



# CHAPTER 14

## FINANCIAL PLAN



A viable financing program for redevelopment requires a strong commitment from the public and private sector. The key to implementing the public actions called for in our plan is attracting private market investment and the additional ad valorem tax revenue it produces. To carry out redevelopment, the Community Redevelopment Agency will use all available sources of funding from local, state and federal government and the private sector.

It should be noted that the following Financial Plan is intended as a guide for funding redevelopment activities in the Redevelopment Area. Flexibility is essential. The timing, cost and tax revenue impact of private investment is, at best, a projection based upon existing knowledge. Interest rates, construction costs, and national economic conditions will vary and cause revisions in investment decisions.

## **14.1 Funding Sources**

### **14.1.1 Tax Increment Financing**

Redevelopment of the Redevelopment Area will require a substantial financial investment on the part of the Community Redevelopment Agency. As provided for under the Community Redevelopment Act of 1969, the principal source of funding for the Redevelopment Agency will be through the mechanism of Tax Increment Financing.

Tax Increment Financing (TIF) realizes the incremental increase in property tax revenues resulting from redevelopment, and uses it to pay for public improvements needed to support and encourage new development. TIF is designed to allow local government to finance, over a term of years, front-end costs involved in the redevelopment of blighted areas. By using this tool a local government can develop and adopt a redevelopment plan, repave or reroute streets, provide other public improvements and open space, provide housing, provide redevelopment assistance or incentives and acquire property within the redevelopment area for redevelopment. Eligible activities, under current law, include but are not limited to, the acquisition of land and improvements, relocation of displaced residents, demolition of deteriorated structures, site preparation, infrastructure improvements plus housing and commercial development and other activities implementing this plan.

The Redevelopment Trust Fund was established in 1982 for the purpose of funding redevelopment projects within the 1982 Redevelopment Area. With the expansion of the Redevelopment Area in the 1990 plan, projects within the expansion area also became eligible to receive funding from the Redevelopment Trust Fund. All funds deposited into the Downtown District Trust Fund shall be available to the Redevelopment Agency in the Downtown District for any lawful purpose as provided in the Act to further the provisions of this plan.

The greatest single source of funding for the Community Redevelopment Agency will come from tax increment revenues determined by growth in certain real property tax revenues within the Redevelopment Area. For the purpose of calculating the amount of tax increment revenues, the base value for the purpose of calculating tax increment in the original 1982 redevelopment area was established as of January 1, 1981 and the base year for the expanded redevelopment area of 1990 was established as of 1989 in accordance with ordinances enacted by City Council.

Funds appropriated by “taxing authorities” (as defined by the Act) in the amount of 95% of the ad valorem taxes assessed against real property values generated by private investment in the Redevelopment areas for each fiscal year subsequent to the two base years (1981 and 1989) will be deposited in the Redevelopment Trust fund for use by the Redevelopment Agency to finance redevelopment projects identified in this plan.

The projected tax increment has been calculated to reflect the current tax increment base plus the increment anticipated from the current construction activity. This activity includes three major office complexes, two new hotels and the complete renovation of a third, and the completion of five multi-family residential complexes. In addition, a three percent (3%) annual appreciation rate in the overall assessed valuation has been reflected. The grand totals in Table 14-1 provide the anticipated tax increment revenues that will flow to the Redevelopment Trust Fund.

#### 14.1.2 Other Funding Sources

To make the most effective use of Tax Increment Revenues, the CRA and the City will use other City, State and Federal funding sources as appropriate and available to carry out the provisions of this plan. The Financial Plan assumes that funds for the public expenditures identified in the Redevelopment Plan will be obtained from several sources in addition to Tax Increment Financing. The following are some of the major funding sources and programs that the CRA proposes to use in financing the redevelopment projects. These include, but are not limited to:

- Community Development Block Grant
- Capital Improvement Program
- Federal Aid
- Gas Tax

- General Fund
- Wastewater Impact Fees
- Transportation Impact Fees
- Revenue Bonds
- State Aid
- Special Assessments
- Stormwater Utility
- Tourist Development Tax
- Department of Housing and Urban Development
- State Housing Initiatives Partnership
- Home Investment Partnership Program

### **14.2 Proposed Development Projects**

The Redevelopment Plan anticipates extensive public intervention and investment in redevelopment projects by the Redevelopment Agency. Table 14-1 identifies the various project categories and estimated tax increment funds needed for the redevelopment period (2000-2020) to fund the proposed projects. These funding tables are based on the projected \$275,000,000 TIF revenues to be received by the CRA. Included in the revenue projection are funds borrowed by the CRA, with Tax Increment Funds pledged to the repayment. Specific TIF funded projects (2000-2020) are identified in Table 14-2. The total cost of the public improvement program for the duration of this plan (2000-2020) is estimated to be \$250,000,000. The difference between the projected TIF revenues and the estimated project costs will be allocated toward the operation costs for the Community Redevelopment Agency.

The basic premise of the financial plan is that tax increment revenues will provide the necessary revenues to service short-term and long-term debt incurred by the Community Redevelopment Agency to construct the public improvements plus fund other projects and programs identified in the plan.

**Table 14-1: CRA Tax Increment Funding by Project Category, 2000-2020**

PROJECT CATEGORY	TIME PERIOD 00-05	TIME PERIOD 05-10	TIME PERIOD 10-15	TIME PERIOD 15-20	GRAND TOTAL
<b>CAPITAL IMPROVEMENTS</b>					
Total Pedestrian Improvements	\$7,050,000	\$6,800,000	\$3,250,000	\$4,120,000	\$21,220,000
Total Open Space/Beautification	\$2,539,000	\$8,300,000	\$4,500,000	\$4,191,000	\$19,530,000
Total Transportation	\$4,025,000	\$11,400,000	\$24,450,000	\$14,450,000	\$54,325,000
Total Housing	\$12,450,000	\$16,750,000	\$16,750,000	\$18,000,000	\$63,950,000
Total Economic Development	\$21,905,000	\$26,670,000	\$5,150,000	\$4,650,000	\$58,375,000
Total Cultural/Other	\$1,300,000	\$12,000,000	\$10,550,000	\$8,750,000	\$32,600,000
<b>GRAND TOTAL</b>	<b>\$49,269,000</b>	<b>\$81,920,000</b>	<b>\$64,650,000</b>	<b>\$54,161,000</b>	<b>\$250,000,000</b>

Although this Plan shall be effective for thirty (30) years from the date of adoption by City Council, the projects are scheduled over a twenty (20) year redevelopment period (2000-2020).

The time period and amount for each type of capital improvement are estimates as of the time this Plan was adopted. It is possible, and, in fact, likely, that some projects may for a variety of factors extend into one or more time periods before completion or may be accelerated and moved up into a more recent time period. The Community Redevelopment Agency shall have the authority and discretion to make such adjustments to the amounts in each time period as deemed necessary and appropriate to best implement the provisions of this Plan.

### **14.3 Advances and Loans**

The Community Redevelopment Agency shall have the power to borrow money and accept advances from any source, public or private, including the City of Orlando, for any lawful purpose in connection with the redevelopment program. Tax Increment Revenues or any other funds deposited into the Redevelopment Trust Fund which are not otherwise obligated shall be available for repayment of such loans or advances.

### **14.4 Tax Increment Revenue Bonds**

When authorized by the City Council, the CRA may issue redevelopment revenue bonds, notes or other obligations to finance the undertaking of any community redevelopment project activity, including the payment of principal and interest upon any loans and retirement of bonds or other obligations previously issued. The security for such bonds may be based upon the anticipated tax increment revenues and such other revenues as may be legally available.

**Table 14-2: CRA Tax Increment Funded Projects by Category, 2000-2020**

PROJECT/PROGRAM	PLANNING AREA	TIME PERIOD 00-05	TIME PERIOD 05-10	TIME PERIOD 10-15	TIME PERIOD 15-20	Grand Total
<b>PEDESTRIAN IMPROVEMENT</b>						
▪ Develop and Adopt Revised Streetscape Design and Technical Guidelines	All	◆				
▪ Underground Utilities	All	◆	◆	◆	◆	
▪ Central Boulevard Streetscape	CBD	◆				
▪ Orange Avenue Streetscape/Narrowing	Uptown	◆				
▪ Magnolia Avenue Streetscape/Narrowing	Uptown	◆				
▪ Streetscape Matching	All	◆	◆	◆	◆	
▪ Ivanhoe Boulevard/Orange Avenue Streetscape	Uptown		◆			
▪ Colonial Drive Streetscape	All		◆			
▪ Underpass Improvements (I-4 and East-West Expressway)	All		◆	◆	◆	
▪ Pedestrian Safety Improvements (Broadway/Robinson)	Eola	◆				
▪ “Green Links Streetscape” and Gateway Projects	All	◆	◆	◆	◆	
▪ Miscellaneous Projects/Programs	All	◆	◆	◆	◆	
<b>TOTAL PEDESTRIAN IMPROVEMENT</b>		<b>\$7,050,000</b>	<b>\$6,800,000</b>	<b>\$3,250,000</b>	<b>\$4,120,000</b>	<b>\$21,220,000</b>

## DOWNTOWN OUTLOOK

PROJECT/PROGRAM	PLANNING AREA	TIME PERIOD 00-05	TIME PERIOD 05-10	TIME PERIOD 10-15	TIME PERIOD 15-20	Grand Total
<b>OPEN SPACE/BEAUTIFICATION</b>						
▪ Tree Planting	All	◆	◆	◆	◆	
▪ Andersen Park	Uptown	◆				
▪ South Street Park	Parramore	◆	◆			
▪ Lake Olive Park	Eola	◆	◆			
▪ Federal Courthouse/Linear Park	Parramore	◆	◆			
▪ Park Lake Street Linear Park	Uptown		◆			
▪ Park Improvements at OUC/Lake Highland Site	Uptown	◆	◆	◆	◆	
▪ Constitution Green	Eola	◆				
▪ Crescent Park at Osceola Avenue	Eola		◆			
▪ Lake Eola Park Enhancements	CBD/Eola		◆	◆	◆	
▪ Lake Lucerne (West Side)	CBD		◆			
▪ Temporary Park at Livingston and Rosalind	CBD	◆				
▪ Central Boulevard Active Park	Parramore		◆	◆		
▪ Dinky Line	Uptown	◆	◆			
▪ CSX railway landscaping	Uptown		◆			
▪ Robinson/Oakwood/Lee Property Acquisition	Parramore			◆		
▪ Miscellaneous Projects and Programs	All	◆	◆	◆	◆	
<b>TOTAL OPEN SPACE/BEAUTIFICATION PROJECTS</b>		<b>\$2,539,000</b>	<b>\$8,300,000</b>	<b>\$4,500,000</b>	<b>\$4,191,000</b>	<b>\$19,350,000</b>

PROJECT/PROGRAM	PLANNING AREA	TIME PERIOD 00-05	TIME PERIOD 05-10	TIME PERIOD 10-15	TIME PERIOD 15-20	Grand Total
<b>Transportation</b>						
▪ Street Lighting	All	◆	◆	◆	◆	
▪ Anderson St./South St. (two-way I-4 to Westmoreland)	Parramore	◆				
▪ Redirecting Pine Street	CBD	◆				
▪ Division Avenue (Phase I and II)	Parramore	◆				
▪ Traffic Signal Maintenance	All	◆	◆	◆	◆	
▪ Light Rail Transit	All			◆	◆	
▪ Transit Circulator (Uptown to CBD)	Uptown/CBD		◆	◆	◆	
▪ Realignment of Osceola Avenue	Eola		◆			
▪ Transit Circulator to CBD and Parramore	CBD/Eola/Parramore		◆	◆	◆	
▪ Washington Street Streetscape	CBD		◆			
▪ Intermodal Station	CBD		◆			
▪ Commuter Rail Line	CBD		◆			
▪ Additional Public Parking	CBD	◆	◆	◆	◆	
▪ Anderson Street/South Street (two-way Rosalind to I-4)	CBD	◆	◆			
▪ Division Avenue extension (Phase III)	Parramore		◆			
▪ Transit Circulator (north-south route in Parramore)	Parramore/CBD		◆	◆	◆	
▪ Street realignment as part of South Street Park	Parramore		◆			
▪ Signage Maintenance	All	◆	◆	◆	◆	
▪ Fare-free Transit Zone	All		◆	◆	◆	
▪ Miscellaneous Projects and Programs	All	◆	◆	◆	◆	
<b>TOTAL TRANSPORTATION PROJECTS</b>		<b>\$4,025,000</b>	<b>\$16,750,000</b>	<b>\$16,750,000</b>	<b>\$18,000,000</b>	<b>\$54,325,000</b>

## DOWNTOWN OUTLOOK

PROJECT/PROGRAM	PLANNING AREA	TIME PERIOD 00-05	TIME PERIOD 05-10	TIME PERIOD 10-15	TIME PERIOD 15-20	Grand Total
<b>HOUSING</b>						
▪ Amelia Street Property Acquisition	Parramore	◆	◆	◆		
▪ Otey/Federal/Livingston Land Acquisition and Development	Parramore	◆				
▪ South Street Area Land Acquisition and Development	Parramore		◆	◆	◆	
▪ Housing Incentives	Parramore	◆	◆	◆	◆	
▪ Hope VI	Parramore	◆	◆			
▪ Miscellaneous Projects and Programs	All	◆	◆	◆	◆	
<b>TOTAL HOUSING PROJECTS</b>		\$12,450,000	\$16,750,000	\$16,750,000	\$18,000,000	\$63,950,000
<b>ECONOMIC DEVELOPMENT</b>						
▪ Charter School (#1)	Parramore	◆				
▪ Façade Grants	All	◆	◆	◆	◆	
▪ Historic Buildings Preservation Incentive	All	◆	◆	◆	◆	
▪ Commercial/Industrial Screening Incentive	All	◆	◆	◆	◆	
▪ Develop and Adopt Revised Façade Guidelines	All	◆				
▪ Charter School (#2)	Parramore		◆			
▪ Business Relocation Support	Parramore	◆	◆	◆	◆	
▪ Centroplex Improvements/Redevelopment/Arena	Parramore	◆	◆			
▪ Lynx Bus Terminal Reuse	CBD		◆			
▪ Parramore Mixed-Use Incentives	Parramore	◆				
▪ Retail Incentives	All	◆	◆	◆	◆	
▪ Hospitality Incentives	All	◆	◆	◆		
▪ Post Office Parking	CBD	◆				
▪ Florida A&M University School of Law	Parramore	◆				
▪ Conference Center	CBD		◆			

PROJECT/PROGRAM	PLANNING AREA	TIME PERIOD 00-05	TIME PERIOD 05-10	TIME PERIOD 10-15	TIME PERIOD 15-20	Grand Total
▪ Office/Parking	Parramore	◆	◆			
▪ Medical Research and Development	CBD		◆	◆		
▪ Small Area and Urban Design Studies	All	◆	◆	◆	◆	
▪ Crime Prevention Programs plus Crime Prevention Through Environmental Design Projects	All	◆	◆	◆	◆	
▪ Miscellaneous Projects and Programs	All	◆	◆	◆	◆	
<b>TOTAL ECONOMIC DEVELOPMENT</b>		<b>\$21,905,000</b>	<b>\$26,670,000</b>	<b>\$5,150,000</b>	<b>\$4,650,000</b>	<b>\$58,375,000</b>
<b>CULTURAL/OTHER</b>						
▪ Encourage outdoor events featuring local and regional performers	CBD	◆	◆	◆	◆	
▪ Expand noon and evening concerts at Lake Eola	CBD	◆	◆	◆	◆	
▪ Cultural Corridor Support	CBD/Parramore/Eola	◆	◆	◆	◆	
▪ Downtown Arts District Support	CBD	◆	◆	◆	◆	
▪ Florida Center for the Arts and Education	CBD		◆	◆	◆	
▪ African American History Museum	Parramore	◆	◆	◆	◆	
▪ Orange County Regional History Center	CBD	◆	◆	◆	◆	
▪ Miscellaneous Projects and Programs	All	◆	◆	◆	◆	
<b>TOTAL CULTURAL/OTHER</b>		<b>\$1,300,000</b>	<b>\$12,000,000</b>	<b>\$10,550,000</b>	<b>\$8,750,000</b>	<b>\$32,600,000</b>
<b>GRAND TOTAL ALL PROGRAMS/PROJECTS</b>		<b>\$49,269,000</b>	<b>\$81,920,000</b>	<b>\$64,650,000</b>	<b>\$54,161,000</b>	<b>\$250,000,000</b>

◆ Indicates time frame anticipated for project funding. Project timeframe is subject to funding availability.