LINCOLNVILLE

Community Redevelopment Plan

Appendix A

Finding of Necessity

Prosser Hallock™

FINDING OF NECESSITY

for the creation of the

LINCOLNVILLE COMMUNITY REDEVELOPMENT AREA

Prepared for

THE CITY OF ST. AUGUSTINE, FLORIDA

DECEMBER 2012



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Finding of Necessity Lincolnville Community Redevelopment Area

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EXECUTIVE SUMMARY

This Finding of Necessity was conducted from October to December 2012 in accordance with Chapter 163, Part III, Florida Statutes to assess conditions of slum and blight in the Lincolnville neighborhood (the "Study Area"). The Study Area consists of approximately 541 acres south of King Street immediately west of St. Augustine Town Plan Historic District. The study finds the existence of deterrents to sound future growth and development as defined in Section 163.355, F.S.

Producing the basis for creating a Community Redevelopment Area (CRA) in accordance with Section 163.355, F.S. requires a detailed examination



of existing land use characteristics, socioeconomic conditions, and other indicators.

Working with the City of St. Augustine, Prosser Hallock, Inc. assembled background data, conducted pedestrian surveys, and analyzed the information in a manner consistent with Florida Statutes and concluded that the Study Area meets the requirements for the creation of a CRA. This finding is based upon a determination that the following criteria of slum and blight exist within the Study Area:

- Inadequate lot sizes, configurations and layouts;
- Inadequate street layout, roadways, or public transportation facilities;
- Aggregate assessed values failing to show any appreciable increase;
- Unsanitary or unsafe conditions that endanger life and property;
- Deterioration of site or other improvements; and
- o Incidence of code violations higher than in the remainder of the City.

With additional resources through the CRA, Lincolnville will have the ability to relieve some of the pressure on the neighborhood through investments in public infrastructure, such as sidewalks, landscaping, and streetscape improvements.

The Study Area is clearly in need of specific actions to reverse the trend of economic and socioeconomic decline. The characteristics and indicators of slum and blighted conditions documented in this Finding of Necessity exceed the standards established in the governing statute for a defensible Finding of Necessity. This warrants the creation of the Lincolnville CRA.

OVERVIEW AND PURPOSE

The City of St. Augustine contracted with Prosser Hallock, Inc. to conduct a Finding of Necessity analysis, often referred to as a "blight study," for the historic Lincolnville neighborhood. The purpose of this analysis is to determine if the criteria under Florida Statutes 163.355 and 163.340 that define "blight" are present in sufficient quantity to provide an objective basis for City Commission adoption of a Resolution for Finding of Necessity.

If the Study Area meets the statutory criteria for a Finding of Necessity and the City Commission decides to proceed with creation of an official Chapter 163 Community Redevelopment Area, then a Redevelopment Plan will be structured to address the Finding's inadequacies that meet the statutory requirements of the Community Redevelopment Act of 1969, as amended. The Finding of Necessity is the platform for the creation of a Redevelopment Plan that will provide strategies and mechanisms to build upon the positive improvements in Lincolnville.

INTRODUCTION

This analysis focuses on the existing physical characteristics and support infrastructure of the Study Area and its ability to generate economic return and local tax revenues. As a general matter, areas that are in a state of physical decline, are underutilized, or are improperly deployed, limit the City's ability to remain competitive in a larger economic context, ultimately affecting its financial condition and its level of services.

Real property assets and the supportive infrastructure that are physically or functionally deteriorated or do not meet contemporary development standards are constrained in their ability to generate adequate tax revenues necessary to improve these conditions. As such, their physical character and utility are key factors in determining a community's economic health. The lack of real property value in these areas result in insufficient ad valorem revenue to improve these areas and necessary improvements are essentially subsidized by other areas of the City. This inequity and shift in the tax burden requires the City to consider additional tax revenues to improve these declining areas, with those revenues being generated in the area which requires improvement. The Community Redevelopment Act provides for a more equitable distribution of tax revenues that allows the area which requires improvements to contribute targeted resources to fund these improvements.

This analysis relies substantially on tax roll data acquired from St. Johns County, interpretations of City-supplied data, visual inspections of properties, and geographic information system data. While the County's tax roll data is assumed to be reliable, this analysis cannot guarantee its accuracy. Because of the data's purpose and official application, Prosser Hallock believes that any errors that may exist are relatively inconsequential.

In addition, this analysis also took into consideration the 2004 Lincolnville Neighborhood Plan and the original Lift Up Lincolnville program prepared for the City Commission in 2011.

THE COMMUNITY REDEVELOPMENT ACT

The purpose of the Community Redevelopment Act of 1969 (the "Act") is to assist local governments in preventing and/or eliminating blighted conditions detrimental to the sustainability of economically and socially vibrant communities. The following paragraphs describe those blighting conditions, their specific effects and the intentions of the community redevelopment system as a tool for implementing policy and programs as they apply to the Study Area.

- o Section 163.335(1), F.S. ...slum and blighted areas which constitute a serious and growing menace, 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 it 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.
- Section 163.335(2), F.S....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.
- Section 163.335(3), F.S. ... 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.
- Section 163.335(5), F.S. ...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 therefore 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.

The Lincolnville CRA, if adopted, will be the City of St. Augustine's second community redevelopment area. The City Commission designated the Historic Area Transportation and Parking Community Redevelopment Area to be a "blighted area" as defined by the Florida Statutes, and determined to be in need of redevelopment by adopting a Finding of Necessity by Resolution No. 2000-22 on November 29, 2000. They went on to adopt Resolution No. 2000-27 and Ordinance No. 2000-46 which approved a Redevelopment Plan and established a tax increment financing district and Redevelopment Trust Fund as a means of funding improvements within the CRA. The City of St. Augustine Community Redevelopment Agency was created by adoption of Ordinance No. 2000-45. There is an existing CRA framework from which to include a Lincolnville CRA should the City Commission so desire.

FINDING OF NECESSITY

The Finding of Necessity, as set forth in Section 163.355, F.S. is an assessment of the Study Area that provides the evidence of blight and need for redevelopment due to the area's deficiencies in attracting market-based investment of the same rate and quality as surrounding areas and the City as a whole. The analysis relies upon a variety of empirical data and observations of all the parcels within the Study Area in determining the existence of slum or blighted conditions as defined by criteria outlined in Section 163.340, F.S.

If an area is deemed blighted under the Act, a resolution may be adopted by the City Commission finding that there are indeed such conditions within the defined study area, and that the repair, rehabilitation, and/or redevelopment of such areas is in the interest of public health, safety, and welfare. This step is known as the "Finding of Necessity Resolution".

The City of St. Augustine is prohibited from exercising its community redevelopment authority conferred by the Florida Statutes until the City Commission has adopted a resolution, supported by data and analysis, which makes a legislative finding that the conditions in the Study Area meet the criteria described in Sections 163.340(7) and (8), F.S. The Finding of Necessity Resolution must state that:

- (1) One or more slum or blighted areas, or one or more areas in which there is a shortage of housing affordable to residents of low or moderate income, including elderly, exist in the Study Area; and,
- (2) The rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas, including, if appropriate, the development of housing which residents of low or moderate income, including the elderly, can afford, is necessary in the interest of the public health safety, morals, or welfare of the residents of the City.

REQUISITE PROCEDURES

If the City Commission accepts this report and adopts the Finding of Necessity Resolution, they may then amend the powers of the existing Community Redevelopment Agency to govern the boundaries of the Lincolnville CRA. As the legal unit acting for the City of St. Augustine, the City Commission would direct the preparation of a Redevelopment Plan for the Study Area described in the Finding of Necessity Resolution. The Redevelopment Plan must provide physical information on the redevelopment area and identify potential project types that can diminish or eradicate the specified blighted conditions.

Under the Act, a Redevelopment Plan is subjected to a compliance review conducted by the Planning and Zoning Board before it can be submitted to the City Commission for approval. The Board has up to sixty (60) days to review the Redevelopment Plan as to its conformity with the City's 2030 Comprehensive Plan and provide comments to the Community Redevelopment Agency. After receiving recommendations from the Planning and Zoning Board, the City Commission acting as the Community Redevelopment Agency shall hold a public hearing on the approval of a Redevelopment Plan.

The next step under the Act is the creation of a Redevelopment Trust Fund for the Lincolnville CRA by amending the existing ordinance adopted by the City Commission in 2000. The most recent certified real property tax roll prior to the effective date of the ordinance will be used to establish the tax base (the "Base Year") in order to calculate the tax increment. In the present case, the assumed timetable to move forward suggests that the calculation of the tax increment will rely on the 2011 certified rolls.

After implementation of the redevelopment procedures described above, the Redevelopment Trust Fund becomes funded upon the availability of tax increment revenues. Tax increment revenues become available as the result of increased property assessments associated with new development and redevelopment within the CRA beyond those of the Base Year. Funds allocated to and deposited into the trust account are used by the Community Redevelopment Agency to finance or refinance any community redevelopment it undertakes pursuant to the approved Redevelopment Plan.

Before the City Commission can adopt any resolution or enact any ordinance to approve a Redevelopment Plan or establish Redevelopment Trust Fund, the City Commission must provide public notice of proposed actions to each taxing authority which as the power to levy as valorem taxes within the CRA boundaries. Such notice alerts these taxing authorities to any possible changes in their budgets as a result of a redevelopment action. As a policy matter, it is assumed that the entities listed within Table 1 will receive notice of any actions stemming from either this analysis or subsequent initiatives should they be authorized under the terms of the Act. Some of these entities may be exempt pursuant to Section 163.387(2)(c), F.S.

Table 1 Taxing Authorities

- St. Johns County Board of County Commissioners
- St. Johns County School District
- St. Johns River Water Management District

Anastasia Mosquito Control District

Florida Inland Navigation District

St. Augustine Port, Waterway and Beach District

PHYSICAL CONDITIONS

This section of the analysis documents the Study Area's existing land uses, transportation systems, utilities infrastructure, and visual character of buildings and sites that could influence development or utilization of land-based assets.

STUDY AREA BOUNDARY

The portion of Lincolnville to be included within the potential redevelopment area was determined after careful evaluation. Final determination for parcels to be included in the proposed boundary was based upon the following criteria:

- Statutory criteria pertaining to site conditions;
- Consideration of future development or redevelopment potential that would either assist in elimination or reduction of blight;
- Consideration of sound planning principles for continuity of future land use based upon land use pattern and potentials, the transportation system, and efficient provision of government services and facilities;
- Locations providing a logical terminus for the boundaries such as roads and property lines reflecting potential accessibility and marketability for quality redevelopment or development.

The Study Area consists of approximately 541 acres found within the city limits of St. Augustine, Florida. The Study Area is essentially the historic Lincolnville neighborhood, immediately adjacent to St. Augustine Town Plan Historic District in the heart of downtown St. Augustine. The Study Area is located on the southwest peninsula of the City, south of St. Augustine's historic downtown. The northernmost boundary is a block south of King Street, the eastern boundary is a block east of Granada Street until Bridge Street, then it follows Cordova Street and the eastern side of Maria Sanchez Lake, and the western boundary follows Riberia Street and includes all of the lands to the Sebastian River from St. Francis Street around Pougeaud's Point and the Matanzas River.

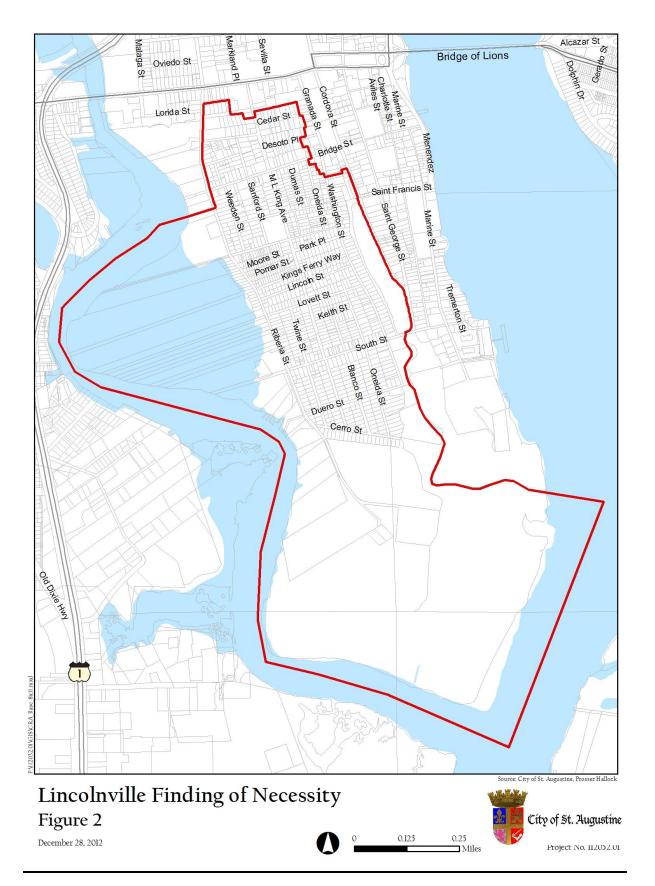
Figure 1 on the following page depicts the boundaries of the Study Area in relation to the adjacent Historic Area Transportation and Parking CRA. **Figure 2** illustrates only the Study Area's boundaries.



Lincolnville Finding of Necessity Figure 1

December 28, 2012





LEGAL DESCRIPTION

The following is a metes and bounds legal description of the Study Area depicted on Figure 2.

A PORTION OF SECTIONS 18, 19, 20, 29 AND 30 OF TOWNSHIP 7 SOUTH, RANGE 30 EAST, CITY OF ST. AUGUSTINE, ST. JOHNS COUNTY, FLORIDA, MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE WESTERLY EXTENSION OF THE SOUTH LINE OF MARSH LOT 28 WEST OF RIBERIA STREET, ACCORDING TO THE OFFICIAL 1923 MAP OF THE CITY OF ST. AUGUSTINE ON FILE IN THE PUBLIC RECORDS OF SAID COUNTY. INTERSECTS WITH THE CENTERLINE OF THE SAN SEBASTIAN RIVER; THENCE EASTERLY, ALONG SAID SOUTH LINE OF LOT 28 AND ITS WESTERLY AND EASTERLY EXTENSIONS THEREOF, TO THE EAST RIGHT OF WAY OF RIBERIA STRET; THENCE NORTHERLY, ALONG SAID EAST RIGHT OF WAY OF RIBERIA STREET, TO THE NORTHWEST CORNER OF LOT 7, BLOCK 46-C, ACCORDING TO SAID OFFICAL CITY MAP; THENCE EASTERLY, ALONG THE NORTH LINE OF LOTS 7 THROUGH 12, INCLUSIVE, OF SAID BLOCK 46-C, TO THE NORTHEAST CORNER OF SAID LOT 12; THENCE SOUTHERLY, ALONG THE EAST LINE OF SAID LOT 12 AND ITS SOUTHERLY EXTENSION THEREOF, TO THE SOUTH RIGHT OF WAY OF LA QUINTA PLACE: THENCE EASTERLY, ALONG SAID SOUTH RIGHT OF WAY OF LA QUINTA PLACE, TO THE NORTHWEST CORNER OF LOT 2, BLOCK 46-B, SUBDIVISION OF ESTATE OF JAMES L. COLEY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN MAP BOOK 2, PAGE 71, OF THE PUBLIC RECORDS OF SAID COUNTY; THENCE SOUTHERLY, ALONG THE WEST LINE OF SAID LOT 2, TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE EASTERLY, ALONG THE SOUTH LINE OF SAID LOT 2 AND ITS EASTERLY EXTENSION THEREOF, TO THE EAST RIGHT OF WAY OF MARTIN LUTHER KING AVENUE; THENCE NORTHERLY, ALONG SAID EAST RIGHT OF WAY OF MARTIN LUTHER KING AVENUE, TO THE NORTHWEST CORNER OF LOT 15, BLOCK 46-A, ACCORDING TO SAID OFFICIAL CITY MAP, THENCE EASTERLY, ALONG THE NORTH LINE OF LOTS 15, 16, 1, 2, 3 AND 4, INCLUSIVE, TO THE NORTHEAST CORNER OF SAID LOT 4; THENCE SOUTHERLY, ALONG THE EAST LINE OF SAID LOT 4 AND ITS SOUTHERLY EXTENSION THEREOF, TO THE SOUTH RIGHT OF WAY OF CEDAR STREET; THENCE EASTERLY, ALONG SAID SOUTH RIGHT OF WAY OF CEDAR STREET, TO THE NORTHEAST CORNER OF LOT 13, BLOCK 46-J, BURT SUBDIVISION, ACCORDING TO SAID OFFICIAL CITY MAP; THENCE SOUTHERLY, ALONG THE EAST LINE OF SAID LOT 13, TO THE SOUTHEAST CORNER OF SAID LOT 13; THENCE WESTERLY, ALONG THE SOUTH LINE OF SAID LOT 13, TO THE INTERSECTION WITH THE WEST LINE OF THE EAST 7 FEET OF LOT 8, OF SAID BLOCK 46-J; THENCE SOTHERLY ALONG SAID WEST LINE OF THE EAST 7 FEET OF LOT 8, TO THE NORTH RIGHT OF WAY OF DESOTO PLACE; THENCE WESTERLY, ALONG THE NORTH RIGHT OF WAY OF SAID DESOTO PLACE TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 14, BLOCK 46-F, OF SAID BURT SUBDIVISION; THENCE SOUTHERLY, ALONG SAID WEST LINE OF SAID LOT 14 AND ITS NORTHERLY EXTENSION THEREOF, TO THE NORTHWEST CORNER OF LOT 9 OF SAID BLOCK 46-F; THENCE EASTERLY, ALONG THE NORTH LINE OF SAID LOT 9. TO THE NORTHEAST CORNER OF SAID LOT 9: THENCE SOUTHERLY, ALONG THE EAST LINE OF SAID LOT 9 AND ITS SOUTHERLY EXTENSION THEREOF TO THE SOUTH RIGHT OF WAY OF BRIDGE STREET; THENCE WESTERLY, ALONG SAID SOUTH RIGHT OF WAY OF BRIDGE STREET TO THE EAST RIGHT OF WAY OF ONEIDA STREET; THENCE SOUTHERLY, ALONG SAID EAST RIGHT OF WAY OF ONEIDA STREET, TO THE SOUTHWEST CORNER OF LOT 1, BLOCK K, DUMAS TRACT, ACCORDING TO SAID OFFICIAL CITY MAP; THENCE EASTERLY, ALONG THE SOUTH LINE OF SAID LOT 1, TO THE INTERSECTION WITH THE WEST LINE OF THAT PARCEL DESCRIBED IN OFFICIAL RECORDS BOOK 454, PAGE 63 THROUGH 65 OF SAID PUBLIC RECORDS; THENCE SOUTHERLY ALONG THE WEST LINE OF SAID PROPERTY DESCRIBED IN OFFICIAL RECORDS BOOK 454, TO THE NORTHWEST CORNER OF THAT PROPERTY DESCRIBED IN OFFICIAL RECORDS BOOK 463, PAGE 37, OF SAID PUBLIC RECORDS; THENCE SOUTHERLY, ALONG THE WEST LINE OF SAID PROPERTY DESCRIBED IN OFFICIAL RECORDS BOOK 463 TO THE NORTH LINE OF THAT PROPERTY DESCRIBED IN DEED BOOK 163, PAGE 474, OF SAID PUBLIC RECORDS; THENCE EASTERLY, ALONG THE NORTH LINE OF SAID PROPERTY DESCRIBED IN DEED BOOK 163, TO THE NORTHEAST CORNER OF SAID PROPERTY DESCRIBED IN DEED BOOK 163; THENCE SOUTHERLY, ALONG THE EAST LINE OF SAID PROPERTY DESCRIBED IN DEED BOOK 163, TO THE NORTH LINE OF LOT 4, OF SAID BLOCK K; THENCE EASTERLY, ALONG SAID NORTH LINE OF LOT 4, TO THE WEST RIGHT OF WAY OF WASHINGTON STREET; THENCE SOUTHERLY, ALONG SAID WEST RIGHT OF WAY OF WASHINGTON STREET TO THE INTERSECTION WITH THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 4, BLOCK 38-A, ACCORDING TO THE SAID OFFICIAL CITY MAP; THENCE EASTERLY, ALONG SAID SOUTH LINE OF LOT 4 AND ITS WESTERLY EXTENSION THEREOF, TO THE WEST LINE OF LOT 21 OF SAID BLOCK 38-A; THENCE NORTHERLY, ALONG SAID WEST LINE OF LOT 21, TO THE NORTHWEST CORNER OF SAID LOT 21, THENCE EASTERLY, ALONG THE NORTH LINE OF SAID LOT 21, TO THE WEST RIGHT OF WAY OF CORDOVA STREET; THENCE SOUTHERLY ALONG THE WEST RIGHT OF WAY OF CORDOVA STREET TO THE WEST RIGHT OF WAY OF ST. GEORGE STREET; THENCE SOUTHERLY ALONG THE WEST RIGHT OF WAY OF ST. GEORGE STREET TO THE NORTH RIGHT OF WAY OF SOUTH STREET; THENCE WESTERLY ALONG THE NORTH RIGHT OF WAY OF SOUTH STREET TO THE INTERSECTION WITH THE CENTERLINE OF MARIA SANCHEZ CREEK; THENCE SOUTHERLY ALONG THE CENTERLINE OF MARIA SANCHEZ CREEK TO THE INTERSECTION WITH THE CENTERLINE OF THE MATANZAS RIVER; THENCE SOUTHERLY ALONG THE CENTERLINE OF THE MATANZAS RIVER TO THE INTERSECTION WITH THE CENTERLINE WITH THE SAN SEBASTIAN RIVER; THENCE NORTHERLY ALONG THE CENTERLINE OF THE SAN SEBASTIAN RIVER TO THE POINT OF BEGINNING.

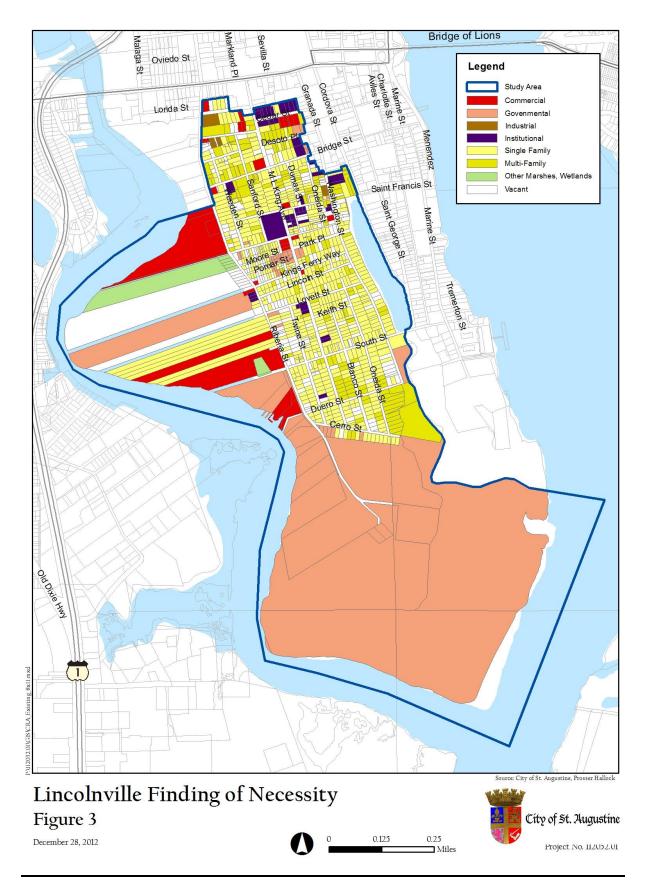
AREA COMPOSITION

The Study Area includes approximately 541 acres of land of which 397 acres are not marsh or wetlands. The existing land use distribution is approximately 20% single family residential, 6% multifamily, 7% commercial, 0.3% industrial, 2% institutional, 55% government-owned properties, 10%, 9% vacant. A detailed description of existing land uses is provided in **Table 2** and illustrated on **Figure 3** on the following page.

The Study Area is predominantly characterized by single family residential uses but there are a few small shops, public facilities and amenities, and large "working waterfront" commercial marinas and boat repair yards.

Table 2 Existing Land Use Composition			
Land Use	Acres	Proportion	Parcels
Single Family	78.68	19.81%	690
Multi-family	25.43	6.40%	169
Commercial	26.58	6.69%	40
Industrial	1.31	0.33%	11
Institutional	7.63	1.92%	48
Governmental	219.27	55.21%	79
Vacant Land	38.29	9.64%	196
Total	397.19		1,233

Source: St. Johns County Property Appraiser



DETERMINING SLUM AND BLIGHT

If the City Commission wishes to establish a Lincolnville Community Redevelopment Area, they must adopt a resolution finding that one or more slum or blighted areas exist within the Study Area and that the rehabilitation, conservation, or redevelopment (or a combination thereof) of such areas is necessary in the interest of the public health, safety, morals, or welfare of residents of the area. These requirements are derived from Sections 163.335 and 163.355, F.S.

DEFINITIONS

The 2012 Florida Statutes define a "slum area" as an area having physical or economic conditions conducive to disease, infant mortality, juvenile delinquency, poverty, or crime because there is a predominance of buildings or improvements, whether residential or nonresidential, which are impaired by reason of dilapidation, deterioration, age, or obsolescence and exhibiting one or more of the following factors:

- (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.

The 2012 Florida Statutes define a "blighted area" as 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 five (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 than 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.

ASSESSMENT OF "SUBSTANTIAL DETERIORATION"

The Act provides little specific criteria or guidance in Section 163.340(8), F.S. regarding the definition or attributes of deteriorated or deteriorating structures other than that implied in the Act which focuses on a series of indicators that in the aggregate are assumed to lead to economic, physical, or social distress.

In the case of the Study Area identified in this analysis, the physical state and the nature of the existing structures clearly have affected the physical, economic, and social environment within the Study Area. Many residential buildings and some non-residential buildings are of unacceptable physical condition, which requires major repair or, in some cases, complete demolition.

In addition, the non-residential buildings and their sites are functionally deteriorated, and may be considered functionally and physically obsolete by the constraints of site, structure placement, access, and limited on-site parking. Whatever their apparent physical condition, such conditions should not be construed as a measure of their useful life.

The Study Area has an obvious lack of adequate parking facilities, as well as inadequate transportation and pedestrian mobility facilities.

SLUM AND BLIGHT INDICATORS PRESENT

The methodology for data collection and analysis utilizes the criteria described in the Florida Statutes to determine the existence of slum and/or blight. Each of the statutory criteria is examined to determine the presence or absence of that condition. For those conditions existing in the Study Area, a more detailed analysis was undertaken. The analysis presents detailed information on the following conditions indicative of blight:

- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- Inadequate street layout, roadways, or public transportation facilities;
- Aggregate assessed values that have failed to show any appreciable increase;
- Unsanitary or unsafe conditions that endanger life and property;
- Deterioration of site or other improvements; and
- o Incidence of code violations higher than in the remainder of the City.

Of the fourteen conditions indicative of blight listed in the Statute, the analysis indicates that at least six such conditions exist in the Study Area, and are detrimental to its immediate and long term social, economic, and physical development. These conditions are a constraint for any significant development or redevelopment within the Study Area. The following summarizes the six criteria found to apply to the Study Area.

Indicator No. 1

Faulty lot layout in relation to size, adequacy, accessibility, or usefulness

Lincolnville was not formally planned and developed as a single subdivision, but rather as a series of nine individual subdivisions which became interconnected. Of the 928 individual parcels within the Study Area, 681 are less than the current minimum lot size standard of 5,450 square feet, which amounts to 73% of the lots as nonconforming according to the City's Zoning Code.

To illustrate this further, there are 63 individual lots which are only 30 feet by 50 feet in size. This corresponds to a density of 29 dwelling units per acre ("DUA"). The current maximum density allowed by code is 8 DUA. Because these lots were created prior to the adoption of the City's current zoning code, they are legally recognized as nonconforming lots and may be developed based on their grandfathered situation.

The development of very small lots places pressure on the Study Area in many ways. Small lot development increases the density of the neighborhood which results having residents live in close proximity to one another. This pattern of development adds to traffic congestion and increases on-street parking demand along narrow roadways, most of which contain no sidewalks. This reduces the walkability of the neighborhood and further isolates its residents from one another. The erosion of the quality of life due to the development of inadequate lots within the Study Area will lead to further blight, creating a cycle of development which continues to impede efforts for positive redevelopment.

Indicator No. 2

Predominance of defective or inadequate street layout

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, several roadways within the Study Area have recently been improved and are adequate for vehicular traffic, but the area as a whole lacks continuous sidewalks and public transit.

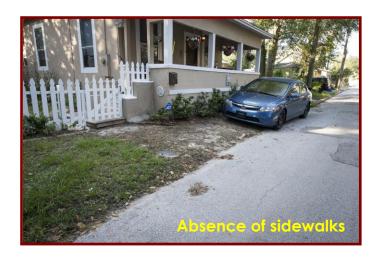
In terms of roadway condition, nearly all of the neighborhood collector and local streets were constructed well before the establishment of modern subdivision design standards for right-of-way width, pavement width, sidewalks, stormwater drainage and retention, curve radius, street lighting, handicapped accessibility, and curb and gutter, and offer strong evidence of blight. The lack of roads meeting modern standards creates safety and design issues which are indicators of blight. Lack of sidewalk connectivity throughout the Study Area is a strong indication of a defective street layout. Intermittent gaps, or absence, of sidewalk result is an inconsistent network when combined with the deteriorated nature of the portions present is not usable by pedestrians, especially the physically disabled. In addition, one of the City's major arterial roadways (King Street) creates a physical barrier to the Study Area with the surrounding neighborhoods. This causes a lack of continuity in the neighborhood and segregates similar land uses from each other. Photographic evidence of this indicator is illustrated below and on the next page.





















Indicator No. 3

Aggregate assessed values failed to show appreciable increase

If aggregate assessed values of real property in the Study Area for ad valorem tax purposes have failed to show any appreciable increase over the five years prior to the finding of such conditions, then it is an indication that the area is blighted. **Table 4** below provides aggregate real estate market values in the Study Area for each year from 2007 through 2012.

Table 4 Taxable Value of Study Area			
Year	Real Estate Market Value	Annual Change	
2007	\$469,807,690	N/A	
2008	\$428,000,967	-8.90 %	
2009	\$359,243,400	-16.07%	
2010	\$320,030,709	-10.91%	
2011	\$305,008,575	-0.05%	
2012	\$304,721,113	-0.0009%	
Average Annua	-7.19%		

Source: St. Johns County Property Appraiser

The real estate market value in the Study Area decreased from approximately \$470 million to \$305 million over five years.

<u>Indicator No. 4</u> Unsanitary and unsafe conditions

The Study Area has pockets of cramped construction and deteriorating buildings, which require significant maintenance and upkeep. A lack of property maintenance leads to unsightly and sometimes unsanitary conditions. The age of structures in the area and lack of adequate infrastructure, such as lack of vehicle parking or parking design which does not meet modern standards, often times create unsafe conditions. A lack of a complete pedestrian sidewalk network in the Study Area, mixed with substandard parking design, leads to unsafe conditions for pedestrians and bicyclists.

Dumping and trash, in combination with overgrown tall grasses, can easily create a higher risk of fire hazard, as well as attracting vermin that create other health risks. Parts of the Study Area are characterized by overgrown grass; have cracked or unpaved right-of-way; and dumping. As illustrated in figures below, property may fall victim to vandalism and graffiti. The resulting deterioration further contributes to decline of the area and deterrent to future business growth and private investment. Further, the resulting reduction in tax revenue and the added disproportionate cost for police, fire, and other services, places a burden on public resources.









<u>Indicator No. 5</u> Site and structure deterioration

The presence of a significant number of deteriorated buildings is readily apparent to potential new homeowners, business interests, lenders, and people traveling through the Study Area. Not only is the area affected, but the image of the entire community is impacted. A significant number of deteriorated buildings indicate a lack of private investment in maintenance and upkeep, a serious problem in maintaining property values and a major impediment to private redevelopment and development.

The presence of deteriorated buildings impairs growth and quality development in a geographic area by having a negative impact upon the investment decisions by individuals and businesses that would otherwise capitalize on market opportunities. Additionally, deteriorated buildings create added cost to a community for increased code enforcement programs and risk to the public.

Dilapidated and deteriorated residential structures were identified through a pedestrian survey conducted on October 12, 2012. The parameters of this pedestrian survey were based on the definition of "slum area" and "blighted area" pursuant to Section 163.340, F.S. Lincolnville parcels were surveyed for structural deficiencies, landscaping and upkeep of property. General visual observations were made of industrial and commercial properties.

For the purpose of establishing an objective determination of the condition of primary buildings within the Study Area, each parcel was externally inspected and rated according to criteria that defined the general condition of the buildings. The buildings were rated according to three

criteria: Sound, Deteriorating, and Dilapidated.

"Sound" buildings show no visible need for repair to the exterior or requires only minor repairs such as repainting, repair or replacement of gutters, and window replacement.

"Deteriorating" buildings show multiple signs of deterioration but appear to be structurally sound, so that rehabilitation is possible. A deteriorated structure is one that has been neglected by property owners and is in need of maintenance to prevent hazardous conditions. These properties exhibit worn roofs; missing tiles or shingles; several roof patches; boarded up or broken windows; littered properties; overgrown grass; faded paint; a lack of swale maintenance; cracked sidewalks and walkways, and broken fences.

"Dilapidated" buildings are in severe decline such that rehabilitation may be impracticable or not economically feasible. A dilapidated structure is one that is not safe for occupation. Dilapidated structures exhibit roof holes or leaks; more than half of the windows boarded up; structural damage; exterior paint has eroded away showing stucco and cracks; rotted wood; fallen fences and/or property abandonment.







The pedestrian survey indicated that a significant amount of properties can be classified as either deteriorated or dilapidated. Out of 867 properties, 71 were classified as deteriorated and 31 as dilapidated. In other words, 12% of the existing building stock was observed to have either deteriorating or dilapidated conditions. The predominant condition of deterioration housing was unkempt landscape/overgrown grass, unkempt from right-of-way, faded exterior paint, and cracked walkways resulting in a lack of maintenance and investment by the property owner. This is a strong indicator of blight and supports the need for adoption of a Finding of Necessity.

Photographic evidence of some deteriorated and dilapidated conditions observed during the October 12, 2012 pedestrian survey are contained on the following two pages.

Table 6 Structural Conditions of Existing Buildings			
Building Condition	Number of Buildings	Percentage of Total	
Sound	765	88%	
Deteriorating	71	8%	
Dilapidated	31	4%	







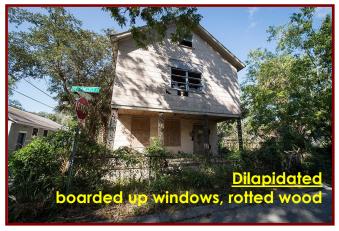












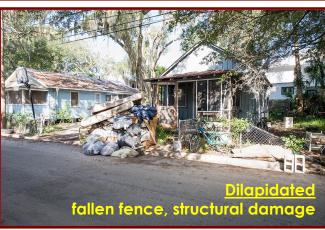














<u>Indicator No. 6</u> High incidence of code violations

Since January 2006 there have been 24 cases of unsafe/dangerous buildings and/or structure cases which to appear before the City's Code Enforcement Adjustment and Appeals Board. Of these, 2 cases were in the Anastasia Island area, 7 were in the West Augustine area, and 15 were in the Lincolnville area. This indicates that there are more Building Code violations in the Study Area than in other parts of the City. As these violations were not necessarily anymore egregious in nature they do appear to be much more common within the Study Area.

Table 7 Unsafe/Dangerous/Structure Code Violations			
Year	Address	Location	
2006	96 St. Benedict Street	Lincolnville	
	28 Smith Street	West Augustine	
	20 South Whitney	West Augustine	
	7 North Whitney	West Augustine	
2007	157 Twine Street	Lincolnville	
64 Oneida Street		Lincolnville	
2008	124 Bravo Street	Lincolnville	
	54 Lovett Street	Lincolnville	
	258 Riberia Street	Lincolnville	
	91 MLK Avenue	Lincolnville	
	173-A Riberia Street	Lincolnville	
	200 Inlet Drive	Anastasia Island	
2009	90 Oneida Street	Lincolnville	
	95 Evergreen Street	West Augustine	
	100 MLK Avenue	Lincolnville	
	69 Kings Ferry Way	Lincolnville	
	24 Arenta Street	West Augustine	
2010	185 MLK Avenue	Lincolnville	
	187 MLK Avenue	Lincolnville	
2011	120 Kings Ferry Way	Lincolnville	
	16 & 16½ Travis Place	West Augustine	
2012	127 Oneida Street	Lincolnville	
2012	92 Smith Street	West Augustine	
	300 Anastasia Boulevard	Anastasia Island	

Source: City of St. Augustine Planning and Building Department

CONCLUSIONS

This Finding of Necessity assesses conditions of slum and blight in the Study Area to determine if the creation of a Community Redevelopment Area (CRA) is necessary to protect the public health, safety, morals and welfare of Lincolnville and St. Augustine.

SPECIFIC FINDINGS

Producing the basis for creating a CRA, in accordance with Section 163.355, F.S. requires a detailed examination of existing land use characteristics, socioeconomic conditions, and other indicators. Working with the City of St. Augustine, Prosser Hallock, Inc. assembled this information, conducted pedestrian surveys, and analyzed the data in a manner consistent with Florida Statutes and determined that the Study Area meets the slum and blight criteria. Specifically, the analysis documents the existence of a number of statutory criteria that substantiate a City Commission adoption of a Finding of Necessity Resolution. There are a substantial number of deteriorated or deteriorating structures, in which conditions are leading to economic distress or endanger life or property. Findings are based upon a determination that at least two slum factors and four blight factors are met, as shown below:

Faulty lot layout in relation to size, adequacy, accessibility, or usefulness Sec. 163.340(8)(c), F.S.

- Substandard lot/parcel size
- o Inadequate properties in relation to current development codes and market requirements

Inadequate street layout, roadways, or public transportation facilities Sec. 163.340(8)(a), F.S.

- Lack of sidewalks and transit service
- o Roadways that fail to meet standards
- o Old platted roads that have been bisected

Lack of appreciable growth in tax base

Sec. 163.340(8)(b), F.S.

- Vacant buildings
- Undeveloped and underdeveloped properties
- Loss of market value

Unsanitary or unsafe conditions that endanger life or property

Sec. 163.340(7)(c) and Sec. 163.340(8)(d), F.S.

- Unkempt vacant lots are scattered throughout the Study Area.
- Dumping and trash in combination with overgrown tall grasses can easily create a higher risk of fire hazard, as well as attracting vermin that create other health risks.
- Vacant land comprises 10% of the Study Area.

Deterioration of site or other improvements

Sec. 163.340(8)(e), F.S.

- Deteriorated structure and site conditions
- 12% of the parcels containing structures were found to be in deteriorated or dilapidated conditions.

High incidence of building code violations

Sec. 163.340(8)(I), F.S.

o Code violations in the Study Area are higher than the rest of the City.

The culmination of these factors makes a case for the determination of blight in the Study Area. Structural conditions in Lincolnville cannot compete effectively in the current consumer market environment. Declining sales revenues are an indication of economic distress that makes it difficult for private investors to fund in renovations or support current configurations or solely commercial uses. In fact, infrastructure in many places is deficient to the point where renovation is not worthwhile. On the basis of this determination, redevelopment of the Study Area, introducing a new mix of commercial, residential, institutional, and office uses in a more modern configuration manner, is the strongly recommended course of action.

According to Chapter 163, Part III, F.S. the next step following a determination of existence of blight is adoption of the Finding of Necessity by the St. Augustine City Commission, which will allow the creation of the Lincolnville Community Redevelopment Area.

As determined in relevant court cases regarding findings of necessity, a finding of blight will be upheld if there is "competent substantial evidence" presented on the record for the governing body's decision to be based. The Florida Supreme Court has defined the term "competent substantial evidence" as follows:

Substantial evidence has been described as such evidence as will establish a substantial basis of fact from which the fact at issue can be reasonably inferred. We have stated it to be such relevant evidence, as a reasonable mind would accept as adequate to support a conclusion...We are of the view...that the evidence relied upon to sustain the ultimate finding should be sufficiently relevant and material that a reasonable mind would accept it as adequate to the conclusion reached. To this extent the 'substantial' should also be 'competent'.

RECOMMENDATIONS

Based on the results of this study, the City of St. Augustine should proceed to create a Community Redevelopment Area (CRA) for the Study Area. Listed below is the process for developing a Lincolnville CRA pursuant to Section 163.360, F.S.

- 1. The City Commission adopts the Finding of Necessity Resolution.
- 2. In cooperation with the citizens of St. Augustine, Prosser Hallock prepares a Redevelopment Plan that is intended to address the inadequacies identified in the Finding of Necessity analysis, define community redevelopment goals and objectives, and establish specific policies and actions. The Redevelopment Plan shall conform to the City's 2030 Comprehensive Plan and may indicate specific redevelopment projects, desired capital improvement projects, the removal and/or rehabilitation of structures, as well as certain zoning changes to address the contents of the Finding of Necessity.
- 3. Working with the residents, business owners, and community groups, a plan for the redevelopment of Lincolnville should be the primary element of the Redevelopment Plan for the Study Area that will meet the statutory requirements. The Redevelopment Plan will establish the framework for a developer agreement between the City and the property owners that sets forth specific expectations, roles, relationships, and participation by the public and private sector to ensure the successful redevelopment of Lincolnville.
- 4. The Redevelopment Plan is submitted to the Historic Architectural Review Board and Planning and Zoning Board to review for consistency with the City's 2030 Comprehensive Plan.
- 5. Upon positive recommendations of the Planning and Zoning Board and Historic Architectural Review Board, the proposed Redevelopment Plan is submitted to the City Commission and other taxing authorities.
- 6. The City Commission holds a public hearing to adopt the Redevelopment Plan, expand the jurisdiction of the Community Redevelopment Agency to include the new CRA, and amend the Redevelopment Trust Fund ordinance to include a separate account for the Lincolnville CRA that will be the revenue to finance capital improvements identified in the Redevelopment Plan.

Upon creation of the Trust Fund, the ordinance freezes the tax base and establishes the base valuation of the property located within the boundaries of the redevelopment area. From that point, all taxes assessed on future increases in the value of properties within the redevelopment area are appropriated to the Redevelopment Trust Fund. All taxes assessed on the value of property determined prior to adoption of the ordinance will continue to generate revenues for local taxing authorities.