

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

FY 16/17 to FY 29/30

Discussion Draft

April 10, 2017

This Discussion Draft is intended to serve as the vehicle for the District Advisory Council, SoDo Main Street Board members, District stakeholders and the City of Orlando to establish ways and means for achieving the City's Vision Plan for the District.

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Downtown South Neighborhood Improvement District

EXECUTIVE SUMMARY.

The Vision of the Downtown South Neighborhood is to continue to become an aesthetically attractive, mixed-use, multi-modal, District of growing economic importance in the City. The Orange/Michigan Shopping area, the Orlando Health Medical campus, the Division Avenue Industrial corridor and the southside neighborhoods all form a vibrant socio-economic area of the community.

The Downtown South Neighborhood Improvement District is a facilitating agency dedicated to protecting and enhancing the quality of life of area residents and employees and growing the economic development of the business community. The District has resources to fund its administration along with plans for design standards, land use entitlements and capital improvement projects. It funds selected services of the SoDo Main Street organization. The primary task of the Administration is to seek and obtain grants, gifts and donations to make capital improvements in the District.

The Finance Plan uses a “Sources and Uses of Funds” analysis that is driven by the District’s Work Program. Partnering with the City of Orlando, SoDo Main Street, OUC, MetroPlan, Lynx and other public and private entities is a foundational approach of the District. The District’s ad valorem tax receipts plus the Orlando Health payment-in-lieu of taxes [PILOT] are sufficient to fund the District’s administration and planning efforts, plus “seed” selected projects to be funded by others through matching grants or short-term loans. The District funds are not, nor will they be, sufficient to fund major infrastructure projects. Partnering is the key to success.

Exhibit 1
Sources and Uses of Funds - Summary
Downtown South Neighborhood Improvement District
FY 16/17 – FY 21/22

	<u>FY16/17 [1]</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>FY19/20</u>	<u>FY20/21</u>	<u>FY 21/22</u>
Beginning						
Fund Balance	\$ 960,000	\$1,161,460	\$ 305,261	\$ 452,691	\$ 512,573	\$ 583,930
Total Annual	554,095	574,401	595,630	617,782	640,857	665,778
Revenue						
Total Annual	352,635	1,430,600	448,200	557,900	569,500	223,200
Expenses						
Closing						
Fund Balance	\$1,161,460	\$ 305,261	\$ 452,691	\$ 512,573	\$ 583,930	\$1,026,508

[1] Estimate based on a partial year

Source: wck planning

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Exhibit 2 Uses of Funds - Summary Downtown South Neighborhood Improvement District FY 16/17 – FY 21/22

	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	FY 21/22
ACTION PLAN 1	\$124,895	\$138,500				
Planning						
ACTION PLAN 2	\$20,450	21,100	21,700	22,400	23,000	23,700
SoDo Main Street						
ACTION PLAN 3	\$90,500	116,500	146,500	157,500	168,500	179,500
Administration						
ACTION PLAN 4: Transit		10,000				
ACTION PLAN 5: Streetscape	\$116,790	150,000	280,000	20,000	20,000	20,000
1. Orange: Grant-to-Pineloch	73,790					
2. Orange: Gore to Grant			110,000			
3. Division: Gore to Mich.	43,000					
4. Michigan: I-4-to-Osceola		150,000				
5. Or/Mich. Beautification			150,000			
6. Tree Replacement/Additions			20,000	20,000	20,000	20,000
7. Underground Utilities						
ACTION PLAN 6		250,000				
Stormwater/Greenway						
ACTION PLAN 7: Wastewater		10,000				
ACTION PLAN 8: Water/Fire Flow		10,000				
ACTION PLAN 9: CPTED [SoDoMS]						
ACTION PLAN 10: Roads		758,000		358,000	358,000	
1. SW Corner, Or. & Mich.		250,000				
2. Orange: Grant-to-Pineloch		358,000				
3. Orange: Gore-to-Grant				358,000	358,000	
ACTION PLAN 11: Housing						
TOTAL	\$352,635	\$1,430,600	\$448,200	\$557,900	\$569,500	\$223,200

Note: Details in Attachment B, Uses of Funds – Details.
Source: wck planning

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PART ONE, OVERVIEW OF THE DISTRICT.

1. Establishment of the District with a Dedicated Funding Source.

The City of Orlando, at the request of many of the District's property owners, established the Downtown South Neighborhood Improvement District in 2011 with Ordinance 2011-28. City Council serves as the Board of Directors and appoints the District Advisory Council.

The purpose of the District is to re-energize the economic potential of this strategic area of the City. Specifically, the District is charged with establishing design standards, improving infrastructure and encouraging investment in fix-up, redevelopment and infill projects.

In 2014, the City initiated a program to seek approval from the District's property owners to establish a funding source for the District. A "Neighborhood Improvement District", as provided in Florida Statutes, was the vehicle selected to authorize an annual levy of up to 2 mills of ad valorem tax on real and personal property. A referendum conducted by mail-in ballot was held between May 5 and May 20, 2014.

The referendum passed and authorized the tax for 15 years...FY 14/15 through FY 29/30. An accompanying Ordinance specified that properties exempt from ad valorem taxes would contribute their share through a Payment in Lieu of Taxes [PILOT]. Orlando Health makes an annual PILOT payment for the duration of the tax authorization.

The role of the District is to recommend vision-driven land development entitlements, infrastructure improvements, budgets, design guidelines and standards that will lead to the economic, physical and social enhancement of the District.

Governing documents that describe the governance system for the District are:

1. The Safe Neighborhood Act, Part IV, Chapter 163,
2. The City Ordinance establishing the District, No. 2011-28 [2011],
3. The District By-Laws adopted by the City Commission as the District Board [2011],
4. The Downtown South Safe Neighborhood Improvement Plan [2013],
5. The South Downtown Vision Plan with the supportive GMP amendments,
6. The South Downtown Vision Plan GMP Sub area policies adopted 2.2.09,
7. The Orange/Michigan Vision Plan [adopted in 2009],
8. The Exploration Committee Final Report adopted 9.20.10 [See Article II, Section 1], and
9. The Advisory Council By-Laws [draft 2017].

2. The Vision for the District.

The vision for the District is to become an attractive, economically productive, multi-modal, high-tech and a well-served location for a wide variety of residential and business uses and activities.

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3. Strategy for Accomplishing the Vision.

As the new innovation economy emerges and as the City, OUC and others develop new ways to provide public goods and services, the District stands ready to serve as a laboratory for “green”, “smart” and creative improvements.

The District places a premium on innovation based on “smart”, “green”, “high tech” infrastructure, assets, policies and programs. As the New Innovation Economy emerges, the District, City, OUC, Lynx and others are developing new ways to provide public goods and services. The District stands ready to serve as an active laboratory for “green”, “smart” and creative improvements.

The role of the District is to recommend vision-driven land development entitlements, infrastructure improvements, budgets, design guidelines and standards that will lead to the aesthetic and economic enhancement of the District.

Fiscal Year 2014/2015 was the first operating year of the District with a dedicated funding source. The basic strategy from the start was to create funding to support a staff and provide planning and “seed” money to leverage other funds that support District projects. The use of other people’s money is fundamental to the success of the District.

In order to leverage the District’s funds for their maximum effect, the District is guided by this *Comprehensive Long-Range Finance Plan*. The *Finance Plan* reflects a comprehensive and long-range approach that uses the District’s funds in two ways: first, to monitor fixed expenses including administering the District, planning and designing improvements and supporting selected activities of SoDo Main Street.

The second area of programming includes specific tasks to establish development standards and guidelines and to “seed” implementation projects with selective grants and loans. Since the District does not, and will not, have sufficient monies to fund the many major infrastructure projects needed in the District, third party funding is essential. Direct City Investment through the City’s annual and capital budgets is an important source of revenue for the District. Grants, donations, gifts and loans also contribute to the financial resources of the District.

Occasionally, the District is in a position to fund all or part of a small vision-consistent capital improvement project. However, the overall strategy is to maintain a core capacity for obtaining funds from third parties to support larger and more significant capital projects in the District.

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4. Strategic Objectives.

The District has specific strategic objectives for the FY 16/17 – FY 21/22 period; the District intends to enable and promote development and re-development within the District to:

- Improve the function and aesthetic quality of Orange Avenue.
 - Grant Street to Pineloch Street, then
 - Gore Street to Grant Street.
- Begin the process of improving Division Avenue and Michigan Street as the important segments of the District's major thoroughfare system.
- Establish productive relationships with Lynx, OUC, MetroPlan, Orange County and others to provide services and facilities in the District consistent with the District vision.
- Initiate activities that will expand the "smart", "green", "high tech" infrastructure in the District, beginning with:
 - The plans for Orange Avenue, Division Avenue and Michigan Street,
 - The District-wide Master stormwater/greenway system and
 - The District-wide Internet service system.
- Accelerate the evolution of the Orlando Health Downtown Campus,
- Protect and enhance the Division Corridor Industrial zone and
- Establish the four quadrants of Michigan/Orange as the community shopping district for the southside of Orlando.

5. Overview of the District's Five-Year Work Program and Budget.

The purpose of the *Comprehensive Long-Range Finance Plan* [the *Finance Plan*] is to harness the financial strength of the existing business and government activities in the District using the authorized ad valorem property tax, the Orlando Health PILOT payments and other sources. The Finance Plan also targets additional sources of revenues to provide funds to create and maintain a strong and high quality system for infrastructure, land development entitlements, security and amenitization within the District.

The goal is to encourage and support job growth, property value growth and economic development in the District. *The Finance Plan* identifies specific sources and uses of funds designed to implement the *South Downtown Vision Plan* and the *City's Growth Management Plan* using the framework of Action Plans provided in the *Downtown South Safe Neighborhood Improvement Plan*.

The District adopts a five year Work Program and Budget annually. The Work Program reflects district-wide activities, support for the SoDo Main Street and the District's administration. Beyond these tasks, the District relies on the Action Plan format of its *Safe Neighborhood Plan* to identify and schedule work. The Work Program and Budget are closely coordinated with the City's annual and capital budgets. Direct City Investment in the District is an important component of the overall program.

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The Finance Plan uses three timeframes.

- The first time period is a six year span designed to coincide with the City of Orlando's Capital Improvement Budget, FY 17/18 – FY 21/22.
- The second period extends to Fiscal Year 29/30 which is the end-point for the property tax authorized by the property owners.
- The third time period is beyond the taxing period and addresses issues of financial sustainability. The tax can be extended beyond 2030 using the proper process pending performance by the District to achieve its objectives. It is anticipated that the Downtown South Neighborhood Improvement District will exist in perpetuity. As a frame of reference, the Downtown Orlando Downtown Development District was established in 1971, over 45 years ago, and it has achieved many important accomplishments due in part to the long-range, comprehensive approach taken by its adherents.

6. SoDo Main Street [SoDoMS].

The City is also supporting SoDo Main Street organization for the purpose of working with stakeholders and specifically with business owners to improve the economic performance of the District's businesses and establish the commercial area as the shopping district for the southside of the City. Working together, Downtown South will assert itself as an important member of the City's special places.

The overall strategy of SoDoMS is to promote and enable the potential for economic prosperity embodied in the District by addressing the development and re-development potential of The District in a holistic and inclusive fashion that relies on the District to address entitlement and infrastructure issues and the Main Street Organization to address business retention and recruiting opportunities using the four pillars of the traditional Main Street program:

- Economic vitality,
- Design,
- Promotion, and
- Organization.

The Downtown South Main Street Organization has a Board of Directors with staff, budget and a work program. Its work and that of the District are closely coordinated.

The underlying strategy of the District and its *Comprehensive Long-Range Finance Plan* is to tap the strength of the District, the City, the private sector and other public sector agencies to provide a sound basis for funding development of the District's infrastructure. The financial program anticipates providing incentives for redevelopment and entitlements that encourage high-density, multi-modal, mixed-use projects that increase the physical attractiveness and economic performance of the District.

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7. Planning, Financial and Administrative Documents.

The administrative, planning and financial documents prepared for the District and Main Street over the years are:

- ***South Downtown Vision Plan, 2008.***
The City commissioned this Vision Plan as the idea of the District was being formulated.
- ***Orange/Michigan Vision Plan, 2010.***
Prepared by the City of Orlando.
- ***The Downtown South Neighborhood Improvement District [2011].***
The District Advisory Council directs staff, working with City staff, to prepare plans, budgets and policies to achieve the District's vision.
- ***The Downtown South Main Street Program [2011]:***
 - Work Plan
 - Budget
- ***The Downtown South Safe Neighborhood Improvement Plan (2013).***
The enabling state legislation requires that the implementation of a neighborhood improvement district be associated with a Safe Neighborhood Improvement Plan that analyses the proposed district and outlines improvements to be made with the funds.
- ***The District's Five Year Work Program [2017].***
The District Advisory Council annually updates its five year Work Program recommendations to the Board of Directors with an Annual Budget for a five year operating budget and capital improvements plan. The Work Program is fully reflected in this comprehensive, long-range finance planning process.
- ***Comprehensive, Long-Range Finance Plan [2017].***
The *Finance Plan*, first drafted in 2010, is comprehensive to include the full range of sources and uses of funds for the activities of the District and its partners. The *Finance Plan* is long-range to best leverage use of the 15 year ad valorem tax authorization to address long-term infrastructure development needs.
- ***Sub Area 12 GMP Policies.***
The City's *Growth Management Plan* has established sub-areas throughout the City. The South Downtown District is substantially within Sub-Area 12. The District works within this framework and proposes policies, from time to time, for the benefit of residents and owners in the District.
- ***Orange Avenue Corridor Planning Study, Pineloch Avenue to Anderson Street.***
North and South Sections, prepared by FDOT.

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PART TWO, DESCRIPTION OF THE DISTRICT.

1. Strategic Location.

The area immediately south of Downtown Orlando has always been generally defined as the area bounded by Orange Avenue, Michigan Street, Interstate 4 and SR 408.

The exact boundaries of the District are more specifically shown on Exhibit 3, Map of the District Boundaries, below. The District as defined is 523 acres in size.

The District's great location, the presence of Orlando Health's Downtown Campus, the SunRail Station and the many commercial and industrial businesses in the area have a potential economic and social vibrancy that has been dormant, in part, due to the lack of organization, land development entitlements and infrastructure. The District was established to address these issues and enable the residents and businesses in the area to enjoy the economic benefits expected to be derived from the District's great location.

The District is ensconced in a larger market area. In order to derive best results, a **planning area** has been assumed to include the area surrounding and connected to the District, including:

- The neighborhoods to the east and south,
- The zone between Gore Street and SR 408,
- The neighborhoods west of I-4,
- Boone High School and Blankner Elementary School, and
- The District's lakes-parks system.

2. Physical Characteristics of the District.

The area immediately south of Downtown Orlando is the site of Orlando Health and its four hospitals plus numerous and varied businesses. There are some 2,000 residents in the area. The area is characterized by four distinct zones: the medical zone in the north; the industrial zone to the west of the rail line, the residential area between Grant Street and Kaley Street; and the shopping district focused around the intersection of Michigan Street and Orange Avenue.

The medical zone is dominated by Orlando Health's Downtown Campus, one of the largest employers in the metro region. It is home to the area's only Level One Trauma Center for adults and pediatrics and is a statutory teaching hospital system that offers both specialty and community hospitals. The hospitals on the Downtown Campus are: Orlando Regional Medical Center; the Arnold Palmer Medical Center, which consists of Arnold Palmer Hospital for Children and Winnie Palmer Hospital for Women & Babies. The campus also hosts the Orlando Health Heart Institute. Orlando Health employs over 8,000 health care professionals on the Downtown Campus.

- The industrial zone is strewn along the Division Avenue Corridor from Michigan Street to Gore Street.
- The residential zone includes the single family neighborhood along West Esther, Harding, Muriel and Grant Streets between Orange Avenue and Lucerne Terrace.

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Immediately south of this neighborhood is a new townhouse complex with the SoDo apartments adjacent to the south. New residential development is happening north of Gore Street and south of Pineloch Street.

- The shopping district features many small shops, stores and restaurants along Orange Avenue and Michigan Street plus two large attractions: The Market at Southside and SODO shopping district.

The 523 acre District, see Exhibit 1 below, is primarily a non-residential, mixed-use area with medical, office, industrial, commercial and institutional activities. While generally non-residential, the District had 1,641 residents in 2010 in two locations: the single-family neighborhood southwest of Kaley Street and Orange Avenue; and the 300 luxury apartments at SoDo.

The main streets that define the District are Orange Avenue, Michigan Street, Division Avenue and Gore Street. Columbia Street, Grant Street and Atlanta Avenue are also important business addresses. Orange and Division provide terrific street access to Downtown Orlando. Regular bus service is limited. The extension of the downtown circulator system to Downtown South will be important. The bike/ped trail system needs expansion and extension.

The land is generally well drained although there is no master stormwater management system for the District. Water and sewer systems are generally available although there are important missing links in the system for adequate fire flows. The District has internet service that could better serve existing and prospective businesses if up-graded.

3. Employment Base of the District.

The major employers in the District are Orlando Health and Mears Transportation Group. Orlando Health's campus hosts over 8,000 employees working in the Heart Institute and the four hospitals with nearly 1,000 beds. Orlando Health has strongly supported the District since its inception.

The Mears Transportation Group occupies a 10+ acre site on the southeast quadrant of Gore Street and Division Avenue that serves as headquarters and the main operations center for its 4,500 person business.

The District hosted a total of over 19,000 employees at 562 unique employers in 2013 as reported in the *Safe Neighborhood Improvement Plan*. The ten firms and organizations listed in the adjacent table accounted for over 80 percent of the jobs in the District.

Major Employers in 2013 Downtown South Neighborhood Improvement District	
Employers	Employees
Orlando Health	8,000
Mears Transportation Group	4,501
Interstate Brands Corporation	700
Quinco Electrical, Inc.	500
Nemours Childrens Clinic	300
Publix Super Market	265
Westminster Towers	260
Yellow Cab Company, Inc.	250
Aramark Uniform Service	160
Ferran Services and Contracting	150
TOTAL	15,801
Source, Downtown South Safe Neighborhood Improvement Plan, 2013.	

Downtown South Neighborhood Improvement District

South Downtown Neighborhood Improvement District Boundary [From Ordinance 2011-28 Amended]

[illegible]

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4. District Parcels and Property Values.

The 523-acre District is parceled into 1,148 parcels of record [January 2017], many of which are very small and must surely be bound with other parcels to form bigger holdings. Notwithstanding the Property Appraiser's records that show many really small parcels, the character of the District is one of small parcels with few developed properties over 5 acres in size. Orlando Health, Mears Transportation Group, The Market at Southside and a few of the industrial sites west of the rail line are sizable. The other properties in the District are typically less than five acres. The dominance of small land holdings necessitates that new development take the form of small scale infill development, redevelopment or land assemblage. In any case, the future of new development and investment will be dominated by small scale building projects at an increased density and height.

Property values have grown. As the table below shows, property in the District has grown from \$378 million in Fiscal Year 2014/2015 to \$415.7 million two years later. The annual increase is almost 5%.

The Orange County tax base grew at a rate of about 10% annually for the same two years. The City's tax base grew by 13% over the same period. This means that the values of lands in the District are declining as a percentage of both the County and the City property values.

Parcel Sizes Downtown South Improvement District		
Parcel Size	Number of Parcels	[%]
Over 5 Acres	10	[0.9%]
5-2 Acres	7	[0.6%]
1-2 Acres	16	[1.4%]
1-0.5 Acres	34	[3.0%]
Less than 0.5	1,081	[94.1%]
TOTAL	1,148	[100.0%]
Source: Orange County Property Appraiser.		

Property Values Downtown South Neighborhood Improvement District [\$ millions]			
	FY14/15	FY16/17	Annual Growth
Taxable Value of Real Property	\$309.4	\$344.3	5.5%/yr.
Taxable Value of Tangible Personal Property [TPP]	68.8	71.4	1.8%
Total Taxable Value	\$378.2	\$415.7	4.8%/yr.
DSNID as % of Orange County Values	0.42%	0.38%	-5.0%/yr.
DSNID as % of City Property Values	1.88%	1.67%	-5.0%/yr.
Source: Orange County Property Appraiser.			

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5. Active District Organizations and Designations.

The City has been very active in seeking designations for the area bounded by the District to promote economic development. The designations applicable to the District are more fully described in Attachment C. While the area has yet to be designated an Economic Development District or Foreign Trade Zone, existing designations are:

- Growth Management Plan Subarea #12
- SoDo Main Street Program [SoDoMS]
- Transportation Concurrency Exception Area
- Brownfield Area
- Enterprise Zone

Designations such as a “Brownfield” area can lead to grant programs not otherwise available for projects in the District. Designations for additional applicable programs will be sought to expand the list of potential sources of funds for District improvements.

6. Future Land Use Designations in the District.

The *Vision Plan*, graphically represented on the following page, outlines future land uses and infrastructure needs for the District along with policies and programs for private entities. The future land use designations reported in the following table indicate ample capacity for growth in the City’s entitlement system.

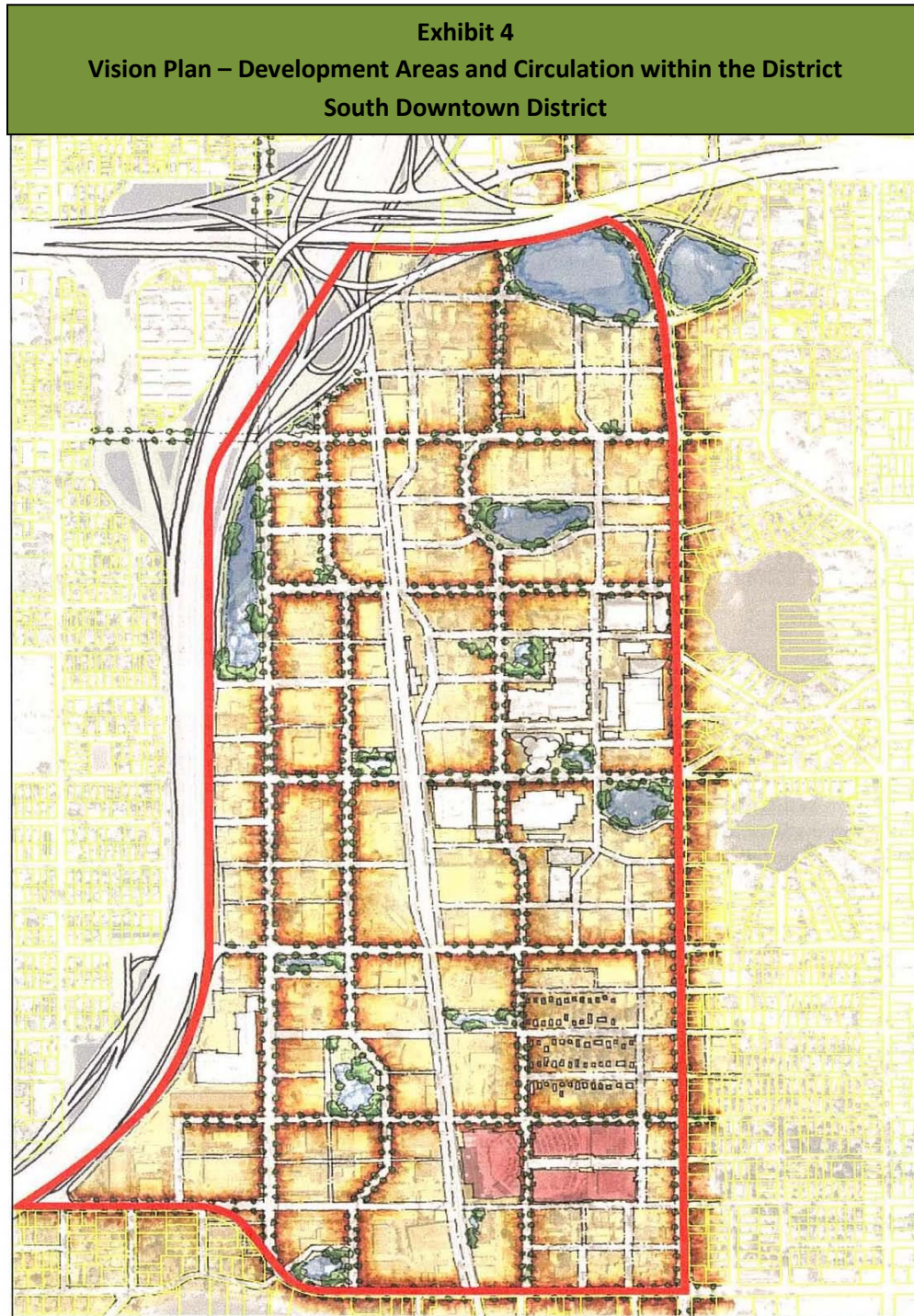
The Maximum Development Capacity Anticipated by the City’s Growth Management Plan				
Land Use Type	Current	Growth	Total	Units
Single Family	77	23	100	Dwelling Units
Multi-Family	623	2,400	3,023	Dwelling Units
Office	1,511,603	2,200,000	3,711,603	Square Feet
Retail/Commercial	302,836	400,000	702,836	Square feet
Hotel	22	400	422	Rooms
Industrial	2,023,196	300,000	2,323,196	Square Feet
Hospital	2,004,066	3,300,000	5,304,066	Square Feet
Public Benefit/Use	38,040	120,000	158,040	Square feet
Source: <i>Downtown South Safe Neighborhood Improvement Plan</i> based on the City’s Growth Management Plan.				

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7. The 2008 Vision Plan for the District.

In 2008, City Council adopted the Vision Plan for The District, see Exhibit 4. In summary, the District is envisioned to become an attractive, higher intensity, mixed-use, multi-modal, economically successful area of the City with enabling land use entitlements and “smart-green” infrastructure.



Source: City of Orlando, *South Downtown Vision Plan, 2008*.

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8. Economic Development Potential of the South Downtown Neighborhood Improvement District

This Comprehensive Long-Range Finance Plan lists specific sources of funds that include proposals for partnerships and private equity. Every proposal is designed to enable improvement to the District's basic infrastructure system necessary to support its economic development Vision.

Features of the *Vision Plan* that support economic development activities are:

- Improved and enhanced community aesthetics and character with designated centers and nodes of activity,
- Improved settings for retail, restaurant and office-based businesses with sufficient parking, on-site and near-site,
- Retained industrial uses with a process to accommodate changes over time,
- Improved and enhanced transportation corridors and connectivity with enhanced multi-modal mobility options,
- Preserved and enhanced neighborhoods including new multi-family housing communities creating workforce housing opportunities, and
- New and enhanced open space and recreation opportunities.

The *South Downtown Vision Plan* was presented to the Orlando City Council in February 2009; it continues to express the aspirations of the City and the District stakeholders. The *South Downtown Vision Plan* reflects an expectation that the South Downtown Neighborhood Improvement District will continue to grow and intensify as an important part of the City as a vibrant, distinctly recognizable, mixed-use, multi-modal neighborhood of residents and businesses that thrive on the synergies afforded by Orlando Health's downtown medical campus, the emerging activity center at Orange and Michigan and other activity nodes throughout the District. Exhibit 4, above, is the graphic representation of the Vision Plan for the District.

- The medical zone is dominated by Orlando Health's Downtown Campus, one of the largest employers in the metro region. It is home to the area's only Level One Trauma Center for adults and pediatrics and is a statutory teaching hospital system that offers both specialty and community hospitals. The hospitals on the Downtown Campus, the Heart Institute and the many physician offices, labs and other support activities constitute the medical zone. This center for medicine promises to become more comprehensive and complex in the future.
- The industrial zone is strewn along the Division Avenue Corridor from Michigan Street to Gore Street.
- The residential zone includes the single family neighborhood along West Esther, Harding, Muriel and Grant Streets between Orange Avenue and Lucerne Terrace. Immediately south of this neighborhood is a new townhouse complex with the SoDo apartments adjacent to the south. New residential development is happening north of Gore Street and south of Pineloch Street.
- The shopping district features small shops, stores and restaurants along Orange Avenue and Michigan Street plus two large attractions: The Market at Southside and SODO shopping district.

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PART THREE: THE DISTRICT'S SIX YEAR WORK PROGRAM AND BUDGET

1. Legislative Authorization for Use of Funds.

The State enabling statute [Ch. 163.514, F.S.] lists a wide variety of uses and activities eligible for funding by the Neighborhood Improvement District. The Advisory Council can make recommendations to the District Board. The following discussion presents how funds can be used when directed to the Action Plans in the Work Program identified in the *Downtown South Safe Neighborhood Improvement Plan*.

- **Land and Buildings** – Funds may be used to plan and design the use of lands and buildings; to purchase or lease properties that support the Vision of the District; or to be “seed” monies in the form of grants or loans to vision-consistent projects.
- **Capital Projects** – Funds for capital improvements may be spent on a wide variety of projects to plan and design projects selected to advance the Vision for the District; or to be “seed” monies in the form of grants or loans to vision-consistent projects.
- **Planning, Design, Branding and Marketing Programs** - Funds for:
 - SoDo Main Street programs and
 - Branding the District as an “Innovation Hub” or similar designation.
- **Grants and Loans** – The District may accept grants, gifts, donations or enter into loans that advance vision-consistent projects in the District.
- **Incentives for Economic Development** – Funds from the array of sources may be used for direct or indirect incentives to actuate economic development that produces high value jobs and new investment.
- **Administer the District** – Funds can be expended for staff salaries, benefits and District operations.

2. Financial Principles.

When allocating resources, the District is guided by the following principles to focus actions on creating a strong sense of aesthetic appreciation, land use entitlements that encourage vision-consistent development and infrastructure systems that are adequately funded, equitably assessed to beneficiaries, encouraging to partnerships and enticing to investors, public and private.

- **Adequate Funding for Quality Infrastructure to Support Economic Development.**

The Vision for South Downtown is that it becomes a more intense, more diverse, well-designed, walkable destination with growing choices of housing, employment, dining, shopping, civic engagement and modes of mobility. Orlando Health’s medical facilities are important drivers for current and future economic development in the District. *The Finance Plan* provides a system for adequately funding the District’s infrastructure to enable and encourage the Vision:

 - The District must have superior hard infrastructure systems, including utilities, internet service and streets, plus the softer services such as public safety and wayfinding.
 - The District must also provide, directly or indirectly, dedicated sources of funds to maintain the facilities and services essential to the success of the District.

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

- **Equitable Sharing of Costs and Benefits among all Beneficiaries.**

The District is composed of a wide variety of stakeholders. Each party that benefits from the public goods and services in the District must, to some extent, pay for services received. A principle used to guide development of the District and the Finance Plan is that each stakeholder should pay an equitable share of the public facilities and services each receives.

- **Promotion of Partnerships.**

The magnitude and complexity of infrastructure is such that many parties need to be involved from a funding, permitting, operating and maintenance perspective. Partnerships between the many parties are critical and the design of efficient partnerships with focused outcomes is necessary to enable the District businesses and activities to prosper. The District depends on grants, donations and gifts to provide enough money for the major improvements necessary for the District's success.

- **Encouragement and Support for Public and Private Investments.**

Investment in businesses, buildings, infrastructure and services is essential for the growth and development of the District. The intent of the District Vision and the Finance Plan is to create an atmosphere that encourages and rewards investment, private and public.

- **Incentives for Vision-Consistent Economic Development.**

Incentives that enable economic development consistent with the mission of the District will be an important part of the financial program.

- a. **Support, financially and otherwise, for "green", "smart", "high-tech" activities.**

- The District is interested in creating more energy than it uses and purifying water entering the District to a higher quality as that water exits the District.
- The District will support investments in trees to improve District aesthetics, create shade and shelter for pedestrians and reduce heat-island effects.
- The District will support programs to improve the water quality in District lakes for recreational use.

3. Sources of Funds: Historic and Projected.

- a. **Historic: FY 11/12 – FY 15/16.**

The financial record of the first four years of the District's existence is provided on the tables below along with the taxable value of the District, the City and the County.

The records for FY 11/12 are not readily available due to a change in the City's accounting systems; but, the first year of operation had minimal expenses. The major financial event was the Orlando Health's financial support which totaled \$350,000 over the three years prior to enactment of the referendum-based special district ad valorem tax, as shown above. From FY 12/13 through FY 15/16 the reports are inconsistent in part due to the tenure of two executive directors during the period and the joint-funding arrangement between the District and the Downtown South Main Street program. The reporting system has been solidified and provides a good base for going forward.

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

Exhibit 5 Taxable Value of District Property, Real + TPP South Downtown Neighborhood Improvement District FY 11/12 - FY 15/16 [thousands of dollars]					
	<u>FY 11/12</u>	<u>FY 12/13</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
District Taxable Property					
• Real Property	na	na	309,420	329,805	344,313
• Tangible Personal	na	na	68,811	72,963	71,433
• Total	na	na	378,231	402,768	415,746
City Taxable Property	na	na	na	20,104,258	22,936,150
District/City Values				0.01881	0.01756
County Taxable Property	na	na	na	90,360,817	109,465,211
District/County Values				0.00418	0.00399
Note: na = the District tax was established in FY 14/15. Source: wck planning using Orange County Property Appraiser data.					

Exhibit 6 District Revenues by Source South Downtown Neighborhood Improvement District FY 11/12 - FY 15/16					
<u>Source</u>	<u>FY 11/12</u>	<u>FY 12/13</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
Property Tax Receipts					
• Real Property				297,989.05	317,540.83
• Tangible Personal				66,062.30	71,196.69
• Total	-0-	-0-	-0-	364,051.35	388,737.52
Orlando Health					
• Contributions	96,728.00	119,751.00	133,521.00		
• OH PILOT				151,666.67	151,666.67
Investment Earnings	-0-	(268.50)	317.20	1,217.07	36,268.42
TOTAL	\$96,728.00	\$119,482.50	\$133,838.20	\$516,935.09	\$576,672.61
Source: wck planning using City's Annual Financial Reports and Orange County Property Appraiser data.					

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

The property value and tax history of the properties now in the District provide a useful foundation for projecting future results. Future revenues will come from several sources: the growth in the value of existing properties to be taxed, the investment in re-developed or new properties that will be added to the tax rolls and monies from external sources.

External sources are an important source of money for the District. A methodology has been used to make projections. External sources include Direct City Investment through its annual and capital budgets. Grants, donations and gifts also provide resources to the District. Goals can be set for the accomplishment of external funding, but actual results happen year-to-year and are difficult to rely upon over the long run. Relationships with external funding sources, grantsmanship skills and matching money all improve the likelihood of successfully obtaining funds from external sources.

The methodology and the results of its employment from Attachment C, Revenue Projections and Methodology. In order to coordinate with the City's CIP, the District program is for six years since The City is now allocating funds for their five year CIP from FY 17/18 through FY 21/22.

Exhibit 7

District Revenue by Source

South Downtown Neighborhood Improvement District

FY 16/17 - FY 21/22

	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22.
District Taxable Property, Real + TPP						
Total (millions)	\$436.0	\$458.0	\$481.0	\$505.0	\$530,0	\$557.0
Property Tax Receipts						
Real + TPP Tax	\$402,428	422,734	443,963	466,115	489,190	514,111
OH PILOT	151,667	151,667	151,667	151,667	151,667	151,667
Total (thousands)	\$554,095	\$574,401	\$595,630	\$617,782	\$640,857	\$665,778

Note: FY 16/17 includes estimated interest earned on account balance.

Source: wck planning, see Attachment C. Revenue Projections and Methodology.

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

4. Historic Uses of Funds: FY 11/12 - FY 15/16.

The uses of funds for the first five years of the District's operation are presented in the exhibit below. The financial experience of the District is reported in its Annual Financial Report prepared by the fiscal officer of the Economic Development Division of the City.

Exhibit 8 District Uses of Funds by Action Plan – “Fixed” South Downtown Neighborhood Improvement District FY 11/12 through FY 15/16					
<u>Source</u>	<u>FY 11/12</u>	<u>FY 12/13</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
Action Plan #1: Planning					
• Professional Services		\$177,751	\$151,072	-0-	-0-
• Other Contractual Services		224		\$ 7,706	\$57,110
• <u>Business Incentives</u>				<u>37,278</u>	<u>12,814</u>
Total		177,975		44,984	69,924
Action Plan #2: Main Street					
• <u>Marketing, Branding</u>			<u>693</u>		
Total			693		
Action Plan #3: Administration					
• Staff Salaries					
• Administrative Services					865
• Operating Supplies				26,000	
• Freight and Postage			565		
• Printing and Binding			616		
• <u>Books, Pubs and Subs</u>		<u>175</u>	<u>175</u>	<u>175</u>	<u>175</u>
Total		175	1,356	26,175	1,040
TOTAL ANNUAL EXPENSES	na	\$178,150	\$153,121	\$71,159	\$70,964
Note: na = Information for FY 11/12 is not available. Source: wck planning using the City's Annual Financial Report for the District.					

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

5. The District's Six-Year Work Program by Action Plan: FY 16/17 – FY 21/22.

- **The Action Plans Framework for the Work Program.**

The Downtown South Neighborhood Improvement Plan was prepared in 2013. *The Plan* recommended eleven Action Plans that provide the framework for the District's Five-Year Work Program that are fully incorporated into the Finance Plan, as discussed below. The Action Plans are:

Action Plan #1 – Planning	Action Plan #7 - Wastewater
Action Plan #2 – Downtown South Main Street [SoDoMS]	Action Plan #8 – Potable Water and Fire Flow
Action Plan #3 – Administration	Action Plan #9 - CPTED
Action Plan #4 – Transit	Action Plan #10 – Roads/Bike-Pedways
Action Plan #5 - Streetscape	Action Plan #11 – Housing
Action Plan #6 – Stormwater/Greenway System	

- **The District's Six Year Work Program by Action Plan: FY 16/17 – FY 21/22.**

The District Advisory Council adopts a Five Year Work Program annually; however, for the first cycle, the Plan is for six years. This is necessitated by the fact that the City is preparing their Five Year Capital Improvement Plan for FY 17/18 – FY 21/22. The District's six year plan aligns its timeframe with that of the City. During the annual adoption process, the District will adjust to the five year cycle and then annually extend its *Finance Plan* to maintain the five year horizon.

The District's Work Program is organized by the eleven Action Plans found in the *Downtown South Safe Neighborhood Improvement Plan*, listed above. The District Work Program uses the 11 Action Plans from the *Safe Neighborhood Improvement Plan*. Action Plans #1, #2 and #3 are administrative and District-wide in nature. Subsequent Action Plans are intended to be specifically construction-oriented including associated project planning, design and implementation expenditures.

The purpose of the Work Program is to focus on vision-consistent activities that enhance and build value in the District. Some projects are completed in one year; others are phased over several years. In all cases, the District's Work Program is fully coordinated with the City's Five Year Capital Improvement Plan and fully integrated into the District's *Finance Plan* to assure that multi-year project funding is anticipated and to have projects "shovel ready" for implementation funding should unanticipated monies become available.

- **Action Plan #1 – Planning.** The purpose of the funds for this Action Plan is directed to the preparation of plans and studies for the entire District. District-wide work includes establishment of development standards and guidelines, economic incentive programs, zoning overlay districts and similar activities for the entire District.

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

- FY 16/17: The District is funding the preparation of development standards and guidelines for public and private development in and adjacent to the major and minor street corridors in the District.
- FY 17/18: The District will propose amendments, as appropriate, to the City's GMP and LDC to reflect the District's standards and guidelines.
- **Action Plan #2 – SoDo Main Street.** The purpose of the funds for this Action Plan include the District's funding support for marketing, branding and related activities of SoDo Main Street.
 - FY 16/17 through FY 20/21: The District funds marketing and branding activities of SoDo Main Street.
- **Action Plan #3 – Administration.** The purpose of this Action Plan is to support the District's staff and administrative expenses.
 - FY 16/17: The District intends to hire a full-time Executive Director during the fiscal year.
- **Action Plan #4 – Transit.** The purpose of this Action Plan is to support District transit service, primarily through Lynx, for residents and businesses in the District. District funds may be used to match monies from other sources.
 - FY 16/17: The District will engage Lynx to prepare a strategy to have Orange Avenue "transit ready" accommodating incremental improvements that will lead to a BRT Corridor.
- **Action Plan #5 – Streetscape.** Uses of Funds for this Action Plan directly fund planning, designing and implementing physical improvements for sidewalks, bikeways, landscape plantings, street furniture and street lights, accessibility for physically handicapped persons and safety improvements. District funds may be used to match monies from other sources.
 - FY 16/17 Design: Orange Avenue streetscape plans for FDOT use in re-surfacing improvements for the segment from Grant Street to Pineloch Street.
 - FY 16/17 Design: Division Avenue cross-sections and streetscape concepts for the segment from Grant Street to Pineloch Street.
 - FY 17/18 Design: Michigan Street cross-section and streetscape concepts for the segment from Interstate 4 to Osceola Avenue.
 - FY 18/19 Design: Beautification of the intersection of Orange Avenue and Michigan Street.
 - FY 18/19 Design: Orange Avenue streetscape plans for FDOT use in re-surfacing improvements for the segment from Gore Street to Grant Street.
- **Action Plan #6 – Stormwater/Greenway System.** Uses of Funds for this Action Plan are directed to preparation of a master stormwater management plan and implementation of a master stormwater system coordinated with a master greenway system. District funds may be used to match monies from other sources.
 - FY 16/17: The District intends to hire a consultant to prepare a Stormwater Master Plan for all or some of the seven drainage basins in the District.

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

- Based on the results of the Plan[s], improvements will be programmed with District, City and other funds. Matching funds will be requested from the City.
- **Action Plan #7 – Wastewater.** Uses of Funds for this Action Plan are directed to planning the master system for the District and to support City efforts to provide an adequate wastewater system for the District. Funds will be used to match funding from the City, other public agencies and private businesses.
 - FY 17/18: The District will retain consultants to work with the City to assess the condition and capacity of the wastewater system in the District to accommodate high density development and redevelopment.
- **Action Plan #8 – Potable Water And Fire Flow.** Uses of Funds for this Action Plan are directed to planning the master water system for the District and to support OUC's efforts to provide an adequate potable water system for the District. A special priority is to encourage OUC to improve fire flows throughout the District. Funds will be used to match funding from the City, other public agencies and private businesses.
 - FY 16/17: The District will work with Orlando Health and OUC, as appropriate, to ensure adequate water service to the Orlando Health campus.
 - FY 17/18: The District will retain consultants to work with OUC to assess the condition and capacity of the wastewater system in the District to accommodate high density development and redevelopment.
- **Action Plan #9 – Crime Prevention Through Environmental Design [CPTED].** Uses of Funds for this Action Plan are directed at ensuring a safe environment for businesses, their employees and their customers. Traffic and pedestrian safety on the streets and transportation systems are addressed in Action Plans #5 and #10. Action Plan #9, CPTED, addresses property crimes such as break-ins, vandalism and burglaries; plus crimes against persons such as customer harassment, robberies and other forms of personal crimes. SoDo Main Street, working with their members, the Orlando Police Department [OPD] and the Orange County Sheriff's Office [OCSO] lead this effort.
 - FY 16/17: SoDo Main Street is working with the Orlando Police Department and the Orange County Sheriff's Office to assess the extent of public safety issues in the District.
 - FY 17/18: The District will support SoDo Main Street to address any problems forthcoming from the assessment.
- **Action Plan #10 – Roads/Bike-Pedways.** Uses of Funds for this Action Plan are directed at specific improvement projects on roadways, bikeways and pedways in the District. Funds will be used for planning and designing system improvements and funding construction when appropriate. Funds will be used to match funding from the City, other public agencies and private businesses.
 - FY 16/17: The District will work with the City to prepare plans to extend the Urban Trail through the District.

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- FY 16/17: The District will work with the City to re-conceptualize the role of Orange Avenue in the City's transportation system to make the corridor a "complete street" that accommodates all modes of mobility.
- FY 17/FY 18: The District is matching MPO funds to improve Orange Avenue from Grant Street to Pineloch Street.
- FY 17/18: The District is matching C.I.P. funds from the City to improve the southwest corner of the intersection of Orange Avenue and Michigan Street.
- FY 19/20 and FY 20/21: The District is requesting matching MPO funds to improve Orange Avenue from Gore Street to Grant Street.
- **Action Plan #11 – Housing.** Uses of Funds for this Action Plan will be to encourage public agencies and private developers to provide new and re-developed housing in the District. The funds may be used as incentives, as "seed" money loans to advance construction or other uses that lead to an increase in the quality and quantity of housing in the District, especially workforce housing.
 - FY 16/17 through FY 20/21: The District will work with developers and builders to provide workforce housing in and near the District.

6. The District's Six Year Budget by Fiscal Year: FY 16/17 – FY 21/22.

Attachment B describes the District's Work Program by fiscal year.

PART FOUR: CONTINUATION OF THE DISTRICT.

1. The Long Game.

This Part of *The Finance Plan* takes the discussion to the "out years", the period beyond the five year budget. The two periods covered include the balance of the tax authorization period from FY 21/22 through FY 29/30. The next section discusses how the District might operate in perpetuity. This discussion is short for two reasons: first it is hard to anticipate events over ten years in the future; and second, the processes and experiences of the first five years will set the tone and behavior for the District into the future, hence the importance of properly setting procedures, processes and adherence to established principles.

The basic strategy employed in the beginning years is not anticipated to change over time. The property values will increase but never to the extent that they will produce revenues sufficient for significantly expensive programs or projects. The District will continue to depend on City investments, grants and the kindness of others.

2. "Game Changers".

There are a few "game changers" that might appear. The District could be designated as CRA eligible to establish a tax increment program. The District, due to its valuable strategic location, could become the location of a large private sector business.

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

In a similar fashion, Orlando Health could find a source of growth unanticipated today. A central place could be located and procured to serve as the focal point of the community. Some event may change the financial dynamics, but it has not been budgeted.

3. The Final Eight Years of the Fifteen-Year Authorized Tax Program: FY 21/22-FY 29/30.

The Downtown South Neighborhood Improvement District has been established as a continuing special district of the City. However, its funding source, the referendum-authorized ad valorem tax has only been authorized through FY 29/30. A recounting of the District's financial history, its current condition and the two upcoming time periods are discussed below. The District's program during this period from its establishment to beyond the current tax authorization period follows:

HISTORY: FY 11/12 – FY 15/16.

- FY 11/12 and FY 12/13: The first two years of the District's existence were focused on establishing the Advisory Council, solidifying the taxing District and preparing for the referendum that passed in 2014.
- FY 13/14 through FY 15/16: These two years experienced false-starts with staffing and the Work Program but provided the basis for current activities.

CURRENT POSITION: FY 16/17.

- FY 16/17: This year was a time of renewed focus on finding the proper Executive Director, solidifying the Work Program and preparing a comprehensive, long-range finance plan for the District. This year also was a time for starting to implement work tasks related to the Action Plans in the *Downtown South Safe Neighborhood Improvement Plan*.

THE NEXT SIX YEARS; FY 17/18 – FY 21/22.

- Solidifying the District's staff and the District's financial base.
- Continuing to align the City's entitlements for the District with the needs of existing and future property owners, developers and builders.
- Continuing to work with the City to direct District, City operating and capital funds and funds from other entities such as OUC and the MPO for improvement projects in the District.
- Continuing to rely on SoDo Main Street for programs that relate to business owners, employees and residents in and around the District.
- Continuing to extend the Work Program to respond to existing needs and anticipate future opportunities that enhance the redevelopment of the District.

THE NEXT EIGHT YEARS - TO THE END OF THE CURRENTLY AUTHORIZED TAX: FY 22/23 – 29/30.

- Continuing to advocate for City funding of projects in the District through the City's annual operating and capital budgets. Additional funding sources will be pursued.

COMPREHENSIVE LONG-RANGE FINANCE PLAN

Downtown South Neighborhood Improvement District

- At the appropriate time, establishment of a Community Redevelopment Area [CRA] with a Tax Increment Financing program [TIF] will be broached with the City and Orange County.
- Continuing to align the City land development entitlement, impact fee and business regulatory programs to meet stakeholder needs.
- Evaluating the usefulness of the District's performance in anticipation of extending the ad valorem tax beyond the fifteen year initial authorization.

4. The Continuity of the District.

The Downtown South Neighborhood Improvement District has been modeled after the successful Downtown Development Board that has been redeveloping and enhancing downtown Orlando for decades. It is anticipated that the District will continue to serve the stakeholders in and around the District in perpetuity.

Attachments

Attachment A: District Sources of Funds – Detail

Attachment B: District Uses of Funds by Action Plan - Detail

**Attachment C: District Property Values and Tax Revenues: Projections and
Methodology, FY 16/17 – FY 21/22**

Attachment D: Sources of Funds Generally Available to Special Districts

Attachment E: Economic Development Incentives: City, State and Federal

Attachment A
Sources of Funds - Detail
Downtown South Neighborhood Improvement District

	FY 16/17 [Estimates]	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	Six Year Total
SOURCES OF FUNDS - DETAIL							
District Property Taxes							
Property Tax Receipts [Real + TPP]	\$ 388,428.00	\$ 422,734.00	\$ 443,963.00	\$ 466,115.00	\$ 489,190.00	\$ 514,111.00	\$ 2,724,541.00
PLOTS, e.g., Orlando Health	\$ 151,667.00	\$ 151,667.00	\$ 151,667.00	\$ 151,667.00	\$ 151,667.00	\$ 151,667.00	\$ 910,002.00
Interest	\$ 14,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL DSNID DIRECT REVENUE [not including Matches]	\$ 554,095.00	\$ 574,401.00	\$ 595,630.00	\$ 617,782.00	\$ 640,857.00	\$ 665,778.00	\$ 3,634,543.00
MATHCING FUNDS FROM 3RD PARTIES							
City Direct Investment							
Annual Budget							
Capital Improvements Program							
City CIP 50/50 Match, SW Corner Org/Mich.		\$ 250,000.00					
Stormwater Fee Project Funding		\$ 116,500.00					
Transportation Impact Fee Project Funding							
CDBG Project Funding							
City Incentive Grants							
Business Assistance Program							
Not-for-Profit Impact Fee Assistance Program							
Small Business Façade Program							
Loans							
Orlando Health [\$350,000 for DSNID Start-up]							
Bonds and Short Term Notes							
MetroPlan Grants, Matching							
MPO 50/50 Match, Orange: Grant to Pineloch	\$ 358,000.00						
MPO 50/50 Match, Orange: Gore to Grant				\$ 358,000.00	\$ 358,000.00		
Special Taxing Districts							
CRA/TIF						XXX	
MSTU							
MSBU							
CDD							
BID/NID							
Orlando Utilities Commission							
Direct Investment							
Cost Share/Partnering							
Contributions, Donations and Gifts							
NGOs, Mission-driven programs							
Philanthropy, e.g., Public Art							
Orange County							
Direct Investment							
Cost Share/Partnering							

Attachment A
Sources of Funds - Detail
Downtown South Neighborhood Improvement District

	FY 16/17 [Estimates]	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	Six Year Total
State of Florida Grants and Incentive Programs							
FDOT, Strategic Intermodal System [SIS]		XXX					
Historic Preservation Office							
Office of Tourism, Trade and Economic Development [OTTED]							
Florida Office of Greenways and Trails							
Brownfield/Orlando Economic Enhancement District [OEED]							
Economic Development Transportation Fund							
Qualified Target Industry Program							
Federal Grants and Programs							
US DOT Proving Ground for New Vehicle Tech.		XXX					
Smart Cities Council Readiness Challenge		XXX					
EB-5 Program							
District Financial Institution Programs							
Micro Loans							
Crowdsourcing Custodian							
Revolving Fund Custodian							

XXX delineates topics of activity
Source: wck planning and Attachment C, Methodology

Attachment B
Uses of Funds - Detail
Downtown South Neighborhood Improvement District

	Responsible Party	Funding Source[s]	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	Six Year Total
ACTION PLAN #1 - PLANNING [Districtwide]									
"Complete Streets" Master Plan									
* Scope of Work			Select Consultant						
* Vision Specificity	GAI w/S&ME	DSNID	\$ 114,895.00						\$ 114,895.00
Business and Economic Incentives	SoDoMS								
Dev. Guidelines and Standards	S&ME w/+GAI	DSNID		\$ 75,000.00					\$ 75,000.00
Visual Guidebook	S&M w/GAI	DSNID		\$ 63,500.00					\$ 63,500.00
Internet Service Assessment	Consultant	DSNID	\$ 10,000.00						\$ 10,000.00
TOTAL AP #1			\$ 124,895.00	\$ 138,500.00					\$ 263,395.00
ACTION PLAN #2 - MAIN STREET									
Branding	SoDoMS								
Marketing		DSNID	\$ 15,000.00						\$ 15,000.00
Promotional Activities, Light-Up		DSNID	\$ 5,450.00						\$ 5,450.00
DSNID Support Pending Budget	SoDoMS	DSNID		\$ 21,100.00	\$ 21,700.00	\$ 22,400.00	\$ 23,000.00	\$ 23,700.00	\$ 111,900.00
TOTAL AP #2 ["plug" numbers]	DoSoMS		\$ 20,450.00	\$ 21,100.00	\$ 21,700.00	\$ 22,400.00	\$ 23,000.00	\$ 23,700.00	\$ 132,350.00
ACTION PLAN #3 - ADMINISTRATION									
Staff Salaries w/Benefits	DSNID								
Office [300 sf @ \$15/sf]			\$ 35,000.00	\$ 110,000.00	\$ 120,000.00	\$ 130,000.00	\$ 140,000.00	\$ 150,000.00	\$ 685,000.00
Furniture, Fixtures and Equip. [FFE]			\$ 1,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 24,000.00
Admin Asst. Part-Time			\$ 5,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 10,000.00
Office Expenses and Memberships			\$ 1,000.00	\$ 1,000.00	\$ 20,000.00	\$ 21,000.00	\$ 22,000.00	\$ 23,000.00	\$ 86,000.00
Professional Services			\$ 48,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
TOTAL AP #3		DSNID	\$ 90,500.00	\$ 116,500.00	\$ 146,500.00	\$ 157,500.00	\$ 168,500.00	\$ 179,500.00	\$ 859,000.00
ACTION PLAN #4 - TRANSIT									
Scope of Work	DSNID								
Assessment		Select Consultant							
TOTAL AP#4		DSNID	\$ 10,000.00	\$ 10,000.00					\$ 10,000.00
			\$ 10,000.00						\$ 10,000.00

Attachment B
Uses of Funds - Detail
Downtown South Neighborhood Improvement District

	Responsible Party	Funding Source[s]	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	Six Year Total
ACTION PLAN #10 - ROADS	City								
1. Fix SW Corner, Orange/Michigan District Construction Participation		City T.I.F.							
City CIP Match of \$250,000.00		DSNID-Match		\$ 250,000.00					\$ 250,000.00
2. Orange Ave., Grant to Pineloch		City C.I.P.		[M=\$250,000.00]					\$ -
Constr. Participation, w/MPO Match		DSNID		\$ 358,000.00					\$ 358,000.00
MPO Matching Funds		MPO		[M=\$358,000.00]					\$ -
3. Orange Ave., Gore to Grant		DSNID							\$ -
Constr. Participation, to match MPO		DSNID				\$ 358,000.00	\$ 358,000.00		\$ 716,000.00
MPO Matching Funds		MPO				[M=\$358,000.00]	[M=\$358,000.00]		\$ -
TOTAL AP#10			\$ -	\$ 608,000.00	\$ -	\$ 358,000.00	\$ 358,000.00		\$ 1,324,000.00
ACTION PLAN #11 - HOUSING									
Support Private Efforts to Find Sites	DSNID	AP #3							
TOTAL AP#11									
TOTAL ANNUAL DSNID EXPENSES			\$ 352,635.00	\$ 1,430,600.00	\$ 448,200.00	\$ 557,900.00	\$ 569,500.00	\$ 223,200.00	\$ 3,582,035.00

Attachment C
District Property Values and Tax Revenues: Projections and Methodology
FY 16/17 - FY 21/22

1. Overview.

District revenue has two main sources: property tax revenue generated by a one mill tax and an agreement with Orlando Health to make an annual payment in lieu of taxes [PILOT] since much of their property is tax exempt. The methodology for projecting District revenues relies on projections the District's tax base. Once a satisfactory projection of the tax base is secured, application of the millage rate and the PILOT were then be made.

Property value information is kept by the Orange County Property Appraiser. Assumptions made were:

- The figures used included Real Property and Tangible Personal Property [TPP]; the addition of these two types of property is the basis for taxation and subsequent tax receipts by the District.
- The base data used was "taxable value" which is considerably less than market or true value.
- Information is from the annually issued Orange County Property Appraiser's form DR 403.
- The Property Appraiser's data for the calendar year [CY]; the City and District budgets use the fiscal year [FY] ending in September 30 each year. This three month discrepancy in the data has been ignored. Property Appraiser data for 2015, e.g., is used for FY 14/15 that begins on October 1st, 2014 and ends on September 30th, 2015.

2. Base Data.

The forecast data set uses City and County data for six years and District data for three years.

Base Data: 2100 - 2016 Gross Taxable Property Values – DR 403 (\$ millions)			
Calendar Year [CY]	District	City of Orlando	Orange County
2011	na	\$18,099	\$81,209
2012	na	18,070	81,060
2013	na	18,678	84,092
2014	\$377	20,032	90,146
2015	402	22,676	100,254
2016	415	24,892	109,414
Ave. Change/Yr.			
2011 to 2016	na	6.5%	6.1%
2014 to 2016	5.0%	11.5%	10.2%
na = The first year of tax collection for the District was FY 14/15.			
Source: wck planning use of Orange County Property Appraiser data.			

3. The District Property Value Forecast.

Three methods have been used to project property values in the Downtown South Neighborhood Improvement District. Method #1 uses trends in the District, Method #2 uses trends in the City and Method #3 uses trends in the County.

- **Method #1: Trend Extrapolation.** The first data series is a straight line extrapolation of the taxable Real Property + TPP for the Downtown South Neighborhood Improvement District. The data series starts in FY 13/14 [CY 2014] even though the District did not start collecting taxes until FY 14/15. The average growth for the two year period was 5.0% annually. An impressive growth rate, but for a very short history; and a period of acceleration as shown by the City and County figure that were lower for the five year period than for the two year period. The ambitious trend of 5% was used along with the lesser rates of 3% and 4% annual growth.

Method #1				
Six Year Extension at Alternative Annual Growth Rates				
Projected District Property Values				
FY 13/14 – FY 21/22				
(\$ millions)				
FY	District Values	3%	4%	5%
FY 13/14	\$377			
FY 14/15	402			
FY 15/16	415			
FY 16/17		\$428	\$432	\$436
FY 17/18		441	449	458
FY 18/19		453	467	481
FY 19/20		467	486	505
FY 20/21		481	505	530
FY 21/22		496	526	557
Source: wck planning.				

- **Method #2: City “Step Down”.** The second data set related the District’s property values with those of the City of Orlando. While data was collected from FY 10/11 [CY 2011] through FY 15/16 [CY 2016], calculations were made of the District as a percent of the City for the most recent three years. The “step down” method has two assumptions:
 - First, City property value growth is projected. The five year growth rate of 6.5% was used for the six year forecast.
 - Second, the District’s values as a percent of City values were calculated. In this case, the District’s values are declining as a percent of City values. However, for this analysis, the most recent percentage factor, 1.67%, was held constant and applied to the projected City property values.

Method #2 District as a Percent [%] of the City Projected District Property Values FY 13/14 – FY 21/22			
FY	District as % of City	City Values	District Values
FY 13/14	1.88%	\$20,032 M	\$377 M
FY 14/15	1.77%	22,676	402
FY 15/16	1.67%	24,892	415
FY 16/17	1.67	26,512	442
FY 17/18	1.67	28,234	471
FY 18/19	1.67	30,069	502
FY 19/20	1.67	32,024	534
FY 20/21	1.67	34,105	570
FY 21/22	1.67	36,322	607

Source: wck planning.

- **Method #3, County “Step Down”.** The Orange County tax base was projected using trend data from FY 10/11 to FY 15/16. The County tax base has been growing at the annual rate of 6.1% over the five year period. The District values were declining as a percent of County values, similar to the trend with the City. The most recent percentage of District to County values, .0038%, was assumed to remain constant for the six year forecast period.

Method #2 District as a Percent [%] of the City Projected District Property Values: FY 16/17 – FY 21/22			
FY	District as % of County	County Values	District Values
FY 13/14	.42%	\$90,146 M	\$377 M
FY 14/15	.40%	100,254	402
FY 15/16	.38%	109,414	415
FY 16/17	.38%	116,088	441
FY 17/18	.38	123,169	468
FY 18/19	.38	130,682	497
FY 19/20	.38	138,655	526
FY 20/21	.38	147,123	559
FY 21/22	.38	156,086	593

Source: wck planning.

- **Conclusion: The Projected District Property Values: FY 16/17 – FY 21/22.**
The three methods engage the growth trends of the District, the City and the County. An average of the three methods mimics the scenario from Method #1 @5%. Therefore, the growth in District property values is projected to be 5% annually for the period from FY 16/17 through FY 21/22.

Method #2 Alternative Forecasts and Projected District Property Values: FY 16/17 – FY 21/22						
FY\Method	#1@3%	#1@4%	#1@5%	#2	#3	Average
FY 13/14	\$377					
FY 14/15	402					
FY 15/16	415					
FY 16/17	428	432	436	442	441	435
FY 17/18	441	449	458	471	468	457
FY 18/19	453	467	481	502	497	480
FY 19/20	467	486	505	534	526	503
FY 20/21	481	505	530	570	559	529
FY 21/22	496	526	557	607	593	556

Source: wck planning.

4. District Revenue Forecasts.

Projecting District tax revenues applies the one mill property tax to the projected taxable property values for the District. While the calculation is simple arithmetic, there are a few assumptions in this process:

- It is assumed that the District will continue to collect one mill of property tax and not the two mills authorized. Should the two mills be levied, the numbers herein can be doubled.
- The Orange County Tax Collector charges a “commission” of 3% of the first \$50,000 of disbursements and 2% beyond that. For simplicity, this analysis uses the 2% commission for all disbursements received since \$50,000 is a small portion of the total disbursement.
- The Tax Collector’s office also reports that 5.7% of all County property owners do not pay their taxes resulting in tax certificates.
- The timeframes are also mixed since 90% of property owners take advantage of the early payment discount and pay their property taxes before the end of the year.
- As a result, the analysis assumes tax receipts are received in the year of property valuation and that the amount due based on property values is actually 7.7 percent less due to the 2% Tax Collector’s commission and the 5.7% non-payment factor.
- When compared to actual property tax receipts [A] reported by the City, the actual numbers are within 2% of the calculated numbers. Factors of early payment and non-payment may account for some of the differences. In FY 14/15, the District had actual receipts of 364,051.35 [98.0% of the calculated number]. In FY 15/16, the actual receipts were 101.4% of the calculated number.

As a result, given the District property value projections, the calculated property tax receipts should be useful for planning the future expenditure capacity of the District.

Final Forecast			
District Property Values and Property Tax Receipts: FY 16/17 – FY 21/22			
FY	District Values	Less 5.7%	District Receipts
FY 13/14	\$377,520,131	\$348,451,070	na
FY 14/15	402,437,409	371,449,720	\$364,051.35A
FY 15/16	415,359,380	383,376,700	388,737.52A
FY 16/17	436,000,000	\$402,428,000	\$402,428.00
FY 17/18	458,000,000	422,734,000	422,734.00
FY 18/19	481,000,000	443,963,000	443,963.00
FY 19/20	505,000,000	466,115,000	466,115.00
FY 20/21	530,000,000	489,190,000	489,190.00
FY 21/22	557,000,000	514,111,000	514,111.00
A = Actual			
Source: wck planning.			

Attachment D

Sources of Funds Generally Available to Special Districts

Introduction.

There is a wide variety of sources of revenues available to special districts and the city and county governments that host them. This analysis has sections as follows:

- **Comprehensive, Long-Range Sources of Funds.**
- **Primary Funding Entities.**
- **Potential Sources of Revenue.**
- **Other Revenue Related Ideas.**
- **Financial Institution Support, Potential Programs.**
- **Viable Sources of Revenue for the Downtown South Neighborhood Improvement**

1. Comprehensive, Long-Range Sources of Funds.

Today, there are traditional sources of revenues used to fund planning, design, construction, operation and maintenance of the infrastructure in the District. In addition, there is a great amount of funding that goes into the private buildings, facilities and infrastructure located throughout the District. An examination of revenue sources with a comprehensive, long-range view is important.

2. Primary Funding Entities.

The parties that will participate in funding infrastructure in the Improvement District are governments and institutions that are already present. Additionally, processes can be created to solicit private funding for public infrastructure. The public agencies, non-governmental organizations and private interests available as funding agents are listed on the Attachment A, District Sources of Revenue – Detail:

- **The South Downtown Neighborhood Improvement District:** The Improvement District's purpose is to make plans and support the continued expansion and enhancement of public infrastructure within the District. The District has funds for its administration, plans and studies related to infrastructure and "seed" money to advance vision-consistent projects in the District. The District does not have, and will not have, funds to unilaterally implement major projects.
- **Orlando Health:** Orlando Health is the major employer in the Improvement District and has been a strong supporter of the District even prior to its inception. Orlando Health participated in funding public infrastructure associated with its campus development.
- **The City of Orlando:** The Improvement District is completely within the jurisdiction of the City of Orlando. Property owners have been paying City taxes and fees for many years. To fulfill the City's obligation to provide public infrastructure to properties within its jurisdiction, the Improvement District can seek allocations of funds in the City's Annual Budget and its Five Year Capital Improvements Budget. The City is specifically responsible for many streets, transit and bike/ped systems in the Improvement District, its wastewater system, its stormwater management system, its solid waste management system. The City is involved in many innovative programs that are of interest to the Improvement District.

- **Orange County:** Several public infrastructure assets are owned and maintained by Orange County. The most notable asset is Michigan Street. County funds can be sought to improve and maintain County facilities in the Improvement District.
- **MetroPlan Orlando, the Region's Metropolitan Planning Organization [MPO]:** The MPO is the clearinghouse for all transportation funding for local, regional, state and federal agencies.
 - The range of facilities includes streets and highways, general and specialty transit, bike/ped trails and related assets.
 - Monies such as the 2017/18 project on Orange Avenue are funded by the Florida Department of Transportation [FDOT] through the MPO. The MPO is a continuing source of information and funding for all multi-modal transportation projects.
 - Special projects such as the Ultimate Improvements to Interstate 4 have required a direct relationship between the City and the FDOT.
- **Orlando Utilities Commission [OUC]:** OUC owns and operates the electric power system and the water system in the Improvement District. The water system provides potable water along with the required fire flows that protect property in the Improvement District. OUC is involved in many innovative programs that are of interest to the Improvement District.
- **Private Entities:** There are many private entities that can participate in funding public infrastructure.
 - **Private land developers** subject to City Impact Fees can directly provide lands and improvements that receive impact fee credits. The advantage of this approach is that the private sector funds the improvement, the private sector would have paid an equivalent impact fee so there is no money gained or lost, and the City foregoes the revenue from the future impact fees rather than spending funds for the improvement. Impact fee credits can build public infrastructure in a manner that benefits all parties.
 - Several **"Internet Providers"** serve the District. Private entities using public rights-of-ways pay a fee for the privilege.
 - **Non-Governmental Organizations [NGO]:** Many institutions, investment funds and associations have money and missions devoted to creating and enhancing areas such as the Improvement District. Finding NGOs with a compatible mission is a continuing responsibility of the Improvement District staff.
 - **Regional, State and Federal Agencies with Grants:** Grantsmanship is an important skill for an agency such as the Improvement District that provides infrastructure and other improvements with "other people's money". State and Federal agencies that have historically provided funds for local improvements are: Florida's State Historic Preservation Office, Florida's Office of Tourism, Trade and Economic Development, U.S. Department of Housing and Urban Development, and Other Federal Government Agency Grants and Program Allocations.

3. Sources of Revenue for the Downtown South Neighborhood Improvement District.

A. City of Orlando:

- General fund property tax revenues
 - Direct City Investment - Annual City Budget and Capital Improvements Budget
- CDBG, pass through from Federal Government
- Transportation impact fees and credits
- Sewer connection fees revenue sharing
- Stormwater utility tax
- Advertising revenues, e.g., revenue sharing with Lynx
- Parking fees
- A real estate transaction tax
- Internet hosting fees w/revenue sharing
- Sale or Lease of City Property in the District

B. City special taxing district designation:

- Community Development Districts [CDDs]
- Municipal Service Taxing Districts [MSTUs]
- Business Improvement Districts [BIDs] and Neighborhood Improvement Districts [NIDs]

C. Special district property tax re-allocation districts, specifically community redevelopment agencies that use tax increment financing. The TIF does not generate new tax dollars, but re-allocates existing property tax dollars to a special fund that targets the money for improvement within a defined area of the city: Community Redevelopment Agency [CRA] w/Tax Increment Financing [TIF].

D. Payments in Lieu of [Property] Taxes [PILOTs]: Non-profit and public lands and buildings are exempt for ad valorem real property and tangible personal property taxes. Orlando Health is tax exempt, but has agreed to a payment in lieu of taxes [PILOT] of \$175,000 annually. The Orlando Health's pre-referendum contributions to the District were \$350,000.00. The agreement for the PILOT payment was that Orlando Health would be reimbursed for its pre-referendum expenses, should the referendum pass, over the fifteen year life of the tax. Hence, the \$175,000.00 annual payment is reduced by \$23,333.33 yielding the \$151,666.67 shown on the table below.

E. Fees and assessments

Fees are collected by cities for goods and services directly linked to the benefit received by the payor. Many vehicles exist to assess fees for service:

- Municipal Service Benefit Units [MSBUs]
- User Fees for water, sewer, stormwater, transit service, parking, electric, gas and other service provided by the city to its residents and businesses

F. Impact fees for transportation, parks, schools, public safety and other city services that do not charge a direct user fee at the time the good or service is delivered.

G. Orlando Utilities Commission [OUC]:

- Direct Investment
- Cost Share/Partnering

H. District Investment Income. The City invests District funds on a short term basis.

I. City Business Incentive Programs outside Downtown [details included in Attachment E]:

- Business Assistance Program
- Not-for-profit Impact Fee Assistance Program
- Small Business Facade Program
- Incentive programs for Downtown that may be appropriate for the District are:
 - Downtown Façade and Building Stabilization Program
 - Minority Women Entrepreneur Business Assistance Program

J. Orange County direct investment:

- Capital Improvement budget
- Cost Share/Partnering
- Economic development incentives to start-up and small businesses

K. MetroPlan Orlando, the Region's Metropolitan Planning Organization [MPO]:

- Grants

L. Loans, Bonds and Notes:

- Short-term notes from local financial institutions
- Bonds using the City's bonding authority, capacity and guarantee

M. State Grants:

- FDOT, Strategic Intermodal System Funding [SIS]
- MetroPlan [MPO]-Transportation Improvement Program [TIP]
- Florida's State Historic Preservation Office,
- State Housing Initiative Partnership (SHIP) | Florida Housing Coalition
- Florida's Office of Tourism, Trade and Economic Development [OTTED]

N. State Incentive Programs [details included in Attachment E]:

- Brownfield/Orlando Economic Enhancement District (OEED)
- Economic Development Transportation Fund, City of Orlando serves as liaison w/State.
- Enterprise Zone Program
- Qualified Target Industry Program, Enterprise Florida
- Office of Greenways and Trails

O. Federal Programs:

- *Smart Cities Council Readiness Challenge designation* [City received designation 2017]
- [U.S. Department of Transportation's](#) Proving Grounds for New Vehicles Technologies Program Designation [City received designation 2017]
- U.S. Department of Housing and Urban Development, i.e., research grants

P. Gifts and Donations: Philanthropy is alive and well. The grants from public agencies, NGOs and private interests work best when they work in combination. Grants, gifts and donations are often influenced by several factors in addition to the specifications of the gifter

Creating a sense of place and a reason for residents and business owners to feel an attachment to their living and working environment can inspire a generosity of spirit

- Right-of-way donations to mitigate development impacts
- NGO contributions with mission-oriented programs for physical improvements or programs
- Philanthropic donations for public art, open space improvements, etc.

4. Other Revenue Related Ideas.

- **Transfer of Development Rights [TDRs]** when associated with dedication of road rights-of-ways and other dedications of private land to a public entity is a method for providing compensation to the dedicating property owner. Some municipal programs combine TDR arrangements with impact fee credits to encourage dedications of private lands for public purposes.
- **Impact fee credits** offer a great vehicle for financing public infrastructure with private funds. The City requires impact fees to be paid under specified circumstances; the City also provides credits for the portion of an infrastructure improvement that is beyond the needs of the development. Should a development require the provision of half of a two-lane road based on the transportation analysis, equity provides that the developer pay for ½ of the improvement.
 - But, since construction of ½ of a road is not practical and the road must be constructed before the development project can proceed, the developer often pays for the entire road and receives impact fee credits for the portion of the expense beyond that need for the development. The impact fee credits cost the City foregone future revenue rather than cash, so there are advantages to the City to provide a credit system. The developer, though having to “front-end” the second ½ of the roadway, receives value that can be used on a future occasion when another project will be required to pay impact fees in the City.
 - The result of this system is that the roadway gets built, the developer provides financing for the second ½ of the roadway in exchange for credits and the City gets a new street it did not pay for. Presumably the developer made a business decision that it was worth financing the second ½ of the roadway in order to proceed with development in a timely manner.
 - Impact fee credits can build District infrastructure. The general application of this process depends on several conditions:
 - The City has established standards for roadway improvements based on credible transportation standards.
 - The City requires that the infrastructure, in this case a roadway, be in place concurrently or in advance of the need for the infrastructure service.
 - The City establishes a credit system to reimburse developers for any expense above and beyond the needs they create with their development.
 - The City expands the types of mitigation eligible for impact fee credit funding. For roadway impacts, impact fee credits could be used for transit system capital improvements, bike/ped facilities or other improvements that enhance the mobility system.
 - The City establishes a “bank” to retain the credits in an account for the developer’s future use.
 - The City designs the credit system with flexibility that enables the assignment or re-assignment of credits to relevant projects being undertaken by third-parties within the vicinity of the originating development.
 - This approach can apply to any infrastructure system assessing impact fees.
 - This impact fee credit system could be instituted in Sub-Area 12 of the City’s GMP if it is premature for City-wide application.

- ❑ The City's sewer impact fee is collected for residential and commercial properties; the fee is based on fixtures. Fees generated in the District could be spent in the District.
- ❑ The City's stormwater utility fee has been in effect since 1989. For 2016, the fee is \$119.88/ERU. An equivalent residential unit [ERU] is equal to 7,760 square feet of property. Fees generated in the District could be spent on projects in the District.
- **"Seed" money** can be provided to advance projects to create "shovel ready" projects anticipating new public funding programs, to support innovation grants, solar rebates and impact fee credits for innovative performance. As an example, if design funds are not available to prepare a City or Lynx project for construction, the District could loan monies to the City or Lynx to design the improvement with re-payment coming from the funding package for construction of the improvement. The timing of the improvement gets advanced and the District gets reimbursed for its short-term loan.
- **Advertising revenues** are being derived from public facilities such as at Lynx stops and shelters. Lynx facilities in the District can be used by advertisers based on the model arrangements used by Lynx in other parts of their territory. The portion of the fund accruing to the City can be directed to transit or bike/ped projects in the District.
- **Parking fees** could be employed district-wide to fund transit facilities and services. The City uses parking revenues to support their Lymmo system. The Texas Medical Center uses parking fees to fund their operations including landscaping and transit service. Should a master parking system be developed in the District, parking fees could be instituted and programmed for District use.
- **A real estate transaction tax** is available to Cities. The City of Winter Park has historically used such a fee to support its affordable housing program. Such a fee in the District would not be very robust based on the small number of transactions in the District. However, this may be the right time to institute such a fee anticipating that it will grow in importance as the District becomes a more active real estate market.
- **Asset management and monetization:** Cities generally own land and buildings that are under-utilized. An inventory would classify City assets in the District as 1) currently useful, 2) under-utilized but strategically important for the long-term or 3) surplus. Underutilized property can be leased or rented until the long term City use arises. Surplus property can monetize current assets by leasing assets to be retained but not currently in use and disposing of surplus assets.
- **Sale or lease of property.**
- **Public-Private Partnerships and Private Equity investments.**

5. Financial Institution Support for Private Development in the District:

- **Micro-loans.** Small business success is important to the District. The District can work with SoDo Main Street to engage with financial institutions to establish a micro-loan and other programs for qualified businesses in the District.
- **Crowdsourcing.** The District can engage with financial institutions to establish crowdsourcing programs for public art, memorials and other important community features.

- **Revolving funds.** The District can engage with financial institutions to establish a revolving fund to match investments by District property owners and business owners investing in property improvement projects.
- **Short term notes.** Short term notes can be provided by District financial institutions. The City of Kissimmee, e.g., uses short term instruments with local banks to fund infrastructure; bank qualified notes less than \$10M; the City does not have a bond rating since they do not issue bonds. They use the City of Orlando as an example for municipal finance.
 - Micro-loan and similar programs; potentially with DSNID or City guarantee
 - Crowdsourcing for public art, memorials and other important community features.
 - Revolving fund; potentially with a “match” component.

Attachment E
Economic Development Incentives: City, State and Federal.
Downtown South Neighborhood Improvement District

The City of Orlando, Office of Business Development Coordinates all City, State and Federal Programs.

Contact: Kim C. King,
Business Development Assistant Manager.
407.246.2721
kim.king@cityoforlando.net

Incentive Programs | City of Orlando Business Development Division

City of Orlando Business Incentive Programs

Business Assistance Program
Not-for-profit Impact Fee Assistance Program
Small Business Facade Program

Downtown Orlando Business Incentive Programs

Downtown Facade and Building Stabilization Program
Minority Women Entrepreneur Business Assistance Program
<http://www.cityoforlando.net/business-development/incentive-programs/>

Incentive Programs | State of Florida

Brownfield/Orlando Economic Enhancement District (OEED)
www.dep.state.fl.us/waste/categories/brownfields/

Economic Development Transportation Fund

The City of Orlando serves as the liaison between the applicant and the State of Florida.
For more information, please contact Business Assistance at 407.246.2821.

Enterprise Zone Program
www.floridaenterprisezones.com.

Qualified Target Industry Program

For more information, please contact the Office of Business Assistance at 407.246.2821 or visit
Enterprise Florida's website at www.eflorida.com.

Urban Job Tax Credit Program

For more information, please contact Business Assistance at 407.246.2821

Incentive Programs | US Small Business Administration

Small Business Administration HUBZone (Historically Underutilized Business Zone)
For more information contact 407.246.2821 or visit <http://www.sba.gov/hubzone>

DETAILS OF THE CITY PROGRAMS FOLLOW.

CITY OF ORLANDO

ECONOMIC DEVELOPMENT INCENTIVE PROGRAM DESCRIPTIONS

The Business Assistance Program (BAP)

Program Overview

The Business Assistance Program (BAP) is a matching grant program designed to encourage small businesses to locate, expand, or redevelop in the City.

BAP provides matching funds to new and expanding businesses in the City to assist in off-setting development fees, including sewer and transportation impact fees, building permit fees, and all elements of public right-of-way infrastructure within the City's jurisdiction that may require new installation, repair, replacement, or relocation.

Eligible improvements include, but are not limited to, street lighting and fire hydrant installation/relocation, sidewalk repairs; traffic signalization; water and sewer line construction, removal or relocation; curb, gutter, street improvements and landscaping.

The Economic Development Department administers and monitors the program, as well as determines eligibility of applicants. The program requires eligible business owners to pay 50-percent of the fees assessed against the business, while the program fund pays the remaining 50-percent up to \$20,000.

Application Criteria

Business must be located within city limits or locating to the City of Orlando. Applicants must be a new, for-profit business or an expanding, existing for-profit business in the City of Orlando. Business must be a small business as defined by the U.S. Small Business Administration.

Existing business owners must possess a current City of Orlando Business Tax Receipt. New business owners must obtain a City of Orlando Business Tax Receipt within 90 days of agreement execution.

Applicants must obtain a building permit for all corresponding proposed work for which fees have been assessed. All work must meet the requirements of the Orlando City Code.

All applications must be submitted prior to the issuance of building permits. No grants will be awarded retroactively. All applicants must be in compliance with applicable City departments.

Program Documents

[Business Assistance Program Application](#)

[Policies, Procedures and Guidelines](#)

For more information about the Business Assistance Program or a program application, please contact: Kim C. King, Business Development Assistant Manager.

The Non-Profit Impact Fee Assistance Program

Program Overview

The Non-Profit Impact Fee Assistance Program provides impact fee assistance to non-profit agencies, located within the City of Orlando, that undertake construction projects. Eligible costs include transportation and sewer impact fees that have been assessed by the City for the construction project.

Application Criteria

Provide proof of 501 (C)(3) status as authorized by the Internal Revenue Service

Have been in operation for three or more years

Be a human or social services agency

Demonstrate financial hardship or lack of adequate outside funding for capital projects

Have City residents as at least 25% of their clientele

The following non-profit organizations are currently not eligible for impact fee assistance: hospitals, churches and religious institutions, day care centers, museums, civic clubs and United Arts agencies.

Process

Submit request to the Economic Development Department

Application is taken to Orlando City Council for final approval

Upon approval by Orlando City Council, funds are distributed

Maximum fee assistance is 50% of impact fees assessed against the project up to \$50,000

Funding is available on a first come, first serve basis

Program Documents

[Not-for-profit Impact Fee Assistance Program Application Form](#)

For more information about the Not-for-profit Impact Fee Assistance Program, please contact:

Kim C. King

Business Development Assistant Manager

407.246.2721

kim.king@cityoforlando.net

The Small Business Facade Program (SBFP)

Program Overview

The Small Business Facade Program (SBFP) is an economic development program designed to provide an interest-free deferred loan for facade improvements to new and existing commercial property and business owners in the City of Orlando. This loan will provide assistance with costs related to physical improvements in commercial corridors, particularly in blighted areas.

The SBFP offers matching loan funds to commercial property owners and new and existing businesses in the City of Orlando to off-set design and facade improvement expenses such as: Painting, wall repair or cleaning, Window repair or replacement, Awnings, New or replacement signage, Landscaping, Lighting, Streetscape, Door repair or replacement

An application for assistance must be received prior to the commencement of any facade improvement work to be covered under this program.

Application Criteria

Buildings must be located within the City of Orlando limits. Small Business Facade and Site Improvement Grants shall only be awarded for eligible properties that pay ad valorem taxes. Applicants must be a commercial property owner or a new, for-profit business (tenant) moving into an existing site or an existing for-profit business (tenant) in the City of Orlando.

Propose a minimum of three distinct improvements.

Only one grant per property owner or tenant per fiscal year, and only one grant per property per five-year program term. When an entity owns multiple properties that are adjacent, the grant funding may be shared between these properties for a unified improvement plan. When an entity owns multiple properties that are not adjacent, only one property may receive grant monies in that particular fiscal year. If located in Downtown Orlando, all proposed improvements must meet the requirements of the Appearance Review Board (ARB). If located within the Downtown Historic District, all proposed improvements must meet the requirements of the Historic Preservation Board (HPB) or the Board of Zoning Adjustment (BZA), as well as all other City Code requirements. Approvals or Certificates issued by the ARB, HPB or BZA do not guarantee approval of a Small Business Facade Grant. Applications will be evaluated by the Facade Grant Review Committee.

Program Documents

[Application](#)

[Policies, Procedures and Conditions](#)

[Reimbursement Checklist](#)

For more information about the Small Business Facade Program, please contact:

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Downtown Façade and Building Stabilization Program

Policies, Procedures and Conditions

A. Purpose

Building appearance plays an important role in creating the image of Downtown. Funding for building façade and/or building stabilization improvements (“Grant”) made to properties will encourage reuse of vacant or underutilized properties, improve appearance, and support the long-term viability of Downtown Orlando. Over time, the taxable valuation of the improved properties will increase, thus increasing the amount of funds available to revitalize Downtown Orlando.

B. Grant Structure and Criteria for Selection

The Community Redevelopment Agency (“CRA”) will oversee the Downtown Façade and Building Stabilization Program. A building façade improvement is defined as the renovation/restoration of any element of an exterior building face that is visible from the street. A building stabilization improvement is defined as structural alterations or adaptations to buildings, or building system repair or replacement, that are undertaken as part of the process of rehabilitating, preserving, or restoring existing structures for modern usage. Funding is based on budget availability and should be considered on a “first come, first served” basis. Filing of an application does not guarantee funding. Applications must be submitted prior to commencement of any improvement work, the cost of which is sought to be reimbursed by this Program. No grants will be awarded retroactively.

Applications will be reviewed for completeness and compliance with program criteria. Projects that do not comply with the program criteria and conditions will not be eligible for funding. An authorized corporate officer or partners of the applicant’s business must sign the application, in addition to the property owner(s), if the applicant is the tenant. Tenants who are applying for a Grant must supply proof of a lease for the subject property that identifies at least three (3) years remaining in the lease term.

Prior to consideration for Downtown Façade & Building Stabilization Program funding, the subject property must be free from any liens (except mortgage liens), judgments, or encumbrances (except easements) of any kind, current with all City obligations, and in compliance with all City Code requirements. The CRA reserves the right to contract for a title search and/or ownership and encumbrance report at the CRA’s discretion, the cost for which will be deducted from the Grant funds at the time of disbursement, if Program funding is approved.

The Minority/Women Entrepreneur Business Assistance (MEBA) Program

Program Overview:

The Minority/Women Entrepreneur Business Assistance (MEBA) Program is a financial assistance program that was established to retain existing minority-owned businesses located within the target area and to attract new minority-owned businesses to this area. The MEBA Program Target Area is generally bounded by West Colonial Drive, South Westmoreland Drive, West Gore Street and Interstate-4.

The MEBA Program provides qualified new and existing businesses (retail and services) both non-monetary and financial incentives for the following purposes:

Business retention/relocation expenses

Business start-up expenses

Purchase of capital equipment

Capital improvements

Marketing of business and services

To qualify for the MEBA program, each applicant must own a for-profit, new or expanding small business as defined by the U.S. Small Business Administration and located within the target area.

Program Documents

[Application](#)

[Area Map](#)

[Guidelines](#)

For more information, please contact:

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