

# **Finding of Necessity**

**BLIGHT STUDY FOR THE PROPOSED  
AMENDED CRA PROJECT AREA**



**HAINES CITY**

June 1, 2001

Prepared By:

**THE CITY OF HAINES CITY**

502 East Hinson Avenue      Haines City, FL 33844

(863) 419-3230

# INTRODUCTION

The Community Redevelopment Act (Florida Statutes, Chapter 163, Part III), as adopted by the Florida Legislature, is intended to provide legislative authority for local governments to use new approaches to redevelopment within communities and is focused upon overcoming the burdens of deteriorated, older areas of a community. The Community Redevelopment Act outlines a comprehensive program which provides the legal framework and financing mechanisms which local governments can undertake to arrest the deterioration patterns of these areas.

The Florida Legislature has recognized that the existence of "slum" and/or "blighted" areas impose a costly burden on local communities in terms of service requirements and the loss of needed tax revenue. Furthermore, slum and blighted areas represent a menace to the general health, safety, morals and welfare of the residents of the area as well having the effect of impairing sound growth that the City needs if it is to prosper. The Community Redevelopment Act provides increased powers to municipalities to actually cause the desired private development, the financial means to pay the costs of public improvements and assist with key portions of the private effort. Local government may utilize these powers authorized by the Community Redevelopment Act only if it follows required procedures outlined in the Act. Key to this process is to establish that a given area is slum or blighted. Documentation of the conditions of slum and/or blight is referred to as a Blight Study, or Finding of Necessity.

This document represents a summary presentation of the data and information assembled for the City of Haines City identifying conditions of slum and blight within a selected area of the City. It is intended to fulfill the following necessary functions:

To establish the existence of the blighted conditions specifically mentioned in the definition of "Blighted Area" as contained in part 163.340 (8) of the Community Redevelopment Act. This is required in order for the City to designate the identified area as a Community Redevelopment Area.

To identify the specific problems which exist and must be addressed in the City's Redevelopment Plan if a successful program of comprehensive redevelopment is to be realized.

## PROJECT AREA

The area is located within and is all inclusive of the existing city limits of the City of Haines City, containing approximately 5,256 acres and is more particularly described as:

The existing City of Haines City, City limits, in its entirety, being located within the following: Sections 4, 5, Township 28 South, Range 27 East, and Sections 18, 19, 20, 21, 22, 27, 28, 29, 30, 31, 32, 33, of Township 27 South Range 27 East, and Section 25, Township 27 South and Range 26 East, and all located within Polk County, Florida, USA.

The proposed Project Area included in this study is as shown in Exhibit A. .

## DEFINITION OF BLIGHT

The issue of blight is considered from the perspective that blight is a set of negative circumstances that make this area a burden to the community and discourages private investment in physical redevelopment and economic revitalization. The Community Redevelopment Act requires that the proposed Project Area fit the definition of a "Blighted Area" if the City is to use the powers provided by the Act for redevelopment of the area. The following is the definition as stated in Chapter 163.340, Part III, Florida Statutes:

*"Blighted area" means either:*

*(a) An area in which there are a substantial number of slum, deteriorated, or deteriorating structures and conditions that lead to economic distress or endanger life or property by fire or other causes or one or more of the following factors that substantially impairs or arrests the sound growth of a county or municipality and is a menace to the public health, safety, morals, or welfare in its present condition and use:*

- 1. Predominance of defective or inadequate street layout;*
- 2. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;*
- 3. Unsanitary or unsafe conditions;*
- 4. Deterioration of site or other improvements;*
- 5. Inadequate and outdated building density patterns;*
- 6. Tax or special assessment delinquency exceeding the fair value of the land;*
- 7. Inadequate transportation and parking facilities; and*
- 8. Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area; or*

*(b) An area in which there exists faulty or inadequate street layout; inadequate parking facilities; or roadways, bridges, or public transportation facilities incapable of handling the volume of traffic flow into or through the area, either at present or following proposed construction.*

By meeting the criteria of this definition, the City adopts a resolution called a "Finding of Necessity" stating that such an area exists within the City and that the rehabilitation and/or redevelopment of that area is necessary in the interest of the public health, safety, morals, or welfare of the residents of the City. This study is prepared for the City of Haines City and will provide evidence that the proposed Project Area does have conditions meeting the stated definitions of a blighted area. In 1991 the City of Haines City prepared and approved the original "Finding of Necessity". The "Findings" of that report are hereby incorporated and made part of this "Finding Report". ( See Exhibit 1)

A common characteristic to most blighted areas is that much of the original development occurred many years ago allowing the passage of time to bring about a physical deterioration of both the private development and the public infrastructure. In many instances, the improvements have aged beyond the needs and demands of the modern day. As the City's population and economy grew, increased residential and commercial demand led to the development of other areas. The older areas received relatively little new development and were faced with a substantially decreased market demand for the development that existed.

Further, the decrease in market demand in the City's commercial areas has brought about an increasing number of marginal businesses. These businesses do not have sufficient resources to invest in major improvements and this causes other property owners to feel that the area is not a good investment. Consequently, the area is characterized by an increased in the percentage of tax expenditures and decreasing tax revenues.

Once an area has deteriorated, there exists a general condition of blight. Such areas constitute a burden to the community and arrest the sound growth of the entire City. Public expenditures alone will not solve the problems of these areas. There must also be a substantial amount of private sector investment. However, private sector investment decisions are based upon sound financial considerations, causing the blight conditions in the Project Area to discourage investment.

While the original Finding of Necessity was valid and the Redevelopment Plan was sound, the plan <sup>(it)</sup> did not take into consideration the community wide impact of blight on the commercial core and the same impact that this area has on the entire City of Haines City. The Redevelopment Area, as established, was too small to address all of the blighting influences that impact the ability to facilitate redevelopment.

This is a common problem with CRAs that were established throughout the State of Florida in the 1980's and the early 1990's and has resulted in the necessity of many of these CRAs to expand their respective redevelopment areas to successfully facilitate redevelopment.

# OVERVIEW OF PROPOSED PROJECT AREA

## 1. Project Area

The Project Area is located within and is all inclusive of the existing city limits of the City of Haines City containing approximately 5,256 acres and more particularly described as:

The existing City of Haines City, City limits, in its entirety, being located within the following: Sections 4, 5, Township 28 South, Range 27 East, and Sections 18, 19, 20, 21, 22, 27, 28, 29, 30, 31, 32, 33, of Township 27 South Range 27 East, and Section 25, Township 27 South and Range 26 East, and all located within Polk County, Florida, USA.

The Project Area, as described in the Table below, is a mix of commercial/retail, residential, industrial, warehouse/storage and office uses (also see Exhibit A, Project Area Map).

**Table I**  
**LAND USE SUMMARY**

	Commercial	Residential	Industrial	Agriculture	Conservation	Public/Quasi -Public Land	Vacant/Open Land
Totals	196.5	1183.7	201.2	1643.0	990.0	207	848.5
Percent Totals	3.7%	22.5 %	3.8 %	31.2 %	18.8 %	3.9 %	16.1 %

## 2. Background

Haines City was originally called Clay Cut, and was developed in the late 19<sup>th</sup> Century in association with the citrus industry and (later) the railroad. The majority of the original Project Area contains the original plan and was developed as the commercial center of the community. As Haines City developed, the commercial area grew as a compact business district to its current size.

In the past 35 years, many downtown businesses have continued to relocate to the outlying shopping areas. This has created a number of vacancies. Buildings have been removed, while others have been replaced by offices buildings. Others have been replaced with less than desirable structures which do not contribute to the commercial core. In most cases those buildings that have been removed were not replaced, thus creating a higher than average percentage of underutilized land. This, combined with the general deterioration and age of the surrounding buildings, is a deterrent to the development of these properties.

In 1989, a fire in the downtown destroyed three commercial buildings, creating a large gap in the heart of the commercial core. This highly visible vacant area further contributes to the area's deterioration and promotes a reluctance by the private sector to develop downtown properties. While this fire was a tragedy in loss, it drew attention to the dire need for the redevelopment of this district as the commercial and community core. All these circumstances contributed to the need to establish the original CRA.

The neighborhoods surrounding the downtown have also continued to add new businesses, however many of these areas have developed with marginal business located in substandard buildings and substandard site improvements. As a result the blighted businesses and areas overwhelm those that present a positive image.

### 3. Decreased Property Values

When the CRA was created the assessed value was established at \$10,947,110 with 1990 being the "Base Value" year. Assessed value rose slightly from 1990 to 1994 and then generally declined to a current value in 2001 of \$10,485,484. This is a total decrease of \$461,626 or 4.2% over this 11 year period. ( See Table II , Decrease in Accessed Value )

**Table II**  
**CITY OF HAINES CITY CRA**  
**DECREASE IN ACCESSED VALUE 1990-2001**

1990 Base Accessed Value	2001 Accessed Value	Total Decreased Accessed Value
\$ 10,947,110	\$10,485,484	\$461,465
Percent decrease		4.2%

With the addition of the Consumer Price Index (CPI-U) of 1.37238 from April of 1990 to April of 2001 the value of the same area should have increased to \$15,023,594. This equates to a unrealized gain in accessed value of \$4,076,484 that would have been realized with normal property value growth.

This trend in declining property values has been ongoing for some time and confirmed by the 1990 Census of Housing for City of Haines City. From 1980 to 1990, when the standard CIP is applied to property value, in the study area, during this 10 year time frame the average single family home value declined from \$49,717 in 1980 to \$48,536 in 1990. That represents a loss in value of \$1,181, or 2.4%, for every home in the City. This is further evidence that property values for the City of Haines City are either declining or increasing at a much slower rate than other similar communities.

**Table III**  
**CITY OF HAINES CITY**  
**DECREASE IN RESIDENTIAL HOUSING VALUE 1980-1990**  
**CENSUS OF HOUSING 1990, CIP ADJUSTED**

1980 Housing Unit Average Value	1990 Housing Unit Average Value	Decreased Average Value
\$ 49,717	\$ 48,536	-\$1,182
Percent decrease		2.4%

## ANALYSIS OF CONDITIONS OF BLIGHT

In accordance with Florida Statute 163.340, Part III, the following conditions of blight exist in Haines City.

### 1. **Predominance of defective or inadequate street layout:**

The City of Haines City redevelopment study area includes an inadequate arterial, collector and local road network, as well as an abundance of curb openings. In addition, there are inadequate public transportation facilities in the study area and a lack of programmed transportation improvements to address these inadequacies.

*County  
 Recognition  
 Cross Access*

## **2. Faulty Lot Layout in Relation to Size, Adequacy, Accessibility, or Usefulness**

The study area encompasses a significant number of random and substandard-sized parcels. These are consistently found throughout the entire city in every neighborhood and are a result of poor planning and subdivision practices that were utilized between 1920 and 1970; the time when these parcels were offered for development.

Also the standard lot size during that time was 50' x 100' or 5,000 square foot parcels with some parcels being offered as small as 25 feet in width. Larger land assemblage is difficult and costly. It is estimated that over 51% of all existing developed and undeveloped lots are substandard as it relates to minimum zoning lot size or area.

These substandard lots were recorded at the Polk County recorders office as subdivisions and sold without the guarantee that public utilities including sewer, water, storm sewer and public streets were available or were to be provided. For those homes that were built on lots with substandard streets access of police, fire, and emergency vehicles is significantly compromised thereby "endangering life and property by fire" which results in a "deteriorated and hazardous area".

Aside from being difficult to be assembled for redevelopment many of the substandard lots remain undeveloped due to the lack utilities and proper access. In addition many of these lots are located along major roadways creating a preponderance of small lots with one or more driveways which impedes the efficient flow of traffic, thereby contributing to blighted conditions.

It is for these reasons that the expansion of the CRA boundaries with the ability to facilitate property assembly is necessary for successful redevelopment.

## **3. Unsanitary and Unsafe conditions**

City Staff has reviewed existing public facilities and infrastructure within the study area to identify blight as described under the redevelopment guidelines. In total 105 streets were identified that lack paving and street improvement, water service and /or sanitary sewer

Of these streets 46 were identified as being unimproved. This would translate into 7.3 miles of street improvement with an estimated cost of \$3,858,600. As indicated in Table V, 98 of the streets did not include Sanitary Sewer and 27 did not provide Potable Water.

**Table IV**  
**Summary of Platted Right of Ways**  
**Within the City of Haines City**  
**Lacking Paving, Water, and Wastewater Improvements**  
**May, 2001**

Total Number of Platted ROW	Unimproved R.O.W.	Lacking Water	Lacking Wastewater
105	46	27	98

A detailed plan for Water and Wastewater Improvements was prepared for the City of Haines City in August 2000, by Hartman and Associates, Inc. and is made part of this report. ( See Exhibit 2, City of Haines City Water and Wastewater System Plan )

#### **4. Deterioration of Site or Other Improvements**

In Haines City, *substantial* deterioration of both site conditions and other improvements (buildings) are documented below for each characteristic.

For the purposes of this study, a field survey was conducted of building exteriors to establish the extent of deterioration of the buildings in the Project Area. Criteria for the evaluation of building condition is as follows:

“**Sound**” refers to a building that appears to be well maintained and has no visible repairs needed. In some cases, renovations, signage or additions may be inappropriate, but the condition is basically without problems.

“**Deteriorating**” refers to those buildings which are in need of minor repairs such as paint or general maintenance.

“**Deteriorated**” refers to those buildings which are in need of major repairs such as significant facia or eave replacement, porch, entry or window repairs.

“**Dilapidated**” refers to those buildings which are in need of extensive repairs including new roof, masonry tuck pointing, new flooring or other rebuilding projects.

**TABLE V**  
**BUILDING CONDITION ANALYSIS SUMMARY**

	Sound	Deteriorating	Deteriorated	Dilapidated
Total Structures (3757)	2455	614	221	50
Percent Total (100%)	65%	24%	9%	2%
Percent of Deteriorating, Deteriorated or Dilapidated Condition		35%		

The Building Condition Analysis Summary of the Project Area as described in Table V, reveals that 885 structures or 35% are in "Deteriorating", "Deteriorated", or "Dilapidated" condition, and 2455 or 65% of the Project Area's buildings are in "sound" condition. (See Photographs, Exhibit 3.)

The presence of deteriorated buildings of this magnitude confirms a lack of private investment and impairs future growth by contributing to a poor investment environment, and creates a burden to the community due to increased services for code enforcement and inspections.

The existence of deteriorating building stock is one of the single greatest contributions to a negative impression of a downtown and a community thus creating problems for the community in terms of:

- Property values, which are depressed, decreasing local tax revenues.
- Increased fire hazard potential.
- Increased code enforcement demands.
- Concentration of low income groups and marginal businesses, which lack the financial resources to reverse the conditions.
- The conversion of single family housing into low rent and multi-family units, discouraging use by families and permanent households.
- The creation of an environment, which attracts transients and others prone to criminal activity.
- A poor business environment which encourages existing successful businesses to move out and discourages new ones from moving in.

In addition, many of the non-residential buildings within the Project Area that received a "sound" rating, have signage, renovations or modifications which are inappropriate within accepted architectural and appearance practices. While these changes may be well-intentioned, they contribute to the chaotic and "aged" appearance of the area.

### **Substandard Housing**

Substandard housing is defined as a structure showing signs of major decay and defects beyond the scope of normal maintenance. Lack of plumbing facilities and heating equipment also contribute to this classification. Data provided by the Schimberg Center indicated that there were 5,101 housing units in 1990, with multi family housing accounting for 1,290 units or 25%. The owner occupied units accounted for 61% of the total and renter occupied accounted for 39% of all units.

While the 2000 Census on Housing data will not be available until next year, in 1990 the US Census on Housing provided by Schimberg Center identified 321 units as substandard based on lacking complete plumbing or kitchen facilities and other deficiencies. This is an increase from 153 units or over 110% as estimated from a housing condition evaluation prepared for the 1980 Census of Housing for Haines City.

## **5. Diversity of Ownership or Defective or Unusual Conditions of the Title which Prevent the Free Alienability of Land Within the Deteriorated or Hazardous Area.**

### **Diversity of Ownership**

Property ownership patterns are evaluated for two reasons. First, diversity of ownership can be a factor which "Substantially impairs or arrests the sound growth of a county or municipality..". This impairment may occur if ownership patterns would preclude the assembly of multiple parcels for redevelopment purposes. Property or lot layout is also evaluated to determine if the size, configuration and accessibility of parcels is adequate for continued economic use and development.

A problem in land assemblage is revealed in Table VI, Property Ownership Analysis, which shows a 30% ownership by people from out of town.

**Table VI  
PROPERTY OWNERSHIP ANALYSIS**

	Haines City Owner	Out-of-Town Owner
Number of Parcels	2630	1127
Percent Totals	70%	30%

## **CONCLUSIONS**

### **A. Area Boundary Description**

The blighted area is located within and is all inclusive of the existing city limits of the City of Haines City containing approximately 5,256 acres and more particularly described as:

The existing City of Haines City, City limits, in its entirety, being located within the following: Sections 4, and 5, Township 28 South, Range 27 East, and Sections 18, 19, 20, 21, 22, 27, 28, 29, 30, 31, 32, 33, of Township 27 South Range 27 East, and Section 25, Township 27 South and Range 26 East, and all located within Polk County, Florida, USA. The described area is contained within and is all inclusive of the corporate limits of the City of Haines City, Polk County, Florida, as of 2001.

### **B. Area Boundary and Finding of Necessity Justification**

Florida Statutes require that only one of the stipulated criteria needs to be met for determining that an area is blighted and in need of redevelopment. As presented in this study, five conditions of blight are present throughout the existing City Haines City limits. These include:

#### **1. Predominance of defective or inadequate street layout:**

The City of Haines City redevelopment study area includes an inadequate arterial, collector and local road network, as well as an abundance of curb openings. In addition, there are inadequate public transportation facilities in the study area and a lack of programmed transportation improvements to address these inadequacies.

## **2. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness:**

The redevelopment study area encompasses a significant number of random and substandard-size parcels, particularly along major roadways and within subdivisions established prior to 1980. In addition to creating a diverse ownership pattern which makes acquisition and reassembly for new development difficult, the preponderance of small lots with one or more separate access points along major roadways in the study area impedes the safe and efficient flow of traffic. There also exists a predominance of unpaved roadways in the study area. These unsafe roadway surfaces are substandard access for police, fire, and emergency vehicles. This all leads to the endangerment of the public health and welfare.

## **3. Unsanitary or unsafe conditions:**

An infrastructure evaluation of the study area identified a number of problems related to unpaved roadways and inadequate water, sanitary sewer, and storm sewer systems. Among other things these deficiencies contribute to the blight conditions due to inadequate public facilities

## **4. Site or improvement deterioration:**

A predominance of existing development in the study area were built prior to 1970 and present significant level of Deteriorating, Deteriorated and Dilapidated conditions. A survey of existing residential and non-residential structures has found that 35% of all building fall within these categories. It is estimated that an even greater number of building sites were substandard and nonconforming related to site improvements. These include lack of parking, lighting, paving, handicapped access, general maintenance and storm water control to name a few. Few of these non-residential facilities are adequate to meet the contemporary need of their intended uses.

## **5. Diversity of ownership, defective or unusual conditions of title which prevent the free alienability of land with the deteriorated or hazard conditions:**

There is a preponderance of both substandard-size parcels and non-conforming uses throughout the study area. Numerous small lots typically result in numerous owners, making acquisition and re-assembly for new development difficult. Although uses may ultimately change their form, the process of change is a lengthy one; and the mix of uses which has occurred limits their long term compatibility.

- These conditions exist in Haines City, negatively affecting the general welfare of the residents of the area as well as impairing the sound growth that a city needs to prosper. It is, therefore, recommend that the proposed Project Area for redevelopment be so designated by the City, adopting this "Finding of Necessity", and establishing this area as a CRA under Chapter 163, Part III, Florida Statutes.

# LIST OF EXHIBITS AND TABLES

## Haines City

---

### EXHIBITS

1. "Finding of Necessity" Haines City CRA, April 1991
2. City of Haines City Water and Wastewater Master Plan
3. Photographs of Building Condition
- A. Map of Project Area and Amended CRA Boundaries

### TABLES

- I Land Use Summary
- II Decrease in Accessed Value CRA 1990-2001
- III Decrease in Residential Housing Value 1980-1990
- IV Platted Right of Ways Lacking Paving, Water, and Wastewater
- V Building Condition Analysis
- VI Property Ownership Analysis

**EXHIBIT 3**  
**PHOTOGRAPHS**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Deteriorated Building & Site.**



**Deteriorated or Hazardous Conditions.**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**





**Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Defective Street Layout, Faulty Accessibility/Usefulness, Unsafe Conditions, Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Faulty Accessibility/Usefulness & Deteriorated Building & Site.**



**Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Faulty Accessibility/Usefulness & Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Faulty Accessibility/Usefulness & Deteriorated or Hazardous Conditions.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Faulty Accessibility/Usefulness & Deteriorated Building & Site.**



**Faulty Accessibility/Usefulness & Deteriorated Building & Site.**



**Deteriorated Building & Site, and Deteriorated or Hazardous Conditions.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**



**Deteriorated Building & Site.**