

City of Orange City
Community Redevelopment Agency (CRA)
FY 21/22 Annual Report



March 28, 2023



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 2021-2022.

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 had the lowest median household income (\$30,111.00 per household) of any other city in Volusia County, which further demonstrated 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. Total expenditure amount was \$22,082, which included \$10,505 in personal services to administer the program and \$11,577 in additional engineering services for the S. Holly Avenue project. The CRA did not acquire any assets or liabilities.

In FY 18/19, the CRA generated \$196,215 in City increment revenue and \$130,322 in County increment revenue. Other revenue included a \$276,538 in debt proceeds for the S. Holly Avenue project. The total expenditure amount was \$752,923, which included \$10,969 for personal services and \$741,954 for capital outlay related to the Holly Avenue streetscape improvement project. The CRA did not acquire any assets, but did assume SRF loan liability.

In FY 19/20, the CRA generated \$436,931 in revenue, which included \$260,094 in City increment revenue and \$176,837 in County increment revenue. Total expenditure amount was \$325,123, which included \$11,784 in personal services, \$249,005 for S. Holly Avenue improvements not covered by SRF debt proceeds, \$54,994 transfer to general fund for annual SRF debt service, and \$9,340 in façade improvement grant program awards. The CRA fund balance was \$468,960 as of September 30, 2020.

In FY 20/21, the CRA generated \$561,095 in revenue, which included \$337,812 in City increment revenue and \$223,283 in County increment revenue. Total expenditure amount was \$156,623, which included \$11,805 in personal services, \$5,000 in façade improvement grant program awards and \$139,820 in capital expenditures. The CRA fund balance is \$967,166 as of September 30, 2021.

In FY 21/22, the CRA generated \$631,431 in revenue, which included \$381,584 in City increment revenue and \$249,847 in County increment revenue. Total expenditure amount was \$250,355, which included \$13,793 in personal services and \$236,562 in capital expenditures for design of Industrial Park infrastructure improvements and Septic to Sewer engineering services. The CRA fund balance is \$1,268,592 as of September 30, 2022.

It is anticipated that the CRA will generate \$733,240 in increment revenue in FY 22/23. Planned expenditures include approximately \$13,944 in personal services, \$20,000 for façade improvement grant program, \$79,660 for SRF debt service repayment, \$25,000 for design of Gateway Master Sign plan and \$1,814,636 for the next CRA capital improvement project(s).



CRA ACHIEVEMENTS FOR FY 21/22

Holly Avenue-CRA Capital Improvement Project Priority (On-Going)

The project included streetscape, on-street parking, pedestrian crossings, and other urban improvements on South Holly Avenue between Graves Avenue and Blue Springs Avenue. The project is a portion of a much larger Blue Spring Nutrient Reduction project (FDEP), which extended gravity sewer and reclaimed water services to the area and improved stormwater drainage. In December 2017, the CRA Board approved the State Revolving Fund (SRF) 20-year loan commitment for construction of the \$8 million FDEP project, with \$2,046,000 of the total loan belonging to the CRA capital improvement project. Construction began in March 2019 and was completed in June 2020.



In 2021, 16 properties on Holly Avenue and W. Blue Springs Avenue abandoned septic tanks and connected to the new City sewer service. Significantly, this also included the removal of the private sewer package plant at the 1876 Heritage Inn and connected the Fountain View Apartments. Connection and impact fess paid by FDEP grant funding to encourage owner participation.

Holly Avenue (CRA), Phase 1b (SSMP # P1A1-T). This project includes construction of sewer extensions to City Hall Complex, Albertus Drive, Graves Avenue and west of Volusia Avenue making new connections available to an additional 30-40 properties. This \$1,623,304 construction phase is fully funded by various revenue sources. Construction will begin in early 2023.

Holly Avenue (CRA), Phase 1c (SSMP # P1A2). This project includes construction of sewer extensions to the west side of Volusia Avenue serving Antique Alley, W. University, W Central and W Graves (segments from Volusia to Park), and Harden Ave (segment from W. University to W. Graves). This \$2,326,548 construction phase is fully funded by various revenue sources. Construction will begin in early 2023.



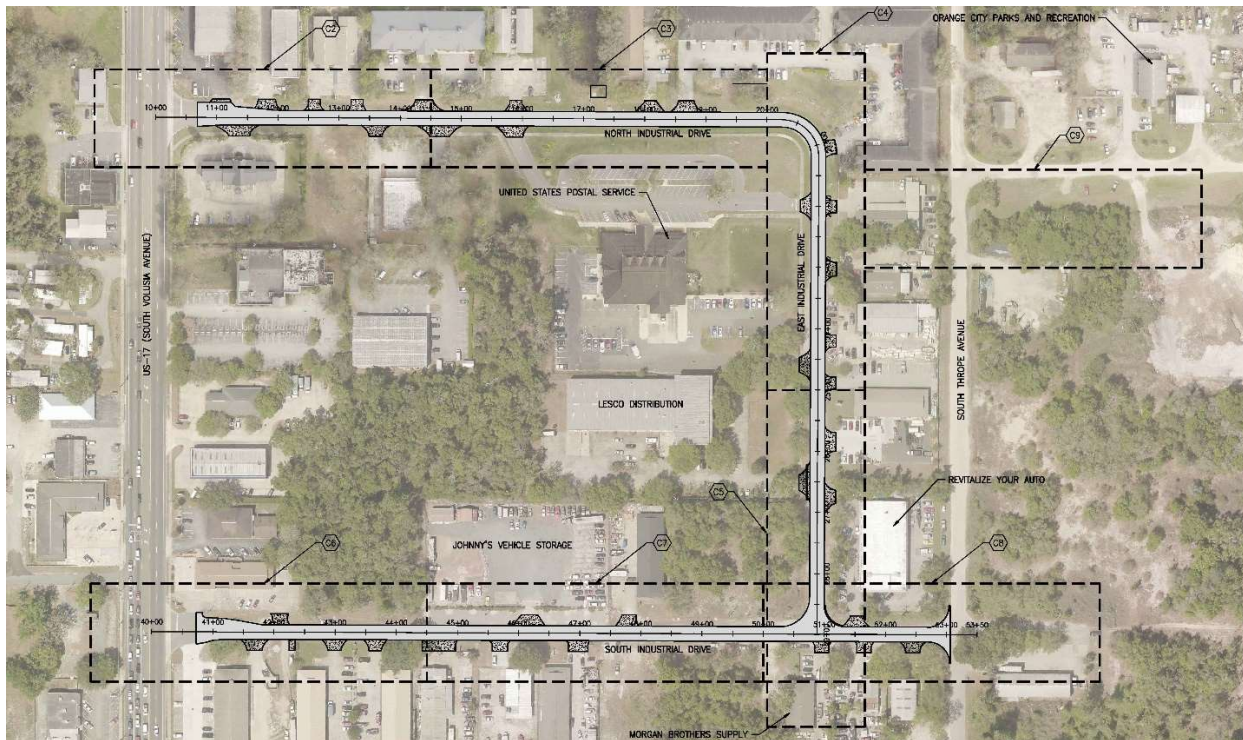
Industrial Drive- CRA Capital Improvement Project Priority (On-Going)

The project area is located primarily within the Orange City Industrial Park, just northeast of the corner of US 17-92 and Rhode Island Avenue and within the CRA boundary. The area was built in a natural depression and suffers from chronic flooding, heavy truck traffic and substandard utility construction. The planned infrastructure improvements include extending reclaimed water mains and services, replacing potable water mains and services, designing a new roadway storm sewer system, replacing a stormwater force main, providing full-depth roadway reconstruction, and adding streetscape and green elements such as rain gardens, plantings, sidewalk improvements/coloring, and adding a bench/pad/trash receptacle at the retention pond along North Industrial Drive.

The CRA Board approved the \$260,120 for design on March 23, 2021.

Final design phase was completed June 2022.

\$4,400,665 construction phase is pending SRF funding, which is scheduled for August 2023.



Gateway Master Sign Plan- CRA Capital Improvement Project Priority (New)

In September 2022, the CRA Board funded the planning phase of the Gateway Master Sign Plan project. Implementing the goals and objectives of the CRA plan, the Board identified the need to create a unified system of signage with a cohesive design language throughout the CRA area. The study will produce concept design plans that strengthen the announcement into the City through visually compelling gateway, parks, historic markers and wayfinding signage. The CRA Board will finalize the Master Sign Plan in 2023, and select the first sign(s) to be installed at various locations based on need and available construction funding.



LOOKING FORWARD- FY 22/23

The CRA will consider partnering with FDOT on urban design upgrades at the US 17/92 and Enterprise intersection. The next Septic to Sewer improvement phase will move into design through various funding sources. Septic to Sewer project # P1A2 construction cost estimate is \$9,686,000. Project includes installing a new lift station at French/Sumner and extending 5,000 linear feet (LF) of 6-inch force main to Blue Springs/Leavitt. Also includes extending 12,700 LF of force main along Volusia Avenue north to SR 472.

