

## Application Score Sheet

Proposed Project: City of Mexico Beach, Mexico Beach Pier Replacement (#58)

Proposed Project/Program County: Bay

Board of County Commission Support: No

Total Projected Project Cost: \$7,400,000.00

Match Provided: \$3,740,002.00

Triumph Funds Requested: \$3,700,000.00 (50%)

Score: C

Date: August 24, 2018

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### **Economic Impact Analysis**

The City of Mexico Beach proposal describes replacement of the community's pier at the end of 37th St. in Mexico Beach in Bay County. This replacement is intended to increase the length of the pier by almost 25 percent and improve durability relative to the existing wooden pier, which must be closed during severe weather and suffers periodic damage including loss of planking and railings due to waves and wind during weather events. The project requests \$3.7 million in Triumph funding.

As is noted in the application, the proposed new pier will provide a much safer environment for passive recreation. The Mexico Beach Community Development Council (CDC) agrees that the City Pier is a vital asset to the City and all those who enjoy its use. The CDC notes further that a more stable pier would enhance the economic development for the City of Mexico Beach and would allow funds that have been utilized to patch the existing pier, to be allocated to other areas for the City. As noted in the application, though the pier replacement is rural and local in nature, the economic impact is expected to be regional by creating jobs in many different areas.

The core of the project is the replacement of an aging wooden pier structure with a newer, more modern and thus safer structure. While that is a useful and necessary expenditure, it may not be well matched to the Triumph funding mandate of increased economic activity. Triumph staff agree that net new visitors will spend their money locally and regionally and further enhance business opportunities. However, the type of impact that would make a big difference in terms of increased levels of economic activity would rely critically on the attraction of net new visitors to the area. As correctly reflected in the proposal documentation provided in support of the project, it is likely that many of the users of the proposed new structure will be the same users as already benefit from the existing pier. It seems likely that the project will not create substantial net new demand from visitors, and the additional jobs to be created would be largely in leisure and hospitality at lower wages.

For these reasons, staff assign the project a grade of "C" and do not recommend moving it forward for Triumph Board consideration.

## **Project Summary (based on information provided by the applicant)**

The City of Mexico Beach in Bay County requests \$3,700,000.00 in Triumph funds to replace the Mexico Beach Pier. The proposed new pier will replace the current aging wooden pier that extends from 37th Street into the Gulf of Mexico. The new pier is designed to extend 1,000 feet into the Gulf compared to the current pier length of 810 feet.

The City counts the Mexico Beach Pier as one of its top public attractions. In addition to being a fishing pier it is also a popular passive recreation space.

The current 810 ft long wooden pier was built in three sections. In 1965, the pier was built 400 feet over existing dunes to the waterline. In 1975, Hurricane Eloise destroyed the part of the pier that extended into the Gulf. In 2006, the pier was extended into the Gulf again by 150 ft followed by a 260 ft extension farther into the Gulf in 2008. The 2008 extension also included a 60 foot "T" section at the end of the pier.

The pier deck is approximately 16 feet above the standing water level. The low height of the current pier allows for waves from storms to crash at or above the pier deck.

Adverse weather conditions force the City to close the "T" and often the whole pier due to safety concerns. City fireworks displays on July 4 and December 31 have been forced to move the display apparatus off of the "T" for safety reasons as well. This causes the fallout area of the fireworks to be larger thus shifting the public further away from the pier. It also increases the potential of damage to native grasses and homes near the beach.

The City contracted with the West Florida Regional Planning Council to help identify the regional impact of building a new pier in Mexico Beach. The WFRPC utilized REMI Software to determine the Pier could stimulate the region by 327.5 million dollars over the period of 2019 to 2030. The 7.4 million dollar investment could yield a 35% annualized return on investment through 2030. In addition, the regional job market could increase by 3,644 private non-farm jobs during the same period.

Engineering and permitting are expected to take close to one year with construction taking just over a year. Upon the completion of the pier, the City of Mexico Beach Public Works Department will be responsible for maintenance.

**Funding and Budget (as provided by the applicant)**

5. Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal.

<b>A Project/Program Costs:</b>	
Example Costs (Note: Not exhaustive list of possible Cost categories.)	
Construction	6,300,000.00
Reconstruction	0
Design & Engineering	254,775.00
Land Acquisition	0
Land Improvement	0
Equipment	0
Supplies	0
Other (specify) Monitoring, Supervision and 10 % contingency	885,227.00
<b>Total Project Costs:</b>	<b>\$7,440,002.00</b>
<b>B. Other Project Funding Sources:</b>	
Example Funding Sources (Note: Not an exhaustive list of possible Funding Sources.)	
City/County	840,002.00
Private Sources	0
Other (e.g., grants, etc.)	2,900,000.00
<b>Total Other Funding:</b>	<b>\$3,740,002.00</b>
<b>Total Amount Requested:</b>	<b>\$3,700,000.00</b>

The Mexico Beach Community Development Council has pledged their financial support. At this point the financial match has not been determined. Mexico Beach is actively seeking funding partners including State appropriations, Restore Act funds and other available grants.

**Letters of Support**

Mexico Beach Community Development Council