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## A Report Upon Public Works Program, West Palm Beach, Florida

Harland Bartholomew & Associates

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A Report Upon

# **PUBLIC WORKS PROGRAM**

**WEST PALM BEACH, FLORIDA**

Prepared for

**CITY COMMISSION**

and the

**CITY PLANNING BOARD**

By

**HARLAND BARTHOLOMEW & ASSOCIATES**

**CITY PLANNERS**

**SAINT LOUIS, MISSOURI**



A Report Upon  
PUBLIC WORKS PROGRAM  
West Palm Beach, Florida

Prepared for  
THE CITY COMMISSION  
and the  
CITY PLANNING BOARD

By  
HARLAND BARTHOLOMEW AND ASSOCIATES  
City Planners  
Saint Louis, Missouri

February, 1953

# HARLAND BARTHOLOMEW AND ASSOCIATES

CITY PLANNERS - CIVIL ENGINEERS - LANDSCAPE ARCHITECTS

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February, 1953

City Commission  
City Planning Board  
West Palm Beach, Florida

Gentlemen:

We are pleased to submit herewith a preliminary report upon a Public Works Program. This is the final of a series of reports comprising your Comprehensive City Plan.

Although there is need for an extensive improvement program in your city, past and current trends in your local finances indicate that the financing of this program will present unusually difficult problems. As a result, the program will probably not be able to proceed as rapidly as would be desired. It is thus particularly essential that most careful consideration be given to the selection of those projects that will result in maximum benefits to the entire community.

Since this is our last report in your current planning program, we wish to express our pleasure of the opportunity to work with you upon this important undertaking. It is most desirable that the officials and citizens continuously refer to the plans so that they can assist in achieving maximum advantages. From time to time it will also be desirable to make certain adjustments and revisions in the long-range program. An active and progressive planning board who will continuously work with the plan is one of the most effective ways of keeping it abreast of current conditions.

As in the preparation of all preceding reports, we have had the most helpful cooperation and assistance from officials, citizens and other organizations in compiling the data and information contained in the current study. We wish to express our sincere appreciation for the widespread and generous cooperation that has been given by the local officials and citizens throughout the entire program. It has been a distinct pleasure to work with you under such favorable conditions.

Respectfully submitted,

HARLAND BARTHOLOMEW AND ASSOCIATES

By

*Russell H. Riley*

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## INTRODUCTION

The matter of municipal financing is one of three major problems now confronting most American communities. The others are (1) decentralization, and (2) the moving and parking of autos and trucks. There is no need of determining which of these three is the most important, for West Palm Beach is confronted with all of them. The first two problems have been discussed in earlier reports and data regarding the extent of the local financial problem is discussed in the following section of this report. From the standpoint of the city plan, the financial problems primarily affect the possibility of carrying out the many needed physical improvements.

Decentralization and traffic problems are comparatively new in American communities but the problem of financing has long confronted most municipalities. However, the financial problem is becoming more acute in recent years. In older urban areas many improvements are wearing out and now need to be replaced. While West Palm Beach is a comparatively new community, particularly in comparison with most areas in the eastern and midwestern portion of the country, it also has a number of facilities that are now becoming obsolete and need to be replaced. Likewise, many of the earlier improvements, such as paving and truck line sewers, are now inadequate to serve existing growth.



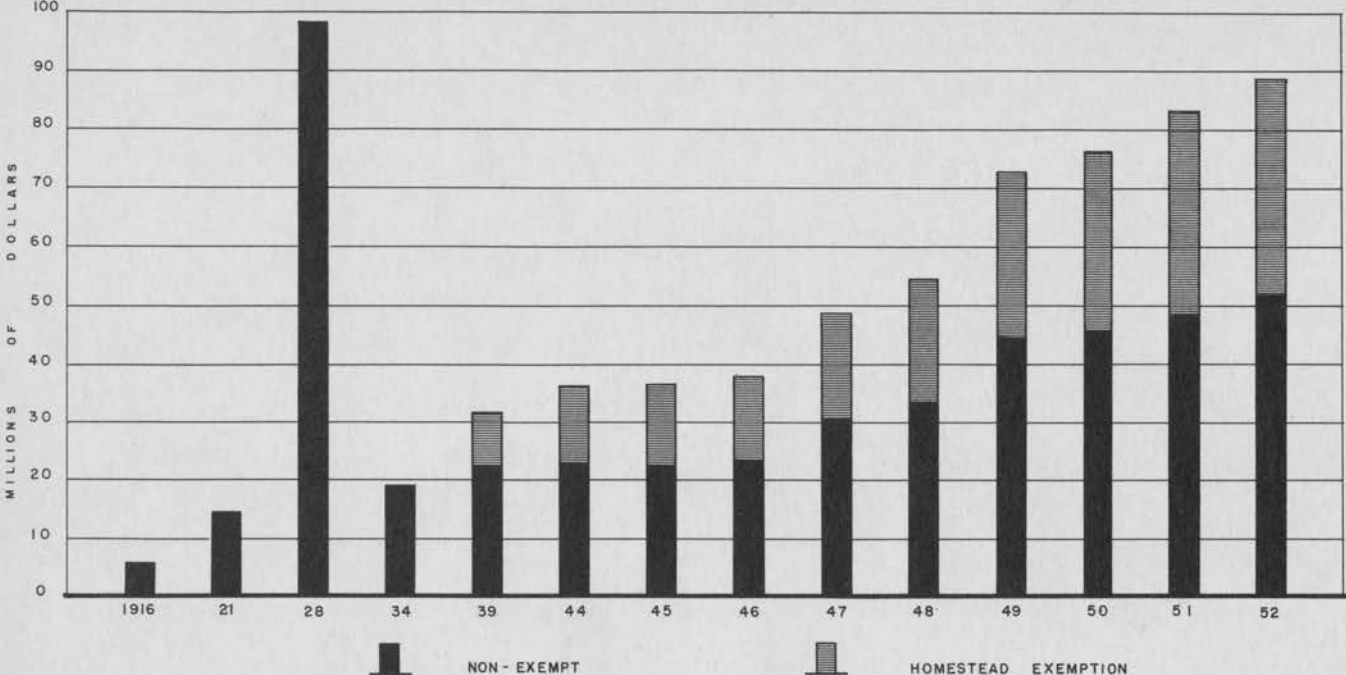
In addition, there has been a very rapid growth during the past several years which requires new improvements and services. With the changing conditions in urban areas, there is also an increasing demand for new types of facilities. Concurrently there is a strong demand for additional public services such as health services, improved fire and police protection, additional garbage and trash collection, and the like.

Preceding phases of the master plan have indicated that many physical improvements will be needed during the next 25 or 30 years. These include wide street pavements, off-street parking facilities, sanitary and storm water sewers, parks, schools, public buildings, and other similar projects. Many of these are needed to serve growth that has already occurred, while others will be necessary to serve growth that can reasonably be expected in the future. Cities such as West Palm Beach have special and peculiar needs for adequate public improvements. These needs are: (1) this entire area of Florida is experiencing an unusually rapid growth and the city must have adequate facilities to provide a satisfactory standard of urban living and thus be assured of obtaining its fair portion of this potential growth, and (2) West Palm Beach is an important resort center and, as such, should provide a high standard of facilities and services. Because of the past and current

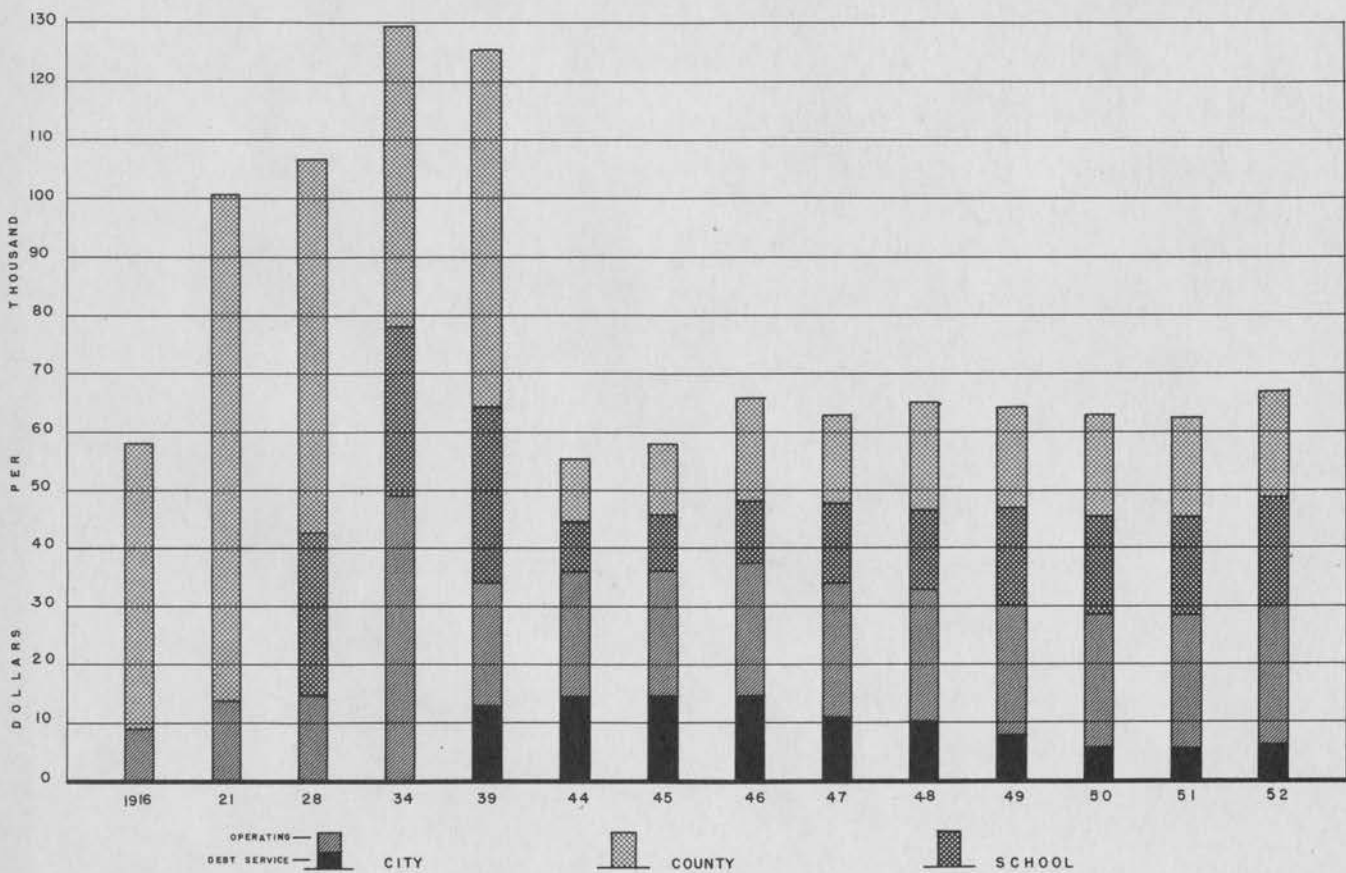


financial problems, the city has not recently been able to initiate an extensive improvement program, and, as will be discussed later, there is a substantial accumulation of projects that are now seriously needed.

The accompanying report is concerned with past trends in the amount and sources of public income and expenditures and with trends in bonded indebtedness. These will indicate the possibilities of obtaining future funds for financing improvement programs. The second portion of the report is concerned with a discussion of the most seriously needed improvements with some comment as to how they might be financed.



# TREND IN ASSESSED VALUATION 1916 - 1952 INCLUDES REAL ESTATE AND PERSONAL PROPERTY



# TREND IN TAX RATES 1916 - 1952 EACH TAXING AGENCY

WEST PALM BEACH

CITY COMMISSION  
CITY PLANNING BOARD

HARLAND BARTHOLOMEW AND ASSOCIATES  
CITY PLANNERS  
SAINT LOUIS, MISSOURI

## PAST TRENDS AND EXISTING CONDITIONS

Past trends in assessed valuations, tax rates, bonded indebtedness, and similar matters can indicate the extent of present financial problems as well as future possibilities. This section is concerned with the past trends of the major items that will largely determine the possibility of financing future improvements and services.

### Assessed Valuation

In most American communities the major source of public income is obtained by imposing a tax upon real property. The valuation of the real property for taxing purposes is expressed as the assessed valuation. The amount of the assessed valuation also has a major influence upon the amount of general obligation bonds that can be issued. In fact, in many states, the maximum amount of bonded indebtedness is a fixed percentage of the assessed valuation. Thus, the trend in the amount of the assessed valuation in West Palm Beach has an important bearing upon the future financing of needed projects.

The upper portion of Plate 1 shows the trend in the assessed valuation of West Palm Beach since 1916, the height of the bar graphically indicating the total assessed valuation for each of the respective years. As was common in so many Florida cities, the amount of the assessed valuation experienced substantial changes in the



1920's. During the "boom", assessed valuation increased unusually rapidly, with the valuation being based more on speculative than on sound basis. For example, the local assessed valuation increased from \$14,125,000 in 1921 to more than \$98,000,000 in 1928--a higher valuation than in any of the other years shown on the plate. However, the population during this same period increased by only some 18,000 persons. The 1928 figure represented a per capita assessed valuation of nearly \$3,800. It was in this period that the basis for many of the current financial problems confronting West Palm Beach was established.

A substantial change that followed the end of the "boom" and the impact of the economic depression of the 30's resulted in the assessed valuation declining to a little less than \$19,000,000 in 1934--only about one-fifth of the valuation in 1928. However, since 1934 there has been a general tendency toward an increase of the assessed valuation. Between 1939 and 1946 this increase was rather minor and has been somewhat more rapid since the latter year.

The plate also shows the trend in the amount of homestead exemptions in the several years since 1939. The homestead exemption procedure was first established in 1935. No tax for general or operating tax purposes can be imposed upon the valuation represented by the homestead exemption nor can this valuation be taxed for retiring or servicing new bond issues. However, taxes can be imposed thereon to

retire and service bonds that were outstanding prior to 1935. The homestead exemption procedure has created difficult problems in municipal financing. This is particularly true in communities where the homes are comparatively inexpensive and where there are very nominal amounts of commercial and industrial development. Actually, properties are not assessed for full value and in the West Palm Beach area, it is generally considered that the assessments are based upon about 60 percent of fair value. This results in such a low valuation after the homestead exemption that the properties do not even begin to pay for the improvements and services that they receive. Inasmuch as the homestead exemption is now a part of the State Constitution, it would undoubtedly be difficult to completely remove. However, because of the many inequities and difficult financial problems that result therefrom, efforts should be made to change the requirements so that all residential property would pay a nominal portion of cost of providing municipal improvement or services.

The plate also reveals that the proportion of the gross assessed valuation represented by the homestead exemption has increased at a somewhat more rapid rate than the non-exempt valuation. In 1939 homestead exemption represented only 29.0 percent of the total gross assessments, while in 1952 the exemptions represented 41.8 percent of

assessments. Unless more valuable homes or other non-exempt structures are erected in the future, it will be extremely difficult to maintain an increase in the non-exempt valuations that can be used to finance municipal activities. In comparison with the local assessed valuation, the gross assessed valuation of the Town of Palm Beach is \$61,535,900 and the total amount of its homestead exemption is some \$4,600,000 or only 7.4 percent of the gross.

The 1950 per capita gross assessed valuation in West Palm Beach was \$1,769. This is generally similar to the 1950 per capita valuation in St. Petersburg which was \$1,705 but is less than the 1950 per capita valuation in Orlando (\$1,920) and substantially less than the \$3,054 valuation in Ft. Lauderdale. Furthermore, data reveals that the average 1950 per capita assessed valuation in 197 cities containing from 30,000 to 50,000 population was only \$1,587. Thus, while the gross assessed valuation in West Palm Beach compares quite favorably with most communities, it is less than in certain Florida cities. Further, a large portion of this valuation is represented by homestead exemptions which is primarily tax exempt. This results in the major local problems.

#### Trend in Tax Rates

The trend in the tax rates for most local taxing agencies during certain years is graphically shown on the



bottom of Plate 1. This plate shows the rate for the County as well as for the City and, in most of the years, it graphically shows the portion of the County rate that was levied for school purposes. Since 1939 the plate also shows the proportion of the total city tax rate that was levied for debt service.

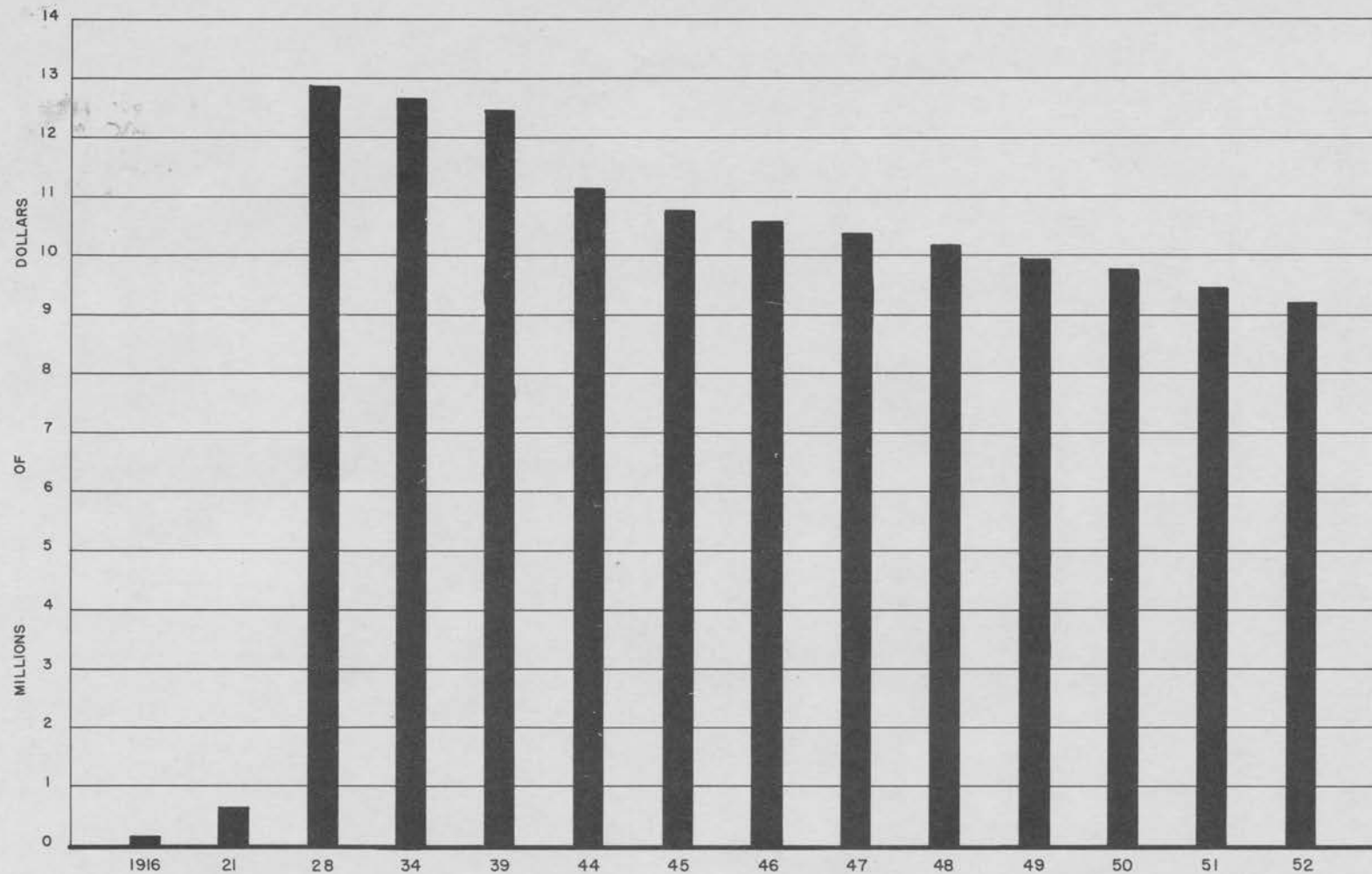
Prior to 1939 there was an unusually high tax rate in the local area. In the maximum year the total millage was 130. In 1928 the total millage levied by the county (including the school levy) was 92 mills. Similarly, there were certain years in the early 1930's when the city millage was 49 and 54 mills respectively. These were the years during and immediately following the "boom" when so many unusual financial problems were encountered. However, since 1944 the total tax rate has been generally consistent generally varying between about 56 and 67 mills.

In the early periods the county and the county school tax represented a major proportion of the total local tax rate. However, since 1944 the city tax and that of the two county taxes have been about the same. There has, however, been a definite trend for the city total tax rate to gradually decrease while the combined county and school tax rate is gradually increasing. A substantial portion of the increase in the total county rate is the result of increasing the school levy. This trend is

experienced in many sections of the country because of the rapid increase in population and the large increase in school enrollment. It should be noted that the county and school taxes are levied upon a somewhat lower valuation than that of the city and thus the actual tax dollar paid for these purposes is less than indicated on the plate.

It is also encouraging to note that there has been a gradual decrease in the amount of taxes levied for debt service. In 1944-1946 inclusive the amount levied for debt service was almost one-third of the total city tax rate. Since the latter year the balance of the city levy has remained fairly uniform. A major reason is that the total amount of taxes that can be levied by the city for operating purposes is 20 mills. In recent years the levy has been slightly under this amount. However, the city does levy additional taxes for pensions and funding purposes. Since the city is now levying almost the maximum tax, and later plates will show that only a very nominal portion of this is available for physical improvements, serious difficulties confront the financing of public works programs.

The total local tax levy of about 66 mills (66.8 in 1952) is not unusually high in comparison with other cities of similar size. However, increasing opposition is encountered to imposing additional taxes upon real and



## TREND IN BONDED INDEBTEDNESS

1916 TO 1952  
WEST PALM BEACH, FLORIDA

CITY COMMISSION  
CITY PLANNING BOARD

HARLAND BARTHOLOMEW AND ASSOCIATES  
CITY PLANNERS  
SAINT LOUIS MISSOURI



personal property and alternate sources of municipal revenue should be developed.

In addition to the taxes shown on the lower portion of the plate, the Central and Southern Florida Flood Control District is now imposing a one mill tax upon all local property for financing its many activities. In addition, a 0.9 mill tax has been imposed during the past year by the newly created Sanitary District to finance its engineering studies. However, this tax was only for one year and any additional taxes will not be levied by this agency unless the voters approve bond issues to carry out the necessary improvements.

#### Trend in Bonded Indebtedness

Plate 2 shows the past trend in bonded indebtedness for the City of West Palm Beach. The marked increase in the number of outstanding bonds occurred in the "boom" periods of the 20's when the amount of issues increased from about \$700,000 to nearly \$13,000,000. No marked progress was made in reducing these outstanding bonds during the 30's because of the economic depression, but more than \$1,000,000 were retired between 1939 and 1944. Since the latter date, there has been a gradual and consistent reduction in the bonded indebtedness. Most of the original issues have since been refunded, primarily early in the 1940's.

More than \$9,000,000 in bonds are still outstanding which is slightly more than 10 percent of the gross assessed valuation including homestead exemption. Many states have laws prohibiting the issuance of general obligation bonds in amounts exceeding 10 percent of the assessed valuation. There are no such restrictions in the City's Charter, yet any future issues would be influenced by this general practice and by the rating of the existing bonds. The amount of outstanding bonds are considerably in excess of the net valuation--excluding homestead exemption--and, under the present laws, any new bonds would be retired and serviced only by tax against the net valuation.

Another indication of the high bonded indebtedness in West Palm Beach is that it amounted to \$221.03 per capita in 1950. In St. Petersburg the per capita indebtedness for the same year was \$169.24, while in Ft. Lauderdale and Orlando it was \$100.67 and \$60 respectively. Further, the average bonded indebtedness in 1950 for 243 cities containing a population of 25,000 to 50,000 was \$64.38. Thus, the bonded indebtedness in West Palm Beach is much higher than in other comparable cities and even higher than in some Florida cities that experienced the problems of the "boom". Examination of the publications containing ratings of municipal

bonds indicates that West Palm Beach bonds have a rather low rating. It is thus imperative that efforts be made to reduce the present bonded indebtedness to within reasonable limits.

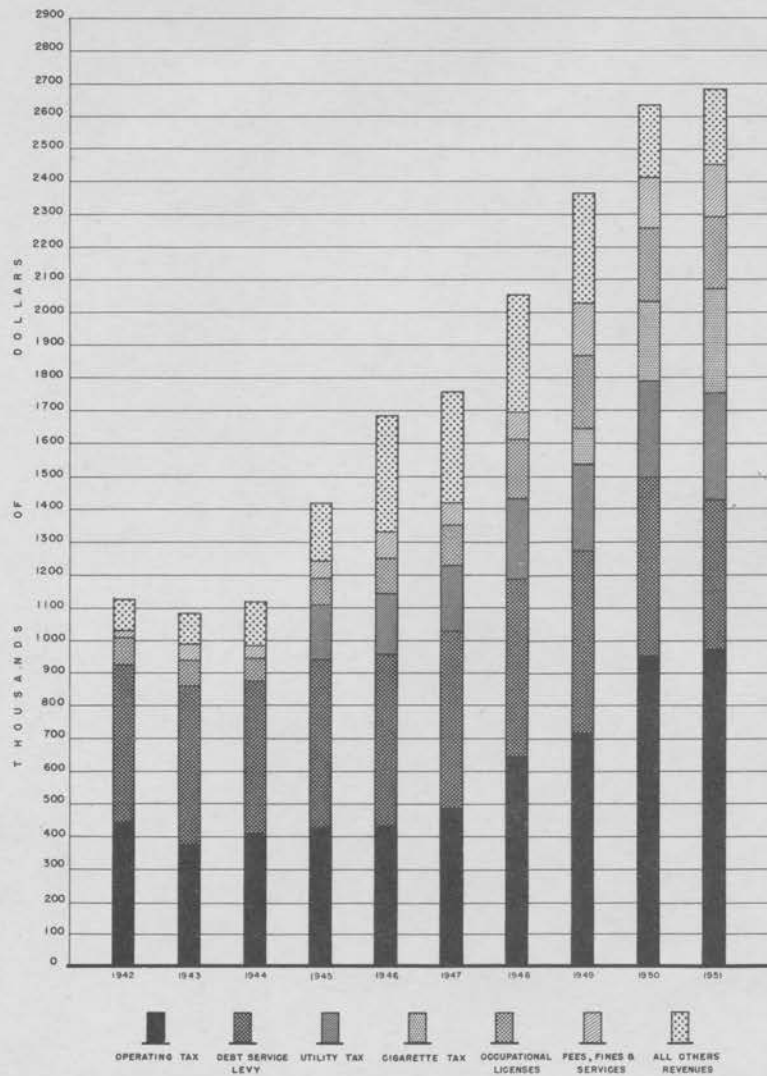
It should also be noted that in addition to the outstanding general obligation bonds there are \$427,000 in outstanding revenue bonds. These were issued against the Golf Course Clubhouse and against the Dock facilities. However, these do not involve any taxing of the assessed valuation and instead are serviced and retired by the revenue received from operating the facilities. The Golf Course bonds are to be retired in 1959 and the present schedule calls for retiring the Dock bonds in 1962. It appears reasonable that these bonds will be retired on schedule and meanwhile, they impose no difficulties in financing other physical improvements.

The city has adopted a very sound schedule for retiring its bonded indebtedness by creating sinking funds and retiring bonds as they come due. Under the present plans a nominal amount of bonds will be retired each year of the current decade and nearly \$1,500,000 are scheduled to be retired in 1961. However, the city is creating an adequate sinking fund for the large payment due that year. Under the present schedule the entire bonded indebtedness will be retired by 1974.

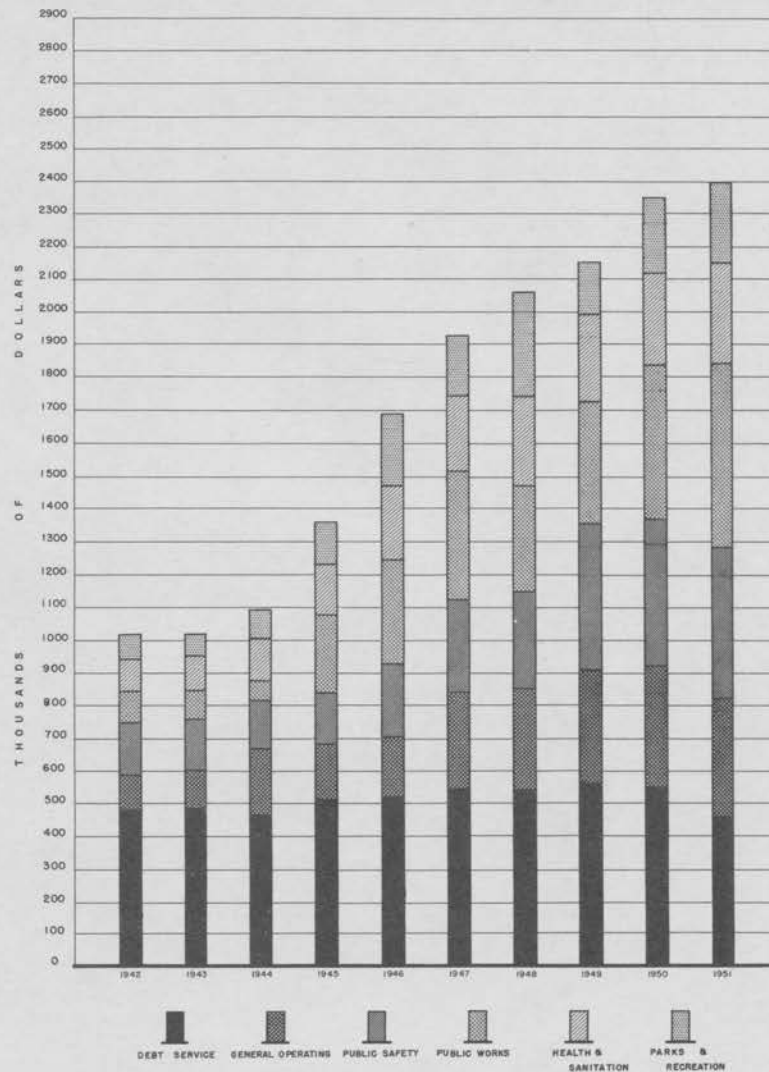


# TRENDS IN

## SOURCES OF MUNICIPAL INCOME



## MUNICIPAL EXPENDITURES



1942

TO

1951

WEST

PALM

BEACH

FLORIDA

Every effort should be made to adhere to this schedule or preferably to expedite it so that funds can be available at earlier dates for the many needed improvements.

#### Trends in Municipal Income and Expenditures

Plate 3 graphically shows the trend in the source and amount of both municipal income and expenditures. In practically all instances the amount of income exceeds the annual expenditures. It is a common practice to start the new fiscal year with a cash balance and further, the annual expenditures for debt service and retirement may be less than the amount collected for such purposes in a particular year.

The plate also reveals a substantial increase in both income and expenditures since 1944. This is in accordance with similar trends that have occurred in other municipalities and is primarily the result of increased services and improvements necessary to serve the growing population and the increased cost of salaries and materials.

#### Municipal Income

Of particular importance is the trend in the source of municipal revenue. The amounts received for operating and debt service are obtained from the ad valorem taxes on the assessed valuations. Between 1942 and 1944 these accounted for about 85 percent of the total

municipal income. Since 1944, this source of income has been gradually increasing with the exception of 1951, but the income from other sources has shown far more rapid increase. In 1951 these sources represented only about 55 per cent of the city's total income.

Mention should also be made of the large proportion of the total municipal income that is collected for debt service purposes. Prior to 1945 this represented nearly 50 per cent of the city's total income. The problems imposed by servicing the large bonded indebtedness are clearly evident. While a large portion of the total income is for debt service, a much lower tax rate is imposed for this purpose than for the operating tax. This differential is the result of the debt service tax being imposed upon the gross assessed valuation, while the operating tax is not levied against the homestead exemptions. If the homestead exemption property could be taxed for all, or at least some, additional purposes, there would be substantial increases in the city's income.

Among the major changes that have occurred in the sources of income during recent years are the increased amounts obtained from both the utility and cigarette tax. During the year 1951, the cigarette tax yielded slightly more than \$300,000 and the utility tax returned a somewhat larger amount. With the operating tax almost

to its legal maximum, it is obvious that other sources of income are absolutely mandatory--otherwise the local improvements and services would be seriously curtailed. There has also been a gradual increase in occupational taxes and in the income from fines, fees and similar services. As the city continues to grow, there is no reason why some gradual increase cannot be anticipated from all of these sources of revenue. Because of the growing demand for improved services and the necessity of making extensive physical improvements, it is important that not only these current sources of income gradually increase, but that the city make all reasonable efforts to find additional and new sources of municipal revenue.

The 1952 per capita income in West Palm Beach was \$50.17. In comparison, the per capita income in Ft. Lauderdale and St. Petersburg was \$78.01 and \$71.76 respectively. The average per capita income in 243 cities having a population between 25,000 and 50,000 was \$50.65 which is almost identical to the per capita income in West Palm Beach. However, the fact that other Florida resort cities have a higher per capita income than West Palm Beach must be seriously considered. A substantially higher expenditure is required for improvements and services in resort cities than in non-resort cities of the same population. Consequently, the per capita income in



these cities should be higher than in the average municipalities having a stable year-round population. This again indicates the desirability of increasing local revenue.

#### Municipal Expenditures

The amount spent for debt service has been rather uniform since 1942 with a minor reduction between 1950 and 1951. Further, the proportion of the total expenditure that has been made for debt service has been substantially decreasing since 1944. At that time it was more than 44 percent of the total expenditures whereas in 1951 it was less than 20 percent.

Some increases have naturally been required in the expenditures for general operation because of the increased activity and increased costs. However, these have not been as marked as have been the increases for public safety and public works. The gradual increase in the funds that have been made available for public works is encouraging but even in 1951 this amounted to only some \$550,000. Further, this included expenditures for maintenance and repairs as well as for new facilities, so it is obvious that the amounts available for the latter are quite small in comparison with existing needs.

Data regarding the comparative expenditures for various purposes in West Palm Beach and in other cities is indicated by the fact that the total per capita expenditure in West

Palm Beach during 1950 was \$51.03 whereas the average per capita expenditure in 243 cities having a population between 25,000 and 50,000 persons was \$56.11. The expenditures for such items as fire and police protection in West Palm Beach compare very favorably with those in other communities. In 1950 this expenditure was \$9.15 per capita in West Palm Beach, \$9.22 in Fort Lauderdale and \$10.34 in Orlando. The average per capita expenditure for this purpose in the 243 cities during the same period was \$9.58.

In general, the expenditures in West Palm Beach are lower than is desirable. This is particularly true since the city has such a major importance as a resort community. Another major problem is that such large expenditures are necessary for debt service, normal maintenance, and repair activities, that far too little income is available for large physical facilities. Additional sources of income must be found if the city is to maintain its position as a resort community.

## FUTURE POSSIBILITIES

The preceding data regarding trends in assessed valuation, bonded indebtedness, municipal income and expenditures reveal no favorable conditions for the future financing of an extensive public improvement program in West Palm Beach. The city is now levying almost the maximum tax for operating purposes. While the total tax rate of all local governmental agencies is similar to the rate in the majority of other communities of similar size and character, it is not unusually low. Some increase in the local rates is entirely feasible, but it should not be a very large increase, for this would probably attract potential growth to other communities having more favorable taxes on real and personal property.

The city's bonded indebtedness is quite high and, in fact, is considerably above the average indebtedness in other communities of similar size. As previously indicated, this is one of the major local problems. Because of the present rating of the local bonds and the fact that the outstanding indebtedness is now in excess of 10 per cent of the gross valuation, it does not appear reasonable to propose an increase in this bonded indebtedness within the near future. It is also doubtful that refunding issues should be attempted unless there could

be a substantial decrease in the interest rates, which is quite doubtful under present conditions. The best procedure appears to be a continuance of the present policy of retiring bonds as they fall due and of creating adequate sinking funds for future retirements. In fact, it would be very desirable to increase the retirement rate wherever possible.

In addition to the above problems, there is also the probable need of issuing additional bonds by other taxing agencies. This is particularly true of the need for bond issues in the new sanitary district. There can be no doubt about the need for developing interceptor sewers and treatment plants, for the disposal of raw sewerage into Lake Worth is creating a very unsanitary condition that detracts from the major potentialities of the area, particularly its potentialities as an outstanding resort area. Thus, while the improvements are seriously needed, and the bonds would not be considered as an increase in the city's indebtedness, they would require increased tax payments by local property owners.

#### Increase in Assessed Valuation

There are some favorable aspects of the future financial problems. There has been a substantial increase in both gross and net assessed valuation in recent years. Since 1950, the increase in the gross assessment has averaged about \$5,000,000 per year, while the increase in



the net assessment has been approximately \$3,000,000 per year. The increases have resulted from the large amount of new building, and according to the Building Department, the estimated value of new permits has averaged more than \$12,000,000 annually since 1950.

The possibilities of future growth in the West Palm Beach area appear good, but there is some doubt that it will proceed as rapidly as in the past. A conservative estimate would indicate that the gross assessments might increase by as much as \$4,000,000 annually for the next 5 years and that the net assessed valuation (exclusive of homestead exemptions) would increase by \$2,250,000 during the same period. This would result in assessed valuation increases of some \$11,250,000 which could be taxed for operating purposes or for servicing any new bond issues. If 10 per cent of the increase in net assessed valuation were considered as a maximum for bond issues, this would justify the issuance of \$1,125,000 in additional bonds at the end of the five years. In addition is the more than \$1,000,000 in existing bonds which should be retired during the five-year period, and under present trends the sinking fund would still be adequate to finance the large payment due in 1961. Consequently, there are some possibilities of future income from bond issues, as well as from general taxes, although it does not appear feasible in the next

few years. Even then, the amount is extremely small in comparison with current needs.

One of the major problems confronting the new growth and the resulting increase in assessed valuation is the fact that much of the present incorporated area, especially areas available for residential development, will be absorbed in the near future and new growth will then occur outside of the corporate limits with no resulting financial benefit to the city. This alone justifies the need for improvement of the Westward Expansion Area, for it is the one major means of assuring the provision of desirable urban areas and improving local valuations. The major problem is to secure an individual or corporation that will acquire the land and make it available for building construction. Even with the limited income, the City should be willing to make any reasonable contributions that may be necessary to facilitate the project.

#### Additional Sources of Income

One of the major local needs is to develop new and additional sources of income. While there are several potentialities, many of them are of such nature that the city alone can probably never achieve them. Instead, it must cooperate with other Florida communities in achieving this desired objective.

One of the first and most logical means that should be explored is the changing of present regulations regarding homestead exempted property. It may be entirely impossible or impracticable to repeal this practice, but it is most desirable that efforts be made to require that such exemptions pay a portion of the cost of providing the necessary improvements and services. There can be no question about the equity of such revisions and the entire community would benefit therefrom.

The second possibility is to find additional sources of income such as the present cigarette tax. Some states return to the municipalities a portion of the state gasoline tax collected from that area. Since the major traffic problems occur within urban communities, the use of a portion of gasoline tax funds to improve urban streets is a sound method of improving traffic movements in the entire state. It is entirely possible that some portion of other state taxes that are collected in the local communities might be returned thereto. There are limits beyond which taxes upon real property cannot be increased, and it is not illogical to return a portion of the other taxes that are paid by local citizens.

A third possibility of increasing income is to finance improvements by the use of revenue rather than general obligation bonds. The city now has some such bonds out-

standing, and other income-producing projects should be similarly financed. In this connection, the possibilities of the city eventually acquiring the water system should be considered. The large majority of municipalities now own and operate their water system. A number of communities are also financing or operating sewer projects, especially sewer treatment plants, by revenue bonds. The retirement and servicing of such bonds are paid by rental charges which are based upon the amount of water used on the different premises. Study should be given to the possibility of using this source of income in financing or operating the proposed treatment plant in the Palm Beach area.

The fourth possibility is to make separate charges against the individual property owner for certain types of service, such as garbage and trash collection and planting and maintenance of street trees. An increasing number of communities are following this practice. This leaves a substantial amount of the operating tax for other service or for physical improvements.

Finally, study should be given to the desirability of financing more improvements by special assessments, particularly streets, sidewalks, street lights and sanitary and storm water sewers. The property owners desiring such improvements are usually willing to pay for same, and it



is much more logical that persons benefitting therefrom should absorb all or much of the cost rather than for the payments to be made from taxes collected over the entire city. This will enable city-wide taxes to be used for city-wide improvements. The city has recently adopted a procedure requiring the developers of new subdivisions to install all improvements, which is entirely sound and which will result in substantial municipal savings in the future. Since the persons buying property within these new subdivisions pay a higher price for the land than when it is not completely improved, it is only logical that the other property owners pay directly for the improvements from which they derive benefits.

In summary, it does not appear feasible to propose any large bond issues within the next two or three years, and instead the city should continue its program of retiring the outstanding bonds as rapidly as possible. It does, however, appear that a new bond issue of more than \$1,500,000 could be financed by about 1958. The major problem is for the city, in cooperation with others, to develop new sources of income and particularly to develop projects that can be financed by revenue bonds. Serious efforts must also be made to establish a policy of paying for projects, primarily providing local service, by special assessments.

These various possibilities offer opportunities for financing some of the improvements that are discussed in the following section.

### NEEDED IMPROVEMENT PROGRAM

Several references have been made to the fact that an extensive improvement program is seriously needed within West Palm Beach. At the same time data in this report reveals many obstacles that will have to be overcome in financing normal city activities as well as any new improvement program. Consequently, much care must be exercised in selecting the individual projects. Normally, there is a desire to initiate projects that will make the best possible showing, such as public buildings, streets, parks and the like. However, there are other projects of equal or even greater importance that cannot be seen by the public or visitors. These include such items as sanitary and storm water sewers. Even though they make no visual impression upon the public, they are of maximum importance to the health and welfare of the citizens, and exert an important influence in attracting additional growth.

Fortunately, there are certain improvements now needed in the West Palm Beach area that will not have to be completely financed by the city. These include public schools and some of the main highways. There are also certain improvements that might be financed either by revenue bond issues or by special assessments against the benefitted property. Neither of these methods will increase the amount of the city's general obligation bonds

nor impose any additional city-wide tax. It appears that most of the local improvement should consist primarily of this type of project during the next few years.

Following is a summary description of some of the more important projects now needed within the city. Efforts should be made to initiate as many of these as quickly as possible, for they will have a major influence upon the desirability and future growth of the entire community. No specific priority is given among the several types of projects, but the order in which they are discussed under their respective classification does give some indication of the order in which they might be initiated.

#### Street Improvements

##### New U. S. Highway 1.

West Palm Beach can obtain the maximum relief from traffic congestion, particularly within the central business district, by the construction of a new U. S. Highway 1 around the western portion of the city. It is the State Highway Department, with assistance from the Public Roads Administration, rather than the city, that is responsible for the construction and financing of this project. It is therefore most desirable that the officials and citizens make diligent efforts to secure the initiation of this project by the appropriate authorities at the earliest possible date.

### Poinsetta

Additional widening of the pavement is needed along the southern portion of Poinsetta Avenue. Because this is now U. S. 1, the State Highway Department should be responsible for this much-needed improvement.

### Flagler Drive

The importance of Flagler Drive as an additional north and south thoroughfare was discussed in the Major Street Report. The small uncompleted portion of this route, north of Southern Boulevard, should be completed as soon as possible and the route should also be extended south of the Boulevard. Another important portion of this route is the widening and connection of Chase Avenue as a portion of this direct drive so that the long curve at the end of the South Bridge can be avoided. The county gave some financial assistance in the portion of Flagler Drive that was recently constructed, and because of the importance of this route to the entire area, additional assistance would be entirely logical on the remaining portions.

### Parker and Tamarind

In order to give additional north and south traffic carrying capacity, it is desirable to connect these two streets by construction of a new highway along the western portion of Howard Park. This project will probably be the financial responsibility of the city, but it should not be



an unduly expensive undertaking, since no right-of-way acquisition is involved. Some of the existing service buildings in the park, however, will have to be removed.

#### Broadway

The southern extension of Broadway for the short distance between Northwood Road and Twenty-Third Street should also be completed in the near future, particularly if there is any substantial delay in the development of the new by-pass of U. S. 1 around the western portion of the city.

From the standpoint of improving the convenience and value of the central business district, it would also be very desirable to complete the proposed north and south street along the east side of the Florida East Coast Railroad. However, this involves so many legal problems as well as interference with structures, that there appears to be no possible method of accomplishing this project within the next five years.

#### Miscellaneous Streets

There are many streets within the city where new pavement is required or where the existing pavement needs either to be replaced or substantially improved. A policy should be adopted that, whenever such repaving or new paving is required along any major streets, the city should be responsible for financing such improvements. However,

where the paving or repaving is required along minor streets, then the improvements should be primarily financed by the adjoining property owners, the only exceptions being the intersection which could logically be financed by the city. The city has been doing some paving and repaving each year but has absorbed practically all of the cost, and the program will be extremely limited until special assessment methods can be more widely used.

#### Parking Lots

Additional off-street parking facilities are needed within and near the central business district, and the report on major streets and parking contained recommendations regarding the location of such improvements. While some of them should be provided within the next five years, they should either be financed by private capital, revenue bonds or by assessments against the benefitted areas. Consequently, no additional city tax or use of general tax funds should be necessary for these projects.

#### Sanitary Sewers

The serious need for the improvement of interceptors and treatment plants to serve the entire Palm Beach area is widely recognized. The area can never achieve its full potentialities until these projects are completed. Preliminary plans have been completed for these facilities and the cost is tentatively estimated at some \$8,600,000. Further, legislation is available and an official agency

has been created. The projects can be financed by a bond issue paid jointly by the citizens of West Palm Beach and the town of Palm Beach. The potential bonding power is adequate to cover the estimated cost. Whether the property owners will approve such a bond issue is unknown at this time. Further, there is now no authorized method whereby the project could be financed by revenue bonds. However, consideration could be given to the adoption of legislation that would enable the sanitary sewer district to acquire the local water system and to finance a portion of the costs by revenue bonds. In any event, it seems most desirable that the local water plant eventually be owned by some public agency.

In addition to the need for interceptor sewers and treatment plants, there is a need for an extensive system of both trunk and lateral sewers in that portion of the city lying south of Southern Boulevard. This area has grown so rapidly in the past few years that septic tanks are becoming a nuisance and will eventually become hazardous. While no detailed estimates have been prepared regarding the cost of these facilities, it will undoubtedly be in the vicinity of \$3,000,000 or more. Thus, the expenditure now needed by sewer facilities within the West Palm Beach area is at least \$11,600,000 of which not less than \$7,300,000 would be the responsibility of the city of West Palm Beach. Although this is a large sum,

particularly when the financial status of the city is considered, it is absolutely ~~mandatory~~ that the improvements be made within the near future.

#### Storm Water Sewers

Many sections of the city, and particularly the southern portion which has recently developed, is without an adequate storm water sewer system. Although the local soil is sandy, the area is subject to periods of intense rainfall and much street flooding occurs. While no detailed studies have been prepared, it is probable that an expenditure of at least \$2,500,000 would be required to bring the storm water sewers to a satisfactory standard. A portion of these storm water sewers can be installed as streets are improved and much of the cost could logically be financed by special assessments. Because of the importance of the sanitary treatment plants and the allied interceptor sewers, it is recommended that the latter be given priority over storm water facilities.

#### Parks and Recreation

Because of the city's importance as a resort community, it is most desirable that special efforts be made to improve local park and recreational facilities. Among the more important are the following:



#### New Park in Southern Part of the City

A new neighborhood park should be acquired immediately adjacent to the new school site between Poinsetta and Olive in the general vicinity of Barnett Street. Even if no improvements are made within the area, the land should be acquired before it is improved with private structures.

#### New Lake Front Park

As Flagler Drive is extended south of Southern Boulevard, the proposed Lake Front Park immediately south of the Southern Bridge should be filled so that beaches and other recreational facilities could be provided in the future.

It is also desirable that the vacant lots in the vicinity of Fifty-fourth Street and Albermarle Road adjoining the existing small park areas be acquired before they are utilized for private development.

#### Area South of Flagler Park

A start should also be made within the next five years upon acquiring the necessary riparian rights and in initiating the development of the large Lake Front Park immediately south of Flagler Park. This will necessarily be a long-range project, but it should be initiated as quickly as possible.

#### Miscellaneous Park Improvements

A number of different improvements should be initiated in some of the existing parks during the next five years. This includes landscaping and passive recreational facili-

ties in many of the areas, new facilities for sailboating in Provencia Park, development of several facilities that will afford better use of Bacon Park and the provision of additional comfort and recreational facilities in some of the other areas. It is estimated that an amount of at least \$150,000 should be made available for this purpose within the next five years.

### Public Buildings

#### City Hall

One of the most seriously needed public buildings within West Palm Beach is the planned addition to the present City Hall. The building is now rather inefficient for administrative purposes and further, a number of the departments cannot be accommodated therein. It is most desirable that the building be completed within the next five years. The cost is estimated at approximately \$300,000.

#### Garbage Disposal

The report upon Public Buildings indicated that new facilities must soon be provided to handle local garbage disposal. It was recommended that this be done by new incinerators which will involve a substantial expenditure. However, the use of the sanitary fill method will require much new equipment and there will also be high annual operating costs.

#### Public Works Building and Garage

The present service and garage structures are quite old and rather inefficient. Further, many of these will be disturbed whenever Parker and Tamarind are connected in Howard Park. The report on Public Buildings recommended that these new facilities be located on the present dump site near the northeast corner of the airport. The majority of these facilities should be erected within the next five years and the cost is estimated at more than \$100,000.

#### Fire Station

A new fire station is now needed to afford direct service to the areas lying between the two railroads. It was recommended that this facility be located at the southwest corner of Howard Park and the estimated cost will probably be in the vicinity of \$75,000.

Much consideration has been given to the erection of a new city auditorium and the library will eventually need to be relocated. However, these facilities are not as seriously needed as such structures as the new City Hall and the public works facilities. Consequently because of the serious financial limitations, their construction should be deferred to later dates.

## Miscellaneous Facilities

### Street Lights

The city is in serious need of additional street lighting facilities. This is not only true in the older sections of the city where some of the existing lights are in a bad state of repair, but it is particularly true along many of the major thoroughfares and in the newer sections of the community. While no detailed data is available, it is believed that an expenditure of at least \$1,500,000 would be required to provide a desirable standard of street lighting within the present development. It will undoubtedly be necessary to initiate this program in stages, and further, there is no apparent reason why a substantial amount of it cannot be assessed against the benefitted properties. The city has only recently initiated the desirable practice of requiring the developer to install street lights in all new subdivisions.

### Sidewalks

There is a serious lack of sidewalks throughout much of the community and extensive improvements are needed in the future. The city has recently developed a ten-year program of sidewalk improvements where some 90 miles of sidewalks will be installed over a ten-year period with one-third of the cost being paid by the city and two-thirds by the benefitted property. This is a very sound procedure



and indicates the possibilities of financing other similar improvements by assessing all or a substantial part of the cost against the benefitted property.

#### High Pressure Line

The central business district is now served by a supplementary high pressure water line for fire protection purposes which uses Lake Worth as a source of supply. This is an advantage to the business district but the main is in serious need of repairs. Unless arrangement can be made with the local water company to furnish the necessary high pressure through its own mains, consideration should be given to rehabilitating this line within the near future.

There are undoubtedly many other improvement projects that will be strongly favored by many local citizens. Further, changing conditions may reveal that other projects will be more seriously needed in the future. However, the examinations and studies that were made as a part of the city planning program clearly revealed that the above projects are now of maximum importance.

#### Schools

Because of the rapid increase in enrollment, a number of school extensions and new structures will be needed within the near future. However, it is the county rather than the city that is responsible for such improvements, and it is expected that they will be provided within the limitations of the schools' finances.

Summary

The preceding discussion indicates that city funds in excess of \$10,000,000 would be required to finance the improvements now needed to insure desirable standards within the present corporate limits. This is far beyond the present financial ability of the city and no bond issue for this amount could even be considered. Consequently, the city must make every effort to encourage other agencies to provide the improvements for which they and not the city are responsible. Secondly, efforts should be made to finance some of the needed improvements such as sidewalks, street lights, paving of minor streets and installing storm water facilities by assessing all or a portion of the cost against the benefitted property.

In addition, efforts should be made to obtain additional sources of income and to permit the funding of such new sources. For example, the State of Michigan permits cities to pledge their anticipated revenue from gas taxes so that bonds can be issued to finance needed street improvements within the near future.

Finally, if the assessed valuation increases in accordance with past and current trends and if the present policy of debt retirement is continued, it will be entirely possible to issue general obligation bonds of from \$1,500,000 to \$2,000,000 within the next four or five years

so that some of the more seriously needed projects can be started. Thus, while there appears to be no immediate possibility of financing the many seriously needed improvements, some start can be made thereon and rather substantial accomplishments should be possible within the next ten years.



