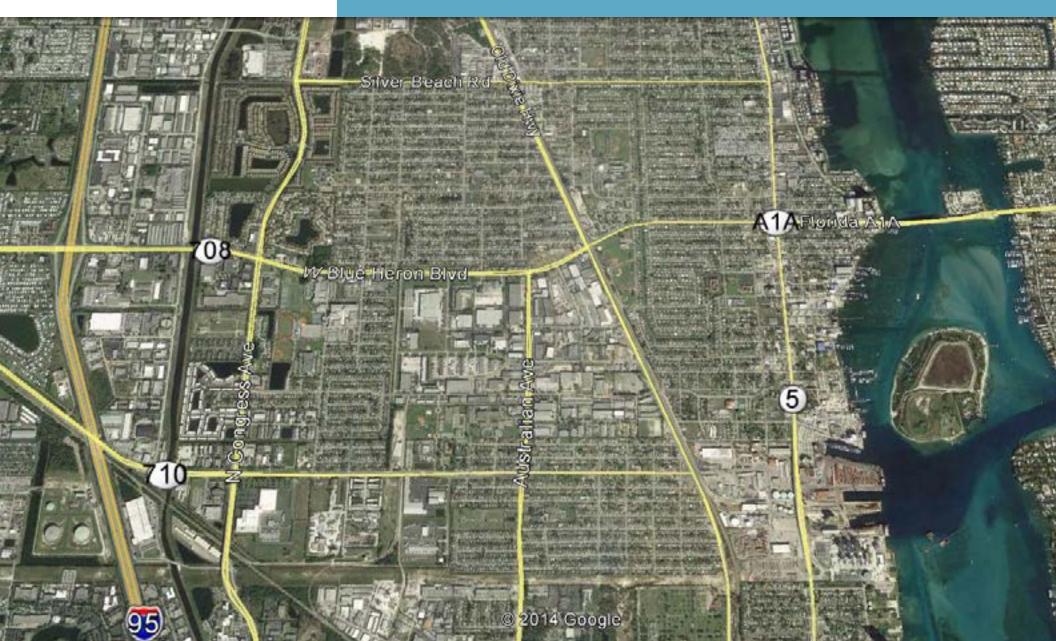


Study of Potential Expansion of the CRA Boundaries & Riviera Beach Heights Finding Of Necessity

Treasure Coast Regional Planning Counci



INDEX

Proposed Expansion	
Executive Summary	4
Preliminary Analysis of Potential Expansion Area	8
Boundary Analysis	6
Findings and Declarations of Necessity	7
Riviera Beach Heights Study Area	8
Proposed Boundary Expansion Map	8
Study Area - General Description	9
Study Methodology	14
FON Indicator #1	15
FON Indicator #2	21
FON Indicator #3	22
Recommendation	24
REDEVELOPMENT STRATEGIES	26
The Riviera Beach CRA	28
FUTURE LAND USE MAP	30
Zoning Map	31
FINDING OF NECESSITY STATUTE	32
Теам	34
Bibliography	36

 2

EXECUTIVE SUMMARY

The Riviera Beach CRA was established in 1984 to develop a vision and implement strategies to create a vibrant community and enhance economic, social, recreational and retail opportunities for the residents of Riviera Beach. The CRA, among the earliest created in Florida, focused its boundaries and efforts primarily east of the Broadway corridor around commercial, waterfront and beach properties where most of the underutilized, aging and vacant commercial buildings and potential redevelopment opportunities were located at the time. Over the past three decades the CRA master plan was created, amended, redefined and implemented in various degrees. As a result, beachfront commercial facilities have been built, roadways improved, public-partnerships executed, social and educational programs instituted, jobs created, and a world-class marina, public market, community center and mixed-use project are under way. During this time, consensus has developed that it is time to focus a larger part of the CRA's redevelopment efforts on the neighborhoods and districts lying west of the original CRA boundaries.

On June 30th, 2014, the Riviera Beach CRA contracted with the Treasure Coast Regional Planning Council (TCRPC) to conduct a CRA boundary expansion analysis. The intent of this proposed expansion is to enhance the City's competitiveness in a larger economic context by providing the benefits and programs available only through the CRA to the area identified as Riviera Beach Heights Study Area. By expanding the boundary into the neighborhoods, the CRA has the ability to provide social, educational and job-related programs to the City's residents, but most importantly, it has the ability to improve infrastructure and properties that are physically or functionally deteriorated and constrained in their ability to generate adequate tax revenues and that are impacting the neighborhood's appearance, safety and value.

The analysis conducted by TCRPC with data provided by the Palm Beach Property Appraiser's Office revealed diminished real property value in this area. The analysis showed underperforming and decreasing ad valorem revenue, thus limiting funding necessary for infrastructure, beautification, safety and economic enhancement programs. The study shows that without targeted investment this situation is not likely to improve. Real property values in these areas will continue to underperform. Physical, economic and social problems will increase and the revenue loss will be even greater. City-wide resources will have to be disproportionally dedicated to these areas (as is already evident with police services due to a higher than average incidence of crime).

Conditions such as these require Cities to consider additional tax revenues to improve declining areas, with those revenues being generated outside the areas requiring improvement. This results not only in a poor economic environment but in an inequity to the City as a whole. The Community Redevelopment Act provides for a more equitable distribution of tax revenues that allows the area requiring improvements to contribute targeted resources to fund these improvements. Expanding the CRA boundary would not only result in a shift in the tax burden, but the ability to address change rapidly and capture tax revenues to improve these declining areas, with those revenues being generated in the area which requires improvement.

In addition to the real property values and ad valorem revenue study, the Council conducted an analysis of the proposed expansion boundaries as well as a Finding of Necessity for each of the four areas. Pedestrian surveys, public input through community forums and Palm Beach County Property Appraisers data were gathered and analyzed in a manner consistent with Florida Statutes 163.355 and 163.340. The Boundary Expansion Study revealed that:

• Real Property values in the **Riviera Beach Heights Study Area** have experienced a higher than average decrease: Average assessed values in the area over the 5-year period between 2009-2013 declined at rate of 17.58% annually compared to a 5.51% decline for the City as a whole over the same period. Assessed values are projected to continue decreasing at an annual average rate of 4.53%. Crime in the area is also high with 5% of the population and 10% of the crime recorded in 2013. In addition,

deteriorating roads and infrastructure, lack of sidewalks, and vacant homes, land and commercial properties are significant neighborhood deterioration factors.

The Riviera Beach Heights Study Area presents conditions of physical decline, underutilization, or has inappropriate or outdated regulations that limit the area's ability to thrive, ultimately affecting its financial condition and its level of services. This study finds the existence of deterrents to sound future growth and development as defined in Section 163.355, F.S. and determines that the Riviera Beach Heights Study Area meets the statutory requirements of blight and would benefit by being incorporated into the CRA.

This is a defining moment for City of Riviera Beach and its

CRA. Property values in this area is at an all-time low. Millions in ad valorem revenue will be added to both agencies' annual budgets from Florida Power and Light's Next Generation Clean Energy Center. The City and CRA should work together to improve these areas while capturing increased ad valorem revenue to reinvest it in the areas that require the improvements. With or without a boundary expansion, the findings of this study need to be addressed. Combining additional resources and specific actions provided by the CRA will provide the opportunity to reverse a trend of economic and physical decline and build upon the positive elements and distinctive character of the neighborhood.

The current CRA Area (858 acres) is 13.7 % of the total City Area. If boundary is expanded to include the Riviera Beach Heights, the new CRA Area will be 16.92% of the total City Area.

Riviera Beach Heights



202 acres (3.2% of City Area)

- -17.58% Average Assessed Value decline (2009-2013)
- -4.53% Projected Assessed Value increase
- **5.38% City's Projected assessed value increase**
 - Inadequate Sidewalks
 - Inadequate Parking
 - Deteriorating/Inadequate Roadways
 - Vacant or Underdeveloped parcels
 - **High Incidence of Crime** 5% of the population, 10% of the crime.



PRELIMINARY ANALYSIS PRELIMINARY ANALYSIS OF POTENTIAL REDEVELOPMENT EXPANSION AREA

On June 30th, 2015, the Riviera Beach Community Redevelopment Agency (CRA) entered into an Interlocal Agreement with the Treasure Coast Regional Planning Council (TCRPC) to conduct a CRA Boundary Expansion Study. The Study focused on the physical and economic conditions of four separate and independent areas within the City of Riviera Beach adjacent to the current CRA boundary. It analyzed each area's potential benefit and includes: 1) A preliminary analysis of each potential expansion area with boundary findings and recommendations; 2) an evaluation and assessment of the fiscal impact upon City ad valorem revenues for each area; and 3) a Findings of Necessity for each of the potential expansion areas consistent with statutory requirements. Four neighborhood meetings were held to present preliminary findings and poll local residents. These neighborhood meetings provided additional insight beyond the initial analysis and field visits, and yielded further refinements to recommended redevelopment opportunities and strategies for improving economic conditions and property values in each potential CRA expansion area. CRA and City commissioners will analyze existing needs, potential benefits and community support for each of the areas and decide on a case by case basis if a boundary expansion is warranted.

Also provided in this report is a series of recommended redevelopment opportunities and strategies designed to improve the economic condition and property values of each of the potential CRA expansion areas. These strategies are based on the specific needs in each area and what other CRAs have successfully carried out in Florida and around the country. If incorporated into the CRA, each area will require a detailed master plan, developed with authentic community input. Each plan shall detail all necessary improvements and budget to carry out each neighborhood's unique vision. The plans, which will be unique to each neighborhood will result in a CRA Plan amendment as well as potential amendments to the City's zoning code and local comprehensive plan.

BOUNDARY ANALYSIS

The four potential redevelopment expansion areas identified by the Riviera Beach Community Redevelopment Agency (CRA) were evaluated using a consistent methodology. Fieldwork was conducted over a two-day period by Council staff and its qualified consultant team members. The relationship between the possible expansion areas and the existing

CRA boundaries was reviewed and evaluated for potential geographic gaps, missed redevelopment opportunities, and the capture of public rights-of-way to ensure the CRA would be empowered to address traffic, stormwater, and other infrastructure efforts necessary to support redevelopment efforts by the private sector. For the purpose of redevelopment, "neighborhoods" are considered in both the residential and commercial sense. The potential expansion areas were also evaluated regarding natural synergies between and among uses.

Findings and Recommendations: All four of the potential areas proposed for expansion into the existing CRA have merit and are logical geographic, economic and community-based additions. A boundary modification was proposed as shown on image to the right as a result of community input. No additional deletions or modifications to the proposed CRA expansion boundaries are recommended at this time. The recommendation is for the CRA to move forward with its evaluation of the expansion areas as proposed.

PURPOSE OF A FINDING OF NECESSITY

COMMUNITY REDEVELOPMENT ACT OF 1969

The Community Redevelopment Act of 1969, Chapter 163, Part III, Florida Statutes, (The Act) authorizes local governments to establish community redevelopment agencies to improve areas within their jurisdictions suffering from economic distress. The Act sets forth the legal process by which local governments may establish community redevelopment agencies and provides financing and regulatory tools to accomplish the goals of improving slum and blighted areas.

163.361 Modification of community redevelopment plans.—

(1) If at any time after the approval of a community redevelopment plan by the governing body it becomes necessary or desirable to amend or modify such plan, the governing body may amend such plan upon the recommendation of the agency. The agency recommendation to amend or modify a redevelopment plan may include a change in the boundaries of the redevelopment area to add land to or exclude land from the redevelopment area, or may include the development and implementation of community policing innovations.

In order to expand the boundary of an established community redevelopment area, a Finding of Necessity must be prepared and adopted in accordance with the requirements in Chapter 163, Part III, Florida Statutes. The precise portion of the statute that governs the standards for preparation of a statutorily compliant Finding of Necessity is provided here.

Working with the City of Riviera Beach and the Treasure Coast Regional Planning Council, the Riviera Beach Community Redevelopment Agency commissioned a Finding of Necessity, as required by and in compliance with Florida Statues, for the four potential expansion areas for consideration by the City Council. If the Council wishes to expand CRA benefits, incentives and the capture of tax-increment financing revenues within these area, the adoption of this Finding of Necessity by resolution for each area is the initial step required by Section 163 Part III, Florida Statutes.











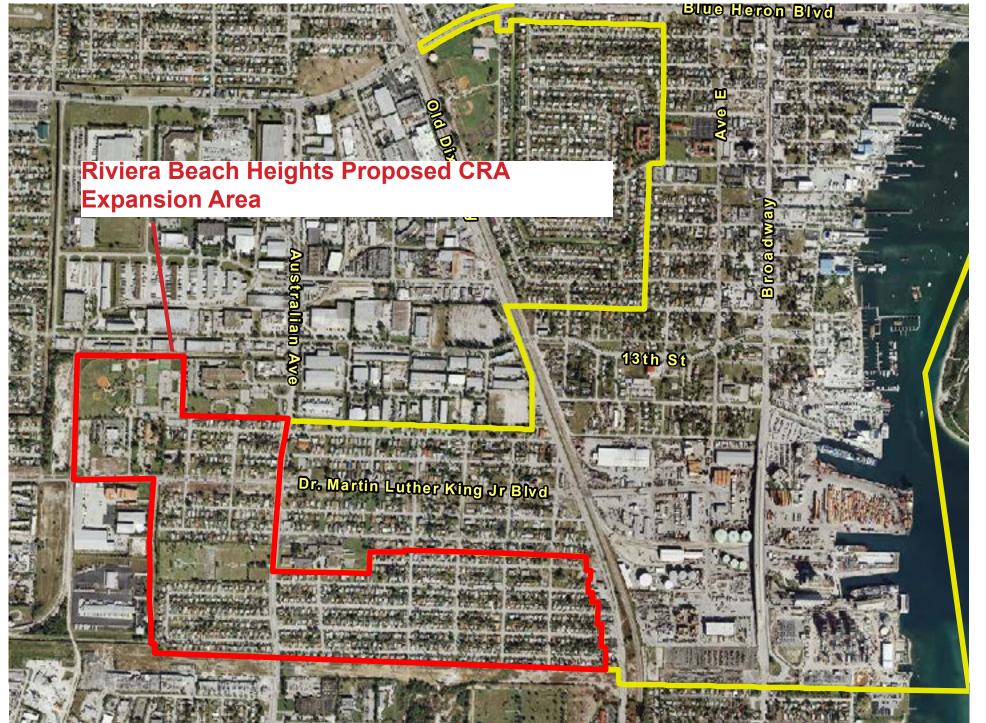
At A Glance:

- Aggregate Assessed Values of real property for ad valorem purposes failing to show appreciable increase:
 - Average -17.58% year-over-year decline during the five-year period 2009-2013.
 - Projected decrease of -4.23% compared to 5.34% increase for the rest of the City.
- Inadequate Sidewalks: Lack of sidewalks, 59% of residents polled feel unsafe walking in the area.
- **Deteriorating/Inadequate Roadways**: Crumbling pavement, lack of curb & gutter, parking encroaching on roadways.
- Residential Vacancies
- Incidence of Crime higher than in other areas of the City: 5% of the population, over 10% of the crime

RESIDENT POLLING SUMMARY:

- Code Enforcement, Economic Development & Crime identified as the most pressing issues.
- **70** % believe there is nothing to do for leisure in the neighborhood.
- 88% have some degree of safety concern.
- 97% of children lack activities in the neighborhood.
- Overall community support to use CRA funds to improve buildings and infrastructure in the area.
- Overall community support to expand the CRA boundary to include area as depicted in page 10.*

Note *: The group of residents that participated in the poll did not complete the voting session due to lack of time. The residents instead focused largely on discussing the issues affecting the neighborhood, reflected in this section.



RIVIERA BEACH HEIGHTS STUDY AREA

GENERAL DESCRIPTION

The neighborhood identified as Riviera Beach Heights is the subject area of this study. It is located in the southwestern portion of the City.

Examples of housing stock in the Riviera Beach Heights (RBH) Neighborhood proposed expansion area are included in the photos in this section. The RBH Neighborhood provides affordable housing with traditional two and three bedroom homes. There is evidence of boarded homes and vacant lots within the area indicative of a neighborhood that would benefit from inclusion in the redevelopment area. The poverty rate and rate of unemployment in the area is higher than in the overall City of Riviera Beach and Palm Beach County.

The proposed Riviera Beach Heights Study Area lies adjacent to the existing CRA boundary referenced as Riviera Beach Heights in the 2012 Riviera Beach Heights Phase 1 Report prepared by Song and Associates. Inclusion of the proposed Study Area into the CRA would allow for this section to benefit from the type of programs and incentives described in that report.







Study Methodology & Applicable FON Criteria

The methodology for data collection, evaluation and analysis was developed utilizing a breakdown of the specific criteria used to determine the existence of conditions as required in the Florida Statutes. This Finding of Necessity utilizes the requirements of the amended chapter (Sections 163.340 and 163.335, F.S.) with regard to the threshold requirements that are effective December 2014. Each of the statutory criteria was examined to determine the presence or absence and extent of a specific condition. For those conditions considered to be applicable to the study area, a more detailed analysis was undertaken. After preliminary data collection and analysis, the Finding of Necessity study ultimately focused upon the following conditions which meet the criteria in Chapter 163, Part III, F.S. The statutory threshold that must be met to declare an area eligible for the benefits and incentives in the Community Redevelopment Act requires that at least two conditions of fact must be identified. The following criteria apply to the Riviera Beach Heights Study Area:

- Aggregate assessed values of real property for ad valorem purposes failing to show appreciable increase over past five years (§ 163.340(8)(b), F.S.);
- Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities (§163.340(8) (A), F.S.); and,
- Incidence of crime in the area higher than in the remainder of the county or municipality (§ 163.340(8)(j), F.S.).

INDICATOR #1

AGGREGATE ASSESSED VALUES OF REAL PROPERTY FOR AD VALOREM PURPOSES FAILING TO SHOW APPRECIABLE INCREASE OVER PAST FIVE YEARS (§163.340(8)(B), F.S.)

ASSESSMENT OF AD VALOREM IMPACT

Economic data covering a five and ten-year period was gathered in order to assess both the historic and likely future of ad valorem values of the potential expansion areas. A five-year historic evaluation is vital in that it adheres to the statutory requirements identified in Chapter 163, Part III, F.S. regarding community redevelopment areas. The ten-year data as per industry standards was collected and is also available.

Working with data provided by the Palm Beach County Property Appraiser's Office, a regression analysis was conducted showing a 5-year ad valorem history of the proposed Riviera Beach Heights Study Area, the entire City of Riviera Beach, and Palm Beach County. Further, the best available comparable data for the same five-year period for the state and nation was evaluated to allow a comparison with the specific local trends. This data is presented in Tables 1 and 2. This analysis demonstrated the historic ad valorem of the city and state values were very similar to the data for larger geographies. All were affected similarly by the recent recession that began in 2007.

In order to compare of the proposed Riviera Beach Heights Study Area to the City of Riviera Beach's 10-year ad valorem history, the data is presented in Table 3 of this report.

HISTORIC ASSESSED VALUES

5-YEAR ANALYSIS (STATUTORY REQUIREMENT)

TABLE 1: TOTAL ASSESSED VALUES							
	5-YEAR HISTORY						
	RIVIERA BEACH HEIGHTS	CITY OF RIVIERA BEACH	PALM BEACH COUNTY	STATE OF FLORIDA (in Billions)	AVERAGE U.S. HOME PRICE		
2009	\$53,422,778	\$4,001,408,385	\$161,813,196,426	\$10.73	\$186,809		
2010	\$33,084,129	\$3,590,753,083	\$146,129,919,809	\$9.62	\$184,100		
2011	\$27,122,697	\$3,170,261,303	\$143,660,180,227	\$8.94	\$170,599		
2012	\$20,554,453	\$3,023,788,225	\$143,434,665,483	\$8.48	\$171,858		
2013	\$21,552,186	\$2,992,416,249	\$148,572,462,765	\$8.43	\$187,507		

TABLE 2: TOTAL AVERAGE YEAR-OVER-YEAR % CHANGE IN ASSESSED VALUES 5-YEAR HISTORY RIVIERA BEACH HEIGHTS RIVIERA BEACH CITY OF RIVIERA BEACH COUNTY RIVIERA BEACH COUNTY RIVIERA BEACH COUNTY RIVIERA BEACH RIVIERA

	BEACH HEIGHTS	CITY OF RIVIERA BEACH	PALM BEACH County	FLORIDA (in Billions)	U.S. HOME PRICE
2009	-12.42%	0.09%	-11.18%	-3.85%	-11.09%
2010	-38.07%	-10.26%	-9.69%	-10.34%	-1.45%
2011	-18.02%	-11.71%	-1.69%	-7.07%	-7.33%
2012	-24.22%	-4.62%	-0.16%	-5.15%	0.74%
2013	4.85%	-1.04%	3.58%	-0.59%	9.11%
AVERAGE % CHANGE	-17.58%	-5.51%	-3.83%	-5.40%	-2.00%

HISTORIC ASSESSED VALUES

10-YEAR ANALYSIS (INDUSTRY STANDARD)

Assessed Values Trend Analysis

- The five-year trend of assessed values for the Riviera Beach Heights Study Area indicates economic distress at an accelerated pace relative to that of the City of Riviera Beach overall. Riviera Beach Heights Study Area shows an overall 320% negative year-over-year valuation when compared to the City's overall decline in assessed value over the same five-year period.
- In 2009, Riviera Beach Heights' Study Area assessed values represented 1.33% of the City's total assessed values. Over a 5-year period, that percentage declined by 46%.
- The assessed values for Riviera Beach Heights Study Area are projected to steadily decrease - an inverse projection relatively to the overall City.
- The ten-year trend of assessed values for the Riviera Beach Heights Study Area for the 2004-2013 period shows an average annual decrease of 4.23% (Tables 3 &4).
- Data from tables 3 & 4 is used to project future assessed values. Assessed values in the Riviera Beach Heights Study Area are projected to decrease at an average rate of 4.23% annually, while the City's assessed values are projected to grow at an average rate of 5.38%.

These historical trends support that the Riviera Beach Heights Study Area continues to under perform despite economic efforts that have served the City of Riviera Beach as a whole. There is no evidence that this under performance trend will change if conditions analyzed are not improved.

TABLE 3: TOTAL ASSESSED VALUE 10-YEAR HISTORY					
	RIVIERA BEACH HEIGHTS	CITY OF RIVIERA BEACH	PALM BEACH COUNTY	STATE OF FLORIDA (in Billions)	AVERAGE U.S. HOME PRICE
2004	\$38,952,127	\$2,012,325,020	\$121,204,181,410	\$7.64	\$245,905
2005	\$46,255,922	\$2,362,091,391	\$141,349,480,800	\$8.63	\$274,649
2006	\$59,166,824	\$2,936,045,626	\$173,471,747,698	\$9.81	\$280,011
2007	\$60,939,106	\$3,739,938,319	\$183,213,014,027	\$11.50	\$259,707
2008	\$60,997,489	\$3,997,537,112	\$182,171,134,860	\$11.16	\$210,121
2009	\$53,422,778	\$4,001,408,385	\$161,813,196,426	\$10.73	\$186,809
2010	\$33,084,129	\$3,590,753,083	\$146,129,919,809	\$9.62	\$184,100
2011	\$27,122,697	\$3,170,261,303	\$143,660,180,227	\$8.94	\$170,599
2012	\$20,554,453	\$3,023,788,225	\$143,434,665,483	\$8.48	\$171,858
2013	\$21,552,186	\$2,992,416,249	\$148,572,462,765	\$8.43	\$187,507

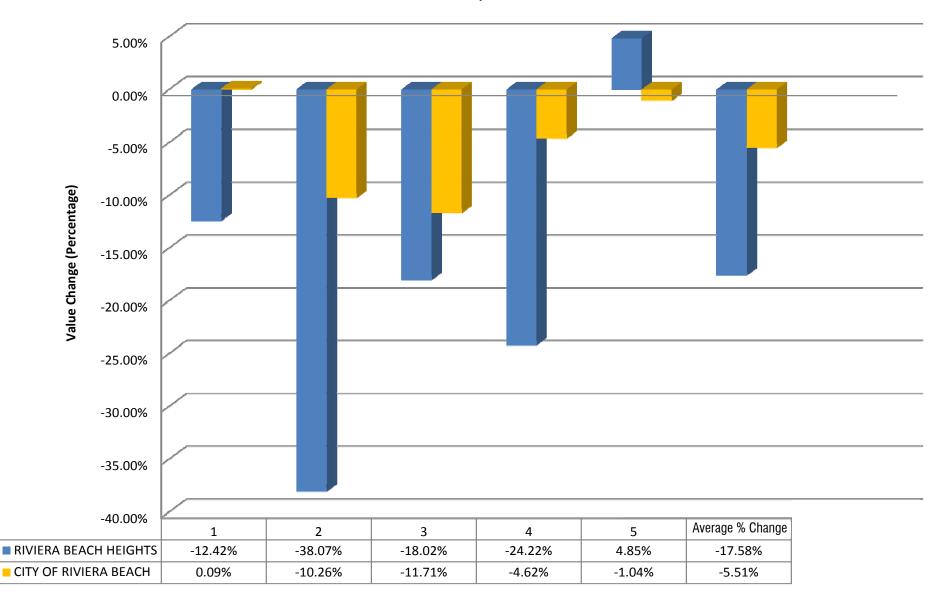
FINDINGS:

As demonstrated in the data in Table 1, a negative five-year trend in values is indicative of the economic strain the study area has experienced. The Riviera Beach Heights study area has averaged a -17.58% year-over-year decline during the five-year period.

RIVIERA BEACH HEIGHTS STUDY AREA

Year-Over-Year
Percentage Value Change
5-Year Analysis

Average 5-Year Rate of Decline for RBH Study Area is -17.58%



year decime during the five-year period.

HISTORIC & PROJECTED ASSESSED VALUES 10-YEAR TREND ANALYSIS: RIVIERA BEACH HEIGHTS STUDY AREA

CITY OF

RIVIERA BEACH

\$2,012,325,020

\$2,362,091,391

\$2,936,045,626

\$3,739,938,319

\$3,997,537,112

\$4.001.408.385

\$3,590,753,083 \$3,170,261,303

\$3,023,788,225

\$2,992,416,249

(\$1,008,992,136)

-5.51%

\$980,091,229

5.38%

TABLE 4: ASSESSED VALUE

5 & 10-YEAR ANALYSIS TREND

RIVIERA BEACH

HEIGHTS

\$38,952,127

\$46,255,922

\$59,166,824

\$60,939,106

\$60.997.489

\$53.422.778

\$33,084,129

\$27,122,697

\$20,554,453

\$21,552,186

(\$31,870,592)

.-17.58%

(\$17,399,941)

-4.23%

RWAR 2009-2013 5th Year Differential Annual Average (5year analysis) 2004-2013 10 Year Differential **Annual Average** (10-year analysis)

2004

2005

2006

2007

2008

2009

2010

2011

2012

2013

METHODOLOGY:

The Ad Valorem Fiscal Impact for the Riviera Beach Heights study areas was projected using the following methodology:

The base year (2013) was subtracted from the projected total base value. The increment was then multiplied by the millage rate available to the TIF district over the next thirty years. The gross incremental CRA revenue is discounted for inflation at 95% to calculate the net incremental CRA revenue. For the Riviera Beach Height study area, since future projections show a continued decline in average assessed values, the projected decline rate and two conservative increment percentages were used: -4.23%, 3% and 5%. The City as a whole is projected to increase an average of 5.38%.

OBSERVATIONS:

- The Riviera Beach Heights Study Area fared worse on average than the Overall City.
- Assessed Values appear to have entered a slower-pace decrease, yet still project a negative growth overtime.
- A higher than average amount of vacant residential property may stiffle future growth.

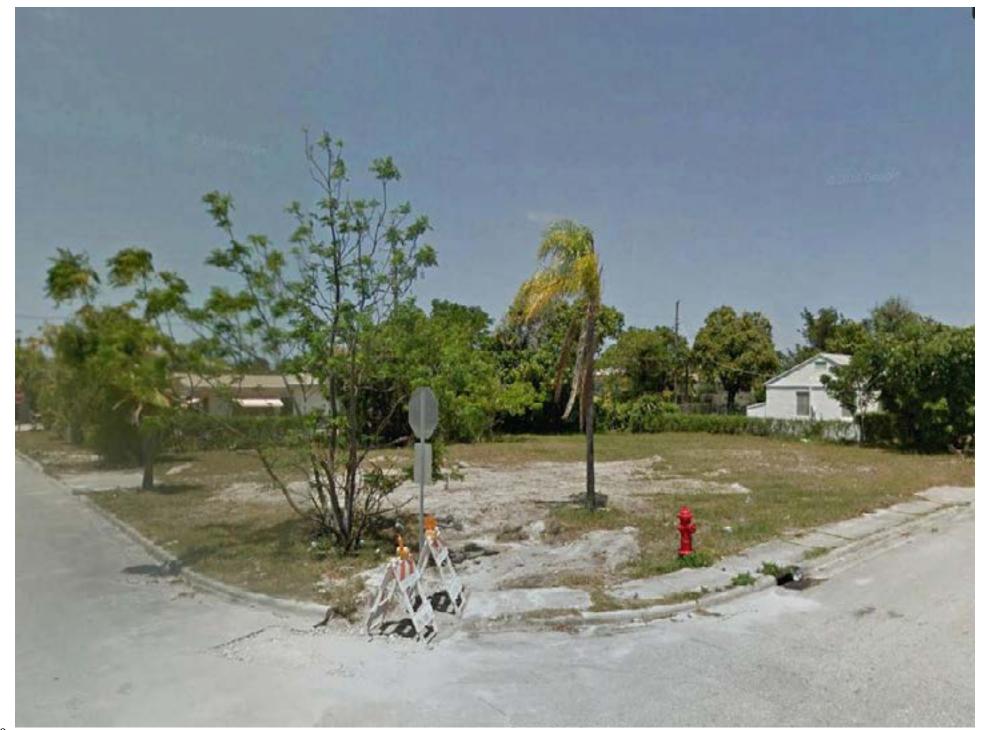
30-YEAR FUTURE REVENUE TREND ANALYSIS RIVIERA BEACH HEIGHTS STUDY AREA

ANNUAL GROWTH RATE (-4.23%)					
	ANNUAL INCREASE IN ASSESSED VALUE	ANNUAL INCREMENTAL INCREASE	GROSS INCREMENTAL REVENUE	NET (95%) CRA REVENUE	
2013	\$21,552,186	0\$	0\$	0\$	
2014	\$20,640,529	(\$911,657)	(81,611.58)	(118,942.35)	
2015	\$19,767,434	(\$1,784,752)	(159,770.98)	(232,853.45)	
2016	\$18,931,272	(\$2,620,914)	(234,624.25)	(341,946.10)	
2017	\$18,130,479	(\$3,421,707)	(306,311.22)	(446,424.14)	
2018	\$17,363,560	(\$4,188,626)	(374,965.83)	(546,482.75)	
2019	\$16,629,081	(\$4,923,105)	(440,716.35)	(642,308.88)	
2020	\$15,925,671	(\$5,626,515)	(503,685.63)	(734,081.57)	
2021	\$15,252,015	(\$6,300,171)	(563,991.30)	(821,972.28)	
2022	\$14,606,855	(\$6,945,331)	(621,746.05)	(906,145.20)	
2023	\$13,988,985	(\$7,563,201)	(677,057.76)	(986,757.62)	
2024	\$13,397,251	(\$8,154,935)	(730,029.80)	(1,063,960.12)	
2025	\$12,830,547	(\$8,721,639)	(780,761.11)	(1,137,896.96)	
2026	\$12,287,815	(\$9,264,371)	(829,346.50)	(1,208,706.28)	
2027	\$11,768,040	(\$9,784,146)	(875,876.71)	(1,276,520.36)	
2028	\$11,270,252	(\$10,281,934)	(920,438.71)	(1,341,465.90)	
2029	\$10,793,521	(\$10,758,665)	(963,115.73)	(1,403,664.25)	
2030	\$10,336,955	(\$11,215,231)	(1,003,987.51)	(1,463,231.60)	
2031	\$9,899,702	(\$11,652,484)	(1,043,130.41)	(1,520,279.26)	
2032	\$9,480,944	(\$12,071,242)	(1,080,617.57)	(1,574,913.80)	
2033	\$9,079,900	(\$12,472,286)	(1,116,519.03)	(1,627,237.30)	
2034	\$8,695,820	(\$12,856,366)	(1,150,901.85)	(1,677,347.52)	
2035	\$8,327,987	(\$13,224,199)	(1,183,830.28)	(1,725,338.07)	
2036	\$7,975,713	(\$13,576,473)	(1,215,365.83)	(1,771,298.63)	
2037	\$7,638,341	(\$13,913,845)	(1,245,567.43)	(1,815,315.05)	
2038	\$7,315,239	(\$14,236,947)	(1,274,491.51)	(1,857,469.58)	
2039	\$7,005,804	(\$14,546,382)	(1,302,192.09)	(1,897,840.97)	
2040	\$6,709,459	(\$14,842,727)	(1,328,720.94)	(1,936,504.65)	
2041	\$6,425,649	(\$15,126,537)	(1,354,127.62)	(1,973,532.86)	
2042	\$6,153,844	(\$15,398,342)	(1,378,459.60)	(2,008,994.77)	

ANNUAL GROWTH RATE (3%)					
	ANNUAL INCREASE IN ASSESSED VALUE	ANNUAL INCREMENTAL INCREASE	GROSS INCREMENTAL REVENUE	NET (95%) CRA REVENUE	
2013	\$21,552,186	0\$	0\$	0\$	
2014	\$22,198,752	\$646,566	57,880.55	\$84,356	
2015	\$22,864,714	\$1,312,528	117,497.52	\$171,243	
2016	\$23,550,656	\$1,998,470	178,902.99	\$260,737	
2017	\$24,257,175	\$2,704,989	242,150.63	\$352,915	
2018	\$24,984,890	\$3,432,704	307,295.70	\$447,859	
2019	\$25,734,437	\$4,182,251	374,395.13	\$545,651	
2020	\$26,506,470	\$4,954,284	443,507.53	\$646,377	
2021	\$27,301,664	\$5,749,478	514,693.31	\$750,124	
2022	\$28,120,714	\$6,568,528	588,014.66	\$856,984	
2023	\$28,964,336	\$7,412,150	663,535.65	\$967,050	
2024	\$29,833,266	\$8,281,080	741,322.27	\$1,080,418	
2025	\$30,728,264	\$9,176,078	821,442.49	\$1,197,187	
2026	\$31,650,112	\$10,097,926	903,966.31	\$1,317,459	
2027	\$32,599,615	\$11,047,429	988,965.85	\$1,441,339	
2028	\$33,577,604	\$12,025,418	1,076,515.38	\$1,568,935	
2029	\$34,584,932	\$13,032,746	1,166,691.39	\$1,700,360	
2030	\$35,622,480	\$14,070,294	1,259,572.68	\$1,835,727	
2031	\$36,691,154	\$15,138,968	1,355,240.41	\$1,975,155	
2032	\$37,791,889	\$16,239,703	1,453,778.18	\$2,118,766	
2033	\$38,925,645	\$17,373,459	1,555,272.07	\$2,266,685	
2034	\$40,093,415	\$18,541,229	1,659,810.79	\$2,419,042	
2035	\$41,296,217	\$19,744,031	1,767,485.66	\$2,575,969	
2036	\$42,535,104	\$20,982,918	1,878,390.78	\$2,737,605	
2037	\$43,811,157	\$22,258,971	1,992,623.06	\$2,904,089	
2038	\$45,125,491	\$23,573,305	2,110,282.30	\$3,075,568	
2039	\$46,479,256	\$24,927,070	2,231,471.32	\$3,252,191	
2040	\$47,873,634	\$26,321,448	2,356,296.01	\$3,434,113	
2041	\$49,309,843	\$27,757,657	2,484,865.44	\$3,621,493	
2042	\$50,789,138	\$29,236,952	2,617,291.95	\$3,814,494	
AL OVER 30	-YEAR PERIOD		33,909,158.01	\$49,419,889	

TABLE 5C: RIVIERA BEACH HEIGHTS STUDY AREA TIF PROJECTIONS ANNUAL GROWTH RATE (5%)					
	ANNUAL INCREASE IN ASSESSED VALUE	ANNUAL INCREMENTAL INCREASE	GROSS INCREMENTAL REVENUE	NET (95%) CRA REVENUE	
2013	\$21,552,186	0\$	0\$	0\$	
2014	\$22,629,795	\$1,077,609	96,467.58	\$140,594	
2015	\$23,761,285	\$2,209,099	197,758.55	\$288,217	
2016	\$24,949,349	\$3,397,163	304,114.06	\$443,222	
2017	\$26,196,817	\$4,644,631	415,787.35	\$605,977	
2018	\$27,506,658	\$5,954,472	533,044.30	\$776,869	
2019	\$28,881,991	\$7,329,805	656,164.10	\$956,307	
2020	\$30,326,090	\$8,773,904	785,439.89	\$1,144,716	
2021	\$31,842,395	\$10,290,209	921,179.47	\$1,342,545	
2022	\$33,434,514	\$11,882,328	1,063,706.03	\$1,550,267	
2023	\$35,106,240	\$13,554,054	1,213,358.91	\$1,768,374	
2024	\$36,861,552	\$15,309,366	1,370,494.44	\$1,997,386	
2025	\$38,704,630	\$17,152,444	1,535,486.75	\$2,237,849	
2026	\$40,639,861	\$19,087,675	1,708,728.67	\$2,490,336	
2027	\$42,671,854	\$21,119,668	1,890,632.69	\$2,755,446	
2028	\$44,805,447	\$23,253,261	2,081,631.91	\$3,033,812	
2029	\$47,045,719	\$25,493,533	2,282,181.09	\$3,326,097	
2030	\$49,398,005	\$27,845,819	2,492,757.73	\$3,632,995	
2031	\$51,867,905	\$30,315,719	2,713,863.20	\$3,955,239	
2032	\$54,461,301	\$32,909,115	2,946,023.94	\$4,293,595	
2033	\$57,184,366	\$35,632,180	3,189,792.72	\$4,648,868	
2034	\$60,043,584	\$38,491,398	3,445,749.94	\$5,021,905	
2035	\$63,045,763	\$41,493,577	3,714,505.03	\$5,413,594	
2036	\$66,198,051	\$44,645,865	3,996,697.86	\$5,824,868	
2037	\$69,507,954	\$47,955,768	4,293,000.34	\$6,256,705	
2038	\$72,983,352	\$51,431,166	4,604,117.94	\$6,710,134	
2039	\$76,632,519	\$55,080,333	4,930,791.42	\$7,186,235	
2040	\$80,464,145	\$58,911,959	5,273,798.58	\$7,686,140	
2041	\$84,487,352	\$62,935,166	5,633,956.09	\$8,211,041	
2042	\$88,711,720	\$67,159,534	6,012,121.48	\$8,762,187	
TOTAL OVER 30-YEAR PERIOD 70,303,352.04 \$102,461,520					

If nothing is done to reverse declining values and condition in the Riviera Beach Heights Study Area, a decline of 4.23% annually is expected to continue, resulting in a projected loss in the amount of \$15,398,342 over a 30-year period. With interventions addressing current decline in average assessed values, the total assessed value increment over a 30-Year study-area life at 3% growth rate is \$29,236,952. During that same period, the cumulative gross incremental revenue if area remains in the City is projected to be \$33,909,158, while the cumulative incremental revenue over that same 30-year period if area is incorporated into the CRA is projected to be \$49,419,889. At a 5% growth rate, the total assessed value increment over a 30-Year study-area life is projected to be \$67,159,534. During that same period, the cumulative gross incremental revenue if area remains in the City is projected to be \$70,303,352, while the cumulative incremental revenue over that same 30-year period if area is incorporated into the CRA is projected to be \$102,461,520.



NDICATOR #2

Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities (§163.340(8)(A), F.S.)

A clear indication of blight is the predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities. In terms of street layout, while there appear to be limited improvements to roadways within the Riviera Beach Heights Study Area and the roadways are in general adequate for vehicular traffic. In terms of roadway condition, some local streets were constructed well before the establishment of modern subdivision design standards for right-of-way width, pavement width, sidewalks, stormwater drainage and retention, curve radius, street lighting, handicapped accessibility, and curb and gutter, and offer evidence of blight. The lack of roads meeting modern standards creates safety and design issues which are indicators of blight. In some areas, private parking is placed in a manner that further compromises walkability of the area. In addition, parking by visitors seems to be inadequate, severely impacting parking in the area.



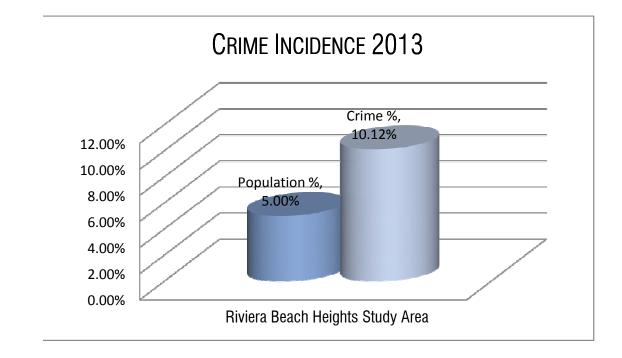


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INDICATOR #3

Incidence of crime in the area higher than in the remainder of the county or municipality (§ 163.340(8)(J), F.S.)

TABLE 5C: CRIME, CODE CITATIONS, FIRE & EMS CALLS Riviera Beach City Heights Study Area 100.0% Population % 100.00% 10.12% Crime % Total Fire and 6589 427 EMS calls 2013 188 15 Fire Alarms 532 5124 323 Medical Vehicle 403 65 342 19 6.48%

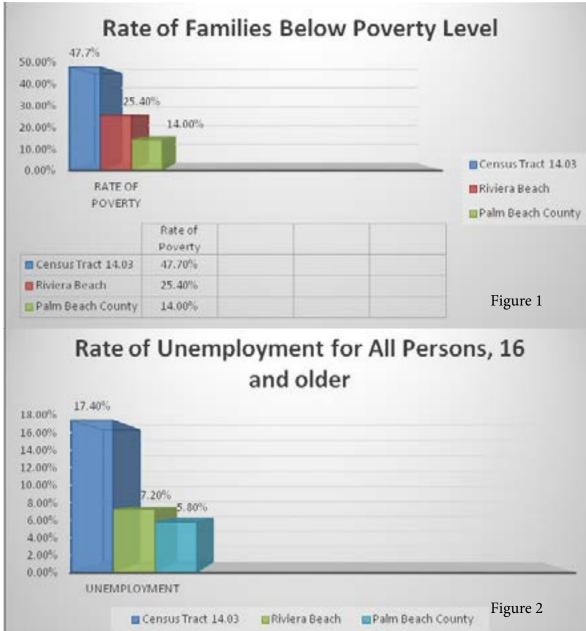


5% of the Population, +10% of the Crime.

OTHER CONSIDERATIONS

GENERAL CENSUS TRACT DATA

The poverty rate for families in census tract 14.03, which covers this proposed study area is 47.7%. This rate is almost double the unemployment rate for the City as a whole (25.4%). (Figure 1) The unemployment rate for the census tract in which this study area is amounts to 17.4% (civilian workforce), while the unemployment rate for the City as a while is 7.2%. ((Figure 2) Data: U.S. Census, 2013 5-year Estimate.



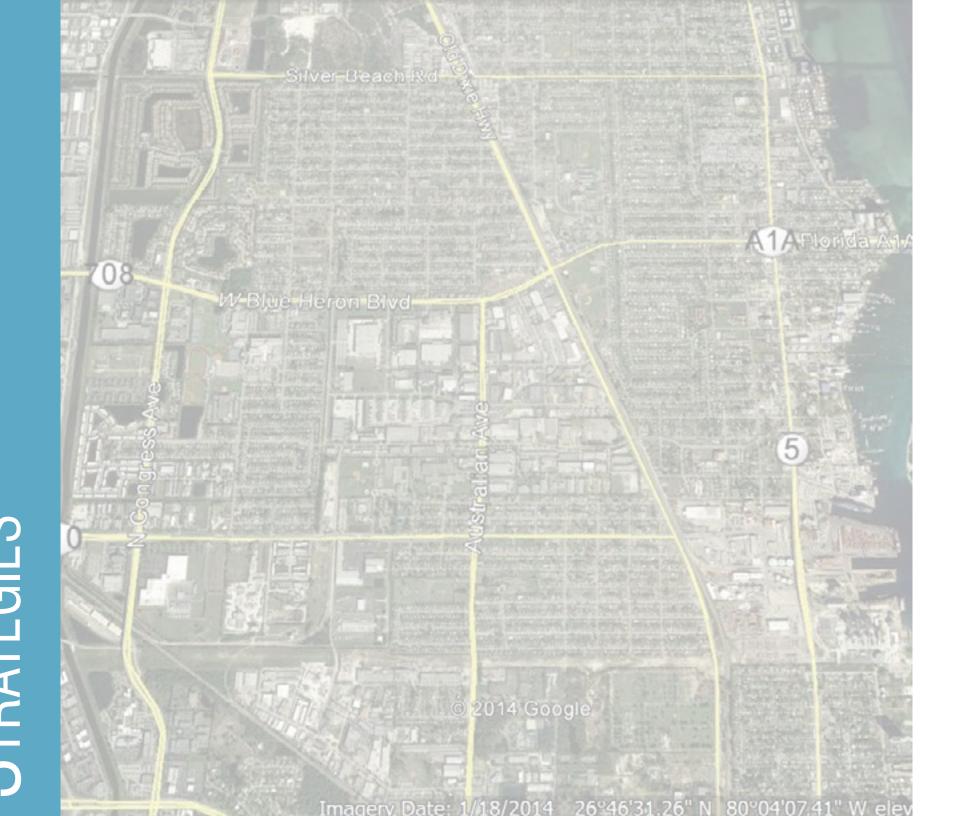
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RECOMMENDATION

This Finding of Necessity determines that several specific statutory conditions are present in the Riviera Beach Heights Study Area. These include the following points of fact as noted in Florida Statutes: §163.340(8)(b) regarding assessed values, §163.340(8)(b) regarding predominance of defective or inadequate street layout, and §163.340(8)(j) regarding incidence of crime. The presence of these statutory conditions is documented via data, photographic evidence, and map documents as provided and referenced herein. These conditions limit the ability for the Riviera Beach Heights Study Area to redevelop to market potential. Therefore, it is recommended the City of Riviera Beach amend the boundaries of its community redevelopment area and expand its existing tax increment financing revenue capture area to include the Riviera Beach Heights Study Area.

24





REDEVELOPMENT OPPORTUNITIES & STRATEGIES

The following table lists possible CRA opportunities and strategies designed to improve the economic conditions and property values of the potential CRA expansion areas, as well as the applicability to each Study Area. The recommendations target the specific needs of the expansion areas based on what other CRAs have implemented in Florida as well as nationally. Neighborhood meetings will provide additional insight and yield further refinements to the recommended redevelopment opportunities and strategies for improving economic conditions and property values in the potential CRA expansion areas.

To ensure that the amendments to the current RBCRA Plan are prepared in a manner that takes advantage of innovative redevelopment initiatives throughout the State of Florida, broad research was undertaken. (See attached bibliography)

While many of the approximately 70 redevelopment strategies (provided as a separate report) presented as part of this "due diligence process" are utilized in other states outside Florida it was important to focus on initiatives that were successfully adopted by Florida cities and counties under the requirements and guidelines set forth in Chapter 163, Part III, F.S.. The fact that all redevelopment strategies presented here represent allowable expenditure of tax increment funds as well as allowable activities to be carried out by a CRA makes them eligible candidates to be considered in the four respective plan/boundary amendments.

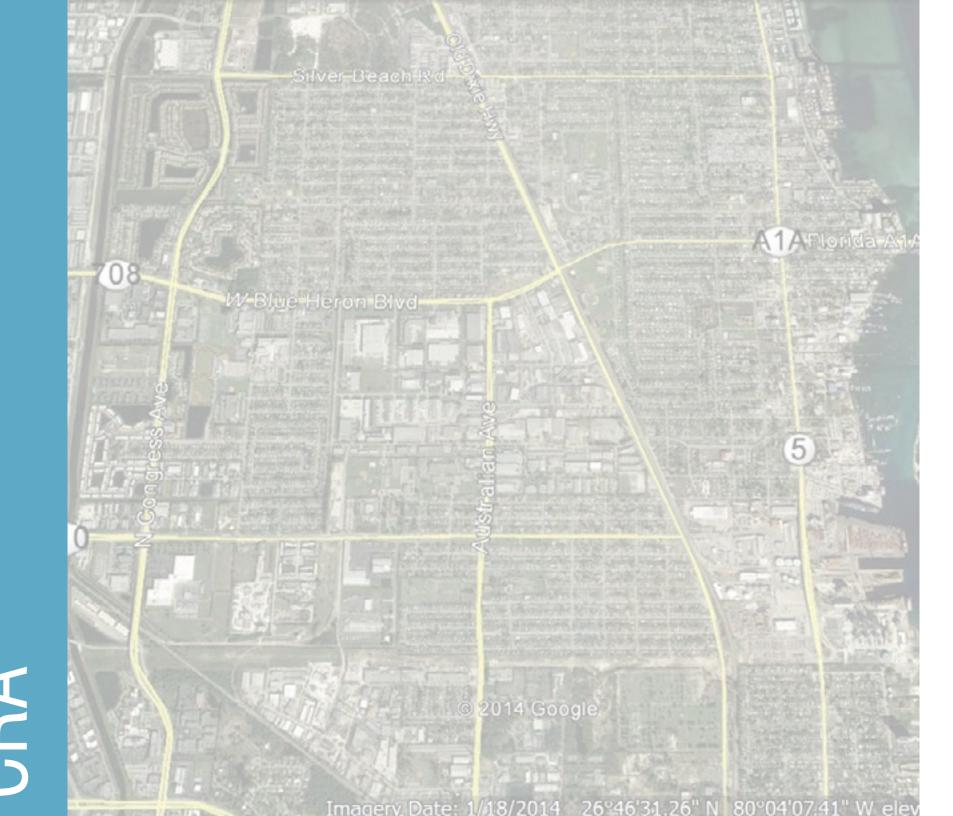
FIFLD WORK

As part of the due diligence process, several days of on-site field work was conducted by Council staff and its' qualified consultant team. The field work undertaken allowed the initial research, which covered more than 100 initiatives and programs, to be narrowed to approximately 70 and further assigned to the specific redevelopment subarea in which they would have the greatest impact and serve the greatest need. Following a public workshop process, City Council and CRA Board members will have an opportunity to provide policy direction. TCRPC working with City and CRA staff will subsequently proceed to determine the most effective and appropriate of these options, and incorporate them as part of the four sub-area plan amendments.

OTHER CONSIDERATIONS

As a further part of due diligence, existing comprehensive plan, land use issues, as well as underlying zoning and current uses present in the four sub areas were also

Florida statutes require that no redevelopment plan adopted by a city or county can be in conflict with the existing comprehensive plan therefore we were mindful of this statutory requirement when providing options for future redevelopment.

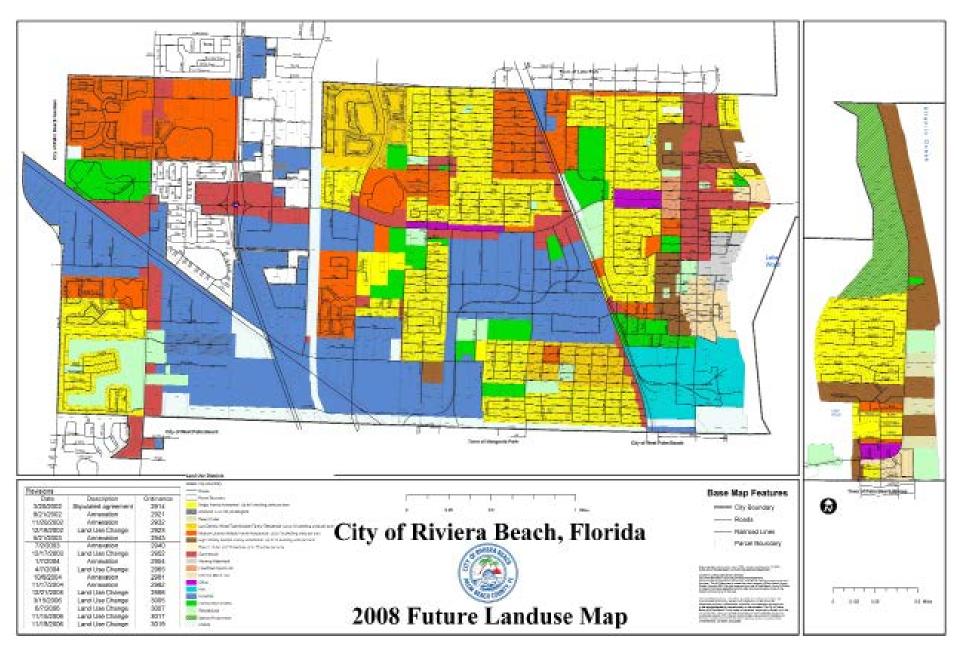


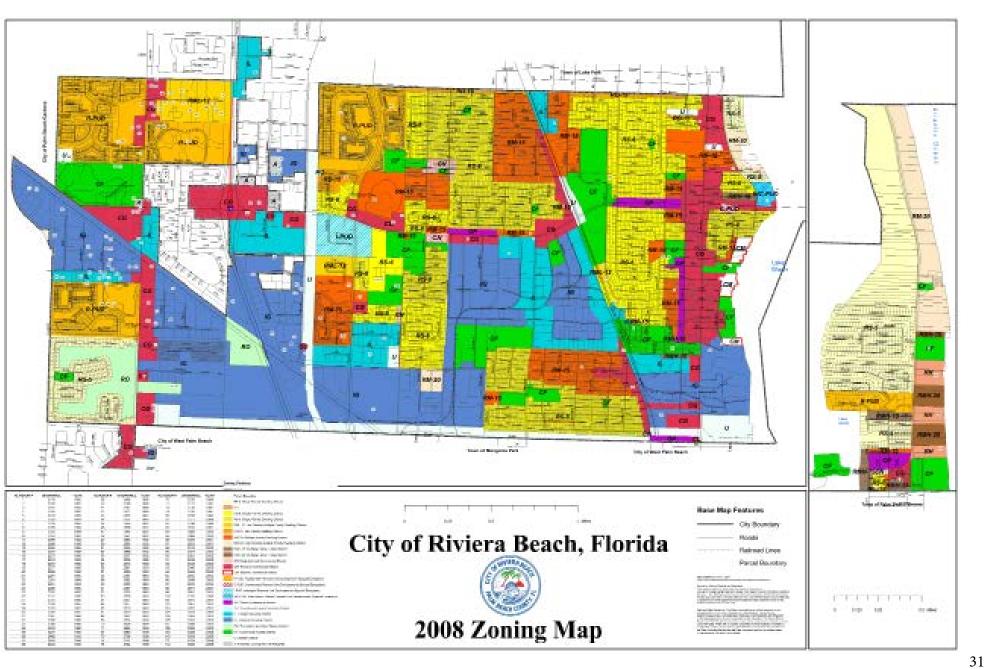
THE RIVIERA BEACH CRA

The Riviera Beach Community Redevelopment Agency (CRA) was established in 1984 by per the Florida Community Redevelopment Act, which provides for redevelopment in defined areas that suffer from blight and disinvestment. The Act also allows for coastal and tourist areas to be included if they are, among other things, deteriorated or have outdated building density patterns. In Riviera Beach, the CRA Area is located between the Town of Lake Park and City of West Palm Beach to the north and south, respectively, and then follows a varied route to the east and west. In 2001, the CRA Area expanded east to include Ocean Mall and 2700 North Ocean on Singer Island.

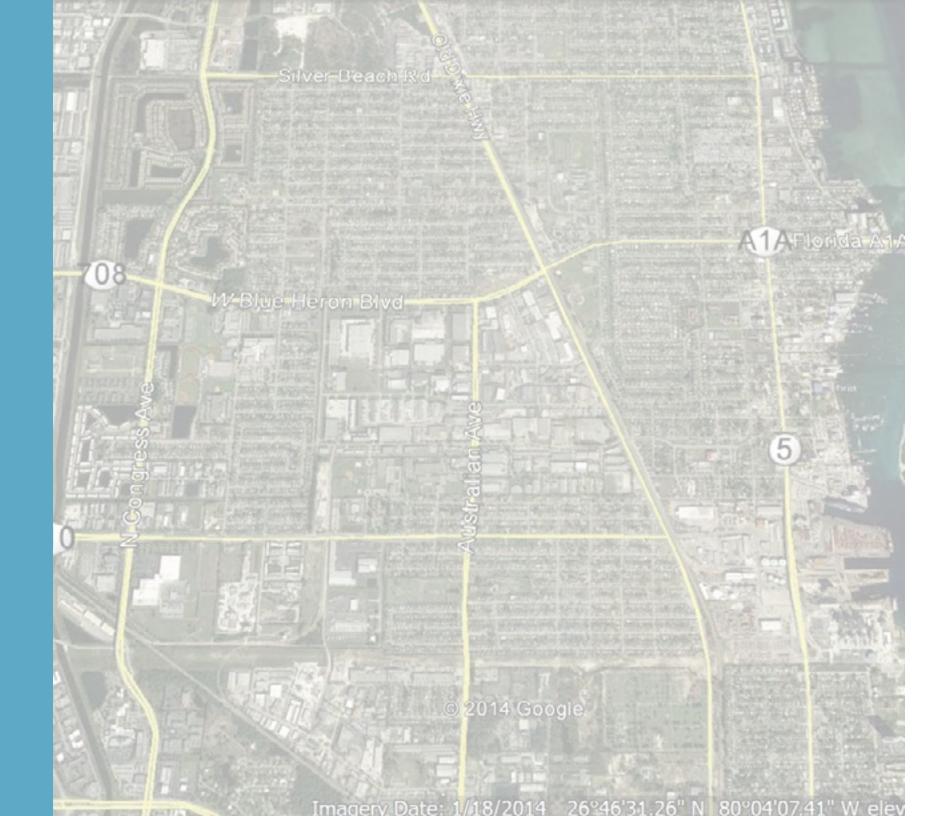
HIGHLIGHTS IN THE CRA AREA INCLUDE:

- 1.3 square miles of the City of Riviera Beach's total 9.9 square miles.
- About 15 percent of the City's 32,487 residents live in the CRA Area (2010 Census).
- The U.S. Department of Homeland Security, the U.S. Coast Guard, two county boat ramps, and Lockheed-Martin, a noted international defense contractor, are also in the CRA Area.





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EXERPTED FROM THE FLORIDA STATUTE:

FINDINGS & DECLARATIONS OF NECESSITY

SECTION 163, PART III, F.S.163.335 FINDINGS AND DECLARATIONS OF NECESSITY.

- (1) It is hereby found and declared that there exist in counties and municipalities of the state slum blighted areas which constitute a serious and growing menace e, injurious to the public health, safety, morals, and welfare of the residents of the state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability imposing onerous burdens which decrease the tax base and reduce tax revenues, substantially impairs or arrests sound growth, retards the provision of housing accommodations, aggravates traffic problems, and substantially hampers the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of slums and blight is a matter of state policy and state concern in order that the state and its counties and municipalities shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities.
- (2) It is further found and declared that certain slum or blighted areas, or portions thereof, may require acquisition, clearance, and disposition subject to use restrictions, as provided in this part, since the prevailing condition of decay may make impracticable the reclamation of the area by conservation or rehabilitation; that other areas or portions thereof may, through the means provided in this part, be susceptible of conservation or rehabilitation in such a manner that the conditions and evils enumerated may be eliminated, remedied, or prevented; and that salvageable slum and blighted areas can be conserved and rehabilitated through appropriate public action as herein authorized and the cooperation and voluntary action of the owners and tenants of property in such areas.
- (3) It is further found and declared that the powers conferred by this part are for public uses and purposes for which public money may be expended and police power exercised, and the necessity in the public interest for the provisions herein enacted is declared as a matter of legislative determination.
- (4) It is further found that coastal resort and tourist areas or portions thereof which are deteriorating and economically distressed due to building density patterns, inadequate transportation and parking facilities, faulty lot layout, or inadequate street layout, could, through the means provided in this part, be revitalized and redeveloped in a manner that will vastly improve the economic and social conditions of the community.
- (5) It is further found and declared that the preservation or enhancement of the tax base from which a taxing authority realizes tax revenues is essential to its existence and financial health; that the preservation and enhancement of such tax base is implicit in the purposes for which a taxing authority is established; that tax increment financing is an effective method of achieving such preservation and enhancement in areas in which such tax base is declining; that community redevelopment in such areas, when complete, will enhance such tax base and provide increased tax revenues to all affected taxing authorities, increasing their ability to accomplish their other respective purposes; and that the preservation and enhancement of the tax base in such areas through tax increment financing and the levying of taxes by such taxing authorities therefor and the appropriation of funds to a redevelopment trust fund bears a substantial relation to the purposes of such taxing authorities and is for their respective purposes and concerns. This subsection does not apply in any jurisdiction where the community redevelopment agency validated bonds as of April 30, 1984.
- (6) It is further found and declared that there exists in counties and municipalities of the state a severe shortage of housing affordable to residents of low or moderate income, including the elderly; that the existence of such condition affects the health, safety, and welfare of the residents of such counties and municipalities and retards their growth and economic and social development; and that the elimination or improvement of such condition is a proper matter of state policy and state concern and is for a valid and desirable public purpose.

- (7) It is further found and declared that the prevention or elimination of a slum area or blighted area as defined in this part and the preservation or enhancement of the tax base are not public uses or purposes for which private property may be taken by eminent domain and do not satisfy the public purpose requirement of s. 6(a), Art. X of the State Constitution.
- (a) Inadequate provision for ventilation, light, air, sanitation, or open spaces;
- (b) High density of population, compared to the population density of adjacent areas within the county or municipality; and overcrowding, as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code; or
- (c) The existence of conditions that endanger life or property by fire or other causes.
- (8) "Blighted area" means an area in which there are a substantial number of deteriorated, or deteriorating structures, in which conditions, as indicated by government-maintained statistics or other studies, are leading to economic distress or endanger life or property, and in which two or more of the following factors are present:
- (a) Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;
- (b) Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such conditions;
- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (d) Unsanitary or unsafe conditions;
- (e) Deterioration of site or other improvements;
- (f) Inadequate and outdated building density patterns;
- (g) Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality;
- (h) Tax or special assessment delinquency exceeding the fair value of the land;
- (i) Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality;
- (j) Incidence of crime in the area higher than in the remainder of the county or municipality;
- (k) Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;
- (I) A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality;
- (m) Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area; or
- (n) Governmentally owned property with adverse environmental conditions caused by a public or private entity.

However, the term "blighted area" also means any area in which at least one of the factors identified in paragraphs (a) through (n) are present and all taxing authorities subject to s. 163.387(2)(a) agree, either by Interlocal agreement or agreements with the agency or by resolution, that the area is blighted. Such agreement or resolution shall only determine that the area is blighted. For purposes of qualifying for the tax credits authorized in chapter 220, "blighted area" means an area as defined in this subsection.

CRA Board

Commissioner T.D. Davis Commissioner Bruce Guyton Commissioner KaShamba Miller Commissioner Cedrick A. Thomas Commissioner Dawn Pardo

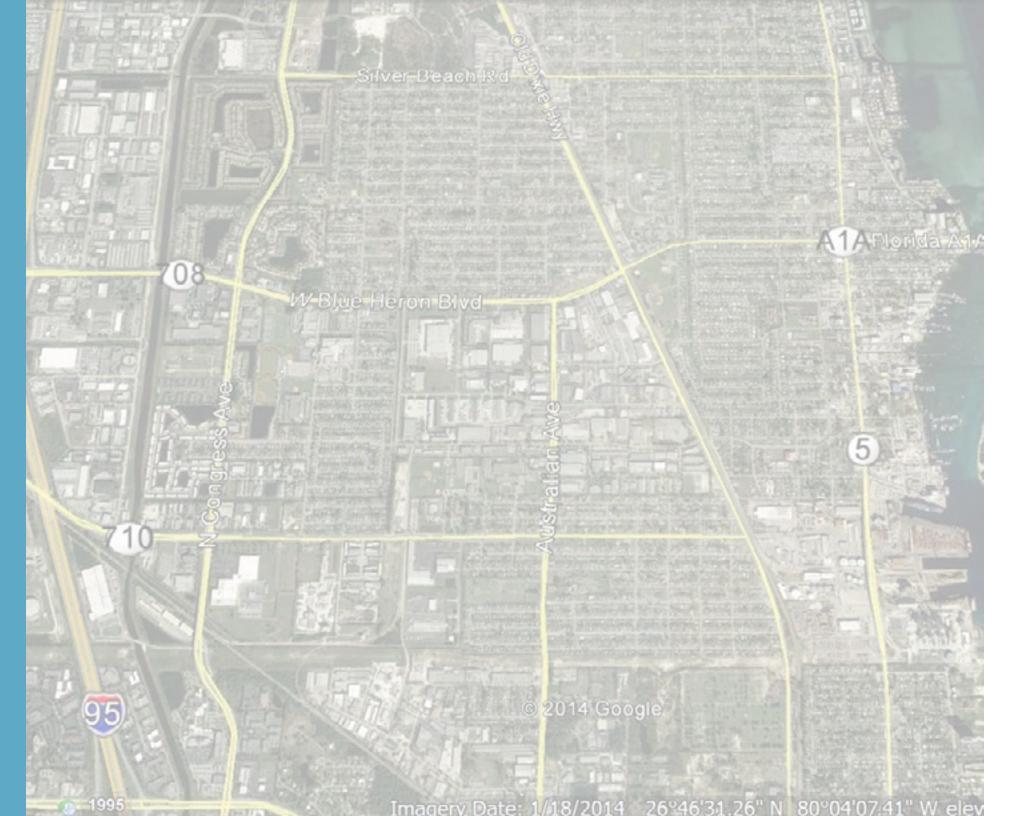
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