

City of Palm Bay, Florida - Overview

EXECUTIVE OVERVIEW

Palm Bay is experiencing positive economic growth. Key indicators, across all sectors of employment, housing, and industry, have consistently trended positively over the past three fiscal years. Barring an adverse national economic event, key indicators suggest that this trend will continue for at least another 24 months.

The residential real estate market in Palm Bay continues to increase. Business starts, relocations, and expansions have bolstered the housing sector. The resulting taxable values of residential homes continues to expand as home values increase.

Employment continues to grow in relation to the healthy aerospace sector that includes Harris Corporation, Northrop Grumman Corporation, Embraer, and Raytheon. Raytheon has indicated that the number of jobs could grow to over 500 with a planned expansion of their facility in the next 24 months.

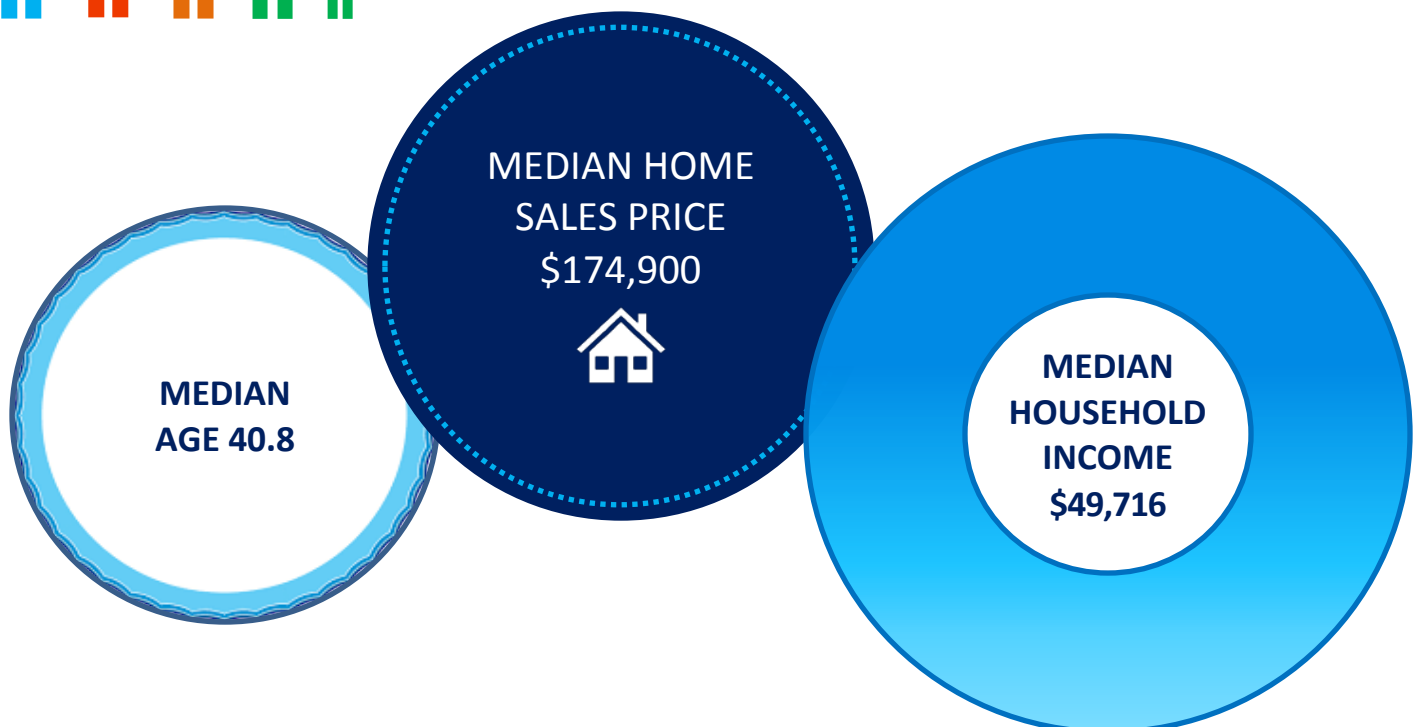
Construction of the new Southern Parkway and Interchange with Interstate 95 is well under construction. Upon completion, this will open a new area of growth that will include 24 square miles of vacant land for mixed-use development.

DEMOGRAPHICS

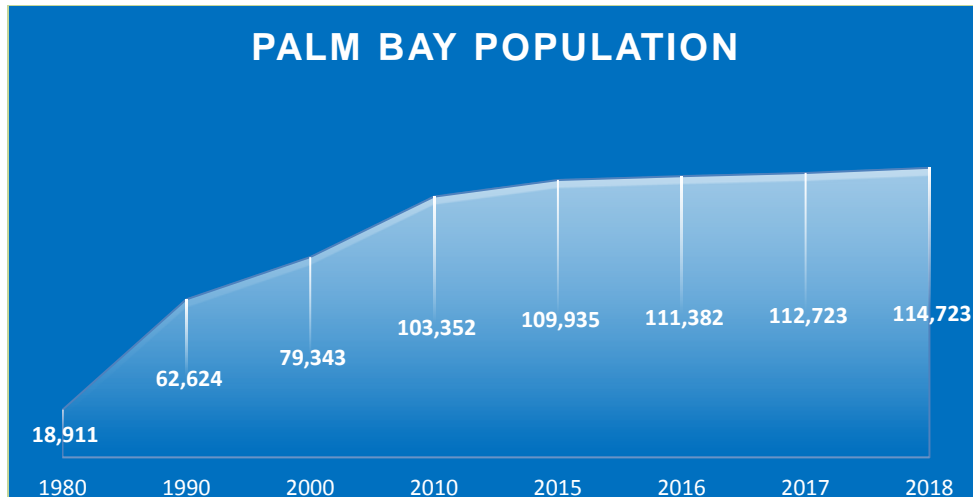
Palm Bay's population has grown by nearly 10% in 2018. The current population of the city is 114,578 residents. The median age of Palm Bay residents is 40.8. Palm Bay is also fortunate to be rich in cultural diversity, with a growing mix of residents and businesses representing a variety of cultural backgrounds.



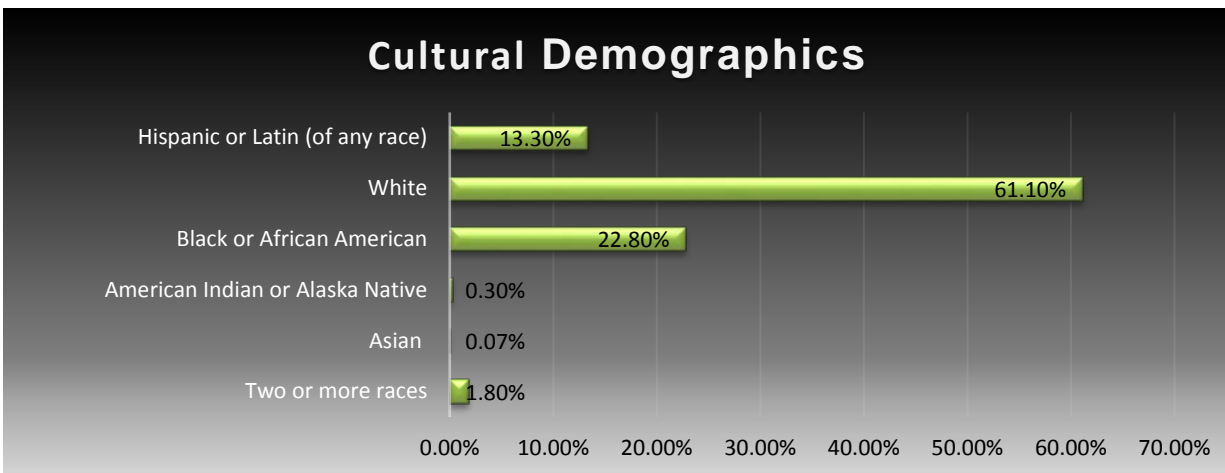
114,578
Residents



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*2018 population estimate was derived from an active residential electric meter count. This meter count was obtained from the Florida Power & Light Company, November 2018.



Data Note: Multiple Races population includes unique counts of the population who reported at least two races.

Source: U.S. Census Bureau, Census 2015, 2016 American Community Survey, Esri forecasts for 2013 and 2018, and *2017 population estimate derived active residential electric meter count.

HOUSEHOLD INCOME

In FY 2017, the median household income was \$49,716. This represents an increase of 10.6% in household income since 2015. The Palm Bay median household income is slightly higher than the State of Florida (\$49,426) and lower than the United States (\$56,516). (Income data for Palm Bay is sourced from census, 2016)

BUSINESS AND EMPLOYMENT ACTIVITY

Over the past two fiscal years, the City of Palm Bay's economic growth has been active, particularly in the commercial sector. According to the City's FY 2017 Building Activity Report, Palm Bay has realized a 22% increase in total construction values, growing from \$210 million the previous year to \$257 million. This includes \$36 million, a 20% increase, in permits issued to commercial projects, which represents a \$6 million from the previous fiscal year.

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Several significant projects were finalized for construction during 2018. These include:

Northshore Development Multifamily Project - A \$37.3 million construction project consisting of 320 multifamily luxury apartments is currently underway in the City of Palm Bay. The project to be called Aqua Residences will consist of four residential buildings. Aqua Residences will include apartments ranging from studios to three bedrooms. The complex will include a pool, a dog park, outdoor exercise equipment, and parking with electric-vehicle charging. Work should wrap up by the end of 2019.

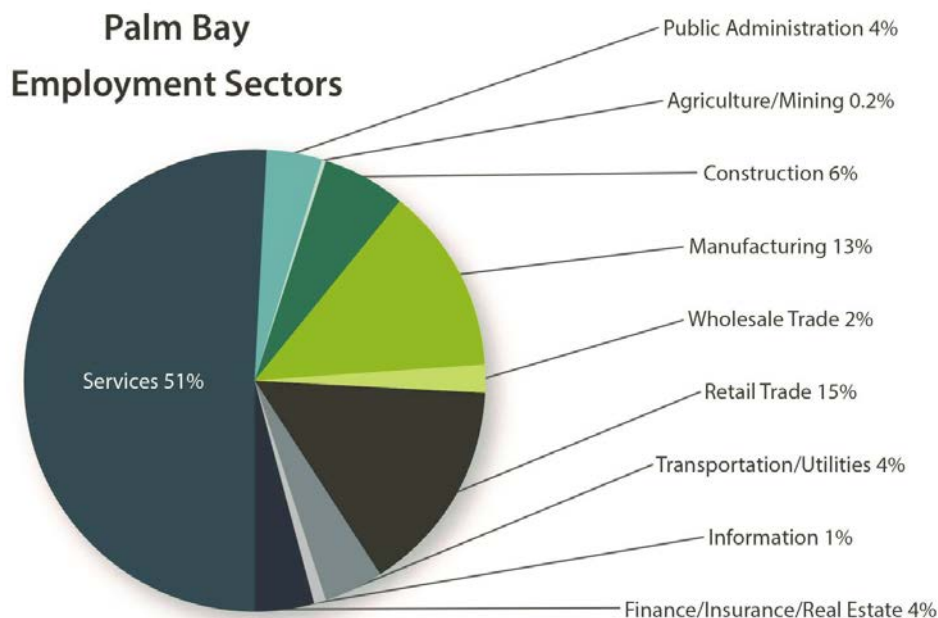
It is the first project of a multi-phased master plan. The second phase, Aqua Retail Shoppes, will include the development of approximately 60,400 SF of neighbor retail shops, restaurants, and local grocers.

Palm Bay Executive Park Project - Ground clearing is well underway for a \$30 million Palm Bay Executive Park, which features a Hyatt Place hotel, a Home2 Suites by Hilton Hotel, two restaurants, and three retail buildings. Both hotels should be “going vertical” in the construction by the end of 2018. The location is just off Palm Bay Road with easy access on and off of Interstate 95, is a perfect corridor for growth and new hotels. The Hyatt Place will contain 106 rooms, while the Home2 Suites by Hilton will have 87 rooms.

G-6 Development - The owner of Motel 6 will be demolishing an older property here in Palm Bay, located near the college, to put in a new hotel. As they rebrand themselves, their goal is to move away from the economy lodging travel hotel to a higher end travel hotel. This will add to the number of new hotels being built within Palm Bay.

As is true nationally, small business is an essential driver in Palm Bay's business community. 80% of Palm Bay businesses are 9 or fewer employees. However, 20% of Palm Bay employers are medium to large, adding diversity to economic activity.

Palm Bay's three most significant employment sectors are trade, transportation, utilities, professional and business services, and construction.



Esri forecasts for 2014 and 2019

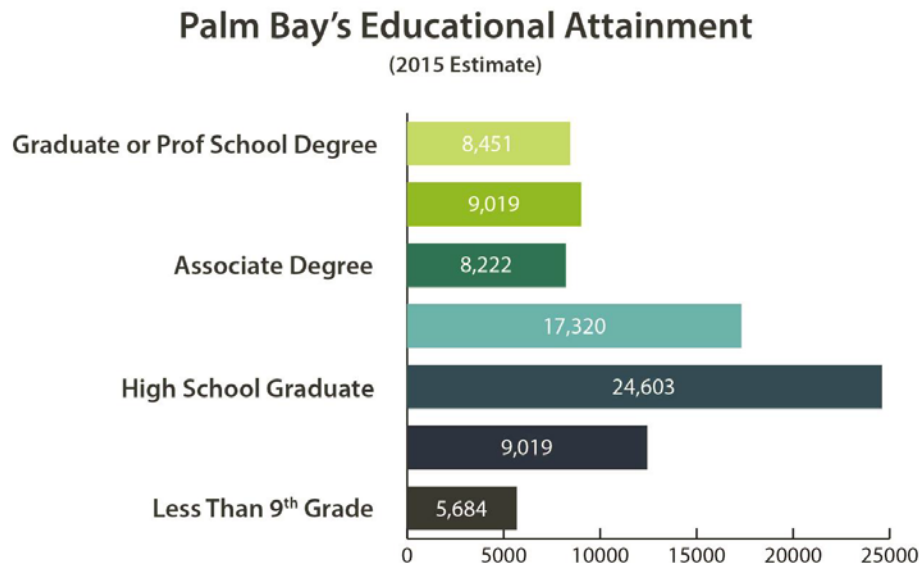
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EDUCATIONAL OPPORTUNITIES & ACHIEVEMENTS

City residents enjoy a wide variety of educational services and amenities. The Brevard County School Board operates eleven elementary schools, one middle school, and two high schools in the City. Additionally, Palm Bay families have another six charter/private schools from which to choose, providing families with multiple options to meet the educational needs of their children.

Eastern Florida State College (formerly Brevard Community College) operates a branch campus in the City that also includes programs from the University of Central Florida, Webster, and Barry Universities. Eastern Florida State College (EFSC) currently offers a four-year degree in General Business and Health Care Management with eight more bachelor's Degrees. Those include Public Safety Management, Sales and Marketing, Advanced Allied Health, Biomedical Sciences, Information Technology Software Development, Information Technologies Program Development and Project Management, Information Technologies Networking Services and Nursing (in conjunction with University of Central Florida). EFSC continues to offer over 100 associates degrees, certificates and fast-track training programs with more planned.

Additionally, Florida Institute of Technology, recognized as one of the top 200 Universities in the world - honored in the Times Higher Education (THE) World University Rankings 2013-14, is located two miles from the City's northern border and is expanding their operations in Palm Bay.



REAL ESTATE TRENDS

The median home value in Palm Bay is \$174,900. Palm Bay home values have gone up 9.2% over the past year. Forecasts and trends indicate values will rise another 4.8% within the next year. The median list price per square foot in Palm Bay is \$118, and the median price of homes currently listed in Palm Bay is \$187,000 while the median price of homes that sold is \$166,600. The median rent price in Palm Bay is \$1,349.

Recent Palm Bay homes sales indicate a strong seller's market. Property is in high demand and likely to sell quickly.

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ECONOMIC DEVELOPMENT – ATTRACTING & RETAINING EMPLOYMENT

Over the past year, Palm Bay has seen new companies arrive, while some of our major employers have continued to work on expansions. The City's staff and elected officials have worked with the US Economic Development Administration, State of Florida's Department of Economic Opportunity, Enterprise Florida, Economic Development Commission of Florida's Space Coast, Brevard Workforce, Greater Palm Bay Chamber, as well as the private sector to secure new companies in our growing community.

CITY GOVERNMENT

The City of Palm Bay was incorporated in 1960 and has a Council-City Manager form of government. The legislative branch of the City is comprised of a Mayor, Deputy Mayor, and three Council members, elected at large on a non-partisan basis. Council members, elected in November, serve four-year terms, with a term limit of three consecutive terms. Following are the current City Council members listed with their respective term expiration year. (as of December 14, 2015):

William Capote, Mayor	2020
Brian Anderson, Deputy Mayor	2020
Jeff Bailey, Deputy Council Member	2022
Harry Santiago Jr., Council Member	2020
Kenny Johnson, Council Member	2022

The City Council is governed by the City Charter, state and local laws and regulations and is responsible for providing policy direction. The Council hires the three Charter Officers: City Clerk, City Attorney, and the City Manager.

*Lisa Morrell, City Manager
Terese Jones, City Clerk
Patricia Smith, City Attorney*

The City Manager serves as the chief administrative officer of all activities related to the operations of the City. Palm Bay is a full-service municipal government that includes the following departments/offices:

*Andy Anderson, Interim Deputy City Manager /
Economic Development and External Affairs*

Jim Rogers, Police Chief

Leslie Hoog, Fire Chief

Yvonne McDonald, Finance Director

*Sean Harris, Interim Communication, and
Information Technology Director*

*Patrick Murphy, Interim Growth
Management Director*

*Fred Poppe, Parks and
Recreation Director*

Greg Minor, Facilities Director

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Chris Little, Utilities Director

*James Marshal, Bayfront Community
Redevelopment District Administrator*

Jarvis Middleton, Public Works Director

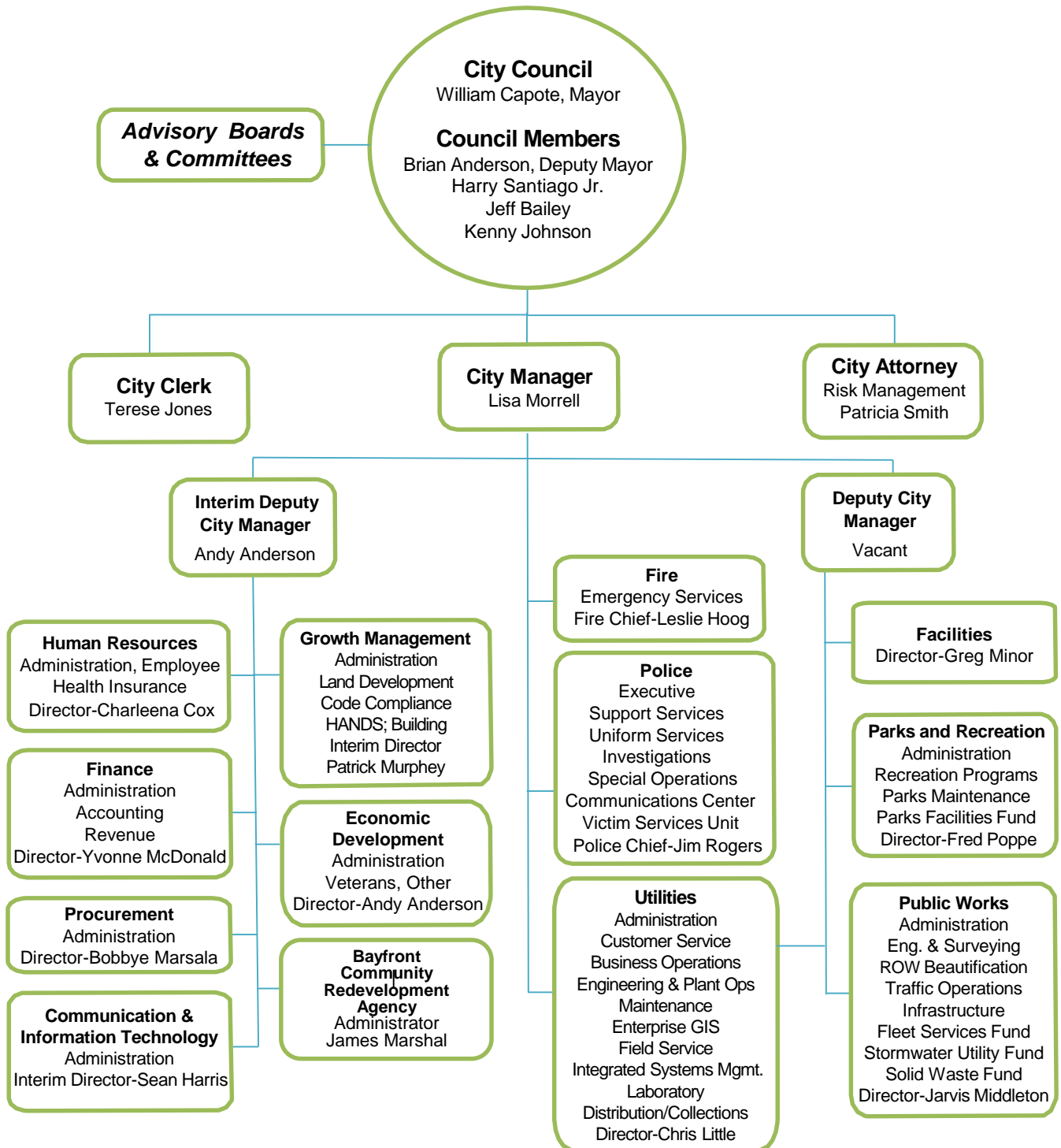
The City is also served by several citizen advisory boards whose members are appointed by the City Council.

*Bayfront Community Redevelopment Agency
Building and Construction Advisory Committee
Citizens Budget Advisory Board
Code Enforcement Board
Community Development Advisory Board
Enterprise Zone Development Agency
Library Advisory Board
Planning and Zoning Board
Recreation Advisory Board
Utilities Advisory Board
Local Road Advisory Board*

For more information regarding the City of Palm Bay, please visit our website at www.palmbayflorida.org

CITY OF PALM BAY ORGANIZATIONAL STRUCTURE FY 2019

CITIZENS OF PALM BAY



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PRINCIPAL EMPLOYERS IN THE CITY OF PALM BAY

Schedule 13 from FY 2017 CAFR

September 30, 2017

Employer	2017			2008		
	Number of Employees	Rank	% of Total Employment	Number of Employees	Rank	% Total Employment
Harris Corporation	3,483	1	6.93%	4,132	1	8.43%
Brevard County School Board	1,908	2	3.79%	1,442	2	2.94%
City of Palm Bay	830	3	1.65%	904	3	1.84%
Palm Bay Hospital	600	4	1.19%	560	6	1.14%
Publix (3 of 3 locations reported)	441	5	0.88%	365	9	0.74%
Wal*Mart	388	6	0.77%	430	8	0.88%
Intersil	372	7	0.74%	670	5	1.37%
Eastern Florida State College	264	8	0.52%	213	11	0.43%
Winn Dixie (2 locations)	208	9	0.41%	245	10	0.50%
Home Depot	160	10	0.32%	118	14	0.24%
AAR Corp	140	11	0.28%	0		0.00%
Lowe's	140	12	0.28%	136	13	0.28%
Bass Pro Shop	123	13	0.24%	0		0.00%
MC Assembly				749	4	1.53%
DRS Optronics (2 locations)				526	7	1.07%
Shape Aerospace International				148	12	0.30%
Palm Bay Comm.Charter Sch.-Patriot				104	15	0.21%
Totals	9,057		18.02%	10,742		21.90%

Note:

Number of employees listed is employed within the City of Palm Bay

Sources:

US Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics

City of Palm Bay Growth Management Department

City of Palm Bay Budget Division