

PORT ST. JOE REDEVELOPMENT AREA EXPANSION FINDING OF NECESSITY STUDY REPORT (FINDINGS REPORT) November 2008

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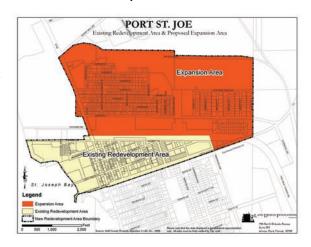
I. Introduction

This report provides the required findings of blight as identified in Section 163, Part III, Florida Statutes (F.S.), the "Redevelopment Act," in order to enable the expansion of the existing Port St. Joe Redevelopment Area (PSJRA) to include additional portions of the City of Port St. Joe. Specifically, this report addresses the area known as North Port St. Joe and adjacent areas in order that they may be included in the existing community redevelopment area. This is the first step in an ongoing series of steps designed to stimulate economic development, enhance and improve existing communities and assist redevelopment activities within the PSJRA.

II. Study Area Boundaries

The analysis in this Report is confined to a specific geographic area of approximately 399 acres (or approximately 7% of the city's acreage), including all right-of-way (see map for general location). The area is roughly bordered by 1st Street and SR 71 on the south; Royal Street on the east; the

Apalachicola Northern (AN) Railroad on the north; and U.S. Highway 98 (US 98) between 1st Street and Kenny Mill Road to the west (the "Study Area"). The Study Area encompasses the community known as North Port St. Joe and is composed primarily of residential homes on relatively small lots, with a small business district located on Dr. Martin Luther King, Jr. Boulevard between Avenue A and Avenue F, and some large parcels of vacant land on the outer boundaries. The Study Area is located entirely within the jurisdiction and control of incorporated Port St. Joe. The main roads that service the Study Area are US 98, State Highway 71, Royal Street and Avenue A.



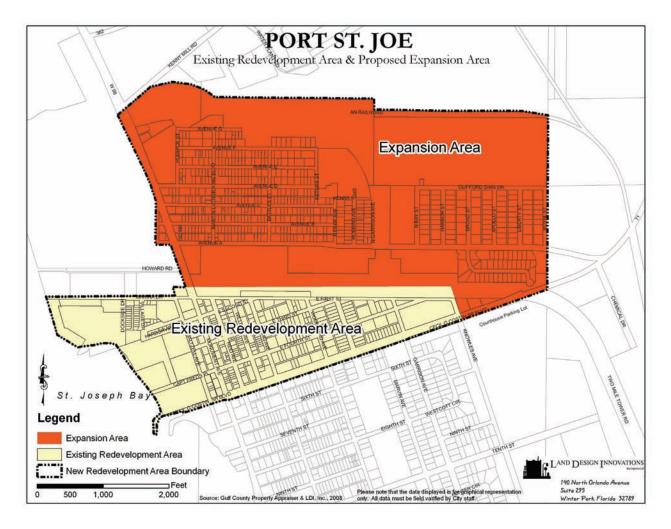
Map 1, on the following page, depicts the proposed redevelopment expansion area boundaries, as well as the existing PSJRA boundaries. The geographic area of the existing Redevelopment Area is approximately 169 acres. The expansion area will increase the size of the entire Port. St. Joe Redevelopment Area to approximately 568 acres (or a little over 10% of the city's acreage).

This analysis will focus on the land-based resources of the study area and its ability to generate economic return and local tax revenues. As a general matter, land-based resources that are in a state of physical decline, are underutilized, or are improperly deployed may significantly limit a local jurisdiction's ability to remain competitive in a larger economic context and may in the long term negatively affect the jurisdiction's overall financial condition and the level of services it can provide its residents.

Local governments that are highly dependent upon ad-valorem tax revenues are the most vulnerable in these situations. Real property assets that are physically or functionally deteriorated or that do not meet today's contemporary development requirements are limited in their ability to generate this type (ad-valorem) of taxes. The physical character and utility of these real property assets, along with the services required to sustain them, are key factors in determining a community's economic health.

This analysis relies substantially on 2007 tax roll data supplied by the Gulf County Property Appraiser, interpretations of City staff-supplied data, and visual inspections/site visits of properties.

Map 1 – Boundaries of Existing PSJRA Redevelopment Area and Expansion Area



Source: Land Design Innovations, Inc., 2008

III. Objectives and Purpose of the Redevelopment Act

The purpose of the Redevelopment Act is to assist local governments in eliminating and/or preventing blighted conditions that are detrimental to the sustainability of economically and socially vibrant communities. The following paragraphs describe those blighted conditions, their specific effects, and the intentions of the community redevelopment regime as a tool for creating and implementing policies and programs.

- Section 163.335 (1)... there exist in counties and municipalities of the state 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 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.
- Section 163.335 (2)... 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.
- Section 163.335 (3)... 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 (4).... 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.
- Section 163.335 (5)... 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. This subsection does not apply in any jurisdiction where the community redevelopment agency validated bonds as of April 30, 1984.

- Section 163.335 (6)... 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.
- Section 163.335 (7)... 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.

Under the Redevelopment Act, if an area is deemed blighted, a resolution must be adopted by the local governing body, or municipal subdivision, finding that blight conditions are extant within the defined study area and that the repair, rehabilitation and/or the redevelopment of said areas are in the interest of public health, safety and welfare. If an area has such blighted conditions, the governing body would have to establish a Community Redevelopment Agency (CRA). In the case of North Port St. Joe, an Agency exists for the property located immediately adjacent to the Study Area, and the local governing body will continue to utilize this for management of CRA in the Study Area. The current Port St. Joe Redevelopment Agency (PSJRA) is the legal unit acting for the City of Port St. Joe, and would direct the preparation of the Community Redevelopment Plan for the area described in the "Finding of Necessity Resolution." The Community Redevelopment Plan will address the expansion area located in the Study Area in a separate document from the existing Redevelopment Plan. This Community Redevelopment Plan must provide physical information on the redevelopment area and identify potential programs and project types that can diminish or eradicate the specified blighted conditions.

Under the Redevelopment Act, a redevelopment plan is subjected to a compliance review that is conducted by the local planning agency (LPA) before it may be submitted to the City Commission for approval. In the case of the City of Port St. Joe, City Commission is also the LPA. The LPA has sixty (60) days to review the redevelopment plan for its conformity with the City's Comprehensive Development Plan, addressing the development of the City as a whole and providing comments to the CRA. After receiving comments and recommendations from the LPA, the local governing body shall hold a public hearing on the approval of the Community Redevelopment Plan after public notice has been placed within the accepted general circulation newspaper of the area.

The next step under the Redevelopment Act is the creation of the Redevelopment Trust Fund, established by ordinance and adopted by the City Commission, the governing body that created the CRA. The most recent real property certified tax roll prior to the effective year of the ordinance shall be used to establish the "base year" within the redevelopment area in order to calculate the tax increment. In Port St. Joe's case, the assumed timetable to move forward implies that the calculation of the tax increment will utilize the 2007 certified rolls for the proposed expansion area.

Subsequent to the establishment of the redevelopment structure described above, the 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 activities within the redevelopment area after the base year. Funds allocated to and deposited into the trust account are to be used by the CRA to finance or refinance any community redevelopment it undertakes pursuant to the approved community redevelopment plan.

Prior to the City adopting any resolution or ordinance to approve a community redevelopment plan or establish a redevelopment trust fund, the governing body must provide public notice of the proposed actions to each of the taxing authorities that have the power to levy ad-valorem taxes within the redevelopment area. Such notices serve as an alert to these taxing authorities to any possible changes in their budgets that may occur as a result of the redevelopment action. As a policy matter, it is assumed that the following entities with ties and relationships to the City of Port St. Joe government will receive notice of any actions arising from either the findings of necessity analysis or subsequent programs or initiatives should they be authorized under the terms of the Redevelopment Act.

- Gulf County Government
- The City of Port St. Joe

Other entities, including those listed above, that may also exercise certain jurisdiction or control within the same legal boundaries defined for this study will not, as a matter of law or policy of the City, experience any diminution in their ad-valorem revenues arising from the adoption of a resolution that defines or finds blight as described herein. These entities, such as Northwest Florida Water Management District (NWFWMD) and the Gulf County School Board are likely to experience an increase in their revenues over time as the result of such actions.

A. Declaration and Process

Determining if blight conditions exist within the Study Area is the initial step in ascertaining the North Port St. Joe community's appropriateness as a community redevelopment area and inclusion in the City of Port St. Joe's extant Community Redevelopment Area. This documentation of blight conditions and supporting analysis shall be referred to herein as the "Findings Report."

This Report describes the physical, economic, and regulatory conditions within the community redevelopment study area that are associated with blight or its causes and discusses the need for a community redevelopment area. Land Design Innovations, Inc. staff, working with the PSJRA staff, has inspected the study area and prepared the analysis contained within the Report.

B. Criteria for Determining Blight

The Redevelopment Act establishes two similar, but discrete, pathways to determine if a study area is a "blighted area," sufficient to warrant the full application of the redevelopment powers conveyed by such a designation.

- The first alternative (Alternative One) involves the layering of two tests. The first test is broadly conditional and the second test is criteria specific. Both tests must conclude that the described conditions exist affirmatively.
- The second alternative (Alternative Two) involves a specific agreement among parties subject to a prospective trust fund agreement. Where such an agreement exists, the jurisdiction seeking to designate a

redevelopment area will be allowed to pass a less rigorous test. As in the first alternative, this test relates to specific criteria and it must conclude affirmatively.

1. Alternative One

The first test for Alternative One requires that a study area identified as a blighted area contain 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."

The second test for Alternative One must prove that the area must be one 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 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 are higher in the area than in the remainder of the county or municipality;
- j) Incidence of crime in the area are higher than in the remainder of the county or municipality;
- k) Fire and emergency medical service calls to the area are proportionally higher than in the remainder of the county or municipality;
- l) 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.¹

2. Alternative Two

The Redevelopment Act also allows that a blighted area may be "any area in which at least one of the factors identified in paragraphs (a) through (n) of Section 163.340 (8), F.S. are present and all taxing authorities (as such term is defined in the Redevelopment Act) subject to Section 163.387 (2)(a), F.S. agree, either by interlocal agreement or agreements with the agency or by resolution, that the area is blighted."

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¹ Florida Statutes, Section 163.340 (8).

IV. City of Port St. Joe Historical Perspective

St. Joseph, Florida, was a boomtown that briefly became the largest community in Florida before being destroyed only eight years after it was founded. St. Joseph was founded in 1835 on the shores of St. Joseph Bay, one of the finest natural harbors on the Gulf Coast of the United States. As no

rivers flowed into St. Joseph Bay, two railroads were built connecting St. Joseph with the Apalachicola River in an attempt to capture some of the cotton and lumber trade being shipped down the river to the port of Apalachicola.

By 1837 St. Joseph had become the most populous place in the Territory of Florida, with approximately 6,000 inhabitants. In 1838 the town hosted the first Constitutional Convention for Florida, which drew up the constitution used when Florida became a state in 1845.



In 1841 a ship brought yellow fever to St. Joseph. The disease killed many of the town's inhabitants and caused the rest to flee. A hurricane in 1843 created a large storm surge, destroying the abandoned town. The area remained uninhabited for the rest of the 19th century. In the early 20th century Port St. Joe was founded about two miles north of the site of old St. Joseph. The only remains of old St. Joseph are tombstones in the Old St. Joseph, or "Yellow Fever", Cemetery in present-day Port St. Joe.

Port St. Joe was incorporated in 1913. Port St. Joe underwent rapid growth, building new docks, a sawmill and trading such products as lumber, turpentine and sugarcane. Port St. Joe also became a resort town for recreational tourists who came by train to bask on the shoreline and enjoy the waterfront activities and have picnics. The success enjoyed by the town was short-lived and by 1925 the timber industry had already logged most of the easily available and highly lucrative virgin pine and cypress forests.

During the late 1920's Alfred DuPont and Edward Ball began accumulating property in and around Port St. Joe and Northwest Florida.

Advances in chemistry allowed slash pines to be converted into pulp for the manufacture of "kraft" paper, a sturdy brown paper that is used in grocery bags and cardboard boxes. Port St. Joe was an ideal location for this industry with a favorable climate and readily available re-growth of pine forests.



The St. Joe Paper Company pulp and paper mill was opened in 1938. The St. Joe Paper Company and mill profited from the industrial and war-effort needs of World War II and in 1943 built a new plant next to the old plant to manufacture corrugated cardboard boxes. The company continued to expand the mill site, and by 1954 the mill was producing 1,200 tons of products daily, making it one of the largest mills in the world at that time.

In 1971 the mill's three labor unions went on strike. The strike closed the mill temporarily, but the strikers realized none of their demands. The mill reopened in 1972 with the unions' influence greatly diminished. The operation of the mill was also challenged by the impact of Title VII of the Civil Rights Act, which prohibited discrimination in employment. The court case continued until 1997

and over the years resulted in a total payout of over \$3.8 million and granted black workers the rights for promotion into formerly "white" jobs.

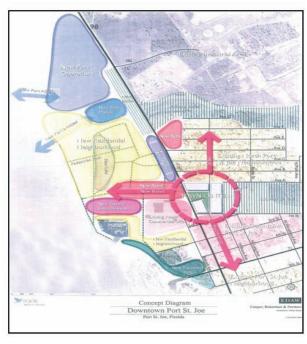
A plunge in the linerboard prices struck the company with a 1993 loss of almost \$20 million. Stockholders were restless, and concerned consultants suggested that the company sell the mill and lease or sell the hundreds of thousands of acres of timberland.

In 1996 St. Joe Company sold the mill and the container plants to Florida Coastal Paper. Florida Coastal Paper operated the plant intermittently through 1997. Florida Coastal Paper declared bankruptcy in 1999.

The closing of the mill had a significant impact upon the city of Port St. Joe and its residents. The City, which saw a disastrous drop in tax revenue, was forced to seek financial assistance from the State to keep basic services operating. The Governor and the State Legislature provided the financial relief requested. The North Port St. Joe community was significantly impacted through the loss of jobs at the mill. The mill facilities and associated industries were the largest employers of residents of North Port St. Joe.

The City began to slowly rebound and in 1999 opened a state-of-the-art marina valued at \$3.3 million. Offices, restaurants and a grocery store have been built in the former industrial areas of the waterfront.

In 2003 the demolition of the former mill was completed. The St. Joe Company announced its intention to develop the 166-acre former mill site as a town center development. The proposed development may include residential districts, public facilities, entertainment districts and office and retail components. The development of the new town center can help reconnect the historic downtown district and the North Port St. Joe community and may act as an economic catalyst to the future redevelopment of Port St. Joe.



St. Joe Company Conceptual Diagram for Downtown Port St. Joe, Town Center

V. Existing Conditions Summary

This section of the report documents the existing conditions within North Port St. Joe including the condition of residential housing, land uses, utilities, public transportation and the visual character of buildings that could influence development or utilization of the community's land based resources.

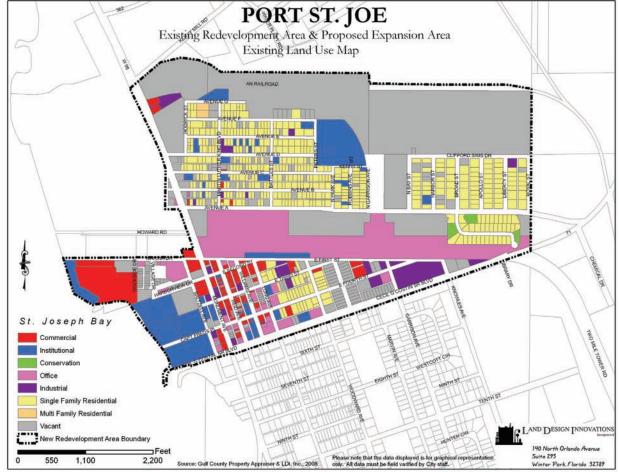
A. Existing Land Use and Zoning

Of the 578 parcels identified within the study area, 435 of the parcels are residential -432 single-family parcels (including eight mobile homes) and three multi-family parcels. Eleven of the single-family parcels include more than one residential dwelling structure on the parcel.

1. Land Use

The primary existing land use for the area is residential, with limited commercial and public uses interspersed. **Map 2** displays the existing land uses in the Study Area as well as the existing PSJRA.

Map 2 –Port St. Joe Existing Land Use Map- Existing PSJRA and Expansion Area



Source: Gulf County Property Appraiser Database, Land Design Innovations, Inc., 2008

2. Zoning

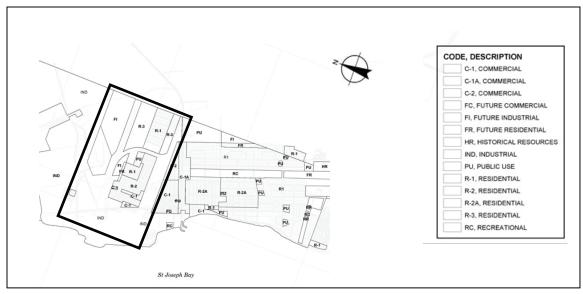
The primary zoning districts within the Study Area are residential (R-1, R-2, R-3), with commercial (C-1) along Martin Luther King, Jr. Boulevard, industrial along Avenue A (IND), and public (PU) at Washington High School. **Table 1** summarizes the residential zoning district regulations and **Map 3** depicts the zoning districts. The C-1 zoning district allows general commercial uses with a maximum height of 60 feet. The IND district allows industrial uses with 90% lot coverage for existing businesses and 65% for future industrial uses.

Table 1 - Residential Zoning District Regulations

Uses and	R-1	R-2		D 2
Regulations		R-2A	R-2B	R-3
Uses Allowed	Single family dwellings, parks, churches, and public facilities	Single family dwellings, parks, churches, and public facilities	Any use permitted in R-2A, hospitals, medical clinics, boarding and lodging houses and multifamily	Any use permitted in R-1 and R-2
Home Occupations Allowed	No	No	Yes	No
Maximum Density	5 units/acre	7 units/acre	7 units/acre	Greater than 7 units/acre
Maximum Lot Coverage	40%	60%	60%	80%
Maximum Height	35 feet	35 feet	60 feet	60 feet

Source: City of Port St. Joe Land Development Regulation Code, 2008

Map 3 -Port St. Joe Zoning Districts in the Vicinity of the Study Area



Source: City of Port St. Joe Land Development Regulation Code, 2008

B. Lot Layout and Parcel Value

Faulty lot layout can have a tremendous impact on the value of property. If lot sizes do not meet zoning requirements, or do not meet standards for the current demands of the market, they will require aggregation in order to be viable for appropriate development. If commercial parcels are not adequately accessible and/or will not accommodate off-street parking on-site or in close proximity, they lose marketable value.

1. Lot Size

In order to meet the zoning requirements for the residential zoning districts, the minimum lot size ranges from 5,000 to 10,000 square feet. The lot sizes for existing residential uses in the Study Area are within these ranges. However, the lot sizes in the Study Area for commercial uses are disproportionately small compared to average commercial lot sizes in the City of Port St. Joe. The commercial parcels located along Martin Luther King, Jr. Boulevard range in size from 1,039 square feet to 5,500 square feet, obviously too small to allow for parking.

2. <u>Lot Value</u>

The 2007 assessment of property in Gulf County indicates that within the Study Area, 291 parcels are assessed at less than \$50,000 (approximately 50% of all parcels in the area), while 85 of those parcels are assessed at under \$25,000 (almost 15% of all parcels in area). By comparison, the entire City of Port St. Joe has only 417 parcels that are valued under \$50,000 (7% of city's parcels) and, of those, 183 are valued under \$25,000.

3. <u>Site Deterioration</u>

Many of the developed and undeveloped residential and commercial sites in the study area are not maintained. Abandoned vehicles and other equipment and materials can be found in yards and on vacant lots, many present for a long period of time as evidenced from their condition and from the overgrowth of the surrounding yards.



Avenue A at Martin Luther King, Jr. Blvd

C. Unsafe Condition of Housing

The Study Area contains a large number of aged housing units, many of which have had little to no maintenance in years and have experienced minor to major decline in structural condition. Not only does this counteract economic development of the area, but it reduces the number of affordable housing units which are needed in this area of lower income residents and provides accommodations for drug-related crime activities.

1. Age of Housing Stock

Although age of a structure, per se, is not considered a blight indicator, the effects of age, when coupled with deficient maintenance, can result in deteriorated and dilapidated structures in the long term. As a general rule, buildings require increased maintenance as they reach twenty or thirty years of age.

Based upon the *Friends of North Port St. Joe Strategic Plan* (2006), the majority of the homes within the North Port St. Joe community were built before 1970. The average house was built in 1958.² Over 360 of the 461 houses analyzed in the Strategic Plan, or 78% of the housing units were built before 1970.

2. <u>Unsanitary or Unsafe Conditions and Structure Deterioration</u>

A windshield survey was conducted in July 2008 to identify deteriorated or dilapidated housing structures. structure was categorized "deteriorated" if it appeared to have moderate to severe structural problems that, if not repaired within a few years, would degenerate to the point where structure may be uninhabitable. Α structure was "dilapidated" categorized appeared uninhabitable due to major



Houses on Avenue C

structural system problems and was boarded up to deter entrance to the structure. A dilapidated structure probably cannot be rehabilitated in a cost feasible manner. The housing conditions study determined that 35 houses were deteriorated and 21 houses or other structures were dilapidated as of July 2008. These structures are all located east of North Garrison Avenue and north of Avenue A. Numerous houses throughout the entire Study Area showed signs of wear and tear that can be attributed to lack of maintenance and weathering due to elements.

3. Transient Properties

Of the 435 residential parcels in the Study Area, 264 have been granted a homestead exemption, which means the resident of the dwelling is also the property owner. That means the other 172 parcels (almost 40%) are rented. Many of the problems that exist within the Study Area stem from the presence of transient rental



House on Avenue B

properties. As the term suggests, these transient rental-housing properties offer short-term rental housing but no neighborhood stability or focus. Code enforcement officials have both documented and commented that these transient rental housing properties are the primary source of numerous code enforcement violations. These violations include immobile vehicles in the front yards, unsecured buildings, derelict properties, and many other zoning code violations.

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² The Friends of North Port St. Joe Strategic Plan, March 2006.

D. Vacant Lots and Closed Buildings

Both a cause and an indicator of blight is the presence of vacant properties and obsolete, closed buildings, especially those that have been poorly maintained for years. As an indicator of blight, it is assumed that the owner has no economic justification to develop the property due to the depressed market value of the area as a whole. In the case of closed buildings, it is assumed the owner has no economic incentive to reinvest, or that there is no market for tenants. The presence of vacant lots and closed buildings disrupts the urban character of the neighborhoods and decreases the value of commercial areas.

According to the Gulf County Property Appraiser database (2007 tax roll), of the 579 parcels identified within the Study Area 91 parcels are currently vacant, or approximately 16% of the parcels. The vacant parcels in the Study Area range in size from less than 1,000 square feet to 63 acres and total 172 acres, or approximately 44% of the acreage. Twenty-one buildings in the Study Area (houses or businesses) were closed and boarded up when the field survey was conducted in July 2008.



E. Transportation Facilities

The Study Area's roadways are generally designed in a grid pattern and provide easy flow through the community. The roadways themselves are in generally good condition but lack

curb and gutter. The location of sidewalks is sporadic, with gaps throughout the neighborhood. Because there are no curbs, the roadways and sidewalks are at the same grade and cars frequently park on the sidewalk

The entire neighborhood is generally cut off from the rest of the downtown to the south by the former rail yard. The extension and connection of Martin Luther King Boulevard to Reid Avenue, as proposed in the town center development project, will provide direct access to the new and historic town centers.

Traffic capacity is not an issue in the Study Area under current conditions. The major thoroughfares, Martin Luther King Boulevard and US Highway 98, appear to have adequate capacity for the existing level of development in the general area. However in light of the proposed town center development, a traffic study to evaluate the impact that the new development would have on the North Port St. Joe community may be warranted.





F. Real Estate Development and Investment Activity

The areas surrounding Port St. Joe experienced heightened levels of development from 2000 to 2006. Significant upscale residential development in nearby Mexico Beach and closer to Port St. Joe, Windmark I and Windmark II, helped fuel this activity. Prices for homes in these newer developments are very high compared to the older homes in Port St. Joe; however, the effect of the newer developments was to increase the market value of the nearby homes. The median price asked for a home for sale in Census Block Group 3, where the Study Area is located, was \$95,000 in 2006, higher than the median home price in Gulf County or Florida at that time. At the same time, the median value of the occupied homes in North Port St. Joe was \$50,800.00.³

Although the recent economic conditions, (i.e., rapid increases in real estate market valuations), have slowed down and in some cases reversed the steep upward valuation trend that was due to rampant real estate speculation, it is anticipated that upward valuation trend will continue in the future although at a slower rate than experienced during the past 8 years. The anticipated upward valuation trend is anticipated to continue in the Port St. Joe area due to ongoing residential development within and around Port St. Joe and the City's ideal coastal location.

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³ Friends of North Port St. Joe, Strategic Plan, March 2006.

G. Diversity of Ownership

Areas in need of redevelopment are often further disadvantaged by a diversity of ownership on blocks for which redevelopment is desired. Often, individual owners of relatively small parcels of land are unable to realize the maximum development potential of the individual parcel. Based on the Gulf County Property Appraiser database, 459 persons, organizations or corporations own the 578 parcels in the Study Area. This high diversification of ownership makes parcel assemblage more difficult and may constrain some redevelopment activity.

H. Crime

The study area has historically experienced a more significant problem with drug-related crimes than other areas in the City of Port St. Joe. Continuing efforts by the Port St. Joe Police Department have been successful in reducing the problem of drug sales within the Study Area, however it remains a community concern requiring continued law enforcement attention and resources.

I. Summary of Existing Conditions

The overall Study Area is predominantly residential in character, with limited commercial uses along Martin Luther King Boulevard and US Highway 98 and vacant parcels around the boundaries of the area.

A visual inspection of the Study Area revealed clear signs of decline and deterioration in the residential and non-residential structures. While many historic places in the State have embraced the age and character of older and well maintained neighborhoods, the Study Area has fallen into a state of overall disrepair. Many homes are clearly in need of renovation, major rehabilitation or in several cases demolition.

The Redevelopment Act provides little specific criteria or guidance in Section 163.340 (8), F.S., regarding the definition or attributes of deteriorating structures other than implied in the Redevelopment Act which focuses on a series of indicators that in the aggregate are assumed to lead to economic, physical or social distress. In the present case, the physical state and the nature of the existing structures have clearly affected the physical, economic and social environment within the Study Area. Many residential buildings are of unacceptable physical condition, which requires major repair or in some cases complete demolition. In addition, some of the non-residential buildings are functionally deteriorated and rendered functionally and physically obsolete by the constraints of the site, structure placement, access and residential platting adapted for commercial use.

The infrastructure that serves the Study Area is most likely incapable of meeting the demands of any future redevelopment that would materially alter and increase the density of development as it currently stands. While the City's vision, the County's vision and the proposed town center vision of increased residential and non-residential development occurring as part of their redevelopment initiatives in the Study Area, the inadequate existing infrastructure emerges as a potential future problem.





VI. Findings of Blight Factors Present in Study Area

Of the **fourteen** (14) conditions indicative of blight listed in the Redevelopment Act, our analysis indicates that **nine** (9) of the conditions exist in the Study Area and are retarding the area's immediate and longer term social, economic and physical development. These conditions are a constraint for any significant development or redevelopment within the Study Area. Alternative One requires that at least **two** criteria be satisfied. Alternative Two requires that only **one** criterion be satisfied. Below is a summary of the findings of blight factors based on criteria from Section 163.340, Florida Statutes (F.S.). These blight factors are immediately apparent upon any visual inspection of the North Port St. Joe Study Area.

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

Many of the roadways within the study area lack sidewalks or curb and gutter facilities. The parking facilities for the commercial structures in the study area do not meet current code requirements. For the most part, all parking is on-street for the commercial facilities, rather than off-street parking lots. There are no public parking lots. There is limited parking for the churches in the community. There is no public transportation available to residents or merchant employees in the study area.

While there is adequate traffic capacity for the existing development with a good grid system network in the Study Area, the railroad track separation of Martin Luther King Boulevard and Reid Avenue has resulted in North Port St. Joe's isolation and separation from the rest of the city. The current removal of the railroad tracks in this area along with the plans for development of the Town Center project have provided an opportunity to reconnect this area with the PSJRA and the city.

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

The Study Area includes only one or two relatively large areas of undeveloped land that is easily reconfigured for other purposes or activities. The majority of the area is characterized by individual lots, some of a relatively small size based on the development of allowable uses, which would need aggregation for redevelopment. The lots are platted with small street frontages, which precludes off-street parking unless lots are aggregated.

Many of the lots in the Study Area are inadequate in size, especially in the zoning districts that allow commercial and higher density residential uses. On the other hand, the existing development that has occurred within the Study Area does not approach the maximum allowable density or intensity because the required lot sizes are larger than necessary for small-lot single family or multifamily developments.

• Unsanitary or unsafe conditions (Section 163.340(8)(d), F.S.)

The housing stock is old and deteriorating within the Study Area, especially the portion east of North Garrison Avenue. There are a significant number of houses with non-conforming setbacks, which could contribute to safety problems. Code enforcement has not kept pace in the study area and several homes and commercial properties, if not condemned for rehabilitation or demolition, will be a cause of concern for public health and safety in the short and long-term.

• Deterioration of site or other improvements (Section 163.340(8)(e), F.S.)

Most buildings within the study area are over 30 years old and show clear signs of deterioration and decline. Houses and commercial structures show many signs of decline, including holes in walls, peeling paint, broken windows and porches, and collapsing roofs. Many developed and vacant parcels are characterized by unkempt yards, broken and rusted chain link fences, and cracked driveways if paved – acting as storage locations for junk. The primary concern is deterioration in context and setting, which will discourage long-term sustainability and lead to a reduction in useful life more rapidly than would be the case in stable residential and commercial environments. Left unchecked, these problems will continue to escalate and contribute to further deterioration within the Study Area.

• Inadequate and outdated building density patterns (Section 163.340(8)(f), F.S.)

Conditions of inadequate and outdated building patterns are literally self-evident based on the most casual inspections of the Study Area. While the R-3 zoning allows over seven units per acre and up to 80% lot coverage, current development is drastically below the allowable limit. Some of the older houses are inadequate in size to meet the needs of today's families, and the deterioration is too severe for rehabilitation. The areas zoned for multi-family residential use, commercial use or mixed residential and commercial use have been developed primarily as low-density single-family residential dwellings.

• Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality (Section 163.340(8)(i), F.S.)

The number of vacant lots and closed buildings in the Study Area is higher for both residential and commercial properties in the study area than in the City of Port St. Joe or Gulf County.

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

The Study Area has a higher rate of arrests, primarily drug-related, relative to other portions of Port St. Joe or Gulf County. Through on-going efforts by the Port St. Joe Police Department and the Gulf County Sheriff, the incidences of drug related arrests within the study area have been reduced, but with the large number of vacant structures and lots available for this type of criminal activity the issue remains a concern.

• A greater number of violations of the Florida Building Code in the area than in the remainder of the county or municipality (Section 163.340(8)(1), F.S.

Due to the age and condition of the housing stock (see **Section V** of this report for more specific information), there are proportionately more building code violations in the Study Area than in the rest of the City of Port St. Joe.

• Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area (Section 163.340(8)(m), F.S.

Given the high percentage of individually owned lots in the Study Area, the pattern of small lots and the demands of the contemporary market or building requirements, it will be difficult for private interests to acquire sufficient property to alter the established patterns of development and uses.

VII. Conclusion of Alternative Tests

The Study Area is one in which a substantial number of deteriorated structures exist and these are materially injurious to both the area and community's overall sustainability. These deteriorated structures and conditions are such that they "are leading to economic distress or endanger life or property...." as described in the Redevelopment Act.

Such evidence of deteriorated conditions, together with cited and inferred data that identifies the four dimensions of social, physical and economic hardship associated with the deteriorated conditions and broad decline, demonstrate a substantial record of blight existing throughout the Study Area.

It is the conclusion of this study that multiple criteria exist within the Study Area that would characterize the area to be a blighted area. The existence of these conditions have been confirmed, and therefore the study area meets both tests for the Alternative One method for determination of blight.

The information summarized in this report is sufficient for the City of Port St. Joe to acknowledge the described conditions and to adopt a resolution that declares the rehabilitation, redevelopment and conservation of the study area is in the interest of public health, safety, morals and welfare.

VIII. Next Steps-Community Redevelopment Plan and Trust Fund

Identifying a specific community redevelopment area, determining that such an area is a blighted area as required by the Redevelopment Act, and including the expanded Study Area as part of the responsibilities of the existing Port St. Joe Redevelopment Agency are the next logical steps the City of Port St. Joe faces.

Creating a Community Redevelopment Plan for the North Port St. Joe Study Area is the next step in the protocol. A Community Redevelopment Plan must be completed after the City Commission has formally acknowledged the conditions of blight described herein to unite the goals of the two areas. A resolution approved by the City Commission acknowledging and recognizing the blight condition, and finding the need for a community redevelopment agency would achieve this task.

The Community Redevelopment Plan must conform to a variety of criteria established in Section 163.360, F.S. Further, the Community Redevelopment Plan must contain certain elements articulated in 163.362, F.S. Collectively, it is the purpose of such elements to serve as a legal

framework for activating strategies, which would contain these blighted conditions, remove such conditions and promote development and or redevelopment that facilitates sound, sustainable growth in the Port St. Joe Community Redevelopment Agency.

The Community Redevelopment Plan need not be a capital improvement plan in the typical sense, but rather a framework for creating and implementing a redevelopment strategy that complies with the dictates of the Redevelopment Act. The completion of a Community Redevelopment Plan must not only meet the legal requirements of the Redevelopment Act but also must also foster and facilitate the attraction of capable and cooperative redevelopment partners. Ideally these partners would come from the community of Port St. Joe and Gulf County.

The process for considering and adopting a new Community Redevelopment Plan also requires mailed notices to all taxing authorities as well as published notice. In addition, prior to consideration of a revised Community Redevelopment Plan, the Community Redevelopment Agency must submit the Plan to the local planning agency of the City for review and recommendations as to its conformity with the City's Comprehensive Development Plan. Upon submission of the revised Community Redevelopment Plan to the City and to each taxing authority (City of Port St. Joe and Gulf County), a public hearing concerning the revised Redevelopment Plan is required to be held. Following such a public hearing and a determination by the City approving the Plan and confirming the various statutorily required findings, the revised Community Redevelopment Plan may then be adopted.

Following the adoption of the revised Community Redevelopment Plan, the Study Area will be included in the existing Community Redevelopment Trust Fund, which is required to be established by City ordinance. The Trust Fund will establish a base year for the Study Area in order to identify tax incremental funds as the valuation of the study area increases. Funds allocated to and deposited into this fund shall be used by the Community Redevelopment Agency to finance community redevelopment identified in the revised Community Redevelopment Plan, which will include the study area.

IX. Legal Description of Expansion Area

DESCRIPTION:
A PARCEL OF LAND LYING IS SECTIONS 1 & 2, TOWNSHIP 8 SOUTH, RANGE 11 WEST, AND IN SECTIONS 35 & 36, TOWNSHIP 7 SOUTH, RANGE 11 WEST, GULF COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHEAST CORNER OF SECTION 1, TOWNSHIP 8 SOUTH, RANGE 11 WEST, GULF COUNTY, FLORIDA, AND PROCEED NORTHERLY, ON THE EAST LINE OF SECTION 36, TOWNSHIP 7 SOUTH, RANGE 11 WEST, GULF COUNTY, FLORIDA (ALSO BEING THE EAST LINE OF THE CITY LIMITS OF PORT ST. JOE, FLORIDA), TO THE INTERSECTION OF SAID LINE WITH THE CENTERLINE OF THE APALACHICOLA NORTHERN RAILROAD COMPANY RAILROAD; THENCE LEAVING SAID EAST LINE, PROCEED WESTERLY, ON THE CENTERLINE OF SAID RAILROAD; THENCE LEAVING SAID EAST LINE, PROCEED WESTERLY, ON THE CENTERLINE OF SAID RAILROAD; THENCE NORTH TO THE NORTHEAST CORNER OF SAID PROPERTY; THENCE WESTERLY ALONG THE NORTH BOUNDARY LINE OF SAID PROPERTY FOR 2410.7 FEET MORE OR LESS; THENCE NORTHWESTERLY, FOR A DISTANCE OF 109.8 FEET MORE OR LESS TO A POINT ON A CURVED PROPERTY LINE CONCAVE TO THE SOUTH THENCE NORTHWESTERLY ALONG SAID CURVED PROPERTY LINE CONCAVE TO THE SOUTH THENCE NORTHWESTERLY ALONG SAID CURVED PROPERTY LINE FOR 978.7 FEET, MORE OR LESS TO A POINT LYING ON THE SOUTH RIGHT OF WAY LINE OF KENNY MILL ROAD; THENCE SOUTHWESTERLY ALONG SAID SOUTH RIGHT OF WAY LINE AND A EXTENSION THEREOF TO THE INTERSECTION WITH THEWEST RIGHT OF WAY LINE OF U.S. HIGHWAY 98 (RIGHT OF WAY VARIES); THENCE PROCEED SOUTHEASTERLY, ON SAID WEST RIGHT OF WAY LINE TO A POINT ON THE WEST BOUNDARY LINE OF THE OFFICIAL MAP OF PORT ST. JOE FLOIRDA A SUBDIVISION AS PER PLAT RECORDED IN PLAT BOOK 1, PAGES 17 AND 18 OF THE PUBLIC RECORDS OF GULF COUNTY, FLORIDA; THENCE SOUTHERLY ALONG SAID WEST RIGHT OF WAY LINE TO THE SOUTHWEST CORNER OF SAID SUBDIVISION, THENCE EASTERLY ALONG THE SOUTH BOUNDARY LINE TO THE SOUTHWEST CORNER OF SAID SUBDIVISION TO THE INTERSECTION WITH THE AFORESAID WEST RIGHT OF WAY LINE; THENCE PROCEED SOUTHEASTERLY, ON SAID WEST RIGHT OF WAY LINE OF FIRST STREET; THENCE LEAVING SAID WEST RIGHT OF WAY LINE; THENCE PROCEED SOUTHEASTERLY, ON SAID WEST RIGHT OF WAY LINE, OF THE CENTERLINE OF FIRST STREET; THENCE LEAVING SAID WEST RIGHT OF WAY LINE, PROCEED NORTHEAS LINE, PROCEED NORTHEASTERLY, ON SAID CENTERCINE, TO THE INTERSECTION WITH THE EAST LINE OF SECTION 1, TOWNSHIP 8 SOUTH, RANGE 11 WEST, GULF COUNTY, FLORIDA (ALSO BEING A POINT ON THE AFORESAID EAST LINE OF THE CITY LIMITS OF PORT ST. JOE, FLORIDA); THENCE LEAVING SAID CENTERLINE, PROCEED NORTHERLY ON SAID EAST LINE, TO THE AFORESAID NORTHEAST CORNER OF SECTION 1, AND THE POINT OF BEGINNING.

SURVEYOR'S NOTES:

- SURVEYOR'S NOTES:

 1. THIS SKETCH, MAP, AND REPORT IS NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER. ADDITIONS OR DELETIONS TO SURVEY MAPS OR REPORTS BY OTHER THAN THE SIGNING PARTY OR PARTIES IS PROHIBITED WITHOUT WRITTEN CONSENT OF THE SIGNING PARTY OR PARTIES.

 2. SOURCE OF INFORMATION: NEW PARCEL PER CLIENT'S INSTRUCTIONS.

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I HEREBY CERTIFY THAT THIS DESCRIPTION, AND THE SKETCH THEREOF, IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEE SHEET 2 FOR SKETCH

FREDERICK C. RANKIN, P.S.M. PROFESSIONAL SURVEYOR & MAPPER FLORIDA LICENSE NO. LS 6585

DATE SIGNED L.B. 0007137 EB# 0006155

PROJECT NO.

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DESCRIPTION SKETCH NORTH PORT ST. JOE RE-DEVELOPMENT AREA EXPANSION GULF COUNTY, FLORIDA.

ATE: 12/03/2008 019.157 SCALE: 1"=1000 DRAWN DJB 1of2

X. Survey of Expansion Area

