

# City of Flagler Beach

## Community Redevelopment Agency

Fiscal Year 2019 – 2020 Annual Report



## A Message from the Interim City Manager

Fiscal Year 2019-2020 (abbreviated FY 20) encompasses October 1, 2019 through September 30, 2020.

In January 2020, the world news agencies began reporting about a new virus. Medical scientists cautioned this new highly infectious strain would become a worldwide pandemic. Coronavirus Disease 2019 COVID-19 Novel made its way to America in early March of 2020. Florida Governor, Ron DeSantis, issued a State of Emergency for the entire State of Florida with Executive Order 20-52 on March 09, 2020 and the City of Flagler Beach soon followed this action by adopting a State of Emergency Order with Resolution 2020-04 on March 19, 2020.

Our daily activities, as we knew them, would all change. Lockdowns became a common phrase. We could no longer visit our elderly parents and relatives out fear of spreading this disease to the most vulnerable, our elderly. Children were now being taught over electronic media (Zoom). A majority of our workforce now worked from home, with the exception of essential workers. A face mask is now a common sight, and is now required in all establishments. Many small businesses collapsed due to the financially crushing impact of the virus. As fear took over, new slogans and phrases were splashed across all news media: "Stay Home Stay Safe", "Staying apart is the best way to stay connected", "During these uncertain times", "We're all alone together", "Please remember to wash your hands", "the "New Normal", and so on.

Who could have predicted that toilet tissue, paper towels, hand sanitizer, and cleaners with bleach would be coveted? While this pandemic brought out the worst in some, it also demonstrated the caring nature of humans as we saw numerous acts of kindness, like people helping their neighbors. People who were once largely strangers no longer are just people you greet with a friendly wave or hello.

2020 was a tough year for Flagler Beach, with the untimely loss of our City Manager, Larry Newsom, and two of our long time employees Angelo Cinelli and Joe Mulvihill. One of our senior staff, Bruce Garrison, succumbed to the Corona virus, and our beloved First Friday event was cancelled indefinitely.

Now, as this report is being drafted, vaccines are being distributed with the goal of "herd immunity". Businesses are reopening; still not to 100% capacity, but on their way to life as we were accustomed to before Corona -19.

In conclusion, I am proud for your support and confidence in appointing me as your Interim City Manager. I will continue to serve to the best of my ability and strive to make Flagler Beach a place in which residents take pride. I am hopeful that soon again Flagler Beach will be a destination for tourists seeking that small town, laid back, beach community vibe, and accompanying those tourists, their dollars, to get our small businesses out of the red and back to profitability.

Richard McFadden  
Interim City Manager  
March 22, 2021

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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.



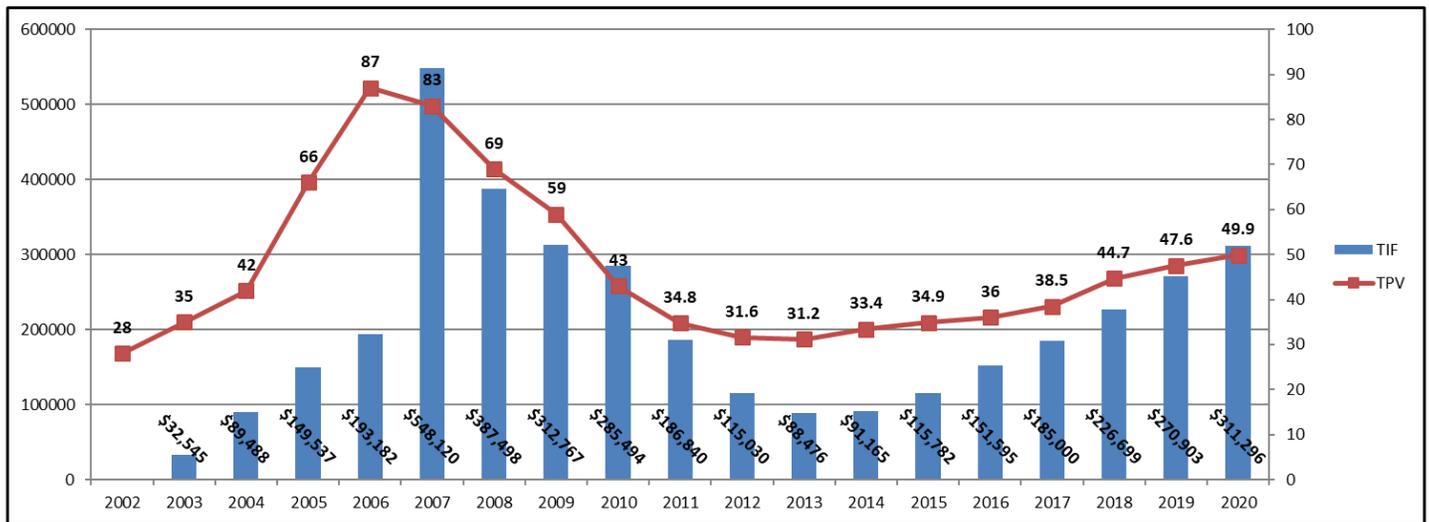
CRA Boundaries (shown in yellow) are approximate.

# TAX INCREMENT FINANCING (TIF) AND TAXABLE PROPERTY VALUES HISTORY

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 18 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 seven 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 above \$24,154,210 are available to the city for General Government purposes.

The depressed revenue stream continues to improve. This fiscal year, like the last four years, had no need for additional support from the General Fund. The city continues to fund the CRA Capital Improvement Plan. In FY 20 the CRA funded Wickline Complex public parking lot upgrades such as a paved parking area with stormwater retention areas, and Veterans Park received landscaping improvements.

## **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 2019 – 2020 Achievements

### I. Capital Improvements:

The Wickline Complex public parking area was paved and a stormwater system was installed, a much needed improvement aesthetically and functionally. No longer will you need wading boots to exit your vehicle after a storm if visiting our Building Department or Library. The Project was designed in house by our Project Manager Dr. Lee Richards, and the construction bid was awarded to Halifax Paving, Inc., the lowest most responsive bidder in the amount of \$121,081.



Veterans Park received landscaping improvements around each of the public seating areas that border the park and palms and shrubbery were installed improving the aesthetics of the park and our downtown area.

## II. First Friday Music in the Park

On the evening of the First Friday of each month, the city hosts its “Music in the Park” event in Veterans Park, centrally located in our downtown district. The event is always well attended and visitors are encouraged to visit our local shops and restaurants.

Due to Center for Disease Control restrictions February was the last month a First Friday was event held in 2020. Staff s hopeful to again hold the First Friday events in the fall of 2021.

Date	Theme	Entertainment	Activity
October 4 <sup>th</sup>	Fall Festival	J.W. Gilmore & the Blues Authority	Pink Army Flag Raising
November 1 <sup>st</sup>	Country Music	Joe Reid, Iron Country	Kids Zone
December 6 <sup>th</sup>	Holiday at the Beach	Local school Choirs and Bands	Lighting of the Park, pictures with Santa
January 4 <sup>th</sup>	New Year’s Street Party	Soul Fire	Free Hot Chocolate
February 7 <sup>th</sup>	Tropical Winter	Girl on Fire	Corn Hole, Kids Zone

### III. Business Ambassador Program

City Planner, Larry Torino, advises new businesses on how to best open shop in our Downtown CRA. Information provided includes: information on permitted uses, zoning, building and parking requirements, inspections, local ordinances, and procedures for securing a Local Business Tax Receipt, Doggie Dining Permit or referrals to the City Clerk for Outdoor Entertainment Permits. Equally important is a detailed explanation of the order of steps to ensure a smooth transition of the business owners vision, from inception to completion.

In FY 20 the Community Redevelopment Area saw fifteen new businesses open, two change of ownerships and eight businesses operating offices out of Ripple Co-Working.

The new business are: Essential Elements Spa, LLC, Uplift Nutrition, All Florida Battery, Courageous Healings, Plank Flooring Specialist, 6<sup>th</sup> Street Deli, Uplift Garage Doors, Ohana Food Company, LLC, A+ Beauty, LLC, Beach Barre Fitness, Mental Health Transformations, LLC, KLR Home Solutions, LLC, Flagler Tea Company, Flip Flop Shops, At First Sight 3/D Ultrasound and Island Flavaz Restaurant.



Ohana Food Company

## Looking Ahead

The financial condition of the CRA Trust Fund is improving and the City Commission sitting as the Community Redevelopment Agency is again looking at the feasibility of offering small scale improvements grants to the properties in the CRA district. These grants would reimburse property owners up to \$2,000 for paint, fencing, awnings, landscaping, and new signage for those businesses whose signage is not in compliance with the current code.

Real estate values are on a huge upswing and we are hoping this trend will continue.

Staff will continue to implement esthetic improvements in the district.



**City of Flagler Beach  
Community Redevelopment Agency  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances  
September 30, 2020**

<b>Revenues</b>		
Ad Valorem Taxes	124,432	
CRA-Ad Valorem Taxes (County)	181,234	
CRA-Ad Valorem Taxes (EFMCD)	5,630	
<b>Revenues Total</b>		<b>311,296</b>
<b>Expenditures</b>		
Audit	4,000	
Professional Services	0	
Contractual Service	67,690	
Utilities	5,870	
Repairs & Maintenance	21,103	
Membership Subscription Dues	175	
Improvements	128,460	
Capital Equipment	0	
Interest Loan from General Fund	593	
Debt Service - Principal	58,000	
Debt Service - Interest	16,521	
<b>Expenditures Total</b>		<b>302,412</b>
<b>Net of Revenue and Expenditures</b>		<b>8,884</b>
Fund Balance Start of FY, 10.01.19		<b>212,140</b>
Fund Balance End of FY, 09.30.20		<b>221,024</b>
***NOTE: These are Unaudited schedules.		

**City of Flagler Beach  
Community Redevelopment Agency  
Balance Sheet  
September 30, 2020**

<b>Assets</b>		
Cash (Operating)	298,975	
Due from General Fund	962	
<b>Total Assets</b>		<b>299,937</b>
<b>Liabilities</b>		
Accounts Payable	73,701	
Due to General Fund	5,212	
<b>Total Liabilities</b>		<b>78,913</b>
<b>Fund Balances</b>		
Total Fund Balance		<b>221,024</b>
Total Liabilities and Fund Balance		<b>299,937</b>
***NOTE: These are Unaudited schedules.		