

Osceola creates \$200 million 'Band-Aid' to widen clogged roads



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This article may be viewed at <https://www.orlandosentinel.com/news/orange-county/os-ne-osceola-finds-road-money-20191122-rgy47jj7efegrptswzcqgamdci-story.html>



Morning traffic on Simpson Road at U.S. 192 in Kissimmee, Friday, November 22, 2019.

Osceola County soon will receive a \$200 million rush in funding that will accelerate plans to widen five congested roads by decades.

County commissioners unanimously approved refinancing bonds first issued in the 1990s, a move county officials said will make way for Osceola's largest investment in transportation in at least a decade.

This comes about six months after voters spurned a penny sales-tax increase for transportation that was projected to bring in about \$2 billion to widen and improve roads over 30 years.

Now, five projects — which make up a chunk of a \$1-plus billion project backlog officials cited before the referendum — can move forward quicker.

The widening projects are Simpson Road from U.S. Highway 192 to Osceola Parkway, Boggy Creek Road from Simpson to Narcoossee Roads, Bill Beck Boulevard from Woodcrest to Osceola Parkway, Poinciana Boulevard from Pleasant Hill Road to Crescent Lakes Way and Partin Settlement Road from Neptune Road to Lakeshore Boulevard.

“While this is big for us in getting these roads done, I don’t want people to think this solves all of our transportation problems,” Commissioner Fred Hawkins Jr. said. “This is really a Band-Aid on all of our transportation needs.”

The bonds were first issued to help pay for the construction of Osceola Parkway, which runs from Simpson Road west to Walt Disney World’s Animal Kingdom theme park. Portions of the road see about 53,000 cars each day as tourists and employees pour in and out of the parks, Florida Department of Transportation records show.

The five roads were chosen since they feed Osceola Parkway, and the money gained from refinancing would come from investment in building the road.

Work will happen quickly, far swifter than originally planned. However, it won’t be overnight. County officials must spend the money by 2025. The entirety of the \$135 million in bonds would need to be paid off in 35 years. The agenda item requires the bonds to be no worse than Triple B-bonds, with an interest rate no higher than 4.25%.

Earlier this year, Osceola was among several Florida counties seeking to establish a dedicated funding source to pay for road projects, transit expansion and other modernizations. In February, commissioners voted to schedule a referendum on the 1-cent sales tax, which would have brought Osceola’s sales tax to the highest allowed by Florida law, 8.5 cents.

Osceola County commissioners have approved funding for improvements on Simpson Road, Osceola Parkway and other major thoroughfares in Kissimmee and Osceola County.

The measure was well funded — mainly by engineers, road builders and other similar groups — and scheduled for a May vote. However, voters downed it by a 67-33% margin. Osceola hasn't been the only county in the region looking for additional funding sources to deal with transportation needs.

The same night Osceola voters rejected the extra penny, Volusia County residents voted down a plan to raise its tax a half penny.

Looking for a better outcome, Orange County Mayor Jerry Demings has been hosting town hall meetings around the county to get input from residents and drum up support in advance of a November 2020 ballot proposal.

In Osceola, the idea of a sales tax for transportation is off the table for now. After the measure fell, commissioners directed staffers to find other solutions, transportation director Tawny Olore said.

“This was one of the ideas that came up,” she said of using money gained through the bond refinancing. Echoing Hawkins, Olore said that although the influx of cash will be beneficial to it's only a small part of solving the county's transportation problems. For example, widening 4.5 miles of Simpson Road carries a price tag of about \$90 million. That work will include new trails, sidewalks and intersection improvements to prevent bottlenecks.

“The road costs are just so great right now,” she said. In terms of finding a dedicated funding source, Olore said few options are available. The county's mobility fees are among the state's highest — bringing in about \$27 million last year — and the county already raised its gas tax a nickel in 2016 on top of 6 cents previously imposed. County spokesman Mark Pino said county officials haven't discussed bringing another referendum forward.