



CITY OF PALM BAY

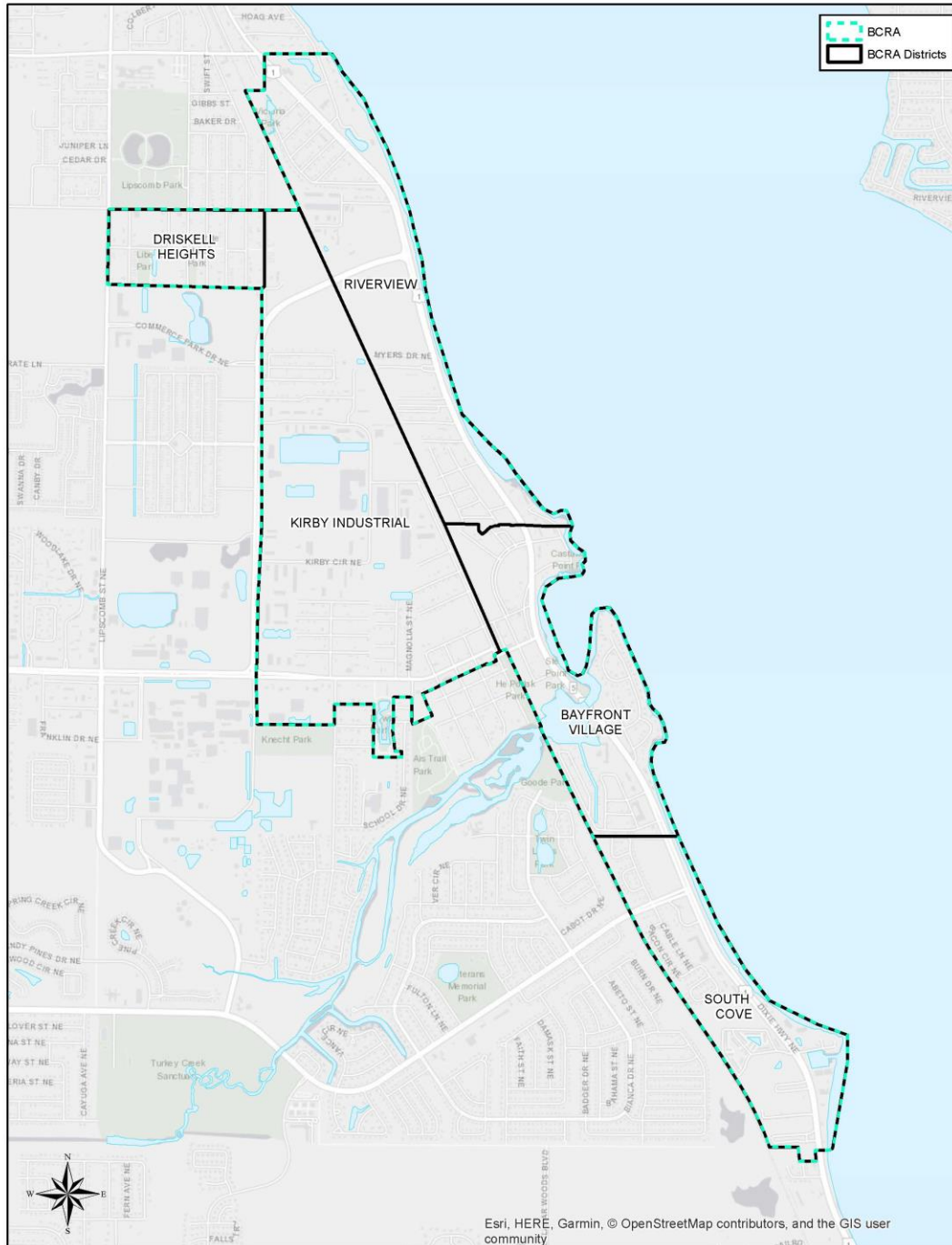
Bayfront Community Redevelopment Agency

2018 ANNUAL REPORT

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BAYFRONT CRA BOUNDARY MAP



BAYFRONT CRA OVERVIEW

The Bayfront District

The Bayfront Community Redevelopment District is a four-mile section of US Highway 1, bound by the city limits of the City of Melbourne on the north and the Town of Malabar on the south. The Indian River Lagoon makes up the eastern boundary and the western boundary runs south from the US Highway 1 and University Boulevard intersection for approximately 500 feet, then west to the Florida East Coast (FEC) Railroad; south along the railroad about 2,200 feet; west along the city limits at Florida Avenue to Lipscomb St.; south on Lipscomb St. to Doreatha Fields Ave. (also known as Pacific Ave.); east on Doreatha Fields Ave. to Northview St.; south on Northview St. to R. J. Conlan Blvd.; south on R. J. Conlan Blvd. to Palm Bay Road; east on Palm Bay Road including those parcels abutting the south side of Palm Bay Road to the FEC Railroad; and south on the FEC Railroad to the Malabar town limits.

About the Agency

The City established the Bayfront Community Redevelopment District as a Community Redevelopment Agency (CRA) in 1999. The Bayfront Community Redevelopment Agency (Bayfront CRA) is due to sunset in 2024. A CRA is defined as a separate public entity created by the local municipality in order to implement redevelopment activities outlined in Chapter 163 of the Florida Statutes. ***The mission of the Bayfront CRA is to remove and reduce blight in the District, facilitate economic renewal and attract new capital investment.***

The Governing Body

Seven commissioners appointed by the City Council serve as the Board of the Bayfront Community Redevelopment Agency (BCRA). As the Fiscal Year 2017 concluded, the City Council revised the composition of the Agency's governing body. Changes include the establishment of each City Councilman as a Bayfront CRA Commissioner to serve congruently with their term of office with the Mayor and Deputy Mayor serving as Chairman and Vice-Chairman respectively. The Board also includes two at-large citizen commissioners that are appointed by City Council.

The goal of the Agency, as stated in the adopted redevelopment plan, is to develop, redevelop, and revitalize the area over a 30-year period. The adopted vision of the Bayfront Redevelopment Plan is to have the District be redeveloped as an attractive, inviting, and economically successful community with residential, commercial, retail and mixed-use development. This planned regional destination includes an active waterfront village for the enjoyment of all Palm Bay residents.

MEET THE BAYFRONT CRA COMMISSIONERS



William Capote
Chairperson
Mayor



Brian Anderson
Vice Chairperson
City Council, Seat 3



Harry Santiago, Jr.
Commissioner
City Council, Seat 2



Kenny Johnson
Commissioner
City Council, Seat 4



Jeff Bailey
Commissioner
City Council, Seat 5



James Ritter
Commissioner
At-Large



Aaron Parr
Commissioner
At-Large

*The City Council of the City of Palm Bay became the governing board
for the Bayfront CRA at the end of FY 2017.*

FISCAL YEAR 2018 OVERVIEW

An annual report of the Bayfront Community Redevelopment Agency (Bayfront CRA) for the fiscal year ending on September 30, 2018 is submitted herewith pursuant to Chapter 163.365(3)(c) of the Florida Statutes.

This report consists of the activities of the Agency and an unaudited financial statement of the Agency as reported by the City of Palm Bay's Comprehensive Annual Financial Report, Fiscal Year 2018.

A copy of the audited financial statement will be included herein following the completion of the City of Palm Bay's Comprehensive Annual Financial Report, Fiscal Year 2018, expected at the end of April 2019.

DISTRICT YEAR IN REVIEW

"In 2018, the Bayfront CRA made significant strides towards attracting new multi-family housing and commercial development, which will serve as a catalyst for future development interest within the district. The CRA has maintained its restoration efforts along the waterfront and continues to focus on redeveloping the US 1 corridor through the attraction of new mixed-use development projects. These vital development projects will foster new private capital investment and tax revenue for our district as well as create community amenities and a quality of life that will aim to retain local workforce through new housing options and community gathering spaces."

– Mayor & Chairman of the Bayfront CRA, William Capote

Total Assessed Taxable Value

Fiscal Year (FY) 2018, provided the Bayfront Community Redevelopment District yet another year of steadily increasing property values.

As reported by the Brevard County Property Appraisers Office, taxable property values within the Bayfront CRA grew to total \$213,098,886, up from the FY 2017 total of \$202,868,778. This represents a net increase of five (5) percent or \$10,230,108 in taxable property value for over last fiscal year.

Tax Revenues

Activity within District provided the Bayfront CRA increased tax revenues to \$1,227,364, a 54.5 percent increase over FY 2017. In Fiscal Years 2017 and 2018 combined, tax revenues increased by a total of 75 percent.

The City portion of the increment equaled \$822,787 (67%) while the Brevard County portion totaled \$404,577 (33%).

For the year, revenues totaled \$1,231,364.

Expenditures

Expenditures for the Fiscal Year 2018 totaled \$1,439,005 with \$475,383 allocated to debt service.

Though the FY 2018 approved budget provided \$481,109 in total operational expenses, actual operational cost finished the year 10 percent lower at \$436,289.

PROJECTS & IMPROVEMENTS

3D Economic Model & Analysis

In FY 2018, the Bayfront CRA commissioned Urban3, LLC to prepare a 3D economic model and analysis to uncover potential growth opportunities and unrealized tax revenue within the Bayfront redevelopment district and the City of Palm Bay, as a whole. The economic model and analysis will ensure that the Bayfront CRA continues to make informed decisions on leveraging private investment as well as the types of development that will yield significant tax revenue and a return on investment.

At a Special Meeting of the Bayfront CRA on March 5, 2019, a presentation was made to the Board by Urban3's Principal, Joe Minicozzi. The Analysis provided data visualization relating to the positive impacts of future private capital investment as well as impacts that location and design decisions can have on tax revenue within the redevelopment district. Comparisons to neighboring communities were provided to show development and tax revenue potential. The presentation also covered the potential per-acre tax revenue generation of proposed multi-family and mixed-use development projects. This information serves to inform the public about the how certain development and design decisions could generate additional estimated tax revenue in the redevelopment district. The Bayfront CRA will also receive a story map with

relevant data in an easy-to-read format for public consumption. The story map is expected to be complete and available to the public by Q3 of FY 2019.

Northshore Development's Aqua Project

In 2016, the Bayfront CRA launched a small marketing initiative to promote waterfront redevelopment as part of a published "Expression of Interest." This effort included a video and magazine advertisement that was produced internally for use in communicating the big-picture opportunity to a national audience. One of the successes culminating from that campaign was attracting the attention of an investment group, Northshore Development.

The Bayfront CRA succeeding in its efforts to attract the development of a new multi-family development project, to include commercial frontage along Robert J. Conlan Boulevard. At a regularly scheduled meeting of the Bayfront CRA Board held on August 30, 2018, CRA Board approved a Redevelopment Incentive Agreement for Northshore Development providing for a 90 percent rebate for five years on the assessed value of the new ad valorem tax generated from the project upon completion. The Aqua development project is expected to yield approximately \$80 million in private capital investment, which includes a 320-unit luxury apartment complex and over 40,000 square feet in commercial space providing for office, retail, restaurant, bar, and event venue. The Aqua project is expected to generate approximately \$52.9 million in new ad valorem tax revenue for the redevelopment district upon completion.

The multi-family component is currently under construction and is expected to be complete by the end of the 2019 calendar year. Construction for the commercial frontage will begin as the second phase following completion of the luxury apartment complex.

Raytheon Expansion

Defense contractor, Raytheon, is currently completing renovations to their 68,000 SF manufacturing facility located at 3520 Dixie Highway NE in Palm Bay. This formerly vacant facility serves as an expansion of their Massachusetts-based operation and is currently undergoing upgrades in order to meet federal security specifications. This expansion is expected to bring 500 new high-tech jobs in two phases to Bayfront CRA's Riverview sub-district. Renovations are expected to be complete by summer of 2019.

Evans Center

The Evans Center is a \$1.5 million project, which includes funding from the Florida Community Loan Fund, contributions from anonymous donor, Corporate Property Group, Community Foundation for Brevard, Space Coast Health Foundation, local businesses, churches and

residents as well as a \$250,000 allocation by the BCRA Board on May 9, 2018 to assist with the construction of a new building. The Center features a multi-purpose room for classes and community gatherings such as technology training, financial literacy, and community activities, a health clinic in collaboration with the Brevard Health Alliance and offers a full-service market and deli.

Evans Center is located within the Driskell Heights Sub-District of the Bayfront CRA, which encompasses the Powell-Driskell Heights subdivisions in northeast Palm Bay. The Driskell Heights sub-district is located within a USDA-designated “food dessert” where more than 5,000 residents live in a one-mile radius that lacks access to healthy, affordable food. The closest grocery store is 1.4 miles away and, in this community, 54 percent of households earn less than \$24,999 annually, and 63 percent own one or no vehicle. The Evans Center is a critical project for stabilizing the community and stimulating economic growth of the City’s Bayfront CRA. The grand opening was held on March 9, 2018. This project was highlighted in the Bayfront Community Redevelopment District 2024 Plan as adopted February 2010

Maintenance, Landscaping, and Vegetation Management

The Bayfront CRA continues to maintain landscaping of the district’s improved rights of way, tracts, retention ponds, and CRA-owned properties. Additionally, the Bayfront CRA continues to fund the vegetation management program along the Bayfront shoreline and US Highway 1 providing for visibility and public access. The CRA currently has a one-year contract with B.K.I. Consulting Ecologists for vegetation reduction and removal along Bayfront’s boardwalk and U.S. Highway 1.

Palm Bay Entrance Channel Dredging, Historic Pier & Mooring Field

In FY 2017, the Bayfront CRA on behalf of the City of Palm Bay applied for a Florida Inland Navigation District (FIND) Waterways Assistance Program Grant for Palm Bay Entrance Channel Dredging Phase I (Project # BV-PB-16-132) providing for planning and feasibility for possible dredging of the Palm Bay entrance channel. The overall cost for Phase I (bathymetric survey and preliminary site evaluation) was estimated to be \$48,000. The City of Palm Bay was awarded a 50 percent matching grant in the amount of \$24,000 for Phase I, which was completed in FY 2018 (December 2018). In order for the City to collect the 50 percent reimbursement, the City would need to execute a construction contract for Phase II, dredging of the Palm Bay entrance channel. City and CRA staff are currently evaluating the funding availability in Fiscal Years 2019 and 2020 for Phase II dredging.

In FY 2018, the Bayfront CRA commissioned B.S.E. Consultants, Inc. to provide a 10 percent concept design plans for a “Pier Concept” providing for several preliminary engineering designs of a historic pier and restaurant/venue space and a mooring field. The intent of the 10 percent

designs was to allow for public comment and input regarding the location, scale, and interest of pursuing the pier concept. The Bayfront CRA held two public meetings in May 2018 to engage the community in providing input and generate discussion on the concept plan for next steps.

In FY 2018, City Council approved Resolution 2008-17 authorizing the City to submit a subsequent application to the Florida Inland Navigation District (FIND) Waterways Assistance Program for Palm Bay Access Channel Dredging, Mooring Field & Pier Phase I. Phase I would provide for 100 percent design and engineered plans to include the size, location, and scale of the access channel, pier and mooring field. The final application was accepted by FIND in FY 2018, and a FIND Project Agreement was executed by the City of Palm Bay and submitted on March 29, 2019.

EVENTS & INITIATIVES

Ribbon Cuttings

The Bayfront CRA through the City of Palm Bay partnership with the Greater Palm Bay Chamber of Commerce welcome new businesses to the community through Ribbon Cutting and Grand Opening ceremonies. In FY 2018, the Greater Palm Bay Chamber of Commerce hosted ribbon cuttings for two (2) businesses with the redevelopment district:

Top Notch Training, a health and wellness fitness and training center, held its ribbon cutting ceremony in June 2018 followed by **Bethesda at Turkey Creek**, an assisted living and memory care center, in September 2018.

BAYFRONT CRA-OWNED PROPERTIES

ADDRESS	ACREAGE	VALUE **
1582 Water Drive NE	0.44	\$67,150
1608 Orange Blossom Trail NE	0.39	\$46,200
1626 Orange Blossom Trail NE	1.19	\$129,590
1644 Main Street NE	0.35	\$16,220
2898 Palm Bay Road NE	0.21	\$45,940
2920 Pospisil Avenue NE	2.3	\$360,040
2932 Pospisil Avenue NE	0.24	\$22,050
Tax ID 2825814	0.09	\$6,720
Tax ID 2825837	0.34	\$147,760
Tax ID 2826060	0.19	\$7,250
Tax ID 2866302	0.15	\$7,250
Tax ID 2866312	0.58	\$63,000

*** Value is derived from the Brevard County Property Appraisers Office 2018 Market Value*

**BAYFRONT COMMUNITY REDEVELOPMENT AGENCY
FISCAL YEAR 2018 YEAR END ESTIMATES**

ACCOUNT DESCRIPTION		2016-17 FINAL	2017-18 BUDGET	2017-18 Year End Estimates	Delta	Percent Change
ACCT#	(1)	(2)	(4)	(5)	(6)	(7)
181/**	REVENUES:					
331-1001	Current Taxes / Operating Millage	794,446	1,227,364	1,227,364	-	
334-2001	Intergovernmental Revenues	115,765	-	-	-	
361-1001	Interest / Other Earnings	3,000	2,900	4,000	1,100	
	SUBTOTAL:	913,211	1,230,264	1,231,364	1,100	0%
181/559	PERSONNEL SERVICES:					
1210	Full-time Salaries / wages	82,602	69,896	69,546	(350)	
1310	Other Salaries / Part-Time	NB	21,500	6,646	(14,854)	
1410	Overtime	712	-	150	150	
2110	Social Security / Medicare	6,031	6,539	5,313	(1,226)	
2210	Retirement Contribution	3,803	2,087	2,078	(9)	
2320	Emp Health Ins Premiums	23,111	19,406	19,406	-	
2330	Other Emp Ins Premiums	833	529	529	-	
2340	Employee Cafeteria Credit	1,594	797	828	31	
2410	Workers Compensation	2,679	1,856	1,856	-	
2610	Termination Benefits	NB	11,782	5,800	(5,982)	
	SUBTOTAL:	125,365	134,392	112,153	(22,239)	-17%
181/559	OPERATING EXPENSES:					
3101	Professional Services / Legal Fees	-	-	6,313	6,313	
3108	Professional Services / Consultant Fees	3,300	61,000	61,000	-	
3109	Professional Services / Investment Services	3,200	3,200	3,200	-	
3141	Professional Services / Other Pro Svcs	-	4,690	11,441	6,751	
3201	Audit Costs	632	1,247	1,242	(5)	
3402	OCS / Mowing Contracts	53,160	53,160	117,107	63,947	
3409	OCS / Other Contract Services	2,000	103,840	6,570	(97,270)	

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**BAYFRONT COMMUNITY REDEVELOPMENT AGENCY
FISCAL YEAR 2018 YEAR END ESTIMATES**

ACCOUNT DESCRIPTION		2016-17 FINAL	2017-18 BUDGET	2017-18 Year End Estimates	Delta	Percent Change
ACCT#	(1)	(2)	(4)	(5)	(6)	(7)
181/559	OPERATING EXPENSES (cont.):					
4111	Postage Freight / Other	150	150	323	173	
4201	Administrative Services	14,207	14,624	14,624	-	
4301	Utility Srvs / Electric Pumps Irrgt	1,000	1,460	1,350	(110)	
4302	Utility Srvs / Water & Sewer	800	1,300	1,800	500	
4304	Utility Srvs / County Disposal	NB	NB	1,517	-	
4305	Utility Srvs / Street Lights	23,890	36,490	25,901	(10,589)	
4401	Office Lease	-	-	-	-	
4501	Liability / Prop Insurance	2,228	2,202	2,202	-	
46**	Building Repairs (4623, 46627)	-	916	916	-	
4638	Repair Maint / Street Light Maintenance	NB	25,000	25,000	-	
4701	Printing & Binding	500	500	500	-	
4802	Special Events	1,200	1,200	1,200	-	
4803	Other Marketing / Advertising	1,400	10,700	10,700	-	
4901	Legal Advertisements	300	300	150	(150)	
4909	Other Current Charges	2,000	2,000	1,625	(375)	
5101	Office Supplies	2,000	2,000	2,000	-	
5104	Office Supplies / Software		NB	500	500	
5230	Operating Supplies / Landscaping	4,800	18,996	18,996	-	
5401	Dues & Membership	925	745	870	125	
5403	Licenses / Certs / Books / Subscriptions	175	200	175	(25)	
5501	Training & Educational	1,185	1,185	1,185	-	
	SUBTOTAL:	125,467	346,717	324,037	(22,680)	-7%
	TOTAL OPERATIONS:	250,832	481,109	436,189	(44,920)	-9%

**BAYFRONT COMMUNITY REDEVELOPMENT AGENCY
FISCAL YEAR 2018 YEAR END ESTIMATES**

ACCOUNT DESCRIPTION		2016-17 FINAL	2017-18 BUDGET	2017-18 Year End Estimates	Delta	Percent Change
ACCT#	(1)	(2)	(4)	(5)	(6)	(7)
181/541-559	CAPITAL OUTLAY:					
541-6301	Improvements Other Than Buildings (IOTB)					
541-6315	IOTB / Bike / Pedestrian Facility	3,294	-	-		
541-6101	Land Acquisition		1,450	1,450		
581-9101	Transfers / County & General Fund		-	250,000	250,000	
559-6101	Land Acquisition	364,564	250,000	-	(250,000)	
559-6201	Buildings	250,000	250,000	250,000		
559-6301	IOTB / Improvements Other Than Buildings		25,983	25,983		
559-6305	IOTB / Entrance Channel Dredging	48,000	-	-		
559-6308	IOTB / Parks Development	-	-	-		
559-6313	IOTB / Water Projects	-	-	-		
559-6332	IOTB / Parks Improvements	-	-	-		
	SUBTOTAL:	665,858	527,433	527,433	-	0%
	TOTAL ECON ENVIRONMENT:	916,690	1,008,542	963,622	(44,920)	-4%
	TOTAL EXPENDITURES:	1,391,378	1,483,925	1,439,005	(44,920)	-3%



2018 Annual Report

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