

WINTER HAVEN COMMUNITY REDEVELOPMENT AGENCY

Annual Report

Fiscal Year 2004-2005

Financials

The primary funding source for the Winter Haven Community Redevelopment Agency (CRA) is Tax Increment Financing (TIF). TIF revenues are calculated based on the Polk County Property Appraiser's Office Redevelopment Reports that determine the taxable values of the CRA districts.

The 2004 total taxable value for the Downtown District was \$240,378,602 producing TIF revenues of \$959,085. The total taxable value for the Florence Villa District was \$55,571,433 producing TIF revenues of \$223,409.

	<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	\$437,568	\$457,264	\$106,312	\$106,079
Ad Valorem Taxes-County	477,847	498,935	116,100	115,747
Interest Earnings	4,000	2,511	1,500	1,208
Other	25,000	375	0	375
Total	\$944,415	\$959,085	\$223,912	\$223,409
<u>EXPENDITURES</u>				
Administration	\$219,781	\$152,015	\$86,706	\$84,487
Debt Service	503,600	503,600	58,328	58,328
Winter Haven Main Street Paving	50,000	50,000	-0-	-0-
6/10 Streetscape Project	82,976	58,531	-0-	-0-
Central Park Fountain Rec.	100,000	100,000	-0-	-0-
Ritz Theater	13,000	13,000	-0-	-0-
Transfer to 2002 Construction	7,463	7,463	-0-	-0-
Florence Villa CDC	-0-	-0-	115,301	115,301
Demolitions	-0-	-0-	15,000	15,000
Total	7,500	23,988	-0-	-0-
Total	\$984,320	\$908,597	\$275,335	\$273,116
Excess of Revenues over <under expenditures>		\$50,488		\$<49,707>
Beginning Fund Balance		<u>20,800</u>		<u>59,935</u>
Ending Fund Balance		\$71,288		\$10,228

Debt Service

The CRA expended \$561,928 in debt service payments for two redevelopment financings. In January 2002, the City 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 within the CRA Districts. The other financing was a Capital Improvement Revenue Note in the amount of \$1,000,000 for the Avenue "T" Improvement Project.

Avenue "T" Improvement Project

In February 2005, after three years of planning and design, construction of the Avenue "T" Improvement Project got underway. The goal of the project is to restore and rejuvenate Avenue T from 1st Street, N to 11th Street, NE; the main thoroughfare in the Florence Villa Neighborhood. Improvements include:

- Decorative pedestrian lighting
- Benches, trash receptacles and other site amenities
- New sidewalks on both sides of the roadway
- New curb and gutter for improved roadway drainage
- Center landscaped medians with Washingtonian Palms
- Decorative concrete paver bricks in the center turn lane
- Landscaping in the right-of-way to be maintained by the City
- Repaving and striping
- Replacing all TECO wooden power poles with concrete poles and placing utility service drops underground

Project funding was secured in October 2004 when both the CRA Board and City Commission activated a Capital Improvement Revenue Note in the amount of \$1,000,000. Revenue sources for the project are as follows:

City Gas Tax Revenues	\$600,000
City CDBG (FY 04,05,06)	\$600,000
City 2002 Sales Tax Revenue Bond	\$450,000
Capital Improvement Revenue Note	\$1,000,000
Polk County CDBG	\$400,000
FV District Tax Increment (FY 04-05)	\$100,000
Total:	\$3,150,000

In January 2005, Gibbs & Register, Inc. (G&R) was awarded the construction bid in the amount of \$2,394,238. The final project budget is as follows:

Engineering Services - URS	\$400,000
Contractor - Gibbs & Register	\$2,398,238
Utilities	\$250,000
Contingency	\$100,000
Total:	\$3,148,238

A Notice-to-Proceed was issued to G&R on February 15, 2005. Work was organized into three major construction phases. The first phase began on the north side of Avenue T at 1st Street, N proceeding east toward 9th Court. Subcontractors began boring casings for the new electrical and utility services and TECO began replacing the wooden power poles.

By April, G&R completed work on the north side of the roadway and began work on the south side of the roadway (second phase). As TECO replaced poles in various sections, services were transferred to the new concrete poles.

In July, work was completed on the second phase. G&R then began construction on the final center turn lane phase. This phase was the most difficult and time consuming of the

project because it required installing paver bricks for the center turn lane and constructing landscaped medians. Work continued on the electrical services for the new pedestrian lights and service drops. The asphalt subcontractor arrived onsite and began preparation for milling and resurfacing operations.

On August 28, 2005, G&R reached substantial completion.

Work began to slow down in September as TECO crews were transferred to assist with hurricane recovery in other areas of the state and country. The landscape subcontractor faced supply problems as plant materials were destroyed by the recent hurricanes.

In October, the center turn lane work was completed. After a City inspection, it was determined that the new paver bricks were not set at the proper elevation and held storm water in excess of design parameters. G&R began testing and resetting the pavers where water was ponding.

At the end of the fiscal year, G&R had not reached final completion per the construction contract; however, the roadway itself was 100% complete with traffic flow unrestricted.

Central Avenue and Central Park Improvement Projects

The streetscape portion of the Central Avenue and Central Park Improvement Projects was completed in late 2004. An official Ribbon Cutting Ceremony was held on October 14, 2004, at which over 100 members of the public attended.

The remaining design features originally planned for both projects were completed in 2005 to include Central and Virginia Miller Parks. A new stone veneer and interior mosaic tile were installed on the fountain, and the final asphalt overlay (removed from the original project due to cost) was completed.

The final cost for both projects came to \$3,507,366.

Tire Kingdom

In 2003, the Florida Department of Transportation (FDOT) donated two surplus properties to the City. The properties were acquired by FDOT for construction of the U.S. Highway 17 "Crossover" Project. The Winter Haven Fire Department analyzed the "Tire Kingdom" property and determined it would be an excellent location for a new main fire station.

The 8,211 square foot building on site could not be utilized or retrofitted for the new facility. It had been in declining state for some time and sustained damage to its roof and doors from the 2004 hurricanes. The blighted building was demolished utilizing Downtown District funds.

Winter Haven Main Street Operations and Façade Grant Program

The partnership between the CRA and Winter Haven Main Street continued in FY 2004-2005. Main Street received an allocation of \$50,000 of CRA moneys. \$30,000 was dedicated as operating capital to promote the central business district and \$20,000 for

façade improvements to downtown businesses.

Lake May Development

On March 14, 2005, the City Commission approved the sale of 5.6 acres of City property at 7th Street, SW and Avenue E, SW for \$1,250,000. The site is located on the shores of Lake May and housed the City's Utility and Engineering Services Department for many years.

This project began in late 2004 when the Maxcy Development Group (Maxcy) presented a vision to the City of a condominium development on Lakes May and Howard. Maxcy proposed to build two 90-unit buildings approximately ten to twelve stories in height with a dry-dock boat marina and other community amenities. Maxcy estimated the value of the development to be between \$50 and \$100 million at build-out depending on market conditions.

Staff reviewed the project and determined it is consistent with the *CRA Downtown Redevelopment Plan* and the more recent *Urban Lakefront and Economic Revitalization Study*. Both documents recommend the property be made available for private development.

After the City Commission approved the sales contract, Maxcy began to acquire additional properties in the area to include Osborne Marina.

Assuming a taxable value at build-out of \$50 million, the taxes paid would be approximately \$722,000 annually based on current millage rates. Since the project is located within the CRA Downtown District and the City property had no taxable value assigned per the Polk County Property Appraiser's Office, nearly all the Ad Valorem taxes paid annually will be tax increment for the CRA.

Planned Unit Development (PUD) Code Change

In September 2005, the City Commission approved Ordinance O-05-76, amending the Code of Ordinances to eliminate the minimum area requirement for Planned Unit Developments (PUD). Formerly, all PUD's were required to be a minimum of 10 acres in size, regardless of location. This requirement was burdensome in established parts of the City where 10 acres could not easily be assembled. The anticipated outcome of the change is higher quality redevelopment projects in the central core of the City.

Lake Maude Senior Affordable Housing RFP 05-47

In May 2005, the City issued RFP 05-47 in search of a developer to purchase and develop a senior affordable housing facility on the 29 acres commonly referred to as the Lake Maude Properties. In June 2005, bids were opened from BNG Partners, Inc. of Ovideo, FL and the Carlisle Group of Miami, FL.

BNG's proposal included an offer to purchase the property for \$400,000 or \$13,793 per-acre. They proposed to construct 160 one and two bedroom condominium style apartments surrounding a five acre lake. The total development cost is reported to be \$15,397,615.

Carlisle partnered with the Florence Villa CDC to submit a proposal to purchase the entire

property for \$290,000 while donating 16 acres back to the City for construction of a senior community center and other recreation amenities. With the donation factored in, the per-acre price is \$22,307. Carlisle proposed to develop an affordable senior rental complex with 180 one and two bedroom units in four buildings.

Staff reviewed the proposals and determined that neither proposal represented current market pricing for the area and were rejected.

6/10 Corporation Streetscape Project

In 2003, the 6/10 Corporation (6/10) and the City partnered to streetscape portions of 3rd Street, NW and Avenue B, NW adjacent to 6/10's new AG Edward's office building. Although the general concept to have 6/10 undertake construction with the CRA reimbursing 6/10 was approved; a formal agreement was never approved due to differences in the proposed terms.

In 2005, a formal agreement was finalized and approved by the CRA Board. The total amount of the reimbursement to 6/10 is \$214,000. The CRA made a lump-sum payment of \$100,000 in 2005. Future annual payments will be based on tax increment revenues received on specific 6/10 properties in the area.

Transportation & Parking Master Plan

In 2003, the City applied for a Federal Legislative Appropriation in the amount of \$3,000,000 to construct a parking garage, and redesign several side streets, to accommodate increased traffic resulting from the improvements made to Central Avenue.

In 2004, the City was awarded \$99,410 as "seed money" to develop a parking study to determine future parking needs. The City entered into a Local Agency Program Agreement with the Florida Department of Transportation to administer the funds and hired Kimley-Horn and Associates to prepare the study.

After studying the project area, Kimley-Horn prepared a Scope-of-Services that addressed the need for a comprehensive parking master plan that included the following:

- Inventory of Existing Transportation and Parking Facilities
- Quantify Transportation and Parking Demands
- Identify Transportation and Parking Opportunities and Solutions
- Identify Potential Parking Garage Locations and Prepare a Conceptual Layout
- Develop Implementation Strategies
- Prepare new Parking Policies and Strategies
- Present the findings to the CRA Board for approval

Kimley-Horn and Associates was 90% complete with the Transportation and Parking Master Plan at the end of FY 2004-2005. Their findings proved that Downtown Winter Haven, as a whole, does not have a parking shortage; however, in certain areas along Central Avenue and around the parks, parking is at capacity throughout most of the work-week. Kimley-Horn identified the need to add smaller pockets of parking throughout the area instead of constructing one or two main parking facilities. They recommended the City and/or CRA

partner with developers to construct multi-level parking as part of larger redevelopment projects.

Transportation Improvement Program

The City resurfaces many miles of roadways throughout the year. The FY 2004-2005 CRA budget included \$82,976 to resurface portions of 4th Street, NW, 5th Street, NW, Avenue B, NW, Lake Howard Drive and the public parking lots adjacent to the Post Office and the Winter Haven Recreational and Cultural Center. The actual cost to the CRA was \$58,531.