

Board of County Commissioners

Agenda Request

Date of Meeting: May 5, 2008

Date Submitted: April 24, 2008

To: Honorable Chairman and Members of the Board

From: Benjamin H. Pingree, County Administrator
Andrea B. Simpson, Deputy County Administrator
Tim Barden, Director, Office of Management and Budget

Subject: Board Consideration of Funding Mechanisms Available to Provide Infrastructure Improvements to the Historic Subdivisions of Greiner's Addition, Magnolia Gardens, Lake Ellen Estates and Wakulla Gardens

Statement of Issue:

This agenda item requests Board consideration of the various funding alternatives available to provide infrastructure to the County's "Historic Subdivisions" of Greiners Addition, Magnolia Gardens, Lake Ellen Estates and Wakulla Gardens.

Background:

On February 19, 2008, the Board directed staff to research and analyze options available for the Board to begin infrastructure improvements in Wakulla's historic subdivisions including: 1) road paving, 2) stormwater maintenance, 3) sewer, 4) sidewalks, 5) parks and 6) street lighting (safety). Staff was directed to investigate and identify available and creative funding options to pay for those improvements, including the option of tax increment financing, assessments and other legal and viable funding tools.

Research Methodology:

To comprehensively yet concisely address this wide-ranging assignment, a team of the following individuals was organized to research available and best practices implemented throughout the state with regard to financing infrastructure improvements:

Andrea Simpson, Deputy County Administrator
Tim Barden, Director of the Office of Management and Budget
Lindsay Stevens, Director of Planning and Community Development
Jennifer Langston, Special Projects Coordinator
Cleve Fleming, Director of Public Works (ESG)
Fran Councill, Director of Emergency Medical Services
Scott McDermid, Emergency Medical Services
Scott Joyner, Library Services
Will Wright, Planning Department
Melissa Corbett, Planning Department
Sommer Strickland, Planning Department
Deborah DuBose, County Administration

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The team completed a survey of surrounding and fast growing counties in Florida to determine how these peer counties fund such infrastructure expenses. The counties surveyed included: Bay, Citrus, Clay, Collier, Flagler, Franklin, Leon, Marion, Nassau, Osceola, St. Johns, Sumter, Taylor, Volusia, Walton and the City of Tallahassee. These counties were chosen for several reasons – some for their similarities or proximity to Wakulla County, and others because they were the fastest growing counties in 2007.

Staff met with the Executive Director of the Florida Redevelopment Association regarding Community Redevelopment Agencies. Topics discussed included what CRAs and Tax Increment Financing (TIF) are and how they work, steps necessary to create a CRA, and recent Supreme Court cases and proposed legislation that may impact CRAs statewide. Staff also met with staff from the City of Tallahassee regarding the CRAs they have created in their downtown and Frenchtown areas. Staff attended a conference held by Nabors, Giblin and Nickerson regarding local government revenue sources to further identify viable options. Finally, staff worked diligently and openly to generate new policy alternatives for Board consideration and to boil down the identified “best alternatives” that have successfully been utilized by other Florida jurisdictions to address these similar issues of paying for infrastructure.

The following analysis is broken down into a series of sections. The first provides an overview of Wakulla County's historic neighborhoods and the infrastructure issues that are trying to be addressed by the Board therein. The next sections detail the estimated costs of providing new infrastructure in these neighborhoods and the various funding mechanisms (policy alternatives) explored by staff that could be utilized to pay for those infrastructure improvements. .

Staff's presents this item to the Board for your discussion and review. This is a thorough, yet high level analysis of a number of such viable policy options that could be acted upon. Should the Board wish to pursue any of these policy options, that direction may be provided to staff and additional analysis and action steps will be brought back for further Board implementation at a future date and by future agenda items.

Analysis:

SECTION #1. GENERAL DESCRIPTION OF HISTORIC SUBDIVISIONS:

Wakulla Gardens:

Wakulla Gardens is a platted subdivision that consists of five units and a total of 3,738 platted lots. Wakulla Gardens is generally located north of US 98, east of Spring Creek Highway, south of Shadeville Highway and west of the Wakulla River. Wakulla Gardens was originally platted in between the years of 1961 and 1965 by the Panacea Development Corporation. Many locals relay tales of lots from Wakulla Gardens being sold at county fairs across the United States by real estate speculators promising a retirement haven in beautiful Wakulla County. These stories may in-fact be true, as there are landowners from across the country and around the world represented within the ownership records of Wakulla Gardens.

Wakulla Gardens is generally characterized by its dense hardwood forest. There are several known wetland areas within Wakulla Gardens. Additionally, several karst features have been identified within Wakulla Gardens and some scientists speculate that the underground springs cave system may extend into the vicinity of Wakulla Gardens.

The initial residential development of Wakulla Gardens was relatively slow. Within recent years, local contractors purchased tax deeds, thus beginning heavy development within Wakulla Gardens. To date, 955 building permits have been issued for new homes within Wakulla Gardens. Construction within Wakulla Gardens consists primarily of 900 to 1,300 square foot single-family residences. Unit 3 permits mobile homes to be placed upon lots, however Units 1, 2, 4 and 5 do not allow mobile homes, due to zoning restrictions. Typical lots within Wakulla Gardens are 50' wide and 100' deep. However, some homes are constructed on multiple lots.

Wakulla Gardens Units 1, 2, 4 and 5 are zoned R-1 (Single Family Residential), which allows for 5 site built, single family dwellings per acre of land. Wakulla Gardens Unit 3 is zoned RMH-1(Residential Mobile Homes), which allows for five dwelling units per acre of land and permits both site built homes and mobile homes. The land use designation for all units of Wakulla Gardens is Rural 2. Rural 2 allows 1 dwelling unit per 2 acres of land, where central water service is available. Where central water service is not available, the density is restricted to 1 dwelling unit per 5 acres of land.

Currently, Units 2-4 have public water serviced by Talquin. Only portions of Unit 1 and 5 are served by Talquin's water lines. Those lots within Wakulla Gardens not serviced by public water require well hook-ups for each residential unit. Therefore, the Environmental Health Department must look closely at the placement of septic tanks on an individual lot to ensure that the well system will not be impacted by the septic creating a public health hazard. However, water contamination has been documented within Wakulla Gardens. This problem likely exists due to the dense population serviced by individual septic systems and lack of proper stormwater treatment facilities.

During times of heavy rains, Wakulla Gardens is known for its flooding issues. In 2005, a significant storm even caused severe flooding problems for many residents in Wakulla Gardens. Streets within Wakulla Gardens were blocked by floodwaters, and many residences were subjected to inundation by these floodwaters. As a result, the Board of County Commissioners passed Ordinance 2006-28, which is also referred to as the "Specific Flood Basin Ordinance." This Ordinance requires certain conditions on new homes constructed within this flood basin. The Planning Director is charged with determining if a particular lot is within an area known as the specific flood basin. If the lot is in the flood basin and is also located in FEMA flood zone "C", the home must be constructed with a finished floor elevation that is 12 inches above the crown of the facing road. Those lots that are in the specific flood basin and are also within FEMA flood zone "A" must construct new homes with a finished floor elevation, 18 inches above the crown of the facing road.

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FEMA flood maps indicate that most lots within Wakulla Gardens are located within the areas of the 500-year flood. However, some lots are located within areas of the 100-year flood.

Sanitary sewer service is projected to be available to Wakulla Gardens by 2010 and will be serviced by Wakulla County. Wakulla Gardens does not have paved roads, stormwater treatment, streetlights, sidewalks or conservation areas for sustainable living. Many of the rights-of-way in Wakulla Gardens are opened. However, some roads have been obstructed by karst features.

The County currently has topography contours mapped for the rights of way for all five units of the Wakulla Gardens. These topography maps have assisted staff in identifying parcels which are in the specific flood basin and may contain development constraints because of wetlands and/or karst features.

Magnolia Gardens:

Magnolia Gardens was platted in 1960 by the Panacea Development Corporation. Magnolia Gardens consists of 954 platted lots. Magnolia Gardens is located very close to the urbanizing area of Crawfordville. Generally, Magnolia Gardens is located south of Lower Bridge Road, east of SR 319, west of Rehwinkel Road and north of. If adequate sidewalk facilities existed, a resident of Magnolia Gardens could conceivably walk from their home to the historic downtown Crawfordville commercial area.

Magnolia Gardens contains several suspected karst features, as well as several relatively pristine wetland systems. During the recent real estate boom, most of the new development in Magnolia Gardens was concentrated around the Rehwinkel Road and Tafflinger Road corridors. However, some new construction inevitably found its way further into Magnolia Gardens, with local developers purchasing lots as portions of large land packages further within the interior of the subdivision.

Magnolia Gardens is zoned RMH-1 (Residential Mobile Homes), which allows for a density of 5 dwelling units per acre of land and permits the installation of mobile homes and construction of site built single family dwellings. However, a restrictive zoning ordinance approved by the Board of County Commissioners in 1993, requires that all mobile homes must be new at the time of installation and may be no smaller than 1,240 square feet of living space.

The Future Land Use Map (FLUM) designation for Magnolia Gardens is Urban 1, which permits density of 2 dwelling units per acre of land, where central sewer and water service is available. Since sewer is not currently available to this subdivision, the Urban 1 Future Land Use designation requires a minimum of 1 residential unit/acre density. If sewer were available to Magnolia Gardens, the density could increase to 2 residential units/acre density.

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To date, 156 building permits have been issued for new homes in Magnolia Gardens. Most lots in Magnolia Gardens are 50' wide, by 100' deep. Like Wakulla Gardens, homes average 1,200 square feet in size.

Currently, portions of Magnolia Gardens are serviced by public water service by City of Sopchoppy, while some lots are still serviced by private wells. Magnolia Gardens is not currently serviced by sanitary sewer. Additionally, Magnolia Gardens does not have paved roads, sidewalks or streetlights.

The Sheriff's Department notified the County that the intersection of Rehwinkle Road and Tafflinger Road, one access point of Magnolia Gardens, is very hazardous because of the dirt runoff from Tafflinger Road (which is unpaved) onto Rehwinkle Road – a paved road. Many of the right-of-ways within Magnolia Gardens deviate from the platted roads and remain forested and undeveloped. This appears to have occurred in an effort to avoid some low-lying or environmentally-sensitive areas.

During severe storms, Magnolia Gardens experiences flooding in the more densely developed blocks and within its low lying areas. Lack of stormwater retention causes standing water within the roadways, which occasionally makes them impassable. FEMA flood maps indicate that some area of Magnolia Gardens are in areas of the 100-year flood plan, while most of the subdivision is determined to be within areas of the 500-year flood plain.

The County does not currently have topography maps for Magnolia Gardens. This lack of information makes it difficult for staff to identify lots that contain potential development constraints, such as wetlands and karst features. Additionally, the specific flood basin ordinance also applies to Magnolia Gardens, as well as many other historic subdivisions in Wakulla County.

Greiner's Addition:

Greiner's Addition is located very near Magnolia Gardens, south of Lower Bridge Road, east of SR 319, west of Rehwinkle Road and north of Magnolia Gardens. Greiner's Addition was platted in 1926, by Greiner Realty Corporation and contains 716 platted lots. To date, 202 building permits for new homes have been issued for Greiner's Addition. The unplatted subdivision known as Logan's Ridge contains a portion of Greiner's Addition. A group of developers created the unplatted subdivision known as Logan's Ridge after purchasing lots packages, much like Magnolia Gardens. The lots within Greiner's Addition range are generally two different sizes: 25'x100' and 50'x100'. Greiner's Addition is zoned RMH-1 (Residential Mobile Homes), which allows for 5 site built single family dwellings or mobile homes per acre. Like Magnolia Gardens, the Board of County Commissioners approved an ordinance restricting the use of mobile homes within Greiner's Addition. These restrictions include: improved driveways, porches, shingles roofs and landscaping on certain lots and blocks within Greiner's Addition.

The FLUM designation is Urban 1, which allows for 1 dwelling unit per acre of land, where sanitary sewer and central water service is not available. In areas where sewer and water are available, density permits 2 dwelling unit per acre of land.. Since sewer is not currently available to this subdivision, the Urban 1 Future Land Use designation requires a minimum of 1 residential unit/acre density. If sewer were available to Greiner's Addition, the density could increase to 2 residential units/acre density.

Historically, Greiner's Addition remained fairly undeveloped. In recent years development has increased substantially. There do not appear to be any existing environmentally-sensitive areas in Greiner's Addition, although some may have existed historically. Greiner's Addition is not currently serviced by sanitary sewer. Water service is provided by the City of Sopchoppy. Several roads within Greiner's Addition have been paved by the developer of Logan's Ridge. The remaining rights-of-way remain unpaved within Greiner's Addition. Some platted roadways within Greiner's Addition also remain unconstructed. Sidewalks, streetlights and stormwater treatment facilities do not exist within Greiner's Addition.

In 2005, hurricanes and thunderstorms took their toll on Greiner's Addition, causing flooding issues within the yards, homes and vehicles of citizens who reside there. FEMA flood maps designate Greiner's Additions as falling within the 500-year flood plain and the 100-year flood plain in areas. The specific flood basin ordinance applies to all new construction inside the specific flood basin, in areas within Greiner's Addition.

Lake Ellen Estates:

Lake Ellen Estates was platted in 1963 by the Lake Ellen Development Corporation. Lake Ellen Estates is located west of Crawfordville Highway (SR 319), east of the Apalachicola National Forrest, south of Lake Ellen, and north of Scenic Highway 98. A total of 294 lots are platted within Lake Ellen Estates. Currently, 72 homes exist in Lake Ellen Estates. Lot sizes within Lake Ellen Estates generally consist of 50' x 100' foot lots. Much like Wakulla Gardens, these lots were known to be obtained at County Fairs around the United States. During the 1960's, Seineyarding was very prominent in Wakulla County and travelers came from around the Country to participate in these activities. It was the Lake Ellen Development Corporation's intent for this subdivision to be utilized as a campground for these "out-of-towner's" as they tried their luck in the Seineyards.

Lake Ellen Estates is zoned RR-5 (Rural Residential), which allows for 1 site built single family dwelling unit or mobile home per 5 acres of land. The FLUM designation is Rural 2, which allows for 1 dwelling unit per 5 acres of land for homes serviced by private wells. For homes serviced by central water, Rural 2 permits density of 1 dwelling unit per 2 acres of land.

Lake Ellen Estates is not serviced by sanitary sewer. City of Sopchoppy provides water service to almost all lots within Lake Ellen Estates. The roads within Lake Ellen Estates remain unpaved. Stormwater treatment facilities, sidewalks and streetlights are not

available in Lake Ellen Estates. There are known flooding issues within Lake Ellen Estates.

The nature of new development in Lake Ellen Estates consists primarily of single-family site built homes of approximately 1,200 square feet. However, most existing homes in Lake Ellen Estates are mobile homes. All roadways are platted and construed within Lake Ellen Estates. Although the growth rate in Lake Ellen Estates is substantially slower than that of other historic subdivisions with Wakulla County, Lake Ellen Estates is in great need of infrastructure improvements.

Environmentally sensitive areas exist within Lake Ellen Estates, primarily consisting of isolated wetlands and possible karst features. Some flooding does occur during seasonally wet times. Therefore, the specific flood basin ordinance applies to all new construction within Lake Ellen Estates. FEMA flood map indicates that most of Lake Ellen Estates lies with the 500-year flood plain, while some lots lie within the 100-year flood plain.

It should also be noted that the Lake Ellen area is made up a several small recorded and unrecorded subdivisions. The above information pertains specifically to Lake Ellen Estates Unit 1. However, other Lake Ellen Subdivisions are very similar in size, have had similar development activities and are in need of infrastructure improvements.

SECTION #2. COST ESTIMATES FOR PROVIDING INFRASTRUCTURE:

The following table illustrates an estimate of what the infrastructure improvements in the above historic neighborhoods could cost (today's dollars and costs). Due to the variety of ways a park could be constructed (e.g., passive with park benches and green space versus tennis courts or playgrounds) cost estimates are not provided with regard to park upgrades.

Table #1. Infrastructure Cost Estimates (For Planning Purposes Only)		
PAVING, CURBING, SIDEWALKS, STORMWATER and STREET LIGHTING		
<i>Subdivision</i>	<i>Mileage</i>	<i>Cost</i>
Wakulla Gardens	21.82	\$4,909,500
Magnolia Gardens	5.83	\$1,311,750
Lake Ellen Estates	1.55	\$348,750
Griners Addition	4.46	\$1,003,500
Subtotal Roadway:	33.66	\$7,573,500
Table Continued on Next Page		

Table #1. Infrastructure Cost Estimates (Continued)		
SEWER SYSTEM		
<i>Subdivision</i>		<i>Cost</i>
Wakulla Gardens	Project has begun	\$14,000,000
Magnolia Gardens and Griners Addition	Neighborhoods were cost estimated together due to proximity to each other	\$6,091,000
Lake Ellen Estates		\$2,070,000
Subtotal Sewer:		\$22,161,000
TOTAL INFRASTRUCTURE COST BY SUBDIVISION		
<i>Subdivision</i>		<i>Cost</i>
Wakulla Gardens		\$18,909,500
Magnolia Gardens and Griners Addition		\$8,406,250
Lake Ellen Estates		\$2,418,750
(all historic subdivisions)	(w/o parks) Grand Total:	\$29,734,500

In summary, it would cost approximately \$30 million to provide comprehensive infrastructure within each of the listed historic neighborhoods in today’s dollars. If you reduce the funding already programmed by the Board for sewerage all phases of Wakulla Gardens, it results in approximately \$16 M as a target figure required to create all necessary infrastructure within all of the neighborhoods listed. While parks have been excluded from this summary, staff does include a report on them in the analysis below regarding how they could be funded. Additionally, there may be creative ways to utilize those parcels that may otherwise be required for stormwater or other infrastructure purposes to also serve multi-use as “passive” parks or greenspaces, thus minimizing the fiscal impact of adding park costs to the above equation.

The following section presents the Board with viable funding options that may be tapped to pay for such improvements.

SECTION #3. VIABLE FUNDING MECHANISMS / POLICY OPTIONS:

The following pages present funding mechanisms that could be utilized to finance the infrastructure upgrades, all inclusive (e.g. road paving, sewer, stormwater maintenance, sidewalks, street lighting and parks), of the above referenced neighborhoods.

I. Community Redevelopment Areas/Tax Increment Financing

Under Florida law (Chapter 163, Part III), local governments are able to designate areas as Community Redevelopment Areas when certain conditions exist. Since all the monies used in financing CRA activities are locally generated, CRAs are not overseen by the state, but redevelopment plans must be consistent with local government comprehensive

plans. Examples of conditions that can support the creation of a Community Redevelopment Area include, but are not limited to: the presence of substandard or inadequate structures, a shortage of affordable housing, inadequate infrastructure, insufficient roadways, and inadequate parking. To document that the required conditions exist, the local government must survey the proposed redevelopment area and prepare a Finding of Necessity. If the Finding of Necessity determines that the required conditions exist, the local government may create a Community Redevelopment Area to provide the tools needed to foster and support redevelopment of the targeted area.

There are currently 178 Community Redevelopment Areas in the State of Florida. The designation is used by Florida cities of all sizes, from Jacksonville and Tampa to Madison and Apalachicola. Many familiar locations, such as Church Street in Orlando, Ybor City in Tampa and the beachfront in Ft. Lauderdale are successful examples of Community Redevelopment Areas.

The activities and programs offered within a Community Redevelopment Area are administered by the Community Redevelopment Agency. A five- to seven-member CRA "Board" created by the local government (city or county) directs the agency. The Board can be comprised of local government officials and or other individuals appointed by the local government. Although one local government may establish multiple CRA districts, there generally may be only one CRA Board. Each district must maintain separate trust funds, and expend those funds only in that district.

Community Redevelopment Plans

The Community Redevelopment Agency is responsible for developing and implementing the Community Redevelopment Plan that addresses the unique needs of the targeted area. The plan includes the overall goals for redevelopment in the area, as well as identifying the types of infrastructure projects planned for the area that will address issues of blight and stimulate the growth and positive development within the CRA's boundaries.

Examples of traditional infrastructure projects include: streetscapes and roadway improvements, building renovations, new building construction, flood control initiatives, water and sewer improvements, parking lots and garages, neighborhood parks, sidewalks and street tree plantings. The plan can also include redevelopment incentives such as grants and loans for such things as façade improvements, sprinkler system upgrades, signs, and structural improvements. The redevelopment plan is a living document that can be updated to meet the changing needs within the Community Redevelopment Area; however, expanding the boundaries of a CRA, once it is approved, does require additional processes and steps.

CRAs are a very powerful and specifically focused financing tool for redevelopment. CRA Boards do not establish policy for the city or county - they develop and administer a plan to implement that policy. The CRA acts officially as a body distinct and separate from the governing body, even when it is the same group of people. The CRA has certain powers that the city or county by itself may not do, such as establish tax increment financing, and leverage local public funds with private dollars to make

redevelopment happen. The CRA term is limited to 30 years, 40 years if extended. After that time, all revenues (presumably much increased from the start of the CRA) are retained by each taxing entity that contributed to the CRA trust fund.

Tax Increment Financing

Tax increment financing is a unique tool available to cities and counties for redevelopment activities. It is used to leverage public funds to promote private sector activity in the targeted area. The dollar value of all real property in the Community Redevelopment Area is determined as of a fixed date, also known as the "frozen value." This fixed date is usually when the CRA is created. Taxing authorities, those who contribute to the tax increment and "infuse" tax dollars back into the CRA for targeted infrastructure projects, continue to receive property tax revenues based on increases over time. However, they are only able to keep revenues from the frozen value of that baseline year. Any revenues above that amount must be funneled back into the CRA's TIF coffers for expenditure on CRA projects. Formally, any tax revenues from increases in real property value, referred to as "increment," are deposited into the Community Redevelopment Agency Trust Fund and dedicated to the redevelopment area only.

It is important to note that property tax revenue collected by the School Board and any special district are not affected under the tax increment financing process. Further, unlike in some states, Florida taxing entities write a check to the CRA trust fund, after monies are received from the tax collector. So Counties must receive and "book" the revenues as part of their budgets and then also expend these increments annually back to the CRA.

The tax increment revenues can be used immediately, saved for a particular project, or can be bonded to maximize the funds available. Any funds received from a tax increment financing area must be used for specific redevelopment purposes within the targeted area, and not for general government purposes. A recent Supreme Court case, *Strand vs. Escambia County* (case# SC06-1894), requires any CRA or any other local government receiving any increment revenues from a CRA pledging increment revenues to the payment of any debt maturing more than twelve months after the issuance of such debt to have such pledge approved at a referendum. This Supreme Court case has been appealed and the outcome is still pending.

In order to utilize tax increment financing, the Redevelopment Act requires the following actions to be taken:

A public meeting begins the designation process. Several steps will have to be accomplished before the Community Redevelopment Area becomes a reality. These steps are briefly outlined below.

Step 1 - Adopt the Finding of Necessity. This will formally identify the slum or blight conditions (as defined by F.S. 163.355) within the targeted area and establish the area boundary.

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Step 2 - The governing body must create a Community Redevelopment Agency (a "CRA") and its Board of Commissioners. The governing body itself may elect to serve as that Board. Section 163.356; 163.357

Step 3 - Develop and adopt the Community Redevelopment Plan. The plan addresses the unique needs of the targeted area and includes the overall goals for redevelopment in the area, as well as identifying specific projects (F.S. 163.360).

Step 4 - After all the above has been accomplished, the governing body has the OPTION of establishing by ordinance a tax increment trust fund into which affected taxing authorities are obligated to deposit from available monies each year a sum MEASURED BY the amount of ad valorem tax revenues they receive from any increase in the aggregate taxable value of the redevelopment area. Establishment of the Trust Fund enables the Community Redevelopment Agency to direct the increase in real property tax revenues back into the targeted area.

The following table illustrates the taxes collected from the four historic subdivisions in 2007:

TABLE #2 HISTORICAL SUBDIVISIONS	Number of Parcels	2007 Taxable Value	2007 BOCC Millage	2007 Taxes Levied
Magnolia Gardens	733	\$20,223,984	0.00762520	\$154,211.92
Greiners Addition	401	\$18,327,270	0.00762520	\$139,749.10
Wakulla Gardens all units	2,968	\$82,016,671	0.00762520	\$625,393.52
Lake Ellen Estates	159	\$1,489,331	0.00762520	\$11,356.45
Total	4,261	\$122,057,256	0.00762520	\$930,710.99

Preliminary conversations with the Property Appraiser's Office earlier this year indicated that property values in these subdivisions may indeed decrease this year as a result of the faltering housing market. While a follow-up request for opinion on this matter was made at the time of writing this item, unfortunately an estimate on property values for these subdivisions was not ready. However, if you assume a very modest growth rate in these subdivisions over the next thirty years (compounded at 5% annually – low growth for a CRA area), this could generate an estimated \$37M (cumulative) in TIF revenues for infrastructure projects within these areas and as approved by the Board. The buying power of those revenues could be expanded upon if the Board sought to bond those revenues to pay for infrastructure in advance. However, that may also require a countywide referendum per the Strand case.

There are also several bills being considered by the Legislature this year that would impact CRAs in some form or fashion (Attachment #1). However, at the writing of

this item (1 ½ weeks remaining in regular session), it appears that these bill were not having much success this session.

According to the Executive Director of the Florida Redevelopment Association, step one of becoming a CRA (Adopting the Finding of Necessity) typically will take between three to six months to accomplish with a full-time dedicated consultant. The cost for such a consultant would range from \$120,000 to \$140,000 per an estimate received from Kimley Horn and Associates (Attachment #2).

Advantages

- New growth pays for infrastructure improvements.
- Continuing source of funding for infrastructure improvements (up to 30 years).
- Stable source of funding if the community is growing consistently over time.
- If implemented well, CRA's will encourage expanded growth in the area.
- Revenues can be bonded (with approval by electorate by referendum)

Disadvantages

- "Ties up" property tax growth from CRA for up to 30 years
- Property tax growth from CRA will only benefit one segment of the County
- CRAs somewhat unstable at this point in time with pending Supreme Court cases also resulting in added "attention" by Legislature
- Requires a significant study to develop finding of necessity and CRA plan
- Revenues would fluctuate with the level of development activity

II. Impact Fees:

Impact fees are charges imposed against new development to provide for the cost of capital facilities made necessary by that growth. The purpose of the charge is to impose upon the newcomers, rather than the general public, the cost of new facilities necessitated by their arrival. As developed under Florida case law, impact fees must meet the "dual rational nexus" test. First, impact fees are valid when a reasonable connection, or rational nexus, exists between the anticipated need for additional capital facilities and the growth in population. Second, impact fees are valid when a reasonable connection, or ration nexus, exists between the expenditure of the impact fee proceeds and the benefits accruing to the growth from those proceeds.

Impact fees place a portion of the cost of development directly on those who benefit. Increased development and growth within a community typically requires expanded infrastructure. Impact fees are implemented to allow development to "pay for itself" by assessing the costs of transit expansion on the development that the transit system is serving.

Advantages

- Continuing source of funding for capital expenditures.
- Stable source of funding if the community is growing consistently over time
- Generally less political opposition since the fee is a one-time occurrence and not a permanent increase in taxes.
- The burden could be shared by non-residential development, depending upon the basis for the fee.

Disadvantages

- Generates limited amount of funding.
- May discourage new businesses and economic development.
- Requires a significant study to develop impact fee schedule that can be defended from a legal perspective.
- Revenues cannot be used for operating expenses, and may have to be limited to capital costs.
- Revenues would fluctuate with the level of development activity.
- Eliminating or shortening routes that are not cost-effective may become more difficult, since future impact fee revenues from the areas they served would be lost, and refunds of fees already paid might even be required.

The Board currently imposes impact fees in for the following categories: Roads, Corrections, Public Buildings, Library, Parks and Recreation and Law Enforcement. Attachment #3 provides an analysis of current impact fee revenues collected through September 30, 2007.

In 2007, the Board considered a study produced by consultants regarding increasing Wakulla County's impact fees. A total of \$113,881 was paid to consultants to prepare the impact study and ordinance. The Board decided not to raise impact fees, in accordance with this study, on December 3, 2007. However, should the Board wish to reconsider this decision, the impact fee study has a "shelf life" of three years. Significantly, it is estimated that those impact fees, if fully implemented will generate approximately \$750,000 per year for infrastructure projects, countywide. A portion of this total could be utilized for projects within these historic subdivisions.

III. Non Ad-Valorem Assessment/Municipal Services Benefit Unit (MSBU):

A non-ad valorem assessment is a legal financing mechanism or method wherein the County establishes a special district to allow a group of citizens to fund a desired improvement such as utilities, storm water, solid waste and roads. This process allows the property owner to finance the amount of the assessment over a period of time, generally ten (10) to fifteen (15) years depending on the project cost and type of improvements. The assessment will appear annually on the property tax bill as a non-ad valorem assessment.

Two requirements exist for the imposition of a valid assessment:

- 1) The property assessed must derive a special benefit from the improvement or services provided
- 2) The assessment must be fairly and reasonably apportioned among the properties that receive the special benefit.

Many assessed services and improvements have been upheld as providing the requisite special benefit. Such services and improvements include:

- Garbage disposal
- Sewer improvements
- Fire protection
- Street improvements
- Stormwater Management Services
- Water and Sewer Line Extensions

The amount of revenue generated obviously depends on the amount of the assessment. As feasibility study prepared by the firm of Jones-Edmonds for Wakulla County regarding the imposition of special assessment for solid waste disposal estimated that a \$112 annual assessment fee based on an average of 2.6 persons per household in Wakulla County, would generate approximately \$1.3 million dollars in revenue, if applied countywide. The Board has already provided staff direction to proceed with the planning for implementing this non-ad valorem assessment to accommodate future improvements to our solid waste program. Staff has not determined what a non-ad valorem assessment would be for each of the households in these neighborhoods or for these infrastructure improvements. Such action could be begun based upon further Board direction.

Advantages

- Dedicated source of funding.
- No referendum or voter approval required.
- Efficient collection of funds since an MSBU can be placed on tax bill procedures for collecting these taxes is already in place.
- An equitable funding mechanism that can be established to collect funding from only those who are benefiting from the improved service/infrastructure.

Disadvantages

- MSBU revenue could sunset when project debt is paid.
- Increased expectations and scrutiny is expected to result since a line item will appear on the homeowner's trim bill that specifically identifies revenue for infrastructure improvements.
- Tourists do not directly contribute to this local funding source.

IV. Municipal Service Taxing Unit (MSTU):

A Municipal Service Taxing Unit (MSTU) is a specific taxing unit established by the Board of County Commissioners via an adopted ordinance, which derives a specific benefit, for which a levy is imposed to defray part or all of the cost of providing that benefit. The funding is created through a millage rate set by the MSTU enabling ordinance. The boundary of the MSTU may include unincorporated areas of the county, as well as municipalities, subject to the consent by ordinance of the governing bodies of the affected municipalities. This funding source is essentially a mechanism for using ad valorem taxes without counting towards the general millage cap for the county (10 mills). The MSTU does not require a referendum and the governing body of the MSTU would be the Board.

MSTU capital projects may include, but are not limited to:

- Drainage
- Sidewalk Construction
- Road Improvements
- Landscape Beautification
- Lighting

The potential revenue would be determined by the millage rate assigned to the MSTU and also whether the MSTU would be county-wide or the unincorporated area only. Based on the number mills assigned, the approximate revenues that could be generated would be as outlined in Table #3, below.

Millage Rate	MSTU-County-wide	MSTU-Unincorporated Area Only
One Mill	\$667,933	\$528,584
Two Mills	\$1,335,866	\$1,057,168
Three Mills	\$2,003,799	\$1,585,752
Four Mills	\$2,671,732	\$2,114,336
Five Mills	\$3,339,665	\$2,642,921
Six Mills	\$4,007,598	\$3,171,505
Seven Mills	\$4,675,531	\$3,700,089
Eight Mills	\$5,343,464	\$4,228,673
Nine Mills	\$6,011,397	\$4,757,257
Ten Mills	\$6,679,330	\$5,285,841

Note: Figures are based on 2005 study with source data from the Florida Department of Revenue, Florida Property Valuations & Tax Data, December, 2003.

In the last three years, property tax revenues have increased approximately 15 percent per year. Based on that analysis, one mill County-wide could generate approximately \$1,031,050 in revenue or \$803,909 in revenue for Unincorporated Area Only in 2007.

Advantages

- Dedicated source of funding.
- Flexible funding mechanism in terms of geographic coverage and the ability to "tier" the taxing unit based on need, benefit, and other factors.
- No referendum or voter approval required.
- Efficient collection of funds since an MSTU is based on ad valorem taxes and the procedures for collecting these taxes is already in place.
- Established acceptance and support from participating municipalities, given that each has approved MSTU ordinances that stipulate support of the MSTU.
- An equitable funding mechanism that can be established to collect property taxes from only those who are benefiting from the improved service/infrastructure.
- Stable source that has been growing at a rate greater than inflation.

Disadvantages

- All properties within the boundaries of the MSTU are generally taxed equally regardless of whether the homeowners directly benefit from the service/infrastructure that is implemented with the revenues that are collected.
- Homestead and other exemptions will lower tax proceeds as the number of exemptions increase over time.
- Increased expectations and scrutiny is expected to result since a line item will appear on the homeowner's trim bill that specifically identifies revenue for infrastructure improvements.
- May be political opposition to a tax increase if the MSTU generates revenues beyond what was previously funded from the general revenue fund.
- Significant administrative and legal burdens related to the determination and justification of MSTU boundaries, drafting ordinances and resolutions, and possible legal challenges.
- Although an MSTU does not apply to a county's millage cap of 10 mills, it is important to recognize that it does count towards the 10-mill cap of individual municipalities.
- Tourists do not directly contribute to this local funding source.

V. (ELMS) Five Cents Gas Tax:

One alternative funding source would be the imposition of the Environmental Lands Management (ELMS) Five-Cents Gas Tax. Counties can use the additional monies for transportation expenses needed for capital improvements elements of an adopted comprehensive plan, expenditures needed to meet the immediate local transportation problems, and for transportation-related expenditures that are critical for building a comprehensive roadway network. The ELMS gas tax cannot be used for routine road maintenance purposes.

Counties may also pledge the revenues to secure payments of bonds. There was an analysis of revenue options study done by Florida Counties Foundation, Inc. in February, 2005 for Wakulla County. In their analysis, they used 2004 Florida Department of Revenue estimations on the revenue potential of imposing the ELMS tax. The estimation is based on the number of cents the county imposes: between 1-5 cents. Based on the number of cents imposed, the revenue that could be generated would be as outlined in Table #4 as follows.

Table #4. ELMS Five Cents Sale Tax	
Tax Rate	Revenue
One Cent	\$ 114,571.00
Two Cents	\$ 229,142.00
Three Cents	\$ 343,713.00
Four Cents	\$ 458,284.00
Five Cents	\$ 572,855.00

Source: Florida Department of Revenue
Local Government Information Online, December 2004

For the ELMS tax to be a viable option for Wakulla County, time is of the essence. There is a July 1st deadline for passing an ordinance for it to take effect January 1. Should the Board wish to pursue this option, direction could be given to staff to proceed with the scheduling of a public hearing to adopt an ordinance to impose this tax.

Advantages

- Flexible funding that may be used for either transit operating or capital expenses.
- More consistent than funding sources that are annually apportioned as part of the County's budget.
- Spreads part of the tax burden to tourists and visitors.
- Does not require voter approval or referendum if approved by an extraordinary majority of the county commissioners.

Disadvantages

- Currently dedicated by percentage with no guaranteed funding level.
- Not indexed for inflation.
- The State takes a cut off the top to fund certain state transportation programs and for general revenue.
- Revenues fluctuate with the economy and tourism.
- County has already adopted all local option gas taxes.
- Revenues would be adversely affected by increasing fuel prices and improvements in fuel efficiency of vehicles.

VI. Establish Wakulla Springs/Ochlockonee Bay Protection Area:

Wakulla County has numerous natural water resources. Two major such resources are Wakulla Springs and Ochlockonee Bay. While this concept slightly diverges from merely providing infrastructure in historic neighborhoods, Wakulla County could set up a protection area for these two resources to protect the environment that surrounds them. This could be done through a variety of funding mechanisms which are outlined above.

The County could charge a set assessment to fund stormwater, sewer, garbage collection and street paving within the boundaries of this area. In fact, this area could encompass the entire County since protection of Ochlockonee Bay would involve the entire County. A consultant could be hired to tailor this concept further and perform a study to determine the feasibility and the amount of the assessment.

Marion County in central Florida has a Silver Springs protection assessment just for stormwater. They charge \$15.00 dollars per single family dwelling. The Wakulla Springs/Ochlockonee Bay Protection Area could be modeled along the same lines with as many added components as needed or desired by the Board.

The revenues generated from this protection assessment could be used to provide some, not all, of the needed infrastructure in these historic subdivisions such as stormwater, sewer and solid waste collection. This assessment could be used to provide a mechanism to not only acquire the much needed infrastructure, but to benefit the environment by attempting to mitigate those three environmental agitators.

The street paving portion of infrastructure improvements that are needed in these subdivisions could not be addressed by this assessment. A separate source of funding would be needed to provide for that infrastructure. A potential source of funding for street paving is outlined in the next section of this item.

VII. Establish a 10/4/10 Program To Support Infrastructure in Historic S/D:

The Board could further outline and implement a 10/4/10 program to support these projects in historic subdivisions. Accordingly, the Board would annually commit to dedicating 10% of their total Transportation Fund (Gas Taxes) for paving projects in these areas; 4% of their General Fund Revenues could be dedicated to related capital improvements in these areas such as for sidewalks and street lighting projects. Finally, 10% of Wastewater funding could be set aside for sewer expansion projects in these historic subdivisions.

Such an endeavor would require a tremendous commitment by the Board in also making the tough decisions to allow for these earmarks. Additionally, this would require a yearly commitment by the Board to ensure that this funding is earmarked for these projects until completion. But such a program would clearly outline those projects in the plan and could include a bonding component to achieve them over the short term. There would

need to be an assessment done of the County's current outstanding bonds to determine the capacity for this or any other project.

If you look at the actual revenue generated in FY2006/2007 for these three sources, the amount generated based on the percentages for each source would be as follows:

<u>Revenue Source</u>	<u>Actuals FY2006/2007</u>	<u>Percentage</u>	<u>Amount for Projects</u>
Wastewater Operating & Tap	\$1,248,163	10%	\$124,816
General Fund Ad- Valorem	\$10,601,179	4%	\$424,047
Transportation (Gas Taxes)	\$2,040,306	10%	\$204,030
Totals:	\$13,889,648		\$752,893

There would be some off-setting consequences that would need further analysis if this program were to be established:

1. The Gas Tax revenue is a very flat tax. The expenditures in the Road Department most often outpace the growth in gas tax revenue. If 10% of the gas tax revenue were to be utilized for this program, there may need to be an offsetting supplement to the Road Department from the General Fund to support operations.
2. The General Fund Ad-valorem revenues funds most of the Constitutionals Budgets as well as the Board Departments. Decreasing this revenue by over \$420,000 dollars and transferring to capital projects could effect funding for other County programs and services.
3. A portion of the Wastewater revenue is designated to re-pay the State Revolving Fund (SRF) that is being utilized to increase capacity. A portion of the SRF loan will be used to put sewer in Wakulla Gardens. However, if 10% of the revenue is designated to projects in other historical subdivisions, there could be a decrease in the amount of funding for operations.

#4. ADDITIONAL FUNDING ALTERNATIVES:

The following alternatives are available for the various "pieces" of the infrastructure puzzle presented in the beginning of this agenda item that were not fully addressed in the prior sections.

I. Stormwater Funding Alternatives:

Research of other Florida counties indicates the primary source of funding for stormwater improvements to existing subdivisions is a special assessment fee and/or impact fees

either generated from the subdivision directly affected by the improvements or a portion of impact fees collected from the entire county. Wakulla Gardens appears to have some alternatives in funding sources due to its proximity to Wakulla Springs. The following subsections address potential alternatives to fund this type of improvement.

Northwest Florida Water Management District:

The Northwest Florida Water Management District has a grant program available called the Florida Forever Capital Improvement Grant Program. A review of projects approved in the 2007-08 grant cycle, indicates stormwater runoff control improvements as one of the primary focus areas of the program. Categories for project types include stormwater retrofit/enhancement, wetland aquatic or ecological restoration, water reuse, water crossing stabilization and others. NFWMD staff suggested Wakulla County could be considered for funding, based on the Stormwater retrofit/enhancement criteria. The following is a complete description of the program and what types of projects that would be considered for funding by NFWMD.

Florida Forever Capital Improvement Grants:

In 1999, the Florida Legislature passed the Florida Forever Act (Section 259.105, F.S.) which continued the state's long-term commitment to environmental land acquisition, restoration of degraded natural areas, and provision of high-quality outdoor recreation opportunities. While the previous programs of this nature focused almost exclusively on the acquisition of environmentally sensitive lands, the Florida Forever program is somewhat different in that it authorizes the use of a portion of the program funding for certain types of capital improvement projects.

Eligible uses of the Northwest Florida Water Management District's Florida Forever capital improvement funds include:

- a) Projects identified through the District's Surface Water Improvement and Management (SWIM) program.
- b) Stormwater management projects that provide for water quality improvement and stormwater retrofit.
- c) Projects that provide for restoration of aquatic, wetland, or riparian habitats.
- d) Capital improvements that qualify as water resource development projects as defined by Section 259.03(6), F.S. Such projects include improvements that enhance or restore aquifer recharge, facilitate capture and storage of excess flows in surface waters, or promote reclamation, storage, or recovery of water (reuse).
- e) Other activities that would assist in meeting the goals of the Florida Forever Act (§259.105(4), F.S.).

The District seeks proposals from government entities within the jurisdiction of Northwest Florida Water Management District's 16-county area for cooperative or cost-share capital improvement projects that can be completed within two year's. It is anticipated that the next grant cycle will open in the summer of 2008. The District

generally holds informational workshops in July-August. Grant applications are due mid-late October, and winners are typically announced in January of the following year.

The Florida Department of Community Affairs

The Small Cities Community Development Block Grants provides grants to eligible local governments for neighborhood or commercial revitalization and economic development, including infrastructure improvements. Municipalities with populations less than 50,000 and counties with less than 200,000 are eligible. Communities considered for the grant must meet a 51% of the population low to moderate income level. Examples of low to moderate income being \$46,000 or less for a four member household; \$37,400 or less for a two person household. The total grant amount available \$750,000 with a \$250,000 match brought to the table. Additionally, it was suggested by DCA that \$50,000 would be needed for construction plans which should be paid through alternative funding sources such as low interest loans, impact fees or special assessment fees.

Florida Department of Environmental Protection Bureau of Water Facilities Funding

State Revolving Fund Loan Program which provides low-interest loans (3% below current market rate) to local governments for construction of wastewater and stormwater management facilities. A facilities plan is required. Potential funding recipients must submit a request for inclusion on a priority list form. The list for evaluations projects and prioritizes according to the Department's goals and objectives.

DEP also provides funding through the State Nonpoint Source Management Program pursuant to Section 319 of the Federal Clean Water Act. This program brings in about \$9 million per year in federal grant funds that are used to reduce nonpoint sources of pollution in priority SWIM water bodies. The program involves development, refinement, and coordinating program implementation which is carried out by various DEP programs along with programs administered by other state agencies, the water management districts and local governments. Emphasis is on technical assistance and public education about pointless personal pollution.

TMDL Water Quality Restoration Grants

The Department receives documentary stamp funding for the implementation of projects to reduce urban non-point source pollution discharged to impaired waters. These funds are restricted to projects that reduce pollutant loadings to water bodies on the state's verified list of impaired waters or to water bodies with a DEP proposed or adopted TMDL. These funds primarily are used for stormwater retrofitting projects undertaken by local governments. Typically, the Department will provide up to \$1,000,000 in grant funding for these water quality improvement projects. All projects will require a minimum of 50% matching funds.

The TMDL Water Quality Restoration Grant funds primarily are for projects that are ready for construction within the next six to ten months. Land acquisition, design, and permitting should be complete or nearing completion. While the department will not fund these preliminary project elements, the cost of these elements are eligible as matching funds. Most projects will require storm event monitoring to document the project's

effectiveness in removing pollutants. All data will be entered into the Florida BMP database. Projects will be selected for funding based on the following:

- Project will reduce loadings of pollutants of concern discharged to impaired waters (those on the basin specific verified list of impaired waters)
- Anticipated load reduction of the pollutants of concern
- Cost effectiveness of the project in terms of cost per pound of pollutant removed
- Amount of matching funds establishment by the local government of a dedicated funding source for stormwater management, such as a stormwater utility

To apply for a grant, submit project on the TMDL Water Quality Restoration Grant application form. Applications are continually accepted.

Stormwater Utility Fee

A Stormwater Utility fee could be used to generate a comprehensive stormwater management plan for the entire County which would project future community needs and maintenance costs of proposed and existing facilities. Funding for stormwater treatment facilities may be available as part of an overall plan for community restoration but should be considered within the context of the community development future plans. Such a design should probably include an option for rates based on amount and volume of stormwater collected by an individual property for commercial sites.

Fees for most of the stormwater facilities (in the counties surveyed) ranged from \$3.00 to \$5.00 per month per single family dwelling. Further analysis would need to occur to determine a reasonable fee necessary to achieve a comprehensive stormwater management plan for Wakulla County. Staff's initial analysis is that this fee would need to be in the \$10 to \$12 per month range.

II. Parks and Recreation Grant Options:

Research indicates the most popular way to fund park improvements, outside of general revenue funds, is to use state and federal grants. The most prevalent among these are the Florida Recreation Assistance Program (FRDAP), and the Land and Water Conservation Fund (LWCF).

Florida Recreation Assistance Program (FRDAP)

FRDAP is a competitive grant program that funds acquisition and development of land and trails for public outdoor activities. Matching fund requirements can be waived for Wakulla County if a "REDI waiver" is approved. A REDI waiver stands for Rural Economically Disadvantaged Initiative. This designation provides a waiver to all or a portion of the required cash and/or in-kind match for state funded (general revenue) grant programs.

The maximum grant amount at this time is \$200,000. FRDAP funds have been used to fund improvements to Shell Point Beach, Medart Recreation Park, and Newport Park. While FRDAP is by far the most widely used source of alternative funding among the

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counties researched, it isn't applicable for Wakulla at this time as a county is only allowed 3 open projects using FRDAP funds at one time.

Currently, there is legislation being considered regarding increasing the number of active projects allowed from three to four. This is reflected in Senate Bill 84, however, at the time of this writing, it does not have a companion bill in the House.

Senate Bill 84

Outdoor Recreation/Local Govts. Project Grants Increases up to three the number of grant applications a local government may submit to the Department of Environmental Protection under the Florida Recreation Development Assistance Program. Increases up to four the number of active projects expending grant funds during any state fiscal year. Increases the maximum amount, not to exceed \$500,000, of a project grant which may be awarded to a local government under the program, etc. Effective Date: Upon becoming law.

Land and Water Conservation Fund Program

The Land and Water Conservation Fund Program provides grants for the acquisition and development of land for public use. Any governmental entities with the responsibility for providing outdoor recreational sites and facilities for public use are eligible to apply. The maximum amount is \$200,000. This option has been used to improve Medart Park with ball fields, restroom/concession buildings, walkways, and parking. The LWCF has a 50/50 match requirement which can be satisfied by cash, in-kind services, or the value of donated real property owned by the applicant. Grantees will receive funds on a reimbursement basis. Grantees have up to three years to develop the property after purchase of same.

Wakulla County has typically been restricted from using LWCF in the recent past due to budget shortfalls and the inability of the county to meet the required cash match. The minimum match ratio is 80/20.

Florida Communities Trust (FCT) State Grant Program

Another good source for funds is the Florida Communities Trust (FCT) state grant program. Local governments are eligible to apply for funds with most applicants providing a 25% match of the total project cost. However 100% grants are available to counties of less than 75,000 population. FCT grants cover the costs of acquiring land for parks, and greenways. The grants favor projects near developed areas, offer natural resource protection, and offer a variety of recreation enhancements. The application deadline however is in May of each year.

Recreational Trails Program (RTP)

In addition, there is the Recreational Trails Program (RTP) which provides grants for projects that provide, renovate, or maintain recreational trails, trailhead, and trailhead facilities. County governments may apply for this program which is administered by the Florida Department of Environmental Protection, in conjunction with the US Department of Transportation, and the Federal Highway Administration. There are match

requirements of 50/50, 60/40, or 80/20. The higher match that is provided by local government receives more points rewarded.

Wakulla County is using funds from this program to develop nature trails at Mash Island Park along with a future plan to develop equestrian trails at the new equestrian center. The deadline for this grant program is March 31.

CDBG

A further option is the Florida Small Cities Community Development Block Grant Program (CDBG). CDBG is a federal program which provides funding for housing and community development. Neighborhood revitalization is one of the program's 5 primary categories with parks and recreation being an eligible activity. Counties having a population of less than 200,000 are eligible to apply with applications allowed at any time. Grant contracts are written for two year periods.

If Wakulla County wishes to apply for CDBG funds, a Citizen Advisory Task Force must be created and two hearings be held prior to submitting an application. At the hearings, community needs and potential projects must be discussed. Unfortunately, the County can only have one CDBG project open per grant cycle. The Buckhorn CDBG has taken longer than anticipated to complete which makes us ineligible to apply during this year's cycle.

SECTION #5. SUMMARY / CONCLUSION:

Staff was directed to investigate and identify available and creative funding options to pay for infrastructure improvements in four of the County's historic subdivisions. Sections 3 and 4 of the analysis provide viable funding mechanisms and policy options that the Board may consider with regard to this important issue.

One concern worth noting regarding this analysis is that the Historic Subdivisions listed above are not the only subdivisions or neighborhoods in need of improved infrastructure. Should the County act upon improving one or all of these neighborhoods, a precedent may be established that would obligate the County to improving all remaining "blighted" or underserved neighborhoods in the County.

That being said, the above options are presented to the Board for consideration with regard to improving one, or all of the Historic Subdivision mentioned herein. Given the large amount of information provided in this analysis, it is staff's recommendation that a Board workshop may be most appropriate to further discuss this important issue.

Options:

1. Accept staff's report.
2. Schedule a Board workshop to further discuss this item.
3. Do not accept staff's report.
4. Do not Schedule a Board workshop to further discuss this item.
5. Direct staff to pursue one or more funding options, as defined by the Board.
6. Board Direction.

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Recommendation:

Option #1 & #2

Attachments:

1. CRA Legislation
2. Consultant Cost Estimate by Kimley-Horn
3. Current Impact Fee Revenues