the day and evening.

Objective 3.1. Maintain city services for sidewalk maintenance and streetscapes. Continue to encourage building improvements by property owners.

Objective 3.2. Produce information with community events to be held in the CRA. Continue to hold / host special community activities and events in the downtown to draw visitors, tourists and community members to the CRA.

Objective 3.3. The CRA shall encourage and promote the use of its parks for recreation for all ages by continuing to apply for FRDAP grants and funding opportunities.

Objective 3.4. Encourage the visual enhancement program through the elimination of visual pollution and by screening surface parking areas with landscaping or other means, and assist in the creation of ordinances that will enforce these types of enhancements.

Objective 3.5. Encourage the elimination of blighted structures in order to improve appearance of vacant lots / parcels by taking inventory and proactive Code Enforcement efforts.

Goal 4. Funding

To seek additional funding sources for CRA projects. The CRA is empowered to use its monies as matching funds, regardless of what entity applies for the grant, provided the proceeds of the grant will be used to further the redevelopment plan within the redevelopment area.

Goal 5. Transportation

Provide an integrated transportation and parking system to and within the downtown area.

Objective 5.1. Develop an effective marking and management system for the current parking system in conformance with the Master Plan and Design Guidelines.

Objective 5.2. Continue to implement the Downtown Master Plan and the Design Guidelines related to parking and overflow within the CRA.

Objective 5.3. Continue to explore the possibility of paid parking while taking into consideration the need to seek majority acceptance from local business owners and residents.

Objective 5.4. Add public parking on South Flagler Avenue, implement off-site parking area map, and provide information regarding the movement of people about downtown.

FY 2016- 2017 Achievements

I. Pedestrian Wayfinding Sign Program

In February 2013, the city launched the Pedestrian Wayfinding Sign Program to direct visitors and residents, motorists and pedestrians alike, to businesses in our CRA. Business response to the initiative has been a great success.

FY14 marked the first full year of the Wayfinding Program, and saw an additional 33 sign blades installed. In FY17, 5 new signs were installed, bringing the total to 79. Each sign costs the advertised business \$100 for the first year, with a \$45 maintenance fee for each subsequent year. (Our salt air environment, combined with rainy days, can result in a sandy dusting of the blades, which need to be wiped down every so often.)

In 2013, our colorful Wayfinder Signs caught the eye of the Florida Planning and Zoning Association, which awarded the City, the Chamber of Commerce, and Joseph Pozzuoli, Architect (the designer) a trophy for “Outstanding Innovation & Design.” We’re still very proud of that!



From left to right: The FPZA trophy, and two of the ten Wayfinder sign posts in the CRA.

II. First Friday “Music in the Park”

On the evening of the first Friday of every month, the City hosts its “Music in the Park” event at Veterans Park, centrally located at the intersection of State Routes A1A and 100. The event attracts residents and visitors to the district and its downtown businesses, showcasing our local shops and restaurants, and thereby encouraging people to return the next week to spend “new dollars.”

A range of musical talent is featured, with special activities at each First Friday (see chart on next page).

Rotary Club is a food court mainstay, selling hamburgers, hot dogs, and funnel cakes, while various city and county restaurants take turns supplying a variety of menu options. A section of the park is devoted to the Kids Zone, where children can romp safely inside a roped off area featuring a bounce house, balloon-shaping clown, face painting, and an ice cream truck.

To ensure there is plenty of space for those with lawn chairs desirous of a clear view of the bandstand, non-food vendors are lined up along Central Avenue between South 2nd and 3rd Streets. This encourages visitors to traverse the street, and exposes them to brick and mortar businesses south of Veterans Park.

Restaurants and shops on all four sides of the park swell to capacity when there is plenty of sunshine. But two of our First Friday events had to be cancelled this year due to weather: January 6, 2017 was too cold, and September 1, 2017 it rained.



First Friday Features, October 2016 through September 2017

Date	Theme	Entertainment	Activity
October 7	Fall Festival	Anthony Wild and the Suspects	Pink Army Flag Raising
November 4	Fun in the Park	J.D. Souther Blues Band	Corn hole
December 2	Holiday at the Beach	Wadsworth 1 st Grade Singers; Old Kings Elementary School; SEASCS Choir; Matanzas Blue Steel; FPCHS Marching Band	Lighting of the Park Pictures with Santa
January 6	New Year's Street Dance	Canceled Cold weather	
February 3	Tropical Winter in the Park	J. Collins Country Band	Free Hot Apple Cider Booth
March 4	Rock n Roll in the Park	Hot Stuff	Pinewood Derby
April 7	Spring in the Park	Highway 1	Kids mural
May 5	Rock n Roll in the Park	Mercury 49's	Sidewalk Chalk Art
June 2	Summer in the Park	Soul Fire	Rain Gutter Regatta
July 7	Freedom in the Park	Sargent Rock	Tie Dye Tee Shirts
August 4	Dancing in the Park	Halo Violation	Water games
September 1	Carnival in the Park	Canceled due to weather	



III. Business Ambassador Program

Our City Planner, Larry Torino, advises new businesses on how best to open shop in our Downtown CRA. This includes information on permitted uses, zoning, building and parking requirements, inspections, local ordinances, and procedures for securing a Local Business Tax Receipt. Equally important is a detailed explanation of the proper order of steps to ensure a smooth transition of the business owner's vision, from inception to completion.

In FY17, nine new businesses opened their doors: Baynes' BBQ, Dashi Sushi, Kool Beenz Coffee, Nadi Yoga and Wellness, On the Block Barbers, Peak Fitness, Swillerbees, and Wham Burgers. Store-fronts are pictured below.



Swillerbees Craft Donuts and Coffee shares building space with **Peak Performance** Personal Training, 101 North Central Avenue.



Eye-catching **Wham Burgers** at 400 South Ocean Shore Boulevard serves lunch and dinner.



The **Shell** Station at 700 S Ocean Shore Boulevard is under new management.



On The Block Barbers relocated to the Selby Building at 209 South 2nd St., while just around the corner at 301 Moody Boulevard, colorful **Bayne's Barbeque** and its pig-shaped bench beckons to customers.



Nadi Yoga and Wellness at 213 South 2nd St encourages fitness by occupying the second story. ☺



In addition to java, **Kool Beenz Coffee** offers teas, smoothies, and breakfast sandwiches.



A Scent to Remember at 208 South Central promises to pamper.



Dashi Sushi at 109 South 6th Street fills a new niche in Downtown.

IV. Goal Statement to the Economic Development Task Force

In response to the financial challenges facing our CRA Trust Fund, the CRA Board and City Commission provided a new goal statement to the Economic Development Task Force (EDTF):

To develop a comprehensive list of options and recommendations that if accepted by City Commission and implemented by staff, would eventually lead to an increased property tax base within our Community Redevelopment Agency.

Some of the challenges facing the EDTF committee are delineated below:

- CRA Taxable Values are 44.2% of the 2006 peak
- TIF Revenues are 33.8% of the 2007 peak
- Capital Project Debt remains at \$1,032,601

The EDTF has accepted the challenge of the goal statement and has been considering a range of viable solutions, including educational workshops for commercial building owners and real estate agents oriented toward starting a business and understanding “change of use’ in zoning; scrutinizing city-owned properties for best and highest use; expansion of the Mixed-Use Overlay District; and the aforementioned parking issues.

We look forward to working with the EDTF this next fiscal year as they put forth their recommendations on how to achieve this goal. This cooperative effort could prove to include some of the most important tasks undertaken by the City and the CRA in recent history.

Looking Ahead

The next fiscal year will continue to present a challenge to our CRA, due to the financial condition of our CRA Trust Fund. There are bright spots on the horizon, however. The City's economy continues to recover from the collapse of the housing market due to an increase in property sales and construction. The Building Department issued **35** permits for single family residences, generating \$346,121.23 in permit fees. Real estate values are on the upswing and are expected to continue on that trajectory. Eventually, these improvements will be the impetus for an increase in our finances.

In the meantime, staff remains committed to pursuing opportunities to enhance our CRA and, as always, continues to focus on making the agency the best it can be.

Our goal as stated in last year's CRA Annual Report was to provide a maintenance program for the CRA and implement future multi-modal projects. Dealing with the aftermath of two hurricanes this last year has delayed full implementation of that goal. However, the Public Works Department has stepped up its maintenance program of stormwater drains; a new landscape contractor has been hired, Verdego Landscape, LLC, to maintain our CRA and locate our defunct irrigation system; and we will focus on installing more bike racks in our downtown.



Beach combers enjoy a stroll on Flagler Beach at dawn.



**City of Flagler Beach
Community Redevelopment Agency
Balance Sheet
September 30, 2017**

Assets

Cash (Operating)	185,027	
Due from General Fund	5,124	
Total Assets		190,151

Liabilities

Accounts Payable	478	
Due to General Fund	22,358	
Due to Capital Projects		
Due to Utility Fund		
Due to Sanitation Fund		
Due to Stormwater Fund		
Payroll Payable		
Loan Due to General Fund	87,187	
Total Liabilities		110,023

Fund Balances

Total Fund Balance	80,128
Total Liabilities and Fund Balance	190,151

***NOTE: These are Unaudited schedules.