

**Jacksonville Beach
Community Redevelopment Agency**



**ANNUAL REPORT
October 1, 2017 – September 30, 2018**

Jacksonville Beach Community Redevelopment Agency Annual Report

October 1, 2017 – September 30, 2018

Agency Members

Art Graham, Chairman

Frances Povloski, Vice Chair

Samuel Hall, Jr.

Jeffrey Jones

Scott Gay

Mayor and City Council

William C. Latham, Mayor

Councilwoman Chris Hoffman

Councilman Phil Vogelsang

Councilman Keith Doherty

Councilwoman Jeanell Wilson

Councilman Bruce Thomason

Councilman Lee Buck

Staff

William C. Mann, AICP, FRA-RP
Administrator

Staff

George D. Forbes, City Manager
Karen Nelson, Interim City Manager (August 2018)
Susan Erdelyi, City Attorney

Jacksonville Beach Community Redevelopment Agency Annual Report

October 1, 2017 – September 30, 2018

PURPOSE OF THE REPORT

This annual report is prepared pursuant to the provisions of Florida Statutes, Chapter 163.356(3)(c) and Chapter 163.387(8).

ACCOMPLISHMENTS

Downtown

Activities of the Jacksonville Beach Community Redevelopment Agency (CRA) in the City's Downtown Redevelopment District during this fiscal year continued to focus on the implementation of the adopted Downtown Vision and its associated Infrastructure Improvement Program.

Work was completed on the construction of Project #1 in Phase III-C of the Downtown Vision Plan Infrastructure Improvement Program in June 2018, in the area bounded by Beach Boulevard, 4th Avenue South, 3rd Street and the oceanfront bulkhead. Work also commenced in June 2018 on Project #2 of that program, including replacement of the water and sewer systems, stormwater collection, and roadway, sidewalk and alley paving in the area bounded by 13th Avenue South, 11th Avenue South, 3rd Street and the oceanfront bulkhead, similar to Project #1. Project #2 also includes the connection of the new stormwater collection system with the City's central stilling basin, outside of the Downtown Redevelopment Area. This additional work was approved via an interlocal agreement between the Community Redevelopment Agency and Duval County (Taxing Authority). Project #2 has an estimated construction timeframe of 600 days.

A Redevelopment District: RD Rezoning Amendment application was also considered and recommended for approval by the CRA during the FY 17/18 fiscal year. The owner of the vacant property at the southeast corner of 3rd Street and Beach Boulevard applied and was approved in 2008 to rezone that land to *Redevelopment District: RD* to allow the development of a three-story hotel project. The 2008 project was for an 80-room *SHERATON- FOUR POINTS* hotel with garage parking and ancillary restaurant and meeting space. In April 2017, the property owner applied to amend the approved RD ordinance to allow a maximum 81-room *ELEMENT* hotel, with revised site plan and building elevations. That amendment was approved by the

Jacksonville Beach City Council on May 21, 2018. It is expected that the construction of that project will commence in the Spring of 2019.

The consulting team of *Dix.Hite + Partners*, selected during FY 15/16 to prepare a “Downtown Vision Plan-Implementation and Management Plan,” was authorized to begin work on Phase 2 of that plan. Work products to be produced include implementable Bicycle Parking, Public Art, Wayfinding Signage, Lighting, and Site Furnishings master plans, and also design and construction document production for a new Pier Entryway Area Plan for the public Atlantic Ocean fishing pier located at 4th Avenue North.

The CRA authorized and funded the following projects during the FY17/18 fiscal year, utilizing Downtown Tax Increment Trust funds:

- Appropriated \$11,073,488 for the construction of Project #2 of Phase III C of the Downtown Vision Plan Infrastructure Improvement Program.
- Appropriated \$542,513* for the construction of downstream channel improvements which will be required prior to the completion of Projects 2 through 4, Phase III C of the Downtown Vision Plan Infrastructure Improvement Program.

* Two appropriations. CRA Res. 2018-05 - \$384,084, CRA Res. 2018-09 - \$158,429

- Appropriated \$77,430 for the design of 25 oceanfront dune walkover structures, and an additional \$13,999 for seaward extensions to 15 existing oceanfront stormwater outfalls, both projects required as a result of the completion of the U.S. Army Corps of Engineers’(USACE) 2018 Beach Renourishment Project performed along the city’s Atlantic Ocean coastline.
- Appropriated \$493,755 for the construction and construction administration services for the portion of the City’s S.R. A-1-A Water Main Replacement Project lying within the Downtown Community Redevelopment District. (6th Avenue North to 9th Avenue North)
- Appropriated \$355,350 for the construction and construction administration services for three ADA compliant oceanfront dune walkover structures required as a result of the completion of the USACE’s 2018 Beach Renourishment Project performed along the city’s Atlantic Ocean coastline.
- Appropriated \$440,000 for professional services for the development of specific project plans for various components identified in the Dix.Hite + Partners “*Downtown Action, Implementation, and Management Plan*”.

South Beach

The major actions in FY 17/18 of the Community Redevelopment Agency (CRA) in South Beach related to infrastructure enhancements, and facilities maintenance and enhancements in South Beach Park. The CRA authorized and funded the following projects during the FY17/18 fiscal year, utilizing South Beach District Tax Increment Trust Funds:

- Appropriated \$108,056 for the purchase and installation of apparatus at nine fitness stations located within South Beach Park.
- Appropriated \$138,518 for the purchase and installation of additional water features and play surfacing at the interactive Splash Pad water park located within South Beach Park.
- Appropriated \$384,084 for additional necessary repair work for the “Stormwater Pipe Cleaning, Sheet Pile Channel and Related Improvements Project in the South Beach Parkway/Jacksonville Drive Vicinity (Parts A and B).”
- Appropriated \$46,200 for the renovation of the Sunshine Park wooden play structures located within South Beach Park.
- Appropriated \$49,577 for the renovation and ventilation upgrade of the public restroom building located adjacent to the skateboard park within South Beach Park.

COMMUNITY REDEVELOPMENT AGENCY STAFFING

Since 1993, the Jacksonville Beach Community Redevelopment Agency has operated under the supervision of the City’s Director of Planning and Development, who also serves as the part-time CRA Administrator. Various City departments provided ancillary services to the Agency through internal service accounts, e.g., city administrator, finance, personnel services, purchasing, and information systems. In addition, the Jacksonville Beach Public Works Department has provided supervision and inspection services on capital improvement projects at no cost to the Agency since its inception in the late 1970’s. Over time, the CRA workload has expanded to where the City can no longer provide low or no cost assistance. Therefore, in August 2014, as part of the review and approval of the Agency’s 2014-2015 annual budget by the City Council, a new staffing plan was authorized.

Specifically, the following City staffing plan was approved and, with the exception of an eliminated part-time Community Redevelopment Specialist position in 2016, remains in effect for CRA funding:

- CRA funding to pay twenty-five (25%) percent of the City Engineer’s salary and benefits for work performed on Community Redevelopment.
- Authorize a Redevelopment Project Engineer’s position within the City’s Public Works Department – Water and Sewer Administration Division to work seventy-five (75%) percent of the time on Downtown and South Beach capital improvement projects.’
- Eliminate current CRA funding of seventy-two (72%) percent of a Permit Specialist position.
- Allocate sixty-two (62%) percent of the salary and benefits of the above-referenced administrative and engineering support personnel to the Downtown Tax Increment District and thirty-eight (38%) percent to the South Beach Tax Increment District.
- Provide sufficient Downtown and South Beach Tax Increment District funds in the annual operating expense budgets as needed to fund costs directly related to the above City staff persons work on the two Community Redevelopment Programs.

The City and its CRA have now completed the fourth full fiscal year under this administrative arrangement, and it continues to be effective in the development and implementation of the various capital investment projects identified in the Downtown and South Beach Community Redevelopment and Capital Improvement Plans.

TAX INCREMENT DISTRICT STATUS

Both of the Jacksonville Beach Community Redevelopment Districts are designated as Tax Increment Districts. The Agency manages the tax increment trust funds that were set up pursuant to Chapter 163, Part III, Section 163.387, Florida Statutes.

The Downtown Redevelopment Tax Increment District was created following the adoption of a redevelopment plan first adopted on January 19, 1987, which was last amended on September 8, 2015. The South Beach TIF District was approved under a redevelopment plan adopted on June 15, 1987, and last amended on March 20, 2017. Under Chapter 163.387(2)(a), Florida Statutes, a redevelopment tax increment trust fund remains in place for a period not to exceed 60 years. The ending date of the TIF District is determined to be 30 years from the date that a community redevelopment plan was modified or amended, provided that the expiration date is not more than 60 years from the date of adoption of the original community redevelopment plan.

The amount of the tax increment in the Downtown Community Redevelopment Area was up slightly over the previous year. The amount of assessed valuation in the District increased by approximately 5.2%, from \$577.7 million to \$607.8 million, yielding an increment of \$565.5 million against the 1983 base year valuation. The Agency received \$6,525,605 in appropriations

from the two taxing authorities – the City of Jacksonville Beach and the City of Jacksonville/ Duval County – for the Downtown district.

For the South Beach Community Redevelopment Area, the contribution to the tax increment trust fund totaled \$4,431,389. The appropriation to the South Beach TIF from the two taxing authorities was based on an assessed valuation of \$390.6 million (7.1% increase over previous year) and an incremental valuation of \$384 million over the 1986 base year.

FINANCIAL INFORMATION

The tax increment trust monies for both the Downtown and South Beach Community Redevelopment Districts are primarily committed for capital projects for the betterment of the Districts. The information on the following two pages was taken from the current Jacksonville Beach *Comprehensive Annual Financial Report (CAFR)*.

**SCHEDULE OF COMBINING BALANCE SHEET
COMMUNITY REDEVELOPMENT FUNDS
SEPTEMBER 30, 2018
CITY OF JACKSONVILLE BEACH, FLORIDA**

	Downtown Redevelopment District Fund	Southend Redevelopment District Fund	Totals
Assets			
Equity in Pooled Cash and Investments	\$ 16,974,811	\$ 9,973,034	\$ 26,947,845
Assessments, Net		1,333	1,333
Total Assets	<u>16,974,811</u>	<u>9,974,367</u>	<u>26,949,178</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts Payable	525,697	168,679	694,376
Other Accrued Liabilities	19,768	2,106	21,874
Total Liabilities	<u>545,465</u>	<u>170,785</u>	<u>716,250</u>
Deferred Inflows of Resources			
Unavailable Revenues		1,333	1,333
Fund Balances			
Restricted for:			
Redevelopment	16,429,346	9,802,249	26,231,595
Total Fund Balances	<u>16,429,346</u>	<u>9,802,249</u>	<u>26,231,595</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 16,974,811</u>	<u>\$ 9,974,367</u>	<u>\$ 26,949,178</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - COMMUNITY REDEVELOPMENT FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018
CITY OF JACKSONVILLE BEACH, FLORIDA**

	<u>Downtown Redevelopment District Fund</u>	<u>Southend Redevelopment District Fund</u>	<u>Totals</u>
Revenues			
Taxes	\$ 6,178,650	\$ 4,131,747	\$ 10,310,397
Interest and Other Revenue	113,291	65,202	178,493
Total Revenues	<u>6,291,941</u>	<u>4,196,949</u>	<u>10,488,890</u>
Expenditures			
Current:			
General Government	458,899	212,749	671,648
Public Safety	899,757		899,757
Capital Outlay	3,199,245	1,752,844	4,952,089
(Total Expenditures)	<u>(4,557,901)</u>	<u>(1,965,593)</u>	<u>(6,523,494)</u>
Net Change in Fund Balances	1,734,040	2,231,356	3,965,396
Fund Balances, Beginning of Year	<u>14,695,306</u>	<u>7,570,893</u>	<u>22,266,199</u>
Fund Balances, End of Year	<u>\$ 16,429,346</u>	<u>\$ 9,802,249</u>	<u>\$ 26,231,595</u>