

WINTER HAVEN COMMUNITY REDEVELOPMENT AGENCY

Annual Report

Fiscal Year 2003-2004

The following information is a summary of the activities of the Winter Haven Community Redevelopment Agency for Fiscal Year 2003-2004. This information has been compiled utilizing monthly reports submitted to the City Manager's Office, Financial Reports provided by the City's Finance Department, and meeting minutes of both advisory committees and the CRA Board.

FY 2003-2004 Financials

<u>District</u>	<u>Downtown</u>		<u>Florence Villa</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<u>REVENUES</u>				
Ad Valorem Taxes-City	\$362,060	\$377,726	\$62,828	\$64,470
Ad Valorem Taxes-County	400,171	417,552	70,283	71,268
Interest Earnings	<u>1,500</u>	<u>3,898</u>	<u>500</u>	<u>1,643</u>
Total	\$763,731	\$799,176	\$133,611	\$137,381
<u>EXPENDITURES</u>				
Administration	\$223,704	\$134,853	\$136,646	\$71,972
Debt Service	475,506	475,506	36,639	36,639
Winter Haven Main Street	52,000	52,000	-0-	-0-
Purchase Smith Property	-0-	-0-	-0-	14,543
Skate Board Park Equipment	25,000	25,000	-0-	-0-
Transfer to General Fund	90,000	90,000	27,600	27,600
Transfer to 2002 Construction	-0-	85,961	-0-	-0-
Total	\$866,210	\$865,820	\$200,885	\$150,754
Excess of Revenues over <under expenditures>		\$<66,644>		\$<13,373>
Beginning Fund Balance		<u>87,444</u>		<u>73,308</u>
Ending Fund Balance		\$20,800		\$59,935

Notes:

In 2002, the City created a construction fund within the budget to manage funds dedicated towards capital projects. At the end of the Fiscal Year, the fund is comprised of the following:

- \$2,808,085 Avenue "T" Improvement Project
- \$289,000 Lake Howard Trail
- \$714,061 Central Avenue and Central Park Improvement Project
- \$1,050,589 Rails-To-Trails

Main Street Winter Haven received \$52,000 from the CRA. \$37,000 was for operations and \$15,000 for development of Downtown Design Guidelines. At the end of the Fiscal Year, the Guidelines had not been completed.

Total expenditures for operations and administration were \$206,825. Included in this line item are salaries and benefits. The following are the positions funded:

- CRA Director (100%)
- Executive Assistant (25%)

The CRA Transferred \$25,000 to the City's Engineering Division to go toward the expense of a full time Construction Manager to monitor construction of Central Avenue, Central Park and other redevelopment projects.

FY 2003-2004 Tax Increment Revenues

The primary funding source for the Winter Haven Community Redevelopment Agency (CRA) is tax increment revenues. Tax increment revenues for FY 2003-2004 were calculated based on the Polk County Property Appraiser's Office 2003 Redevelopment Reports.

For the Downtown District, the 2003 taxable value was \$228,192,765. This produced a tax increment of \$795,278. For the Florence Villa District, the 2003 taxable value is \$49,305,496. This produced a tax increment of \$135,738.

Debt Service

In January 2002, the City of Winter Haven issued \$9.645 million of par value bonds resulting in \$9.513 million in net revenues. \$8.513 million was deposited in the 2002 Construction Fund for a variety of redevelopment projects. Of the bond moneys, 70% or \$6.580 million are for CRA projects. In FY 2003-2004, the CRA expended \$512,145 for debt service. A list of projects being funded with bond moneys is as follows:

Projects	CRA	Debt Service FY 03-04	% of Debt Service
Library	\$2,680,000	\$174,488	40.73%
Downtown Improvements	\$2,700,000	\$175,791	41.03%
Florence Villa Improvements	\$450,000	\$29,298	6.84%
Chain of Lakes Trail	\$500,000	\$32,554	7.60%
Lake Howard Trail	\$300,000	\$3,255	0.76%
Swimming Pool	\$200,000	\$13,022	3.04%
Total Bond Funded Projects:	\$6,580,000		
Allocation of Debt Service:		\$428,408	70.00%

Avenue "T" Improvement Project

The *Avenue "T" Improvement Project* was initiated in 2001 through a recommendation by the CRA's Florence Villa Advisory Committee. With guidance from the CRA Board and the Committee, the project was organized into one design phase and three construction phases. The three construction phases consist of Avenue "T" from 1st Street to 11th Street, N.E; Avenue "T" from U.S. Highway 17 to 1st Street; and 1st Street from N. Lake

Silver Drive to Avenue "T."

In February 2002, URS Corporation Southern (URS) was retained as the project's engineering and design consultant for the first phase of the project.

By early 2003, staff had secured \$1.6 million for construction. With cost estimates to complete all work for this first phase, including engineering and design, at \$3.5 million, staff continued to secure additional construction funding.

In December 2003, staff met with the Tampa Electric Company (TECO) and Polk County to discuss prior requests to become funding partners with the City and CRA. From these meetings, TECO agreed to analyze the current electric distribution system and provide estimates for upgrading the system.

In early 2004, Polk County agreed to provide \$400,000 of Community Development Block Grant funds to the project. However, TECO turned down the request and said that any upgrades would have to be provided by the City or CRA. Verizon Communications and Bright House Networks responded the same as TECO to a similar request to upgrade and reconfigure their overhead services.

On May 13, 2004, an "Open House" was held at the Winter Haven Recreation and Cultural Center so the public could review and make comments on the 90% plans. A non-legal ad was placed in the Winter Haven News Chief and City's Neighborhood Division distributed flyers door-to-door inviting the public to attend. Not including staff and City Commissioners, 31 individuals attended the public meeting. There were only a few direct comments to the project. Ms. Barbara Jones requested a traffic study be conducted at 8th Street and Brown Street so that the consultant can properly address traffic concerns for the two schools in the area. Ms. Hattie Wilson was concerned that a new concrete median would obstruct one of the three driveways entering her funeral home business. Ms. Markene Henry requested more trash cans be added.

Over the life of the design phase, URS met with the Florence Villa Advisory Committee five times. In addition to its own on site inspections and research, URS interviewed neighborhood residents and business owners. In all, 56 individuals attended the two formal public meetings.

As a note, when the contractor was selected and a Notice-to Proceed issued, City staff delivered flyers door-to-door notifying the neighborhood of the project start date.

In July 2004, final construction and bid documents were submitted by URS. URS also supplied an updated construction estimate of \$3.5 million. The budget, at that time, included a mix of CRA, City, and Polk County funds totaling \$2.1 million.

To overcome the shortfall in funding, in October 2004 both the CRA Board and City Commission approved resolutions reactivating a Capital Improvement Revenue Note for the Florence Villa District in the amount of \$1,000,000. The terms of the Note are as follows:

- The City of Winter Haven (City) is the lead borrowing agency.
- The principal amount of the Note is \$1,030,000 with the cost of issuance not to exceed \$30,000.
- The financing is a (10) ten year, bank-qualified term loan maturing on October 1, 2014.
- Debt service is payable from Non-Ad Valorem revenues.
- The interest rate will be fixed based on the Bloomberg 6-year U.S. Dollar Swap Curve plus 111 basis points divided by 1.40 (currently equals 3.74%).

In order to reimburse the City for the debt service of the Note, the City and CRA entered into an Interlocal Agreement. The Agreement specifically obligates the CRA to reimburse the City for the Revenue Note.

Because only \$3.1 million is available and the latest cost estimate was \$3.5 million, staff requested URS to review the construction plans in an effort to reduce the construction cost to \$2.5 million. The meeting was successful as a number of items were modified that reduced overall cost while maintaining the quality of the project.

On October 11, 2004, an Invitation-to-Bid (ITB-04-47) was sent to 235 prospective bidders for construction of Avenue "T" Improvement Project – Phase 1. The bid was advertised in the Lakeland Ledger on October 20, 2004. Plans were made available for purchase by PlanWell Enterprise and placed in the Central Florida Builders Exchange Plan Room for review by contractors. In all, seven (7) sets of plans were distributed to construction contractors.

Central Avenue and Central Park Improvement Projects

The *Central Avenue and Central Park Improvement Projects* were initiated in 2001. Both were identified as the number one and two priority projects for the Downtown District.

In 2002, LDR International was hired to develop design concepts and construction documents for both projects. That year, the City issued a Sales Tax Revenue Bond whereby \$2.5 million was dedicated to these projects.

In 2003, Gibbs & Register was selected, through competitive bid, to provide construction services for a lump sum fee of \$2.5 million for the Central Avenue project.

From September 2003 to October 2004, Gibbs & Register completed the following work:

- Reconstructed 8 blocks of concrete sidewalks with new decorative paver bricks
- Replaced a 50+ year old 6" waterline with a new 10" waterline
- Planted over 100 new Oak and Sable Palm trees with ground cover landscaping in new planter boxes
- Installed decorative pedestrian lights, antique style benches, trash receptacles, and bicycle posts
- Milled, paved and striped the roadways
- Constructed four paver brick crosswalks

In November 2003, the City re-bid the Central and Virginia Miller Park portion of the project because the original add-alternate bid was deemed non-competitive. The project was reorganized with the City undertaking several construction related activities, providing the landscaping and hardscape features (i.e. benches, trash receptacles...). Staff secured an additional \$400,000 for this portion of the project. Gibbs & Register was the only bidder at a cost of \$504,000. The bid was again deemed non-competitive and rejected.

Kalemeris Construction was contacted by the City to inquire about taking on the project. Kalemeris responded with a quote of \$312,000, with the City taking on a portion of the work. Kalemeris Construction was the contractor for the City's new Library being built directly adjacent to the two parks. The City accepted the proposal and executed a change order to the Library contract. As of this report, Kalemeris has not completed the project as a number of items remain on the final punch list. Work completed to date includes:

- Reconstruction of the park's sidewalks and fountain plaza area with decorative paver bricks.
- Reconstruction of the old fountain coping.
- Over 40 new Oak and Palm trees planted with ground cover landscaping in new planter boxes.
- Installation of decorative pedestrian lights, antique style benches, trash receptacles, and bicycle posts.

A "Chinaberry Tree" arbor was donated to the City by The Garden Club of Winter Haven in recognition of the Club's 75th Anniversary. The Arbor is a permanent structure reminiscent of a large Chinaberry Tree in the downtown area which served as a gathering place for the City's Founding Fathers and early residents. The Arbor was created by Hedi Hoy and Jeanne Aura, bronze and glass artists from Minnesota. It was installed at the south end of Virginia Miller Park by Kalemeris Construction and City crews.

As of this report, the project has not been closed out due to Central Park project not being completed. Below is the final project budget:

Revenues

1999 Public Improvement Revenue Bond	\$500,000
2002 Sales Tax Revenue Bond	\$2,500,000
CRA 2002 Tax Increment Revenue (Contingency)	\$85,961
Utilities Department - Waterline	\$200,000
Reallocation of Lake Howard Sidewalk funds	\$200,000
Sales Tax Savings	\$50,000
Total	\$3,535,961

Expenses

Consulting Services	\$400,000
Gibbs & Register, Inc.	\$2,022,346
Materials purchased through SSTEP	\$688,848
Sub-Total	\$3,111,194
Central Park Improvements	\$405,258
Total	\$3,516,452

Lake Maude Properties

On May 3, 2004, RFP 04-09 was issued in search of a housing developer for 29 acres near Lake Maude. On August 4, 2004, two sealed bids were opened with Sun Holdings, LLC, bidding \$350,000 and ORB Development, LLC, bidding \$400,000. Background checks were conducted to verify each company's ability to complete the project. Due to the lack of information in the bids submitted, both were rejected.

A preliminary site plan for a future City nature park on an additional 7 acres of land on Lake Maude was prepared. The plan will be utilized as part of a Florida Recreation Development Assistance Program (FRDAP) grant application the City plans to submit in 2005. The site plan identifies the following features:

- .75 mile looped walking path
- Parking lot to support 30 vehicles
- Three picnic areas with pavilions and barbeque pits
- Two fishing piers
- Stormwater treatment pond
- Open area for general activities
- Children's play area

In 2004, the City purchased two additional properties utilizing CRA revenues. The properties are adjacent to the proposed nature park property.

Chain of Lakes Trail (Winter Haven/Lake Alfred Rails-To-Trails)

In FY 2003-2004 the *Chain of Lakes Trail's engineering consultant*, Reynolds, Smith & Hills, Inc. (RS&H), continued to design the trail. The project was slightly delayed as additional survey work was required. The CRA's financial contribution to this project is \$500,000 through the 2002 Sales Tax Revenue Bond Issue.

The trail will be 12' wide with landscaping, lighting, rest areas, benches, trash receptacles and other improvements. It will extend 4 miles between U.S. Highway 17/92 in Lake Alfred and Avenue B, N.W., in downtown Winter Haven utilizing an abandoned CSX railroad corridor.

The budget is currently \$1.1 million. The two main funding sources are Transportation Enhancement Grant funds through Florida Department of Transportation (\$646,000) and moneys from the City's 2002 Sales Tax Revenue Bond issue (\$500,000).

The City was also awarded an acquisition grant through the *State of Florida Office of Greenways and Trails* (OGT) to acquire five additional properties adjacent to the trail corridor. These properties will be utilized to expand the trail, locate possible trail access points and other open space needs. The following is an update of the five properties the City is seeking:

1. **Astute Financial Property** - This is a 2.6 acre triangular piece of property located at the entrance of the Carefree Cove Subdivision along U.S.

- Highway 17. This property was acquired by the State in 2003. The property will be used to expand the trail and/or construct a trailhead.
2. **Salvation Army** - This is a 1 acre piece of property located at the intersection of Martin Luther King Boulevard and Avenue T. OGT and the property owner have agreed to a price. The property will be used to expand the trail and possibly as a site for a future pedestrian bridge.
 3. **Haines City Electric (HCE)** - This is a 415'x15' section of HCE property along Martin Luther King Boulevard that the City is trying to acquire as right-of-way for the trail. The current right-of-way in this section narrows to 5'. HCE is contemplating an offer.
 4. **Todhunter (Florida Distillers)** - This is a 4 acre parcel with an old warehouse that will be used to expand the trail and as a possible site for a future pedestrian bridge. A price has been agreed to and a closing is currently being prepared.
 5. **Bell Trust** (near Lake Rochelle) - An offer was made to the owners and rejected. Further negotiations were terminated.

Winter Haven Area Transit – Bus Terminal

Over the past two years, staff has been working with the Winter Haven Area Transit (W.H.A.T.) Policy Board to locate and construct a new bus terminal in the Downtown District. An ad-hoc selection committee was formed by the W.H.A.T. Policy Board that included CRA and City staff. The goal of the committee was to research and recommend a site to the Policy Board. A site was located near Avenue E and 5th Street, N.W., adjacent to the Chain of Lakes Trail corridor. Polk County staff began efforts to acquire the properties.

In 2003 and 2004, Polk County acquired all the properties needed for the project and retained an architect to design the new facility.

Lake Howard Trail

In September 2003, the City submitted a *Florida Recreation Development Assistance Program* (FRDAP) grant application in the amount of \$200,000 to the Florida Department of Environmental Protection (DEP). The goal of the project is to construct a one mile pedestrian/walking trail along the shores of Lake Howard from Beymer Church to the Lake Howard/May Canal. In 2004, the City was notified by DEP it was not awarded the funds sought.

Despite that setback, the project went forward utilizing \$300,000 of CRA Bond moneys (2002 Sales Tax Revenue Bond Issue). Chastain-Skillman, Inc. was hired to prepare a boundary and topographic survey of the trail's path. The City's Engineering Division began using the survey to design the trail.

The main fieldwork is complete; however, the survey raised title and deed issues on several parcels that are thought to be owned by the City. The City Attorney's Office is currently undertaking title searches to determine property ownership.

Chain of Lakes Complex Land Appraisal

In July 2004, Wheeler & Wheeler, Inc. completed an appraisal of 14 City owned properties at the Chain of Lakes Complex for its "highest-and-best" use. The estimated market value of the 58 usable (or developable land) acres is \$11,100,000. This does not include 16 acres of low land adjacent to Lake Lulu. Additionally, an adjusted depreciated cost of the City's Chain of Lakes Civic Building and Swimming Pool was calculated at \$4,633,020.

Old Winter Haven Public Library

On July 21, 2004, the City sold its old Public Library building to Dr. Ernesto Perez for \$800,000. Dr. Perez was the sole bidder for the property. He plans to convert the building into a medical and professional facility creating 35-40 jobs.

New Winter Haven Public Library

The new Winter Haven Public Library opened in July 2004. The Library was constructed in the Downtown Historic District adjacent to the City's parks to provide an economic boost to Downtown. Since its opening, the usage of the library is up by 25%. The CRA contributed \$2.680 million of the \$5.450 million total project cost through debt service reimbursement to the City.

By-Laws

On February 9, 2004, the CRA Board approved a set of By-Laws.

Lake Howard Stormwater Retrofit Project

In 2003, the City applied for funding from the Southwest Florida Water Management District (SWFWMD) to treat stormwater entering Lake Howard. The Project will install two underground vaults (Continuous Deflective Separation Units) to remove sediment and trash from a 155.6 acre urbanized watershed area. Three (3) outfalls that will be treated are as follows:

- 72-inch pipe that drains most of downtown Winter Haven (watershed area is 95.6 acres) discharging from Pope Avenue.
- 36-inch pipe that drains a 30-acre watershed area north of downtown discharging from Avenue D, N.W.
- 24-inch pipe drains a 30-acre watershed area to the west of downtown discharging from Central Avenue.

Units will be installed underground near the Lake's edge. Removing the trash and debris from the units will be done monthly by the City's vacuum truck. Construction is estimated at \$350,000 to \$500,000, depending on the technology used. The SWFWMD grant will cover 50% of the total project cost with the City and CRA splitting the other 50%.

U.S. Highway 17 Property Acquisitions

In 2003, the Florida Department of Transportation (FDOT) donated two surplus properties to the City that were acquired for the construction of the U.S. Highway 17 "Crossover" project. The Fire Department analyzed the "Tire Kingdom" property and determined it would be a good location for a new Fire Station. However, the 8,211 square foot building on site could not be utilized or retrofitted for the new facility.

The Tire Kingdom building had been in declining state for some time and sustained damage to its roof and doors from the recent hurricanes. The City's Procurement Division received four (4) written quotes with the lowest quote of \$15,900 being submitted by Alpha Excavation. The building will be demolished utilizing CRA funds from the Downtown District in 2005.

In August 2004, the City purchased a ½ acre site from the Denny's Corporation for \$148,600 to construct a new City Fire Station. The site once housed a Denny's Restaurant. Half of the original site was acquired by the FDOT for the U.S. 17 Highway Crossover Project. In 2003, the CRA assisted with the project by hiring Dave Hohman Associates, Inc. to appraise the site at a cost of \$1,500. Combined with the old Tire Kingdom property acquired from FDOT, the City will own/control approximately 1½ acres for the station.

6/10 Corporation Streetscape Project

The 6/10 Corporation (6/10) undertook streetscape construction in City right-of-way on 3rd Street and Avenue B, N.W. adjacent to its new office building. In 2003 and 2004, staff worked closely with 6/10 on a development agreement to reimburse 6/10 the construction costs. The total cost of the improvements was \$214,000. The intent is to reimburse 6/10 utilizing the tax increment funds from 6/10 properties in the area.

Property Acquisitions

In 2004, the City acquired two properties adjacent to the City's Lake Maude Properties utilizing CRA funds at a combined cost of \$14,412. At the time of the purchase, one property had active Code Enforcement violations ranging from overgrown grass and weeds to an unsafe building. After the purchase, one structure was demolished. The properties will be combined with 7 acres that will be developed into the Charles Richardson Nature Park.