

City of Orange City
Community Redevelopment Agency (CRA)
FY 17/18 Annual Report



March 26, 2019

OVERVIEW

In 2014, the City Council of Orange City, Florida established a Community Redevelopment Agency (CRA), in accordance with the Community Redevelopment Act of 1969, to implement a Community Redevelopment Plan to remove the conditions of slum and blight that exists within a large portion of the City's core and the adjacent historic district. The City Council serves as the CRA board and performs the legislative functions, governing duties and corporate responsibilities of the agency. The City Manager, or designee, serves as the director of the agency, performs the administrative duties and oversees the day to day operations of the agency. Several City departments, including Development Services, Finance, and Public Works, provide assistance in planning and implementing project activities that are designed to revitalize and restore the identified blighted areas.

PURPOSE

As stipulated in Florida Statute chapter 163.356(3)(c), each Community Redevelopment Agency is required to file an annual report of activities for the preceding fiscal year. This report, which is being filed to comply with that requirement, includes a description of projects, activities and expenditures as well as a financial statement setting forth the assets, liabilities, income, and operating expenses of the Orange City CRA as of the end of fiscal year 2017-2018.

A VISION FOR REDEVELOPMENT

On April 24, 2012, the City Council of the City of Orange City adopted Resolution 670-12 determining that portions of the municipality contained blighted conditions as defined in the Community Redevelopment Act making a "Finding of Necessity" as required by Section 163.355, Florida Statutes and designating the Orange City Community Redevelopment Area as appropriate for community redevelopment.

The Redevelopment Area is confined to a specific area along and adjacent to US 17-92 (Volusia Avenue) within the City of Orange City in Volusia County, Florida. This area boundary was delineated due to blighted conditions, such as: underutilized land uses, faulty lot layouts, deteriorating buildings and site conditions, lack of pedestrian facilities, congested and unsafe roadways, and inadequate and deteriorating infrastructure along US 17-92 and surrounding parcels, as identified in the "Finding of Necessity Report". The declining nature of the business community along US 17-92 and the industrial areas within the peripheral, and the housing foreclosures also contribute to the blighted conditions within this area boundary. In addition, based on the 2010 census the City of Orange City has the lowest median household income (\$30,111.00 per household) of any other city in Volusia County, which further demonstrates the need for funding sources, such as the CRA, to direct funds to upgrade deteriorating infrastructure.

The adopted Orange City Community Redevelopment Plan addresses the blighted area conditions observed in the "Findings of Necessity Report" and creates a vision for a sustainable community with commercial/mixed-use areas that offer visitors, businesses and residents a high quality local destination; safe transportation network; pedestrian connections; public space/recreation facilities; and an adequate level of service and infrastructure.

Improvements within the Redevelopment Area benefits the overall west Volusia area by improving the environment adjacent to Blue Spring State Park; reducing septic systems to improve and protect water resources; reversing the declining urban form along US 17-92; and strengthening the commercial viability and overall community livability.

FINANCIAL OUTLOOK

The CRA received its first contribution of increment revenue amount of \$50,735 in FY 14/15, which carried forward to FY 15/16. The CRA did not acquire any assets or liabilities.

In FY 15/16, the CRA generated \$80,378 in increment revenue, plus the FY 14/15 fund transfer for an ending revenue balance of \$131,113. The CRA did not acquire any assets or liabilities.

In FY 16/17, the CRA generated \$140,509 in increment revenue, plus the FY 15/16 fund transfer of \$131,113 and a general fund transfer of \$26,656, the revenue balance totaled \$298,278. The CRA expenses totaled \$278,399 for design of the S. Holly Avenue capital project. The CRA did not acquire any assets or liabilities.

In FY 17/18, the CRA generated \$139,249 in City increment revenue and \$98,286 in County increment revenue for a total of \$237,535. As of September 30, 2018, the CRA fund balance was \$215,453, which included \$156,472 allocation for capital improvement items not covered by the SRF loan, such as light poles, benches, planters, sidewalk outside water improvement areas, etc. The CRA expenses totaled \$22,081, which included \$10,504 in personal services and \$11,577 in design services for the S. Holly Avenue infrastructure improvement project. The CRA did not acquire any assets or liability.

It is anticipated that the CRA will generate \$333,504 in increment revenue in FY 18/19, along with \$58,981 in fund balance transfer, \$156,472 in cash carryforward (the non-SRF items), and \$2,046,144 in SRF loan debt proceeds, for a total revenue budget of \$2,595,101.

The budgeted expenses for FY 18/19 include \$156,472 in construction of non-SRF capital items, \$317,500 in available capital funds, and \$30,000 in façade improvement grant awards.

CRA ACHIEVEMENTS FOR FY 17/18

Mill Lake Park Phase I, II and III

Orange City continued to actively support and participate in the Mill Lake Park project located in the heart of the CRA area. Phase I opened on January 7, 2015 and includes walkways, sidewalks, picnic pavilions, an interactive fountain and a children's splash pad and pervious parking. Phase II excavation and grading of the adjacent 16-acre was completed, transforming an unsightly former FDOT pond into a beautiful 16-acre lake with fountain and four aerators installed to reduce nutrient loading from stormwater to Blue Springs watershed. Phase III extended park amenities around the circumference of the lake include a 12 foot wide 0.8 mile long concrete multi-use path and additional park benches, water fountains, pavilions, picnic benches and pervious parking. The Grand Opening ceremony was held in January 2017. The total project costs of approximately \$6.0 million was funded through various revenue sources and grants. No CRA tax increment revenue was used.

W. French Avenue sidewalk

The French Avenue sidewalk, known as "Little French" is approximately 5,500 in linear feet and connects the City's Valentine Park to state road 17-92. Design began in January 2016. Construction began in November 2018, funded by the Florida Department of Transportation via the Local Agency Program (LAP) with an estimated construction cost of \$667,969. Construction will be completed in May 2019. No CRA tax increment revenue was used.

S. Holly Avenue-CRA Capital Improvement Project Priority

The City prepared engineered drawings for the S. Holly Avenue Streetscape and Urban Design project in FY 16/17. The project includes streetscape, on-street parking, pedestrian crossings, and other urban improvements on South Holly Avenue between Graves Avenue and Blue Springs Avenue. It also provides gravity sewer and reclaimed water services and improves stormwater drainage in the area. The City secured a SRF loan for construction and awarded construction bid, with work beginning in March 2019.

Festivals and Events

The City's downtown area is very active with community events. The City sponsors a movie in the park on the first Friday of the month. In addition, the City holds events to attract people to the downtown core including a Halloween Block Party with a pet costume contest, a light up event, a Christmas Village and Parade, National Night Out, Arbor Day Celebration, the Mayor's Fitness Challenge and Walk to School Events. Other events occur in the CRA that are not sponsored by the City, including University High School's homecoming parade, the African American Heritage Festival and the Volusia Baptist Church's Journey Through Christmas which attracts over 5,000 visitors.

LOOKING FORWARD- FY 18/19

The City's first CRA capital improvement project will begin construction in FY 18/19! The majority of the annual tax increment revenue will go towards the 20-year debt payment. Therefore, at this time the CRA does not anticipate additional large-scale capital improvement projects in the short term. The Board may look for ways to strengthen community participation in the Façade Improvements grant program, as no award has been paid since its creation in FY 16/17.

