

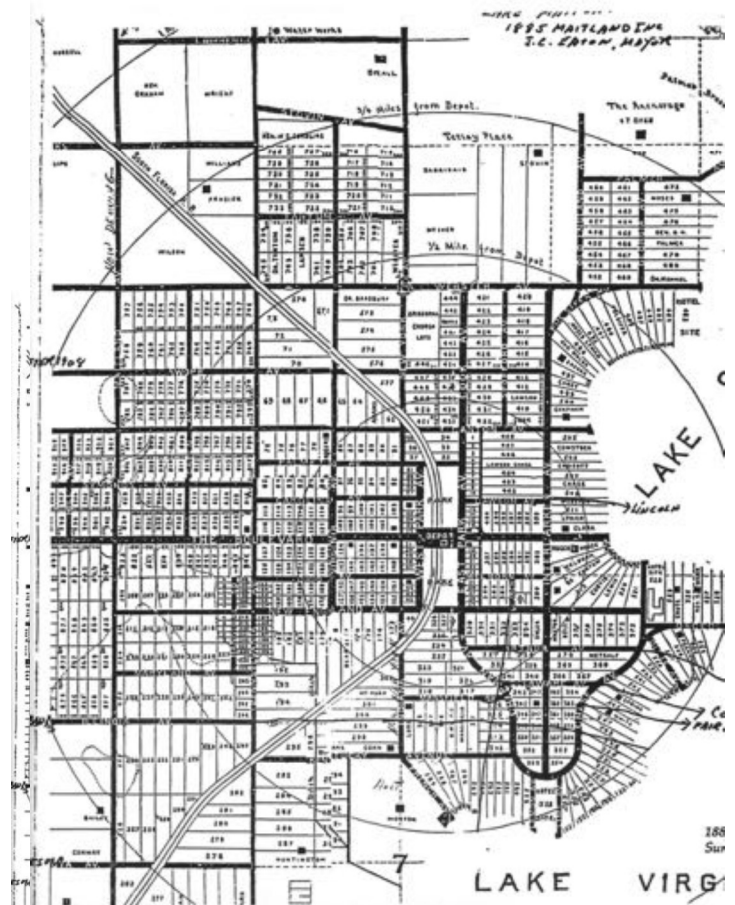
# Acquisition of Winter Park Post Office for Expansion of Central Park

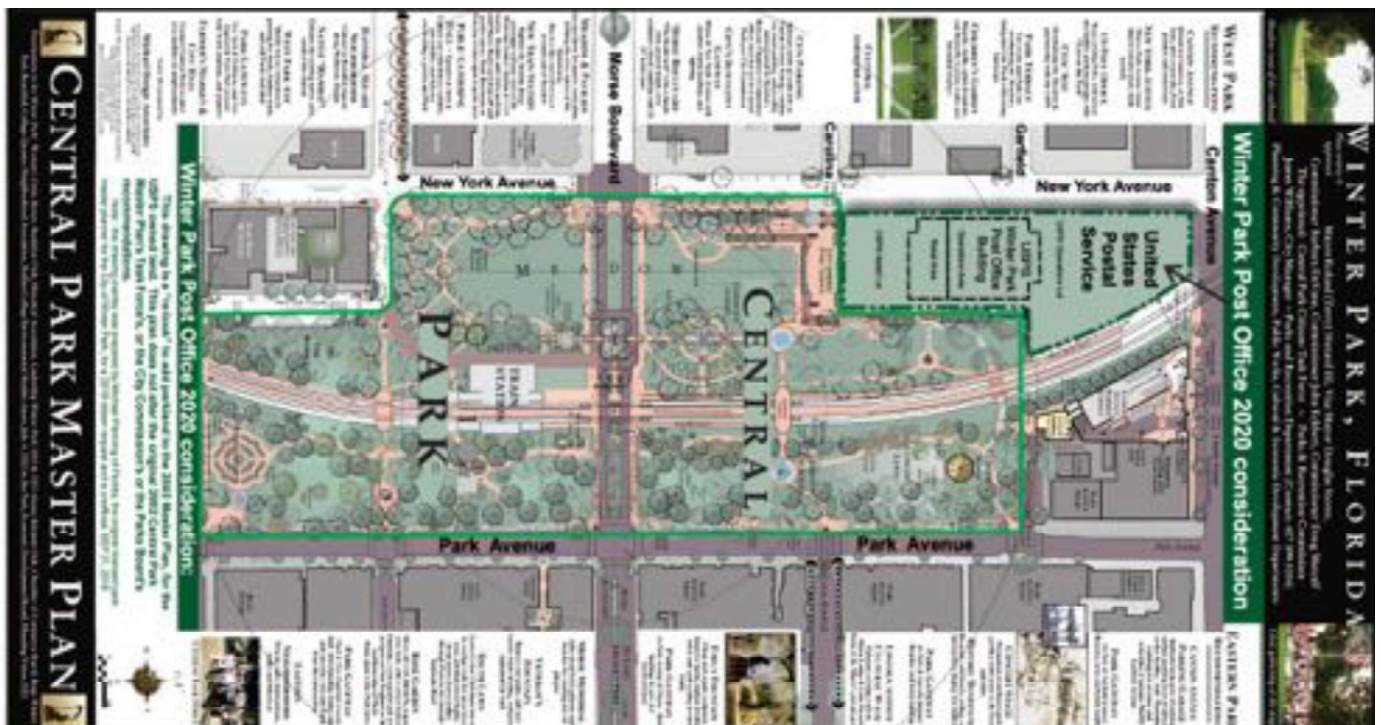
October 2019

# Town Plan: 1881

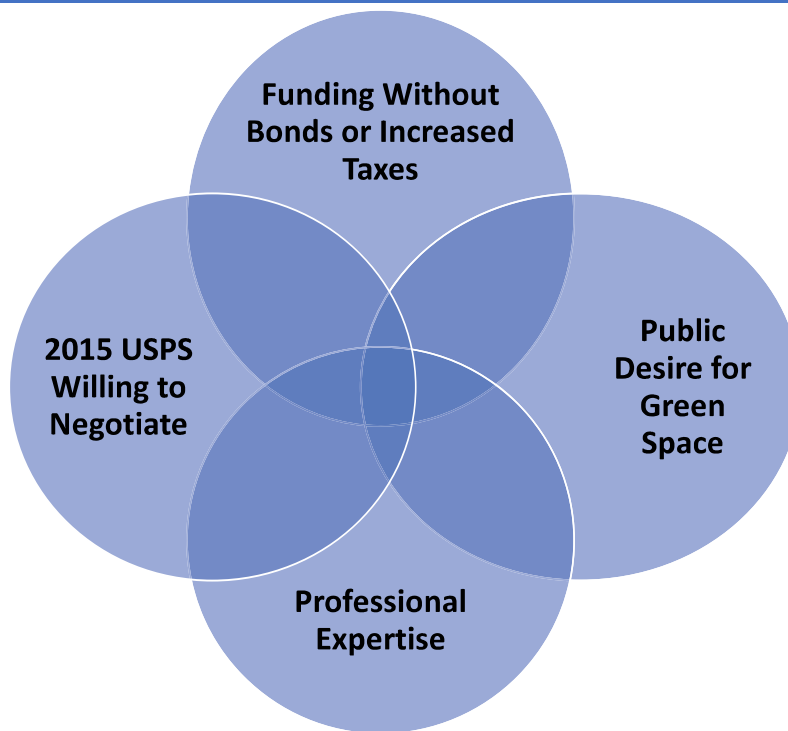
The only platted park in the Town of Winter Park.

In 1881, Loring Chase, Oliver Chapman and Robinson designed the "Park" as the center piece of the town patterned after a New England "commons," similar to the well-known Boston Commons (1634).





# Expanding Central Park - Legacy to be Proud Of



## History of Strong Community Support

1999

- City adopted an Ordinance requiring voter approval of any proposed construction on city owned lands in or adjacent to Central Park. (Canton to New England and Park to New York)

2002

- A new Central Park Master Plan reflected the City's vision for the future enhancement of Central Park, including expansion west to New York Avenue.

2004

- Zoning on the Post Office Property was changed from Government and Institutional use to Central Business District zoning to enable a joint public-private mixed use development adjacent to Central Park.

2006

- The National Trust for Historic Preservation, Online Preservation Magazine, identified Winter Park's Central Park as a "Threatened" historic asset stating, "rapid construction of condos, parking garages, and retail space could compromise this tranquil centerpiece of historic Orlando suburb."

2007

- Winter Park residents initiated a fund raising campaign, Help Our Park Expand (H.O.P.E.), in an attempt to raise the funds required to acquire the Post Office Property. The H.O.P.E. initiative received 335 pledges and \$1.8M in contributions.

## **Preliminary Approval @ C-2 Zoning 01/24/05:**

### C-2 Central Business District Zoning

3-0 Vote of Commission (Preliminary Approval)

4-story Mixed Use

2 levels Underground Parking

~194,000 Square Feet

Floor Area Ratio 220%

Included:

- ~22,000sf Post Office

- ~11,000 Office Space

- ~11,000 Retail

- 130 Condominiums

- 515 Parking Spaces



## History of Strong Community Support

2007

- City Commission committed ~ \$4M to deter commercial redevelopment of the USPS property.

2008

- The Central Park West Meadow was created from the municipal parking lot located west of Central Park, in furtherance of the Central Park Masterplan. The West Meadow is now home to the annual Autumn Art Festival and the Park Avenue Fashion Show.

2008

- Winter Park is listed as the #38 Historic Destination by National Geographic Travel Magazine celebrating Winter Park's crown jewel, Central Park.

2009

- Residents formed the Winter Park Greenspace Foundation (501(c) 3) to raise funds to obtain the Post Office Property to increase the greenspace in Winter Park.

## History of Strong Community Support

2010

- The City Commission passed a Resolution supporting the acquisition of the USPS property for the purpose of expanding Central Park and increasing public parkland.

2010

- The Post Office property was changed from Central Business District zoning (put in place to enable redevelopment in 2004). The north end of the Post Office property was reverted to Government and Institutional zoning and the south portion to Parks & Recreation zoning.

2011

- Downtown Winter Park Historic District was approved by the National Park Service and added to National Register of Historic Places. Central Park and the Post Office building are documented as contributing properties in the district.

2011

- United States Senators Marco Rubio and Bill Nelson and Representatives Sandy Adams, Corrine Brown, John Mica and Daniel Webster sent a letter to the Postmaster General requesting they grant the City of Winter Park a Right of First Refusal on the Post Office property.

2012

- The City of Winter Park sent a letter to the Postmaster General offering maintenance of the local Post Office property in exchange for a Right of First Refusal on the Post Office property.



RESOLUTION NO. 2043-10

A RESOLUTION OF THE CITY OF WINTER PARK, FLORIDA SUPPORTING THE ACQUISITION OF THE PROPERTY CURRENTLY OWNED AND USED BY THE UNITED STATES POSTAL SERVICE FOR THE PURPOSE OF PUBLIC PARKLAND.

WHEREAS, the United States Postal Service (USPS) currently owns the property located at 300 N. New York Avenue in Winter Park (the Property) and has been using said property since 1963 for both retail and distribution functions of the post office, and,

WHEREAS, the Property is located within the heart of downtown Winter Park and is directly adjacent to the City's Central Park and upscale shopping district, and

WHEREAS, the New York Avenue corridor adjacent to the Property is prime for economic redevelopment, and

WHEREAS, the City Commission of Winter Park has recognized that the distribution center located on the Property is neither appropriate nor compatible with Central Park, the upscale nature of the surrounding uses, or the desire to promote economic development downtown, and

WHEREAS, alternative nearby local sites are readily available for the construction of a replacement Post Office and

WHEREAS, as the city and surrounding region increases in intensity and density of land uses the need for added green space has grown substantially, and

WHEREAS, parks are a priority of Winter Park and the city guarantees the citizens' a minimum of 10 acres of parkland per 1000 residents; and

WHEREAS, there is a desire to have the Property become park land for the purpose of expanding Central Park for future generations of Winter Park residents and visitors.

WHEREAS, the City of Winter Park desires the donation of the current Winter Park Post Office land from the Federal government, and guarantees it will not be sold for commercial purposes or financial gain, but will only be utilized for the public good;

NOW, THEREFORE, be it resolved by the City Commission of the City of Winter Park, Florida that:

Section 1. The City Commission of the City of Winter Park hereby resolves that the Property located at 300 N. New York Avenue be

## City of Winter Park Resolution 2010

The City Commission passed a Resolution supporting the acquisition of the property currently owned and used by the United States Postal Service for the purpose of public parkland in perpetuity.

The City expressed its desire that the USPS *donate* the Post Office property to the City to be utilized for the public good.

July 15, 2011

Postmaster General Patrick Donahoe  
U.S. Postal Service  
475 L'Enfant Plaza SW  
Washington, D.C. 20260

Dear Postmaster General Donahoe:

We write to you today concerning an issue of great importance to our constituents in Winter Park, Florida. Winter Park is known for its abundant parks, trees and natural surroundings in Central Florida, and the city continuously works to preserve and enhance its parkland. The city of Winter Park has informed us of their interest in the land upon which there is a U.S.P.S. distribution center located in the city. As such, we think there are ways in which the local government in Winter Park and the U.S. Postal Service can work together that would be beneficial to all parties involved.

The local government officials from Winter Park informed us that the property is currently used as a U.S. Post Office location for both retail and distribution functions at 300 North New York Avenue. It is located within the heart of downtown Winter Park directly adjacent to the City's Central Park and upscale shopping district. The local government officials conveyed to us that the city wants to retain a retail location in the area, but that the large distribution center is incompatible with the historic downtown area. In short, the city of Winter Park is highly interested in using this land to expand its Central Park if and when the U.S.P.S. no longer wants to operate a distribution center from this location. While it is our understanding that the U.S. Postal Service currently has no plans to discontinue operating at the current location, we ask that the U.S. Postal Service consider granting the City a right of first refusal in the land so that if and when the Postal Service decides they want to sell the property, the City would have an opportunity to purchase it.

We appreciate your consideration regarding this issue. We look forward to hearing from you in the future. Lastly, if we can be of any assistance to you, please do not hesitate to contact us.

Sincerely Yours,



Marco Rubio  
United States Senate



Bill Nelson  
United States Senate



Sandy Adams  
Members of Congress



Cebenne Brown  
Member of Congress



John Mica  
Member of Congress



Daniel Webster  
Member of Congress

## Congressional Delegation Support for Right of First Refusal 2011



August 23, 2011

The Honorable Sandy Adams  
House of Representatives  
Washington, DC 20515-0924

Dear Congresswoman Adams:

This is in response to your July 15 letter to Postmaster General Patrick R. Donahoe, which was cosigned by five of your colleagues, regarding postal operations in Winter Park.

I recognize and understand your interest in assisting the City of Winter Park in this matter. The City of Winter Park is interested in negotiating with the U.S. Postal Service to acquire the land located at 300 North New York Avenue, specifically the property that houses the Winter Park Distribution Center. At this time, postal officials at our Southwest Facilities Service Office (FSO) report that there are no plans to vacate or sell this building. Should the Postal Service decide in the future that it would be favorable to relocate from the existing facility, our FSO will follow the mandated public and intergovernmental notification processes. This will provide the City of Winter Park enough notice to make an offer on the property should they choose to do so.

Thank you for writing. If I can be of assistance with other postal issues, please let me know.

Sincerely,



Mico Milanovic  
Government Relations Representative



July 20, 2012

CITY OF WINTER PARK

401 Park Avenue South

Winter Park, Florida

32789-4386

OFFICE OF THE CITY MANAGER

P: 407.599.3235

F: 407.599.3436

The Honorable Patrick R. Donahoe  
Postmaster General  
U.S. Postal Service  
475 L'Enfant Plaza, SW, Room 10804  
Washington, DC 20260

Dear Mr. Donahoe:

As we discussed, the City of Winter Park would like to obtain a Right of First Refusal for the property located at 300 N. New York Avenue, Winter Park, FL 32789. Below is our proposal to secure that right.

To obtain this right, the City will:

1. Maintain the USPS landscaping at that location until such time the property changes hands.
2. Sweep the public parking area (south side of building) with a street sweeper once per month until the property changes hands.

Upon deciding to surplus or dispose of the property, the USPS will:

1. Notify the City of its intent to dispose of the property.
2. Enter into negotiations with the City for a period of not less than 60 days unless the City waives its right to purchase.
3. If agreeable terms cannot be reached by both parties, provide the City the right to match any written offer as long as the City matches said offer within 90 days.

I have attached a copy of the July 15, 2011 letter from the City's Congressional Delegation, a copy of Resolution 2043-10 supporting the acquisition, a one page summary of the history of the property and surrounding area, and a map of our historic district.

The citizens of Winter Park have historically been very supportive and protective of Central Park and abutting properties. Citizen surveys, recent contributions and pledges to the Green Space Foundation reflect their commitment to expanding Central Park to include the current USPS property. We look forward to offering our citizens the security of obtaining

## City of Winter Park Offer of Maintenance in Exchange for Right of First Refusal 2012



August 6, 2012

Randy B. Knight  
City Manager  
City of Winter Park  
201 Park Avenue South  
Winter Park, Florida 32789

Re: 300 N. New York Avenue, Winter Park Florida, 32789

Dear Mr. Knight:

This is in response to your July 20, 2012, letter to the Postmaster General. Thank you for your interest in the Winter Park Main Office. At this time, the property is not available for sale, nor do we anticipate the property will become available in the foreseeable future. However, if the Postal Service does determine it is in its best interest to sell the property, we will notify government officials and the public of the proposed sale in accordance with applicable community notification, community relations, and intergovernmental notice procedures.

When a Postal Service project calls for disposal of a postal facility, the Postal Service is required to generate adequate market exposure of the property and competition among all interested parties, to meet our obligation to secure best value to the Postal Service. A Right of First Refusal to the City of Winter Park would impair our ability to assure the Postal Service has maximized the property's overall value because it will prevent us from exposing the property to the market. The current financial exigencies facing the Postal Service require the Postal Service to maximize the value of our assets.

Again, we appreciate your continued interest.

Sincerely,

## History of Strong Community Support

2013

- The City Commission held a work session with Congressman Mica to discuss strategies for the possible acquisition of the Post Office property.

2014

- Congressman Mica arranged a meeting between the City and the USPS Vice President of Facilities to discuss splitting the Post Office retail and distribution facilities and providing Winter Park deal points to acquire the property.

2015

- Staff identified a property satisfying the USPS facility requirements for the distribution center and ask for Commission direction. The City Commission found the cost unacceptable and offered to purchase the existing USPS property at the appraised value and lease it back to the USPS for 20 years. The City Commission voted to discontinue negotiations if that offer was not accepted by USPS.

2015

- The USPS rejected the City's offer and negotiations were discontinued.

**USPS statement before City terminated negotiations:  
(2015)**

*“After completing a few layouts, we believe that the site has high potential of working for us (subject to a 30% design). I think you should proceed with your discussions with the city council.”*

*Source: Email from USPS Vice President of Facilities, 1/08/15*

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Acquire the USPO property for the purpose of expanding Central Park for future generations of Winter Park residents and visitors.

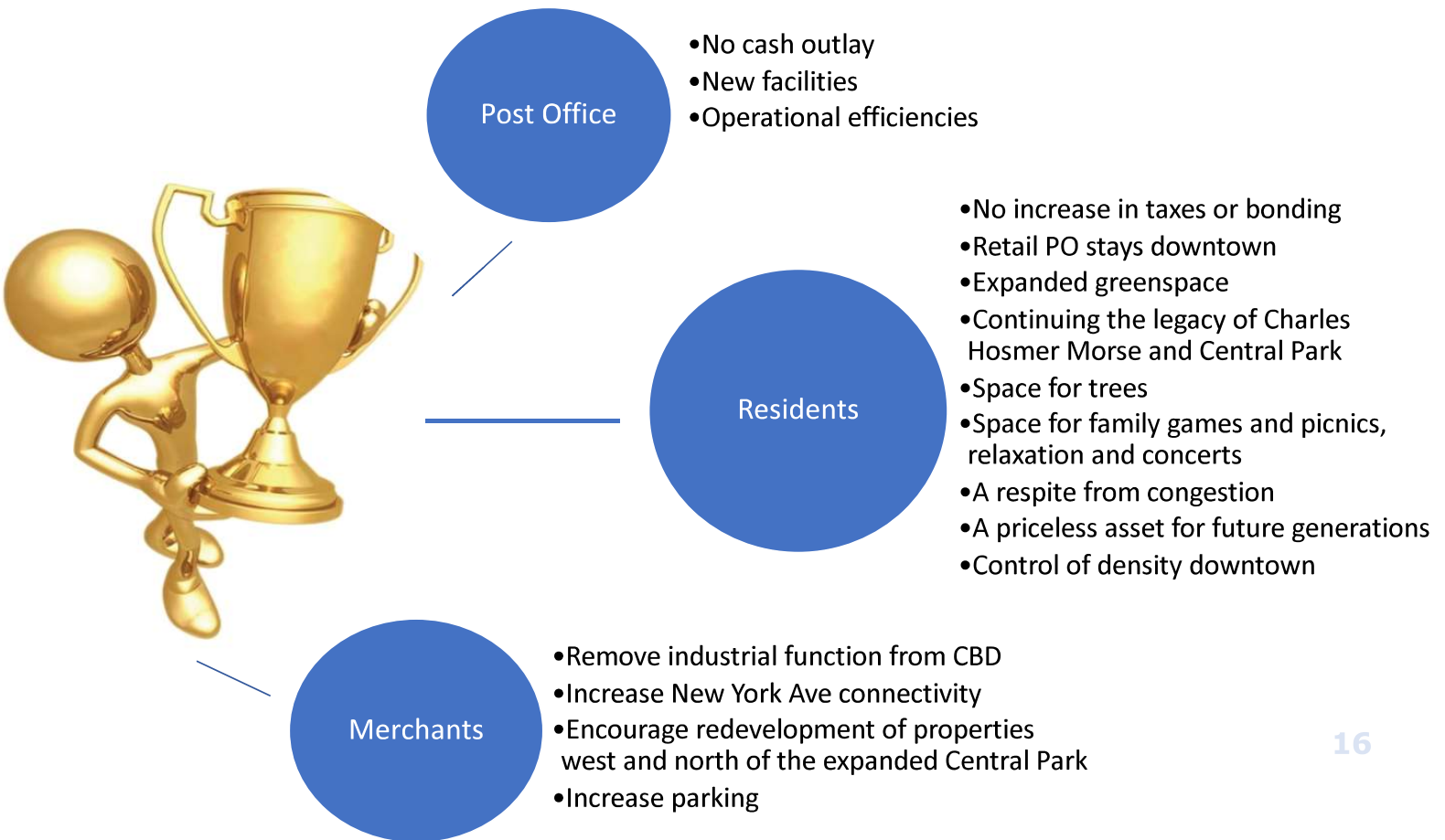
Retain the retail portion of the USPO in downtown Winter Park and relocate the back of house operations to a more appropriate location outside the City core.

Protect the character of Winter Park's quaint downtown by controlling future use of the USPO property.

Improve connectivity and encourage redevelopment of New York Ave Properties.

# Strategic Alignment







# USPS Requirements (Presented 01/12/15)

1

Replace the carrier site or consolidate it with either the Metric Drive or Orlando Fashion Square Mall carrier site.

2

Retail space to remain in the downtown core of Winter Park.

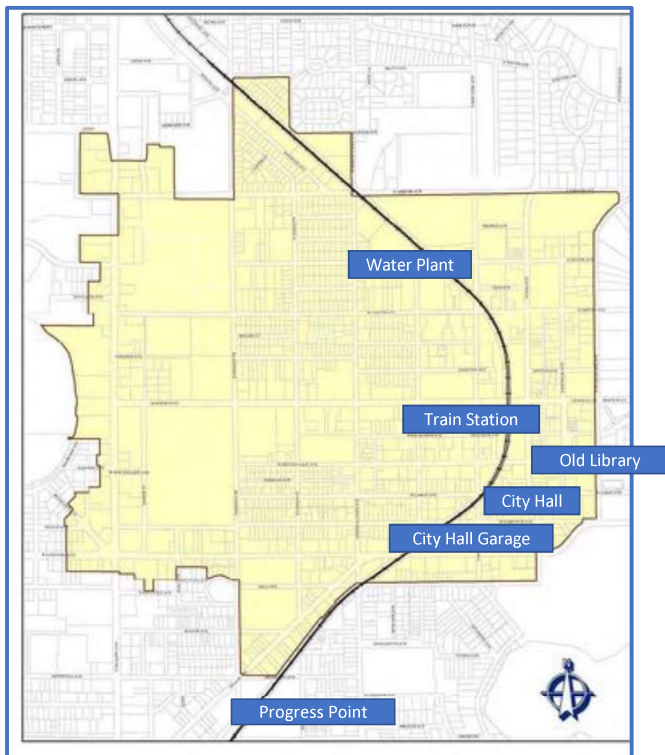
3

Market value of new property must equal value of property the USPS would be giving up.

## Carrier/Distribution Site (Presented 01/12/15)

- An acceptable site in proximity to other USPS operations, was identified.
- Site offered operational efficiencies for the USPS.
- Site offered opportunity for consolidation.
- USPS stated site offered “**high potential of working**”.
- Property still undeveloped.

## Retail Site



Retail PO to remain in downtown core of Winter Park.

USPS stated requirement.

6,875 sf

Parking 66

Potential sites include:

City Hall

City Hall Future Garage

Old Library

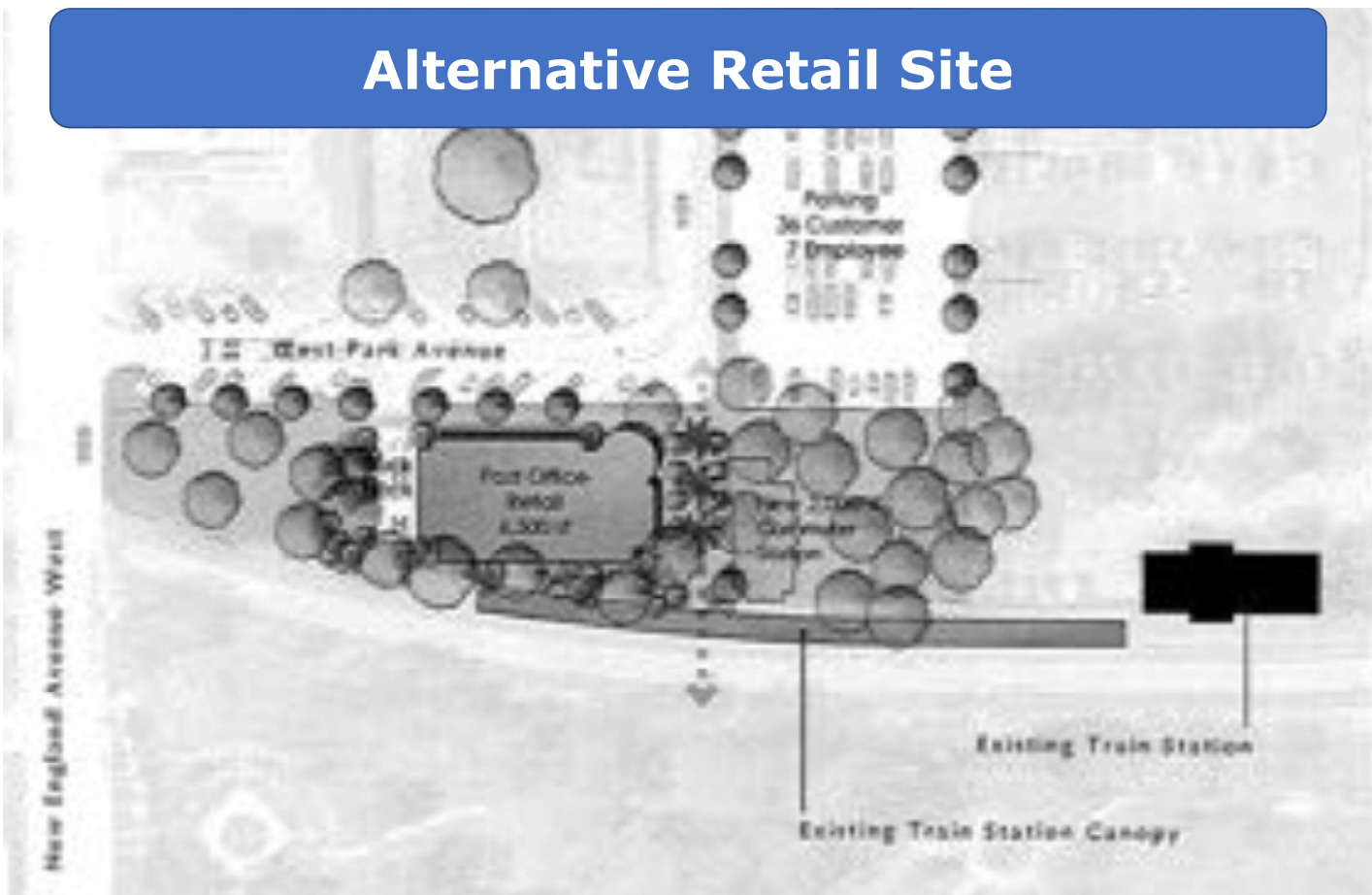
Water Plant

Adjacent to Train Station

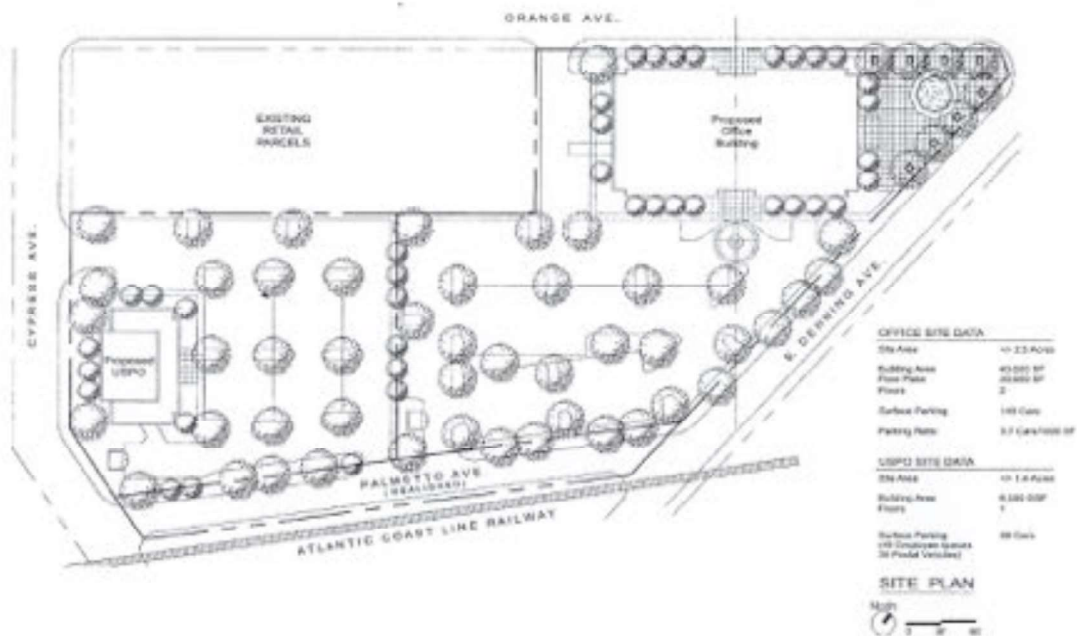
North End of Current PO Property

Progress Point Property

## Alternative Retail Site



# Alternative Retail Site



PROGRESS POINT OFFICE BUILDING

Wesley Park, Florida  
July 20, 2007



## Alternative Retail Site





## Alternative Retail Site



## Possible New Parking (81 spaces)





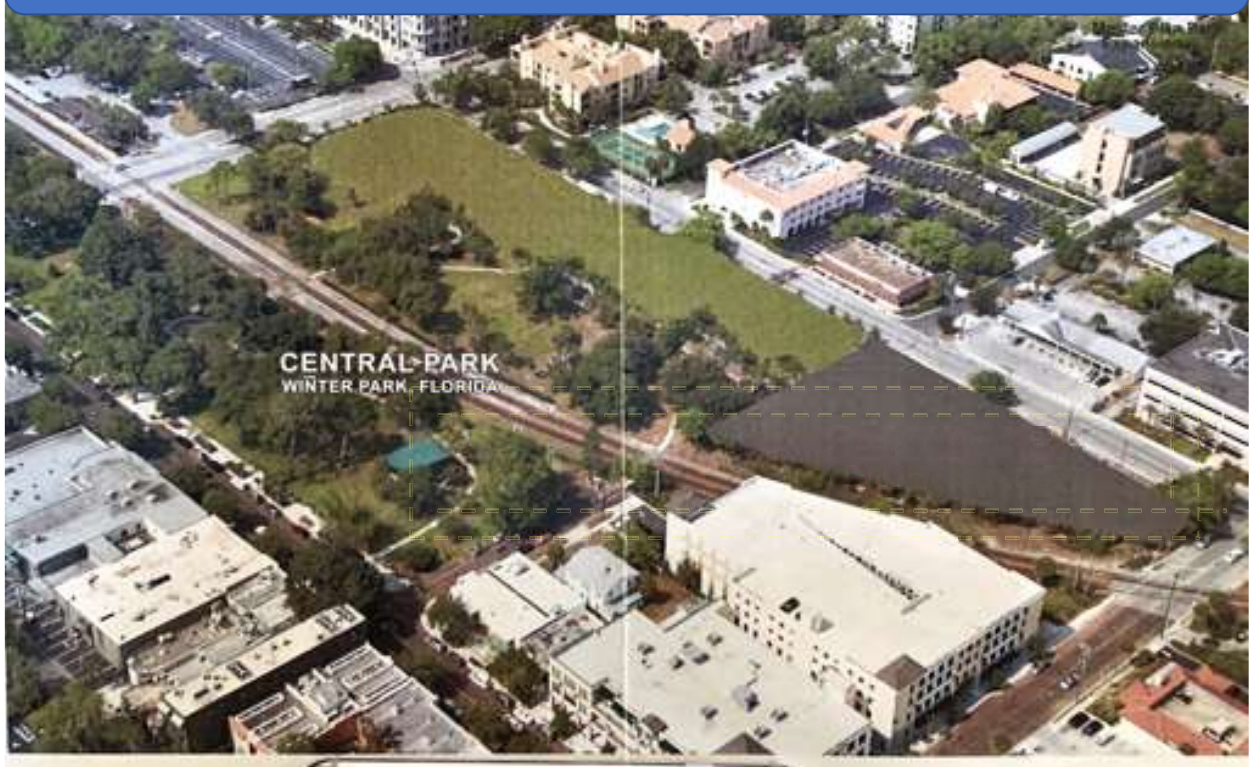
## Possible New Parking (288 spaces)



## Maximum Central Park Expansion



## Encourage New York Ave Redevelopment



## Project Options

### Option 1: City Led

- Purchase at appraised value if USPS is willing to sell **or** ...
- Negotiate facilities replacement
  - Acquire land for distribution center now
  - Build distribution center in approved location
  - Build Retail PO in Downtown Core
- Phase project using available CRA TIF
- No bond or tax increase

### Option 2: Developer Led

- Purchase at appraised value if USPS is willing to sell **or** ...
- Developer executes facilities replacement
  - Developer acquire land and construct distribution/ retail facility to meet USPS requirements
  - Transfer Progress Point property to developer
  - Progress Point entitlements restricted by the Orange Avenue Overlay
  - PO property transfers directly to City
- Use of CRA/TIF funds minimized.

Risk of maintaining status quo with hope that ultimately the USPS will donate the property to the city or sell at a lower cost

- Funding availability when USPS is ready to sell
- Allowable uses in current zoning (hospitals, colleges, dormitories, nursing homes, etc.)
- Attractive location for high density mixed use development
- Potential development to offset SunRail operations and maintenance cost



## Land Deals on Fast Track

*“Transit officials expect real estate to become an increasingly important revenue source, amid stagnant federal funding and rising costs of upkeep for aging systems.”*

## Land Deals on the Fast Track

*Transit Agencies See Developing Property Around Rail Hubs as a Revenue Driver*

By CHARLEY DOLANEY

The nation's transit agencies, long tasked with helping people get around, are putting more effort into giving them a place to live, work and play.

New York's transit agency is in talks with a developer to build an apartment complex and shopping center on land that holds parking lots used by suburban train commuters. The Los Angeles transit authority has leased out land for 47 developments around its 80 stations since 1969. Atlanta's system recently announced plans to develop property around more than a dozen of its 38 rail stations in the next half-decade.

For decades, city and county transit agencies have leased out idiosyncratic or small storefronts in their rail stations to businesses such as newspaper stands and coffee shops. Now, agencies are far more ambitious, developing large-scale, rent-producing developments, including hotels, apartment buildings and shopping malls, around their rail hubs. Transit officials expect real estate to become an increasingly important revenue source, amid stagnant federal funding and rising costs of upkeep for aging systems.

"The uncertainty at the federal level has forced them to look wherever they can just to maintain service levels they're providing," said Rob Healy, a vice president at the American Public Transportation Association, an advocacy group. Federal funding is "growing at really a very modest pace, and the bottom line is we're not keeping up with demand to expand service or demand to replace vehicles."

According to APTA data, public transit ridership grew 13% in the U.S. from 2000 to 2013, with



A train pulls out of the Huntington Metro station, one of several on which the Washington transit agency has sold or leased its land.

commuter-rail ridership climbing 62% in the period. But riders' fares don't nearly cover agencies' operating costs, at a time when their worker-related expenses such as health-care and pension costs are also rising. New York's Metropolitan Transportation Authority, the nation's largest transit agency, expects to pay out about \$1.3 billion in pension costs this year, compared with \$480 million a decade earlier.

Now, facing a \$15 billion funding gap for its capital program, the MTA has made plans to lease out or sell about 10 other lots, including the agency's headquarters in Manhattan. The money can be used for projects such as subway expansions and upgrades.

"We've made a huge effort to comb through our real-estate portfolio and identify parcels that could potentially be used for revenue," said MTA spokesman Aaron Donovan.

The Los Angeles County Metropolitan Transportation Authority has brought in about \$20 million a year from leasing out its properties. Last year, Metro spent the reverse from some leases on renovations to its historic Union Station, which have included adding signage, new restaurants and improving public spaces.

Art Leahy, chief executive of Metro, said the authority is now one of the largest public real-estate developers in Los Angeles County, with thousands of residential units—many designated as affordable—on properties the agency owns and leases to developers. In addition to annual rent payments, Metro also has profit-sharing agreements with some developers.

One of its highest-profile developments is above a Metro train station near the intersection of Hollywood Boulevard and Vine Street, which provides rent

payments of about \$750,000 annually. A decade ago, the property housed a gritty parking lot. Today, the intersection holds large-scale developments including luxury condominiums and a W Hotel.

The Metropolitan Atlanta Rapid Transit Authority, called MARTA, is negotiating leases for three parcels with developers that are planning to build more than 1,600 residential units on parking lots owned by MARTA and about 80,000 square feet of retail space around MARTA stations. MARTA officials declined to say how much the agency hopes to raise from the leases, saying an estimation would be premature.

The Washington Metropolitan Area Transit Authority's real-estate team both sells and leases excess land around its 91 rail stations. At the Ballston station in Arlington, Va., the agency has leased out two plots to developers, who have put up a 233-room hotel, condominiums and office space. Another office, residential and retail development is under construction at the station.

The money from these leases goes into a special investment fund used to pay for infrastructure renewal and projects to increase access to stations. The agency's ground leases, now totaling 32, have brought in more than \$140 million to the fund since it was created in 1997.

The Washington agency hopes to someday lease land around the majority of its stations and is soliciting or negotiating leases with developers at 14 other stations. The agency has considered another 20 for future development.

"For developers, this is the best real estate," said Stan Wall, who heads the agency's real-estate office. "It's the best place to be in the region."

## Relationship to Other Projects

- Tax Increment Finance (TIF) funds must be used only for projects consistent with the Community Redevelopment Area (CRA) Plan and located in the CRA district.
- Expansion of Central Park is identified in the CRA Plan and the Post Office is within the CRA district.
- Projected TIF funding is adequate to fund **all** projects identified in our CRA Strategic Plan and Capital Improvements Plan.
- TIF funds cannot be used for the existing Library or Progress Point as they are outside the CRA district.
- The CRA Plan specifically excludes using funds for City Hall.

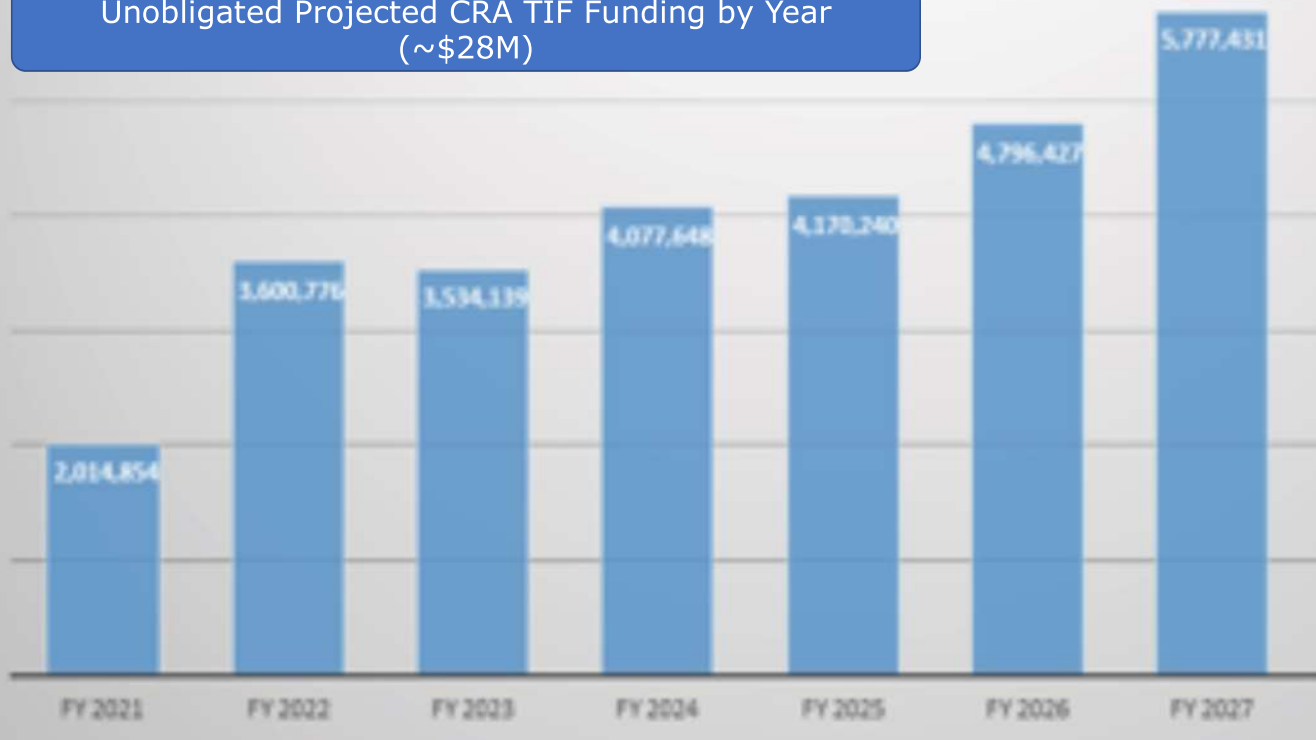
## Potential Funding Sources

- CRA Tax Increment Financing (TIF)
- Parks Trust Funds
- Help Our Park Expand (H.O.P.E.) Fund Carryover
- Florida Recreation Development Assistance Program



# TIF Funding Availability

Unobligated Projected CRA TIF Funding by Year  
(~\$28M)



## Range of Probable Cost Reflects Varied Distribution Center Options. \$4.6 – \$8.8M

	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Land Acquisition	\$1.2M- \$1.9M*							
Distribution Facility Construction		\$2.2M- \$5.4M*						
Retail Facility Construction			\$1.2M - \$1.5M					

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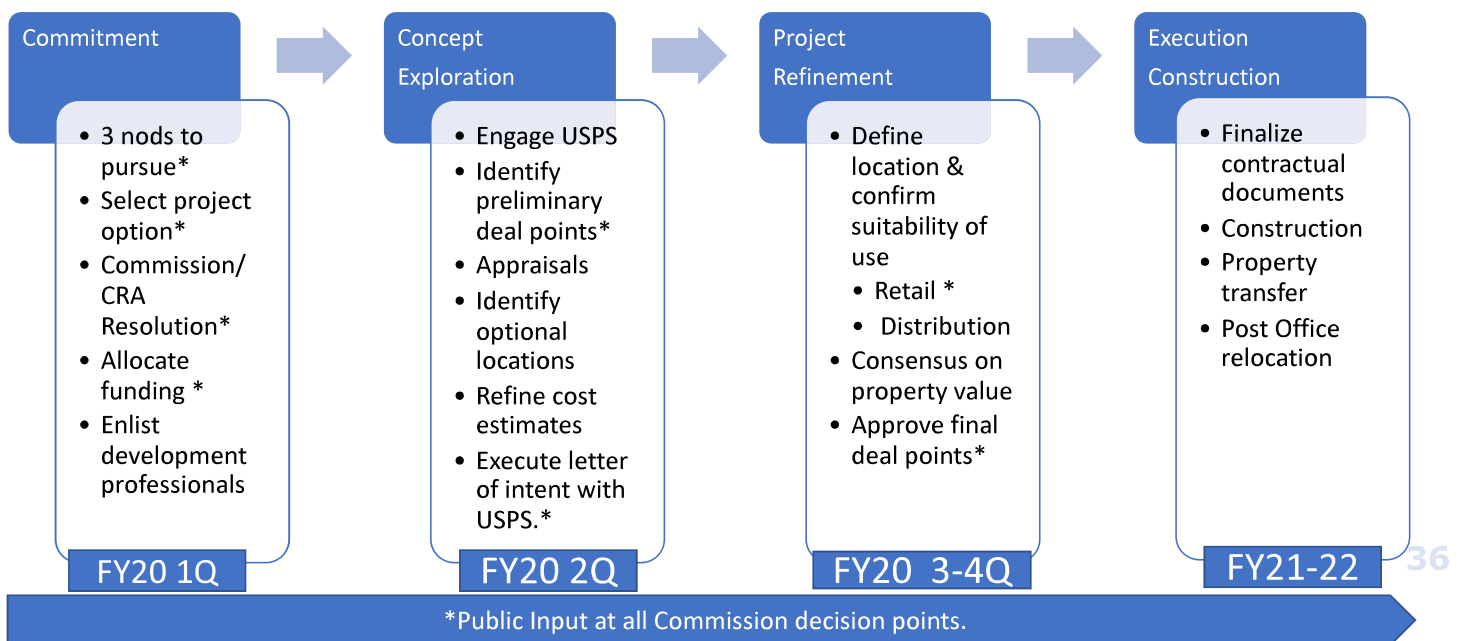
Park & Parking Design will be formulated through a follow-on public process and is not included in this project.

# Challenges

- Political will to move forward in a timely manner
- USPS willingness to sell
- Ability to reach agreement on property value
- CRA funds being committed to other projects
- Commercial/institutional interest given zoning permitted uses
- Future availability/cost of suitable property for distribution function
- Market changes and impact on TIF funding projections

# Path to Success

Park & Parking Design will be formulated through a follow-on public process and is not included in this project.



# Now is the Time for Action

## Commission Decision Needed to Proceed

