ELOISE COMMUNITY REDEVELOPMENT PLAN

Annual Report

POLK COUNTY, FLORIDA

Fiscal Year 2014/2015

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Section I

MAP:

INTRODUCTION:

Chapter 163.387 (8), Florida Statues, required that Polk County Board of County Commissioners file an annual report of its financial activities with the taxing authorities each year for the preceding fiscal year. This annual report has been prepared to meet that obligation and is filed for fiscal year of 2014/2015 ending September 30, 2015.

This report sets forth: (1) the organization of the Community Redevelopment Agency and its member commissioners, (2) the organization and membership of the Community Redevelopment Agency Advisory Committee, (3) organization and membership of the administration, (4) financial statements of investments, liabilities, income, and operating expenses, and (5) public and private capital improvement and promotional projects accomplished.

Section II

HISTORY:

The Eloise Community Redevelopment Agency (ECRA) was established on September 29, 1998 by the adoption of Resolution No. 98-50. At the same time, Resolution No. 98-08 found the Eloise Community to be an area of slum and blight. Ordinance No. 00-33, adopted June 20, 2000, approved the Eloise Community Redevelopment Plan finding the "Plan" satisfied Florida Statues 163.360. By adopting Resolution No. 98-08, the Board of County Commissioners determined that the rehabilitation, conservation, redevelopment, or combination thereof in the ECRA is necessary for the best interests of the public health, safety, morals, or welfare of the residents and citizens of Polk County; and that the Plan is sufficiently complete to indicate the demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the ECRA. Further, the Board of County Commissioners determined that 1): A shortage of housing of sound standards and design which is decent, safe, sanitary, and affordable to residents of low or moderate income, including the elderly, exists in the county; 2): The need for housing accommodations has increased in the area; and 3): The conditions of blight in the area or the shortages of decent, safe, affordable, and sanitary housing cause or contribute to an increase and spread of disease and crime or constitute a menace to the public health, safety, morals, or welfare.

The original Declaration of Slum and Blight dated 1997 adopted September 29, 1998, found that 76% of building structures, mostly housing units, were substandard, primarily due to the poverty status within the community. Further, the following conditions were also found substantiating the statutory definition for blight which provided the basis for the CDBG (Community Development Block Grant) project completed in September 2012:

- All nine of the residential streets of Eloise dead-ended into the Wahneta Canal creating a defective and inadequate street layout.
- Seven of the nine streets had no other access thereby creating difficult access for Fire and Emergency Medical Services vehicles.
- All nine residential streets have inadequate pavement widths for two-way traffic with ditches running on both sides of the pavement.
- Nine of the twenty streets in Eloise flooded frequently.
- No sanitary sewer service was provided creating environmental issues due to small 5000 square foot lots and high water tables.
- Potable water lines were inadequate for fire protection.
- As of 1997, there were no fire hydrants on any residential street in Eloise.
- Severe public health and safety hazards existed based upon the high incidence of fires and the obstacles to effectively fight them due to accessibility, no hydrants and low water pressure.

Several major projects have been accomplished since the inception of the Eloise CRA. A major road and utilities infrastructure program completed at the end of Fiscal Year 2011/2012. This program accessed Community Development Block Grant funding since the tax increment revenue stream was small and would have required years to accumulate funding to support any major project. The project mitigated conditions delineated in the blight study on nine (9) streets in the community. In addition, a large community resource center was built and is used extensively to support community programs.

Section III

ELOISE CRA COMMITTEE AND BOARD:

Meetings of the Eloise CRA Advisory Committee are determined by the committee and must be held at least once each quarter. Meetings are typically scheduled on the first Tuesday of the last month of each quarter, subject to Advisory Committee preference.

The County Commission appoints five members to the committee, each of whom either resides, or is engaged in business, within the area of operation of the community redevelopment area. Appointed members serve three-year terms. Members may be reappointed for up to, but no more than, two additional terms at the discretion of the County Commission. The Committee reports to Polk County Board of County Commissioners on its activities. The appointing authority is found in Resolution No. 06-176. On September 15, 2015, John Fleming was re-elected for his second term as Chairman of the Eloise Committee.

Advisory Committee Members

- John Fleming, July, 9, 2018
- Larry A. Powell, May 6, 2016
- Mike Seney, Sept. 30, 2016
- Lee Castillo, July 7, 2017
- Christina Alvarado, May 6, 2016

Board Members

- George Lindsey, District 1, Nov. 21, 2016
- Melony M. Bell, District 2, Nov. 20, 2018
- Edwin V. Smith, District 3, Nov. 21, 2016
- R. Todd Dantzler, District 4, Nov. 20, 2018
- John Hall, District 5, Nov. 21, 2016

Section IV

FINANCIAL STATEMENTS

See attached unaudited budget and actuals summary report for FY 2014/2015. This annual report will be updated with a final audited Comprehensive Annual Financial Report (CAFR) for FY 2014/2015 by end of 2nd Quarter 2016. The audited CAFR report for FY2013/2014 is also included.

Section V

ELOISE CRA PROGRAMS SUMMARY

During (and prior to) FY 2014-2015 (FY 2012-2013 and FY2013-2014), several public investment projects were initiated, implemented, started or completed that worked to achieve original CRA Plan Objectives. Following is a recapitulation of that body of work.

Eloise Visual Arts Center:

The Eloise CRA Administration negotiated the donation of two vacant lots from Polk County located on Snively Avenue for this project. In addition, donation of two modular buildings from the Polk County School Board was achieved. The program start date for this project was 05/10/11. The period from project origination to the 4Q2014 operational date was consumed with the negotiations, various Board approvals and the conveyance process, most of which occurred during 2013. EVAC's had its first soft opening on 02/05/2015 with thirty-three teens enrolled in the program and 10 of them from the Eloise community. This program is free to the Eloise community youth. The EVAC started in full on 02/16/2015 and the official ribbon cutting ceremony was on 02/23/2015. The EVAC partnered with the Department of Juvenile Justice (DJJ) Heartland for Children and Prodigy Program. Prodigy Program in total funds art instructors and in FY 2014-2015 they had 84 kids sign up for the program with 48 students from Eloise. Prodigy will continue to help fund future EVAC and Arts Ensemble programs. The teen center is also open during the week for students Monday through Thursday after school.

Eloise Habitat for Housing Down Payment Assistance Program:

The Eloise Habitat for Housing Down Payment Assistance Program is part of a strategic plan designed to maximize the $8.8 million of public investment in infrastructure improvements in the community, revitalize housing and engender a higher quality of life for residents. This program addresses the Down Payment and Closing Cost Assistance element of the ECRA Plan and fills the gap due to unavailability of State SHIP funds. The program recognized that Habitat applicants were having difficulty accumulating the $1,000 down payment as part of the required Habitat qualification process. Habitat applications were stalled due to job loss and cutbacks as a result of the economic downturn since 2008. This program is an effort to create Eloise community desirability, speed up Habitat applications in Eloise, and thus kick start the long delayed construction of Habitat homes intended to address the housing blight issue in the community. The program provides qualified Habitat applicants 50% of the required down payment for new interest free home mortgages. The total $2,500 allocated to the program equates to $500 for each of five qualifying applicants for the one existing Habitat home re-acquired through foreclosure and each of the four vacant parcels donated to Habitat for Humanity during 2012.

The Eloise Habitat for Housing Down Payment Assistance Program was used to assist the closing of one home located on 2nd Street North on January 30, 2015. Dedication of the home was done by Commissioner

Smith. A second candidate is working through the process to receive down payment assistance on one of the four lots in Eloise purchased by the ECRA and donated to Habitat for construction of a new home. This project addresses the blighted housing issue in the ECRA.

Eloise CRA Housing Rehab Grant Program Doors2Change Foundation (D2C):

The Eloise CRA Housing Rehabilitation Program functions as a "grant program" wherein ECRA TIF monies are "granted" to and matched by a qualifying Polk County not-for-profit agency or foundation specializing in housing rehabilitation and repair for the purpose of bringing substandard dwelling units up to a safe standard level as addressed in the Eloise CRA Plan. During 2013, an RFP process was used to select the Doors2Change Foundation to function as a turnkey provider and project manager with contract commencing in January 2014. Two projects using the grant funds have completed as of 3Q2014 with two pending – one for flooring and wheelchair ramp; one for roof replacement.

In 2015 Doors2Change completed 7 projects including the repair of the pending ramp with two sets of steps on the front porch and bathroom handicap bars. They also finished the pending roof by re-roofing the home from warped plywood and poor previous patches on the roof. The other projects completed included a house siding project, ceiling repairs, exterior door, and multiple floor and bathroom repairs, replaced front entry steps of another home, provided an exterior back door and front door and provided repairs to another back porch and damaged pickets on a wheelchair ramp. Over thirty-seven volunteers gave fifty-two hours to complete these 7 projects in 2015.

Doors2 Change has also initiated a community garden and nutrition program in Eloise with IFAS extension. This is for educational purposes for the community but the produce of the garden can be used for community residents. A cold breakfast and lunches, in partnership with the Polk County School Board, were served during the summer of FY 2014-2015. A food pantry was opened to the student's families in the Eloise Community and has continued into FY 2015-2016.

Traffic Signalization at American Way and Snively Avenue:

This project was reviewed by Polk County Transportation Division comparing the previous 04/2009 study with existing conditions. The 2009 study did not warrant full time signalization at this intersection. At that time, the ECRA TIF monies were insufficient to support a capital project based on original estimates of $300K-$600K had the study warranted signalization. Traffic studies completed 4Q2014 indicate signalization still unwarranted based on traffic volume and accident reports, and the Transportation Division shared its findings at the February 10, 2015 Eloise CRA Advisory Committee meeting. The Transportation Division and the Sheriff's office did make note to coordinate and address speed and 9th street crossing issues.

Snively Avenue Street Lighting Project:

Capital Expense for this project originally identified in the ECRA Plan is estimated at $252K for light poles and fixtures with an added $3,360 annual power bill. Challenges include fully funding the capital cost of lighting and installation with limited ECRA TIF monies, an ongoing source of funding for maintenance and an annual power bill, and an obligation to not create additional blight by adding nearly 20 light poles amidst multiple existing power and utility poles along Snively Avenue. This project had been considered early in the history of the ECRA, again in 1Q/2012, and reinitiated in the 2013. On February 10th, 2015 the CRA Committee approved a recommendation to the Eloise CRA Board and BoCC to implement a lighting project along Snively

Avenue. The lights will be installed from First Street to Ninth Street to assure coverage area will reach the sidewalk opposite of the lights and benefit pedestrians, motorists and businesses alike.

END OF REPORT

Eloise CRA
Fund Balance Analysis
15251

Sunset:June 20, 2030

	FY13/14 Budget	TB: 450,112 FY13/14 Unaudited Actual	FY14/15 Budget	TB: 453,755 FY14/15 Unaudited Actual
Beginning Fund Balance All Other	337,760	334,288	333,478	333,478
Beginning Fund Balance Trans Increment	66,423	69,890	74,966	74,966
Beginning Fund Balance Parks	29,105	30,625	32,773	32,773
Beginning Fund Balance Stormwater	0	0	509	509
Beginning Fund Balance Library	14,550	15,310	12,031	12,031
Total Beginning Fund Balance	**447,838**	**450,112**	**453,756**	**453,755**
Revenues				
CRA Revenue	28,491	29,781	21,706	21,917
Parks	2,055	2,148	1,567	1,582
Stormwater	487	509	371	375
Libraries	1,027	1,074	783	791
Transportation	4,856	5,076	3,700	3,736
Transfer in from MSTUs				
Delinquent Ad-Val				
CRA Personnel Canteen Fund Carry Forward				
Interest	3,360	10,293	5,425	5,710
Total Operating Revenue	40,276	48,881	33,552	34,111
Total Revenue Available	**488,114**	**498,993**	**487,308**	**487,866**
Oracle Input number for Revenue			**28,127**	**28,401**
Expenditures				
Refunds				
Operations	12,500	0	10,000	523
Operating				
Capital	115,000	0	115,000	0
CRA Manager Personnel	18,966	19,259	19,485	12,549
CRA Manager Operating	1,500	1,046	1,500	332
Wastewater Connection Assistance PGM	152,436	20,579	138,155	7,069
Parks Capital				
Transportation Capital				
Stormwater Capital				
Library Capital	15,000	4,353		
Transfers				
Reserve for Contingency	17,500	0	20,000	0
Reserve for Future Capital Expansion	155,154	0	183,168	0
Total Expenditures	**488,114**	**45,237**	**487,308**	**20,473**
Ending Fund Balance	**0**	**453,756**	**0**	**467,393**

* Current Fund Balance

Fund Balance All Other	69,151	333,478	76,469	340,632
Fund Balance Trans Increment	71,279	74,966	78,666	78,702
Fund Balance Parks	31,160	32,773	34,340	34,355
Fund Balance Stormwater	487	509	880	884
Fund Balance Library	577	12,031	12,814	12,822
Total Fund Balance	172,654	453,756	203,168	467,394

POLK COUNTY, FLORIDA
ELOISE COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
SEPTEMBER 30, 2014

ASSETS

Cash and Investments	$	454,116
Interest Receivable		679
Total Assets	$	454,795

LIABILITIES AND FUND BALANCES

Liabilities:		
Vouchers Payable	$	34
Accrued Liabilities		710
Unearned Revenue		296
Total Liabilities		1,040
Fund Balances:		
Restricted		453,755
Total Fund Balances		453,755
Total Liabilities and Fund Balances	$	454,795

POLK COUNTY, FLORIDA
ELOISE COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2014

REVENUES	
Taxes	$ 38,588
Interest Income	6,047
Net Change in Fair Value of Investments	4,246
Total Revenues	48,881
EXPENDITURES	
Current:	
Economic Environment	40,885
Culture and Recreation	4,353
Total Expenditures	45,238
EXCESS OF REVENUES OVER EXPENDITURES	3,643
NET CHANGE IN FUND BALANCES	3,643
Fund Balances - Beginning of Year	450,112
FUND BALANCES - END OF YEAR	$ 453,755

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Eloise Community Redevelopment Agency (the Agency) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Agency's accounting policies are described below.

Reporting Entity

The Eloise Community Redevelopment Agency is a dependent special district of Polk County, Florida (the County). The Agency was established on October 5, 1998 in accordance with Chapter 163, Part III of the Florida Statutes. The Agency is a legally separate entity established by County Ordinance 98-50. The purpose of the Agency is to coordinate projects and programs to rehabilitate, conserve, or redevelop the Eloise community. The members of the Board of County Commissioners also serve on the Board of the Agency. The financial statements of the County include all governmental functions and operations controlled by or dependent on the County. Accordingly, the financial statements include the Eloise Community Redevelopment Agency.

Measurement Focus and Basis of Accounting

The Agency's only fund is a governmental fund. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Property taxes, intergovernmental revenues and interest earned associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the Agency.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Non-current portions of long-term receivables (special assessment) due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

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INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Polk County, Florida
Bartow, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Polk County, Florida (the "County"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents. We have also audited the financial statements of the North Ridge Community Redevelopment Agency, Harden/Parkway Community Redevelopment Agency, Polk Commerce Centre Community Redevelopment Agency, and the Eloise Community Redevelopment Agency (each CRA is a nonmajor special revenue fund) which are presented in the accompanying combining and individual fund schedules and statements section as of and for the year ended September 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Tax Collector, Polk County, Florida, which represents 1.38% and 5.37%, respectively, of the assets and revenues of the general fund, and 0.03% and 2.88%, respectively, of assets and revenues of the governmental activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Tax Collector, Polk County, Florida, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Auditors' Responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the financial statements of the North Ridge Community Redevelopment Agency, Harden/Parkway Community Redevelopment Agency, Polk Commerce Centre Community Redevelopment Agency, and the Eloise Community Redevelopment Agency (each CRA is a nonmajor special revenue fund) of the County as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows and budgetary comparison thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedule of funding progress – other postemployment benefits on pages C-1 to C-15 and F-1 to F-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of County Commissioners
Polk County, Florida

Other Matters (Continued)

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements and the financial statements of the North Ridge Community Redevelopment Agency, Harden/Parkway Community Redevelopment Agency, Polk Commerce Centre Community Redevelopment Agency, and the Eloise Community Redevelopment Agency. The combining and individual fund schedules and statements (with the exception of the North Ridge Community Redevelopment Agency, Harden/Parkway Community Redevelopment Agency, Polk Commerce Centre Community Redevelopment Agency, and the Eloise Community Redevelopment Agency), the Introductory section and the Statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund schedules and statements (with the exception of the North Ridge Community Redevelopment Agency, Harden/Parkway Community Redevelopment Agency, Polk Commerce Centre Community Redevelopment Agency, and the Eloise Community Redevelopment Agency) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules and statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
March 25, 2015