

Community Redevelopment Areas in Brevard County

Space Coast League of Cities

April 13, 2017



SCLOC Message

- CRAs are about LEVERAGING.
- CRAs are about RETURN ON INVESTMENT.
- CRAs do not “pick winners and losers.” CRAs focus on declining areas and work to entice investment and businesses to those areas.
- CRAs complete important regional transportation and environmental projects.
- CRAs enhance our quality of life.



CRA Basics



- Special funding districts authorized by the State of Florida through Chapter 163, Part III.
 - Created for the special purpose of promoting and facilitating the redevelopment of areas designated as having **slum and blight**.
 - Uses tax increment financing as the funding mechanism.
 - A local government, City or County, must identify an area and initiate a Finding of Necessity Study that analyzes the area for the blight characteristics listed in the statute.
 - The local government then initiates a process of public hearings to create the CRA District.
 - In a Charter County, the County must approve the CRA and “delegate authority” to the City if the CRA is being requested by the City, or it could be operated jointly by the City or County.
 - A CRA Board would be designated.
 - CRA Plan would then be created and adopted.
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CRA Implementation



- Set up as **Dependent** Special Districts of the creating local government
 - Budgeted as a “Special Fund” similar to a stormwater utility or a construction fund.
 - Must be audited annually (usually done with the LG audit)
 - Must provide an Annual Report of activities (due by March 31).
 - Same laws apply to CRAs (sunshine, ethics, etc)
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CRAs in Brevard County

CRA Name	Year Created	Year Ending	City \$	County \$	Debt Service
Downtown Titusville CRA	1982	N/A	\$503,281	\$289,586	\$1,764,999
US1 Corridor	1998	2023	\$71,337	\$60,649	\$672,102
Diamond Square	1998	2023	\$62,671	\$53,915	\$0
Cocoa	1981	N/A	\$617,093	\$524,627	\$2,343,772
Rockledge CRA	2002	2032	\$744,375	\$605,398	\$1,729,918
Cape Canaveral CRA	2012	2042	\$210,305	\$265,198	\$570,000
Cocoa Beach CRA	2008	2033	\$167,749	\$133,564	\$186,835
Satellite Beach CRA	2002	2027	\$981,740	\$547,931	\$3,383,100
Palm Shores CRA*	2004	2029	\$0	\$113,560	\$0
Downtown Melbourne CRA	1982	N/A	\$709,631	\$402,698	\$2,063,082
Eau Gallie CRA	2000,2005,2015	2025	\$217,575	\$123,468	\$138,993
Babcock CRA	1997,2001,2004	2022	\$567,387	\$321,980	\$0
Palm Bay CRA	1999	2024	\$523,922	\$270,524	\$3,095,000
SR 192 CRA	2013	2043	\$96,681	\$199,062	\$901,500
Total			\$5,473,747	\$3,912,160	

*All ad valorem taxes paid in the Town of Palm Shores are paid directly to Brevard County**



Inspiring Investment: Titusville

- Titusville Commons Project
- One of the first major projects of the Titusville CRA
- Acquired numerous properties and easements (including an old former car lot).
- Created public parking, waste receptacle and landscaping areas for surrounding businesses.
- Inspired the investment of adjacent properties.
- The Tax Increment Value for the district tripled after the condominium project and funded other much needed infrastructure projects.





Environment: Titusville Space View Park

- Treats a 400 acre basin, previously untreated
- \$2,727,393 Total cost with numerous partners. CRA paid 22% of the project

EPA - 319 Grant	\$981,151
St Johns River Water Management District - Indian River Lagoon Program	\$83,600
Florida Communities Trust -Florida Forever Grant Program	\$228,375
Florida Department of Environmental Protection - Florida Recreation Development Assistance Program	\$103,956
Florida Department of Transportation	\$72,195
City of Titusville Stormwater Utility	\$656,543
City of Titusville Community Redevelopment Agency	\$601,573



Investment and Leveraging: Downtown Titusville

- Commercial façade grants of \$430,000 since 2008 resulted in a total investment of \$1,343,060 for an ROI of \$3.12 for each \$1 invested by the CRA.
- CRA has received over \$1.7 million in grants and public/private partnerships to undertake bricks and mortar projects.





Inspiring Investment: Rockledge

- Using public infrastructure projects to create momentum for private investment.
- The CRA acquired the Barton Redevelopment site properties (three properties) that were all oddly shaped and too small to current standards for development.
- CRA demolished all structures on the properties.
- CRA is currently accepting proposals for private offer for the combined parcel.
- CRA also is planning a public Civic Hub project in the same area.



Transportation: Barnes Blvd

- Partnered with Brevard County on this County road widening project.
- City of Rockledge has contributed \$2 million
- The CRA has committed \$250,000 for aesthetic improvements.
- The CRA is also building the privacy wall between the residential and commercial businesses along the roadway.





Business Development Rockledge Skyzone:

- City provided a \$10,000 Façade Grant to Skyzone to locate in an old plaza that had been closed for ten years.
- Skyzone employs 125 people!
- Skyzone has paid approximately \$125,000 in sales tax from July 2016 to February 2017.
- Approximately 32% of their business comes from outside of the Rockledge area.
- Rockledge experiences a 290% Return on Investment with our Façade Grant Program



Transportation: Barton Blvd. Adaptive Reuse

- Created a major transit stop area on Barton Boulevard
- Included the adaptive reuse of an old car wash (vacant for many years)
- Bus pull in area to enhance safety
- Provided a bus transfer area
- Demolition and Improvements
- CRA acquired the property, Demolition and improvements for a total of \$249,256
- SCAT contributed \$4,794
- County contribution for this project was \$107,563 or 43% for a facility that supports a County function
- City pays \$8,500 annually for maintenance





Business Development: Rockledge CRA Scooters Coffee

- The developer of Scooter's Coffee invested \$620,000.00 for the purchase of the land, demolition of the former structure, and construction of the new building
- Since opening in September 2016, Scooter's has paid over \$25,000.00 in sales tax
- Scooters employees six people
- The CRA provided a Facade Grant in the amount of \$10,000.00, resulting in a contribution of 1.6% to the overall project



Growth Management: US 1 Corridor CRA Clearlake Isle Affordable Housing

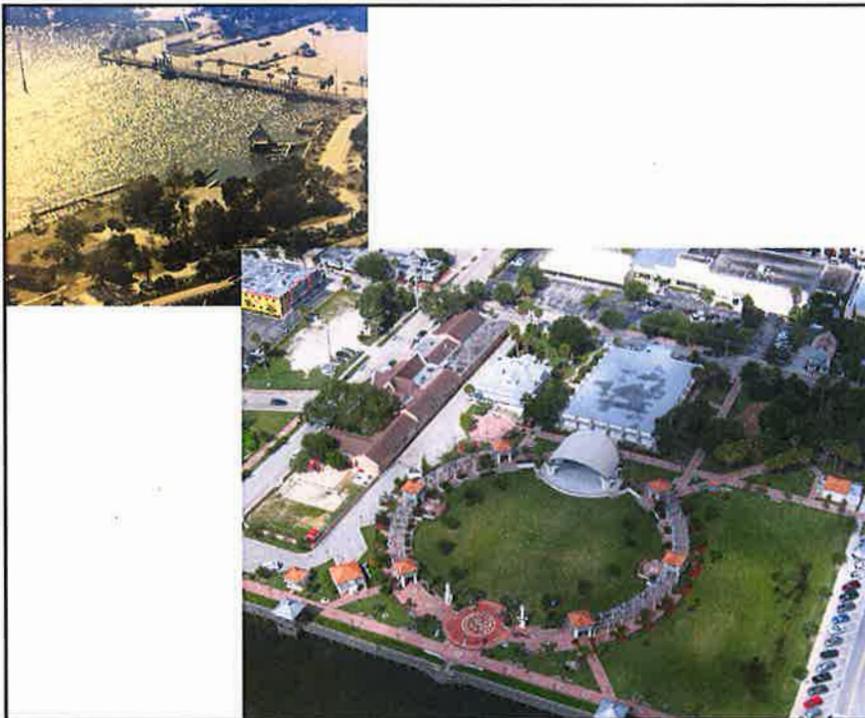
- Affordable 55+ apartment project
- 84 one (1) and two (2) bedroom rentals with spacious interiors with fully applianced kitchens
- This \$9.2 million dollar income restricted community is elevator accessible and features a laundry room and a clubhouse.





Transportation: US 1 Corridor CRA

- In 2016, the US 1 Corridor CRA invested \$1.5 million for the US 1 Widening and Beautification Project.
- Decorative street lights, texturized median treatments and landscaping to intersection medians
- The road widening and beautification efforts have improved the impression of the overall area among the 27,000 passengers traversing daily.



Environment: Cocoa Riverfront Park

- In 1999, the Cocoa CRA invested \$1.74 million in Riverfront Park.
- Underground stormwater retention system to treat runoff prior to discharging into the Indian River Lagoon.
- Serves as a Central Brevard venue for nearly 65 special events annually, attracting more than 135,500 visitors assuming \$2,210,000 in indirect spending in Cocoa Village.
- Approximately 10,000 cruise passengers who arrive to the Village by bus for day excursions from Port Canaveral.





Environment: Diamond Square Drainage

- The Diamond Square CRA invested a total of \$85,000 in the \$1.3 million Diamond Square Drainage Improvement Program
- The property was the former Skyview Trailer Park, and the remainder of the property has been platted for six low-income home sites.
- The Diamond Square CRA has provided \$179,311.61 towards the development of 16 Habitat for Humanity builds within the CRA.



Tourism: Cocoa Beach Parking Garage

- Serve the downtown business growth and redevelopment
- \$3.5 million estimated cost
- 270 spaces





**Quality of Life:
Cocoa Beach
Landscaping &
Public Art**

- The total cost of this project was \$57,000.
- The CRA contribution to this project was \$2,500.



**Tourism:
Minutemen
Causeway
Improvements**

Complete Streets	\$1,395,000
Section 319	\$544,540
TMDL	\$450,000
Legis Water Projects	\$800,000
IRLNEP	\$50,000
BC Impact Fee	\$189,343
	\$3,428,883





Quality of Life: Satellite Beach Pelican Beach Park

- Prior to 1986, the County maintained this park at a cost of approximately \$80,000/year
- City took ownership of the park in 2011, after many years of maintaining the park for the County for \$8,500/year.
- CRA redeveloped the park in 2007 for \$1.5M
- Approximately 20% of our rentals are non-Satellite Beach residents.



Business Development: Satellite Beach Shell Street

- Road and infrastructure improvements on public property: \$545,000
 - \$400,000 of CRA funds
 - \$150,000 donation from the SB Woman's Club
 - County funds used for 25% of project cost, which included installing a sewer line
- Commercial Property Improvements: \$220,000
 - CRA funds through matching grant \$65,000
 - Both restaurant businesses doubled in seating capacity and completely remodeled the interiors.
 - Pappa Gallos has doubled its staffing size.



Town of Palm Shores CRA Overriding conditions

- What the Town of Palm Shores had was blight, faulty lot layouts in relation to size, adequacy, accessibility or usefulness; in addition to unsanitary or unsafe conditions. Inadequate and outdated building density, deterioration of sites, and unsightly or empty buildings.
- In addition to Florida East Coast railroad, the Town was greatly impacted by FDOT's three year road widening project, to a six-lane high speed highway through the corridor of the Town.
- In addition to the physical and economic impacts of the US 1 road widening, the blight study found that approximately sixty percent (60%) of the structures within the study areas were constructed prior to 1970. The aging character of the developed base of the study areas contributed to lots of building that no longer conform to current building and zoning codes, non-conforming land users, unsafe ingress and egress and faulty lot layout.



Inspiring Investment: New Residential Subdivisions

- Damaged by Hurricane Jeanne complete with blue tarp roof and squatters this property was demolished in 2008.
- In 2013 the property was purchased and a 52 affordable home subdivision called Hammock Shores has been completed and is sold out.





Coming down. George Serra, owner of the 5-acre tract on which the 1940s era Palm Shores Motel stood, oversees demolition of the structure along with Palm Shores Mayor Carol McCormack.



Demolition of the adult book store

Demolition of the Blue Hotel
And now the home of Prestige Office Complex



Inspiring Investment: Prestige Office Complex

- As a result of aggressive code enforcement, several of the most blighted structures along U.S. 1 in the town have been removed.
- Prestige Office Complex (formerly the Blue Motel) houses 5 real estate related businesses including title companies, property inspectors, and mortgage company



Business Development: BRPH/meridian properties



MAY 23 2005





New businesses created as a result of CRA enhancements

- CRA's have demonstrated that the use of TIF funding dramatically improves the economic and social outcomes within the targeted areas.
- These outcomes benefit the cities and counties and, more importantly, the taxpayers.



New businesses created as a result of CRA enhancements



**Quality of Life:
Public Projects**

- Shoreside Park was a redevelopment project and the first and only recreation facility in the Town of Palm Shores.

Palm Shores Taxes paid to Brevard County

“The Town of Palm Shores pays ad valorem taxes to the County General Fund.

The Town does not levy a millage and the Tax Collectors office distributes **no tax dollars to the municipality**” - Lisa Cullen in a letter dated February 9, 2016 to the Board of County Commissioners

CRA’S were established to encourage new investment and job creation in areas that were blighted. Our CRA was approved by the County Commission (including façade improvement grants) and we consider this to be a contract between the town and county.



Business Development: City of Melbourne

- 2420 S. Harbor City Façade Project Completed 2016
- Total investment \$150,000
- CRA Façade Grant \$20,000
- Private Funding \$130,000 (exterior and interior improvements)



Transportation: Melbourne Babcock Improvements

- Capacity improvements
- Install of sidewalks
- Lighting
- Water lines
- Storm Sewer Improvements
- Landscaping
- Road Resurfacing & Rebuild





Babcock Street Phase III-A Completed 2015

- The Babcock Phase III-A Project:
- Total construction cost: \$2.2M
- \$300,000 City Water and Sewer funds
- \$1,900,000 CRA funding



Highline

- Constructed on Developer's & City property
- 8-story building
- 8,600sf 1st floor restaurant/retail fronting New Haven
- 171 units of market rate apartments
- 2 levels of structured parking under apartments

Public Parking

- Constructed by Developer
- No loss of parking supply



Parking & Drive Modification

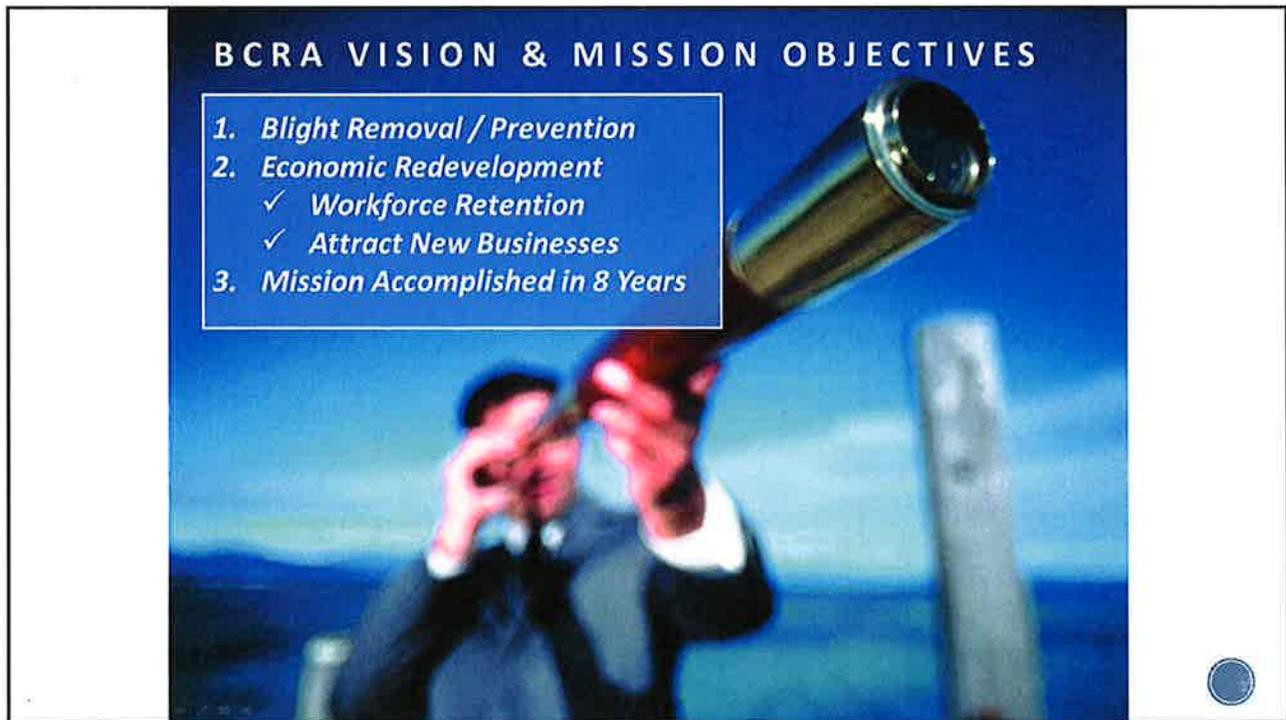
- Constructed by Developer

Public Access Easement

- Provided by Developer
- Parking connection to New Haven ROW
- Constructed by Developer

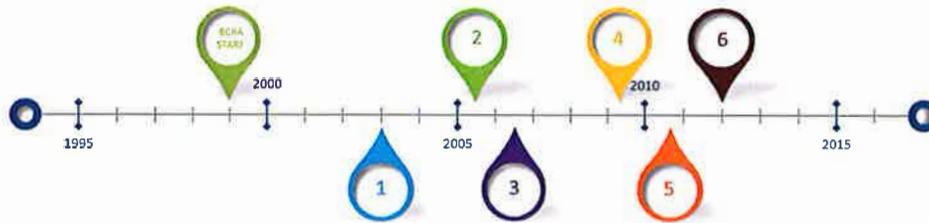
Inspiring Investment: Downtown Melbourne CRA Highline Mixed Use/Apartment Project





MISSION OBJECTIVE: BLIGHT REMOVAL

1999-2015



- 1 Pepper Trees & Other Invasive Vegetation on US-1
- 2 Dilapidated Restaurant:
Old Shopping Center:
- 3 Trailer Park(s):
– Goat / Chicken Farm

- 4 Derelict Housing:
– Source of Crime
- 5 Old Gas Station:
Derelict Multifamily Structure:
– Source of Crime
- 6 Old Hotel:
– Redeveloped Castaway Park



Together, We Win the Future

*Redeveloping Past Economic Infrastructure
To Win a Prosperous Future for Brevard*





Why we go out to Debt Service

- Projects are often **opportunistic** in nature, with coordination with other agencies, land purchases, etc.
- We can only “save up” funding for up to three years for a specific project by statute.
- Many times the CRAs do not have the increment needed to save up for large scale projects within 3 years.
- Important to start projects in the beginning of the CRA to “kick start” the CRA success.



Addressing Issues... Satellite Beach CRA

- In FY 05/06, the Satellite Beach CRA decided to apply some CRA funds towards the Fire and Police service in the City.
- In 2011, the issue was brought up by a group seeking election in the City.
- In 2012, the group seeking election won, and created an agreement to address the Fire related funds issue. The City returns a payment to the CRA each year. This agreement addressed the fire service issue.
- In 2013, new City Council members were elected.
- In 2014, new City Manager was selected and faced a 2012 audit which showed \$0 reserves.
- At the same time, the City was again experiencing turmoil surrounding the police and fire expenditures.
- In 2014, the City negotiated an Agreement with the County to send funds back to the taxing authorities each year to address the reserves for the City and the fire/police issue for the County.



Interlocal Agreement Example Satellite Beach

- The City has amended our Plan to include very specific projects with specific budgets. Any additional revenues or savings on projects is returned to the taxing authorities.
- The City returns a payment to the County each year.
 - For example, in FY 16, the County's TIF payment was \$476,070.
 - The City refunded \$144,341 per the Agreement.
 - The City also refunded an additional \$72,302 as unused dollars, for a total of \$216,643.
 - This is a 46% return of TIF funds to the County.
- The City has also included in our Plan to end all projects in FY 19/20, and return unused TIF funds, after debt service, to the taxing authorities.



Redevelopment Is Better

- *Reinvesting in older sections of the County is less expensive.*
 - Reduces crime, decreasing costs
 - Uses less infrastructure or infrastructure that already exists
- *Improving our older sections of the County is improves our image.*
 - Increases tourism
 - Improves the economy
 - Increases business opportunities
 - Increases commercial services for residents
- *Denser, more walkable development is better for the environment and for us.*
 - Use less vehicle miles
 - Less carbon emissions
 - Walking is healthier



Investing in Urban Areas

- More value and larger returns from county & city projects
- Reduced local and global emissions
 - 50% of carbon emissions are produced from suburban sprawl in the US
 - Cities have low CFs, while outlying suburbs have high CFs (pattern demonstrated on city-level scales)
 - Suburban sprawl is less efficient in terms of population density and resource consumption (Built Environment; Energy and Transportation; Land and Water Systems; Community Outreach)
 - By focusing on urbanized development, use less to provide more to citizens
- Population proximity to public resources
- More environmentally friendly resource options
 - Sustainable usage/design
 - Competitive markets (electric vehicles, photovoltaics, etc)
 - Complete Streets

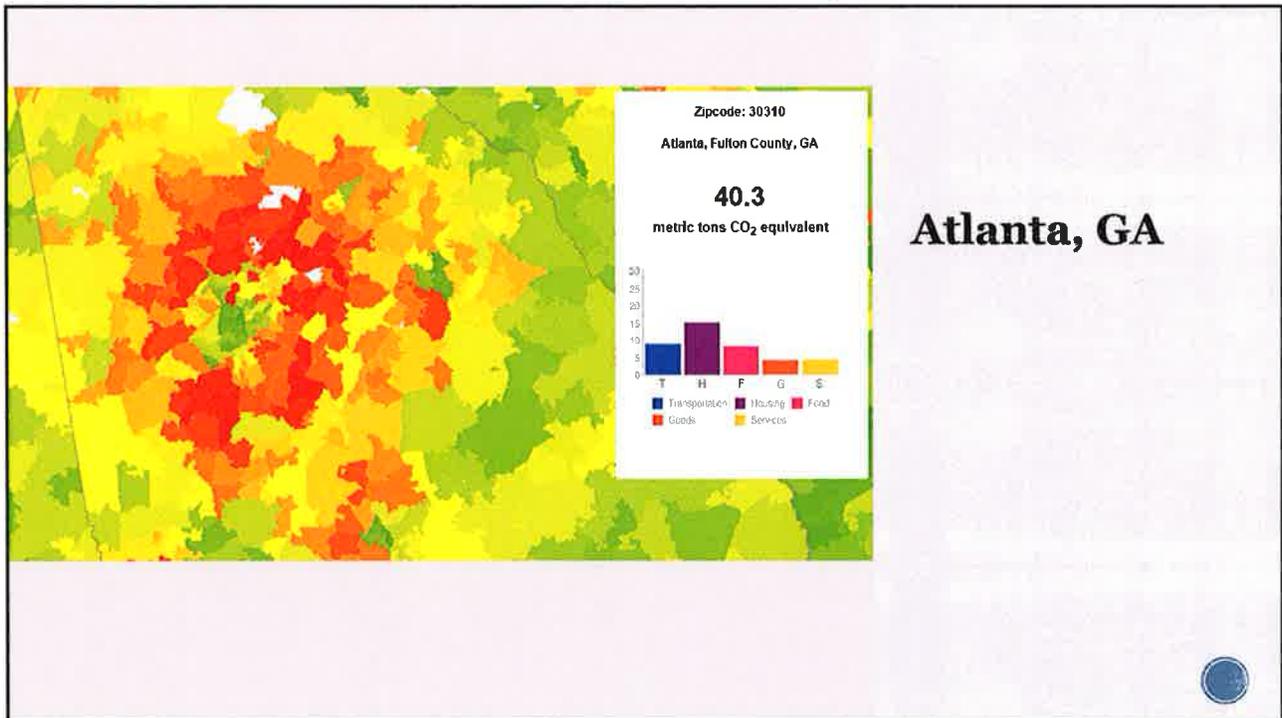
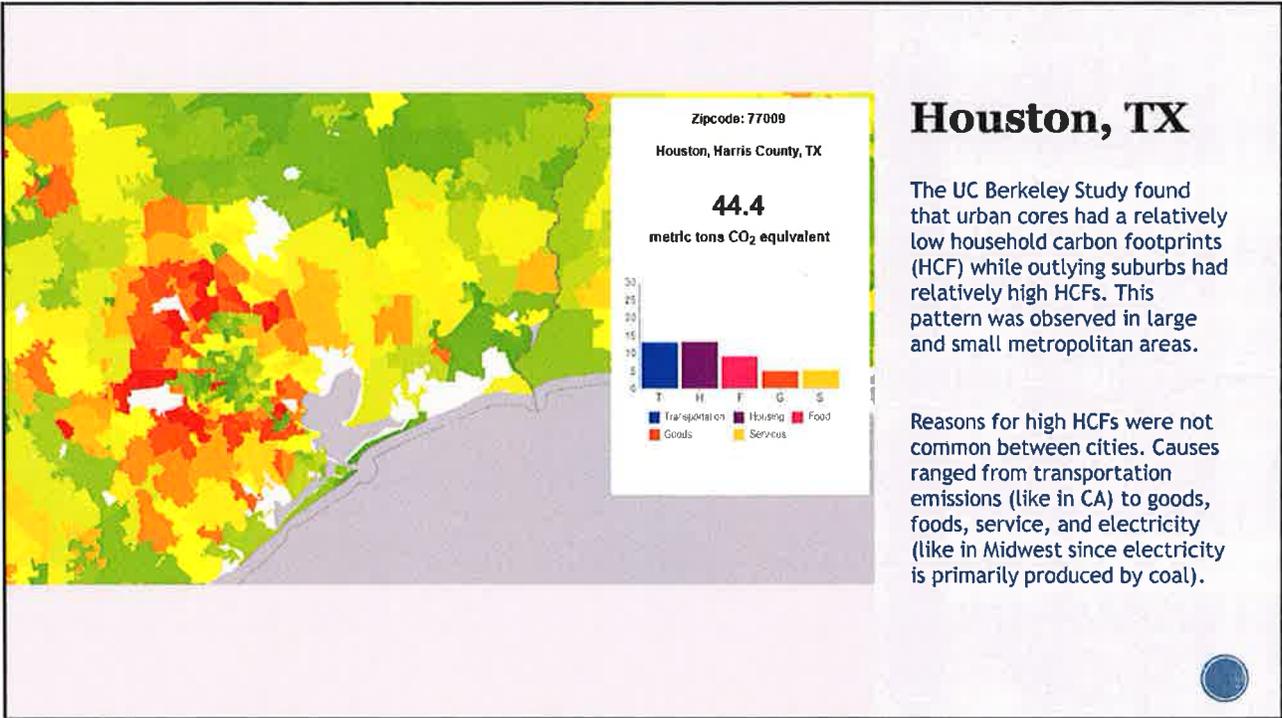


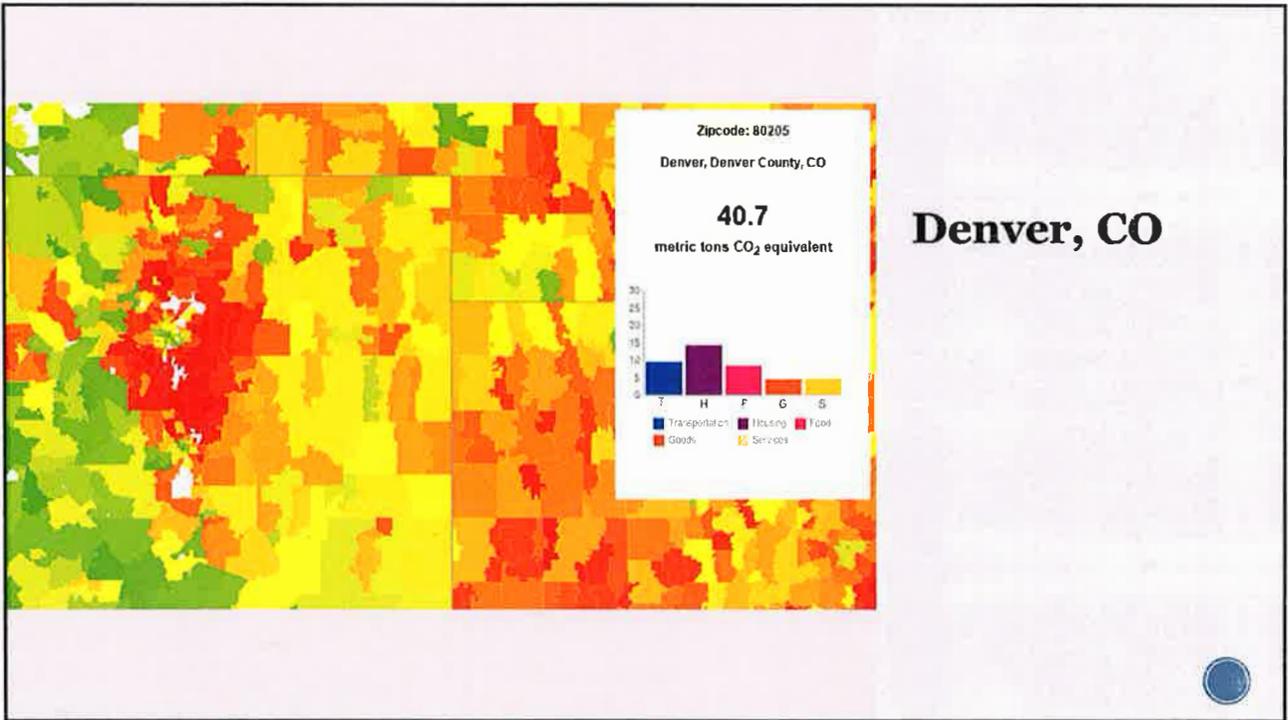
UC Berkeley Study Information

Title: Spatial Distribution of the U.S. Household Carbon Footprints Reveals Suburbanization Undermines Greenhouse Gas Benefits of Urban Population Development

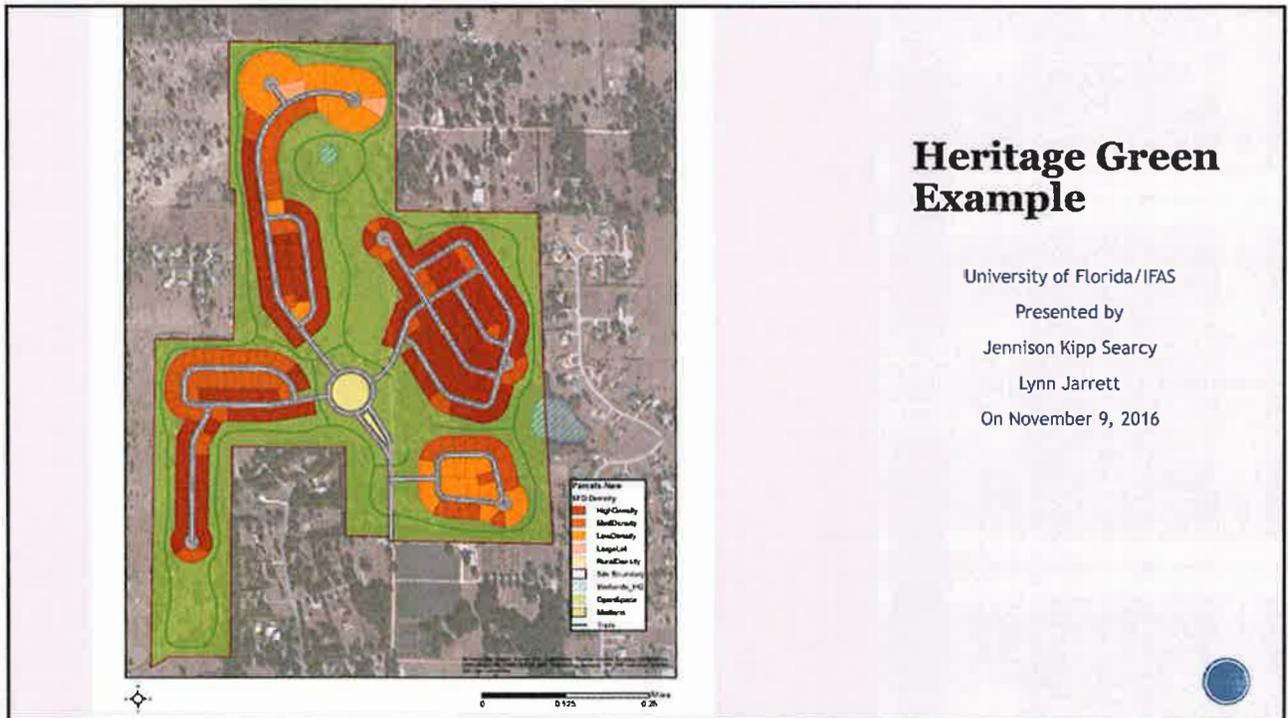
Abstract: Which municipalities and locations within the United States contribute the most to household greenhouse gas emissions, and what is the effect of population density and suburbanization on emissions? Using national household surveys, we developed econometric models of demand for energy, transportation, food, goods, and services that were used to derive average household carbon footprints (HCF) for U.S. zip codes, cities, counties, and metropolitan areas. **We find consistently lower HCF in urban core cities (~40 tCO₂e) and higher carbon footprints in outlying suburbs (~50 tCO₂e), with a range from ~25 to >80 tCO₂e in the 50 largest metropolitan areas.** Population density exhibits a weak but positive correlation with HCF until a density threshold is met, after which range, mean, and standard deviation of HCF decline. While population density contributes to relatively low HCF in the central cities of large metropolitan areas, the more extensive suburbanization in these regions contributes to an overall net increase in HCF compared to smaller metropolitan areas. Suburbs alone account for ~50% of total U.S. HCF. Differences in the size, composition, and location of household carbon footprints suggest the need for tailoring of greenhouse gas mitigation efforts to different populations.







Denver, CO





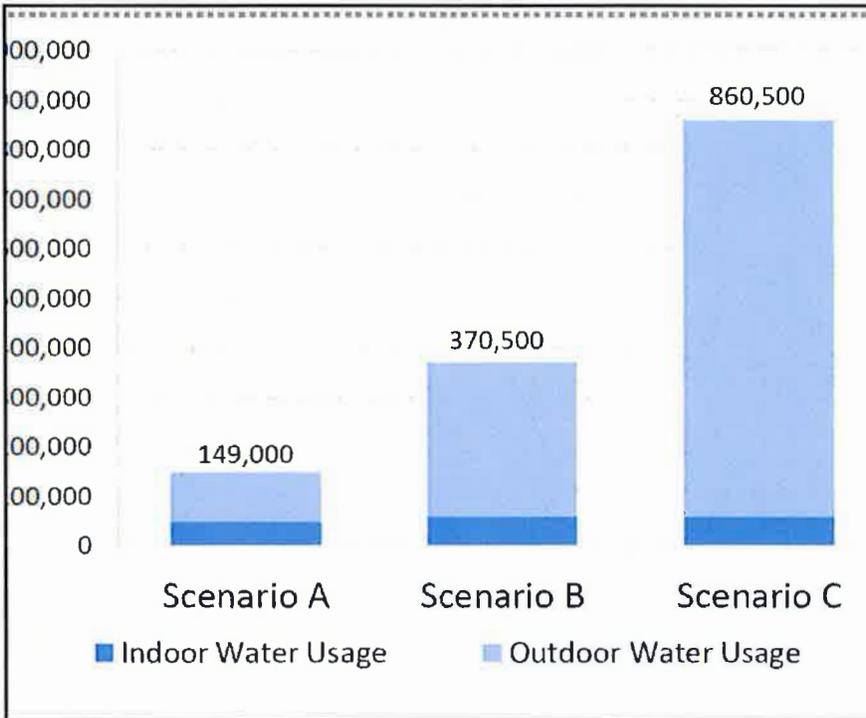
Scenario A: \$583,002 (property taxes)
 2 DU per Acre
 50% open space, 2 story, LID

Scenario B: \$416,896 (property taxes)
 1 DU per Acre
 50% open space

Scenario B: \$93,027 (property taxes)
 1 DU per Acre
 No open space

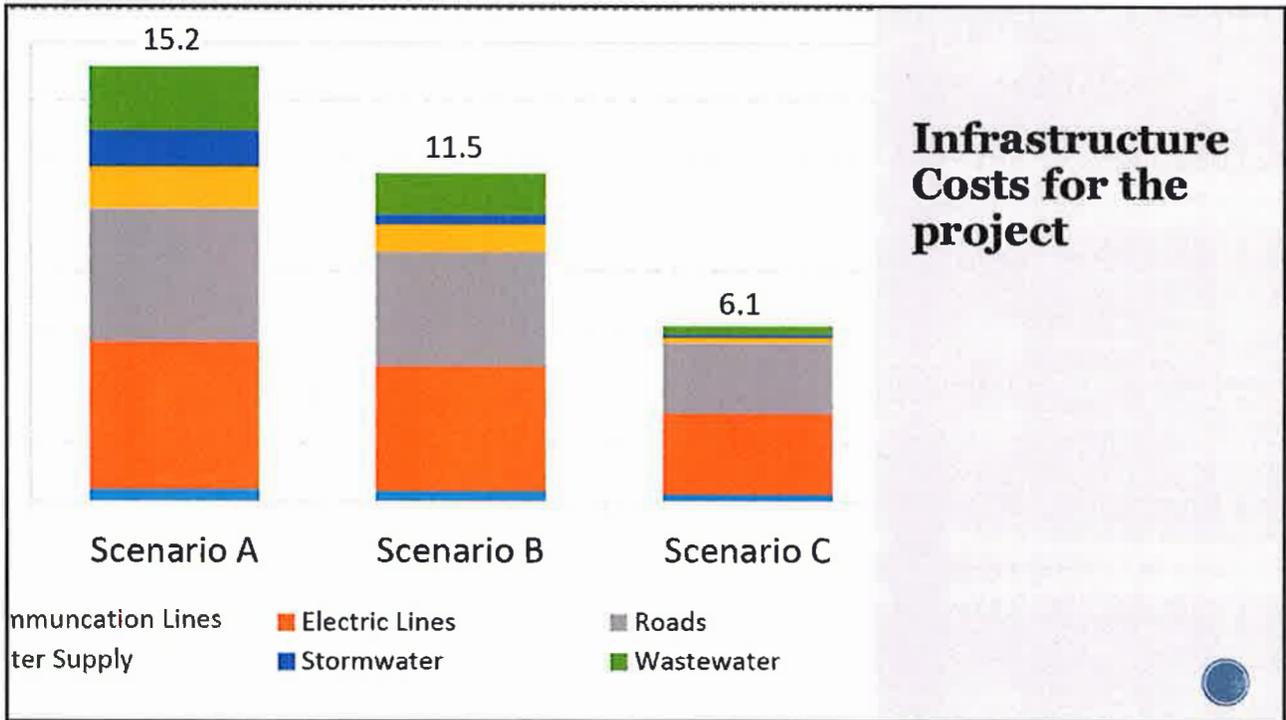
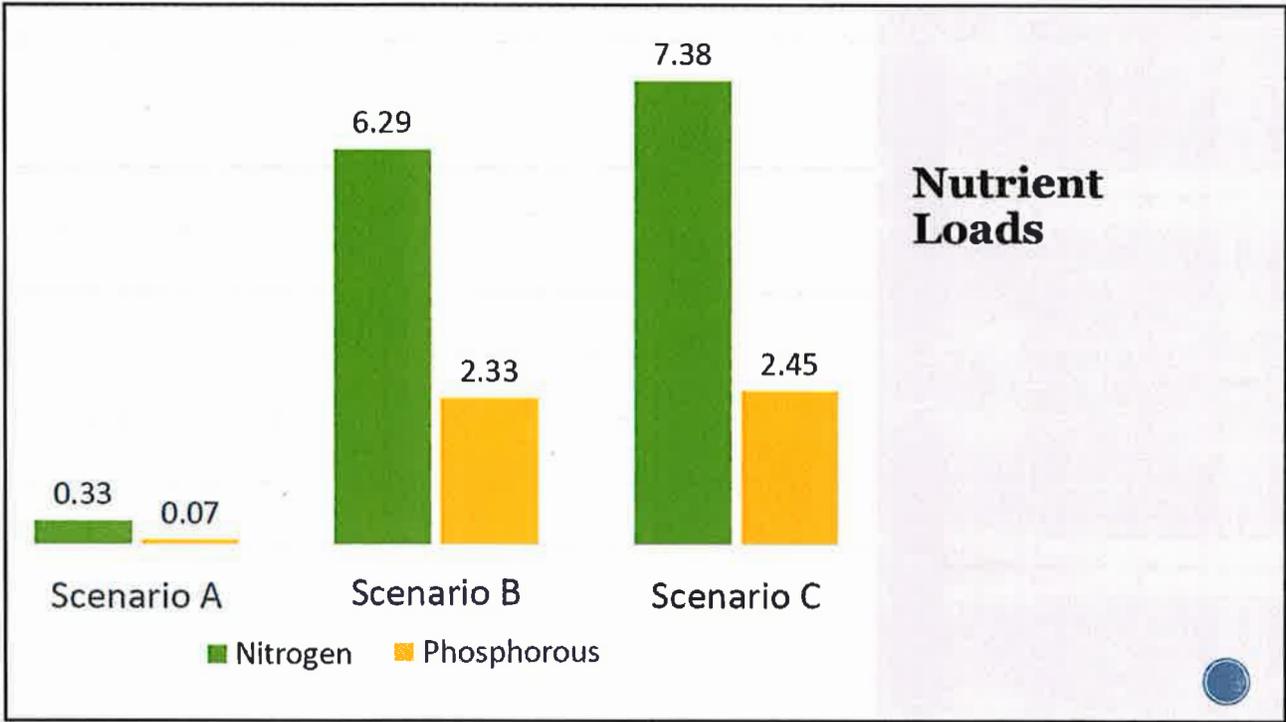
Heritage Green Example

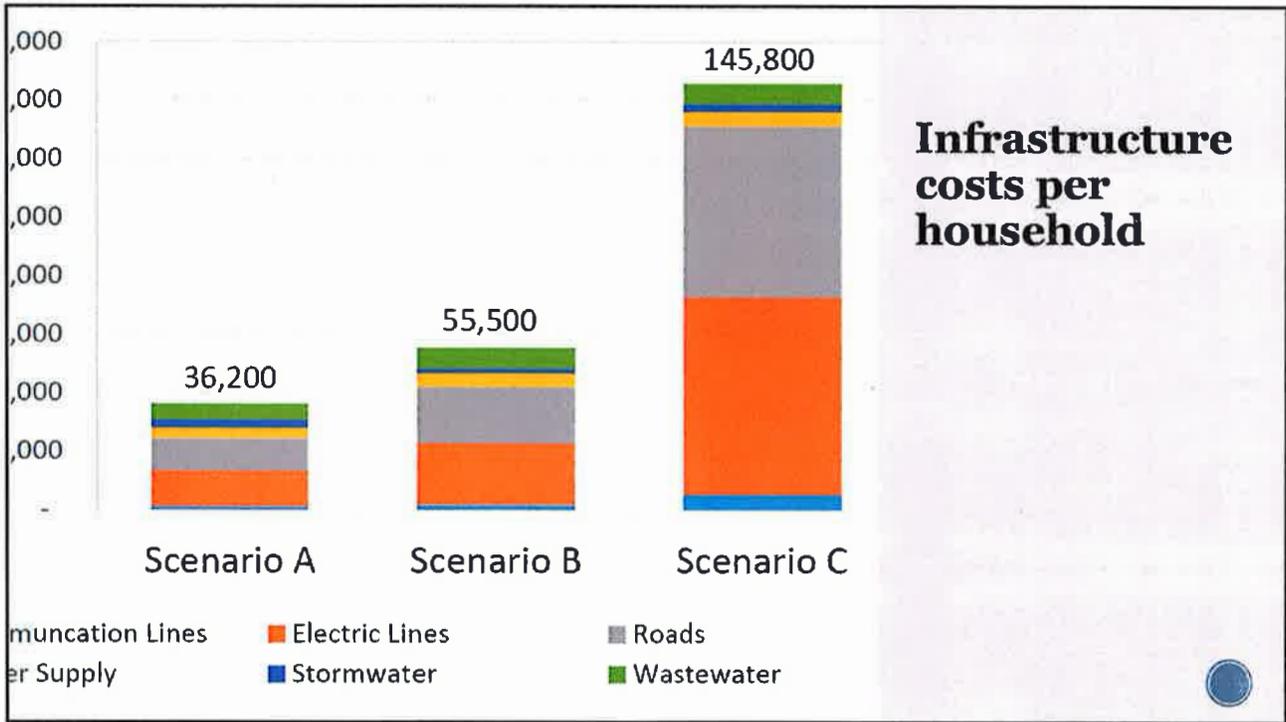
Property Tax Comparison



Water Usage







Existing Partnerships

- The Cities and the County have always worked together for the betterment of the community and put community first.
- Some beachside cities contribute to the lifeguard programs at busy beachfront parks for \$130,600.
- Cities have, in the last five years, taken over the maintenance of county parks, shifting \$1,131,687 to municipal residents.
- Cities have taken over the parks in their jurisdictions, but still pay the MSTU for park service.
- Some cities are not receiving reimbursement for medical supplies through the First Responder Program, which would be an estimated \$350,000.
- The cities work with the County to be as efficient as possible through many agreements and projects.

Cities Contribution to the Tax Base

- 62% of the Brevard County population live in an incorporated area.
- 56% of the ad valorem tax base paid to the County's General Fund comes from municipal residents (Merritt Island accounts for a large unincorporated tax base)
- The beach cities account for 8% of the overall population, and provide 16% of the County's ad valorem taxes.
- Most of the beach communities have very few county facilities (libraries and two parks) and have no county roads with the exception of Riverside Drive.



 **Next Steps**

Interlocal Agreements

- The Cities will begin negotiations for interlocal agreements that will be mutually beneficial for both parties.
- Each City and CRA is different, with differing opportunities. Therefore, we recommend to allow each City/CRA to negotiate their own agreement with the County.
- Some examples of issues to address can include the following (but may vary from City to City depending on the circumstances):
 - Time frames to amend plans.
 - Meetings between county and city officials to discuss future projects.
 - Revenue reductions in later years of the CRA.
 - Designated staff members to address CRA issues.
 - Partnerships on facility improvements.
- Cities recommend that the County begin compiling a list of issues to be included in the Agreements for each city's consideration.

