

# City of Gulf Breeze Community Redevelopment Agency FY2015 Annual Report



Prepared by  
Curt Carver, Deputy City Manager  
**City of Gulf Breeze**  
1070 Shoreline Drive  
Gulf Breeze, Florida 32561

## **FY2015 Community Redevelopment Agency Board**

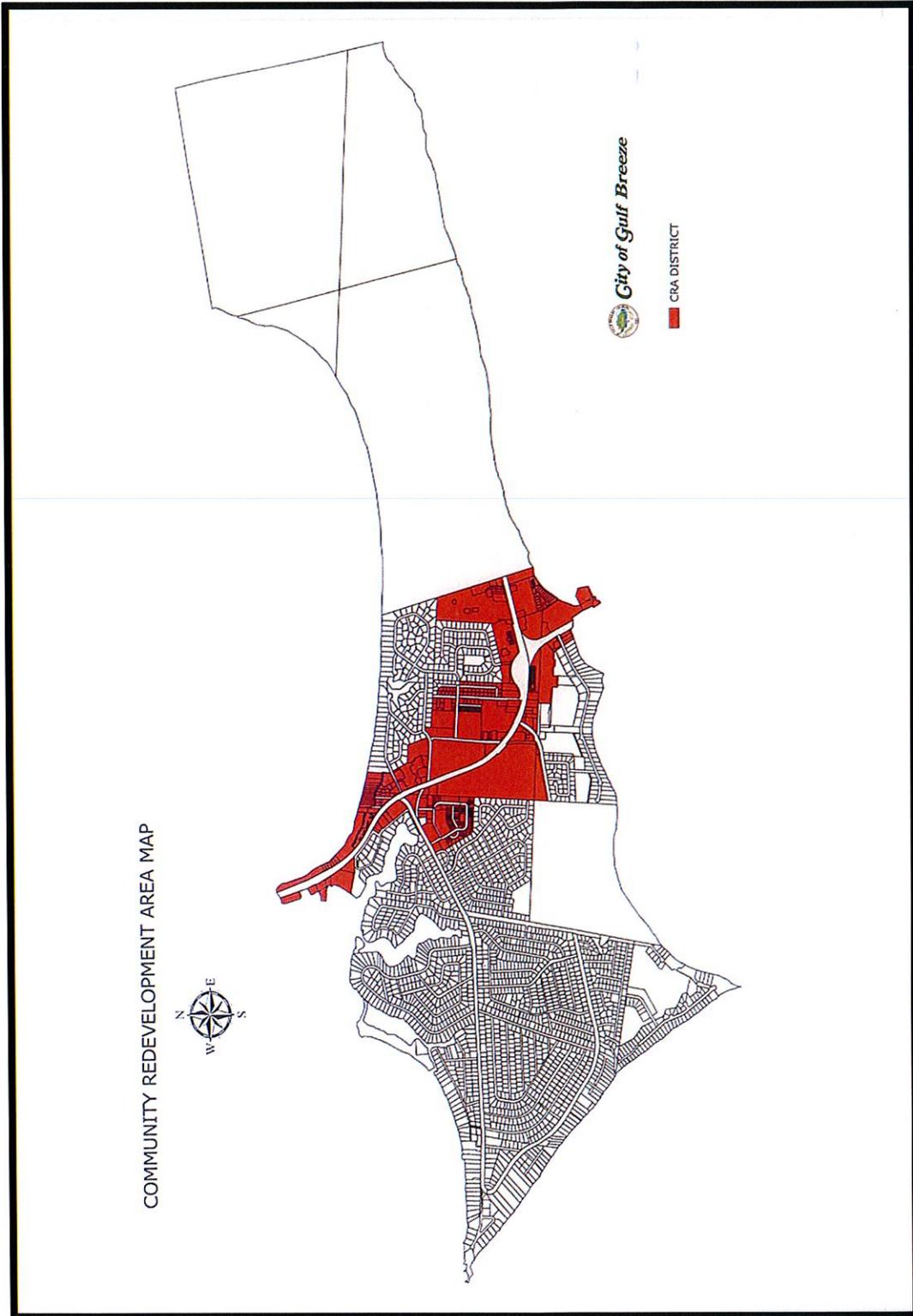
Pursuant to Resolution No. 18-89, the City Council of the City of Gulf Breeze serves as the Community Redevelopment Agency Board and is vested with all rights, powers, duties, privileges and immunities vested in a community redevelopment agency by the Community Redevelopment Act, FS § 163.330 et seq. The members of the Community Redevelopment Agency Board for FY2015 (October 1, 2014 to September 30, 2015) were as follows:

- Matt E. Dannheisser, Mayor
- Joseph Henderson, Mayor ProTem
- David G. Landfair, Councilman
- Cherry Fitch, Councilwoman
- Renee Bookout, Councilwoman

## **FY2015 Community Redevelopment Agency Staff**

- Edwin. A. Eddy, City Manager  
City of Gulf Breeze  
(850) 934-5115  
[eaeddy@gulfbreezefl.gov](mailto:eaeddy@gulfbreezefl.gov)
- Curt Carver, Deputy City Manager  
City of Gulf Breeze  
(850) 203-6033  
[ccarver@gulfbreezefl.gov](mailto:ccarver@gulfbreezefl.gov)
- Nathan Ford, Assistant to the City Manager  
City of Gulf Breeze  
(850) 934-5115  
[nford@gulfbreezefl.gov](mailto:nford@gulfbreezefl.gov)

# Community Redevelopment Area Map



## **Community Redevelopment Agency History**

Before Gulf Breeze was incorporated in 1961, it witnessed significant commercial growth and investment along US 98 (Gulf Breeze Parkway). This growth consisted of a variety of retail centers, service stations, office complexes, restaurants, and motels. There were no standards or guidelines in place to discourage the "strip commercial" pattern that resulted, nor was there an attempt to establish or nurture a "downtown" or "city center" identity.

In an effort to create a sustainable downtown community and to address high vacancy rates in retail and office units along Gulf Breeze Parkway, the City of Gulf Breeze proposed the delineation of a redevelopment area along this corridor, which served as the economic and, to some extent, social core of the City. To administer the activities and programs offered within the redevelopment area the City created a Community Redevelopment Agency in December of 1989.

The Gulf Breeze CRA is approximately 393 acres in size, about 13% of the City's acreage, and is comprised of approximately 410 parcels. The CRA is located along the entire corridor of Gulf Breeze Parkway within the City limits, beginning at the south side of the Pensacola Bay Bridge and extending at various depths northeast and southwest of the highway to the City's eastern limits. The CRA also includes the Pensacola Beach Road corridor south of Gulf Breeze Parkway, which forms the approach to the Bob Sikes Bridge to Pensacola Beach.

The need for a CRA was established in 1989 based on the Finding of Necessity documentation required pursuant to Chapter 163, Florida Statutes. This document continues to act as the foundation for blight determination within the CRA and the elimination of these blighting characteristics remains the primary focus for redevelopment activities. Many of the blighting characteristics have been addressed to some degree since the time the CRA was established in 1989; however, some issues have not been addressed, or have not been addressed fully, so the need continues to exist.

The City of Gulf Breeze adopted its first redevelopment plan in 1990 to "...assist the City with addressing the early signs of blight identified in 1989 and to stimulate economic development within the community redevelopment area." The City's 1990 comprehensive plan states that "...much of the commercial core suffers from underutilization and aesthetically poor architecture."

Concurrent with the Agency being created in 1989, the City Council was appointed as the Board of the Community Redevelopment Agency. Subsequently, a Redevelopment Plan was developed and adopted following several public hearings. The Redevelopment Plan established the goals for implementing revitalization of the core downtown area.

In order to ensure that an orderly plan of growth would be followed, the Gulf Breeze Community Redevelopment Agency directed that the 1990 CRA Plan be updated.

The updates occurred in 2006 and 2009. Based on community input and visioning that began in March 2006 and culminated in July 2008, this updated plan evaluates the CRA's physical and economic conditions and the challenges and opportunities facing the community.

Redevelopment strategies and critical tasks are included in this update that will enable the City of Gulf Breeze to stimulate and encourage economic development, provide increased public amenities, improve pedestrian safety and effectively manage redevelopment within the CRA in order to realize the City's vision and long-term community goals. Short-term (up to five years) and long-term (up to ten years) capital improvements projects are identified as a means to address these issues in a way that will maximize leveraging of local, state and federal resources in the implementation of this plan.

Since 1989, the City has been proactive in addressing the issues in the Redevelopment Plan and several major initiatives have been completed over the past ten years. Most noticeable is the median landscaping, decorative fencing, establishment of the CRA design guidelines and designation of four major CRA Gateway Districts.

## **2015 Community Redevelopment Achievements**

### **Master Plan**

The City approved a Most Livable City Plan in July of 2013. The origins of this planning process arose from a recognition of changing economic conditions, uncertain future transportation impacts from the proposed reconstruction of the Pensacola Bay Bridge and the need to diversify and strengthen the local economy. The objectives of this multi-year planning process were:

- Create a long-term vision for economic development.
- Mitigate traffic impacts.
- Maintain and protect the quality of life for residents and businesses.
- Create community consensus for future decisions.

In 2014 the City retained Vanasse Hangen Brustlin to work on an amendment to the Comprehensive Plan to ensure that the goals, objectives and policies of the plan reflected the City's Vision and Mission Statement and the 2013 Most Livable City Plan. Through the course of numerous public meetings, the Comprehensive Plan amendment was developed and refined. Two key elements of the amendment included:

- The creation of a new mixed use development zoning district that is intended to provide for a mixture of office, retail, business, education facilities and high density residential. This land use would only be permitted in the CRA.

- The establishment of target height zones within the mixed use development land use that would increase permitted building heights to 45 or 60 feet based on an identified overlay district within in the CRA. Increases in height would be subject to a special exception approved by the City Council and the implementation of certain design criteria.

On August 4, 2014 the City held a public hearing on a proposed ordinance to adopt the amendment. At that same time, the amendment was transmitted to various state agencies for appropriate review. The only agency to respond was the Department of Education and the proposed Comprehensive Plan amendment was revised in response. The Comprehensive Plan amendment was approved by the City on November 17, 2014 and submitted to the Florida Department of Economic Opportunity for final review. It became effective on January 24, 2015.

Starting in February of 2015, the City developed a series of amendments to the City's Land Development Code (LDC) that were needed to implement the land use changes in the Comprehensive Plan amendment. This included both the mixed use development concept and the targeted height zones that would be applicable to the CRA. There were a number of meetings on these concepts and the public input received resulted in a reduction in the maximum building height in the new targeted height zones and the elimination of one MXD parcel in the CRA. These changes to the LDC were finally put into place with the passage of Ordinance 03-15 on May 4, 2015. Approximately \$50,100 was expended for this planning process.



### **Andrews Institute Financial Assistance**

Andrews Institute opened in Gulf Breeze in 2007 and has since gained a reputation

as a world-class provider of orthopedic and sports medicine. As part of their mission, Andrews Institute performs research in preventing sports injuries and seeks funding opportunities to provide the highest quality of care to wounded military personnel. Andrews Institute is located adjacent to Gulf Breeze Hospital. Together the two institutions comprise a comprehensive Medical Campus located in the CRA. The Campus pays over \$313,000 in ad valorem real estate taxes on an annual basis. Andrews Institute and Gulf Breeze Hospital employ approximately 750 people and have a total annual payroll of over \$44 million. Andrews Institute alone employs 279 persons. The annual economic impact from visits to the Campus is estimated at more than \$13 million.

On July 14, 2014 the City entered into a development assistance agreement with Andrews Institute. The agreement provided for the City to contribute \$350,000 toward the construction and equipping of a Regenerative Tissue Lab at the newly formed Andrews Research and Education Foundation (AREF). The AREF Lab will be one of the first labs in the US to research and formulate procedures in regenerative medicine. In part the CRA's contribution was designed to support the continued growth of AREF, Andrews Institute and the entire medical campus as an economic and employment base for the CRA, City and surrounding region.

The agreement provided that the \$350,000 contribution coincide with certain milestones. The first milestone was the commencement of construction of the AREF lab. Upon reaching this milestone the CRA made the initial \$175,000 contribution. The second milestone was completion and equipping of the lab. In addition, the agreement provided for certain economic and employment performance measures. These included:

- A. 3% annual growth in employment, payroll and ad valorem taxes.
- B. Maintaining all current primary services for at least 10 years.
- C. Maintaining the AREF lab for 10 years.
- D. Payment of 5% of any royalties, license fees or other compensation received for the use of Intellectual Property developed by the lab.

Construction of the lab began prior to the end of FY2014. The CRA made the second contribution of \$175,000 on January 15, 2015, after construction of the AREF lab was completed and all equipment installed.

### **Pensacola Bay Bridge Planning**

The City has long recognized the potential impacts to the CRA from the proposed replacement of the Pensacola Bay Bridge. In an effort to mitigate some of the anticipated negative consequences, the City led a multi-jurisdictional effort to develop a set of maintenance of traffic (MOT) recommendations for the project. While regional in its scope, the Pensacola Bay Bridge replacement will have significant impacts to both the natural and man-made elements of the CRA and the City as a whole. The agencies participating in the MOT Plan Recommendations

included the City of Gulf Breeze, the City of Pensacola, Santa Rosa County and Escambia County. The recommendations developed by this working group were ultimately accepted by the Florida-Alabama Transportation Planning Organization and submitted to FDOT for consideration.

On a related issue, in response to higher traffic volumes and accident data, the City also undertook a traffic study to determine the desirability of closing an existing left turn bay within the CRA. This report was presented to FDOT and it was ultimately determined that the permanent closure of this turning lane was in the best interests of traffic safety. Total expenditures on these CRA planning efforts were approximately \$23,250.

### **Public Space Maintenance**

A considerable amount of funding is devoted to the maintenance of the public spaces within the CRA. This effort enhances the overall appearance of the CRA and encourages private property owners to do the same. This includes extensive landscape maintenance, irrigation, signage and lighting designed to create a park-like central corridor through the CRA. Holiday lighting also promoted the attractiveness of the CRA to both City residents and visitors. Over \$186,000 is spent on the maintenance and upkeep of the public spaces within the CRA.

### **FY2015 CRA Expenditures**

Total CRA revenues and expenses are attached hereto from the City's draft FY2015 CAFR under the heading "Urban Core Redevelopment." Please note that while this is still in draft form due to the absence of certain pension reporting statements at the time this report was prepared, this will have no impact on the numbers reflected in the attachment.

**CITY OF GULF BREEZE, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2015**

	General	Urban Core Redevelopment	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 2,838,731	\$ 637,413	\$ -	\$ 3,476,144
Licenses and permits	87,414	-	-	87,414
Intergovernmental	1,948,160	-	-	1,948,160
Charges for services	327,605	-	-	327,605
Fines and forfeitures	59,456	-	953,454	1,012,910
Investment earnings	6,240	-	-	6,240
Miscellaneous	436,035	-	19,525	455,560
Total revenues	<u>5,703,641</u>	<u>637,413</u>	<u>972,979</u>	<u>7,314,033</u>
<b>Expenditures:</b>				
Current				
General government	1,540,455	439,102	-	1,979,557
Public safety	2,651,998	-	771,306	3,423,304
Transportation	519,423	-	-	519,423
Economic environment	198,758	-	-	198,758
Culture and recreation	1,424,236	-	-	1,424,236
Capital outlay	734,613	10,310	7,950	752,873
Debt service				
Principal	193,600	-	-	193,600
Interest	368,304	-	-	368,304
Total expenditures	<u>7,631,387</u>	<u>449,412</u>	<u>779,256</u>	<u>8,860,055</u>
Excess (deficiency) revenues over (under) expenditures	<u>(1,927,746)</u>	<u>188,001</u>	<u>193,723</u>	<u>(1,546,022)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,751,032	206,252	-	1,957,284
Transfers out	(206,252)	(266,191)	(3,624)	(476,067)
Total other financing sources (uses)	<u>1,544,780</u>	<u>(59,939)</u>	<u>(3,624)</u>	<u>1,481,217</u>
Net change in fund balances	(382,966)	128,062	190,099	(64,805)
<b>Fund Balances:</b>				
Beginning of year	<u>7,710,013</u>	<u>264,827</u>	<u>594,671</u>	<u>8,569,511</u>
End of year	<u>\$ 7,327,047</u>	<u>\$ 392,889</u>	<u>\$ 784,770</u>	<u>\$ 8,504,706</u>

The accompanying notes are an integral part of these financial statements.