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Detour ahead for Polk County's \$333M road plan

Orlando Business Journal - by [Bill Orben](#) Associate Managing Editor

Polk County's ambitious \$333 million road-building plan intended to spur economic development in the Four Corners area may take a few detours.

That's because recent property tax reforms likely will trim at least \$17.7 million from the projects -- and action by the state Supreme Court threatens to stall long-term financing deals.

Add to that the prospect of road funds being diverted to other county operations due to a \$26.6 million shortfall in Polk's budget, and the county faces serious challenges in its road-building program for Four Corners, the area where Orange, Osceola, Lake and Polk counties meet.

Hard choices coming

A less-aggressive road improvement plan, in turn, may affect the county's efforts to woo certain industries to the area, such as technology and companies that need distribution centers, admits Jim Freeman, Polk County's deputy manager for infrastructure and growth.

To be sure, Polk County Commissioner Jean Reed doesn't want to see the county's economic development efforts slowed, because northeast Polk County needs more than housing developments to thrive economically. "But we have to make some cuts somewhere."

And that could mean deciding between funding services or infrastructure, such as roads.

Property values fall \$1.56B

The North Ridge Community Redevelopment Agency -- a special taxing district for the area bordered by the Lake County line on the north, U.S. Highway 17-92 on the east, U.S. 27 on the west and Davenport on the south -- was established in 2002 to fund area road improvements, library services and law enforcement.

It was expected to generate \$114.6 million during the next five years, but property tax reforms passed last year likely will reduce that amount by \$17.7 million.

The effect the additional state property tax reforms passed in January will have on the value of taxable property in the North Ridge CRA has yet to be determined.

However, countywide property values have fallen by more than \$1.56 billion, from \$35.6 billion to \$34.1 billion, says Polk County Property Appraiser Marsha M. Faux.

And that means less property taxes will be collected to fund the county government, as well as any road projects.

Another problem: Polk expected to raise \$70 million this year, mostly for road construction in the

special taxing district, through the sale of long-term bonds financed through taxes collected in the district.

However, the Florida Supreme Court ruled in September that the public must be allowed to vote on whether a project could use property tax revenue as financing. Freeman says Polk is unsure whether that vote must be countywide or only within the special taxing district. Officials now are waiting for the Supreme Court to rule on a rehearing of the September case.

Ready to raid?

Also looming over the scheduled road projects is whether the special taxing district will be allowed to keep its 95 percent share of the taxes collected in the district. That's because the county may raid those funds to support its own government operations.

Such a move is not without precedent. To balance the county's 2003-2004 fiscal budget, the County Commission reduced the amount the special taxing district got to 72.38 percent, or about \$500,000.

Scheduled road projects

Ernie Caldwell Boulevard

Description: New four-lane road from U.S. Highway 17-92 to west of U.S. Highway 27

Start date: Late 2008, early 2009

Completion: 2009-2010

Cost: \$70 million

Funding source: North Ridge CRA funds and Posner Center developer contributions

County Road 54 (Ronald Reagan Parkway)

Description: Widening two-lane road from U.S. Highway 17-92 to U.S. Highway 27

Cost: \$99.8 million

Start date: First section under way, later sections to begin later this year

Completion: 2010

Funding source: Transportation impact fees

Source: Polk County

CRA-funded projects now on hold:

Pine Tree Trail

Description: Two-mile new road from Ernie Caldwell Boulevard north to County Road 54

Start date: Late 2008 or early 2009

Completion: 2010

Cost: \$12.2 million

North Ridge Trail Phase 1

Description: New two-lane road that parallels U.S. 27, between Deen Still Road to Sand Mine Road

Cost: \$49 million

Funding source: CRA funds

North Ridge Trail Phase 2

Description: New four-lane road from Dean Still Road to FDC Grove Road

Cost: Undetermined

Budgeted amount: \$3 million

Holly Hill Road

Description: Two-lane, 6-mile road from
Patterson Road to Ernie Caldwell Boulevard

Cost: \$35 million

Budgeted amount: \$3.5 million

FDC Grove Road

Description: A new 7-mile two-lane road that would parallel U.S. 27 on the west from south of I-4 to the southern border of Haines City

Cost: \$55 million

Budgeted amount: \$3.54 million

Dean Still Road

Description: Widening to four lanes from Northridge Trail to U.S. 27

Cost: \$3 million

Budgeted: \$500,000

Source: Polk County

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