CITY OF TALLAHASSEE

Thursday, November 9, 2017
CRA Board Meeting

1. Call To Order

1.01 This is the portion of the agenda where the Call to Order takes Place. There is no written material.

2. Public Comments on Agenda Items

2.01 This is the portion of the agenda reserved for public comments on agenda items on today's agenda.

3. Information Items

3.01 Project Updates

4. Consent Items

4.01 Approval of Summary Meeting Minutes from the July 19 and September 25, 2017 CRA Board Meetings---Roxanne Manning, Tallahassee Community Redevelopment Agency

5. Frenchtown Southside District Policy Formation and Direction

5.01 Status Report on Preparation of Finding of Necessity and Timeline for Adding Additional Southside Areas to the Greater Frenchtown/Southside Community Redevelopment Area -- Roxanne Manning, Tallahassee Community Redevelopment Agency

5.02 Discussion of the Taylor House Museum Renovations -- Roxanne Manning, Tallahassee Community Redevelopment Agency

5.03 Approval of 180-Day Extension to the Frenchtown Redevelopment Partners, LLC Exclusive Right to Present a Proposal for the CRA-Owned and Adjacent Private Parcels in the 400 block of W. Tennessee Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency

5.04 Direct CRA Staff to Develop a $200,000 Demolition Funding Program to Support Multiple City Goals and Priorities-- Roxanne Manning, Tallahassee Community Redevelopment Agency

5.05 Approval of $30,000 for Affordable Housing Project on Saxon Street - Roxanne Manning, Tallahassee Community Redevelopment Agency

6. Downtown District Policy Formation and Direction

6.01 Discussion Regarding the Future of the Downtown Community Redevelopment District -- Roxanne Manning, Tallahassee Community Redevelopment Agency

6.02 Approval of CRA Financial Assistance Terms with Fairmont Development, LLC for Development of Washington Square -- Roxanne Manning, Tallahassee Community Redevelopment Agency

6.03 Direction on Florida Department of State Nominate to List the CRA Owned Bloxham Annex Buildings 319 and 325 East Gaines Street in the National Register of Historic Places -- Roxanne Manning, Tallahassee Community Redevelopment Agency

7. Both Districts Policy Formation and Direction

7.01 Board Direction on March 2018 CRA Board Workshop -- Roxanne Manning, Tallahassee Community Redevelopment Agency

8. Public Comments

8.01 This is the portion of the agenda reserved for citizen input on agenda items. There is no written material.

9. Unagendaed Items / Discussion

9.01 This is the portion of the agenda reserved for unagendaed speakers. There is no written material.

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	4. Consent Items
Subject	4.01 Approval of Summary Meeting Minutes from the July 19 and September 25, 2017 CRA Board Meetings---Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action (Consent)
Fiscal Impact	No
Budgeted	No
Budget Source	N/A
Recommended Action	Approve the summary minutes from the July 19 and September 25, 2017 CRA Board Meetings.

Public Content

For more information, please contact: Rick McCraw, Tallahassee Community Redevelopment Agency, (850) 891-8352

Statement of Issue

Attached for review and approval by the City of Tallahassee Community Redevelopment Agency (CRA) Board are the draft summary minutes from the July 19 and September 25, 2017 CRA Board meetings.

Recommended Action

Option 1: Approve the summary minutes from the July 19 and September 25, 2017 CRA Board Meetings.

Fiscal Impact

None

Supplemental Material/Issue Analysis

History/Facts & Issues

Attached for review and approval by the CRA Board are the draft summary minutes from the July 19 and September 25, 2017 CRA Board meetings.

Options

1. Approve the summary minutes from the July 19 and September 25, 2017 CRA Board Meetings.

2. Do not approve the summary minutes; provide staff with alternate direction.

Attachments/References

1. Draft Summary City of Tallahassee Community Redevelopment Agency Meeting Minutes, July 19, 2017.
2. Draft Summary City of Tallahassee Community Redevelopment Agency Meeting Minutes, September 25, 2017.

Draft CRA Minutes-July 19, 2017.pdf (323 KB)

Draft CRA Minutes-September 25, 2017.pdf (790 KB)

DRAFT SUMMARY MINUTES

TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING

Tallahassee, Florida
July 19, 2017

The Tallahassee Community Redevelopment Agency (CRA) Board met on July 19, 2017, in the Commission Chambers in City Hall with County Commissioner N. Maddox (Chair) and Mayor Gillum (Vice-Chair), City Commissioners Miller, Richardson and Ziffer and County Commissioners Lindley present at the start of the meeting. Also present were Assistant City Manager Wayne Tedder, CRA Executive Director Roxanne Manning, CRA Program Director Rick McCraw, CRA Principal Planner Sherri Curtis and CRA Program Planner Sheila Williams. Commissioner Dozier was present by phone.

Commissioner N. Maddox called the meeting to order at 9:32 a.m.

Commissioner Proctor arrived at 12:01 pm.

Commissioner N. Maddox made comments regarding the news coverage on the FBI subpoenas and the transparency of the CRA's handling of the information request. He also noted the County's support of dissolving the CRA's Downtown (DT) District due to loss of property tax revenue associated with the Legislature's decision to place a homestead exemption on the 2018 ballot. He also suggested discussion by the City and County to determine the phasing process for the DT District as there are two projects requesting DT District funding. He requested to pass the gavel to make a motion to discuss agenda item 6.04 at the beginning of the meeting. Mayor Gillum became Chair.

Commissioner N. Maddox made a motion **to modify the agenda and request agenda item 6.04 be discussed before 6.01 and 6.02 to determine the future of the DT district ahead of approval of additional DT projects, direct staff not to pursue any new projects and to direct staff to work with the City Manager and County Administrator to bring back a plan that phases out the Downtown CRA District,** upon second by Commissioner Dozier, **the vote was as follows**:

AYE: Dozier and N. Maddox

NAY: Gillum, Lindley, S. Maddox, Miller, Richardson and Ziffer

ABSENT: Proctor

The motion fails.

The Board stated the importance of the portion of County tax increment returning to the County to address the shortfall revenue with the homestead exemption addition. They discussed support for the work the CRA does and the need to understand the process and implications associated with dissolving the DT CRA with a request for feedback and recommendations from the City Manager and County Administrator. There were questions on handling funding small projects in the DT District and a recommendation to withhold funding assistance on any large projects in the DT district until the determination of sun setting the DT District.

Following Board discussion, Commissioner Ziffer made a motion **to request staff no longer accept large redevelopment proposals greater than $2 million specific to the DT district**, upon second by Mayor Gillum, **the vote was as follows**:

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson and Ziffer

NAY: None

ABSENT: Proctor

PUBLIC COMMENTS ON AGENDA ITEMS

Mr. Jon Brown, 2623 Centennial Blvd, asked the Board to consider including second and third year large events applicants in increased funding support of up to $40,000.

Ms. Diane Williams-Cox, 2312 Mavis Circle, addressed the Board on **Agenda Item 5.01** to share her concerns about the need for the $400,000 in the Greater Frenchtown/Southside (GFS) district. She also requested the expansion of the Southside.

Matthew Latch, 1909 Karen Lane, on behalf of the Southside United Citizen's Action Alliance addressed the Board on **Agenda Item 5.01** to share his concerns about the need for the $400,000 in the GFS district.

Commissioner Richardson explained the funds will not be taken from the GFS District. The Towne South project initially was a $100,000 owner match proposal however the final design exceeds $500,000. He also noted negotiations continue with the owner and staff but the owner has not agreed to the additional investment in the parking lot. He also explained there is a three-year term on tax increment financing (TIF) funding to be spent so funds need to be committed and spent on other projects otherwise it will be returned to the City and County.

Ms. Sue Dick, 412 Plantation Road, on behalf of the Greater Tallahassee Chamber of Commerce, addressed the Board on **Agenda Item 6.01** to support negotiations with NAP on the Firestone and Bloxham Annex project.

Mr. Ed Holifield, 4032 Longleaf Court, thanked the Board for televising the CRA Board meetings. He also addressed the Board on **Agenda Item 7.01** stating the opportunity cost of the CRA has been tremendous and feels the CRA is making things worse. He stated income equality, poverty and childhood hunger in South City has increased since 1990 and the inception of the CRA in 2000. He stated the CRA needs to be dissolved.

INFORMATION ITEMS

Project Updates

Tourist Development Tax

Ms. Manning gave a brief update on the completion of the Tourist Development Tax Arts and Culture Funding Process. She stated that staff is partnering with the Council of Culture and Arts (COCA) and Tourist Development Council (TDC) to create the application and materials.

O'Connell Property

Ms. Manning stated the O'Connell property exchange is scheduled for Wednesday, August 2, 2017. This action will exchange the State for the Firestone and Bloxham Annex properties and the O'Connell property.

715 West Gaines Street

Ms. Manning updated the Board noting the property sale of 715 West Gaines Street to NAP will take place approximately 30 days from the property exchange. NAP anticipates developing the property into a mixed-use residential development and will not request funding from the CRA.

Promotional/Special Events

Ms. Manning updated the Board on the Promotional/Special Events application process for small and DT large events is open for submittals and will end on Monday, July 31st.

Big Bend Cares

Ms. Manning updated the Board on the Big Bend Cares project. She noted construction is near completion and the project will open this fall. She noted the facility will treat both insured and uninsured clients and create 13 new jobs targeted for Southside residents.

CONSENT ITEM

There were no consent items.

FRENCHTOWN/SOUTHSIDE DISTRICT POLICY FORMATION AND DIRECTION

Approval to Close GFS District FY 2015 Affordable Housing and FY 2015 Towne South/Southside Shopping Center Improvement Projects and Reallocate the Funds

Item 5.01 Introduced by Rick McCraw was a request for approval to closeout two FY15 projects.

Mr. McCraw gave a brief overview of the two projects – FY15 Affordable Housing and Towne South Improvements. The projects have $200,000 in each and the funds are timing out and need to be reassigned. The funds from the FY15 Affordable Housing project are expected to be added back to the budget once the joint City-County housing workshop occurs in October and the Towne South Improvements project is still being negotiated with the owner.

The Board inquired about the availability and allocation of funds in the future budget and the timeline and urgency of owner and staff's negotiations for improvements.

In response to the Board's questions, staff indicated current funds will be reallocated to other TIF obligations in the GFS district. When negotiations and costs are completed this item can return to the Board for discussion. Staff also noted negotiations are still ongoing because staff is trying to determine the thresholds on an equitable distribution between the owner and the CRA for the improvements. Also suggested was Board feedback to determine the threshold.

The Board made comments on the urgency of needed improvements to the shopping centers' parking lots, the nearby sidewalks and verifying code violation issues to ensure the parking lots are in compliance. There was discussion on the owners taking pride in maintaining the property and should the owner not invest additional matching funds then the project should not continue. A comment was made that the Board was hopeful both parties will come to an agreement.

Following the Board discussion, Commissioner Richardson made a motion to **approve Option 1 – approve closing the FY2015 GFS Affordable Housing and Towne South/Southside Shopping Center Parking Lot Improvements projects and returning the projects' balance of $400,000 to the FY 2015 GFS Master Project**, upon second by Commissioner Miller, **the vote taken was as follows**:

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson and Ziffer

NAY: None

ABSENT: Proctor

DOWNTOWN DISTRICT POLICY FORMATION AND DIRECTION

Authorization to Negotiate a Funding Agreement with North American Properties for the Firestone and Bloxham Annex Properties

Item 6.01 Introduced by Roxanne Manning was a request to negotiate and authorize a funding agreement with North American Properties (NAP) for the Firestone and Bloxham Annex properties.

Ms. Manning provided a brief overview of the process and project leading up to the Board approved purchase and sale agreement (PSA) with NAP for the sale of the Firestone and Bloxham Annex parcels to NAP for $4.28 million. As a condition of the PSA, a development agreement must be approved and funding requirements established to determine the uses for elements targeted for the public and CRA funding assistance. The project's proposed uses include:

- 30,385 square feet of new office space;
- Proposed reuse of the Old County Health Department building, an unaltered art moderne building, yielding 4,660 square feet of office space,
- A 123-room boutique hotel,
- 304 multi-family residential apartments,
- 24 one BR condominiums,
- Three restaurants with a total of 17,289 square feet,
- 15,100 square feet of Festival Street Shops,
- An 11,050-square foot wellness center,

- Creation of a "Festival Street" concept connecting to Cascades Park to Gadsden Street for special events,
- Approximately 1,000 parking spaces, both underground and in a garage,
- A civil rights memorial commemorating the people, places and events which shaped Tallahassee's history,
- Greenrooms and amphitheater support facilities,
- A flexible public event space and
- Preservation of an historic tree.

She noted the estimated $150 million in total project costs with an anticipated $1.3 million in ad valorem revenue by 2022. She indicated the proposed CRA funding request is $14.4 - $15 million ($6.4 million, net present value) approximately 15% gap funding of tax increment paid over a 13-year period. She noted the funds will assist with public underground parking, demolition and clean-up. Staff recommends approval and authorization to negotiate and bring back an agenda item in September. She introduced Mr. Shawn McIntyre to answer any questions.

Mr. McIntyre noted several projects NAP has developed in Tallahassee from the original CRA funding request on Gaines Street including those without CRA funding.

Following the presentation, Commissioner Lindley made a motion to **approve Option 1 – Authorize CRA staff to begin the process of negotiating the CRA funding agreement with North American Properties for the redevelopment of the Firestone and Bloxham Annex properties**, upon second by Mayor Gillum, further discussion continued.

The Board stated their support for the motion because of the transformation to Downtown, ties to Cascades Park, property added to the tax rolls, the project paying for itself, the proven track record of NAP as a responsible corporate partner and the use of private funding for infrastructure redevelopment. The Board inquired about the specific dollar amount of the tax rebate, and clarification on infrastructure cost for public and park items to be discussed at the September meeting. There was also a request to provide all documentation from developers on future projects to help answer questions and provide clarity for the Board and the public.

Following the Board discussion, a vote was taken on Commissioner Lindley's motion to **approve Option 1 – Authorize CRA staff to begin the process of negotiating the CRA funding agreement with North American Properties for the redevelopment of the Firestone and Bloxham Annex properties**, upon second by Mayor Gillum, **the vote was as follows**:

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson and Ziffer

NAY: None

ABSENT: Proctor

<u>Discussion and Direction on Downtown District Assistance to Proposed Mixed-Use Residential Development of Envision Credit Union Property</u>

Item 6.02 Introduced by Wayne Tedder was request for direction and discussion on DT District Assistance to proposed mixed-use residential development of Envision Credit Union property. Mr. Tedder gave a brief overview on status of the proposal. He stated a week to two weeks ago staff begin working with the developer on the project. Envision Credit Union (Envision) anticipates moving to a City-owned drive-thru facility however without the approval of this project, Envision does not plan to move forward. He stated these are the circumstances that were presented and are being brought to staff.

Commissioner S. Maddox inquired if he had a conflict of interest because of the vicinity of his address on Adams Street. In response to Commissioner S. Maddox's question, Lew Shelley reported that Commissioner S. Maddox does not have a conflict of interest.

Ms. Manning gave a brief overview on the project. The project affects two parcels, Envision Credit Union's current property and the old City Utility drive-thru facility. The current Envision property is valued at $3 million however with the redevelopment of the property it is anticipated to increase to $30 million with an estimated $700,000 in ad valorem tax revenue. The old City Utility drive-thru facility currently is not on the tax rolls and would be used with this project. She noted the developer stated he could not complete this project without the support of CRA assistance. Staff is requesting approval to negotiations with the developer. She introduced Ms. Christina Paredes, from the Office of Economic Vitality, to provide an economic analysis report on the project.

Ms. Paredes gave a brief overview on the economic impact analysis for the project. The construction impact will produce 280 direct jobs for a total economic impact of $85.6 million. Estimated operational impact will result in 27 permanent jobs and 13 indirect and induced jobs with a total annual impact of $2.8 million.

The Board discussed the project's impact to the DT corridor increasing the current value of the site and adding the City-owned drive-thru facility to the tax rolls. It could transform the Monroe Street corridor between Virginia and Brevard Streets and provide ties to the Blueprint 2020 sales tax investment for the Governor's Walk. There was also a suggestion to consider project negotiations up to the tax increment generated by the project.

Commissioner Ziffer made a motion to **approve Option 1 - Direct staff to proceed with negotiations for DT District financial assistance for the proposed mixed-use residential development of the Envision Credit Union property on N. Monroe Street. Any agreement will need to be approved by the CRA Board**, upon second by Mayor Gillum, further discussion ensued.

After passing the gavel, Commissioner N. Maddox made a **substitute motion to proceed with the financial assistance but limit the assistance to the tax increment generated by the project**, upon second by Commissioner Dozier, further discussion ensued.

Commissioner Dozier commented the challenge of discussing DT financial assistance before the discussion on dissolving the DT District. She would support the original motion provided Commissioner N. Maddox's motion is included and a standardized request came from the developer with more specifics brought to the Board.

Mr. Tedder stated preliminary discussion with the developer indicated the project will be a revenue generator for the County's share of tax increment with the understanding that both properties would increase value and be on the tax rolls. Also based on the Board's comments, staff will work to ensure the funding request stays within the tax increment of the project.

Commissioners stated their support for the original motion and project to enhance and improve the area. They supported the project not exceeding the tax increment financing however, recommended giving staff the opportunity to negotiate with the developer based on Board comments.

Following Board discussion, a vote was taken on Commissioner N. Maddox's substitute motion **to proceed with the financial assistance but limit the assistance to the tax increment generated by the project**, upon second by Commissioner Dozier, **the vote was as follows**:

AYE: Dozier and N. Maddox

NAY: Gillum, Lindley, S. Maddox, Miller, Richardson and Ziffer

ABSENT: Proctor

The substitute motion fails.

A vote was taken on Commissioner Ziffer's motion to **approve Option 1 – direct staff to proceed with negotiations for DT District financial assistance for the proposed mixed-use residential development of the Envision Credit Union property on N. Monroe Street. Any agreement will need to be approved by the CRA Board**, upon second by Mayor Gillum, **the vote was as follows**:

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson and Ziffer

NAY: None

ABSENT: Proctor

Commissioner Miller stated her appreciation for Attachment 2 that provided a concise summary of the project's projected first year value and tax increment projection.

Commissioner Dozier made a motion **to request staff provide, as attachments, all information related to the history of future redevelopment projects and/or proposals from the developer and include a summary for every large project**, upon second by Commissioner N. Maddox, further discussion ensued.

Commissioner Ziffer made a substitute motion **to request staff provide response to Commissioners' request for information as requested by the Commissioner for informational purposes**, upon second by Commissioner Richardson, **the vote was as follows**:

AYE: Gillum, S. Maddox, Miller, Richardson and Ziffer

NAY: Dozier, Lindley and N. Maddox

ABSENT: Proctor

The substitute motion passes.

Discussion of the Amphitheater Support and Event Space at Cascades Park

Item 6.03 Introduced by Kerri Post, Executive Director of the Tourist Development Council (TDC) and Ashley Edwards, Executive Director of Parks and Recreation was an update on the ownership, management and programming of the amphitheater support and events space at Cascades Park.

Ms. Post stated the TDC held a special meeting on June 22nd for an update on the actions from the May 25th CRA Board meeting for the proposed amphitheater space. The TDC Board unanimously supported the information item presented on ownership, management and programing of the amphitheater support and events space. They also requested information on including theater production rehearsal space as a potential use. After meeting with 13 theater groups, there was a consensus and acknowledged that the amphitheater support space does not meet the needs for the six-weeks' time block for rehearsal space. Ms. Post and Ms. Edwards are working with the groups to provide alternative options to consider and the discussion shifted to the $3 million the remaining performing art tax funds. Ms. Edwards was there to provide information of the operation and management of the amphitheater support space.

Board made comments requesting consideration to include the possibility of providing rehearsal space.

Commissioner Dozier questioned how these requests and uses align with supporting arts and culture and the Cultural Plan for the use of the performing arts tax funds outside of the amphitheater support and green room space discussion.

In response to Commissioner Dozier's question, Ms. Edwards stated the space is primarily used to support the amphitheater space but stated the secondary opportunity for utilization by many arts and cultural organizations in the community.

Consideration of Phasing Out the Downtown District Community Redevelopment Area by 2020

Item 6.04 Introduced by Roxanne Manning, a request for Board direction on consideration of phasing out the DT District CRA by 2020.

Ms. Manning gave a brief overview of relevant information to include in the discussion on the County withdrawing from the DT CRA, such as:

- Provide a review of the taxable value over time within the DT District prior to FY 2020.
- Provide a review of property tax income that will be available to the City and County with and without tax increment payments to the DT District after 2020.
- Provide a review and summary of all DT District projects and programs that have been supported by the CRA over time.
- Identify any areas (sites, buildings, infrastructure, etc.) within the DT District that are in physical disrepair or are otherwise underperforming.

The Board requested the following information to include in the discussion: information on suspending the DT CRA and reactivating it in the future, the financials associated with present and future obligations, the financial benefits of keeping or dissolving the DT CRA, the remaining needs of the district, infrastructure concerns, possible reconfiguring the district, and the impact of the surplus funds. They also suggested having a workshop.

Commissioner N. Maddox made a motion **to request staff bring back an agenda item in September that discusses the sunset of the DT CRA or the ability for the County to sunset its TIF to the CRA but keep the DT CRA and include all the items discussed by the Board to also include the legal parameters for dissolving the CRA**, upon second by Commissioner Richardson, further discussion ensued.

There was concern about dissolving the DT district to fill a financial gap in a government's budget, including the County's input without their TIF support, reaping the benefits spurred by the growth of the DT district, and questions to determine if the DT district has reached its full potential. They also discussed shifting the focus to the GFS district, expanding or including South City into the CRA and the needs of the GFS community using the revenues generated from redevelopment on Gaines Street.

Commissioner Dozier inquired about the legal structure of dissolving the DT CRA and thought input from the City Manager and County Administrator is needed. Mr. Tedder responded that because of the interlocal agreement all three Boards, The City Commission, the Leon County Board of Commissioners and the CRA Board would need to approve the recommendation.

Following Board discussion, a vote was taken on Commissioner N. Maddox's motion **to request staff bring back an agenda item in September that discusses the sunset of the DT CRA or the ability for the County to sunset its TIF to the CRA but keep the DT CRA and include all the items discussed by the Board to also include the legal parameters for dissolving the CRA**, upon second by Commissioner Richardson, **the vote was as follows**:

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Proctor, Richardson and Ziffer

NAY: None

ABSENT: None

The Board requested a report on expanding the boundaries of the GFS district to include South City or establish a new CRA for South City.

BOTH DISTRICTS POLICY FORMATION AND DIRECTION

Discussion and Direction Draft FY 2018 City of Tallahassee Community Redevelopment Agency Budget

Item 7.01 Introduced by Rick McCraw was a discussion and request for direction on the draft FY 2018 City of Tallahassee Community Redevelopment Agency budget. The agenda item provided an overview of the proposed FY 2018 GFS and DT district budgets consisting of revenues and reserves, personnel and operating expenses and capital expenses.

Commissioner Ziffer made a motion **to approve the information provided on the FY 2018 City of Tallahassee Community Redevelopment Agency budget**, upon second by Commissioner Miller, **the vote was as follows**:

AYE: Dozier, Lindley, N. Maddox, Miller, Proctor, Richardson and Ziffer

NAY: None

ABSENT: Gillum and S. Maddox

UNAGENDAED PUBLIC COMMENT

Mr. Ed Holifield, 4032 Longleaf Court, expressed concern about the statistical difference via race on infant mortality and HIV and AIDS. He stated the need for a workshop on the status of HIV in the community. He disagreed with the CRA funding assistance to the Big Bend Cares facility and recommended reading the contract

CRA BOARD INFORMATION AND SHARING OF IDEAS

Commissioner Dozier questioned the change in the CRA Board meeting date from July 13th to July 19th due to quorum status. She also inquired about CRA bylaws and quorum rules and requested a report in September on bylaws for the CRA.

In response to Commissioner Dozier's question, Lou Norvell, City Attorney's Office, stated there is a statutory provision in Statute 163 that a quorum for the CRA is the majority of the members.

The Board requested a discussion in September to discuss guideline changes in funding assistance for first year up to third year requests for the Downtown Large Event Grant Program. Commissioner N. Maddox introduced the CRA intern, Helena Lahens and summer intern, Triniti Meeks.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 12:44 p.m.

DRAFT SUMMARY MINUTES

CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY

BOARD MEETING AND PUBLIC HEARING

Tallahassee, Florida
September 25, 2017

The City of Tallahassee Community Redevelopment Agency (CRA) Board met on September 25, 2017, in the Commission Chambers in City Hall with County Commissioner N. Maddox (Chair) and Mayor Gillum (Vice-Chair), City Commissioners Miller, Richardson and Ziffer and County Commissioners Dozier (via phone) and Lindley present at the start of the meeting. Also present were Assistant City Manager Wayne Tedder, CRA Executive Director Roxanne Manning, CRA Program Director Rick McCraw, CRA Principal Planner Sherri Curtis and CRA Program Planner Sheila Williams.

Commissioner N. Maddox called the meeting to order at 3:03 p.m.

Commissioner S. Maddox and Proctor arrived at 3:06 p.m. and 3:10 p.m., respectively.

PUBLIC COMMENTS ON AGENDA ITEMS

Since there were no public comment cards submitted by the beginning of the meeting, Commissioner N. Maddox gave the option for public comment during each the agenda item.

INFORMATION ITEMS

Project Updates

GFS District Promotional/Special Events

Ms. Manning updated the Board on the FY 2018 Promotional/Special Events Program. The review of applications is complete and all nine applicants were awarded up to $5,000 for special events in the Greater Frenchtown/Southside Community Redevelopment Area (GFS District).

Sale of the O'Connell Property

Ms. Manning updated the Board on the O'Connell sale property exchange with the State of Florida. The property exchange occurred with the CRA acquiring the Firestone and Bloxham Annex properties, 715 West Gaines Street and $560,000 in cash.

715 West Gaines Street

Ms. Manning updated the Board noting the property at 715 West Gaines Street was sold to North American Properties (NAP) on September 1, 2017. The property will be developed into a mixed-use residential development and will not request CRA assistance.

<u>CONSENT ITEM</u>

Commissioner Ziffer moved **to approve staff's recommendations presented in Items 4.01, 4.02, 4.03 and 4.04 of the Consent Agenda**, seconded by Commissioner Miller, **the vote was as follows:**

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson and Ziffer

NAY: None

ABSENT: None

Item 4.01 – Approved the Summary Meeting Minutes for the May 25, 2017 CRA Board Meeting

Item 4.02 – Approved the 2018 Community Redevelopment Agency Board Meeting Schedule.

Item 4.03 – Approved the $45,000 Business Facility Improvement Program (BFIP) Grant for 678 McDonnell Drive.

Item 4.04 – Approved the Report re CRA Rules of Procedure.

Commissioner Proctor was out of chambers.

Commissioner Dozier made a motion **to request staff bring back an agenda item on items to consider for creation of CRA bylaws**, upon second by Commissioner Richardson, **the vote was as follows**:

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Richardson and Ziffer

NAY: None

ABSENT: None

Commissioner Miller and Proctor were out of chambers.

<u>DOWNTOWN DISTRICT POLICY FORMATION AND DIRECTION</u>

<u>Discussion on Sunsetting the Downtown District</u>

Item 5.01 Introduced by Roxanne Manning was a request for Board direction on Sunsetting the Downtown District Community Redevelopment Area (DT District) by 2020.

Ms. Manning started the discussion with a brief overview on the legislative intent of a community redevelopment area designation, how redevelopment areas are established and how they operate. She provided a brief description and history of the CRA's two redevelopment areas (the GFS District and the DT District), the role of each district's advisory committee and the tax increment collected by the CRA. Roxanne concluded her introduction remarks with a summary of the DT priorities and projects highlighting pre-development values versus post redevelopment values.

She stated staff is requesting Board direction on the four options presented in the agenda item.

- Option 1 – no change to DT District operations.
- Option 2 – sunset the DT District by 2020 and continue to pay off projects approved but closeout other projects and programs with the remaining TIF funds returning to the City and the County.
- Option 3 – retain the DT District but with restrictions and narrow the focus.
- Option 4 – retain the DT district with County support removed from the District and refund their TIF every year.

Commissioner N. Maddox requested comments from the public on the agenda item. The following commented on the agenda item

Jared Willis, 1650 Rich Street, speaking on behalf of the Downtown Business Association questioned where the revenue from DT District projects would be used and the needs of the DT District. He stated the importance of large event grant funding.

Ms. Diane Williams-Cox, 2312 Mavis Circle, shared her concerns with the Washington Square proposal, requesting the Board not support the project and focus on the blighted areas in the Southside and Frenchtown communities.

Dr. Ed Holifield, 4032 Longleaf Court, stated the CRA is making things worse, noting income equality, poverty and childhood hunger in South City have increased since 1990 despite the establishment of the CRA in 2000.

Mr. Ian Nesbitt, 2315 Mavis Circle, shared his concerns about the need for funds in the GFS District. He stated there is no blight in Downtown, the money for downtown projects should be used for the less fortunate.

Mr. Erwin Jackson, 1341 Jackson Bluff, stated he has been working with the State legislature to end CRAs and end the corruption. He opposes any CRA discussions until the FBI finalizes their investigation.

In response to a question from Commissioner Miller regarding the Doubletree Hotel sidewalk improvement grant the Board requested an update on the Doubletree Hotel agreement, as well as annual report on all outstanding projects.

Commissioner Dozier requested confirmation that she had no conflict with the Doubletree Hotel project because Mad Dog Construction was not awarded the work contract. Ms. Manning confirmed that Mad Dog Construction was not awarded the contract for the commercial façade.

Commissioner S. Maddox requested confirmation the CRA funding for the Doubletree Hotel sidewalk grant are for improvements within the city's ROW. Mr. Tedder advised the sidewalk improvements are within the city ROW and no payment will be made until the work is complete.

Commissioner Proctor made a motion **to approve Option 2 – sunset the DT District by 2020**.

The motion dies due to the lack of a second.

Commissioner Proctor made a motion **to approve Option 4 – retain the DT District with County support removed from the District**, upon second by Commissioner Lindley, further discussion ensued.

Discussion by the CRA Board members regarding the goals and accomplishments of the DT District followed. The impact sunsetting the DT District would have on existing agreements, as well as the need for further analysis of DT District projects, particularly large projects and the impact they have on the district was discussed. The conversation also included possible impacts to the CRA in general from anticipated changes during the 2018 Legislative session

Commissioner S. Maddox made a substitute motion **to request the sunset of the DT and GFS Districts by 2018**, upon second by Commissioner Proctor, the vote was as follows:

AYE: S. Maddox and Proctor

NAY: Dozier, Gillum, Lindley, N. Maddox, Miller, Richardson and Ziffer

ABSENT: None

The substitute motion fails.

Following further discussions, Commissioner Dozier made a substitute motion **to request staff evaluate Options 2, 3 and 4; take the evaluations to the City Commission and the County Commission in October and bring back for CRA Board comment in November**, upon second by Commissioner Miller, further discussion ensued.

Discussion on the role of the DT District, the proposed expansion of the GFS District, the impact of the *Interlocal Agreement* that governs the DT District, and several other items, continued.

Following the Board discussion, a vote was taken on Commissioner Dozier's substitute motion **to request staff evaluate Options 2, 3 and 4; take the evaluations to the City Commission and the County Commission in October and bring back for CRA Board comment in November**, upon second by Commissioner Miller, **the vote was as follows**:

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson and Ziffer

NAY: Proctor

ABSENT: None

<u>Approval of CRA Financial Assistance Terms with North American Properties for the Redevelopment of the Firestone and Bloxham Annex Properties</u>

Item 5.02 Introduced by Roxanne Manning was a request to approve the financial assistance terms with North American Properties (NAP) for the redevelopment of the Firestone and Bloxham Annex properties.

Commissioner N. Maddox recused himself for the sake of appearance due to NAP sending a charitable donation to the Foundation for Leon County Schools where he serves as Executive Director. A copy of Form 8B, *Memorandum of Voting Conflict for County, Municipal, and Other Local Public Officers*, completed by Commissioner N. Maddox is at Attachment 1.

Ms. Manning provided a brief overview of the process and project leading up to the latest negotiations with NAP for the redevelopment of the Firestone and Bloxham Annex parcels (the Cascades Project). She introduced Mr. Shawn McIntyre, managing partner with NAP, to provide an update on the project.

Mr. McIntyre noted the other developments in Tallahassee completed by NAP, as well as the local contributions their company provides to the community. He also noted the purchase of the Firestone and Bloxham Annex properties by NAP will generate $4.28 million for the GFS District. He reviewed the major components of the Cascades Project, which will include residential units (rental and owner-occupied), restaurant and retail uses, a civil rights memorial and other community spaces, office space, amphitheater support space, active uses on Gadsden Street, and other uses.

Ms. Manning reviewed the major development agreement considerations, which include:

- Reimbursement of 90% of the tax increment generated by the project based on the annual taxable value of the project, less the value of the hotel, as determined by the Leon County Property Appraiser (LCPA).
- NAP will meet with OEV/MWSBE to establish procedures for meeting the City of Tallahassee's 10.5 % goal of MSWBE participation (7.5% Black and 3.0% Women) for construction projects based on the projected CRA financial participation.
- NAP will meet with the Planning Department's DesignWorks to discuss and identify required exterior design features and elements.
- The completed Project will be consistent with the PUD, as defined in the Land Development Code, must be approved in writing by the City and reviewed by the CRA staff.
- Any change of ten percent (10%) or more to the number of residential units, the square footage of retail space or the number of parking spaces as noted in the NAP proposal and/or the PUD must be approved in writing by CRA staff.

Ms. Manning gave an overview of the request for approval and requested Board direction for the civil rights memorial and roadway for amphitheater support.

Commissioner Ziffer made a motion **to approve Options 1 - Authorize CRA staff to complete and execute the Development and Funding Agreement with North American Properties for the redevelopment of the Firestone and Bloxham Annex properties.; 3 - Recommend approval of $440,000 of additional TDT Arts Funds for the historical**

memorial plaza and the proposed amphitheater access (on the east side of the development). Final approval will be required by the City Commission and Board of County Commissioners.; 5 - approve up to $2,250,000 for the public improvements referenced herein, but also direct staff to continue to work with the developer and the City throughout the PUD/Development Agreement process to seek funding and/or fee waivers as generally depicted in Attachment 2., and 7 - authorize staff to seek appropriate loans for financing 229 public parking spaces., upon second by Commissioner Richardson, further discussion continued.

Commissioner Dozier did not support the motion, requesting Option 1 be modified to bring back to the Board for review in November and questioned Option 3's use of the tourist development tax (TDT) funds for the civil rights memorial and amphitheater access roadway.

Ms. Kerri Post, Executive Director of the Tourist Development Council gave an overview of allowable uses for TDT funds advising that further clarification on the use of the funds for the civil rights memorial and amphitheater access is required.

Mr. Lou Norvell, Assistant City Attorney, explained the amphitheater access roadway supports the amphitheater space and, therefore, is an appropriate use of TDT funds. He also noted the civil rights memorial generated tourism to the location and was considered an appropriate use.

Commissioner Dozier requested **an amendment to Option 3 of the motion to request TDT funds or CRA reserves as funding options for the civil rights memorial and the amphitheater supported roadway**. Commissioner Ziffer accepted the amendment.

Commissioner Dozier questioned if the $2.25 million in funding or waivers in Option 5 could be brought back in November for discussion once the actual costs have been determined.

Mr. Tedder advised the funding agreement is required by NAP to move forward with the City's Planned Unit Development (PUD) agreement, which will help determine which fees can be waived. If this agreement is brought back in November, it could delay the project. Mr. Tedder recommended staff work with the developer to include the decisions approved from this item today and work to get the agreements completed and negotiate the public costs of Option 5 at the developer's request to proceed with the project.

Commissioner Proctor inquired about the use of local contractors, local builders and an affordable housing component.

Ms. Manning stated the development agreement will include specific MWSBE goals that use local contractors.

The Board made comments supporting the project, the proven track record of NAP as a responsible corporate partner, the use of private funding for infrastructure redevelopment and the use of local workforce. There was a suggestion to include recognition of the Firestone namesake within the development. The Board would like to ensure the development will not limit access to Cascade Park and will also enhance the park.

Following the Board discussion, a vote was taken on Commissioner Ziffer's motion **to approve Options 1, 3 with an amendment to Option 3 of the original motion to request**

TDT funds or CRA reserves as funding options for the civil rights memorial and the amphitheater supported roadway, 5, and 7, upon second by Commissioner Richardson, **the vote was as follows**:

AYE: Dozier, Gillum, Lindley, S. Maddox, Miller, Proctor, Richardson and Ziffer

NAY: None

ABSENT: None

Commissioner N. Maddox abstained from voting.

Approval of CRA Financial Assistance Terms with Charles Street Investment Partners for Redevelopment of Envision Credit Union Property

Item 5.03 Introduced by Roxanne Manning was a request for approval to negotiate and execute a development agreement for a proposed mixed-use residential development on the Envision Credit Union property.

Commissioner S. Maddox inquired if he had a conflict of interest because of the vicinity of his address on Adams Street.

In response to Commissioner S. Maddox's question, Mr. Norvell reported that Commissioner S. Maddox did not have a conflict of interest.

Ms. Manning gave a brief overview on the project components, which includes 257 apartments, over 17,000 SF of restaurant space, 10,000 to 12,000 SF of retail space, parking and various resident amenities. She also provided an overview of the Office of Economic Vitality's (OEV) economic impact analysis for the project, which will result in 27 permanent jobs and 13 indirect and induced jobs with a total annual income of $576,000.

Mr. Gardner, representing Charles Street Investment Partners (the developer), provided a brief overview of the development proposal, including the anticipated fiscal impact. He noted the developer intends to use of local services and materials for the development.

Ms. Manning reviewed the major development agreement considerations, which include:

- Reimbursement of 100% of the tax increment generated by the project based on the annual taxable value of the development as determined by the LCPA.
- Developer will meet with OEV/MWSBE to establish procedures for meeting the City of Tallahassee's 10.5 % goal of MSWBE participation (7.5% Black and 3.0% Women) for construction projects based on the projected CRA financial participation.
- The Developer will meet with the Planning Department's DesignWorks to discuss and identify potential site and exterior design issues and solutions, including uses and treatments along North Adams Street as part of the proposed Governor's Walk.
- The completed project will be consistent with the design concept provided by the developer, any substantial changes must be approved in writing by CRA staff.

- Any change of ten percent (10%) or more to the number of residential units and/or any removal of active uses along North Monroe Street frontage must be approved in writing by the CRA staff.

Commissioner Richardson made a motion **to approve Option 1 - authorize CRA staff to negotiate and execute a development agreement with the Developer consistent with the terms of this agenda item, the DRC recommendations and additional direction provided by the CRA Board**, upon second by Mayor Gillum, further discussion ensued.

Commissioner Proctor requested an **amendment to the motion to change the language to reflect any substantial changes to the concept, residential units and/or any removal of active uses along the Monroe Street frontage must be approved by the CRA Board**. The amendment was accepted by Commissioner Richardson.

Commissioner Dozier requested clarification on when the Charles Street and Washington Square projects were first presented to CRA staff, the impact of structured/underground parking on large-scale projects in the downtown, as well as confirmation the Charles Street and Washington Square projects will continue to be negotiated as the sunset of DT District discussion occurs.

In response to Commissioner Dozier's question, Ms. Manning stated staff had conversations with Charles Street Partners prior to the July Board meeting. She also stated the benefits of using underground parking in the Downtown district instead of the less desirable street parking but because of the impact cost to the project, many developers request assistance with underground parking. She also confirmed negotiations will still occur with the developers.

In the discussion that followed, Board members noted their support for the project and downtown residential mixed-use developments, commenting that this type of redevelopment can help attract and recruit new businesses, a talented workforce and meet the Board's desire for these projects paying for themselves. There was some concern about the type of housing options that request CRA assistance and the need for a mix of housing options/costs in the downtown. A broader conversation was requested to determine the types of expenditures the CRA should support in the future. The Board recognized blight concerns along the North Monroe and Tennessee Streets corridor to Brevard Street and anticipates the development creating a change to these areas over the course of a few years. Recognizing this project would be the first steps of the planned Governor's Walk streetscape improvements along Adams Street, the Board also requested any sidewalk improvements required by the development include improved vegetation and tree coverage.

Following Board discussion, a vote was taken on Commissioner Richardson's motion **to approve Option 1 - authorize CRA staff to negotiate and execute a development agreement with the Developer consistent with the terms of this agenda item, the DRC recommendations and additional direction provided by the CRA Board and the amendment to the motion to change the language to reflect any substantial changes to the concept, residential units and/or any removal of active uses along the Monroe Street frontage must be approved by the CRA Board**, upon second by Mayor Gillum, **the vote was as follows**:

AYE: Dozier, Gillum, Lindley, N. Maddox, Miller, Proctor, Richardson and Ziffer

NAY: S. Maddox

ABSENT: None

Commissioner S. Maddox did not support the motion because the project does not include public access and infrastructure spending.

Mayor Gillum out at 5:45 p.m.

Discussion and Direction on Possible Downtown District Financial Assistance to Proposed Washington Square Mixed-Use Development

Item 5.04 Introduced by Roxanne Manning was a request for direction and discussion on DT District assistance for the Washington Square Tallahassee development.

Ms. Manning gave a brief overview of the project, a mixed-use development with a full-service hotel, Class "A" office space, residential condominiums and three restaurants. The Project will be located at 227 S. Calhoun Street, behind the Leon County Courthouse in the DT District. She explained that although staff had several earlier conversations with the developer, they did not provide a specific funding assistance request to CRA staff until after the July 19, 2017 CRA Board meeting where the Board directed staff not to bring any new large-scale DT District projects (valued at more than $2.0 million) to them for consideration until there was further direction regarding the continuance of the DT District. Because of this direction and the potential impact of the proposed development, staff is seeking direction from the Board as to whether staff should move forward with discussing the financial request with the developer.

Commissioner N. Maddox questioned why the project was brought to the Board when large development projects were to be held until the DT District sunset discussion was further along.

Ms. Manning stated staff received a letter from Washington Square dated August 4, 2017, that requested funding assistance for their project. In an abundance of caution, staff did not want to deny the request without conferring with the Board.

Commissioner Ziffer made a motion **to approve the direction for staff to move forward with discussing the Washington Square Tallahassee proposal and request for financial assistance with the Fairmont Development, LLC**, upon second by Commissioner Richardson, further discussion ensued.

There was Board discussion on the project with several Commissioners supporting the project and others concerned about the direction given to staff with regards to putting on holding large redevelopment projects. Several Commissioners were aware of the project and have had discussions with the developer but did not know the developer's timeline for the project. There was discussion on the need to establish rules, policy and guidelines with a suggestion that a future discussion is needed to on these issues. There was a comment on the need to discuss the State's proposed surplus of downtown offices and the impact that would have for the district.

Mr. Erwin Jackson, 1341 Jackson Bluff, advised that larger developers do not need incentives for their projects. He stated a clause needs to be added to CRA contracts that no commissioner, family member or related business should benefit from these projects. He stated an ethics ordinance should be established for the CRA, the City and the County.

Ms. Diane Williams-Cox, 2312 Mavis Circle, requested the minutes from the July CRA Board meeting, where the Board made a motion to hold any projects that exceed $2 million in funding assistance in Downtown, be read to the Board. She stated the discussion should be about the expansion of the GFS District, where work needs to be done and funding support is needed.

Dr. Ed Holifield, 4032 Longleaf Court, commented on the pollution at the Big Bend Cares site, noting nothing was reported until he spoke up. He stated the CRA is making things worse, with no improvements to income inequality, poverty and infant mortality rates since the CRA was established.

After public comment on the agenda item, a vote was taken on Commissioner Ziffer's motion **to approve the direction for staff to move forward with discussing the Washington Square Tallahassee proposal and request for financial assistance with the Fairmont Development, LLC**, upon second by Commissioner Richardson, **the vote was as follows**:

AYE: Dozier, Lindley, Miller, Richardson and Ziffer

NAY: N. Maddox, S. Maddox and Proctor

ABSENT: Gillum

Approval of the FY 2018 and Future Downtown Large Event Grant Program Guidelines Change

Item 5.05 Introduced by Sherri Curtis was a request to approve the FY 2018 DT District and future year large event grant guidelines' change.

Ms. Curtis gave a brief overview of the proposed guideline to allow new events to be eligible for a maximum of $40,000 per year in grant funding for the first three years the event occurs. This change would apply to future year grant applications.

Commissioner Ziffer made a motion **to approve Option 1 - approve the FY 2018 and future Downtown District Large Event Grant Program change to allow new events to be eligible for a maximum grant award of $40,000 per year for the first three years the event occurs**, upon second by Commissioner Lindley, **the vote was as follows**:

AYE: Lindley, N. Maddox, Proctor, Richardson and Ziffer

NAY: Dozier and Miller

ABSENT: Gillum and S. Maddox

Approval of the FY 2018 Downtown District Large Event Grant Awards

Item 5.06 Introduced by Sherri Curtis was a request for approval to award the FY18 DT District Large Events.

Commissioner Dozier recused herself because her sister is the Executive Director for one of the awarded applicants. A copy of Form 8B, *Memorandum of Voting Conflict for County, Municipal, and Other Local Public Officers*, completed by Commissioner Dozier is at Attachment 2.

Ms. Curtis gave a brief overview of the FY18 DT District Large Events program, the application cycle and the award recommendations. Staff recommended awards to four applicants:

1. LeMoyne Art Foundation, Inc. – Chain of Parks Art Festival – $25,000
2. Florida LitFest, Inc. – Word of South Festival – $25,000
3. Southern Shakespeare Company – Southern Shakespeare Festival – $10,000
4. Springtime Tallahassee Festival – Springtime Tallahassee Festival – $25,000

Commissioner Richardson made a motion **to approve Option 1 - approve the four ranked organizations at the amount requested, within the parameters of the program guidelines, for a total amount of $85,000 from the FY 2018 DT District Large Event Grant Program; return the remaining balance of $15,000 to the FY 2018 DT Master Project for other projects and programs. Authorize the CRA Executive Director to enter into a grant agreement with the approved organizations**, upon second by Commissioner Miller, **the vote was as follows**:

AYE: Lindley, N. Maddox, Miller, Proctor, Richardson and Ziffer

NAY: None

ABSENT: Gillum and S. Maddox

Commissioner Dozier abstained from voting.

FRENCHTOWN/SOUTHSIDE DISTRICT POLICY FORMATION AND DIRECTION

Discussion on Possible Expansion of the Greater Frenchtown/Southside Community Redevelopment Area Boundaries

Item 6.01 Introduced by Roxanne Manning was a discussion on possible expansion of the GFS District boundaries.

Ms. Manning gave a brief overview of the expansion of the GFS District with three areas identified by staff for Board consideration.

- South City Study Area
- Orange Avenue Study Area
- Springhill Road Study Area

Roxanne noted staff used three blighting conditions in the initial Finding of Necessity analysis: Changes in Property Values, Fire and Emergency Medical Service (EMS) Responses and Florida Building Code Violations. She stated staff is requesting direction from the Board on (1) which study areas to evaluate and (2) authorization to prepare the Finding of Necessity.

Commissioner Richardson made a motion **to request staff evaluate the three areas, South City, Orange Avenue and Springhill Road study areas, in the Finding of Necessity for the expansion of the GFS district**, upon second by Commissioner Miller, further discussion ensued.

The Board discussed the need for urgency in completing the expansion because of proposed changes in the Legislature regarding CRAs. They made suggestions to prioritize the Magnolia and Orange Avenue Apartments for redevelopment. There was concern that this request leaves previous promises unfulfilled in other parts of the GFS District and overpromising a return on investment. There was discussion on the remaining parcels on the backside of the South Monroe Street frontage to include the full block to Meridian Road for inclusion in the GFS District. A suggestion was made that the inclusion of Springhill Road may not be necessary as the area aligns with the Blueprint 2000 roadway widening plan may provide an alternative for improvements in the area instead of inclusion into the GFS District.

Mr. Bill Wilson, 1860 Old Fort Drive, requested the South City boundary include the outer edges of the streets/public rights of way that form the study area. He also suggested using the Land Use Plan as a planning tool, with a focus on the urban core.

Commissioner Ziffer called the question, upon second by Commissioner Richardson.

Following Board discussion, a vote was taken on Commissioner Richardson's motion **to request staff evaluate the three areas, South City, Orange Avenue and Springhill Road study areas, in the Finding of Necessity for the expansion of the GFS district**, upon second by Commissioner Miller, **the vote was as follows**:

AYE: Dozier, Lindley, N. Maddox, Miller, Proctor, Richardson and Ziffer.

NAY: None

ABSENT: Gillum and S. Maddox

Approval of the Neighborhood Partnership Grant Program for the Greater Frenchtown/Southside District in the Amount up to $50,000 for Fiscal Year 2018

Item 6.02 Introduced by Sherri Curtis was a request to approve the Neighborhood Partnership Grant (NPG) program for the Greater Frenchtown/Southside Community Redevelopment Area for up to $50,000.

Ms. Curtis gave a brief overview on the NPG program. This pilot grant program aims to support emerging or established neighborhoods in the GFS District by providing access to financial resources to help improve the neighborhood's physical or public safety conditions.

Commissioner Dozier made a motion **to approve Option 1 – approve establishment of the Neighborhood Partnership Grant program for the Greater Frenchtown/Southside**

Community Redevelopment Area for up to $50,000, upon second by Commissioner Miller, **the vote was as follows**:

AYE: Dozier, Lindley, N. Maddox, Miller, Proctor, Richardson and Ziffer

NAY: None

ABSENT: Gillum and S. Maddox

<u>BOTH DISTRICTS POLICY FORMATION AND DIRECTION</u>

There were agenda items in this category.

<u>6:00 P.M. PUBLIC HEARING</u>

The Public Hearing started at 6:18 p.m.

Commissioner N. Maddox requested after the Public Hearing to take up agenda item 6.01.

<u>Adoption of the FY 2018 City of Tallahassee Community Redevelopment Agency Budget</u>

Item 10.01 Introduced by Rick McCraw was a request to adopt the FY 2018 CRA budget.

Mr. McCraw provided a brief review on the three major changes to the FY 2018 City of Tallahassee Community Redevelopment Agency budget since the last CRA Board review of the draft budget in July. He also reviewed the FY 2018 GFS and DT District budgets, which are summarized below.

GFS District FY 2018 Budget

- Revenues (all sources): $9,034,886
- Reserves: ($5,099,855)
- Expenses: ($2,972,774)
  - Operating Expenses: $597,474
  - Capital Expenses: $2,375,300
- Uncommitted/Available: <u>($962,257)</u>
- Balance: $0.0

DT District FY 2018 Budget

- Revenues (all sources): $3,522,383
- Reserves: ($957,330)
- Expenses: ($1,460,084)
  - Operating Expenses: $368,622
  - Capital Expenses: $1,091,462
- Uncommitted/Available: <u>($1,104,969)</u>
- Balance: $0.0

The Board discussed further clarity on carryover balances from previous fiscal years and having those balances outlined in the budget. There was a discussion on the $125,000 from FY 2017 budget as part of a match for State grant funds for the renovation of the Old Waterworks building. The grant was not awarded to the City and there was brief discussion on the use of those funds, with the decision to remove the line item from the FY 2017 budget and return the funds to the FY17 DT Master Project for future projects.

Commissioner Miller made a motion **to approve Option 1 - (a) Adopt by resolution the proposed FY 2018 CRA Operating and Capital budget as described in this agenda item with the removal of the $125,000 Waterworks line item from the Budget and return those funds to the FY17 DT Master Project and (b) authorize the CRA Chair, Tallahassee City Manager and CRA Executive Director to commit funds and approve expenditures consistent with the budget as proposed in the agenda item and with established program guidelines**, upon second by Commissioner Lindley, **the vote was as follows**:

AYE: Dozier, Lindley, N. Maddox, S. Maddox, Miller, Richardson and Ziffer

NAY: Proctor

ABSENT: Gillum

Commissioner S. Maddox out at 6:46 p.m.

Commissioner Dozier made a motion **to request to hold a workshop/retreat in the early part of 2018 to discuss CRA process and procedures, bylaws and communications**, seconded by Commissioner Proctor, the vote was as follows:

AYE: Dozier, Lindley, N. Maddox, Miller, Proctor, Richardson and Ziffer

NAY: None

ABSENT: Gillum and S. Maddox

The Board requested staff bring back an agenda item in November to discuss items for discussion at the workshop.

The Public Hearing ended and the regular CRA Board Meeting resumed with the discussion of agenda items 6.01, 5.05, 5.06, and 6.02.

UNAGENDAED PUBLIC COMMENT

There were no unagended public comments.

CRA BOARD INFORMATION AND SHARING OF IDEAS

Commissioner N. Maddox requested to add a line in future agenda items that includes the advisory board members comments and recommendations.

Commissioner Dozier also requested the advisory boards Chair, if available, attend future CRA meetings to provide comment to the Board.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 7:15 p.m.

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE
Maddox, Nick	City of Tallahassee Community Redevelopment Agency
MAILING ADDRESS: 301 S. Monroe St, 5th Floor	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: ☑ CITY ☐ COUNTY ☐ OTHER LOCAL AGENCY
CITY: Tallahassee COUNTY: Leon	NAME OF POLITICAL SUBDIVISION: City of Tallahassee
DATE ON WHICH VOTE OCCURRED: 9/25/17	MY POSITION IS: ☑ ELECTIVE ☐ APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also MUST ABSTAIN from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * * * * * * * * * * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * * * * * * * * * * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Nick Maddox, hereby disclose that on Sept 25, 20 17:

(a) A measure came or will come before my agency which (check one or more)

___ inured to my special private gain or loss;

___ inured to the special gain or loss of my business associate, ______;

___ inured to the special gain or loss of my relative, ______;

___ inured to the special gain or loss of ______, by whom I am retained; or

___ inured to the special gain or loss of ______, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

5.02 Approval of CRA Financial Assistance Terms with North American Properties.

* I am an employee of an organization that have received a charitable donation from NAP. Though, my attorney saw no conflict, I recused myself due to the appearance of conflict

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

Sept. 25, 2017
Date Filed

[signature]
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED $10,000.

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE
DOZIER, KRISTIN, ELIZABETH	CITY OF TALL. COMMUNITY REDEVELOPMENT AGENCY
MAILING ADDRESS 301 S. MONROE STREET, 5TH FL.	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: ☑ CITY ☐ COUNTY ☐ OTHER LOCAL AGENCY
CITY: TALLAHASSEE COUNTY: LEON	NAME OF POLITICAL SUBDIVISION: CITY OF TALLAHASSEE
DATE ON WHICH VOTE OCCURRED SEPTEMBER 25, 2017	MY POSITION IS: ☑ ELECTIVE ☐ APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also MUST ABSTAIN from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * * * * * * * * * * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * * * * * * * * * * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, KRISTIN DOZIER, hereby disclose that on SEPTEMBER 25, 20 17:

(a) A measure came or will come before my agency which (check one or more)

___ inured to my special private gain or loss;

___ inured to the special gain or loss of my business associate, ___;

✓ inured to the special gain or loss of my relative, VANESSA DOZIER ROWSE;

___ inured to the special gain or loss of ___, by whom I am retained; or

___ inured to the special gain or loss of ___, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

THE CRA WAS ASKED TO APPROVE THE FY 2018 DOWNTOWN DISTRICT LARGE EVENT GRANT AWARDS, INCLUDING AN AWARD OF $25,000 FOR THE LEMOYNE ART FOUNDATION, INC, CHAIN OF PARKS ART FESTIVAL. VANESSA DOZIER ROWSE, MY SISTER, IS THE FESTIVAL DIRECTOR OF THE CHAIN OF PARKS ART FESTIVAL, SO I THEREFORE RECUSED MYSELF FROM THE DISCUSSION AND THE VOTE.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

9/25/17
Date Filed

Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED $10,000.

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	5. Frenchtown Southside District Policy Formation and Direction
Subject	5.01 Status Report on Preparation of Finding of Necessity and Timeline for Adding Additional Southside Areas to the Greater Frenchtown/Southside Community Redevelopment Area -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Discussion

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, (850)891-8352

Statement of Issue

At the July 19, 2017 City of Tallahassee Community Redevelopment Agency (CRA) Board meeting staff was asked to bring an agenda item to the next CRA Board meeting for discussion on expanding the Greater Frenchtown/Southside Community Redevelopment Area (GFS District) or creating a new redevelopment district.

At the September 25, 2017 CRA Board meeting, staff provided the CRA Board with three possibilities for the expansion of the GFS District (Attachment 1). Staff advised they believed they could complete the actions necessary to add one or more of the study areas to the GFS District by June 2018, but because of the timeframe they did not believe they would be able to meet all the requirements to create a new redevelopment district on the southside before any potential changes to CRA operations were enacted as part of the 2018 State Legislative session. Following Board discussion staff was directed to further evaluate the three southside areas (South City, Orange Avenue In-Fill and Springhill Road) as part of a Finding of Necessity for the expansion of the GFS District.

The purpose of this agenda item is to update the CRA Board on the status of the Finding of Necessity and to outline the remaining actions and timelines for approval of any GFS District boundary expansion. This agenda item is provided for information only, no action by the CRA Board is being requested.

Recommended Action

Accept staff update. A recommendation, which will include any CAC comments, will be included in the January 25, 2018 Finding of Necessity agenda item.

Fiscal Impact

There is no fiscal impact at this time.

Supplemental Material/Issue Analysis

History/Facts & Issues

The GFS District consists of three distinct geographic sections and is comprised of over 1,450 acres of residential, office, commercial/retail, industrial, and green/open space land uses (Attachment 2). Included within the boundaries of the redevelopment area are thirteen neighborhood communities; seven major commercial/retail areas including sections of Tennessee Street, Tharpe Street, North and South Monroe Streets, Gaines Street, Lake Bradford Road and South Adams Street; and numerous mixed-use areas. In 2016, the boundary of the GFS District was expanded to include the 26 commercial properties on the east side of S. Monroe Street between Perkins and Van Buren Streets. The City Commission adopted the GFS Community Redevelopment Plan and established the GFS Redevelopment Trust Fund in June 2000. The community redevelopment plan was amended in 2016 to include the 26 commercial properties that were added to the district.

The study areas approved by the CRA Board at the September 25, 2017 meeting for evaluation and possible inclusion into the GFS District are listed below, with maps of the areas at Attachment 3. The procedures for expanding existing community redevelopment area boundaries are essentially the same for establishing a new community redevelopment area. However, because there is an existing Greater Frenchtown/Southside Community Redevelopment Plan that will be consistent with the goals of any expansion areas, staff believes we will be able to complete the actions necessary to add one or more of the study areas to the GFS District boundary no later than June 2018.

1. South City Study Area – Consists of 386 parcels in the areas bounded by Magnolia Street to the north, the properties located on the eastern side of Dozier Drive (up to Magnolia), Orange Avenue to the south and Meridian Street to the west. This does not include the areas of South City that are already within the GFS District boundary.
2. Orange Avenue In-Fill Area – Consists of 129 parcels in the area generally bounded by Holton/Wies Streets to the north, Pasco Street to the east, Orange Avenue to the South and the CSX railroad tracks to the west.
3. Springhill Road Area – Consists of 36 mostly commercial properties bounded by Kissimmee Street to the north, the CSX railroad tracks to the east, Orange Avenue to the south and Springhill/Lake Bradford Roads to the west.

Preparation of the Finding of Necessity

Chapter 163.340(8), F.S., requires an area designated as a community redevelopment area must, among other things, exhibit at least two of the fourteen listed definitions of blight. The initial analysis focused on the three blight conditions listed below. Staff chose these criteria because most of the data is readily available and could also serve as at least a partial baseline for the required Finding of Necessity.

1. Property Values – have the aggregate assessed property values in the study area failed to show any appreciable increase over the past five years?
2. Fire and Emergency Medical Services (EMS) Responses – are fire and EMS service calls in the study area proportionally higher than the remainder of the city?
3. Florida Building Code Violations – are there a greater number of recorded violations in the study area than the remainder of the city?

Staff is in the process of updating the information used in the September analysis to determine if at least two of the conditions exist in the study areas. Currently, it does not appear that at least two of the same criteria exist in all three study areas, but two of the criteria appear to exist individually in one or more of each study area. Staff is also evaluating other blight criteria for inclusion in the Finding of Necessity. This includes some of the more visual criteria, such as the "[d]eterioration of site or other improvements" and "[i]nadequate and outdated building density patterns." Staff plans to complete the draft Finding of Necessity by early December and present the results it to the GFS District Citizens' Advisory Committee (CAC) at their December 11, 2017 meeting.

Steps to Expanding the GFS District Boundary

The table below lists the major milestones required under Chapter 163, Part III, FS and the Interlocal Agreement between the City of Tallahassee, Leon County and the CRA that governs certain actions of the CRA; to expand the GFS District boundaries. As shown, staff expects to complete all the actions required to approve the Finding of Necessity and expand the GFS District boundaries by the end of April 2018.

Expansion Step	Date	Action

Present expansion recommendation to GFS District Citizens' Advisory Committee.	12/11/2017	CAC recommendation to CRA Board for January 25, 2018 meeting.
CRA Board review of Finding of Necessity and boundary expansion recommendation.	01/25/2018	Accept Finding of Necessity and approve expansion area(s) per interlocal agreement.
Registered letter to Leon County BoCC on proposed expansion of GFS District and modification to redevelopment plan.	01/29/2018	BoCC has 30 days to respond to expansion per 163.361(3)(B)1, FS.
Leon County BoCC approval of Finding of Necessity and expansion of GFS District.	03/27/2018	BoCC approval required per interlocal agreement.
Notice to Taxing Authorities of proposed boundary expansion and public hearing by City of Tallahassee City Commission.	04/04/2018	15-day review by taxing authorities required per 163.346, FS.
Publish public hearing notice.	No Later Than 4/11/2018	
City Commission Public Hearing to adopt the Finding of Necessity, approve expansion of the GFS District boundary and modify the GFS District Community Redevelopment Plan.	04/25/2018	Adoption by resolution. This also includes the City Commission approval required per the interlocal agreement.

The above schedule would give the CRA two additional months, until June 30, 2018, to address any unanticipated issues that may arise during the expansion before any potential changes to the existing CRA statutes would take effect. Under this schedule, expanded parcels would be eligible for CRA assistance immediately following the City Commission action on April 25, 2018.

If the expansion is approved, the City and County would begin contributing tax increment on these parcels beginning in FY 2019 (October 2018). Staff projects the tax increment due from both the City and County for the South City expansion area to be approximately $5,700 and $5,100 for the Orange Avenue In-Fill expansion. No tax increment is anticipated from the Springhill Road expansion area due to dropping property values in this area between 2015 and 2016. The analysis assumes tax increment parity for the new parcels between the City and County, with the County contributions based on the existing City millage.

Staff Recommendation

Accept staff update. A recommendation, which will include any CAC comments, will be included in the January 25, 2018 Finding of Necessity agenda item.

Options

None, this agenda item is provided for information only.

Attachments/References

1. CRA Agenda Item - *Discussion and Direction on Possible Expansion of the Greater Frenchtown/Southside Community Redevelopment Area Boundaries*, September 25, 2017 (w/o attachments, which are the same as Attachments 2 and 3, below)

2. Boundary Map of Existing Greater Frenchtown/Southside Community Redevelopment Area
3. Maps of Expansion Study Areas

Attachment 1.pdf (490 KB) | Attachment 2.pdf (1,269 KB) | Attachment 3.pdf (2,687 KB)

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Sep 25, 2017 - CRA Board Meeting
Category	6. Frenchtown Southside District Policy Formation and Direction
Subject	6.01 Discussion on Possible Expansion of the Greater Frenchtown/Southside Community Redevelopment Area Boundaries -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Budget Source	Future Tax Increment
Recommended Action	Option 1: Accept staff's report.

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, (850)891-8352

Statement of Issue

The possible expansion of the Southside portion of the Greater Frenchtown/Southside Community Redevelopment Area (GFS District) to include South City, or the establishment of a new, stand-alone redevelopment district that includes South City and other residential and commercial areas, has been raised at City of Tallahassee Community Redevelopment Agency (CRA) Board meetings on and off for the past few years. At the July 19, 2017 CRA Board meeting, during the discussion on the possible sunset of the Downtown District Community Redevelopment Area in FY 2020, staff was asked to bring an agenda item to the next CRA Board meeting for discussion on expanding the GFS District or creating a new redevelopment district.

Because of the recent CRA Board discussions on redevelopment needs in the Southside of Tallahassee, the timeframe needed to establish a new redevelopment district and the uncertainty regarding anticipated changes to CRA operations expected during the FY 2018 State Legislative session, staff concentrated on the possible expansion of the Southside boundaries in three areas adjoining the existing GFS District.

Should the Board desire to amend the boundaries of the GFS district, staff will bring back a more detailed blight analysis of the study areas and a more defined schedule for remaining actions.

Recommended Action

Option 1 - Accept staff's report.

Fiscal Impact

There is no fiscal impact at this time.

Supplemental Material/Issue Analysis

History/Facts & Issues

The GFS District consists of three distinct geographic sections and is comprised of over 1,450 acres of residential, office, commercial/retail, industrial, and green/open space land uses, all conveniently located near downtown Tallahassee

(Attachment 1). Included within the boundaries of the redevelopment area are thirteen neighborhood communities; seven major commercial/retail areas including sections of Tennessee Street, Tharpe Street, North and South Monroe Streets, Gaines Street, Lake Bradford Road and South Adams Street; and numerous mixed-use areas. In 2016, the boundary of the GFS District was expanded to include the 26 commercial properties on the east side of S. Monroe Street between Perkins and Van Buren Streets. The City Commission adopted the GFS Community Redevelopment Plan and established the GFS Redevelopment Trust Fund in June 2000. The community redevelopment plan was amended in 2016 to include the 26 commercial properties that were added to the district.

Based on CRA Board direction from the July 19th meeting, staff evaluated the possible expansion of the Southside boundary of the GFS District, concentrating on the three areas listed below and shown on the maps at Attachment 2, 3 and 4.

1. South City Study Area – bounded by Magnolia Street to the north, the properties located on the eastern side of Dozier Drive (up to Magnolia), Orange Avenue to the south and Meridian Street to the west. This does not include the areas of South City already within the GFS District boundary.
2. Orange Avenue Study Area – generally bounded by Holton/Wies Streets to the north, Pasco Street to the east, Orange Avenue to the South and the CSX railroad tracks to the west.
3. Springhill Road Study Area – bounded by Kissimmee Street to the north, the CSX railroad tracks to the east, Orange Avenue to the south and Springhill/Lake Bradford Roads to the west.

Chapter 163.340(8), F.S., requires an area designated as a community redevelopment area must, among other things, exhibit at least two of the fourteen listed definitions of blight; the results of this analysis are presented as part of the study area's Finding of Necessity. The 1998 area analysis conducted for the GFS District Finding of Necessity noted areas of South City east of Meridian Street as exhibiting blight conditions per Chapter 163.340(8), F.S. However, this area was not included in the final district boundary because of a concern by some City Commissioners at the time that the proposed redevelopment area may be too large. The Orange Avenue and Springhill Road study areas were not identified as having blight conditions in the 1998 Finding of Necessity.

As noted in the table below, with the exception of Springhill, the study areas are predominantly Residential, covering 480 of the 551 parcels. The Governmental parcels in South City include the Tallahassee Housing Authority properties.

Use	South City Study Area	Orange Avenue Study Area	Springhill Road Study Area
Residential Parcels	360	117	3
Commercial Parcels	4	7	24
Institutional Parcels	9	2	0
Government Parcels	13	2	8
Miscellaneous Parcels	0	1	1
TOTAL	**386**	**129**	**36**

Study Area Evaluation

For the initial analysis of the study areas staff focused on the three blight conditions listed below. Staff chose these criteria for the initial area evaluation because most of the data is readily available and they could also serve as the basis for the required Finding of Necessity.

1. Property Values – have the aggregate assessed property values in the study area failed to show any appreciable increase over the past five years?
2. Fire and Emergency Medical Services (EMS) Responses – are fire and EMS service calls in the study area proportionally higher than the remainder of the city?
3. Florida Building Code Violations – are there a greater number of recorded violations in the study area than the remainder of the city?

Analysis of Property Values

Initial analysis of both assessed and taxable values in the three study areas found only the Springhill Road Study Area failed to demonstrate any appreciable increase over the past five years in both assessed and taxable property values. This condition of blight may apply to Springhill but it does not appear to apply to either the South City and Orange Avenue study areas.

Assessed Property Values			
Tax Year	**South City Study Area**	**Orange Ave. Study Area**	**Springhill Road Study Area**
2012	$37,927,207	$13,434,317	$3,235,067
2014	$39,644,546	$13,614,007	$3,499,238
2016	$41,471,697	$14,810,574	$3,434,450
Taxable Property Values			
Tax Year	**South City Study Area**	**Orange Ave. Study Area**	**Springhill Road Study Area**
2012	$20,098,641	$9,314,178	$3,112,891
2014	$23,709,752	$9,570,359	$3,377,062
2016	$22,043,879	$10,922,375	$3,306,165

Source: Leon County Property Appraiser files
Prepared By: Tallahassee-Leon County Office of Economic Vitality, Tallahassee-Leon County Planning Department

Analysis of Fire and EMS Responses

Data on EMS response services was not available for this analysis; however the Tallahassee Fire Department (TFD) typically responds to most EMS calls. As a result, staff used TFD response data to evaluate this possible condition of blight. As shown in the table below, the 2015-2016 TFD Incident Rate per 1,000 Population for the entire city was 220.4. The South City Study Area had a rate of 318.7 and the Orange Avenue Study Area had a rate of 356.7, it appears service calls in both study areas are proportionally higher than the remainder of the city. Because of the small number of fire response incidents for 2015 to 2016 (34) and a population of approximately 11 residents, the nearly 3,091 incident rate for the Springhill Road Study Area appears to be distorted, and service calls in the study area may not be proportionally higher than the remainder of the city.

Tallahassee Fire Department Incident Summary, 2015-2016

	Total Incidents	**Incident Rate per 1,000 Population**	**Incident Rate per Sq. Mile**
South City Study Area	834	318.7	1,737.5
Orange Avenue Study Area	321	356.7	3,566.7
Springhill Road Study Area	34	3,090.9	283.3
City of Tallahassee Total	39,984	220.4	387.8
Leon County Total	53,238	193.3	75.7

Source: City of Tallahassee, Technology & Innovations
Prepared By: Tallahassee-Leon County Office of Economic Vitality, Tallahassee-Leon County Planning Department

Analysis of Code Violations

In analyzing code violations, staff used building code information from the City's Growth Management Department, separating the violations into two broad categories: (1) Dangerous Building & Substandard Buildings and (2) Care of Premise

& Inoperable Vehicle Violations. As shown in the table below, the South City and Orange Avenue study areas demonstrate recorded violations of both Dangerous Building & Substandard Buildings and Care of Premise & Inoperable Vehicle Violations that are greater than in the remainder of the city. Because of the small incident rate and size of the Springhill Road Study Area, it appears the incident rate may be distorted, and service calls in the study area may not be proportionally higher than the remainder of the city.

City of Tallahassee Code Violations, 2015-2016, Rate per Sq. Mile

	South City Study Area	Orange Avenue Study Area	Springhill Road Study Area	City of Tallahassee
Building Code Violations (Dangerous Building & Substandard Buildings)	64.6	33.3	8.3	10.7
Care of Premise & Inoperable Vehicle Violations	518.8	600.0	41.7	95.0
Total Violations, 2015-2016	583.3	633.3	50.0	105.7

Source: City of Tallahassee, Growth Management Department
Prepared By: Tallahassee-Leon County Office of Economic Vitality, Tallahassee-Leon County Planning Department

Fiscal Impact

The table below assesses the first year impact of adding the properties in the study areas to the CRA boundary if the areas had been expanded in FY 2015 and began collecting tax increment in FY 2016. As shown, the increment projected to be generated from the inclusion of the study areas is expected to be minimal, especially in the first years. The analysis also assumes tax increment parity between the City and County, with the County contributions based on the existing City millage.

Study Area	FY 2015 Taxable Value	FY 2016 Taxable Value	Change in Taxable Value	Projected Tax Increment
South City	$21,351,183	$22,043,879	$692,696	$5,656
Orange Ave. In-Fill	$10,299,605	$10,922,375	$622,770	$5,085
Springhill Road	$3,402,536	$3,306,165	($96,371)	$0

Steps to Expanding the GFS District Boundary

The procedures for expanding existing community redevelopment area boundaries are essentially the same for establishing a new community redevelopment area. Although the procedures are fairly extensive and can be time consuming, staff believes they could complete the actions necessary to add one or more of the study areas to the GFS District boundary by June 2018.

- **Identification and Approval of Expansion Area by the CRA Board**. CRA staff needs direction from the CRA Board on the expansion area or areas, or the study area for a new redevelopment district, if appropriate.
- **Approval of Expansion by City of Tallahassee and Leon County Commission**. Under the terms of the interlocal agreement governing the CRA, any change and/or expansion of the CRA boundaries must be approved by the City and County Commissions.
- **Preparation and Adoption of the Finding of Necessity**. Depending on the direction provided by the CRA Board, the

analysis in this agenda item could serve as the start of the Finding of Necessity. If the Board directs staff to consider a larger study area or to create a new, stand-alone redevelopment district, the Finding of Necessity may be more involved.

- **Adoption of Amended Community Redevelopment Plan**. The community redevelopment plan identifies those activities the CRA intends to address to eliminate the conditions of blight identified in the Finding of Necessity. CRA staff is in the process of updating the current GFS Community Redevelopment Plan. Because the study areas are relatively small and similar to existing GFS District areas, the main change to the current redevelopment plan from adding one or more of the study areas may be changing the GFS District boundary. The amended redevelopment plan must be reviewed by the Planning Commission for consistency with the Comprehensive Plan. A number of public workshops and meetings would be required during the adoption of the plan. Finally, the plan must be approved by the CRA Board and adopted by the City Commission.
- **Adoption of Ordinance to Amend Trust Fund**. A new ordinance governing the GFS District trust fund reflecting the boundary (and funding) changes will have to be adopted by the City Commission.

Review by GFS CAC

Staff discussed the possibility of expanding the GFS District with members of the GFS CAC at their August 14, 2017 and 28, 2017 meetings. No concerns were raised by the members but other district residents and business owners may be concerned that expanding the boundary to include one or more of the study areas, will result in less project and program funding for the "original" district.

Staff Recommendation

Should the Board desire to amend the boundaries of the GFS district, staff will bring back a more detailed blight analysis of the study area and a more defined schedule for required actions.

Options

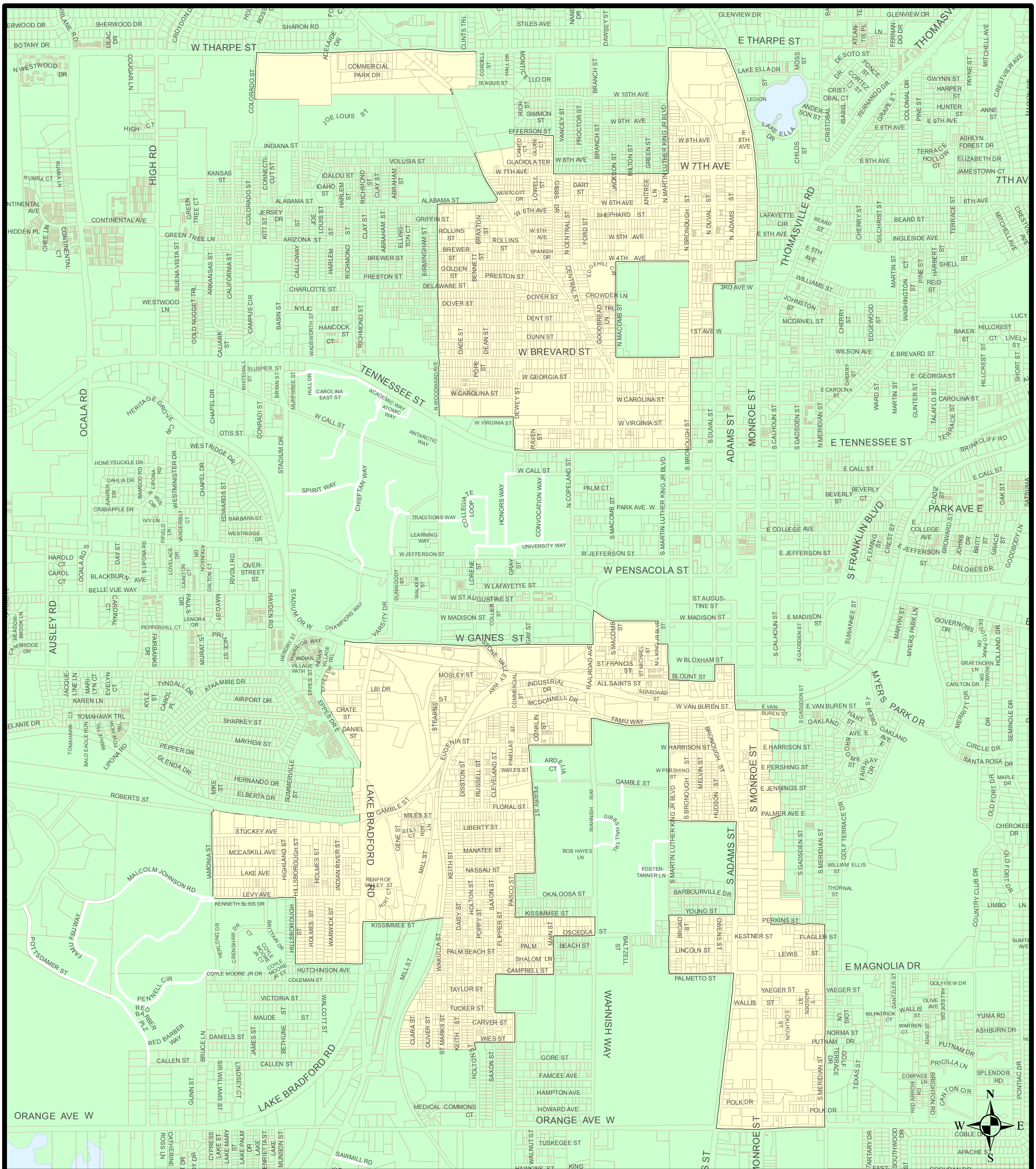
1. Accept staff's report.
2. Do not accept staff's report.
3. Board direction.

Attachments/References

1. Boundary Map of Existing Greater Frenchtown/Southside Community Redevelopment Area
2. Map Study Areas
3. Map of the South City Study Area
4. Map of the Orange Avenue and Springhill Study Areas

Attachment 1.pdf (1,183 KB) Attachment 2.pdf (1,484 KB) Attachment 3.pdf (1,192 KB)

Attachment 4.pdf (1,259 KB)

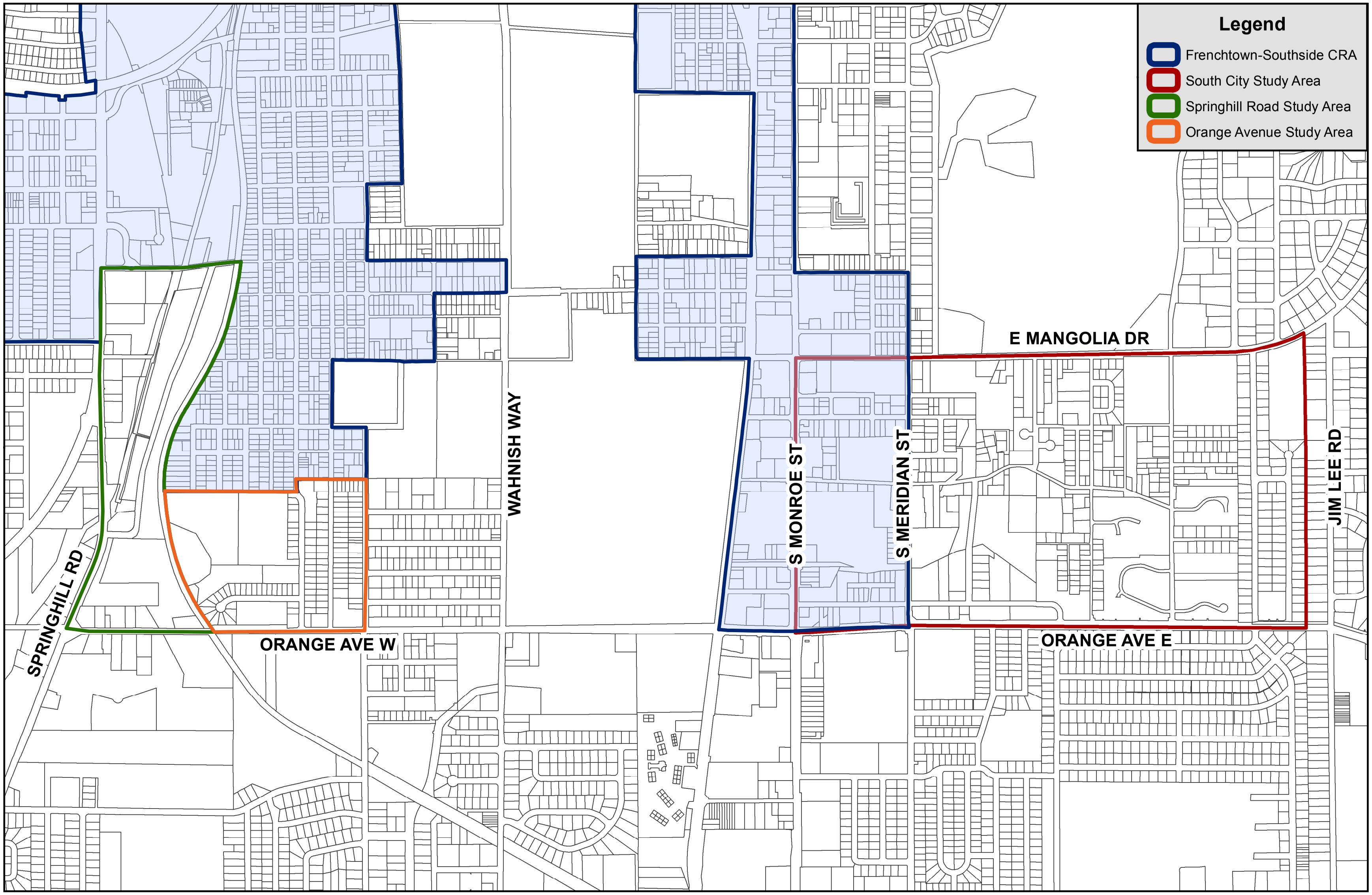


Greater Frenchtown / Southside Community Redevelopment Area

Greater Frenchtown/Southside CRA

1 0.5 0 1
Miles

TLCGIS DJ Oct. 27, 2016



Study Areas

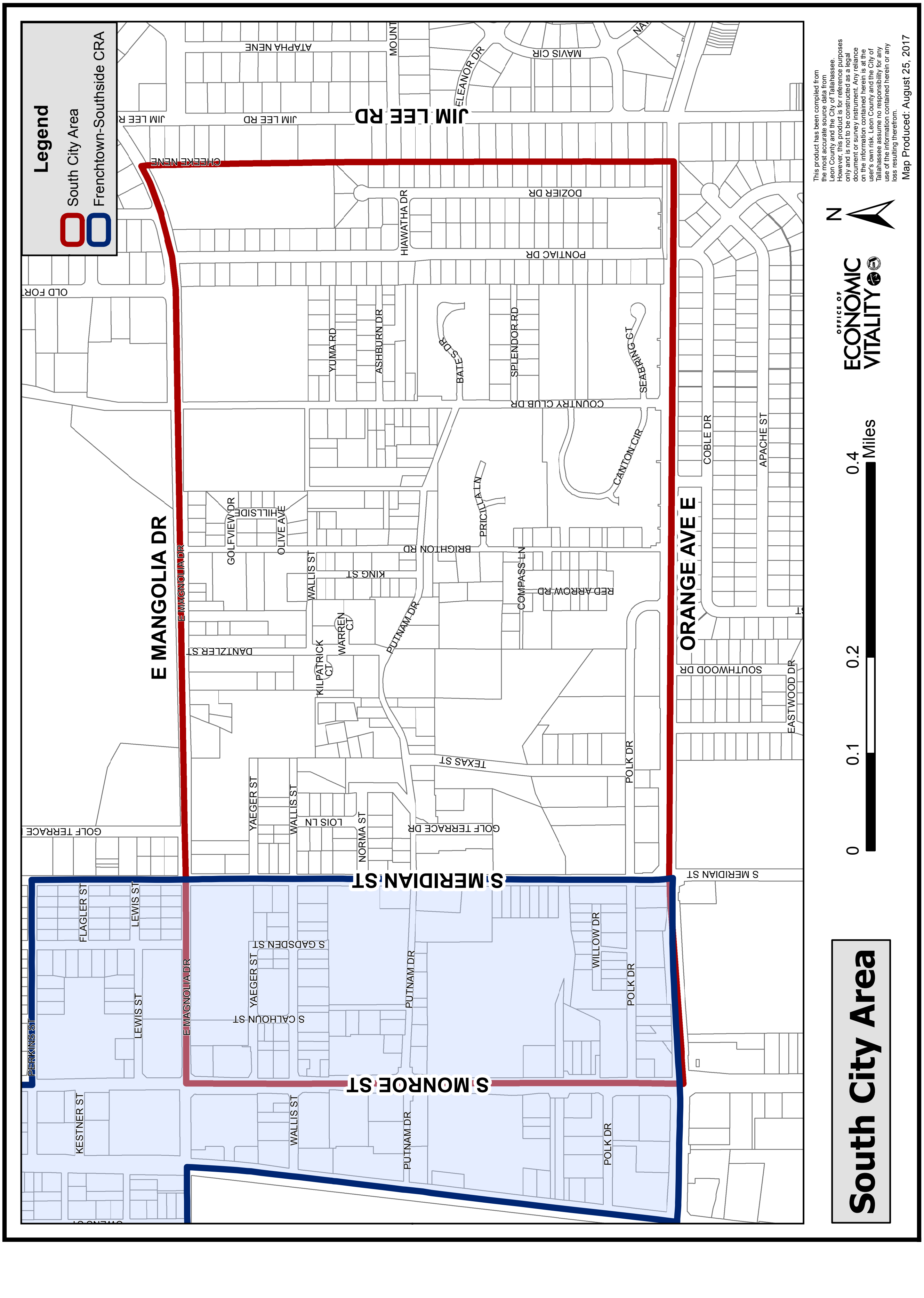
0 0.2 0.4 0.8 Miles

OFFICE OF ECONOMIC VITALITY

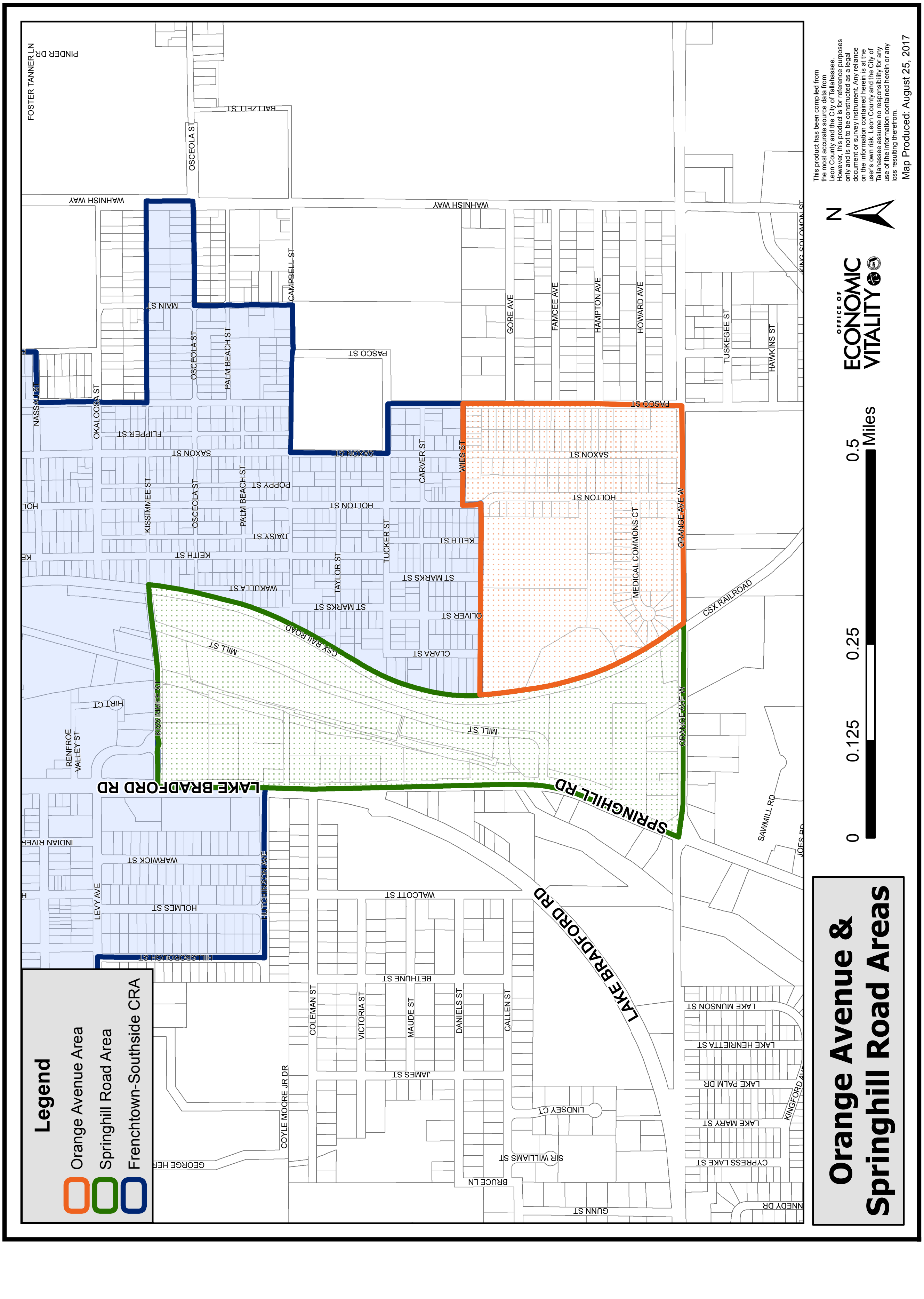
N

This product has been compiled from the most accurate source data from Leon County and the City of Tallahassee. However, this product is for reference purposes only and is not to be constructed as a legal document or survey instrument. Any reliance on the information contained herein is at the user's own risk. Leon County and the City of Tallahassee assume no responsibility for any use of the information contained herein or any loss resulting therefrom.

Map Produced: August 25, 2017


Legend
South City Area
Frenchtown-Southside CRA
South City Area
E MANGOLIA DR
ORANGE AVE E
JIM LEE RD
S MERIDIAN ST
S MONROE ST
E MAGNOLIA DR
CHEEKE NENE
ATAPHA NENE
MAVIS CIR
ELEANOR DR
DOZIER DR
HIAWATHA DR
PONTIAC DR
OLD FORT
YUMA RD
ASHBURN DR
BATES DR
SPLENDOR RD
SEABRING CT
COUNTRY CLUB DR
CANTON CIR
PRICILLA LN
COBLE DR
APACHE ST
HILLSIDE
GOLFVIEW DR
OLIVE AVE
BRIGHTON RD
WALLIS ST
KING ST
COMPASS LN
RED ARROW RD
PUTNAM DR
WARREN CT
KILPATRICK CT
DANTZLER ST
SOUTHWOOD DR
EASTWOOD DR
TEXAS ST
POLK DR
YAEGER ST
LOIS LN
NORMA ST
GOLF TERRACE DR
GOLF TERRACE
FLAGLER ST
LEWIS ST
S GADSDEN ST
WILLOW DR
S CALHOUN ST
PERKINS ST
KESTNER ST
0
0.1
0.2
0.4
Miles
N
OFFICE OF ECONOMIC VITALITY
This product has been compiled from the most accurate source data from Leon County and the City of Tallahassee. However, this product is for reference purposes only and is not to be construed as a legal document or survey instrument. Any reliance on the information contained herein is at the user's own risk. Leon County and the City of Tallahassee assume no responsibility for any use of the information contained herein or any loss resulting therefrom.
Map Produced: August 25, 2017

Attachment 3
Page 3 of 3



CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	5. Frenchtown Southside District Policy Formation and Direction
Subject	5.02 Discussion of the Taylor House Museum Renovations -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Recommended Action	Option 2, Direct the TUL to apply for TDT funds in the upcoming awards cycle.

Public Content

For more information, please contact: Roxanne Manning, Tallahassee CRA, (850)891-8352

Statement of Issue

The Tallahassee Urban League (TUL) is seeking financial assistance from the City of Tallahassee Community Redevelopment Agency (CRA) for renovations to the Taylor House, located at 442 West Georgia Street in Frenchtown; the property is located within the Greater Frenchtown/Southside Community Redevelopment Area (GFS District). The financial assistance request is for an amount not to exceed $75,000. The TUL owns the Taylor House, which is listed on the Local Register of Historic Places, and operates the building as a cultural and civil rights museum. The renovation request includes both interior and exterior improvements. A list of the exterior improvements is provided in Attachment 1. Three current bids from licensed contractors for the interior and exterior improvements were not available at the time this agenda item was prepared, but must be provided before funding can be provided by the CRA.

There are several options for funding the building improvements including the use of (1) CRA funds, (2) Tourist Development Tax (TDT) funds and (3) Historic Grant and Loan (HGLP) funds. The request to fund exterior improvements is generally consistent with the historic preservation goals of the Greater Frenchtown/Southside Redevelopment Plan. The CRA typically funds only exterior improvements for building rehabilitation and small business projects, and the GFS District's Business Facility Improvement Grant is the CRA program that most closely matches the needs of the applicant. If the CRA Board wishes to fund part of this project, staff suggests that the CRA Board defer their final decision until the January 25, 2018 meeting, allowing the GFS District's Citizens' Advisory Committee (CAC) time to review the request and make a recommendation at their December 11th meeting.

Staff is seeking CRA Board direction on this request, and offers three options for consideration.

> Option 1, HGLP Funding: The property is eligible for funding through the City's HGLP. The TUL would be directed back to that program to complete their existing application for the exterior and other improvements. The HGLP can assist with very limited interior improvements.
>
> Option 2, TDT Process: Under Section 125.0104 (5)(a) c., F.S, the property is eligible for the TDT funds as a museum owned and operated by a not-for-profit organization. The Board could direct the TUL to apply for TDT funds in the upcoming awards cycle. This application could fund both interior and exterior improvements.

Option 3, CRA Funding: The CRA could provide funding for the exterior improvements through the Business Facility Improvement Grant.

Recommended Action

Staff recommends Option 2, TDT Process: Direct the TUL to apply for TDT funds in the upcoming awards cycle.

Fiscal Impact

If CRA funds are approved, funds will come from the uncommitted capital project funds.

Supplemental Material/Issue Analysis

History/Facts & Issues

The TUL is seeking CRA funds in an amount not to exceed $75,000 for the renovation of the Taylor House Museum located at 442 West Georgia Street in Frenchtown. The TUL owns the property which is listed on the Local Register of Historic Places, and operates the building as a cultural and civil rights museum. The renovations include both interior and exterior improvements, including roof repair/replacement, a new HVAC system, porch repairs, and interior flooring. The museum is available for touring Monday through Friday; however, the TUL has limited visitors and walkthroughs due to ongoing structural issues.

The TUL purchased the property in 1995 and the building was restored to its 1894 appearance over the next four years with the assistance of $118,973 in grant funds from the State and the City. The TUL received two Historic Preservation Grants from the Florida Department of State, Division of Historic Resources for the renovation of the Taylor House, one in 1994 ($23,973) and one in 1997 ($30,000). Records are no longer available on the 1994 grant, but the 1997 grant funds were used for structural repairs; repair or replacement of the roof, siding, windows, front porch, and interior finishes; installation of updated electrical and HVAC systems; related architectural services; and direct administrative expenses.

On July 8, 1998, as part of the approval of the FY 1999 Consolidated Plan Annual Action Plan with U. S. Department of Housing and Urban Development, the City Commission approved $50,000 in CDBG funds to the TUL for renovations to the Taylor House. On January 19, 2000, the City provided the TUL with an additional $15,000 in grant funds (for a total of $65,000) to complete the building renovations. The City funds were to be used for interior and exterior improvements, including wiring upgrades, new plumbing, new bath fixtures, new kitchen cabinets, new carpet, new vinyl flooring, new sheetrock, interior painting, new stairs, new flooring, rear addition for the kitchen and bath, and revised architectural drawings. In return for these funds, the TUL agreed to complete the renovation and make the Taylor House reasonably accessible as community meeting space and, with reasonable notice, made available to the Carolina Place Homeowner's Association.

On January 29, 2015, the CRA Board considered a request from the TUL for $150,000 for the renovation of the Taylor House Museum. The renovations included roof repair/replacement, porch repairs, window repairs, new HVAC system, pest control, historic-designed appliances and the salary for the project manager. The policy of the CRA has been to not fund operational expenses of the applicant or interior improvements to small businesses. The Board deferred action on this item until the applicant could provide a clear cost breakdown for the funding request and apply to the City's Historic Grant and Loan Program (HGLP) to determine how much funding is available from that source. The HGLP is an appropriate source for historic preservation projects and the Board has previously indicated that they prefer not to expend CRA funds on a project when other funding sources are available.

<u>HGLP Funding</u>

In July 2015, TUL applied for the City's HGLP funds for the Taylor House renovations. The Taylor House, as a Cultural Facility, is considered a Tier II applicant under the City's HGLP, and would be eligible for a grant and loan for an amount to be determined. The CRA has no role in the HGLP review process, the City Commission approves HGLP applications greater than $10,000 based on a recommendation from the HGLP Finance Committee. The TUL submitted an HGLP application but City staff found there were several items listed in the application and on the bids that were not eligible for HGLP funds, and requested a revised application and bids be resubmitted (Attachment 2). The TUL interpreted this to mean the project was not eligible for HGLP funds and did not resubmit a revised application.

TDT Funding

In January 2016, TUL submitted an application to CRA staff requesting a grant in the amount of $61,550 in TDT Art funds for the preservation/renovation of the Taylor House Museum. The renovation improvements include, but are not limited to, a new HVAC system, new windows, siding repairs, repair/replace roof, new floors and interior painting. The application was not advanced because a process for distributing the TDT Art funds was not yet in place. An allocation process for awarding the funds was approved by the CRA Board on May 25, 2017 and will be opening in November 2017. It is possible that this process could provide the total requested funds through a grant with no match.

CRA Funding

In October 2017, CRA staff met with representatives of TUL to discuss options for moving forward with their application for CRA funding. The current list of desired improvements (Attachment 1) was submitted shortly after that meeting. Consistent with Agency policy, CRA staff has requested three bids from licensed contractors.

Staff must emphasize the need to keep each application within an appropriate program which is consistent with Agency policy, rather than funding projects on an ad hoc basis. Funding repairs to the exterior of the Taylor House are generally consistent with both the Greater Frenchtown/Southside Redevelopment Plan and policy; however, due to the request for interior improvements, there are no CRA programs that match this request exactly. Under the Business Facility Improvement Grant, the project would be eligible for up to $10,000 in unmatched funds plus $40,000 in matching funds. Staff has discussed this option with the applicant; however, the need for interior improvements remains a component of their request. Additionally, the applicant has expressed concern regarding the requirement for matching funds.

The GFS District Citizens' Advisory Committee Recommendation:

The GFS CAC has not had an opportunity to review this request. The TUL revised estimate for the Taylor House improvements was not available prior to the October 9, 2017 GFS CAC meeting. Should the CRA Board determine that CRA assistance is appropriate, then staff recommends that the request be reviewed by the CAC and their recommendation be forwarded to the CRA Board for approval.

Staff Recommendation

Based on the applicant's desire to obtain a grant for the entire cost of the project, it appears that funding through the TDT application process is best suited to the TUL's needs. Under Section 125.0104 (5)(a) c., F.S, the property is eligible for the TDT funds as a museum owned and operated by a not-for-profit organization. The TDT process, however, does not provide a guarantee until all the applications have been submitted, reviewed, and approved in the process previously identified by the CRA Board. If this process does not yield the desired results, the applicant may return to the HGLP process and the CRA Board for further consideration.

Options

1. Option 1, Direct the TUL to apply for funding through the City's HGLP
2. Option 2, Direct the TUL to apply for TDT funds in the upcoming awards cycle.
3. Option 3, Direct the TUL to apply to the CRA through the Business Facility Improvement Grant program and obtain a recommendation from the CAC.

Attachments/References

1. Taylor House Renovation List of Exterior Improvements
2. Letter from City of Tallahassee, Economic & Community Development Department, Historic Property Grant & Loan Application Response

Attachment 1.pdf (73 KB) Attachment 2.pdf (1,183 KB)

TAYLOR HOUSE
442 WEST GEORGIA STREET

OWNER: **TALLAHASSEE URBAN LEAGUE**
FUNDING REQUEST: **CRA**

Exterior Work

1.	Install Wood Shingles	$1,000.00
2.	New Porch Flooring	$5,000.00
3.	Heat / AC System	$7,500.00
4.	Exterior Paint	$4,500.00
5.	New Metal Roof	$12,800.00
6.	Siding Repair	$3,600.00
7.	New Wood Windows	$19,401.00
8.	Repair Brick Wall	$3,000.00
9.	Point Up Bricks	$300.00
10.	Repair Steps	$500.00
11.	Install Flood Lights	$1,500.00
12.	Remove Trees	$4,000.00
13.	Clean Up Debris	$1,999.00
14.	Pressure Treat House	$300.00
15.	Termite Treatment	$1,200.00
16.	Exterior Doors	$3,982.50
17.	Handicap Ramp	$4,500.00
18.	Safety Rails	$1,200.00
19.	Metal Chimney Cover	$500.00
		$76,782.50

TAYLOR HOUSE
442 WEST GEORGIA STREET

Owned and Operated By: Tallahassee Urban League, Inc.
Built: 1894

The Taylor House was constructed in 1894 by the multigenerational educator family of Lewis and Lucretia Taylor, who were the grandparents of legendary Leon County Assistant Superintendent of Schools Aquilina Casañas Howell. The Taylor House Museum of Historic Frenchtown held its grand opening ceremony on October 29, 2011.

An African-American museum located in historic Frenchtown, the home was placed on the National Register of Historic Places on April 6, 2015. Exhibition rooms currently located in the Taylor House include:

- The Frenchtown Room and Collection, which contains the original sign from the renowned Red Bird Café establishment, once referred to as The Royal Palace.

- The Taylor Family Room and Collection, which contains numerous photographs, newspaper articles, publications and artifacts that highlight the rich heritage of the Taylor family, as well as that of their children and grandchildren, Aquilina Howell and Lucille Alexander.

- The Civil Rights Room and Collection, which contains photographs, memorabilia, obituaries, and interviews of those who played important roles during the Tallahassee civil rights movement.

Activities

On **May 8, 2014**, The Taylor House Museum was honored for Community Education and Heritage Preservation during the annual Tallahassee-Leon County Historic Preservation Awards from the Tallahassee Trust for Historic Preservation.

The Museum has a partnership with the Goodwood Museum and Gardens to continue a "**Blended Lives**" theme during African American History month. The Blended lives program is a week-long collaboration of the local school board and the two museums to offer 8th graders the history of African Americans in Tallahassee from both points of view. Since 2014, more than 500 Leon County school students have visited the museum.

On **February 27, 2015**, the Tallahassee Urban League's Taylor House Museum honored numerous current and former business owners in the historic Frenchtown community by presenting our first annual "Frenchtown Legacy Awards."

On **April 6, 2015**, the Taylor House Museum, after much hard work and perseverance was placed on the **National Register of Historic Places**.

Several families from throughout the southeastern united states, Florida A&M and Florida State University students have toured the Taylor House. Annually, the museum participates in the Frenchtown Heritage Festival.

Though available for touring Monday through Friday, consistent walkthroughs have had to be curbed due to ongoing structural issues.

CITY OF TALLAHASSEE

Most Livable City in America

August 28, 2015

Rev. Ernest Ferrell, President/CEO
Tallahassee Urban League
923 Old Bainbridge Road
Tallahassee, FL 32303

Re: Application for Historic Property Grant for Property Located at 442 W. Georgia St.

Dear Rev. Ferrell:

Thank you for your interest in the City's Historic Property Grant and Loan Program. Department of Economic and Community Development staff have performed an initial review of the application submitted by the Tallahassee Urban League Inc. on June 25, 2015 and determined that the property located at 442 W. Georgia Street in Tallahassee owned by the Tallahassee Urban League Inc. appears to qualify as a Tier 2, Cultural, Retail, and Restaurant Use project and, as such, would be eligible for funding for "eligible activities" based on the financial capacity of the applicant and/or project, structured as follows:

- The first $25,000 of project cost would be funded by a 70% City grant (up to a maximum of $17,500 in City grant money), with the applicant's portion being either in cash or a City loan, at the applicant's discretion subject to approval by the City.
- The next increment of project cost in excess of $25,000 to $50,000 would be funded by a 50% City grant (up to a maximum of $12,500 in additional City grant money), with the applicant's portion being either in cash or a City loan, at the applicant's discretion subject to approval by the City.
- The next increment of project cost in excess of $50,000 to $100,000 would be funded by a 22% City grant (up to a maximum of $11,000 in additional City grant money), with the applicant's portion being either in cash or a City loan, at the applicant's discretion subject to approval by the City.
- The final increment of project cost in excess of $100,000 would be 100% funded by either applicant's cash or a City loan, at the applicant's discretion subject to approval by the City.

CITY OF TALLAHASSEE

Most Livable City in America

- The maximum allowable City grant for a project in this tier is $41,000. There is no maximum allowable City loan in this tier.

The staff review also noted that the project bid specifications and accompanying contractor bids included a number of items that are not eligible for grant or loan funding under the Historic Property Grant and Loan Program to include the following:

- repair/renovation costs of the interior of the structure including flooring, carpeting, etc.;
- HVAC or other appliance costs;
- replacement cost of routine maintenance activities such as roofs, windows, or gutters (if there is a higher cost for using historically appropriate materials of these maintenance activities then the program may provide assistance for the cost differential); and
- project contingency amounts.

The loan application will need to be revised to adjust for the items listed above.

The application approval process will also require a review by the Historic Property Grant and Loan Finance Committee. This committee is charged with determining that the funding request is consistent with the program requirements. If the requested assistance includes a loan, then the Committee also reviews the applicants' capacity to repay the loan. Based on the amount of funds being requested a portion of the assistance would be in the form of a loan.

I am available to meet with you on this matter if you desire; however, based on the review of the Economic and Community Development Department staff, it will be necessary for you to revise your application to conform to the Grant and Loan Program requirements. The revised application will be evaluated by staff and forwarded to the Grant and Loan Finance Committee for action. If the application is recommended for funding in an amount that exceeds $10,000, then the item will have to be presented to the City Commission for funding approval.

Sincerely,

Michael K. Parker

Michael K. Parker, Director
Department of Economic & Community Development

Cc: Anita Favors Thompson, City Manager
Dee Crumpler, Assistant City Manager

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	5. Frenchtown Southside District Policy Formation and Direction
Subject	5.03 Approval of 180-Day Extension to the Frenchtown Redevelopment Partners, LLC Exclusive Right to Present a Proposal for the CRA-Owned and Adjacent Private Parcels in the 400 block of W. Tennessee Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Recommended Action	Option 1. Approve a 180-Day extension to the Frenchtown Redevelopment Partners, LLC exclusive right to develop and present a proposal for the CRA-owned parcels and adjacent privately-owned parcels in the 400 block of W. Tennessee Street. Option 2. Authorize CRA staff to prepare a Memorandum of Understanding between the CRA and the Frenchtown Redevelopment Partners, LLC memorializing the updated project timelines and revised terms of agreements between the two parties.

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, (850)891-8352

Statement of Issue

On May 25, 2017, the City of Tallahassee Community Redevelopment Agency (CRA) Board granted the Frenchtown Redevelopment Partners, LLC (Partners) an exclusive 180-day right to develop and present to the CRA Board a proposal for the redevelopment of the CRA-owned parcels (former Shelter and Frenchtown Renaissance Community Center buildings) and adjacent privately-owned properties on the 400 block of W. Tennessee and W. Virginia Streets (the Project). The Board also authorized CRA and City staffs to prepare a Memorandum of Understanding (MOU) between the CRA and the Partners memorializing the terms of the agreement.

The 180-day review and proposal development period with the Partners will expire on November 25, 2017. The Partners have requested the CRA approve a 180-day extension (Attachment 1) to the original approval, which would end on May 25, 2018. During this 180-day extension the Partners will issue a Request for Proposals (RFP) that outlines the various redevelopment goals, developer commitments, proposal requirements and other redevelopment requirements (Attachment 2). The Partners anticipate designating a developer for the Project in February 2017. In accordance with the terms of the original CRA Board approval, the Board would have to accept any proposal for the redevelopment of the CRA properties, and would enter into a Purchase and Sales Agreement (PSA) with the Partners that incorporates the terms and conditions of the sale of the CRA-owned properties.

Staff recommends the CRA Board approve the Partners extension request as outlined in this agenda item and any direction provided at the meeting by the CRA Board.

Recommended Action

Option 1 - Approve a 180-Day extension to the Frenchtown Redevelopment Partners, LLC exclusive right to develop and present a proposal for the CRA-owned parcels and adjacent privately-owned parcels in the 400 block of W. Tennessee Street.

Option 2 - Authorize CRA staff to prepare a Memorandum of Understanding between the CRA and the Frenchtown Redevelopment Partners, LLC memorializing the updated project timelines and revised terms of agreements between the two parties.

Fiscal Impact

There is no fiscal impact associated with this agenda item at this time. To date, the CRA has invested approximately $2.6 million in the purchase of the properties, demolition and demolition-related expenses and general property management expenses.

Supplemental Material/Issue Analysis

History/Facts & Issues

On May 28, 2015, the Partners presented a redevelopment concept for most of the 400 block of W. Tennessee Street. The proposed development footprint included the CRA-owned former Shelter and FRCC properties, as well as several adjacent privately-owned properties that are owned or controlled by members of the Partners. Among the development's anticipated uses was a grocery store, a medical facility, office and retail space, 150 apartments and 16 condominiums, and a 700-space garage. Following the Partners presentation the Board directed staff to continue redevelopment discussions with the Partners representatives.

On May 1, 2017, representatives of the Partners met with CRA and City staff to discuss an updated redevelopment concept and the possibility of the CRA donating or selling at a minimal price the CRA properties as a contribution to the redevelopment effort. During the discussion it was agreed (1) the Partners would submit their request to the CRA Board for discussion at the May 25th meeting and (2) CRA staff would recommend the Board approve a six (6) month exclusive period for the Partners to prepare and submit a formal redevelopment proposal. If the CRA Board accepted the proposal, the CRA would enter into a PSA with the Partners incorporating the terms and conditions of the sale.

On May 9, 2017, the Partners submitted a letter to the CRA requesting (1) the CRA grant the Partners an exclusive right for 180 days (6 months) to prepare a redevelopment proposal for the CRA-owned parcels and adjacent privately-owned parcels and (2) prepare a MOU between the CRA and the Partners memorializing the agreement between the two parties. The request also included a timeline for the development and presentation of the development proposal and, if approved by the CRA Board, the execution of the PSA.

At the May 25, 2017 CRA Board meeting, the Board granted the Partners an exclusive 180-day right to develop and present to the CRA Board a proposal for the redevelopment of the CRA-owned parcels and adjacent privately-owned properties on the 400 block of W. Tennessee and W. Virginia Streets. The Board also authorized CRA and City staffs to prepare a MOU between the CRA and the Partners memorializing the terms of the agreement.

With the 180-day period schedule to end on November 25, 2017, the Partners are requesting a 180-day extension to the original CRA approval. As noted in their cover letter at Attachment 1, during the past six months the Partners have met with various community stakeholders to present and discuss the conceptual plans. This has included presentations to the Frenchtown-Southside Citizens Advisory Committee, Frenchtown Neighborhood Improvement Association, Carolina Oaks Homeowners Association and various faith-based entities. The feedback from the meetings have been used to further develop their conceptual plan. The Partners advise they remain committed to delivering a transformative development that addresses the needs of the Frenchtown community but need the additional time to prepare a proposal will ensure an adequate opportunity to solicit potential developers with development portfolios that include projects similar in scope and scale.

As part of the extension request, the Partners submitted a draft RFP that outlines the various redevelopment goals, developer commitments, proposal requirements and other redevelopment requirements (Attachment 2). Provided below is a timeline of anticipated actions from the RFP.

- November 1, 2017 - RFP Issue Date
- December 1, 2017- Proposal Meeting

- January 15, 2018 - Due Date Proposal Submission
- January 29, 2018 - Interviews
- February 15, 2018 – Designation of Developer

Finally, the Partners anticipate having an economic impact analysis completed for the Project by the Florida State University Center for Economic Forecasting and Analysis November by March 2018. A presentation of the Project proposal to the CRA Board is expected at the May meeting.

In accordance with the terms of the original CRA Board approval, the Board will have to accept the proposal for the redevelopment of the CRA properties and enter into a PSA with the Partners that incorporates the terms and conditions of the sale. Staff anticipates the PSA will include specific terms, conditions and timelines related to the redevelopment of the properties the Partners will have to meet prior to any transfer of the CRA-owned properties. Staff will develop and submit specific PSA terms, conditions and timelines for approval by the CRA Board prior to entering into an agreement with the Partners.

Staff Recommendation

Staff recommends the CRA Board approve the Partners extension request as outlined in this agenda item and any direction provided at the meeting by the CRA Board.

Options

1. Approve a 180-Day extension to the Frenchtown Redevelopment Partners, LLC exclusive right to develop and present a proposal for the CRA-owned parcels and adjacent privately-owned parcels in the 400 block of W. Tennessee Street.
2. Authorize CRA staff to prepare a Memorandum of Understanding between the CRA and the Frenchtown Redevelopment Partners, LLC memorializing the updated project timelines and revised terms of agreements between the two parties.
3. Do not grant the Frenchtown Redevelopment Partners, LLC a 180-day extension to develop and present a proposal, nor authorize CRA and City staffs to prepare a Memorandum of Understanding memorializing the agreement between the two parties authorize. Provide staff with alternate direction.

Attachments/References

1. Frenchtown Redevelopment Partners, LLC Extension Request, October 16, 2017
2. Frenchtown Redevelopment Partners, LLC Draft Request for Proposals

Attachment 1.pdf (612 KB) Attachment 2.pdf (2,099 KB)

Frenchtown Redevelopment Partners, LLC

428 West Tennessee Street
Tallahassee, FL 32301

October 16, 2017

Ms. Roxanne Manning
Community Redevelopment Agency
300 South Adams Street
Tallahassee, FL 32301

RE: Frenchtown Redevelopment Partners, LLC. – Request for Extension

Dear Ms. Manning,

The Frenchtown Redevelopment Partners, LLC, respectfully request a 180-day extension to the original 180 days granted to the Frenchtown Redevelopment Partners for the exclusive rights to submit a development proposal concerning the former Shelter site and the assembled Frenchtown Redevelopment Partners properties.

Currently, the Frenchtown Redevelopment Partners team has developed a Request for Proposals to advertise to potential developers (see attached). The RFP will be advertised on November 1, 2017. The timeline and target dates as outlined in the RFP are as follows:

November 1, 2017 - RFP Issue Date
December 1, 2017- Proposal Meeting
January 15, 2018 - Due Date Proposal Submission
January 29, 2018 - Interviews
February 15, 2018 – Designation of Developer

In addition to the timeline and target dates captioned above, the Frenchtown Redevelopment Partners anticipate having a completed economic impact analysis for the project, prepared by the Florida State University Center for Economic Forecasting and Analysis by mid to late March 2018 and be prepared to present a comprehensive proposed to the CRA Board at the 2018 May board meeting.

Over the past six months, the Frenchtown Redevelopment Partners has continued to engage with community stakeholders and presented the conceptual plans to various grass roots organizations, civic and neighborhood groups including the Frenchtown Southside Citizens Advisory Committee, Frenchtown Neighborhood Improvement Association, Carolina Oaks Homeowners Association and various faith-based entities. The Frenchtown Redevelopment Partners leveraged the feedback obtained from the listening sessions and incorporated ideas and suggestions into the conceptual plan. Frenchtown Redevelopment Partners remains committed to delivering a transformative development that addresses the needs of the Frenchtown community and aligns with the global vision of creating of creating economic development opportunities and a sense of place in downtown Tallahassee. Granting the Frenchtown Redevelopment Partners additional time to prepare a proposal will ensure adequate time to solicit potential developers with portfolios that include projects similar in scope and scale.

We appreciate your favorable consideration of this request. Please let us know if additional information is needed to support this request.

Sincerely,

Keith Bowers

Keith Bowers
Project Manager

REQUEST FOR PROPOSALS
FRENCHTOWN REDEVELOPMENT PARTNERS, LLC
Tallahassee, Florida

Solicitation Issue Date: November 1, 2017
Proposal Due Date: January 15, 2018

EXECUTIVE SUMMARY

Background. Frenchtown Redevelopment Partners, LLC ("FRENCHTOWN REDEVELOPMENT PARTNERS") is issuing a Request for Proposals for the redevelopment of Frenchtown, a key site in the growing revitalization of Tallahassee, Florida. Frenchtown is a short walk to Downtown and a short bike ride to Midtown and the universities.

The Project will consists of approximately 4.55+/- acres of the "New American Urbanism" trend consisting of shopping, commercial (retail, lodging and office) and residential space with everything within walking (or short public transportation travelling) distance designed to achieve a balanced and measured economic growth that all community stakeholders view as optimal and desirable.

Submission Requirements. Five (5) bound originals and (2) electronic copies (PDF format) of the proposal must be submitted on or before 2:00 P.M. Local Time, on January 15, 2018 and must include all items specified in this RFP. Proposals submitted after the deadline will not be considered.

Five (5) bound originals and (2) electronic copies of the proposal shall be submitted to:

Frenchtown Redevelopment Partners, LLC
428 W. Tennessee Street
Tallahassee, Florida 32301
Attn: Keith Bowers

Table of Contents Page No.

1. INTRODUCTION

Frenchtown Redevelopment Partners, LLC ("FRENCHTOWN REDEVELOPMENT PARTNERS") is seeking proposals from experienced real estate developers to revitalize an area of Tallahassee commonly known as Frenchtown by creating a sustainable economic base along with employment opportunities, wealth creation, role models, and improved local infrastructure.

The redevelopment initiative should focus on the planning, design, construction and operation of a complete, innovative and sustainable development that will fit perfectly with the surrounding neighborhood. Successful redevelopment can return cultural, social, recreational and entertainment opportunities, gathering places, and vitality to older centers and neighborhoods. Attention to design of the redevelopment is essential to ensure that the new development fits the existing context, and gains community acceptance. A cooperative partnership among government, the development community, financial institutions, non-profit organizations, neighborhood organizations and other resources is essential to achieve this success.

Respondents to this RFP may propose any mix of uses that will advance the Development Goals and meet all Development Requirements described in Sections 2 and 3 below. Proposals should provide for the redevelopment of the entire Site (as defined herein) under one or more of the following scenarios: 1) purchase; 2) long-term lease; (3) fee for development; or 4) a combination thereof.

Frenchtown Redevelopment Partners, LLC

FRENCHTOWN REDEVELOPMENT PARTNERS, LLC is a limited liability company, comprised of Bethel Missionary Baptist Church ("Bethel Baptist") and business and property owners located in the initial Frenchtown target area. The goal of the FRENCHTOWN REDEVELOPMENT PARTNERS is to bring to bear all of its resources to revitalize the Frenchtown area which was once a thriving, vibrant area for African-American culture in the Tallahassee area and an economic, social and commercial "hub" for blacks in the region. Bethel Baptist has been a part of this community since 1870 and became the focal point of economic and community life. In 1987, Bethel Baptist started the revitalization of Frenchtown with the establishment of the C.K. Steele Summer Camp. Bethel Baptist has and since acquired properties in the Frenchtown area and became the catalyst for change, purchasing the Bethel Family Restaurant, founding the Steele-Collins Community Charter School and constructing Bethel Towers, Bethel Family Life Center, and Carolina Place Subdivision.

Site and Project Information

The Project will be situated on the property bounded on the east by N. Martin Luther King, Jr. Boulevard, on the south by W. Tennessee Street, on the west by N. Macomb Street and on the north by W. Virginia Street and is approximately 4.55+/- acres (the "Site"). Currently situated on the Site are the following business and properties (some of which may choose to remain on the Site and be included in the Project):

- Economy Drugstore
- Beauty Salons and Barber Shops
- Cafes and Restaurants
- Rental properties

Please see Appendix A for a map of the Site.

The City of Tallahassee Community Redevelopment Agency has completed a Feasibility Analysis prepared by GAI Consultants, Inc. dated May 4, 2017. The feasibility analysis included the property commonly known as the Shelter site in the Greater Frenchtown/Southside Community Redevelopment Area (the "CRA") and it analyzed the feasibility of future development options in the CRA area. The Site is located in the CRA area. For a copy of the study, please email Keith Bowers @ keithbowers@comcast.net.

2. DEVELOPMENT GOALS

FRENCHTOWN REDEVELOPMENT PARTNERS invites Respondents to submit proposals that maximize the benefits to Tallahassee's economy, improve the quality of life of its citizens, provide strong public spaces, and increase Frenchtown's long-term sustainability through the community-supported redevelopment of the Site.

FRENCHTOWN REDEVELOPMENT PARTNERS are aiming to advance the "Greater Frenchtown / Southside Community Redevelopment Plan" which was adopted in 2000 by local government officials.

FRENCHTOWN REDEVELOPMENT PARTNERS intends that the Project is a practical mix of shopping, residential and commercial uses, clustered near schools and other civic amenities, essentially with everything within walking (or short public transportation travelling) distance. The architectural sensibilities of the "new" Frenchtown will be shaped and inspired by the historical natural beauty of the area, transforming it into an active, imaginative and inspiring place.

Transforming Frenchtown will first require recognition of the obvious "resources" that surround it. The first and most obvious resource is the land itself and its unique location in the heart of Tallahassee, blocks from downtown and the Capitol, one block away from Florida State University and less than a mile away from Florida A & M University. Other resources include a burgeoning multi-modal transportation system; an emerging commerce-friendly environment and lower cost of living; and, a changing progressive, business-ready political atmosphere.

The FRENCHTOWN REDEVELOPMENT PARTNERS' strategic priorities are:

Economic Development

The preservation of existing businesses [on the Site] while creating and expanding economic opportunities, encouraging new business investment and development, creating and sustaining jobs, increasing the tax base, and improving the quality of life in the community.

Financial Viability

The financial viability of the Project.

Conservation

Utilization of best practices in environmental stewardship and conservation and attainment of the LEED certification, where possible.

3. DEVELOPMENT COMMITMENTS

FRENCHTOWN REDEVELOPMENT PARTNERS will consider a variety of ownership, management and financial transaction structures that may include, but not be limited to:

- All-cash sale of the Site;
- Long-term ground lease with net upfront payment;
- Long-term ground lease with annual payments;
- A sale of some or all improvements and the long-term ground lease of the land and any remaining property;
- Fee for development of the Site.

Under a sale, it is intended that the Site will be conveyed to the developer chosen for the development of the Site (the "Designated Developer") at closing, and that the Designated Developer will hold title during development of the Site.

Under a long-term ground lease, it is intended that the Designated Developer will begin its lease of the Site at lease execution and will hold the lease during development of the Site. The

Designated Developer will be required to enter into a Development Agreement that provides the terms of any phasing of the Project and agreements to develop the Site in compliance with the proposed development plan. At lease termination the improvements not owned by FRENCHTOWN REDEVELOPMENT PARTNERS would revert to FRENCHTOWN REDEVELOPMENT PARTNERS.

If a long-term ground lease is proposed, the following types of rental payments will be considered and are encouraged:

- An initial deposit payment upon execution of the lease and commercial closing
- A base rental payment schedule (which could include a portion of base rental payments during construction), with annual escalations, or alternatively a single up-front pre-payment of all rent due under the lease
- A share of and/or compensation for future increases to the Site's accumulated property value and/or future rental revenues

The term of a long-term ground lease shall be appropriate to permit the acquisition of sufficient financing and investment capital to support the types of uses contemplated by this RFP and approved by FRENCHTOWN REDEVELOPMENT PARTNERS. Respondents are required to include specifics regarding the terms, conditions and the initial duration of the lease term and any renewal periods. The long-term ground lease proposal is expected to be for both land and improvements and triple net with no ongoing obligations by FRENCHTOWN REDEVELOPMENT PARTNERS as owner.

In the event of the lease, FRENCHTOWN REDEVELOPMENT PARTNERS's fee ownership and rental income stream shall not be subordinated. Prior to closing, it is anticipated that FRENCHTOWN REDEVELOPMENT PARTNERS and the [Designated Developer] will agree to appropriate restrictions that will preserve the proposed use for a specific or general purpose for a given period of time.

FRENCHTOWN REDEVELOPMENT PARTNERS shall have the absolute right to approve or disapprove any assignment or transfer of any long-term ground lease and intends to participate in any proceeds from any such assignment or transfer. No assignment or transfer of the lease shall be permitted prior to three years after stabilization. Any long-term ground lease shall provide throughout the term of the lease that the Project shall be managed by a qualified person, firm or corporation. Any long-term ground lease or other transfer document must include provisions with respect to any property at the Site still owned by FRENCHTOWN REDEVELOPMENT PARTNERS (the "Retained Property") that FRENCHTOWN REDEVELOPMENT PARTNERS shall not in any event whatsoever be liable for any injury or damage, cost or expense of any nature whatsoever that occurs as a result of or in any way in connection with the Project, and the Designated Developer agrees to defend, indemnify and hold harmless FRENCHTOWN REDEVELOPMENT PARTNERS, and its agents, officers, employees and directors (collectively, the "Indemnitees") from and against any and all such liability other than that caused by the gross negligence or the willful misconduct of the Indemnitees. The Designated Developer shall assume maintenance, security and all other related owner obligations on the Site and on the Retained Property, including insurance that names FRENCHTOWN REDEVELOPMENT PARTNERS as a named insured on a primary and non-participatory basis, with full waiver of subrogation.

The determination of whether FRENCHTOWN REDEVELOPMENT PARTNERS will elect to transfer the Site by sale, lease, or a combination thereof, will depend on the proposals received and FRENCHTOWN REDEVELOPMENT PARTNERS's assessment of its best interests. Although FRENCHTOWN REDEVELOPMENT PARTNERS is requesting Proposals for sale, lease, or a combination thereof for the Site (land and improvements), FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right to request revised proposals that reflect a lease of the land only, or a sale or lease of all or a portion of the improvements, or a combination thereof. FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right to make such requests to all Respondents or to a subset of all Respondents as set forth in Section 5. Any such Respondents still under consideration will be expected to be given the opportunity to revise their Proposals and any related provisions of the RFP will be amended or supplemented as deemed necessary.

FRENCHTOWN REDEVELOPMENT PARTNERS will consider Proposals that request FRENCHTOWN REDEVELOPMENT PARTNERS to finance a portion or all of a Respondent's required ground lease payments during the construction period. Other long-term financing by FRENCHTOWN REDEVELOPMENT PARTNERS may also be available. If a Proposal is made contingent on receiving financing from FRENCHTOWN REDEVELOPMENT PARTNERS, the Respondent should include proposed terms for such financing in their Proposal.

4. PROPOSAL REQUIREMENTS

The following are submission requirements and conditions for all Proposals responding to this RFP. FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right, in its sole discretion, to reject any Proposal that is deemed incomplete or unresponsive to the RFP requirements. FRENCHTOWN REDEVELOPMENT PARTNERS also reserves the right, in its sole discretion, to reject any and all Proposals for any reason or for no reason, and to proceed (or not proceed) with the development of all or any portion of the Site (either by itself or in conjunction with one or more third-party(ies)) amending or without completing this RFP process.

In evaluating the capabilities of the Respondent and the proposed Project, FRENCHTOWN REDEVELOPMENT PARTNERS may utilize any and all information available (including information not provided by the Respondent). Proposals should clearly and concisely state the unique capabilities, experience, and advantages of the Respondent and the proposed

Project, and demonstrate the Respondent's capability to satisfy the requirements and objectives set forth in this RFP. FRENCHTOWN REDEVELOPMENT PARTNERS further reserves the right to ask additional written or oral clarifying questions to all Respondents or to a subset of Respondents. The initial Proposals should be no longer than 200 pages of text.

Respondent's proposal for the Site should assume that any interest in the Site will be transferred in "AS IS" and "WHERE IS" condition. Each complete Proposal for the redeveloped Site must contain the following elements:

4.1. Respondent Description

Each entity submitting a Proposal must demonstrate sufficient financial resources and professional ability to develop the Site in a manner consistent with its Proposal.

Each Proposal must include a description of the Respondent owner (under a sale) or tenant entity (under a long-term lease) and the development team, including:

- The intended ownership, management and control and structure of the owner or tenant entity and any proposed partnership or joint venture must be clearly explained. A chart/diagram of the owner or tenant entity, showing structure (percentages) of ownership and investment must be included.
- Name, address, phone number and email and of each member of the owner or tenant entity. Respondents must provide the Federal EIN numbers of the development entity and identify a primary contact person.
- Current operating budget and previous three (3) years of audited financials for all entities with an ownership interest in the Proposal.
- A copy of the most recent credit report for key members of the owner or tenant entity.
- Documentation addressing whether the Respondent, or any participating member of the team, has been involved in any litigation, arbitration, proceeding or legal dispute regarding a real estate venture during the past five years.
- Evidence of ability to finance the Project including letters of interest and/or intent from equity sources and lenders.
- Evidence of Designated Developer's commitment to pay, from the date of its conditional designation, the security deposit.
- Evidence of Designated Developer's commitment to pay the full purchase price for all or a portion of the Site (including 10% at designation and balance at closing, if a purchase transaction) or 10% of the net present value of the schedule of lease payments (at designation, if a lease transaction).

- Any additional documentation or information evidencing the capability, resources, expertise, assets and financial strength of the Respondent and its ability to complete the Project in a timely manner.

4.2. Project Description

The Project description should address a detailed narrative describing all relevant aspects of the Project and any plans/timing of phasing of the development, including the following.

- The proposed use(s) and building program.
- Type, bulk and size of each component of the development program (gross and net square footages.)
- Description of the proposed uses, a list of potential tenants and any letters of interest and/or intent from, potential tenants and a description of how such tenants align with the Development Goals set forth in Section 2 of this RFP.
- The plan, process and schedule to advance the Development Goals set forth in Section 2 above.
- The plan, process and schedule to meet the requirements of Section 3 above.
- The estimated construction budget and schedule.

4.3. Financial Offer Terms

Respondents are encouraged to submit offers to purchase the Site, long-term ground lease the Site, and/or purchase a portion of the Site and to enter into a long-term ground lease for the remaining portion of the Site.

For Respondents wishing to propose a purchase offer for the Site, a purchase price offer must be expressed in a fixed dollar amount to be paid at closing. Under a purchase scenario, transfer of title will be by quit-claim deed (without any representations or warranties) at the closing.

For Respondents wishing to propose a long-term ground lease offer for the Site, Respondents should delineate all significant proposed lease terms including, but not limited to, proposed lease duration, a proposed schedule of escalating lease payments, and all major lease termination or renewal contingencies.

Under both purchase and long-term ground lease scenarios, the Designated Developer will be required to enter into a Development Agreement that includes the terms of any phasing of the Project and agreements to develop the Site in compliance with the proposed development plan.

4.4. Site Plan and Architectural Design

Each entity submitting a Proposal must provide a preliminary site plan, conceptual design and summary of the proposed building program for the Project with square footages for each use.

The architectural drawings and plans will be completed by the firm of Fitzgerald Collaborative Group, LLC, in collaboration with the Designated Developer incorporating the concepts proposed in the response submitted to this RFP.

4.5. Development Timeframe

Respondent must submit a development timeline (subdivided into phases, if necessary), identifying the commencement date, estimated length of time and completion to reach key milestones, including: commencement and completion of due diligence and design; submission and processing of permits and authorizations, financing; commencement and completion of construction; plan for marketing and targeting potential tenants; and operational stabilization for each component of the development program. Any contingencies that may affect this time line should be clearly identified.

4.6. Flood Zones

To our knowledge, the Site is not located in a flood zone. However, each Respondent should do their own due diligence.

4.7. Team Member Qualifications

- Identification and qualifications of each member of the development team, including all persons or entities that will plan, design, develop, or operate the Project, [as well as the attorney, architect, engineer, general contractor and other professionals, as appropriate,] including leasing and management, who will be involved with this Project.

- A description of similar projects undertaken by the members of the Respondent's team, particularly mixed-use, urban development projects (including a statement of the dollar value of such projects, the project manager's name and key partners, where applicable).
- A summary of the availability of each of the principal members of each firm and commitment to the Project.
- Documentation addressing whether any participating team members have been involved in litigation, arbitration, proceedings or legal dispute regarding a real estate venture during the past five years.
- Background information of the owner or tenant entity, including resumes describing the relevant experience of all principal members. This information must be submitted for every participant in a joint venture or special purpose entity and should highlight similar projects (including a project description and approximate dollar value for each).

5. SELECTION CRITERIA

Proposals will be reviewed by FRENCHTOWN REDEVELOPMENT PARTNERS and/or their designees. Also, see Section 12 – Proposal Review Process. When evaluating proposals, the following equally-weighted selection criteria will be considered:

Consistency with Development Goals: Thoughtful approach to addressing the Development Goals articulated in Section 2 of this RFP.

Consistency with Requirements: Thoughtful approach to addressing the Requirements articulated in Section 3 of this RFP.

Financial Feasibility: Respondent's demonstrated financial condition to complete the Project; availability of identifiable funding sources to finance the Project; sufficiency of projected revenue to support operating expenses, scheduled payments related to capital costs, reserve fund contributions and debt service.

Employment Impact: Creation of construction and permanent on-site jobs and payroll, as well as internship positions for local university students.

Economic Impact: Projected expenditures, construction costs, annual operating costs and other direct spending that will help spur economic activity.

Financial Payment: Purchase price or lease value and CAM contribution]. [FRENCHTOWN REDEVELOPMENT PARTNERS will accept Common Area Maintenance (CAMS) charges of no less than $1.00 per gross square foot of development.

Development Team Qualifications: Experience, development skills, and financial resources necessary to complete a high-quality Project on time and within budget.

Tenants and Tenant Mix: Development of a strong mix of ground floor and upper floor tenants that add to the activation and attractiveness of the Frenchtown area.

Public Space: Provide high quality and attractive spaces that invite use and encourage staying.

Schedule and Timing: Proven ability to develop, finance, construct and complete the Project in a timely manner.

Prior to selecting the Designated Developer, FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right to remove Respondents from competitive consideration at any time based on these criteria and/or a failure to achieve minimum satisfaction of the development goals. In order to remain in competitive consideration, Respondents are encouraged to present their most competitive Proposal terms at each stage of the RFP process.

FRENCHTOWN REDEVELOPMENT PARTNERS also reserves the right to conduct interviews with or pose questions in writing to individual Respondents in order to clarify the content of their proposals and to ensure a full and complete understanding of each proposal. FRENCHTOWN REDEVELOPMENT PARTNERS will attempt to pursue reasonable consistency in the questions it asks to Respondents, FRENCHTOWN REDEVELOPMENT PARTNERS may ask different or additional questions to different Respondents in the context of any individual interview or in writing. FRENCHTOWN REDEVELOPMENT PARTNERS shall convene a committee of staff who shall be permissible contacts for the purpose of such interviews, and Respondents who are invited will receive additional instructions upon their invitation. Currently, FRENCHTOWN REDEVELOPMENT PARTNERS expects that interviews will be conducted (at their option) in January, 2018.

6. DEVELOPER DUE DILLIGENCE

Respondents should assume that the Site, including land and existing improvements and any supporting building infrastructure, will be sold or long-term leased "AS IS" and "WHERE IS" without representation, warranty, or guaranty, express or implied as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the Respondent's purpose (e.g., conveyed by quitclaim).

FRENCHTOWN REDEVELOPMENT PARTNERS makes no representation, warranty or guaranty concerning the accuracy, completeness or utility of information provided to the potential Respondents or to the Respondents. Prospective Respondents should notify FRENCHTOWN REDEVELOPMENT PARTNERS of their interest as soon as possible, but no later than November 30, 2017, in order to ensure that they receive all updates associated with this solicitation by sending an email to: keithbowers@comcast.net.

Respondents must rely on their own research and investigations for all matters, including, costs, title, survey, development, financing, construction, remediation, and renovation.

7. DISPOSITION PROCESS

The following is a summary description of the disposition process. After a review of the Proposals, FRENCHTOWN REDEVELOPMENT PARTNERS intends to conditionally designate one of the Respondents as the Designated Developer. Prior to negotiation of a definitive development agreement and lease agreement, the Designated Developer will enter into a Memorandum of Understanding ("MOU") with FRENCHTOWN REDEVELOPMENT PARTNERS regarding the disposition of the Site and the Project and a separate agreement with FRENCHTOWN REDEVELOPMENT PARTNERS regarding payment by the Designated Developer of expenses as described at the end of this section.

The Designated Developer shall pay all of FRENCHTOWN REDEVELOPMENT PARTNERS's out-of-pocket costs and expenses (including, without limitation, costs and expenses of consultants, legal counsel, and appraisers) related to the disposition of the Site and completion of the Project. At the time of and as a pre-requisite to its designation, such Respondent and FRENCHTOWN REDEVELOPMENT PARTNERS shall enter into an agreement pursuant to which, among other things: (i) the Respondent shall deposit into a FRENCHTOWN REDEVELOPMENT PARTNERS account, funds (in an amount that shall be satisfactory to FRENCHTOWN REDEVELOPMENT PARTNERS) that shall be held by FRENCHTOWN REDEVELOPMENT PARTNERS and used by FRENCHTOWN REDEVELOPMENT PARTNERS for payment of such out-of-pocket costs and expenses; (ii) each time that the balance in the account falls below 50% of the original amount required to be deposited into the account, the Respondent shall promptly make an additional payment into the FRENCHTOWN REDEVELOPMENT PARTNERS account so that balance in the account shall be returned to such original amount; and (iii) the amount remaining in the account after all such costs and expenses are paid will be applied to rent.

8. DEADLINE FOR PROPOSALS

Five (5) bound originals and two (2) electronic copies (emailed PDF format) of the proposal must be submitted on or before 2:00 P.M. Local Time, on January 15, 2018 and must include all items specified in this RFP. Proposals submitted after the deadline will not be considered.

Copies of the proposal shall be submitted to:

Frenchtown Redevelopment Partners, LLC
428 W. Tennessee Street
Tallahassee, Florida 32301
Attn: Keith Bowers

FRENCHTOWN REDEVELOPMENT PARTNERS will accept written questions via email from prospective Respondents regarding the RFP. Please submit questions to: keithbowers@comcast.net.

Written questions must include the requestor's name, e-mail address and the Respondent represented and should be received by 11:59 PM EST on November 20, 2017. Responses to all timely and appropriate questions will be emailed to all Respondents at the email address previously submitted to FRENCHTOWN REDEVELOPMENT PARTNERS on or before December 1, 2017, the date of the pre-proposal meeting.

No contact related to this RFP with FRENCHTOWN REDEVELOPMENT PARTNERS, staff or consultants, other than to Mr. Keith Bowers shall be made by Respondents or employed representatives of Respondent team members during the procurement period of this RFP. Any such unauthorized contact by a Respondent or representatives will be grounds for disqualification.

9. STATEMENT OF LIMITATIONS

This RFP shall not be construed in any manner to implement any of the actions contemplated herein, nor to serve as the basis for any claim whatsoever for reimbursement of costs for efforts expended in preparing a response to the RFP or any other compensation or relief. FRENCHTOWN REDEVELOPMENT PARTNERS will not be responsible for any costs, expenses, fees or charges incurred by Respondents arising from or related to preparing and/or submitting a response to this RFP, attending oral presentations, or for any other associated efforts or activities.

The information provided in this RFP is provided as a courtesy for informational purposes only and without any representation or warranty of any kind. To the best of FRENCHTOWN REDEVELOPMENT PARTNERS's knowledge, the information provided herein is accurate, however, Respondents may not rely thereon and should undertake appropriate investigation in preparation of responses.

10. DIVERSITY

FRENCHTOWN REDEVELOPMENT PARTNERS recognizes the importance of diversity in this RFP process. FRENCHTOWN REDEVELOPMENT PARTNERS is committed to contracting with qualified developers, contractors and suppliers from all parts of the business community. The participation of Minority Business Enterprises ("MBEs"), Women Business Enterprises ("WBEs") and Small Business Enterprises (SBEs") in the RFP process is encouraged. As part of Respondents' proposal submission, please identify the use and percentage of MBEs, WBEs or SBEs to be used for this Project.

FRENCHTOWN REDEVELOPMENT PARTNERS will give stronger consideration to proposals with locally-owned and operated businesses.

11. INSURANCE REQUIREMENTS

The Designated Developer will be expected to show evidence of the following insurance requirements, as listed below:

a. Commercial General Liability insurance - $1 million per occurrence / $2 million aggregate.

b. Auto Liability insurance - $1 million per occurrence / $1 million aggregate

c. Excess Umbrella Liability insurance - $10 million per occurrence / $10 million aggregate minimum.

d. Professional Liability insurance - $1 million minimum (preferably $5 million)

e. Worker's Compensation & Employer's Liability insurance at State statutory limits.

f. Disability insurance coverage at State statutory limits.

g. Builder's Risk "all-risk" or equivalent policy form in the amount of the initial Contract Sum, plus value of subsequent Contract Modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional deductibles.

h. All risk property insurance.

i. Other insurance coverage, surety bonds or payment and performance security customarily maintained for projects similar to the Project.

FRENCHTOWN REDEVELOPMENT PARTNERS, LLC must be named as an additional insured on a primary and non-contributory basis on all of the following policies: Commercial General Liability, Auto Liability, and Excess Umbrella Liability policies. All policies above should include a waiver of subrogation in favor of the additional insureds.

12. PROPOSAL REVIEW PROCESS

12.1 Process Timetable

The following target dates are intended as a guide for the proposal process:

November 1, 2017	RFP Issue Date
December 1, 2017	Pre-Proposal Meeting
January 15, 2018	Due Date for Proposal Submissions
Week of January 29, 2018	Interviews of Development Teams (optional)
February 15, 2018	Designation of Designated Developer

12.2 Review of Submissions

FRENCHTOWN REDEVELOPMENT PARTNERS will review all proposals for completeness and compliance with the requirements of this RFP and may request from any or all of the Respondents additional information, documentation or material, clarification, confirmation or modification of any submitted proposal, including proposals that are incomplete or non-conforming as submitted. Except at the request or by the consent of FRENCHTOWN REDEVELOPMENT PARTNERS (which consent shall be in the sole and absolute discretion of

FRENCHTOWN REDEVELOPMENT PARTNERS), Respondents will not be entitled to change their proposals once submitted.

A committee designated by FRENCHTOWN REDEVELOPMENT PARTNERS ("Selection Committee") shall review all proposals and may consult with FRENCHTOWN REDEVELOPMENT PARTNERS and its advisors, if any.

A Designated Developer shall be designated in the sole and absolute discretion of FRENCHTOWN REDEVELOPMENT PARTNERS based upon the Selection Criteria.

12.3 Evaluation Criteria

In reviewing and evaluating proposals and preparing recommendations for the FRENCHTOWN REDEVELOPMENT PARTNERS, FRENCHTOWN REDEVELOPMENT PARTNERS staff will consider such criteria (all criteria considered by FRENCHTOWN REDEVELOPMENT PARTNERS being referred to collectively as the "Selection Criteria") that, in FRENCHTOWN REDEVELOPMENT PARTNERS's sole and absolute discretion, are in the best interests of FRENCHTOWN REDEVELOPMENT PARTNERS and the community. The initial criteria are listed in Section 5 of this RFP.

12.4 Developer Interviews

Following ranking of proposals, one or more developer teams (to be determined by the Selection Committee) may be asked to present their proposals to the Selection Committee.

After the interview process, the developers will receive a final ranking. FRENCHTOWN REDEVELOPMENT PARTNERS will negotiate Project agreements and documents exclusively with the first ranked developer (i.e., the "Designated Developer"). If during the negotiation, the Selection Committee concludes that it is unlikely an agreement will be finalized with the Designated Developer, the Selection Committee will be at liberty to enter into negotiations with the second-ranked Respondent and so forth until it enters into an acceptable agreement to undertake the Project or determines to discontinue the RFP process.

13. TERMS AND CONDITIONS

13.1 Deposit and Development Agreement

13.1.1 Deposit

Within five (5) business days after designation by FRENCHTOWN REDEVELOPMENT PARTNERS, as noted above, the Designated Developer shall pay to FRENCHTOWN REDEVELOPMENT PARTNERS a cash security deposit in the amount of $100,000.

The submission of a proposal shall constitute an agreement by the submitting developer to the terms of this RFP and to negotiate in good faith and enter into a Development Agreement and provide all the deposits, insurance and security items as required hereunder, all within the time period stated in the selected proposal.

The Deposit shall, among other things, secure the selected developer's obligation for timely submission of all documents and information deemed necessary by FRENCHTOWN REDEVELOPMENT PARTNERS, documents such as development plans and construction documents, as well as proceeding with construction in a timely manner as set forth in the approved project completion schedule with respect to development of the parcels. The rights of FRENCHTOWN REDEVELOPMENT PARTNERS upon any breach, failure or non-performance by Designated Developer shall be in addition to, and shall not diminish, any other rights (whether under law or in equity) of FRENCHTOWN REDEVELOPMENT PARTNERS, including the right of FRENCHTOWN REDEVELOPMENT PARTNERS to terminate the selection of the developer's obligation as Designated Developer, with respect to the Development Agreement.

Except as provided below, in the event that a Designated Developer with respect to the Site fails to promptly enter into the Development Agreement FRENCHTOWN REDEVELOPMENT PARTNERS may terminate the designation of the Designated Developer.

Failure by FRENCHTOWN REDEVELOPMENT PARTNERS for any reason to execute a Development Agreement with a developer will not create any liability on the part of FRENCHTOWN REDEVELOPMENT PARTNERS, its partners, or any of its directors, officers, employees, agents, consultants or contractors, except that if FRENCHTOWN REDEVELOPMENT PARTNERS shall fail to execute a Development Agreement with the developer, the terms and conditions of which have been negotiated and approved by the governing body of each party, where the developer has not breached any of the terms or conditions of this request and is not otherwise at fault, FRENCHTOWN REDEVELOPMENT PARTNERS shall return the Deposit without interest.

The submission of a proposal shall constitute agreement by the submitting Respondents that the sole and exclusive right, compensation, relief or remedy for any FRENCHTOWN REDEVELOPMENT PARTNERS breach of this RFP or the Development Agreement is the return of the Deposit.

13.1.2 Development Agreement

The Development Agreement will be provided to the selected Designated Developer following designation. The Development Agreement will include a negotiated schedule for completion. However, it is expected that the Designated Developer will begin full-scope continuous construction on the parcels by April 30, 2018. The remainder of Project must be completed, with [ground floor] spaces fully leased and activated by [December 31, 2019].

Upon receipt by FRENCHTOWN REDEVELOPMENT PARTNERS of evidence satisfactory in all respects of valid permanent certificates of occupancy for all improvements and structures provided for in the approved plans, and provided that no default or dispute is in existence, or deemed as imminent by FRENCHTOWN REDEVELOPMENT PARTNERS, with respect to the Development Agreement, FRENCHTOWN REDEVELOPMENT PARTNERS will apply the Deposit; first to then outstanding developer obligations in accordance within the terms and conditions of the Development Agreement; and if any remaining, second to the Designated Developer.

The Development Agreement shall provide for liquidated damages in the amount of [$50,000] per month for the unexcused failure of the Designated Developer to complete the project by [December 31, 2019].

13.2 Taxes and Incentives

No proposal shall be conditioned upon the receipt of tax abatements and/or any other economic incentives. It is expected that the Designated Developer will pay full property taxes on the property. However, the Designated Developer is not prohibited from seeking any available tax abatements, benefits or other economic incentives.

13.3 Condition of the Site

Proposals are invited for the Site on an "as is, where is" basis.

13.4 Contingencies

All proposals must be submitted in accordance with the provisions, requirements, terms and conditions of this RFP. FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right to reject any proposals which are contingent or which are submitted in any other form than as specified.

13.5 Permits and Approvals

All major Site use and environmental review procedures and approvals for development of the Site will be under the Florida Department of Environmental Protection ("DEP"). Construction on the Site by the Designated Developer will also be subject to requirements of the applicable codes of the City, County and State.

Redevelopment and reuse must comply with the federal Americans with Disabilities Act (ADA) and implementing regulations and standards.

The selected Designated Developer is required, at its own expense, to: (1) obtain from all appropriate government authorities all construction and ancillary approvals for the development of the Site including, but not limited to, all site plan approvals, FDEP documentation, building permits and approvals that would be required if the selected developer were the fee owner of the Site, and (2) comply with all applicable federal, state, and local laws and regulations.

The Designated Developer shall have no rights to the use or occupation of any private property or State or City sites adjacent to the Site for purposes of staging, storage, construction, access, scaffolding or any other purpose without first obtaining a Special Permit from the City. The Special Permit shall contain provisions deemed material and necessary to safeguard the property. Documentation of Designated Developer's right to occupy and use such third party property or site shall include specific provisions for appropriate insurance and indemnification satisfactory to FRENCHTOWN REDEVELOPMENT PARTNERS and the City in all respects.

13.6 Submission of Proposals

Only proposals that comply with all provisions, requirements, terms and conditions outlined in this RFP will be considered for review by FRENCHTOWN REDEVELOPMENT PARTNERS.

Proposals for less than the entire Site will not be considered, although phasing of a proposed development will be considered if a demonstrated need is presented by the Respondents.

FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right to independently investigate or request clarification of the contents of any proposal, including requiring any Respondent to provide additional information or to make an oral presentation. All materials submitted in response to this RFP become FRENCHTOWN REDEVELOPMENT PARTNERS's property without any obligation to return such materials. All determinations of completeness of any submission and its compliance with the provisions, requirements, terms and conditions of this RFP and the eligibility or qualification of any Respondents shall be in the sole and absolute discretion of FRENCHTOWN REDEVELOPMENT PARTNERS. FRENCHTOWN REDEVELOPMENT PARTNERS may waive any of the provisions, requirements, terms and conditions of this RFP.

Subsequent to submission of proposals in response to this RFP, FRENCHTOWN REDEVELOPMENT PARTNERS, in the exercise of its sole and absolute discretion, may enter into parallel negotiations with two or more Respondents, may designate two or more Respondents for "short list" consideration, may request best and final offers, and/or may conduct other additional competitive proceedings with respect to the potential disposition contemplated by this RFP.

13.7 Expenses

FRENCHTOWN REDEVELOPMENT PARTNERS shall not be liable for any costs, fees, charges or expenses (including, without limiting the foregoing, costs and expenses of legal counsel) incurred by any Respondent in responding to this RFP, in connection with investigation of the Site or under any other circumstances regardless of whether or not a particular proposal was accepted, rejected or otherwise designated or selected or if FRENCHTOWN REDEVELOPMENT PARTNERS elects not to proceed with the disposition process. All costs and expenses incurred by each Respondent in connection with this RFP proposal or the Site will be borne by the Respondent, including, without limiting the foregoing, all costs and expenses in connection with: surveys, reports, studies, research and other due diligence work; preparation of each proposal; advice and representation of legal counsel and advisors; responding to this RFP, and negotiating the Development Agreement.

13.8 Brokers

Proposals shall be accepted from principals only. No brokerage fees, finder's fees, commissions or other compensation will be payable by [the State or] FRENCHTOWN REDEVELOPMENT PARTNERS in connection with the selection of a Respondent or the disposition of the Site. Submission of a proposal by a Respondent in response to this RFP constitutes an undertaking by the Respondent to hold harmless and indemnify and defend [the State and] FRENCHTOWN REDEVELOPMENT PARTNERS from and against any and all expenses, damages or liability (including, without limiting the foregoing, attorneys' fees and disbursements) arising out of any claim for such fees, commissions or other compensation made in connection with such Respondents' response to this RFP, selection or (non-selection) thereunder, and/or execution (or non-execution) of [a Pre-Development Agreement and] Development Agreement.

13.9 Not an Offer

This REP does not constitute a solicitation or an offer for the Site or any portions thereof, nor a solicitation or offer to the Site or any portions thereof. FRENCHTOWN REDEVELOPMENT PARTNERS nor any affiliate or subsidiary of any of the foregoing, shall incur any obligation or liability on account of this RFP or any proposal or submission made in connection with this RFP or for any other reason unless and until, and subject to the terms and conditions of, a Development Agreement setting forth all the terms and conditions of the transaction have been fully executed and unconditionally delivered by all the parties thereto and all necessary consents and approvals for FRENCHTOWN REDEVELOPMENT PARTNERS's entry into such agreements have been obtained including, without limiting the foregoing, approval by FRENCHTOWN REDEVELOPMENT PARTNERS.

No proposal for the Site shall be deemed accepted until closing on the Development Agreement has occurred.

FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right, in its sole discretion, not to select or accept one or more proposals submitted for the Site in connection with this RFP, including, without limiting the foregoing, the highest-ranked proposal for the Site. FRENCHTOWN REDEVELOPMENT PARTNERS has no obligation, under this RFP or otherwise, to dispose of the Site, or any portion of the Site, through a competitive proposal process, including, without limiting the foregoing, to dispose of the Site to the highest Respondent or Respondents. FRENCHTOWN REDEVELOPMENT PARTNERS may at any time discontinue the RFP and/or withdraw the Site, or any portion of the Site, included in this RFP. FRENCHTOWN REDEVELOPMENT PARTNERS has the right in its sole and absolute discretion to reject any and all proposals, to accept any proposal, and to elect to discontinue and not to proceed with the process set forth in this RFP. FRENCHTOWN REDEVELOPMENT PARTNERS may, at any time, dispose of the Site, or any portion of the Site, in any manner.

FRENCHTOWN REDEVELOPMENT PARTNERS has no obligation to disclose or discuss its reasons for selecting, accepting or rejecting any proposals with any Respondent or other person.

14. GENERAL CONDITIONS

Neither the State nor FRENCHTOWN REDEVELOPMENT PARTNERS make any representations or warranties whatsoever with respect to this RFP. Without limiting the foregoing, no representations or warranties, express or implied are made as to the accuracy or completeness of any information or assumptions contained in or provided in connection with this RFP or otherwise furnished to Respondents; the use or development, or potential use or development, of the Site or Project or any portion thereof; the physical condition, environmental condition, layout, configuration, size, boundaries, access, location, systems and utilities for all land and improvements constituting the Site and the Project and for the adjacent properties; the absence or presence of hazardous substances or toxic materials in, under or upon the Site and the adjacent properties; compliance with environmental laws; tax assessments that may be made by the City, tax rates that may be established by the City; and the suitability of the Project for any specific uses or development.

Each Respondent shall make its own analysis, investigation and evaluation of the Site, including, without limiting the foregoing: the physical condition, environmental condition, layout, configuration, size, boundaries, access, location, systems and utilities for all land and improvements constituting the Project and for all adjacent lands; the absence or presence of hazardous substances or toxic materials in, under, or upon the Site and adjacent lands; compliance with zoning, land use, development and environmental laws; and the suitability of the Site for any use or development. Each Respondent shall obtain its own independent legal, accounting, development, alteration, construction, improvement, engineering and technical advice on all matters relating to the Site and the Project, including, without limiting the foregoing: examination, review and verification of any information provided by or on behalf of FRENCHTOWN REDEVELOPMENT PARTNERS and its advisors; the land and improvements constituting the Site and adjacent to the Site; all applicable laws, regulations and conditions that may affect the finance, real estate, land use, use and development of the Project; and all other matters that may be material.

Respondents shall not rely upon any statement or information given to Respondents by FRENCHTOWN REDEVELOPMENT PARTNERS or any of its advisors or representatives including, without limiting the foregoing, any information contained in this RFP or made available pursuant to this RFP, or otherwise.

In the event that the selected Respondent does not execute a Development Agreement for the Project within sixty (60) days after designation, FRENCHTOWN REDEVELOPMENT PARTNERS may, in its sole discretion, invite any of the other Respondents to participate in a further competitive process to determine a new selected Respondent.

In addition to those terms and conditions stated elsewhere, this RFP is subject to the following:

a. The Designated Developer must comply with all applicable federal, state and local laws and regulations.

b. The Designated Developer must accept the Site and all improvements and items thereon in "as is, where is" condition on the date of disposition.

c. Conveyance by FRENCHTOWN REDEVELOPMENT PARTNERS will be governed by a Development Agreement and a purchase and sale or lease agreement.

d. Demolition, removal, alteration or conversion of any existing improvement or portions thereof at the Site is the responsibility of and to be performed at the sole cost and expense of the Designated Developer after closing under the Development Agreement.

e. FRENCHTOWN REDEVELOPMENT PARTNERS will not advance, loan, pay for, reimburse or refund any costs and expenses incurred by any Respondent in responding to this RFP or subsequent selection stages or by the Designated Developer following selection and/or designation.

f. All determinations as to the completeness or compliance of any response/proposal or as to the eligibility, qualification or capability of any Respondent will be within the sole and absolute discretion of FRENCHTOWN REDEVELOPMENT PARTNERS.

g. Selection or designation of any Respondent pursuant to this RFP or subsequent selection stages will not create any rights for the Respondent including, without limitation, rights of enforcement, equity or reimbursement. FRENCHTOWN REDEVELOPMENT PARTNERS shall have no obligation or liability whatsoever to any person or entity whose response/proposal is selected or designated as a result of this RFP unless and until a Development Agreement shall have been fully negotiated, approved, executed and delivered by all parties thereto and all necessary consents and approvals necessary for FRENCHTOWN REDEVELOPMENT PARTNERS entry into such agreement have been obtained, and then all such rights, obligations, duties and liabilities shall be solely in accordance with the terms and conditions of such Development Agreement.

h. A Respondent may be rejected by FRENCHTOWN REDEVELOPMENT PARTNERS, in its exercise of sole and absolute discretion, if such Respondent, any Respondent partner, or member of a Respondent team or any principal, partner, officer, director, affiliated person, or principal shareholder of the Respondent, of any Respondent partner, or of any member of a Respondent team, has been convicted of, or pled guilty or nolo contendere to, a felony or crime of moral turpitude, is an "organized crime figure," under indictment or criminal investigation, or is in arrears or in default on any debt, contract, or obligation to or with FRENCHTOWN REDEVELOPMENT PARTNERS, or any of its affiliates or subsidiaries. Each Respondent, Respondent partner, and member of a Respondent team and any principal, partner officer director, affiliated person, or principal shareholder of the selected Respondent, Respondent partner, or member of the Respondent team may be required to complete a background questionnaire with respect to the foregoing, or other matters, and may be subject to investigation by FRENCHTOWN REDEVELOPMENT PARTNERS. FRENCHTOWN REDEVELOPMENT PARTNERS is under no legal obligation to dispose of the Project through a competitive bid process. This RFP does not constitute an offer of any nature and does not obligate FRENCHTOWN REDEVELOPMENT PARTNERS to undertake any action or to proceed with the Project.

i. FRENCHTOWN REDEVELOPMENT PARTNERS will review all responses/proposals for completeness and compliance with the terms and conditions of this RFP, and may request from any and all of the Respondents, at any time during the RFP process, additional information, material, clarification, confirmation or modification of any submitted response and/or proposal. FRENCHTOWN REDEVELOPMENT PARTNERS may also, in the exercise of its discretion but is not obligated, to make requests for additional material or for clarification or modification of any submitted response and/or proposal which is incomplete or non-conforming as submitted. Submission of a response and/or proposal shall constitute the Respondent's permission to FRENCHTOWN REDEVELOPMENT PARTNERS to make such inquiries concerning the Respondent and members of the Respondent's team as FRENCHTOWN REDEVELOPMENT PARTNERS, in its sole discretion, deem useful or appropriate including, without limitation, authorization to contact the Respondent's bank(s) and credit references, and any other persons identified in the proposal and to obtain pertinent financial and other information. Except at the request or by the consent of FRENCHTOWN REDEVELOPMENT PARTNERS, in its sole discretion, no Respondent will be entitled to change its proposal once submitted.

j. FRENCHTOWN REDEVELOPMENT PARTNERS may at any time exclude those proposals which, in its sole discretion, fail to demonstrate the necessary qualifications for development, or which fail to comply with the terms and conditions of this RFP.

k. FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right, in its sole discretion, to reject at any time any or all proposals; to discontinue and/or withdraw this RFP without notice; to negotiate with one or more Respondents submitting proposals and/or to negotiate with respect to, and dispose of the Project (including to parties other than those responding to this request) on terms other than those set forth herein. FRENCHTOWN REDEVELOPMENT PARTNERS reserves the right to waive compliance with and/or change any of the terms of this request and to waive any informalities or irregularities in the request process.

l. Under no circumstances will FRENCHTOWN REDEVELOPMENT PARTNERS advance, loan, reimburse, pay or be liable for any costs, expenses, fees or charges incurred by a firm/team in responding to this RFP or subsequent stage or in connection with the transfer of the Site.

m. Responses and/or proposals shall be accepted from principals only. No brokerage fees, finder's fees, commissions or other compensation will be payable by [the State or] FRENCHTOWN REDEVELOPMENT PARTNERS in connection with the selection of a Respondent or the disposition of the Site. Submission of a statement of interest and/or proposal in response to this RFP or subsequent stage constitutes an undertaking by the Respondent to hold harmless and indemnify and defend FRENCHTOWN REDEVELOPMENT PARTNERS from and against any and all expenses, damages or liability (including, without limiting the foregoing, attorneys' fees and disbursements) arising out of any claim for such fees, commissions or other compensation made in connection with such Respondent's response to this RFP or subsequent stage, selection or (non-selection) thereunder or execution (or non-execution) of a Development Agreement.

n. Respondents of this RFP shall make no news, press or media posting, notice or release pertaining to this RFP or anything contained or referenced herein without prior written approval from FRENCHTOWN REDEVELOPMENT PARTNERS. Any such posting, notice or release pertaining to this RFP may only be made in coordination with FRENCHTOWN REDEVELOPMENT PARTNERS.

o. In the event that FRENCHTOWN REDEVELOPMENT PARTNERS becomes aware of any material misrepresentation in the information supplied by a Respondent, FRENCHTOWN REDEVELOPMENT PARTNERS shall have the right to reject at any time the response and/or proposal of the Respondent, to refuse to negotiate or continue negotiations with the Respondent and to take any other action, including retaining any deposit made by the Respondent, as shall be deemed appropriate by the FRENCHTOWN REDEVELOPMENT PARTNERS, in its sole discretion.

p. The selection of a Designated Developer will create no legal or equitable rights in favor of the selected developer, including rights of enforcement or reimbursement. A developer's response and/or proposal for the Site is not assignable and only the party identified as the developer/principal in the selected developer's submission will be permitted to execute the Development Agreement.

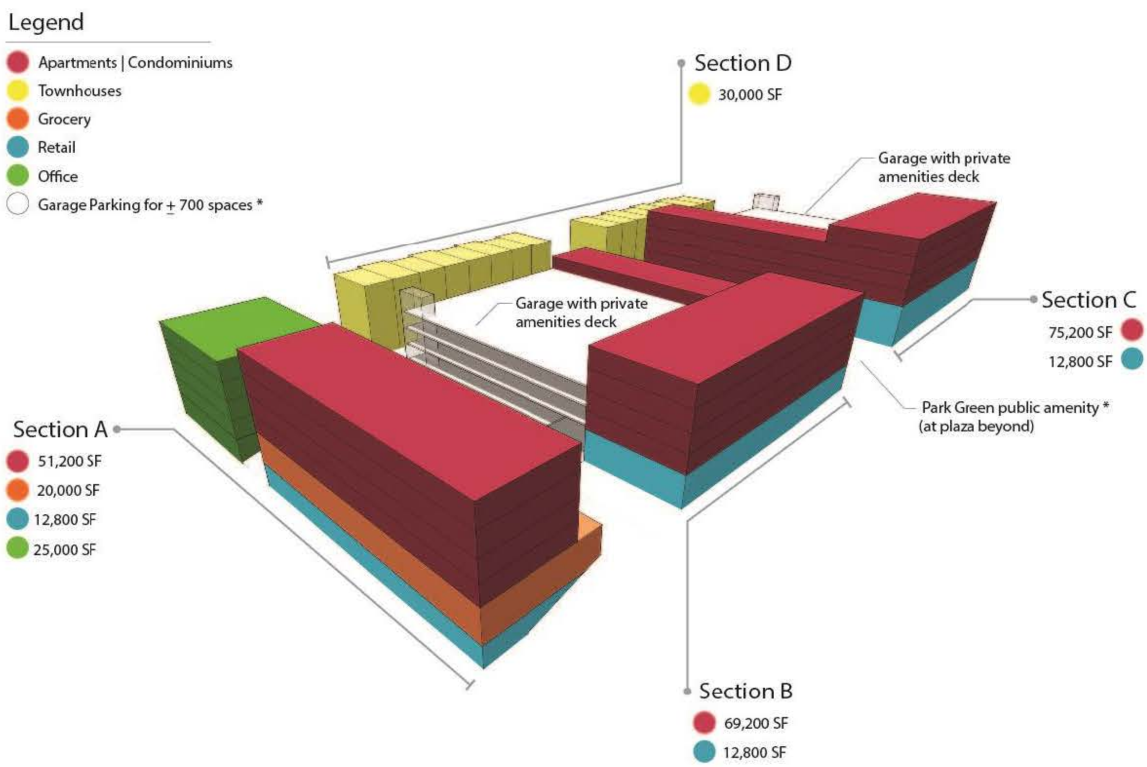
q. The Designated Developer will be required to comply with the deposit insurance any payment and performance security requirements set forth by FRENCHTOWN REDEVELOPMENT PARTNERS.

r. By submitting a response and/or proposal for the Project, the Respondent agrees to be bound by all the terms and conditions of this RFP.

[Remainder of Page Intentionally Left Blank]

APPENDIX A

MAP OF SITE



* *Garage decks connect at levels below grade at park/plaza between Sections B and C. Parking counts are based on Tallahassee Land Development Code for PUD development.*

APPENDIX B

FORMS

Frenchtown Redevelopment Partners, LLC requires as a condition precedent to acceptance of RFP responses, a sworn statement executed by, or on behalf, of the person, firm, association or corporation submitting a response certifying that such person, firm, association or corporation has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with this RFP. This sworn statement must be properly executed in order to have the RFP response considered.

FRENCHTOWN REVELOPMENT PARTNERS, LLC
NON-COLLUSION STATEMENT

Frenchtown Redevelopment Partners, LLC
Tallahassee, Florida

This is to certify that the undersigned responder, ______________________, has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive participation in this RFP or in connection with proposal submitted to Frenchtown Redevelopment Partners, LLC on the ___ day of ______, 2018.

____
Signature of Responder

Corporate Seal:

Attest:____________________
Title

Sworn to and subscribed before this ________ day of ______________, 2018.

My Commission expires________________________

____
Notary Public

STATEMENT OF COMPLIANCE

We, the Undersigned, acting through its authorized officers and intending to be legally bound, agree that this proposal to the RFP of Frenchtown Redevelopment Partners, LLC shall constitute an offer by the Undersigned to enter into a Development Agreement with the acts and things therein provided, which offer shall be irrevocable for 180 calendar days with additional extension upon consent, from the date of opening hereof and that Frenchtown Redevelopment Partners, LLC may accept this offer at any time during said period by notifying the Undersigned of the acceptance of said offer.

We, the Undersigned, a sole proprietor/partnership/corporation created and existing under the laws of the State of _________, has its business at:

Vendor Name: ______________________________
Vendor Address: ______________________________
Telephone: ______________________________

Fax: ______________________________

E-Mail: ______________________________

Sign by: ______________________________
Proprietor/Principal/President

Attested by: ______________________________
Secretary

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	5. Frenchtown Southside District Policy Formation and Direction
Subject	5.04 Direct CRA Staff to Develop a $200,000 Demolition Funding Program to Support Multiple City Goals and Priorities-- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Recommended Action	Option 1: Direct CRA staff to develop a $200,000 residential demolition funding program from GFS Affordable Housing funds.

Public Content

For more information, please contact: Roxanne Manning, Tallahassee CRA, (850)891-8353

Statement of Issue

The City of Tallahassee is initiating a comprehensive program to help increase affordable housing, maintain quality of neighborhoods, reduce visual blight, and ensure building and neighborhood safety. The comprehensive program involves Code Enforcement, Tallahassee Police Department (TPD), Housing and Community Development and the Community Redevelopment Agency (CRA). The program helps address crime, safety, and community appearance issues that are related to code enforcement matters. Working together, staff from these departments have identified areas of concern in neighborhoods, including drainage ditches, vacant properties with overgrowth, deteriorated buildings, and inoperable vehicles that may be used for criminal activity. As a result of this outreach it has become apparent that demolition of dangerous buildings should be the highest priority of code enforcement efforts. Growth Management (GM) Staff is actively working on several measures that may accelerate the process to correct dangerous buildings. When Staff canvasses an area and finds a structure that presents a danger to the community and is in such a deteriorated state that it should move directly to the demolition process, TPD is contacted to determine if there has been any criminal activity reported at the property. Information regarding TPD activity assists the Code Enforcement Board when determining if a structure should be demolished. Because the demolition process can be extensive, the City Attorney's office is looking at several ways to enhance our demolition process so that staff can respond as quickly as possible while still satisfying all notice and property rights requirements.

The demolition of dilapidated buildings also plays a role in the development of affordable housing. The City of Tallahassee acquires dilapidated residential structures for demolition with the intent of building new affordable housing on the same parcel. Demolition of these structures provides multiple benefits to neighborhoods by removing unsightly and dangerous structures and providing space for new affordable housing.

In both instances, the cost of structural demolition is a significant issue. The CRA can assist by providing funds for acquisition, demolition and cleanup of dilapidated residential properties, as well as other nuisance structures within the Greater Frenchtown/Southside Community Redevelopment Area (GFS District). Staff is recommending the CRA Board authorize staff to establish a $200,000 residential demolition program in the GFS District. The funds will come from existing GFS District affordable housing funds, which have a balance of $1.3 million. The funding would be provided in support of programs overseen by various City departments including Neighborhood Outreach, Community Housing and Human Services, Growth Management and others. Depending upon the program, the funds would be structured as grants or interest free loans.

This agenda item seeks Board direction to move forward with the development of a demolition funding program. Based on affirmative Board direction staff will bring detailed information back to the CRA Board for final adoption at the January 25, 2018 CRA Board meeting.

Recommended Action

Option 1 **-** Direct CRA staff to develop a $200,000 residential demolition funding program from GFS Affordable Housing funds.

Fiscal Impact

The funds for this program will come from existing GFS District affordable housing program funds, which have a balance of approximately $1.3 million.

Supplemental Material/Issue Analysis

History/Facts & Issues

The City of Tallahassee is initiating a comprehensive program to help increase affordable housing, maintain quality of neighborhoods, reduce visual blight, and ensure building safety. The comprehensive program involves Code Enforcement, Tallahassee Police Department (TPD), Housing and Community Development and the Community Redevelopment Agency (CRA). The program helps address crime, safety, and community appearance issues that are related to code enforcement matters. Working together, staff from these departments have identified areas of concern in neighborhoods, including drainage ditches, vacant properties with overgrowth, deteriorated buildings, and inoperable vehicles that may be used for criminal activity. As a result of this outreach it has become apparent that demolition of dangerous buildings should be the highest priority of code enforcement efforts. Growth Management (GM) Staff is actively working on several measures that may accelerate the process to correct dangerous buildings. When Staff canvasses an area and finds a structure that presents a danger to the community and is in such a deteriorated state that it should move directly to the demolition process, TPD is contacted to determine if there has been any criminal activity reported at the property. Information regarding TPD activity assists the Code Enforcement Board when determining if a structure should be demolished. Because the demolition process can be extensive, the City Attorney's office is looking at several ways to enhance our demolition process so that staff can respond as quickly as possible while still satisfying all notice and property rights requirements.

The City Commission will discuss these Code Enforcement techniques and goals in detail at their November 8th Commission Workshop. CRA Staff will provide updated information from that workshop as needed.

The demolition of dilapidated buildings also plays a role in the development of affordable housing. The City of Tallahassee acquires dilapidated residential structures for demolition with the intent of building new affordable housing on the same parcel. Demolition of these structures provides multiple benefits to neighborhoods by removing unsightly and dangerous structures and providing space for new affordable housing.

In both instances, the cost of structural demolition is a significant issue. The CRA can assist by providing funds for acquisition, demolition and cleanup of dilapidated residential properties, as well as other nuisance structures within the Greater Frenchtown/Southside Community Redevelopment Area (GFS District). Staff is recommending the CRA Board authorize staff to establish a $200,000 residential demolition program in the GFS District. The funds will come from existing GFS District affordable housing funds, which have a balance of $1.3 million. The funding would be provided in support of programs overseen by various City departments including Neighborhood Outreach, Community Housing and Human Services, Growth Management and others. Depending upon the program, the funds would be structured as grants or interest free loans.

This agenda item seeks Board direction to develop a demolition funding program and bring detailed information back to the CRA Board for final adoption at the January 25, 2018 CRA Board meeting.

Options

1. Direct CRA staff to develop a $200,000 residential demolition funding program from GFS Affordable Housing funds.

2. Provide alternate direction to staff.

Attachments/References
None

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	5. Frenchtown Southside District Policy Formation and Direction
Subject	5.05 Approval of $30,000 for Affordable Housing Project on Saxon Street - Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action (Consent)
Fiscal Impact	Yes
Dollar Amount	30.00
Budgeted	No
Budget Source	FY16 GFS Affordable Housing Project No. 1600618
Recommended Action	Option 1: Approve $30,000 from existing Affordable Housing programs for the purchase, demolition and related costs for three properties in the Saxon/Okaloosa Street Area in the Greater Bond Community. Authorize CRA staff to enter into a Joint Participation Agreement with the City's Department of Community Housing and Human Services on the use of the CRA funds.

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, (850)891-8352

Statement of Issue

Working with the City's Department of Community Housing and Human Services, CRA staff has identified three properties in the Saxon/Okaloosa Street area in the Greater Bond Community as potential single-family affordable housing projects. The CRA Executive Director originally committed $5,000 to assist with the initial title work for the properties. Based on the results from the initial title work, and the City of Tallahassee's offer to contribute two city-owned vacant lots to the effort, staff is requesting the Board approve an additional $30,000 in FY 2016 Affordable Housing funds for the purchase, lot preparation (seed, sod, etc.) and related costs (survey, additional title work, the replat of lots, possible legal assistance, etc.). The lots contributed by the City will be combined with the three properties that would be purchased with CRA funds, to create three buildable lots that will be made available for affordable, single-family, owner-occupied homes that will face a small neighborhood park build around a stormwater pond.

Recommended Action

Option 1 - Approve $30,000 from existing Affordable Housing programs for the purchase, demolition and related costs for three properties in the Saxon/Okaloosa Street Area in the Greater Bond Community. Authorize CRA staff to enter into a Joint Participation Agreement with the City's Department of Community Housing and Human Services on the use of the CRA funds.

Fiscal Impact

If approved, the $30,000 would come from FY 2016 GFS Affordable Housing Project No. 1600618, which has a balance of

$295,000.

Supplemental Material/Issue Analysis

History/Facts & Issues

As part of the FY 2018 CRA budget preparation and development process, the Greater Frenchtown/Southside Community Redevelopment Area (GFS District) Citizens' Advisory Committee emphasized their interest in seeing more CRA activities supporting the renovation and/or new construction of affordable housing throughout the GFS District. As part of this emphasis, they requested $1.0 million be included in the FY 2018 CRA budget for a variety of affordable housing efforts: new construction, renovations, emergency repairs, owner-occupied housing and rental housing. The CRA Board agreed and approved $1.0 million for affordable housing in the FY 2018 budget. In addition, there is $295,000 in FY 2016 budget for affordable housing that has been on hold pending completion of the joint City-County Affordable Housing assessment.

During the past year, the CRA and City staff from Community Housing and Human Services have been assessing areas of the GFS District, looking for opportunities to purchase both vacant lots and vacant properties, and ready them for redevelopment as affordable housing. Recently, three private properties that are adjacent to city-owned and vacant properties were identified in the Greater Bond neighborhood at the intersection of Saxon and Okaloosa Streets (Attachment 1).

The properties at 1922 Saxon Street, and 812 Okaloosa Street have improvements on them that are past the point of renovation and need to be demolished if the properties are to be redeveloped. The other privately-owned property, which is immediately west of 812 Okaloosa Street, is vacant. Two of the private properties have delinquent code liens on them, but the layout and size of all three properties limits their redevelopment potential. However, by including the two city-owned properties, the City will be able to replat all five properties into three, well sized lots for affordable, single-family development. The lots will be replatted to face a neighborhood park that is carefully build around a stormwater pond. The removal of the blighted properties and preparing them for redevelopment will have a dramatic impact on this corner in the Greater Bond neighborhood.

To assist in this effort, staff recommends the Board approve $30,000 in Affordable Housing funds that will be used for the private property acquisition, demolition of improvements, property clean-up, lot preparation (seed, sod, etc.) and related costs (survey, additional title work, the replat of lots, possible legal assistance, etc.). If approved, the funds will be added to $5,000 originally approved by the CRA Executive Director to assist with the initial title work for the private properties.

A decision has not yet been made regarding the redevelopment of the properties, but CRA and City staff are looking at several options, which will be presented to the CRA Board when they are better defined. Staff believes it is more important to move forward with the demolition, clean-up and replat of the properties now, rather than waiting until the full redevelopment plan is approved. This action alone will have a significant impact on the community.

Options

1. Approve $30,000 from existing Affordable Housing programs for the purchase, demolition and related costs for three properties in the Saxon/Okaloosa Street Area in the Greater Bond Community. Authorize CRA staff to enter into a Joint Participation Agreement with the City's Department of Community Housing and Human Services on the use of the CRA funds.

2. Do not approve $30,000 from existing Affordable Housing programs for the purchase, demolition and related costs for three properties in the Saxon/Okaloosa Street Area in the Greater Bond Community. Provide staff with alternate direction.

Attachments/References

1. Map of Property Locations
2. Select Images of the Properties

Attachment 1.pdf (413 KB) Attachment 2.pdf (336 KB)

Attachment 1

1. City-Owned
2. Private-Owned - 812 Okaloosa Street
3. Private-Owned
4. Private-Owned - 1922 Saxon Street
5. City-Owned

Saxon - Okaloosa Street Affordable Housing Project Area

TLCPD GIS DJ: Oct. 18, 2017

A view of 1922 Saxon Street with the vacant city lot immediately to the south.

812 Okaloosa Street looking east with the third private property (vacant) property immediately to the west.

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	6. Downtown District Policy Formation and Direction
Subject	6.01 Discussion Regarding the Future of the Downtown Community Redevelopment District -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Recommended Action	Option 6: Provide staff direction regarding the County's phase out of the DT District by 2020 and direct the City Manager and County Administrator to negotiate a revised interlocal agreement for Board consideration.

Public Content

For more information, please contact: Roxanne Manning, Tallahassee CRA, (850)891-8353

Statement of Issue

At their June 20, 2017 FY 2018 Budget Workshop, the Leon County Board of Commissioners (BOCC) directed County staff to implement one of four options presented to the Board to address anticipated impacts from the State Legislature-proposed additional $25,000 homestead exemption to the Florida Constitution that would take place in 2020 if approved through the state-wide vote. As part of their deliberation, the BOCC approved an option which phased out the Downtown District Community Redevelopment Area (DT District) by FY 2020.

On June 28, 2017, the City Commission received an update of the city's FY 2018 Budget Plan that included a brief overview of the BOCC action from the County's budget workshop. The City Commission also directed staff to bring back an agenda item discussing revisions to the DT District.

On September 25, 2017, the CRA Board reviewed four potential options for the DT District:

1. No change to DT District operations
2. Sunset the DT District by 2020
3. Retain the DT District with restrictions
4. Retain the DT District with County support removed from the District

The Board directed additional staff review and comparison of the options at subsequent City and County Commission meetings and then report back to the Board at the November 9th CRA Board meeting.

This agenda item contains a summary of the votes taken at the October 24, 2017 BOCC meeting and the October 25, 2017 City Commission meeting. Copies of the DT District sunset agenda items from both meetings are at Attachments 1 and 2.

An additional alternative, Option 5, was included in the City's agenda item as follows: Do not object to the County withdrawing from the DT district and include restrictions identified in Option 3 as identified in this agenda item.

Based on this information and previous discussion, staff is seeking direction from the CRA Board regarding the future of the DT district.

Recommended Action

Option 6 - Provide staff direction regarding the County's phase out of the DT District by 2020 and direct the City Manager and County Administrator to negotiate a revised interlocal agreement for Board consideration.

Fiscal Impact

There is no fiscal impact at this time. The fiscal impacts are dependent upon the option selected by the City Commission, the BOCC, and the CRA Board as discussed below.

Supplemental Material/Issue Analysis

History/Facts & Issues

The City Commission adopted the Downtown Community Redevelopment Plan and established the Downtown (DT) District Trust Fund in June 2004. Funding of the DT District, as well as any expansion of either the DT District or the GFS District or establishment of new redevelopment districts is governed by the "Interlocal Agreement" dated June 23, 2004, and amended on October 4, 2007, February 9, 2009, and December 11, 2014. The interlocal agreement, with amendments, is included as Attachment 3.

At their June 20, 2017 FY 2018 Budget Workshop, the BOCC directed County staff to implement a phase out of the DT District by FY 2020 to partially address the budget shortfall from the expected reduction in property tax collections if the proposed additional $25,000 homestead exemption is approved.

On June 28, 2017, the City Commission received an update of the city's FY 2018 Budget Plan that included an overview of the BOCC action from the County's budget workshop on June 20th. City staff noted the following three elements that would be part of any action to phase-out the DT District:

- The City, County and CRA Board would direct and supervise the dissolution process and require decisions about end dates, existing and continuing redevelopment expenditures and, if necessary, other work to be addressed.
- As part of this directing effort, the City, County and CRA Board would develop and review the list of previously committed CRA funds. This includes current payments for existing contractual obligations and consideration for projects in process but not currently under contract.
- Depending upon timing, funds that formerly would have been distributed to the CRA as tax increment could be deposited into the DT District Trust Fund to pay enforceable obligations and, upon payment, any remaining monies would be proportionally redistributed to the City and County.

The City Commission directed staff to bring back an agenda for Commission discussion on the continuance of the DT District.

On September 25th, the CRA Board reviewed four potential options for the DT District:

1. No change to DT District operations
2. Sunset the DT District by 2020
3. Retain the DT District with restrictions
4. Retain the DT District with County support removed from the District

The Board directed additional staff review and comparison of the options at subsequent City and County Commission meetings, and then report back to the Board at the November 9th CRA Board meeting.

The results of the BOCC and City Commission discussions are as follows:

The BOCC voted 7 – 0 in support of:

Phaseout Option 2: Sunset the DT CRA by 2020

• This option dissolves the DT CRA as previously requested by the County.
• Eliminates the County's $1.4 million TIF payment to the DT CRA by 2020.
• Supports the three new projects with future incentives paid from property taxes generated by these projects upon their completion.

OR

Phaseout Option 4: County withdrawal from the DT CRA by FY 2020 while the City continues supporting the DT CRA.

• This option would remove the County's participation from the DT CRA by FY 2020.
• The City would continue the DT CRA without the County's participation. This would allow for future projects to be considered for incentives solely at the discretion and expense of the City.
• The composition of the CRA would have to be addressed given the County's continued participation in the Greater Frenchtown Southside (GFS) CRA.
• Supports the three new projects (Firestone-Bloxham, 4Forty North and Washington Square) with future incentives paid from property taxes generated by these projects upon their completion.

Additionally, the BOCC voted not to consider proposals for the expansion of the Greater Frenchtown/Southside District or the creation of a new district until an agreement has been executed pursuant to either of the selected phaseout options.

The City Commission voted 5 – 0 in support of:
Option 5: Do not object to the County withdrawing from the DT district and include restrictions identified in Option 3 as follows:

- Eliminate funding of large and small events and small business improvement grants.
- Focus on large projects in targeted areas that "pays for itself."
- Focus on infrastructure projects throughout the District (Attachment 6).

Additionally, The City Commission also voted to amend the composition of the CRA Board to remove the four County Commission members from the CRA Board based on the County's exit of their financial participation in the DT District. State Statutes provide that multiple CRA districts are allowed within communities, but must be governed by a single Board.

Previous Project Commitments

There are six previously approved and one new major redevelopment projects in the DT District receiving or eligible to receive tax increment reimbursements that will extend beyond FY 2018. For the purposes of evaluating the options to phase out the DT District, staff has assumed that funding of the previously approved and potential projects will be dispersed through annual tax increment funds as currently approved.

- College Town, Phase I – The total grant payment to College Town, Phase I was $2,532,045. The fifth and final payment of $366,409 will be made in FY 2019.
- Gateway Tallahassee – An estimated payment of $57,000 will be made in FY 2018; however, reimbursements will continue to FY 2026 under the current payment schedule. From FY 2019 to FY 2026 the total estimated remaining reimbursement is $377,897. These payments include interest of 4.2 percent on the outstanding balance during the first seven years of the reimbursement payments (through FY 2021). The total estimated grant payment to Gateway Tallahassee is $1,414,766.
- The Onyx – The first reimbursement payment was made in FY 2017 for $288,771; an estimated payment of $298,000 will be made in FY 2018. From FY 2019 to 2021 the total estimated reimbursement is $788,916. The total grant payment to the Onyx is projected to be $1,375,687.
- Doubletree - The CRA Board approved up to $883,260 in grant funds for sidewalk and streetscape improvements within the City's right-of-way. The CRA will reimburse the cost of the improvements over a 10-year period ($88,326/year) once the improvements are completed. Although the Board approved the grant funds, the hotel owner/operator has not

executed an agreement with the CRA at this time.

- Firestone/Bloxham (Cascades Project) - With an estimated taxable value of $132.0 million this project will generate approximately $1,077,754 in TIF beginning in FY 2022, and approximately $15.3 million through FY 2034 when the DT District sunsets. The Board approved 90% of the TIF be reimbursed annually through 2034. This amounts to $984,528 in 2022 and a projected total of $13.9 million through FY 2034. Additionally, the Board approved staff obtaining a loan for $6,500,000 for 229 public parking spaces. Any remaining TIF will be used by the CRA to pay for parking or other improvements as directed by the CRA Board. In addition to the TIF that will be collected by the CRA for this project, Leon County will receive an average of approximately $664,411 each year ($8.6 million over the thirteen-year period) based on the anticipated increase in the property's taxable value and their uncommitted millage per the DT Interlocal Agreement.
- Charles Street Properties Project (4Forty North) - With an estimated taxable value of $36.7 million this project is expected to generate $299,344 in TIF in FY 2022, and approximately $4.3 million through FY 2034. The CRA Board approved 100% of the TIF be reimbursed to the developer through FY 2034. In addition to the TIF that will be collected by the CRA for this project, Leon County will receive an average of approximately $163,679 each year ($2.1 million over the thirteen-year period) in property tax from their uncommitted millage.
- Washington Square - Based on preliminary development information, this development is estimated to have a taxable value of $56.7 million, and is expected to generate $462,720 in TIF in FY 2022, and approximately $6.6 million through FY 2034. The developer has requested all of the TIF be reimbursed to them through FY 2034 as well as additional tax incentives above the CRA allowed TIF. In addition to the TIF that will be collected by the CRA, Leon County will receive an average of approximately $252,306 each year ($3.3 million over the thirteen-year period) in property tax from their uncommitted millage.

Summary:

If the CRA Board approves any changes to the DT district funding structure and/or composition, the Board should direct the City Manager and County Administrator to begin the interlocal agreement amendment process. It is anticipated that a revised interlocal agreement can be brought to the CRA Board for review and approval at the January 25, 2018 CRA Board meeting. The amended interlocal agreement will require separate approvals by the City and County Commissions.

Options

1. Direct staff to make no changes to DT District Operations.

2. Sunset the DT District by 2020.

3. Retain the DT District with Restrictions.

4. Retain the DT District with County removed from the District in 2020.

5. Do not object to the County withdrawing from the DT district and include restrictions consistent with the City Commission's direction.

6. Provide staff direction regarding the County's phase out of the DT District by 2020 and direct the City Manager and County Administrator to negotiate a revised interlocal agreement for Board consideration.

Attachments/References

1. Leon County DT District Sunset Agenda Item, October 24, 2017
2. City of Tallahassee DT District Sunset Agenda Item, October 25, 2017 (w/o attachments)
3. The Interlocal Agreement dated June 23, 2004 (as amended on October 4, 2007, February 9, 2009, and December 11, 2014)
4. Tables of Fiscal Impacts for Options 1 – 4
5. List of DT District Projects
6. Infrastructure Needs Within the DT District

Attachment 1.pdf (2,898 KB)
Attachment 2.pdf (69 KB)
Attachment 3.pdf (528 KB)
Attachment 4.pdf (353 KB)
Attachment 5.pdf (120 KB)
Attachment 6.pdf (2,337 KB)

Leon County Board of County Commissioners

Agenda Item #20

October 24, 2017

To: Honorable Chairman and Members of the Board

From: Vincent S. Long, County Administrator

Title: Status Report on the Sunsetting of the Downtown Community Redevelopment Area

Review and Approval:	Vincent S. Long, County Administrator
Department/ Division Review:	Alan Rosenzweig, Deputy County Administrator
Lead Staff/ Project Team:	Ken Morris, Assistant County Administrator Scott Ross, Director, Office of Financial Stewardship

Statement of Issue:

In recent months, the County and City Commissions have contemplated the potential sunset of the Downtown CRA District (DT CRA) during their respective annual retreats, budget workshops, and Commission meetings. This agenda item summarizes the actions taken at the July and September CRA meetings and provides an analysis of the Phaseout Options as requested by the CRA Board. Further, the analysis delineates which of the proposed Phaseout Options align with the long term financial plan approved by the Board during the FY 18 Budget Workshop to address the $7.2 million loss resulting from the possible additional homestead exemption.

Fiscal Impact:

This item has no fiscal impact. However, this status report does offer guidance related to recent deliberations with the City and CRA regarding the sunsetting of the DT CRA. The sunsetting of the DT CRA is a vital component of the Board's recently approved long term fiscal plan to ensure the County's financial viability in the upcoming years.

Staff Recommendations:

See next page.

Staff Recommendations:

Option #1: Accept the status report on the Sunsetting of the Downtown Community Redevelopment Area and direct the County Administrator to formally notify the City of the policy options herein adopted by the Board.

Option #2: Direct the County Administrator to bring back an amendment to the Downtown CRA Interlocal Agreement by February 2018 to sunset the County's participation by FY 2020, subject to the support of the City Commission, based on Phaseout Options #2 or #4 presented in this item as they are financially equivalent for the County.

Option #3: Do not consider the expansion of an existing CRA or the creation of a new CRA until an agreement has been executed to sunset the County's participation in the Downtown CRA by FY 2020.

Option #4: Direct staff to bring back a revised fiscal plan during the FY 2019 budget process if there is no agreement to phase out the DT CRA.

Report and Discussion

Background:

In recent months, the County and City Commissions have contemplated the potential sunset of the Downtown CRA District (DT CRA) during their respective annual retreats, budget workshops, and Commission meetings. At the most recent meeting of the CRA on September 25, 2017, the CRA Board deferred taking action to sunset the DT CRA and requested an agenda item be brought back to the County and City Commissions respectively analyzing several of the Phaseout Options presented by CRA staff for consideration by both Commissions. Thereafter, the CRA Board is expected to resume its discussion on this matter at its next meeting scheduled for November 9, 2017.

Previous Board and City Commission Direction on Sunsetting the Downtown CRA

During the December 2016 Annual Retreat, the Board established the County's FY 2017-FY 2021 Strategic Plan. As a part of the Economic Strategic Priority, the Board unanimously adopted the following Strategic Initiative: "Evaluate sunsetting the Downtown CRA and correspondingly evaluate the effectiveness of the Frenchtown/Southside CRA including the County's partnership with the City."

At the City Commission Retreat on January 11, 2017, City Commissioners also expressed an interest in discussing the future of the CRA districts in light of several ongoing initiatives related to Southside revitalization efforts including the County's long-term interest in redeveloping the Fairgrounds and the joint County/City efforts to ensure the availability of affordable housing. The City Commission directed staff to bring these matters back as part of a comprehensive workshop during the calendar year.

Given the mutual interest in exploring modifications to the existing CRA districts, County and City staff began formulating an analysis to be presented to both Commissions providing a comprehensive overview of the two distinct CRA districts, examining the levels of public and private investment as a result of those districts, their return on investment and performance since creation, and any outstanding financial obligations. However, this analysis was put on hold once the 2017 Florida Legislature began consideration of HB 13 and SB 1770 which, as originally proposed, would have phased out the existence of CRAs and prohibited the creation of new CRAs. Although the 2017 Legislature did not approve a measure to sunset CRAs, HB 17 has already been filed for the 2018 legislative session which calls for phasing out all CRAs by 2038.

Of greater significance to the County's budget, the House and Senate approved a joint resolution during the final week of the 2017 legislative session that will place a constitutional amendment on the 2018 general election ballot to provide an additional $25,000 homestead exemption for all ad valorem taxes except those levied by school districts. HJR 7105, if adopted by an affirmative vote of at least 60% of the statewide electorate in 2018, would create a new $25,000 homestead exemption applicable to the value of homesteaded property between $100,000 and $125,000. If this referendum passes, Leon County would see a loss of $7.2 million in ad valorem taxes based on the current 8.3144 millage rate. The statewide impact would be an estimated $644 million.

The amendment would become effective January 1, 2019, artificially removing property values from the tax rolls as the County prepares the FY 20 budget.

In anticipation of the November 2018 referendum, the County Administrator took immediate steps to prepare the County organization such as imposing a temporary hiring freeze for non-essential employees and recommended immediate capital project deferrals. At the Board's FY 18 Budget Workshop on June 20, 2017, the County Administrator presented a fiscal plan with options to ensure the long term fiscal viability of Leon County while minimizing any property tax rate increase (Attachment #1). In seeking the Board's long-term fiscal guidance, the County Administrator proposed four fiscal plan options, all of which prioritized maintaining funding levels for essential public services and the continued maintenance of core infrastructure. Each of the fiscal plan options were developed using some or all of the following elements:

- Property Tax Offset
- Phase out of the DT CRA by 2020
- Operating Budget Reductions
- Fund Balance

Based on the County's Strategic Initiative, the City's willingness to discuss the future of the CRA districts, the conclusion of the 2017 legislative session without changes to the structure or existence of CRAs, and the anticipated loss of revenue associated with the additional homestead exemption, the County Administrator recommended continuing to work with the City to formally dissolve the DT CRA prior to FY 2020. The fiscal plan unanimously approved by the Board on June 20, 2017 and illustrated in Table #1 called for a combination of a millage increase (0.4 mills), the phasing out of the DT CRA, and places the County in a favorable long term financial position to address the anticipated $7.2 million revenue loss in 2020 associated with the additional homestead amendment.

Table #1: Fiscal Plan Approved by the Board on June 20, 2017

FY 2020 Policy/Programmatic Changes	*+/- Revenue*
Additional Homestead Exemption	($7, 200,000)
Increased Property Tax Collection (0.4 Mills)	$5,800,000
Phase-out Downtown CRA by 2020	$1,400,000
Operating Budget Reductions	N/A
Additional Recurring Fund Balance	N/A
Net Revenue +/- in FY 2020	**$0**

The increase in the Countywide millage rate and sunsetting of the DT CRA would provide for the necessary revenues to offset the anticipated loss of revenues resulting from the passage of the additional homestead amendment. The fiscal plan approved by the Board would not increase the use of fund balances, thereby allowing resources to continue to be accumulated for new capital projects. The fiscal plan was again approved by the Board during the ratification of the FY 2018 Budget Workshop on July 11, 2017. Following the Board's ratification of this plan, the County

Administrator formally notified the City of the County's actions and desire to sunset the DT CRA by FY 2020 (Attachment #2).

Analysis:

Since the Board's approval of the long term fiscal plan, the CRA has met twice to consider the sunsetting of the DT CRA with another discussion planned for its next meeting on November 9, 2017. This agenda item summarizes the actions taken at the July and September CRA meetings and provides an analysis of the Phaseout Options as requested by the CRA Board.

July 2017 CRA Meeting

At the July 19, 2017 CRA meeting, CRA staff presented a report and agenda item to the CRA Board outlining the framework and necessary data to be analyzed for the review of the DT CRA phase out (Attachment #3). CRA staff anticipated that the analysis would be brought back to the CRA Board for consideration at its January 2018 meeting. Discussion among Commissioners ensued, refining the data fields to be analyzed in order for CRA staff to bring back an agenda item for the September CRA meeting. Commissioners directed that the following matters be addressed in the September CRA agenda item:

- DT CRA major achievements.
- Existing commitments and obligations that extend beyond FY 19.
- Identification of available reserves or surplus funds.
- An outline detailing each step of the dissolution process for the County, City, and CRA including a timeline of required actions for each of the respective parties to the Interlocal Agreement.
- Consideration for two pending projects (Firestone and 4Forty North Apartments) to be contemplated in the dissolution analysis should the CRA subsequently approved said projects for tax increment inducements.
- A separate agenda item for the CRA to consider expanding the Greater Frenchtown/Southside (GFS) CRA or creating a new redevelopment district.

The CRA Board also directed staff to include two pending projects for the September analysis to sunset the DT CRA, the Firestone/Bloxham redevelopment and the Charles Street Investment Partners' Mixed-Use 4Forty North Apartments on North Monroe Street:

Firestone/Bloxham Redevelopment

The CRA has been working with North American Properties (NAP) to determine the level of CRA support for the proposed Firestone Bloxham Development. The CRA Board authorized CRA staff to negotiate inducements with NAP, the majority of which would be provided as reimbursements of the tax increment generated by the project. The reimbursement schedule would not begin until FY 2022, once the project has been completed.

4Forty North Apartments

Charles Street Investment Partners entered a purchasing agreement to acquire and redevelop the 400-block of N. Monroe Street into a mixed-use residential development. In addition, the City of Tallahassee recently approved the sale of the former City utility drive-through center property to the Envision Credit Center. Envision plans to move their credit union operations to this property and sell the 400-block of N. Monroe Street where they are currently located to Charles Street Investment Partners.

Charles Street Investment Partners indicated the CRA's participation is essential for the proposed project to move forward but was not prepared to request a specific level of financial assistance at the July 13, 2017 CRA meeting. The CRA Board authorized CRA staff to negotiate inducements for with Charles Street Investment Partners based on the tax increment generated by the project. The reimbursement schedule would not begin until FY 2022, after the County's desired timeline to sunset or withdraw from the DT CRA.

<u>September 2017 CRA Meeting</u>

As requested by the CRA Board, the September 25, 2017 CRA meeting agenda materials included standalone agenda items on the sunsetting of the DT CRA, expansion of the GFS CRA, the Firestone/Bloxham redevelopment project, and the 4Forty North Apartments on North Monroe Street. However, a third project was also placed on the September 25th CRA agenda relating to the Washington Square mixed-use redevelopment project. On August 4, 2017, the developer submitted a Project Update and requested $9.6 million in tax increment. In light of the scale of this potential project, CRA staff sought further direction as to whether the Washington Square mixed-use redevelopment proposal and request for financial assistance should be considered by the DT CRA.

For these three individual projects within the DT CRA, the CRA Board voted to (Attachments #4, #5, and #6):

- Authorize CRA staff to move forward with the completion and execution of the CRA Funding Agreement and Development Agreement with NAP for the redevelopment of the Firestone and Bloxham Annex properties to include DT CRA assistance in the amount of $2.25 million for public improvements, DT CRA financing of 229 public parking spaces valued at $6.5 million, and 90% of the tax increment generated by this project over the remaining life of the DT CRA valued at $13.9 million.
- Authorize CRA staff to negotiate and execute a development agreement with Charles Street Investment Partners up to the requested $4.3 million for the 4Forty North Apartments project.
- Authorize CRA staff to begin negotiations with Fairmont Development LLC for up to $9.6 million for the Washington Square mixed-use redevelopment project.

In summary, the CRA Board has already approved its funding commitments for the Firestone and 4Forty North Apartments projects and directed staff to negotiate with the developers of the Washington Square project.

For the DT CRA sunset discussion at the September 25th CRA meeting, CRA staff presented an agenda item with four phaseout options to determine the future of the DT CRA (Attachment #7). The analysis presented at that meeting identified existing obligations associated with prior project commitments along with the anticipated obligations for the three new projects (Firestone, 4Forty North Apartments, and Washington Square) in the pipeline. The DT CRA's prior financial obligations can be satisfied by the end of FY 2019 thereby eliminating the County's $1.4 million TIF payment in FY 2020. The three new projects would require an additional $36.6 million from the DT CRA, most which will relies on future property taxes generated to fulfill future payment obligations.

The phaseout options presented at the September 25th CRA meeting are described below followed by the deliberations and series of motions considered by the CRA Board on this matter. Each of the options anticipate supporting the TIF reimbursements for the Firestone/Bloxham redevelopment, 4Forty North Apartments and, subject to final approval by the CRA Board, the Washington Square project. Any modifications to the DT CRA (Phaseout Options #2 - #4), including the decision to sunset by FY 2020, would require approval by the City Commission. Staff is seeking Board direction on these options, or others, should the Commission wish to continue the process to sunset the DT CRA by 2020:

Phaseout Option #1: Do not sunset the DT CRA.

Phaseout Option #2: Sunset the DT CRA by 2020

- This option dissolves the DT CRA as previously requested by the County.
- Eliminates the County's $1.4 million TIF payment to the DT CRA by 2020.
- Supports the three new projects with future incentives paid from property taxes generated by these projects upon their completion.

Phaseout Option #3: Maintain the DT CRA but explore future modifications to limit the use of TIF funding.

- This option would continue the DT CRA through 2039 but would explore future cost savings opportunities by refining the scope of the DT CRA in order to reduce the County's TIF contribution.
- There is no guarantee that the respective parties will refine the scope of the DT CRA or identify cost savings to adequately reduce the County's TIF payment by FY 2020.
- Not consistent with the adopted financial plan.
- The full financial impact or savings to the County for this option is indeterminate as it would be based on future redevelopment or project strategies led by CRA Board. Until those priorities are identified and formally adopted by Interlocal Agreement, the County's scheduled TIF payments would remain.
- Supports the three new projects with future incentives paid from property taxes generated by these projects upon their completion.

Phaseout Option #4: County withdrawal from the DT CRA by FY 2020 while the City continues supporting the DT CRA.

- This option would remove the County's participation from the DT CRA by FY 2020.
- The City would continue the DT CRA without the County's participation. This would allow for future projects to be considered for incentives solely at the discretion and expense of the City.
- The composition of the CRA would have to be addressed given the County's continued participation in the GFS CRA.
- Supports the three new projects with future incentives paid from property taxes generated by these projects upon their completion.

Following the presentation by CRA staff, Commissioner Proctor immediately made a motion for Phaseout Option #2 to sunset the DT CRA by 2020 but it died due to the lack of a second for the motion. Commissioner Proctor then made a motion for Phaseout Option #4 to remove the County from the DT CRA by 2020 with the City continuing to operate it through 2039. The motioned was seconded by Commissioner Lindley followed by discussion among County and City Commissioners.

Commissioner Scott Maddox offered a substitute motion to sunset both CRAs by 2020. The substitute motion was seconded by Commissioner Proctor but the vote failed 2-7.

Commissioner Dozier offered another substitute motion for the County Administrator and City Manager to prepare a side-by-side comparison and analysis of anticipated tax revenues for Phaseout Options 2, 3, and 4 to be brought back to the County and City Commissions independently for consideration in October in anticipation of the November 9th CRA meeting. The substitute motion was approved and the following section provides the analysis of Phaseout Options 2 – 4 as requested by the CRA Board.

<u>Analysis of Downtown CRA Phaseout Options</u>

Based on the direction at the September 25th CRA meeting, County staff worked with CRA staff to identify a set of base assumptions to formulate revenue and expense projections for the phaseout options (Attachment #8). These projection tables guide much of the analysis for the remainder of this agenda item. For purposes of analyzing the DT CRA phaseout options, the following assumptions were made:

- The County's TIF payment is based on a rate of 4.2698 mills and the City's rate is 4.1 mills. (Note: Under the terms of the Interlocal Agreement, the County's TIF payment is equal to 1.154 times the City's millage rate, with a rate not to exceed 4.2698 mills).
- The homestead exemption referendum passes and the County's fiscal plan is implemented, including the increase of the Countywide millage rate by 0.4 mills in FY 2020.
    - The millage rate increase would not affect the County's TIF contribution which is capped at 4.2698 mills but it would increase revenues for the County.

  - The projection tables do not anticipate reductions in the DT CRA taxable values following the passage of the homestead amendment as there are relatively few homesteads in the District. However, the anticipated Countywide millage increase is applied to the District values to illustrate projected revenues.

- Beginning in FY 2020, the projection tables assume a two percent increase in taxable values. No new construction is accounted for in these tables aside from the three projects already in the pipeline for incentives from the DT CRA.

- As presented to the CRA in September, the three new projects begin paying property taxes on $250 million in new construction in FY 2022 based on the following taxable values:
  - $150 million: North American Properties (Firestone/Bloxham Annex)
  - $40 million: 4Forty North Apartments (Envision Credit Union)
  - $60 million: Washington Square

- County, City, and CRA staff concur that based on existing reserves and the next two fiscal years of TIF payments (FY2018 and FY2019) the DT CRA will have the funds necessary to meet its existing financial commitments for projects approved as of July 31, 2017.

- Beginning in FY 2022, based on the project values presented in the September CRA agenda item, the County would pay approximately $1.1 million for the three new projects in the first year of inducements. Conversely, these new projects would generate a little more than $1.1 million back to the County based on the portion of the County's millage rate that is not required to be contributed to the DT CRA.

Based on the these assumptions, Table #2 illustrates the projected County expenses (TIF payments to the DT CRA) and revenues (property tax collections generated from the three new projects) under Option #3 (Maintain the DT CRA but Explore Future Modifications) as requested by the CRA Board in order to assess how the three new projects impact revenues that may be available to offset the revenue losses associated with the passage of the homestead amendment. Although the CRA Board did not specifically include Phaseout Option #1 (Do not sunset the DT CRA) to be included in this analysis, its financial impact to the County is identical until such time that the CRA agrees to modify the scope of the downtown District in order to reduce costs and potentially pass along identified savings back to the County and City. Until those priorities are determined, the County's scheduled TIF payments would remain.

As shown in Table #2, it would take 12 years (FY 2034) for the County to reach an annual collection of $1.4 million based on the additional revenue generated from the three projects. Taking into consideration the downtown district-wide growth in property tax collections, including the three new projects, would result in $1.4 million of additional revenue being collected by FY 2022.

Table #2: Maintain the Downtown CRA but Explore Future Modifications (Option #3)

	<u>Expense:</u> *County TIF Payment to DT CRA*	*<u>Revenue:</u>* *Additional Property Tax to County (3 New Projects)*
FY 2020	$1,409,522	$0
FY 2021	$1,458,058	$0
FY 2022	$2,575,014	$1,111,150
FY 2023	$2,646,860	$1,133,373
FY 2024	$2,720,142	$1,156,040
FY 2025	$2,794,890	$1,179,161
FY 2026	$2,871,133	$1,202,744
FY 2027	$2,948,900	$1,226,799
FY 2028	$3,028,224	$1,251,335
FY 2029	$3,109,133	$1,276,362
FY 2030	$3,191,661	$1,301,889
FY 2031	$3,275,839	$1,327,927
FY 2032	$3,361,701	$1,354,486
FY 2033	$3,449,280	$1,381,575
FY 2034	$3,538,611	$1,409,207

Given the required TIF payment in FY 2020 as depicted in Table #2, the County would need to anticipate alternative approaches to offsetting a $1.4 million shortfall in FY 2020 as a result of the passage of the homestead amendment and continued TIF payments to the DT CRA. Alternative approaches to offset the $1.4 million may need to be considered, including the utilization of fund balances, reduction in capital project funding, additional increase in the millage rate and/or reduction in County services.

The budget shortfall could be partially mitigated once the three new projects are completed. However, under this scenario the increase in additional property tax revenue would not be available until two years past the initial impact of the homestead passing thereby creating an immediate short term funding problem. Further, if any of the projects are delayed or ultimately valued less than projected this will cause a lesser amount of property taxes to be collected. Therefore, if the DT CRA is not phased out, staff recommends as part of the upcoming budget process, the Board review the adopted financial plan to address the additional shortfall. As presented previously, options to address this additional funding shortfall may include a higher millage increase, greater use of fund balance, reduction in capital project funding, and/or further service reductions.

However, if financial incentives are assumed to be necessary for new development to continue occurring in the DT CRA then the County's TIF payment is a good investment and Option #3 "Maintaining the DT CRA" should be considered. Under this assumption, future development in the DT CRA is not going to occur without financial incentives being provided by the CRA. To address the $1.4 million not being maintained by the County, alternative approaches to address the shortfall from the additional homestead exemption could be considered by the Board as part of the upcoming budget process.

Phaseout Options #2 and #4, as previously mentioned, are identical with regard to the County's finances because they would sunset they County's participation in the DT CRA at the conclusion of FY 2019. As reflected in Table #3, this would allow the County to offset revenue losses associated with the additional homestead exemption beginning in FY 2020 by redirecting its $1.4 million TIF payment to County services.

Table #3: Sunset the County's Participation in the Downtown CRA (Options #2 & #4)

	Expense: County TIF Payment for the 3 New Projects	*Revenue:* Property Tax to County
FY 2020	$0	$1,409,522
FY 2021	$0	$1,458,058
FY 2022	$1,067,450	$2,562,187

Beginning in FY 2022, the three new projects would begin paying property taxes. In order to support the three new DT CRA projects included in these phaseout options, the County would reimburse the projects a portion of their property taxes based on an amount equivalent to the current County TIF millage rate in the DT CRA. Table #3 estimates the initial reimbursement for the three projects to total $1.67 million in FY 2022. Table #3 also shows that once the three new projects have been completed in FY 2022, the County would receive an estimated $2.56 million in revenue that year, realizing a $1.1 million increase in revenue from the prior year. The County would also continue to receive a portion of the property tax associated with the growth in the rest of the DT CRA.

If financial incentives are assumed to no longer be necessary for new development to occur in the DT CRA then the County's TIF payment is no longer considered a good investment and either Option #2 or $4 should be considered. Under this assumption, new development in the DT CRA is going to occur without the financial incentives being provided. The TIF payments made by the County are no longer necessary and the property taxes could be maintained by the County to assist in offsetting the loss in revenue from the homestead exemption. Currently, there are a number of projects in downtown either under construction or scheduled that are not receiving or being considered for support by the DT CRA. These projects include:

- The 'Ballard Building' at the corner of Monroe St. and Park Ave.
- The Florida Health Care Association's Education and Training Center at the corner of Park Ave. and Bronough St.
- A three-story office building for Florida Power & Light on the corner of Jefferson St. and Duval St.
- A two-story headquarters for the Capital City Consultants lobbying firm on the corner of Adams St. and Duval St.

In addition, many of the state properties identified earlier this year in a consultant's report have garnered redevelopment interest from the private sector despite not being within the DT CRA and subject to TIF incentives.

While Options #2 and #4 both have the same financial impact to the County, if selected, Option #4 will require further analysis regarding the composition of the CRA. Although multiple community development areas can be created by a City, Florida law calls for a singular governing agency and board of directors to be created to oversee the activities of all community development areas within a given City. Should the respective parties select Phaseout Option #4 whereby the City Commission wishes to continue operating the DT CRA, staff will coordinate with the City to prepare recommendations that resolve governance matters related to board composition, voting, etc.

In light of the fiscal plan approved by the Board, the sunsetting of the DT CRA by FY 2020 (Option #2) or the withdrawal of the County's future financial participation (Option #4) is a vital component to the County's financial viability without further raising the millage rate, relying on fund balance, or reducing County services. This analysis finds that the obligations of the DT CRA will not require a TIF contribution from the County beyond FY 2019 to satisfy existing project commitments. Once the new projects have been completed in FY 2022, the TIF generated from the three new projects will provide enough revenue to fulfill the CRA commitments.

Expansion of the Greater Frenchtown/Southside CRA

At the conclusion of the September 25th CRA meeting, the CRA Board discussed the possible expansion of the GFS CRA boundaries to include additional neighborhoods along Orange Avenue, east of Meridian Street and the Bond neighborhood, west of Pasco Street (Attachment #9). Following a presentation by staff and discussion by Commissioners, the CRA Board directed CRA staff to bring back a more detailed blight analysis of the study area to include better defined boundaries and a schedule for required actions.

Although the blight analysis and definition of the boundaries will take time to bring back before the CRA Board, staff does not recommended further consideration to expand the GFS CRA or create new CRAs until agreements are in place to sunset the County's participation in the DT CRA by FY 2020.

Conclusion

Per the Interlocal Agreement between the County, City, and CRA, the term for the DT CRA is set to expire in 2039. The DT CRA has significant financial assistance agreements and obligations that extend beyond FY 2019. The County's FY 2018 budget includes $1.035 million as a payment for the Downtown CRA. Based on historic trends, the County's payment to the CRA is projected at $1.4 million in FY 2020. The Board's recent approval of the County's long term fiscal plan to address the passage of the additional homestead exemption including the decision to sunset the DT CRA by FY 2020 can be accomplished by approving either Phaseout Option #2 or #4. These Phaseout Options are identical with regard to the County's finances but under Phaseout Option #4, the City would independently operate the DT CRA following the County's withdrawal at the end of FY 2019.

It is important to note that under Florida Law, a CRA cannot technically dissolve if it still has any outstanding project obligations or debts. The County's focus has been to discontinue funding the DT CRA by FY 2020 aside from fulfilling its financial obligations for project commitments already approved by the CRA Board. Staff does not anticipate that the DT CRA will require a TIF contribution from the County beyond FY 2019 to satisfy the earlier project commitments. Once the new projects have been completed in FY 2022, based on the information provided in the CRA agenda materials, the analysis finds that the TIF generated from the three new projects will provide enough revenue to fulfill the CRA commitments with the possible exception of the costs of the public parking spaces adjacent to Cascades Park. Once the terms, conditions, and repayment schedule have been finalized, this parking project may require the City, County and CRA to provide additional funding in support of this obligation.

In light of the fiscal plan approved by the Board to address the proposed additional homestead exemption, the sun-setting of the County's financial participation in the DT CRA by FY 2020 (Option #2 or #4) is an existing component in support of County's financial viability without further raising the millage rate, relying on fund balance, reducing capital projects and/or reducing County services. Further, based on the new private sector investment occurring in downtown without financial incentives, the analysis indicates the DT CRA may no longer be necessary to stimulate private sector investment in downtown.

However, if it is determined that financial incentives are necessary to continue to stimulate private sector investment in downtown, then the County's TIF payment would be considered a good investment and continued support of the DT CRA should be considered through the implementation of Option #3. Under Option #3, the County would not realize the $1.4 million beginning in FY2020, thereby creating an immediate short term problem. Under Option #3, staff recommends that during the budget process recommendations to modify the financial plan be considered to address the $1.4 million shortfall, which may include additional use of fund balances, reduction in support for capital projects, increase in the millage rate and/or service level reductions.

The City Commission will discuss this matter at its meeting on October 25, 2017 followed by the CRA Board on November 9th. Should these deliberations not result in an agreement to sunset the DT CRA, staff recommends preparing revised fiscal plan options for the Board's consideration during the FY 2019 budget process in order to continue guiding the County's finances in a prudent manner.

Staff recommends the Board continue its pursuit to sunset the DT CRA by 2020 as described in Phaseout Options #2 and #4. This will require the approval of both the City Commission and CRA Board. Should the City and CRA concur with the Board's direction, staff will bring back an amended DT CRA Interlocal Agreement by February 2018 reflecting the agreed upon changes. However, if the City Commission does not concur with Phaseout Options #2 or #4 allowing the County to withdraw its participation from the CRA by FY 2020, staff will bring back a revised fiscal plan during the FY 2019 budget process if there is no agreement to phase out the DT CRA.

And finally, staff recommends deferring further consideration regarding the expansion of an existing CRA or the creation of a new CRA until an agreement has been executed so sunset the County's participation in the DT CRA by FY 2020.

Options:

1. Accept the status report on the Sunsetting of the Downtown Community Redevelopment Area and direct the County Administrator to formally notify the City of the policy options herein adopted by the Board.
2. Direct the County Administrator to bring back an amendment to the Downtown CRA Interlocal Agreement by February 2018 to sunset the County's participation by FY 2020, subject to the support of the City Commission, based on Phaseout Options #2 or #4 presented in this item as they are financially equivalent for the County.
3. Do not consider the expansion of an existing CRA or the creation of a new CRA until an agreement has been executed to sunset the County's participation in the Downtown CRA by FY 2020.
4. Direct staff to bring back a revised fiscal plan during the FY 2019 budget process if there is no agreement to phase out the DT CRA.
5. Support the Downtown CRA Option #3, which maintains the County's full participation in the Downtown CRA and direct staff to bring back a revised fiscal plan during the FY 2019 budget process.
6. Do not accept the status report on the Sunsetting of the Downtown Community Redevelopment Area.
7. Board Direction.

Recommendation:

Options #1, #2, #3 and #4

Attachments:

1. June 20, 2017 budget discussion item regarding the homestead amendment and the County's proposed financial plan.
2. July 11, 2017 letter to City regarding the County's desire to sunset the Downtown CRA.
3. July 19, 2017 CRA agenda item regarding the Phaseout of the Downtown CRA.
4. September 25, 2017 CRA agenda item regarding the Firestone/Bloxham Redevelopment.
5. September 25, 2017 CRA agenda item regarding 4Forty North Apartments.
6. September 25, 2017 CRA agenda item regarding Washington Square project.
7. September 25, 2017 CRA agenda item regarding the Phaseout of the Downtown CRA.
8. Projected Revenues and Expenses for the Downtown CRA Sunset Phaseout Options, prepared by CRA staff.
9. September 25, 2017 CRA agenda item regarding the expansion of the Greater Frenchtown/Southside CRA.

Leon County Board of County Commissioners

Budget Workshop Item # 3

June 20, 2017

To: Honorable Chairman and Members of the Board

From: Vincent S. Long, County Administrator

Title: Fiscal Plan Options to Address Additional Homestead Exemption

Review and Approval:	Vincent S. Long, County Administrator
Lead Staff/ Project Team:	Alan Rosenzweig, Deputy County Administrator Scott Ross, Director, Office of Financial Stewardship

Statement of Issue:

For the first time in a decade, Leon County is not facing significant budgetary shortfalls for the upcoming fiscal year at this point in the budget process. As a result of what has been a slow economic recovery for Leon County from the depths of the historic recession, FY18 is projected to be the first year property tax collections approach pre-recession levels and are expected to begin to approximate costs. However, beginning in FY2020 the proposed constitutional amendment providing an additional $25,000 homestead exemption immediately reduces property tax collections by $7.2 million annually, disrupting our local economic recovery. This item presents the Board with several options to properly plan for the financial impact if the amendment passes. The implementation of a financial plan allows the County several budget cycles to mitigate the impacts to citizens and to ensure Leon County's long term fiscal viability.

Fiscal Impact:

This item has a fiscal impact. If approved, the additional homestead exemption would cause an estimated $1.0 billion loss in taxable homesteaded property valuation having an estimated recurring fiscal impact of $7.2 million.

Staff Recommendation:

Option #1: Accept the report on the impacts of the additional $25,000 homestead exemption.

Option #2: Board Direction for implementation of one of the four options presented in this item to prepare for the possible future impacts of the additional $25,000 homestead exemption.

Report and Discussion

Background:

During the final week of the 2017 legislative session, the House and Senate gave final approval to HB 7105, a joint resolution that will place a constitutional amendment on the 2018 general election ballot to provide an additional $25,000 homestead exemption for all ad valorem taxes except those levied by school districts. If adopted by an affirmative vote of at least 60% of the statewide electorate in 2018, the amendment would create a new $25,000 homestead exemption applicable to the value of homesteaded property between $100,000 and $125,000. If this referendum passes, Leon County would see a loss of $7.2 million in ad valorem taxes based on the current 8.3144 millage rate. The statewide impact would be an estimated $644 million.

The amendment would become effective January 1, 2019. The Legislature also passed an implementing bill, HB 7017 that holds fiscally constrained counties harmless should the constitutional amendment be approved. The implementing bill directs the Legislature to appropriate funds to offset property tax losses in fiscally constrained counties attributable to the increased homestead exemption. This "carve-out" for fiscally constrained counties is not part of the proposed constitutional amendment, and the Legislature would have to budget for this relief every year.

Similar to the proposed 2018 referendum, in 2008 Amendment #1 provided a second $25,000 homestead exemption on the $50,000 - $75,000 portion of the taxable value of a homestead. The referendum passed 64% to 36% statewide; however, in Leon County Amendment #1 failed 36% to 64%. The economic impact to Leon County was $9.8 million.

Given the significant fiscal impact of Amendment #1 in 2008, numerous budgetary options were considered to mitigate the loss in revenue and corresponding impacts to County programs and services. Ultimately, to ensure the long term financial viability of the County, the Board approved increasing the millage rate by 0.6370 mills from 7.2130 to 7.85 mills. While the millage increase provided additional revenues, it did not completely offset the $9.8 million revenue loss. Even with this partial off-set, reductions were made to County services to compensate for the remaining lost revenue. Branch library hours were reduced from 52 to 40 hours per week, a stormwater maintenance crew was eliminated, the risk management program was redesigned, take home vehicles were eliminated, and some health care costs were shifted to employees.

Following the approval of the additional homestead exemption in 2008, the slow economic recovery caused continuous reductions in property and sales tax revenues which resulted in unprecedented challenges for the County to maintain a balanced budget, while maintaining quality services. However, the County did not offset for the precipitous loss of tax revenue due to a steep decline in property values by raising the millage rate further. Instead, the County was deliberate in providing relief to citizens, during the toughest years the economy was in decline and at its bottom, by not raising fees and reduced property taxes by leaving the millage rate flat at 7.85. These actions allowed property owners to receive a total of $13 million in property tax savings.

During this time, by reviewing the organization from top to bottom and implementing transformational, organizational, cultural and structural change, Leon County reduced its budget by more than $62 million and its workforce by more than 83 positions, a 5% reduction, with no layoffs. This restructuring allowed the County to reduce costs while minimally effecting service levels to the community.

In FY 2013, in order to stem the tide of an eroding tax base and to preserve the expected level of essential services, the Board approved the rolled-back rate of 8.3144, which only ensured that the same amount of property taxes received in FY 2012 were collected in FY 2013.

As discussed at the April 23, 2017 Budget workshop, for the first time in ten years, with modest growth in property values and a constant millage rate, the County was not facing a significant budget shortfall. The 8.3144 millage rate has remained constant for the past five years. Coming out of the recession, and as part of the County's deliberate and reasoned long term fiscal planning, the budget continues to maintain the 8.3144 millage. By keeping the millage rate constant, this allowed significant property tax relief during the recession. However, with increasing values, the County has also been deliberate in maintaining the millage to offset annual inflationary pressures. Increasing values with a constant millage rate allowed Leon County to maintain a quality level of service, budget appropriately for capital projects by drawing down the use of recurring fund balances and avoiding the need to issue debt.

In anticipation of Amendment #1 and to address state mandated property tax reform which forced a reduction in the Countywide millage rate in FY2007, Leon County took proactive measures to avoid making drastic budget reductions at one-time. A hiring freeze was implemented, a voluntary separation program was created, capital projects were deferred, and operating program reductions were initiated. Similarly, subsequent to the legislature approving the November 2018 referendum, the County Administrator has imposed a temporary hiring freeze for non-essential employees and recommended immediate capital project deferrals as part of several of the options presented. Continuing operating personnel and programmatic freezes or reductions and capital project deferrals are contingent on Board direction at the budget workshop.

Analysis:

Through years of economic recession, despite an era of unfunded mandates and cost-shifts, and in the face of perennial state policy and political ideology that has ignored fundamental flaws and further perpetuated inequities in the tax structure, Leon County has positioned itself to remain fiscally viable and responsible to our citizenry. But it has not been easy. The County has been guided by consistent leadership of the Board of County Commissioners which balanced the needs of our community with sensitivity to the taxpayer and has benefited from strong and strategic fiscal and operational management. Over the past decade, during the hardest economic times, the County maintained fees and passed on significant property tax savings while maintaining quality services and a balanced budget. During this time, to ensure that the allocation of our limited resources aligns with the highest priorities of the Board, the County launched a rigorous strategic planning overhaul. To constrain budgetary growth and ensure the optimization of these limited resources, the County has eliminated positions, realigned functions, and leveraged technology. As a core practice, Leon County employees have identified significant cost avoidances and budgetary cuts, while continuing to maximize efficiency, drive performance and deliver results for the community. In taking advantage of the financial markets, the County has refinanced and restructured long term debt which has produced significant recurring cost savings. All of these actions resulted in the Fitch Rating Agency raising Leon County's debt rating.

While Leon County has taken extraordinary efforts to constrain budgetary growth and be positioned for long term fiscal stability coming out of the recession, the Florida Legislature's intent is to once again constrain local government. The amendment takes a "one size fits all" approach for all counties, even though many Florida Counties have recently experienced significantly higher property growth rates than Leon County and therefore have greater financial flexibility to address the impacts of the referendum. In addition, the amendment further reduces the County's financial flexibility to provide essential public services mandated by the state. **This, despite the fact that during the past decade Leon County's budget has grown at a far slower pace than the State's own budget.**

In summary, the additional homestead exemption will create even more inequities to the Florida property tax system that already picks winners and losers. As designed this new exemption transfers the tax burden to non-homesteaded properties such as businesses and renters who currently receive far less property tax relief than homesteaded property owners. **In response to the referendum, local governments will either reduce services or increase the property taxes of businesses and renters by increasing the millage to offset the fiscal impact; the additional exemption is a tax shift, not a tax cut.**

If the property tax referendum is approved by voters in November 2018, the $7.2 million recurring impact starts with the FY 2020 budget. The fiscal plan options presented provide the Board with alternatives which will dictate the fiscal plan to be implemented over the next three budget cycles. Without a fiscal plan, the only options available in FY 2020 would necessitate significant budget reductions or a substantial millage increase to offset the entire revenue loss.

Approach to Developing Options

The fiscal plan options presented here are designed to ensure the long term fiscal viability of Leon County while minimizing any property tax rate increase. While balancing taxpayer sensitivity, each of the options prioritizes maintaining funding levels for essential public services and the continued maintenance of core infrastructure. To ensure the delivery of County services continues to meet the basic quality metrics of safety, functionality, and professionalism, all options reflect the necessity to retain a competent and qualified workforce (especially important when employee numbers and other resources may shrink), and avoid budget gimmicks like "across-the-board" cuts or further reductions in employee pay or benefits. Finally, by implementing a fiscal plan early, this allows the County to minimize the potential for any employee lay-offs.

In developing the options, staff evaluated all current and future aspects of the County budget and finances. The options consider impacts of the proposed referendum and other future competing demands for financial resources. Future financial demands include: significant on-going maintenance of the County's aging infrastructure; increased recurring funding to support EMS services; and the potential for increased costs to provide fire protection in the unincorporated area. Options to utilize future debt service savings in support of these other financial needs without the need to increase other taxes or fees is presented later in this budget discussion item.

In addition to these competing financial demands, the legislature has indicated that future budgetary constraints are likely to be imposed on local governments. The continued use of long term financial planning is consistent with previous budget cycles and best positions the County budgetarily to address anticipated and unanticipated fiscal demands.

The fiscal plan options were each developed using some or all of the following elements:

- Property Tax Offset
- Phase out of the Downtown CRA by 2020
- Operating Budget Reductions
- Fund Balance

Following the fiscal plan options are recommendations on the utilization of the recurring funding resulting from the debt service retirement.

Property Tax Offset
As a political sub-division of the State of Florida, the County's ability to increase revenue is severely limited by the Florida Constitution and Statutes. The County has the authority to levy 10 mills for countywide services and a separate 10 mills for municipal services (MSTUs). The general countywide millage rate is currently 8.3144 mills and property taxes collected against the millage rate can be used for any lawful purpose.

The options range from levying an additional 0.5 mills to offset the entire $7.2 million revenue reduction, to not increasing the millage rate at all. As discussed in detail later in this item, regardless of the option selected, a vast majority of homesteaded property owners will realize a cost savings over the prior year regardless of any millage increase. Correspondingly, as the proposed exemption does not apply to non-homesteaded properties, or homesteaded properties valued less than $100,000, any millage increase would result in an increased property tax payment for these properties (assuming the property's taxable value either stays the same or increases).

A dedicated municipal services taxing unit (MSTU) is an alternative approach to increasing the countywide millage rate. Unlike the general countywide millage rate, Countywide MSTUs (like EMS) require the assent of the City of Tallahassee to be levied in the City limits. By assenting to an MSTU this correspondingly reduces the City's overall 10 mill cap by a like amount. As MSTU's are collected for a dedicated purpose, any future growth in collections would also need to be set aside for this specific dedicated purpose. To continue to provide the County the maximum flexibility in addressing the current and future competing demands of the County budget, the creation of a new MSTU is not recommended at this time.

> ***Key Points:*** *With the significant recurring revenue loss resulting if the homestead exemption passes, some level of millage increase included in Options #1, #2, or #3 best positions the County for long term fiscal stability by mitigating the severity of programmatic cuts or relying on the use of one-time resources to address a recurring problem.*

Phase Out the Downtown CRA by 2020
During the December 2016 Annual Retreat, the Board established the County's FY 2017-FY 2021 Strategic Plan. As a part of the Economic Strategic Priority, the Board adopted the following Strategic Initiative: "Evaluate sunsetting the Downtown CRA and correspondingly evaluate the effectiveness of the Frenchtown/Southside CRA including the County's partnership with the City."

At the City Commission Retreat on January 11, 2017, City Commissioners also expressed an interest in discussing the future of the CRA districts in light of several ongoing initiatives related to Southside revitalization efforts including the County's long-term interest in redeveloping the Fairgrounds and the joint County/City efforts to ensure the availability of affordable housing. The City Commission directed staff to bring these matters back as part of a comprehensive workshop during the calendar year.

Given the mutual interest in exploring modifications to the existing CRA districts, County and City staff began formulating an analysis to be presented to both Commissions providing a comprehensive overview of the two distinct CRA districts, examining the levels of public and private investment as a result of those districts, their return on investment and performance since creation, and any outstanding financial obligations. However, this analysis was put on hold once the 2017 Florida Legislature began consideration of HB 13 and SB 1770 which, as originally proposed, would have phased out the existence of CRAs and prohibited the creation of new CRAs.

Throughout the legislative session, staff provided the Board information on HB 13 and SB 1770 through the weekly Capital Updates and the Legislative Dialogue Meetings. In light of the potential outcome of this legislation, staff planned to reinitiate the analysis of the existing CRA districts following the conclusion of the 2017 legislative session. The City, through the CRA Board, took the same approach. Although the House approved a modified version that would have imposed some financial and transparency requirements, no legislation was ultimately approved by the Senate relating to this CRA matter.

The FY2018 preliminary budget includes $1.035 million as a payment for the Downtown CRA. Based on historic trends, the payment is projected at $1.4 million in FY2020. Several of the options presented contemplate the $1.4 million being available to offset the property tax reduction. If approved by voters, the additional homestead exemption will also negatively affect the City's budget. Therefore, the sunsetting of the Downtown CRA by FY2020 could also be beneficial to the City.

Based on the County's Strategic Initiative, the City's willingness to discuss the future of the CRA districts, the conclusion of the 2017 legislative session without changes to the structure or existence of CRAs, and the anticipated loss of revenue associated with the additional homestead exemption, staff recommends continuing to work with the City to formally dissolve the Downtown CRA prior to FY 2020.

> ***Key Points:*** *The sunsetting of the downtown CRA by 2020 in Options #2, #3 or #4, realizes significant recurring savings, mitigates budget cuts and tax rate increases and does not appear to be necessary any longer to stimulate private sector investment in downtown.*

Operating Budget Reductions
In evaluating potential budget reductions, the focus was on maintaining mandatory essential services. Consistent with previous approaches, budget reductions eliminate complete programs as opposed to arbitrary "across the board" cuts to all program areas. By avoiding "across the board" reductions, remaining programs are properly funded, and able to continue to meet service obligations, citizen demands and community expectations.

To generate significant savings in recurring funding required the identification of large "non-mandatory" program areas. The term "non-mandatory" is only used as a basis of comparison to what programs and funding the County is required to support pursuant to the Florida Constitution, Florida Statues and the County Charter. Potential reductions include:

- $1.739 million: Eliminate support for the primary healthcare program.

- $1.200 million: Eliminate support for the Community Human Services Partnership (CHSP).

- $711,000: Program eliminations, including: Literacy Program, Closing the Main Library on Fridays, Federal and State Lobbying contracts, Enhanced Canopy Road Tree funding, Summer Youth Program, and County Event Sponsorships.

- $614,000: Outside Agency funding elimination, including: Trauma Center, Senior Citizens Foundation, Legal Services of North Florida (reduced to statutory levels), Whole Child Leon, Domestic Violence Coordinating Council, United Partners for Human Services, Sharing Tree, OASIS Center and Sustainable Tallahassee.

- $235,000: Constitutional Officers. By Florida Statute, the County is required to fund the Constitutional Officer budgets. Depending upon final direction from the Board, a formal request would be made for the Constitutional Officer's to participate in future budget reductions. At this time, the $235,000 is a minimal targeted amount, actual amounts could be greater.

> ***Key Points:*** *Over the past decade, Leon County has implemented significant programmatic reductions and, as is reflected again in this year's budget process, staff continues to identify cost avoidance measures and efficiency enhancements to further mitigate cost increases. Leon County continues to maintain the lowest net operating*

> *budget, the lowest net budget per capita and the lowest number of employees per 1,000 citizens versus our comparable Florida Counties. As included in Option #4, operating budget reductions eliminate completely several significant discretionary human services programs, including primary healthcare, CHSP funding, support for additional outside service agencies as well several County specific programs. While reductions mitigate the need for any property tax offset, given our previous efforts, further cuts would result in a significant number of citizens impacted by a degradation in levels of service or elimination of programs.*

Fund Balance

Fund balance is typically accumulated to support cash flow, emergency needs, unforeseen revenue downturns and one-time capital projects. Additionally, fund balance accumulation is a significant consideration for bond rating agencies, and is necessary to address unforeseen cash flow needs such as debris removal related to hurricanes prior to any FEMA reimbursement. The options presented range from no increase in the use of fund balance to an increase of $1.3 million. Currently, the County is using $2.5 million in general fund balance annually to support the budget, with the continued goal of annually reducing this amount. An increase by $1.3 million raises the annual amount to $3.8 million. The County has reduced the use of fund balance by 50% since FY 2015 when for one fiscal year $5.0 million was used to balance the budget. Utilizing $5.0 million of recurring fund balance annually to balance the budget is not a sustainable financial practice as the County's five year capital improvement program is dependent on these resources being available for future projects.

The increased use of recurring fund balance to support the budget reduces the accumulation of fund balance to support capital projects. As a financial practice, accumulated fund balances are used as part of "fund balance sweeps." These fund balance sweeps allows the County to maintain the capital program through the use of current resources. This approach has allowed the County to fund significant one-time capital projects (i.e. Consolidated Dispatch Center and Branch Libraries). Without fund balance accumulation, the County may need to consider issuing debt to support future capital project needs. If an option is selected that uses the additional recurring fund balance to support the homestead exemption, staff recommends several existing and planned new capital projects not be funded in the five year capital program.

Two evaluation criteria were utilized in determining which projects should be recommended for elimination. First, the project needs to be funded through the use of accumulated fund balances or general revenue. In addition to accumulated fund balances and general revenue, the County's capital program is supported by a number of dedicated revenues sources such as sales tax, grants, and tourism taxes. Eliminating projects supported by these dedicated revenues (i.e. St. Marks Headwaters Greenway, Magnolia Drive Multi-Use Trail, and Ford's Arm South Water Quality and Flood Reduction project) does not assist in offsetting the use of recurring fund balance.

Second, funding for the maintenance of existing aging infrastructure was prioritized over the addition of new projects. As discussed previously in detail in the FY2018 Overview Budget Discussion item, staff continues to evaluate and implement new approaches to reduce the overall cost of the County's maintenance capital budget. However, even with new approaches, the majority of the capital program is still dedicated to the maintenance of existing aging infrastructure. Significant recurring investment is required to maintain over 1.5 million square feet of facilities (including large aging buildings such as the Courthouse, Jail, and Main Library), 22 boat landings, 3,847 acres of greenways, trails, and parks, six community centers, seven libraries, miles of stormwater conveyances, numerous stormwater ponds, and our computer and network environment which supports not only the County but the Judiciary and Constitutional Officers.

After taking into consideration funding sources and maintenance projects, the County has very few new capital projects supported by general revenue or accumulated fund balances. Projects identified for elimination in Options #3 a nd #4, include: t he expansion of the Apalachee Regional Park beyond those amenities necessary to support the cross country running track, the additional baseball field at Chaires Park, playground equipment for Fort Braden park, completion of parking and trailhead for Northeast Park, the new signature blooming feature at Pedrick Park adjacent to the Eastside Branch Library, and the new street lighting program. However, if the referendum did not pass funds for these projects could be restored in FY2020, at the direction of the Board, from the accumulated capital project fund balances.

As discussed at the April 2017 Budget Workshop, the master plan for the Apalachee Regional Park was originally planned to be presented at the June 20 budget workshop. The master plan is currently being finalized, including phasing and funding options. Pending Board direction to implement a specific option or other direction, the master plan will be presented at the Board's July 11, 2017 regular meeting for inclusion in the five year capital improvement program.

> ***Key Points:*** *The increase use of additional recurring fund balance in Options #3 or #4 is appropriate to mitigate a property tax increase and reduce the level of budgetary reductions; however, this approach eliminates funding for new capital projects. The use of fund balance should be reduced in the future once the short-fall is mitigated.*

The balance of this page left intentionally blank.

Options Summary
Table #1 provides a summary of the four proposed options and Table #2 provides a summary of taxpayer impacts. For all options, the average homesteaded property owner has a property tax savings resulting from the new exemption. Following the table are detailed descriptions of each option, associated taxpayer impacts and FY2018 & FY2019 impacts.

Table #1: Fiscal Planning Options to Address Additional Homestead Exemption

	Option #1 0.5 Mills New & Maintenance CIP	**Option #2** 0.4 Mills Downtown CRA Phase-Out New & Maintenance CIP	**Option #3** 0.3 Mills Downtown CRA Phase-Out Additional Recurring Fund Balance Maintenance CIP Only	**Option #4** No Millage Downtown CRA Phase-Out Operating Reductions Additional Recurring Fund Balance Maintenance CIP Only
Revenue Loss Due to Additional Homestead Exemption	**$7,200,000**	**$7, 200,000**	**$7, 200,000**	**$7, 200,000**
Increased Property Tax Collection	$7,200,000	$5,800,000	$4,500,000	
Phase-out Downtown CRA by 2020		$1,400,000	$1,400,000	$1,400,000
Operating Budget Reductions				$4,500,000
Additional Recurring Fund Balance			$1,300,000	$1,300,000
Total Increased Revenue & Decreased Expenditures	**$7,200,000**	**$7,200,000**	**$7,200,000**	**$7,200,000**

Table #2: Annual Impact for Average Homesteaded Property Owner*

	Option #1 0.5 Mills	**Option #2** 0.4 Mills	**Option #3** 0.3 Mills	**Option #4** No Millage
Savings from Additional Homestead Exemption	$208	$208	$208	$208
Increase from Proposed Millage Adjustment	($42)	($34)	($25)	0
Total Savings	$166	$174	$183	$208

* The current average value for a homestead property in Leon County is $159,000.

Option #1
In FY 2020, this option replaces all of the reduced revenue with a corresponding millage increase (0.50 mills). This option places the County in the most favorable long term financial position by continuing to fund the budget with dedicated recurring revenue. This option does not increase

the use of fund balances, allowing resources to continue to be accumulated for new capital projects.

Taxpayer Impact: As reflected in Table #2, the additional $25,000 exemption would provide a $208 annual savings. For the average homesteaded property, 0.5 mills increases the property tax payment by $42. The net property tax savings for this option would be $166 annually. Non-homesteaded property owners do not benefit from the exemption and any tax increase depends upon the property's taxable value (i.e. a 0.5 mill increase for $150,000 taxable value results in a $75 annual or $6.25/monthly increase in property taxes.)

FY2018 and FY2019 Impacts: This option does not have any impacts on the current and following fiscal year budgets.

Option #2
This option replaces the reduced revenue with a combination of a millage increase (0.40 mills) and the phasing out of the downtown CRA, and places the County in a favorable long term financial position. This option does not increase the use of fund balances, thereby allowing resources to continue to be accumulated for new capital projects.

Taxpayer Impact: As reflected Table #2, the additional $25,000 exemption would provide a $208 annual savings. For the average homesteaded property, the 0.4 mill increases the property tax payment by $34. The net property tax savings for this option would be $174 annually. Non-homesteaded property owners do not benefit from the exemption and any tax increase depends upon the property's taxable value (i.e. a 0.4 mill increase for $150,000 taxable value results in a $60 annual or $5.00/monthly increase in property taxes.)

FY2018 and FY2019 Impacts: As part of this option, the County would request the City to sunset the Downtown CRA by FY2020.

Option #3
While this option does contemplate a millage increase (0.30 mills) and the phasing out of the downtown CRA, the overall long term fiscal strength of the County is reduced. The use an additional $1.3 million in recurring fund balance reduces the accumulation of resources for capital project sweeps. As noted above, to offset the use of the recurring fund balance, several new capital projects would not be funded as part of the five year capital program.

Taxpayer Impact: As reflected in Table #2, the additional $25,000 exemption would provide a $208 annual savings. For the average homesteaded property, the 0.3 mill increases the property tax payment by $25. The net property tax savings for this option would be $183 annually. Non-homesteaded property owners do not benefit from the exemption and any tax increase depends upon the property's taxable value (i.e. a 0.3 mill increase for $150,000 taxable value results in a $45 annual or $3.75/monthly increase in property taxes.)

FY2018 and FY2019 Impacts: Implementation of this option has implications for the capital budget over the next two fiscal years. Several new capital projects would be stopped to allow for the accumulation of funding for future capital maintenance projects.

As part of this option, the County would request the City to sunset the Downtown CRA by FY2020.

Option 4
This option is the least favorable to the County's long term financial viability. This option contemplates no increase to the millage rate, uses additional recurring fund balance, contemplates phasing out of the downtown CRA and implements significant operating budget reductions.

Taxpayer Impact: As reflected in the table, the additional $25,000 exemption would provide $208 in annual savings.

FY2018 and FY2019 Impacts: Implementation of this option has the most direct impacts for the current and next fiscal year. Several new capital projects would be stopped to allow for the accumulation of funding for future capital maintenance projects.
As part of this option, the County would request the City to sunset the Downtown CRA by FY2020.

Several of the operating reductions involve the elimination of filled library positions. To avoid possible future lay-offs, the County would maintain vacancies to provide positions for the impacted employees resulting from any program eliminations.

To allow adequate time for preparation, Primary Healthcare, CHSP and outside agency recipients would be notified of possible future budget reductions.

Constitutional Officers would be requested to begin identifying possible budget reductions for FY2020.

Allocation of Future Debt Service Reduction
In developing the fiscal options for the Board, staff took into consideration other issues on the horizon which would have significant impact and result in tax or fee increases in close proximity to fiscal plan option implementation. Increases in the EMS MSTU in FY2020 and in the Fire Services Fee in FY2021 were to be considered as part of the County's long term financial plan.

Regarding EMS, as directed by the Board during the FY2015 budget process, the County has been deliberately using EMS fund balance to support the on-going operations of EMS. This approach was implemented to defer as long as possible any potential need to reduce service levels or consider an increase to the EMS millage rate. Projections show that the use of EMS fund balance can continue until through FY2020 without any decrease in current service levels.

With regard to fire protection, the fire services fee study established the current fee through FY2020. In recognizing taxpayer sensitivity to increases in the fire services fee, the Board authorized one-time unincorporated area fund balances be utilized to mitigate increases to residential property owners for two years. The existing interlocal agreement with the City provides for future negotiations to address increased costs for fire protection. To impose a new fee requires the mailing of first class letters to thousands of property owners in the unincorporated area notifying them of the proposed increase and conducting a public hearing. The Board has previously expressed concerns over the fire fee and continues to receive constituent complaints.

Continuing to recognize taxpayer sensitivities and given the proximity in time of a possible Countywide millage rate increase in FY2020 to an increase in both the EMS MSTU and Fire Services fee, staff analyzed opportunities to eliminate the need to raise these taxes and fees. Without additional recurring revenue, budget cuts would be required to offset any tax or fee increase. These budget cuts would result in a significant decline in service levels for EMS, including reduced response times. Similarly, budget reductions would be required in the Fire Department without additional recurring revenues.

Without an increase in taxes or fees and acknowledging the need to maintain service levels, staff evaluated using savings from reduced debt service obligations to support EMS and fire. As specified in the FY 2017- 2021 Strategic Plan, annual debt service payments will be reduced by 61% from the current $8.6 million per year to $3.3 million by FY 2021. This reduction, in conjunction with moderately increasing property tax revenues, and the continued constraining of expenditures, will place the County in an even stronger financial position in the future. Table #3 shows the County's debt service payments beginning in FY2017.

Table #3

Leon County Long-Term Debt Service Savings		
Debt Service Year	**Payment**	**Savings**
FY 2017	$8,566,346	N/A
FY 2018	$8,117,944	$448,402*
FY 2019	$7,636,824	$481,120*
FY 2020	$7,635,195	$1,629
FY 2021	**$3,333,556**	**$4,301,639**

**FY 2018 and FY 2019, the debt service savings is recommended to support the capital program.*

In FY2021, debt service payments will be reduced permanently by $4.3 million. The reduced debt service savings could be reallocated to eliminate any increase in the EMS MSTU and the fire services fee. Detailed financial plans for EMS would continue to be developed over the next several budget cycles to determine the actual amount of funding needed. In addition, future negotiations with the City would determine the increased cost of fire protection. However, staff's preliminary analysis indicates that the $4.3 million in debt service savings will be more than sufficient to support both requirements. Any excess savings are recommended to support the capital improvement program.

While this budget discussion item has focused on the passage of the homesteaded amendment, the referendum also may not pass. If the referendum fails, and still recognizing taxpayer sensitivities, staff still recommends the Board utilizing a portion of the debt service savings to support any increase in the cost of fire services and not increase the fire services fee. However, consistent with the current long term financial plan, staff recommends that the Board may wish to consider an increase of 0.15 mills to support EMS. This approach allows the balance of the debt service savings to be allocated towards the capital improvement program. The accumulation of these additional funds allows for future large scale capital projects (i.e. Libraries, Jails, Courtrooms, lake restoration, etc.) to be constructed without the need to issue debt.

Overall Impacts of Additional Homestead Exemption

As shown previously in this item, regardless of the option selected, the average homesteaded property owner realizes a property tax savings from the previous year. However, given how the exemption is applied, certain homesteaded properties do not receive any benefit from the exemption. T he Florida Legislature designed the new exemption similarly to the 2008 exemption. If passed, the three homestead exemptions would be applied as follows:

- Property valued between $0 to $25,000 is exempt.
- Property valued between $25,001 and $50,000 is taxable.
- Property valued between $50,001 to $75,000 is exempt (2008 Amendment #1).
- Property valued between $75,001 to $100,000 would continue to be taxable.
- Property valued between $100,001 to $125,000 is exempt (November 2018 ballot).

For illustration purposes, Table #4 summarizes the fiscal impact of a 0.5 mill increase to homesteaded properties with the passage of the additional exemption. Under this scenario, over 65% of homesteaded property owners would continue to have a reduced property tax bill. Other millage rate scenarios provide similar results.

TABLE #4: Homesteaded Property Impacts

Monthly **Fiscal Impact Homestead Exemption Passes and 0.5 mill increase**	**Approximate # Homesteaded Parcels**	**% of Total Homesteaded Parcels**
Savings of up to $17.33	36,190	65%
Increase of less than $1.00	5,770	10%
Increase between $1.00 to $2.00	13,024	24%
Increase of more than $2.00	461	Less than 1%

Conclusion

Throughout the last decade of property tax reform and the “Great Recession”, Leon County has planned, economized, and exercised enormous budget constraint as a responsible fiscal steward and a financially viable organization. To constrain budgetary growth and ensure the optimization of limited resources, the County has eliminated positions, realigned functions, and leveraged technology. As a core practice, Leon County employees have identified significant cost avoidances and budgetary cuts, while continuing to maximize efficiency, drive performance and deliver results for the community. In taking advantage of the financial markets, the County has refinanced and restructured long term debt which has produced significant recurring cost savings.

Over this time period, Leon County’s budget has in fact grown slower than the State of Florida’s own budget. However, the new homestead exemption goes right to the County’s tax base, not the States, and would reduce revenue collections by approximately $7.2 million annually. The impacts of the referendum will be the most significant fiscal challenge the County has faced since the last homestead exemption increase. Unlike FY2008 when the millage rate increased 0.6 mills, the fiscal options presented in this item significantly mitigate the need for increased property tax increases or fees, maximizes existing resources, while endeavoring to maintain essential public services, continuing community investment, and ensuring organizational fiscal viability into the future.

Options:

1. Accept the report on the impacts of the additional $25,000 homestead exemption.
2. Direct staff to implement one of the four options presented in this item to prepare for the possible future impacts of the additional $25,000 homestead exemption.
3. Board direction.

Recommendation:
Option #1 and Board Direction on Option #2

Leon County

Board of County Commissioners

301 South Monroe Street, Tallahassee, Florida 32301
(850) 606-5302 www.leoncountyfl.gov

July 11, 2017

Ricardo Fernandez, City Manager
City of Tallahassee
300 South Adams Street
Tallahassee, FL 32301

Dear Mr. Fernandez,

I am writing to formally notify you of the recent actions taken by the Board of County Commissioners regarding the County's interest in the sunsetting of the Downtown Community Redevelopment Area (CRA). As you know, both the County and City Commissions have independently contemplated the disolution of the Downtown CRA and/or modifying the CRA districts during their respective annual retreats and budget workshops. During the County's June 20, 2017 Budget Workshop, the Board directed staff to pursue the elimination of the Downtown CRA by FY 2020, in part, due to the Legislature's recent decision to place an additional homestead exemption on the 2018 statewide ballot. To mitigate the potential significant property tax revenue loss as a result of this as well as the possibility of similarly intended future legislative actions, the Board ratified its actions from the budget workshop at the regular Commission meeting last night.

The Downtown CRA has served as a catalyst for redevelopment projects for many years, supported business development, provided additional public parking, enhanced property values, garnered attention through promotional and special events, and addressed infrastructure deficiencies in the urban core. From Cascades Park to College Town, and much of the development in between, the Downtown CRA has accomplished a great deal for our community over the last dozen years positioning downtown to flourish without tax-increment inducements. Although the term for the Downtown CRA is set to expire in 2039, the dissolution of this district by FY 2020 would produce significant recurring savings for both the County and City while providing an opportunity to refocus our collective efforts to reinvigorate and spur private sector reinvestment in other areas of our community which demonstrate greater need.

I understand the CRA will be discussing this issue at their meeting tomorrow which may provide additional insight and guidance on this issue. Moving forward, I would suggest that we each designate someone from our respective offices to develop an action plan which sunsets the Downtown CRA by FY 2020 to the satisfaction of both Commissions. For the County, I have asked Ken Morris, Assistant County Administrator to take the lead. As always, I greatly appreciate working with you on so may issues of importance to our community and look forward to following up in person to discuss this transition in more detail.

Sincerely,

Vincent S. Long
County Administrator

Cc: The Honorable Leon County Board of County Commissioners
Herb Thiele, County Attorney
Alan Rosenzweig, Deputy County Administrator
Ken Morris, Assistant County Administrator
Wayne Tedder, Assistant City Manager
Roxanne Manning, Executive Director, Community Redevelopment Agency

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Jul 19, 2017 - CRA Board Meeting
Category	6. Downtown District Policy Formation and Direction
Subject	6.04 Consideration of Phasing Out the Downtown District Community Redevelopment Area by 2020---Roxanne Manning, Tallahassee Community Redevelopment Agency
Type	Action, Discussion
Fiscal Impact	No
Budgeted	No
Budget Source	NA
Recommended Action	Option 1 - Accept staff's report.

For more information, please contact: Rick McCraw, Tallahassee CRA, (850) 891-8352

Statement of Issue

At their June 20, 2017 FY 2018 Budget Workshop, the Leon County Board of Commissioners (BOCC) directed County staff to implement one of four options presented to the Board to address anticipated impacts from the State Legislature-proposed additional $25,000 homestead exemption to the Florida Constitution that would take place in 2020 if approved through the state-wide vote. Option 2 approved by the BOCC included, among other budget adjustments, phasing out the Downtown District Community Redevelopment Area (DT District) by FY 2020 as a means to partially address the annual budget shortfall from the reduction in property tax collections if the additional $25,000 homestead exemption is approved.

On June 28, 2017 City of Tallahassee Commission (City Commission) received an update of the city's FY 2018 Budget Plan that included a brief overview of the BOCC action from the County's budget workshop on June 20th. City staff noted three elements that would be part of any action to phase out the DT District. The City Commission also directed staff to bring back an agenda item for the consideration of phasing out the DT District as well as the expansion of the existing Greater Frenchtown/Southside Community Redevelopment Area (GFS District) or the creation of a new Southside district.

Per the "Interlocal Agreement Among the City of Tallahassee, Leon County and the Community Redevelopment Agency of the City of Tallahassee Regarding the Creation and Operation of the Downtown District Community Redevelopment Area and the Expansion of Any Community Redevelopment Area" (the "Interlocal Agreement"), as amended, any action to phase out or restructure the DT District would have to be approved by the CRA Board, the City Commission and the BOCC.

The purpose of this agenda is to establish the framework for the review of the DT District phase out, establish a timeframe for the review and provide staff guidance during the interim time period.

Recommended Action

Option 1: Accept staff's report.

Fiscal Impact

There is no fiscal impact at this time.

Supplemental Material/Issue Analysis

History/Facts & Issues

The City Commission adopted the Downtown Community Redevelopment Plan and established the DT District Trust Fund in June 2004. Funding of the DT District, as well as any expansion of either the DT District or the GFS District or establishment of new redevelopment districts is governed by the "Interlocal Agreement" dated June 23, 2004, and amended on October 4, 2007, February 9, 2009, and December 11, 2014.

At their June 20, 2017 FY 2018 Budget Workshop, the BOCC directed County staff to implement one of four options presented to the Board to address anticipated impacts from the State Legislature-proposed additional $25,000 homestead exemption to the Florida Constitution that would take place in 2020 if approved through the state-wide vote. Option 2 approved by the BOCC included, among other budget adjustments, phasing out the DT District by FY 2020 as a means to partially address the annual budget shortfall from the reduction in property tax collections if the proposed additional $25,000 homestead exemption is approved. This approach is expected to eliminate an estimated County payment of $1.4 million to the DT District, a saving that would be applied to the projected County first-year budget shortfall of $7.2 million from the additional $25,000 homestead exemption.

On June 28, 2017 the City Commission received an update of the city's FY18 Budget Plan that included a brief overview of the BOCC action from the County's budget workshop on June 20th. City staff noted the following three elements that would be part of any action to phase-out the DT District:

- The City, County and CRA Board would direct and supervise the dissolution process and require decisions about end dates, existing and continuing redevelopment expenditures and, if necessary, other work to be addressed.
- As part of this directing effort, the City, County and CRA Board would develop and review lists of current and future redevelopment expenditures or "enforceable obligations."These obligations include current payments for existing contractual obligations and consideration for projects in process but not currently under contract.
- Depending upon timing, funds that formerly would have been distributed to the CRA as tax increment could be deposited into the DT District Trust Fund to pay enforceable obligations and, upon payment, any remaining monies would be proportionally redistributed to the City and County.

The City Commission, later in the meeting, directed staff to bring back an agenda for Commission discussion on the phasing out of the DT District as well the potential expansion of the GFS District or the creation of a new district focused on the Southside. Given the complexity of the two areas, staff is proposing to address only the DT District at this time.

Appr oach

Staff has identified the following areas that a phase out review should consider:

- Provide a review of the taxable value over time within the DT District prior to FY 2020.
- Provide a review of property tax income that will be available to the City and County with and without tax increment payments to the DT District after 2020.
- Provide a review and summary of all DT District projects and programs that have been supported by the CRA over time.
- Identify any areas (sites, buildings, infrastructure, etc.) within the DT District that are in physical disrepair or are otherwise underperforming.
- Identification of approved grants that extend beyond 2020 and a methodology to complete the CRA obligations should the Board desire to phase out the DT District.
- Identification of appropriate areas that could be relocated from the DT District and incorporated into the GFS District.
- Identification of infrastructure needs within the DT District.
- Identification of other economic development incentives that would support appropriate infill redevelopment.

Staff anticipates that the analysis of the above stated parameters can be provided in time for the January 2018 CRA Board meeting. In the meantime, staff is recommending that normal CRA operations continue within the DT District regarding ongoing programs and the acceptance of applications consistent with the policies and procedures previously approved by the Board.

Options

1. Accept staff's report.

2. Do not accept staff's report, provide staff with any direction regarding the phase out of the DT District.

Attachments/References
None

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Sep 25, 2017 - CRA Board Meeting
Category	5. Downtown District Policy Formation and Direction
Subject	5.02 Approval of CRA Financial Assistance Terms with North American Properties for Redevelopment of the Firestone and Bloxham Annex Properties -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Budget Source	Projected tax increment and public parking revenue expected to begin in FY 2022 from the Project at Cascades.
Recommended Action	Option 1. Authorize CRA staff to complete and execute the Development and Funding Agreement with North American Properties for the redevelopment of the Firestone and Bloxham Annex properties. Option 3. Recommend approval of $440,000 of additional TDT Arts Funds for the historical memorial plaza and the proposed amphitheater access (on the east side of the development). Final approval will be required by the City Commission and Board of County Commissioners. Option 5. Approve up to $2,250,000 for the public improvements referenced herein, but also direct staff to continue to work with the developer and the City throughout the PUD/Development Agreement process to seek funding and/or fee waivers as generally depicted in Attachment 2. Option 7. Authorize staff to seek appropriate loans for financing 229 public parking spaces.

Public Content

For more information, please contact: Roxanne Manning, Tallahassee CRA, (850)891-8353

Statement of Issue

On August 3, 2016, the City of Tallahassee Community Redevelopment Agency (CRA) released a Request for Proposals (RFP) for the Sale and Redevelopment of the Firestone and Bloxham Annex properties, which are located in the Downtown District Community Redevelopment Area (DT District). One response was received to the RFP, a proposal from North American Properties (NAP) to purchase the properties for $4.28 million, and to redevelop the properties as the Project at Cascades (Project), an urban mixed-use development with residential, office, retail, civic and cultural elements dependent on the terms of the final development agreement with the CRA and an Planned Unit Development (PUD) agreement with the City.

The RFP selection committee unanimously agreed to accept the NAP proposal and support a recommendation to forward the proposal to the CRA Board. The CRA's Downtown Redevelopment Commission (DRC) reviewed the proposal at their January 10, 2017 meeting and provided a similar recommendation.

In moving toward completion of this project, the Board previously approved the final Purchase and Sale Agreement on March 23, 2017 and the Tourist Development Tax (TDT) and City funding for the amphitheater support and public event space on May 25, 2017. At the July 19, 2017 CRA meeting, the Board directed staff to begin negotiation with NAP to create a development agreement covering the components requested or required by the CRA for inclusion in the project and potential funding of same.

CRA staff has also coordinated the Project with the Downtown District Community Redevelopment Area's Downtown

Redevelopment Commission (DRC), with the most recent review completed on September 22, 2017. The DRC recommends approval of the funding request, consistent with the development considerations outlined below.

CRA and City staff have been working with NAP to finalize the specifics of the Development and Funding Agreement and return them to the CRA Board for final review and approval. If the key components and outline of the Development and Funding agreement are approved by the Board at this meeting, CRA staff will complete and formally execute the final agreement with NAP.

Recommended Action

Option 1: Authorize CRA staff to complete and execute the Development and Funding Agreement with North American Properties for the redevelopment of the Firestone and Bloxham Annex properties.
Option 3: Recommend approval of $440,000 of additional TDT Art Funds for the historical memorial plaza and the proposed amphitheater access (on the east side of the development). Final approval will be required by the City Commission and Board of County Commissioners.
Option 5: Approve up to $2,250,000 for public improvements referenced herein, but also direct staff to continue to work with the developer and the City throughout the PUD/Development Agreement process to seek funding and/or fee waivers as generally depicted in Attachment 2.
Option 7: Authorize staff to seek appropriate loans for financing 229 public parking spaces.

Fiscal Impact

Both the Firestone and Bloxham Annex properties are currently exempt from ad valorem taxes. Based on current city and county millage rates and NAP's estimated post-development taxable value of $150.0 million, the Project is projected to generate nearly $1.2 million in tax increment for the CRA in the first year (FY 2022) and $17.4 million through FY 2034. Additionally, because Leon County does not contribute their full tax increment to the Downtown District, the Project is projected to generate an average of $664,411 each year through FY 2034 when the DT District is currently set to sunset.

Supplemental Material/Issue Analysis

History/Facts & Issues

On August 3, 2016, the CRA released an RFP with responses due by October 13, 2016. NAP responded to the RFP, offering to purchase the properties for $4.28 million and to redevelop the properties as an urban mixed-use development. The RFP selection committee composed of city and county staff, CRA and Blueprint committee representatives, a historian and private citizens reviewed the proposal on November 14, 2016 and received a full presentation and interview by NAP on December 15, 2016. Following the oral presentation/interview, the selection committee unanimously agreed to accept the NAP proposal and support a recommendation to forward the proposal to the CRA Board.

The CRA Board approved the negotiation of the Purchase and Sale Agreement (PSA) at the January 26, 2017 Board meeting and approved the final PSA at the March 23, 2017 Board meeting. At the same Board meeting, staff requested initial direction from the Board regarding the use of up to $2.3 million of the TDT Arts Funds to purchase dedicated amphitheater support space and flexible event space within the proposed development. At the May 4, 2017 meeting of the Tourist Development Council (TDC), the Board unanimously recommended that the space options for amphitheater support and public events be supported with TDT Arts funds. On May 25, 2017, the CRA Board subsequently approved the use of up to $2.1 million in TDT Arts Funds towards the construction and purchase of comprehensive amphitheater support facilities and flexible event space with the addition of $508,425 of Tourist Development Tax funds originally used by the City for the demolition of the Johns and Clemons buildings added to that amount to cover most of the cost of the operational amphitheater support facilities, resulting in a total amount of approximately $2.6 million.

The NAP proposal was first presented to the CRA's DRC at their January 10, 2017 meeting, at which they unanimously recommended the proposal be submitted to the CRA Board for approval. Staff has coordinated the proposed funding request and terms with the DRC three times, with the most recent review completed on September 22, 2017. The DRC recommends approval of the funding assistance request, consistent with the development considerations outlined in the main body of this agenda item.

The project, as it is currently structured, contains the following proposed uses:

- 30,385 square feet of new office space;
- Proposed reuse of the Old County Health Department building, an unaltered art moderne building, yielding 4,660 square feet of office space;
- A 123 room boutique hotel;
- 304 multi-family residential apartments;
- 24 condominium units
- Three restaurants with a total of 17,289 square feet,
- 15,100 square feet of Festival Street Shops,
- An 11,050 square foot wellness center,
- Creation of a "Festival Street" concept connecting to Cascades Park to Gadsden Street for special events;
- Approximately 1,000 parking spaces, both underground and in a garage;
- A civil rights memorial commemorating the people, places and events which shaped Tallahassee's history;
- Greenrooms and amphitheater support facilities;
- A flexible public event space; and
- Preservation of a historic tree.

CRA Participation

During the creation of the RFP, the CRA Board identified several features that are required elements of the proposed Firestone Bloxham project including public gathering spaces, civil rights memorials and other amenities. Due to the cost of these features, CRA investment will be necessary to support their construction.

Funding Request

On August 31, 2017, NAP submitted an updated Public Participation Request. A copy of the request, which includes supporting data from earlier requests, is at Attachment 1. CRA staff is seeking final direction from the Board regarding specific project funding commitments. Based on CRA Board direction on these elements, staff move forward to finalize and execute the Development and Funding Agreement.

The requested funding agreement has four separate components:

- <u>Amphitheater Support and Event Space - $2,500,000</u>: $2,608,425 in TDT and City funds were previously approved for the amphitheater support and event space, on May 25, 2017 meeting. However, since that approval NAP has reviewed their initial estimate and lowered the cost to $2,500,000. The space will be owned by the City.

- <u>Public Improvements - not to exceed $2,250,000</u>: In addition to the retail areas of the project, additional project components will be accessible to the public and/or provide a public benefit, including restoration of the former Leon County Public Health Department building, the proposed civil rights memorial, undergrounding of electric lines, infrastructure improvements associated with the Festival Street, public access spaces throughout the project, and other public components of the project. The table in Attachment 2 provides a breakout of anticipated costs necessary to complete these improvements. In addition, staff has identified potential funding approaches for each of the components. NAP has requested a maximum of $2,250,000 in CRA, City, or other public entity in order to accomplish the referenced project components. **Therefore, staff recommends that CRA assistance to be approved up to $2,250,000 for the referenced project components, but also direct staff to continue to work with the developer and the City throughout the PUD/Development Agreement process to seek funding and/or fee waivers as generally depicted in Attachment 2.** As the project advances through the development review process, more refined details will narrow the scope of these components. Some of the expenses, such as tree removal fees and fee-in-lieu of landscape requirements could be waived by the City during review and approval of the necessary Development Agreement. Some of the costs, such as offsite sidewalk improvements, are not required as part of the project but may be desired once the project is completed. Lastly, there may be other project costs not listed, such as advanced demolition (prior to closing), that is mutually beneficial to the CRA, the functions of Cascades Park and the developer that could be funded through this request. Providing the maximum amount requested by NAP, provides sufficient commitment for the developer to continue with the project as planned within the requested tax increment reimbursement.

In addition, while the Board recently approved a process for disbursement of remaining TDT Art funds, there are two project components that qualify for the funds: the historical memorial on the public plaza (estimated at $200,000) and the proposed amphitheater access to the east of the Project (estimated at $240,000). **Staff is also recommending that the Board approve an additional $440,000 of TDT funds to support these two components of the project.** It should be noted that the developer has created a user group comprised of educators, preservationists, civil rights activists and community leaders to explore the significance of the site and help cast a vision for how to honor its past. The user group desires for the site's stories to be retold via outdoor memorials, monuments and/or interactive exhibits within the new public plaza. The summary of this process and outcome is included as Attachment 3. Should the Board not recommend (at this time) the additional TDT funds, staff suggests that the developer submit the requested funding through the Board established process.

- TIF Funding - approximately $13,900,000: To ensure the Project provides well designed public gathering places and other public amenities, the CRA Board placed a strong emphasis on specific design elements such as retail uses, a festival street, public plazas, a view axis to the state capitol, and exterior improvements such as waterfalls and gathering spaces. These project components were stipulated with the expectation that the CRA would provide TIF to offset the costs of providing such improvements. As with other large scale CRA projects, the TIF would consist of reimbursement of a portion of the tax increment generated by the project once it is completed and added to the tax rolls in 2021, with tax increment generated in FY 2022. Essentially the project would pay for itself through the tax increment generated from the increased property values. NAP has requested the reimbursement of 90% of the tax increment over the remaining life of the DT District, which currently sunsets in June 2034. Assuming a post-development taxable value of $132.0 million for the Project, not including the boutique hotel value, this would reimburse NAP approximately $13.9 million of the tax increment generated by the Project through FY 2034, with the CRA retaining approximately $3.6 million. It is important to note that the tax increment reimbursement will not be provided as a single payment but will occur over a 13-year period starting in FY 2022. As a result, the projected $13.9 million tax increment reimbursement has a Net Present Value (NPV), today's value, of approximately $5.4 million. NAP has provided staff with an economic impact analysis of including public facilities identified by the CRA in the Request for Proposal as part of the redevelopment Project. The analysis estimates the "lost value" from retail/restaurant, office and apartments space NAP foregoes to include the CRA desired public features at $6.1 million (Attachment 4), which is consistent with the projected NPV. The DRC recommended reimbursement of 90 percent of the Project value, as determined annually by the Leon County Property Appraiser (LCPA) through the end of the DT District in June 2034.

- 229 Public Parking Spaces, $6,500,000: In the RFP, the CRA requested a minimum of 145 public parking spaces to replace the existing spaces that will be lost to new construction and to help support the Project, Cascades Park, and potentially the redevelopment of the Waterworks site. Following discussions with City and CRA staff, NAP has proposed 229 public spaces on two floors on the Bloxham block. These spaces are over and above code requirements. The public spaces will be designed for easy public access, clearly marked as public and self-contained within the Project; the CRA would own the public parking spaces. The initial estimated cost of the parking was $6,796,720 however, the developer has made some revisions which resulted in a reduced cost of $6,500,000.

  Based on parking construction, revenues and expenses and projections prepared by City of Tallahassee Real Estate Management (Attachment 5), the anticipated annual debt service for the 229 space public parking garage is $632,445. The projected Net Operating Income (NOI) from parking garage income will be insufficient to cover the debt service during the Year 1 year of the public parking garage operations but is projected to be sufficient beginning in Year 2 and through Year 13, when the DT District is scheduled to sunset. In discussions with the City Treasurer-Clerk's office, it is likely that a lender will require the tax increment generated by the development and/or the DT District be pledged to cover the debt service, with the NOI from the parking garage used a secondary source. If this tax increment pledge is required, additional DT District tax increment may have to be committed to support the Project for loan purposes. However, if the parking income projections are accurate, no payments will be made from the additional tax increment pledge.

While the City has a lease agreement with the State to utilize their parking after 6:00 PM, the State has recently issued a real estate report that indicates the surrounding facilities/properties may be offered for uses other than as State employee parking in the near future. Due to the uncertainty of the future of the State parking facilities and the anticipated increase in public parking demand from the Project, **staff is recommending funding of the full 229 public parking spaces**. **Staff also recommends that the Board direct staff to fund the parking through an appropriate loan that will be paid by parking revenues and DT District TIF**. The loan would commence at or near construction completion.

Previous Approvals

Large projects have helped create a significant percentage of the increase in property value in the DT District which have, in turn, generated funds that the CRA uses for smaller projects. Previously approved CRA funding amounts range between 3% to 12% of total project value for large projects that create a significant economic or redevelopment impact in the community by producing high levels of property tax revenue and other economic benefits over time. For example, the CRA approved $2.4 million or 12% funding for the $19.4 million College Town Phase I project. That project now generates over $120,000 in tax increment each year and has encouraged millions in private development in both the DT and GFS districts.

The estimated total cost of the proposed Project, less the boutique hotel, is $132.0 million. NAP has requested the reimbursement of a projected $13.9 million in tax increment through FY 2034 plus up to $2,250,000 in other public benefit costs for total CRA commitment of up to $16.2 million. This results in a projected maximum CRA investment of approximately 12.2% in the total Project cost, which is generally consistent with other large CRA projects that are considered to be transformational or pioneer projects. The 12. 2% investment is anticipated to be lowered (to potentially 10.5%) as other funding sources and/or fee waivers are approved through the remainder of the development process. More information regarding previous large project funding approvals can be found in Attachment 6.

Other Development Considerations:

The terms and conditions listed below were also considered by staff and the DRC in evaluating the Project funding proposal. If the Board authorizes staff to execute a development agreement with NAP, staff recommends these terms and conditions be incorporated into the development agreement. These terms and conditions have been reviewed and approved by the DRC. Additional terms and conditions may be identified during the negotiation period.

- While the initial taxable value of the project is estimated to be $132.0 million, staff recommends the reimbursement of 90% of the tax increment generated by the Project be based on the annual taxable value of the Project, less the value of the hotel, as established by the LCPA.
- NAP will meet with OEV/MWSBE to establish procedures for meeting the City of Tallahassee’s 10.5 % goal of MSWBE participation (7.5% Black and 3.0% Women) for construction projects based on the projected CRA financial participation.
- NAP will meet with the Planning Department’s DesignWorks to discuss and identify required exterior design features and elements.
- The completed Project will be consistent with the PUD, as defined in the Land Development Code, must be approved in writing by the City and reviewed by the CRA staff.
- Any change of ten percent (10%) or more to the number of residential units, the square footage of retail space or the number of parking spaces as noted in the NAP proposal and/or the PUD must be approved in writing by CRA staff.

Required Processes

In order to successfully complete this project, several processes are required, as follows:

<u>The Purchase and Sale Agreement</u>
Following CRA Board approval of the sale of the Firestone and Bloxham Annex properties to NAP for $4,280,000 at the

March 23, 2017 CRA Board meeting, the CRA and NAP completed and executed the Purchase and Sale Agreement (PSA). The PSA allows NAP to move forward with the due diligence and permit reviews/approvals needed to finalize the project design and costs.

Adoption of the PUD
The intensity and complexity of the proposed development requires the developer to enter into a PUD agreement with the City. Preparation of the PUD is expected to take approximately nine months. The CRA Board will have an opportunity to review and comment on the plan. The City Commission is responsible for final approval of the PUD.

Adoption of the Development and Funding Agreement
The draft Development and Funding Agreement includes the proposed terms and conditions of both the CRA Board and NAP participation, including CRA financial assistance as approved by the CRA Board at this meeting. While the elements of the draft agreement are contained in this report, the final agreement will be completed and executed based upon CRA Board direction.

The Development and Funding Agreement is necessary prior to the PUD process commencing. To ensure that the development is constructed as approved by the City and the CRA Board, the Development and Funding Agreement will also include by reference the conditions of the PUD.

Economic Impact on the Community

A study conducted by FSU's Center for Economic Forecasting and Analysis for the Tallahassee/Leon County Office of Economic Vitality (OEV) indicates the project will have a significant positive economic impact that will directly benefit property values, jobs and economic activity within Leon County as follows:

- Both the Firestone and Bloxham Annex properties are currently exempt from ad valorem taxes. Following completion of the project, NAP projects a total taxable value of the proposed development at $150 million (including the boutique hotel with a projected value of $18.0 million). Based on current city and county millage and the projected post-development value of $150 million, the project would generate nearly $1.2 million in tax increment for the CRA in the first year (FY 2022) and $17.4 million through FY 2034.
- The analysis of the temporary and permanent economic impacts of the Project found it will yield an estimated 916 construction jobs, 365 indirect jobs, 928 additional induced jobs, plus 694 permanent jobs. These jobs are expected to generate approximately $117.8 million in wages and $353.6 million in total economic output.
- The direct construction activity will generate nearly $139.1 million in direct, local economic investment with an additional $150.0 million in indirect and induced local economic output. Essentially, this project will have one of the largest beneficial impacts, over both the short and the long term, that the City and County have seen for many years.

More detailed information regarding the economic impact of this project can be found in Attachment 7.

Staff Recommendation:

Staff requests Board authorization to move forward with the completion and execution of the CRA Funding Agreement and Development Agreement with North American Properties for the redevelopment of the Firestone and Bloxham Annex properties as discussed and recommended in this agenda item, recommends approval of $440,000 of additional TDT funding for the historical memorial plaza and the proposed amphitheater access (on the east side of the development), recommends that CRA assistance to be approved up to $2,250,000 for public improvements referenced herein, and recommends Board authorization for staff to seek appropriate loans for financing 229 public parking spaces.

Options

1. Authorize CRA staff to complete and execute the Development and Funding Agreement with North American Properties for the redevelopment of the Firestone and Bloxham Annex properties.

2. Do not authorize CRA staff to complete and execute the Development and Funding Agreement with North American Properties for the redevelopment of the Firestone and Bloxham Annex properties.
3. Recommend approval of $440,000 of additional TDT Arts Funds for the historical memorial plaza and the proposed amphitheater access (on the east side of the development). Final approval will be required by the City Commission and Board of County Commissioners.
4. Do not recommend approval of $440,000 of additional TDT Arts Funds for the historical memorial plaza and the proposed amphitheater access (on the east side of the development); direct staff to submit an application consistent with the TDT Arts Funds approved by the CRA Board.
5. Approve up to $2,250,000 for the public improvements referenced herein, but also direct staff to continue to work with the developer and the City throughout the PUD/Development Agreement process to seek funding and/or fee waivers as generally depicted in Attachment 2.
6. Do not approve CRA assistance for up to $2,250,000 for public improvements referenced herein.
7. Authorize staff to seek appropriate loans for financing 229 public parking spaces.
8. Do not authorize staff to seek a loan for financing 229 public parking spaces; identify the total number of spaces to be supported by the CRA.
9. Board direction.

Attachments/References

1. Revised NAP Public Participation Request, August 31, 2017
2. Summary of Anticipated Public Fees and Benefits Expenses
3. Summary of Community Collaboration on Historical Plaza
4. NAP Analysis - Economic Impact of Public Features
5. Parking Garage Pro Forma
6. CRA Large Project Funding Examples
7. Economic Impact Analysis – Firestone-Bloxham Project at Cascades

Attachment 1.pdf (2,463 KB) Attachment 2.pdf (202 KB) Attachment 3.pdf (1,567 KB)

Attachment 4.pdf (81 KB) Attachment 5.pdf (121 KB) Attachment 6.pdf (528 KB)

Attachment 7.pdf (145 KB)

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Sep 25, 2017 - CRA Board Meeting
Category	5. Downtown District Policy Formation and Direction
Subject	5.03 Approval of CRA Financial Assistance Terms with Charles Street Investment Partners for Redevelopment of Envision Credit Union Property -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Recommended Action	Option 1: Authorize CRA staff to negotiate and execute a development agreement with the Developer consistent with the terms of this agenda item, the DRC recommendations and additional direction provided by the CRA Board.

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA (850)891-8352

Statement of Issue

At the July 19, 2017 City of Tallahassee Community Redevelopment Agency (CRA) Board meeting staff presented a proposal from Charles Street Investment Partners (Charles Street; originally MCS Capital Partners) for the redevelopment of the Envision Credit Union property at 440 North Monroe Street into a mixed-use residential (non-student) development with approximately 250 apartments, 10,000 to 12,000 square feet of retail space, residential and retail parking, and residential related amenities. The principals of Charles Street are Jason Pollack, Charles Dubroff and Frank Dellaglio and have been represented by Chuck Howell and Charles Gardner. The development is located in the Downtown District Community Redevelopment Area (DT District) and is currently referred to as the 4Forty North Apartments (the Project).

The Board authorized staff to continue discussions with the Developer provided the Project "pays for itself." On August 11, 2017, the Developer submitted an updated financial assistance request proposing that all tax increment generated from the redevelopment for "fifteen calendar years commencing on January 1st after the Project is substantially completed." Staff has been working with the Developer on the proposal to ensure it is consistent with the Downtown District Community Redevelopment Plan and the Board direction that the project must pay for itself by generating sufficient tax increment to cover the CRA investment in the project.

CRA staff has coordinated the Project with the Downtown District Community Redevelopment Area's Downtown Redevelopment Commission (DRC) who has reviewed and recommended approval of the Project, with the most recent review completed on September 22, 2017. The DRC recommended approval of the funding request, consistent with the development considerations outlined in the main body of this agenda item. If approved, the reimbursement includes 100 percent of the tax increment generated by the Project between FY 2022 and FY 2034, when the DT District will sunset. Based on an initial taxable value of $40.0 million and an annual taxable value increase of 1.5 percent, the projected reimbursement to the Developer would be $4.3 million. The reimbursement will only occur if the Project is constructed.

Recommended Action

Option 1 - Authorize CRA staff to negotiate and execute a development agreement with the Developer consistent with the terms of this agenda item, the DRC recommendations and additional direction provided by the CRA Board.

Fiscal Impact

If the funding request is approved, a projected $4.3 million in future tax increment from the increase in taxable value generated by the Project in the DT District from FY 2022 to FY 2034 will be reimbursed to the Developer.

Supplemental Material/Issue Analysis

History/Facts & Issues

On June 28, 2017, the City approved the sale of 600 N. Monroe Street (a former City utility drive-through center) to Envision Credit Union. Envision plans to move their credit union operations to the former utility drive-through location and sell the entire 400-block of N. Monroe Street where they are currently located for redevelopment. The Developer has entered into a purchase agreement with Envision Credit Union to purchase the current Envision Credit Union property for redevelopment as the Project (Attachment 1).

As part of their due diligence, the Developer approached the CRA Board seeking direction on possible DT District financial assistance to support the Project. At the July 19th CRA Board meeting, the Board authorized staff to continue discussions with the Developer provided the Project "pays for itself."

On August 11th, the Developer submitted the current proposal (Attachment 2) outlining the financial and community benefits of the Project. The Project will be a mixed-use Class A apartment complex designed to attract residents to the downtown core with higher-end construction and design features. The Developer originally sought the reimbursement of the tax increment generated by the Project for 15 years; however, CRAs have statutorily defined time limits, thus tax increment is only available for the 13 years, through FY 2034, remaining before the DT District sunsets. The Developer notes the planned Project is more upscale than other apartments in the community and the lack of a downtown apartment rental market makes it difficult to demonstrate to investors and lenders that a market for Class A apartments exists. At least part of the tax increment reimbursement would be used to support the development of residential rental units and allow the Project to stabilize over the first few years of operation if actual rents do not reach the rate needed by the Developer. Other main points from the proposal and discussions with the Developer are listed below.

Development Features:

- 257 apartments (approximately 175,350 sf. net)
  - 90 Studio
  - 115 1 Bedroom, 1 Bath
  - 52 2 Bedroom, 2 Bath
- Residential units are expected to rent for approximately $1,000 to $1,600/month.
- 10,000 to 12,000 sf. of retail space.
- Residential and retail parking spaces (final number is tbd); there will be no public parking.
- A variety of residential related amenities, including a swimming pool, outdoor gathering/grilling areas, a fitness center and a lounge area.

Project Impact and Financials:

If the Project is successful it has the potential to serve as a catalyst for other large-scale downtown redevelopment projects. Recent increases in residential home values and rental rates in areas within and immediately adjacent to the DT District appear to support development of additional apartments in the DT District. The number of planned apartments in the Project (257 units) is on the high end of projected 2020 Downtown District apartment demand (255 units) from the recent GAI Market Analysis of the GFS and DT Districts but is within the midpoint range (273 units) for demand through 2025.

In analyzing the anticipated financial impact of the Project within the DT District, staff used the criteria listed below.

- The Project will be completed in 2020, added to the tax roll in 2021 and generate tax increment in FY 2022 (October of

2021).

- Tax increment reimbursements will end in FY 2034 when the DT District is projected to sunset; a 13-year reimbursement period. The Developer originally requested a 15-year reimbursement period which would extend the reimbursements to FY 2036. Staff does not recommend tax reimbursement beyond FY 2034.
- The Envision Credit Union property (two parcels) has a 2003 baseline value (the value from which the tax increment is calculated) of $3,337,214. This value will be subtracted from the annual taxable value of the Project to determine the amount of tax increment generated by the improvements.
- Staff used a projected first-year taxable value of $40.0 million and an annual increase in taxable value of 1.5 percent to determine the anticipated tax increment reimbursement of $4.3 million from FY 2022 through FY 2034. The actual tax increment reimbursed to the Developer will be based on the taxable value determined annually by the Leon County Property Appraiser (LCPA).

Provided below is a summary of projected financials related to the Developer ask and the tax increment that would be generated by the Project and collected by the CRA. Because the Developer has requested the reimbursement of all the tax increment generated by the Project, subject to the staff comments below, the Project will pay for itself by generating sufficient property tax to cover the CRA investment in the project.

- Based on the projections outlined above, the Project will generate a projected $4,295,415 in tax increment through FY 2034. This would be refunded to the Developer over the remaining 13 years of the DT District, starting in FY 2022.
- During this time, the City would contribute $2,049,118 in tax increment reimbursement and the County would contribute $2,246,297.
- Because the County tax increment contribution in the DT District is based on 4.2698 mils, the County would receive $2,127,297 non-tax increment ad valorem revenue from the Project over the 13 years based on a balance of 4.0446 mils. This assumes a constant City millage rate of 4.1 mils and a constant County millage rate of 8.3144 mils (without the EMS MSTU millage of 0.5) during the reimbursement period.
- From FY 2035 and beyond the City and County will receive all local government ad valorem taxes generated by the Project. Using the financial assumptions above, the Project is projected to generate $560,198 in ad valorem taxes in FY 2035, with the City receiving $185,012 and the County receiving $375,186. Future year values are expected to further increase.

Although not part of this Project, additional tax increment for the DT District will be generated through the redevelopment of the City's former utility drive-through center on the 600 Block of North Monroe Street as the new Envision Credit Union headquarters. This property has been tax exempt since 1999. Redevelopment of the site will not only generate tax increment, it will also help with the transition of this section of Monroe and Adams Streets.

<u>Economic Impact:</u>

The Tallahassee-Leon County Office of Economic Vitality (OEV) commissioned an economic impact assessment of the Project through the Florida State University Center for Economic Forecasting and Analysis. The analysis examined the sales/revenues, local jobs and income/wages that are projected to be created from the Project. A summary of the analysis is provided below, with the full assessment at Attachment 4.

- Construction Impact
  - 280 direct jobs with $10.8 million in income.
  - 380 indirect/induced jobs with $16.4 million in income.
  - $85.6 million in total economic impact

- Operational Impact
  - 27 permanent jobs generating $576,000 in annual income.
  - 13 indirect/induced jobs generating $587,000 in annual income
  - $2.8 million total annual economic impact

<u>Recommendation and Suggested Agreement Terms:</u>

The DRC recommended reimbursement of 100 percent of the tax increment generated by the Project from FY 2022 through FY 2034. The reimbursement is projected to be $4.3 million during this period; however, the actual tax increment reimbursed to the Developer will be based on the taxable value determined annually by the LCPA. Because the financial assistance request is based on the reimbursement of all tax increment for the remainder of the DT District (which is assumed to be FY 2034 for this Project), the Project will "pay for itself."

The project is consistent with the Downtown Community Redevelopment Plan, which recommends redevelopment of vacant and/or underutilized lots along North Monroe Street, providing financial incentives to attract private investment to the downtown core including residential and mixed use development on North Monroe Street. The enhanced property values, the creation of temporary and permanent jobs, improvement of underdeveloped parcels on N. Monroe St. and investment in local construction costs also support the CRA Community Benefit standards.

The DRC recommended the terms and suggestions listed below to be incorporated into the development agreement:

- Developer will meet with OEV/MWSBE to establish procedures for meeting the City of Tallahassee's 10.5 % goal of MSWBE participation (7.5% Black and 3.0% Women) for construction projects based on the projected CRA financial participation.
- The Developer will meet with the Planning Department's DesignWorks to discuss and identify potential site and exterior design issues and solutions, including uses and treatments along North Adams Street as part of the proposed Governor's Walk.
- The completed Project will be consistent with the design concept included at Attachment 1. Any substantial change to the concept must be approved in writing by CRA staff.
- Any change of ten percent (10%) or more to the number of residential units and/or any removal of active uses along North Monroe Street frontage must be approved in writing by the CRA staff.

CRA staff has coordinated the Project with the DRC on three separate occasions - August 1st, September 7th and September 22nd, with votes recommending approval of the Developer's funding request on September 7th and 2nd.

Staff recommends approval of the Developer's funding request consistent with the DRC recommendation, the Project Impact and Financials conditions and suggested agreement terms described above, and any additional Board direction.

Options

1. Authorize CRA staff to negotiate and execute a development agreement with the Developer consistent with the terms of this agenda item, the DRC recommendations and additional direction provided by the CRA Board.
2. Provide staff with other direction.

Attachments/References

1. Draft 4 Forty North Renderings and Location Aerial
2. Charles Street Investment Partners Financial Assistance Request, August 11, 2017
3. Sensitivity Analysis – 4Forty North Apartments
4. OEV Economic Impact Analysis

Attachment 1.pdf (503 KB) Attachment 2.pdf (718 KB) Attachment 3.pdf (492 KB)

Attachment 4.pdf (285 KB)

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Sep 25, 2017 - CRA Board Meeting
Category	5. Downtown District Policy Formation and Direction
Subject	5.04 Discussion and Direction on Possible Downtown District Financial Assistance to Proposed Washington Square Mixed-Use Development -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	No
Recommended Action	Board Direction. Staff is requesting direction as to whether or not they may move forward with discussing the Washington Square Tallahassee proposal and request for financial assistance with the Developer (Fairmont Development, LLC).

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, (850)891-8352

Statement of Issue

On August 4, 2017 Fairmont Development, LLC (the Developer) submitted a request to the City of Tallahassee Community Redevelopment Agency (CRA) for the refund of $9.6 million of tax increment generated from the projected increase in taxable value by the proposed Washington Square (the Project) development. The CRA funds would be used to reimburse the Developer for expenses incurred in the development of the Project, a proposed mixed-use development that will include a full-service hotel, Class "A" office space, residential condominiums and three restaurants. The Project will be located at 227 S. Calhoun Street, behind the Leon County Courthouse in the Downtown District Community Redevelopment Area (DT District).

At the July 19th CRA Board meeting, due to ongoing discussion regarding the possible sunsetting of the DT District in FY 2019, the Board directed staff not to bring any new large-scale DT District projects (those valued at more than $2.0 million) to the Board for financial assistance consideration until the Board provided further direction regarding the continuance of the DT District. The Board provided two exceptions to this restriction: (1) the purchase and redevelopment of the Firestone and Bloxham Annex properties by North American Properties and (2) discussions with Charles Street Investment Partners on the proposed redevelopment of the Envision Credit Union site. Because of this direction, staff is seeking direction from the Board as to whether or not staff should move forward with discussing with the Developer their project proposal and request for financial assistance.

Recommended Action

Option 1 - Board Direction. Staff is requesting direction as to whether or not they may move forward with discussing the Washington Square Tallahassee proposal and request for financial assistance with the Developer (Fairmont Development, LLC).

Fiscal Impact

There is no fiscal impact at this time.

Supplemental Material/Issue Analysis

History/Facts & Issues

The proposed Project at 227 S. Calhoun Street will encompass the southern half of the block bounded by East College to the north, S. Gadsden Street to the east, E. Jefferson Street to the south, and S. Calhoun Street to the west; approximately 1.33 acres. The property was acquired by the Washington Square Partnership from the Ausley & McMullen law firm on January 5, 2007. There were changes in the partnership structure in December 2010 and October 2015, and the property is now owned by Fairmont Investment, LLC.

Between 2009 and early 2011 the Developer (Washington Square Partnership and then Fairmont Investment, LLC) submitted several proposals for consideration by CRA staff and/or the CRA Board. All the proposals focused around financial assistance to help with the cost of structured parking for the development.

On August 4, 2017, the Developer submitted the Project update (Attachment 1), outlining changes from the original office space development proposal to the current mixed-use development proposal that includes a hotel, residential condominiums, offices, meeting space, retail/restaurant uses and structured parking. The main features of the proposed development include the following:

- 625,000 +/- square feet (sf)
- 260 room +/- full service hotel (Loew's planned)
- 15-18,000 sf of meeting space
- 60-80,000 sf of Class "A" office space
- 60,000 sf of residential condominiums
- 3 restaurants
- 400 space parking garage

<u>Financial Review</u>

As part of the project update, the Developer submitted a request to the for refund of $9.6 million in tax increment that will be generated from the increased value of the Project when the post-construction improvements are added to the tax roll. The request did not specify why the funds were needed or how they would be used, but the report did note the cost of the structured parking was a "continued concern to the economic viability of the project." A summary of the Project financial elements is provided below and in Attachment 2. For projecting the tax increment generated by the Project staff used a construction start in mid-2018 with completion in mid to late-2020. This schedule would add the Project to the tax rolls in 2021 and begin generating tax increment for the DT District in FY 2022 (October 2021). The tax increment projections below are based on a first year taxable value of $60.0 million and a 1.5 percent annual increase in taxable value.

- Estimated Project Cost - $90.0 million (from developer)
- Estimated Post-Construction Taxable Value - $60.0 million (from Developer)
- 2016 Certified Value – $1,445,000 (current taxable value)
- 2003 Baseline Value - $2,327,445 (the value from which tax increment is calculated)
- Estimated Increase in Post-Construction Taxable Value (Post-Construction Taxable Value – 2003 Baseline Value) - $56,672,555
- Anticipated First-Year of Tax Increment – $462,720 (at 4.1 mils from City and 4.2698 mils from County)
- Anticipated Tax Increment FY 2022 – FY 2034 - $6,838,535
- Staff has projected the County would receive approximately $3.3 million in non-tax increment revenue from the improved values of the Project between FY 2022 and 2034 based on the assumptions described above.

Based on staff's assumptions and financial projections it would take until FY 2039 for the tax increment from the Project to generate $9.6 million in tax increment from the improved taxable value of the Project.

<u>Economic Impact</u>:

The Tallahassee-Leon County Office of Economic Vitality (OEV), in partnership with the Center for Economic Forecasting and Analysis at Florida State University, prepared an economic impact assessment for the proposed Washington Square development. The analysis evaluated the Project's broader economic benefits measured in terms of economic output, local employment/jobs and income/wages. A summary of the analysis is provided below, with the full assessment at Attachment 3.

- Construction Impact
  - 742 direct jobs with $29.0 million in wages/income.
  - 352 indirect/induced jobs with $14.7 million in wages/income.
  - $143.9 million in total economic impact.

- Operational Impact
  - 515 permanent jobs generating $16.o million in annual wages/income.
  - 188 indirect/induced jobs generating $7.2 million in annual wages/income.
  - $62.4 million total economic impact.

The analysis contained in this agenda item is provided as information only, and is not intended as a funding recommendation by staff. If the Board determines staff should move forward with the evaluation of the proposed Project, staff will provide a updated review of the Project financials as well as specific terms recommended to be included in any proposed agreement.

Staff Recommendation

At the July 19th CRA Board meeting staff was directed not to bring any additional large-scale DT District projects to the Board until there was a decision on the continuance of the DT District. Because of the scale of this potential project, staff is seeking direction from the Board as to whether or not staff should move forward with discussing the Washington Square Tallahassee proposal and request for financial assistance with the Developer.

Options

1. Board direction
2. Direct staff to enter into negotiations with Fairmont Development, LLC to develop recommendations for CRA financial assistance in support of the Washington Square Tallahassee proposal.
3. Do not direct staff to enter into negotiations with Fairmont Development, LLC.

Attachments/References

1. Washington Square Tallahassee Project Update, August 4, 2017
2. Washington Square Financial Worksheet, August 28, 2017
3. Washington Square Economic Impact Analysis, September 1, 2017

Attachment 1.pdf (1,859 KB) Attachment 2.pdf (196 KB) Attachment 3.pdf (170 KB)

Agenda Item Details

Meeting	Sep 25, 2017 - CRA Board Meeting
Category	5. Downtown District Policy Formation and Direction
Subject	5.01 Discussion on Sunsetting the Downtown District -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Recommended Action	Option 1: Accept staff's report.

Public Content

For more information, please contact: Roxanne Manning, Tallahassee CRA, (850)891-8353

Statement of Issue

At their June 20, 2017 FY 2018 Budget Workshop, the Leon County Board of Commissioners (BOCC) directed County staff to implement one of four options presented to the Board to address anticipated impacts from the State Legislature-proposed additional $25,000 homestead exemption to the Florida Constitution that would take place in 2020 if approved through the state-wide vote. Option 2 approved by the BOCC included, among other budget adjustments, phasing out the Downtown District Community Redevelopment Area (DT District) by FY 2020 to partially address the annual budget shortfall from the reduction in property tax.

On June 28, 2017 City of Tallahassee Commission (City Commission) received an update of the city's FY 2018 Budget Plan that included a brief overview of the BOCC action from the County's budget workshop. The City Commission directed staff to bring back an agenda item discussing revisions to the DT District.

Based on Board discussions, there are four potential options for the DT District:

1. No change to DT District operations
2. Sunset the DT District by 2020
3. Retain the DT District with restrictions
4. Retain the DT District with County support removed from the District

An assumption in this agenda item is that if changes are made to the DT District, the City and County will continue to provide tax increment funding for projects previously approved for CRA funding.

The purpose of this agenda item is to provide information relating to these options and the related implementation process, and to facilitate Board direction for staff moving forward.

Recommended Action

Option 1 - Accept staff's report.

Fiscal Impact

There is no fiscal impact at this time. The fiscal impacts are dependent upon the option selected by the CRA Board, as discussed below.

Supplemental Material/Issue Analysis

History/Facts & Issues

The City Commission adopted the Downtown Community Redevelopment Plan and established the Downtown (DT) District Trust Fund in June 2004. Funding of the DT District, as well as any expansion of either the DT District or the GFS District or establishment of new redevelopment districts is governed by the "*Interlocal Agreement*" dated June 23, 2004, and amended on October 4, 2007, February 9, 2009, and December 11, 2014. The interlocal agreement is included as Attachment 1.

At their June 20, 2017 FY 2018 Budget Workshop, the BOCC directed County staff to implement a phase out of the DT District by FY 2020 to partially address the budget shortfall from the expected reduction in property tax collections if the proposed additional $25,000 homestead exemption is approved. This approach was expected to eliminate an estimated County payment of $1.4 million to the DT District.

On June 28, 2017, the City Commission received an update of the city's FY 2018 Budget Plan that included an overview of the BOCC action from the County's budget workshop on June 20th. City staff noted the following three elements that would be part of any action to phase-out the DT District:

- The City, County and CRA Board would direct and supervise the dissolution process and require decisions about end dates, existing and continuing redevelopment expenditures and, if necessary, other work to be addressed.

- As part of this directing effort, the City, County and CRA Board would develop and review the list of previously committed CRA funds. This includes current payments for existing contractual obligations and consideration for projects in process but not currently under contract.

- Depending upon timing, funds that formerly would have been distributed to the CRA as tax increment could be deposited into the DT District Trust Fund to pay enforceable obligations and, upon payment, any remaining monies would be proportionally redistributed to the City and County.

The City Commission, later in the meeting, directed staff to bring back an agenda for Commission discussion on the continuance of the DT District, as well the potential expansion of the GFS District or the creation of a new district focused on the Southside. Given the complexity of the two areas, staff is proposing to address the DT and GFS issues in separate agenda items.

Previous Project Commitments

The City and County will continue to honor funding commitments that were previously approved. There are three previously approved major redevelopment projects in the DT District receiving tax increment reimbursements that will extend beyond FY 2018. The total amount due in support of the three grants is projected to be $1,533,222.

- College Town, Phase I – The total grant payment to College Town, Phase I was $2,532,045. The fifth and final payment of $366,409 will be made in FY 2019.
- Gateway Tallahassee – An estimated payment of $57,000 will be made in FY 2018; however, reimbursements will continue to FY 2026 under the current payment schedule. From FY 2019 to FY 2026 the total estimated remaining reimbursement is $377,897. These payments include interest of 4.2 percent on the outstanding balance during the first seven years of the reimbursement payments (through FY 2021). The total estimated grant payment to Gateway Tallahassee is $1,414,766.
- The Onyx – The first reimbursement payment was made in FY 2017 for $288,771; an estimated payment of $298,000 will be made in FY 2018. From FY 2019 to 2021 the total estimated reimbursement is $788,916. The total grant payment to the Onyx is projected to be $1,375,687.

The CRA Board has also approved up to $883,260 in grant funds for sidewalk and streetscape improvements proposed by the owner/operator of the Doubletree Hotel along the east side of South Adams Street between Park and College Avenues. Approved in October 2014, the CRA agreed to reimburse the Doubletree owner/operator the cost of the improvements, which will be reimbursed over a 10-year period ($88,326/year) once the improvements are completed. Although the Board approved the grant funds, the hotel owner/operator has not executed an agreement with the CRA at this time. Because an agreement is not in place, staff is not certain of the actual financial commitment of the CRA at this time.

Depending on the CRA Board's direction, there are three options for paying off these obligations including:

- Make payments as currently scheduled,
- Making the payments earlier than required through existing DT District revenues or,
- Using City and County general funds to make payments beyond FY 2019 or 2020.

New Project Commitments

In addition to the previously approved funding commitments, the CRA Board may choose to approve funding for three projects which are currently under consideration; The Firestone Bloxham project at Cascades, the 4Forty North project at the Envision Credit Union site, and the Washington Square project on the former Ausley-McMullen Law Office site behind the Leon County Courthouse. If the Board approves the current requests for funding, the impacts will be as follows:

- Firestone Bloxham at Cascades: With an estimated taxable value of $132.0 million this project will generate approximately $1,077,754 in TIF beginning in FY 2022, and approximately $15.3 million through FY 2034 when the DT District sunsets.The developer has requested that 90% of that TIF be reimbursed annually through 2034. This amounts to $984,528 in 2022 and a projected total of $13.9 million through FY 2034. Any remaining TIF will be used by the CRA to pay for parking or other improvements as directed by the CRA Board. In addition to the TIF that will be collected by the CRA, Leon County will receive an average of approximately $664,411 each year ($8.6 million over the thirteen-year period) based on the anticipated increase in the property's taxable value and their uncommitted millage per the DT Interlocal Agreement.

- Charles Street Properties Project: With an estimated taxable value of $36.7 million this project is expected to generate $299,344 in TIF in FY 2022, and approximately $4.3 million through FY 2034. The developer has requested that 100% of the TIF be reimbursed to the developer through FY 2034. In addition to the TIF that will be collected by the CRA, Leon County will receive an average of approximately $163,679 each year ($2.1 million over the thirteen-year period) in property tax from their uncommitted millage.

- Washington Square:At this time, staff is seeking direction on the Washington Square project. However, based on preliminary development information, this development is estimated to have a taxable value of $56.7 million, and is expected to generate $462,720 in TIF in FY 2022, and approximately $6.6 million through FY 2034.Staff anticipates the developer will request that all or a majority of the TIF be reimbursed to them through FY 2034. In addition to the TIF that will be collected by the CRA, Leon County will receive an average of approximately $252,306 each year ($3.3 million over the thirteen-year period) in property tax from their uncommitted millage.

As with projects that were previously approved for CRA funding, if the CRA Board approves funding for these projects, annual tax increment funds will continue to be committed to each project as directed.

Options for Phasing Out the Downtown District:

Staff has identified four options for Board consideration:

1. <u>No change to DT District Operations</u>

- DT District would continue to function as is until June 30, 2034.
- Based on Preliminary Taxable Values the DT District will receive $1,997,852 in TIF for FY 2018, this includes $953,071 in City contributions and $1,044,781 in County contributions.
- Leon County will receive approximately $989,676 in property tax revenue from their uncommitted DT District millage.
- If the three projects (Firestone-Bloxham, 4Forty North and Washington Square) are constructed and added to the tax rolls in 2021 with a total projected new value increases of $243.3 million:
    - Projected DT District taxable values would increase from $464,394,490 in 2017 to $766,079,753 in 2022.

    - The projected annual DT District TIF will increase from $2.2 million in FY 2021 to $4.3 million in FY 2022.
- The amount of committed funding as discussed in ***Previous Project Commitments*** does not change.

2. <u>Sunset the DT District by 2020</u>

- Sunset and end all TIF funding and programs by September 30, 2019.
- FY 2020 DT TIF is projected to be $2,157,151, with $1,029,069 contributed by the City and $1,128,087 contributed by the County.Beginning in FY 2020 most of these funds would be retained by the City and County as general revenue.Some payments to the CRA would need to be made to cover existing development agreement payments.

- Using current taxable values, without the three new projects, if the DT District sunsets in FY 2020, the City would receive a total of approximately $19.9 million in tax increment FY 2020 through FY 2034; the County would receive approximately $21.8 million. This is based on the projected FY 2019 taxable values and an annual increase in taxable value of 2.0 percent.
- As discussed in ***Previous Project Commitments***, current debt that would need to be paid, not including pending projects, is projected at $1,533,222.

3. <u>Retain the DT District with Restrictions</u>

- Maintain structure and current boundary of the DT District but narrow the focus of utilizing TIF funding.
- The DT District currently funds large and small events, small business improvement grants, and large projects.
- Considerations for restrictions:
    - Fund only specific programs and/or projects - TIF would continue to be collected by the CRA per 163.387, FS, but would be proportionally returned to the City and County, less program and project expenses needed to implement and monitor the specific programs and projects.
    - Establish Funding Ceilings - DT District would continue to operate as is until June 30, 2034, but the CRA Board, City and County could establish a maximum amount for TIF expenditures. If the TIF generated by the DT District exceeds that amount, those funds would be proportionally returned to the City and County.
    - Focus on large projects and infrastructure projects,
    - Do not fund DT events, business facility improvements or other smaller projects.

- Areas recommended for continued CRA focus include;
    - The Greyhound Bus Station block,
    - Properties along the Governors Walk on Adams St.,
    - The intersection of Monroe and Tennessee Streets, particularly the NW and SW corners,
    - C. K. Steele Bus station,
    - Infrastructure projects.
- The amount of committed funding as discussed in ***Previous Project Commitments*** does not change.

4. <u>Retain the DT District with County removed from the District</u>

- DT District would continue to function as is until June 30, 2034, without new Leon County participation beginning in FY 2022. The County tax increment contribution would be returned to the County, minus the TIF allocated to previously committed projects.
- The City generated TIF would remain available for development incentives. The estimated City TIF contribution is $1,029,064 in FY 2020 and is expected to grow to $1,654,293 by FY 2034; for total projected TIF contributions of $19,924,242. This assumes no new projects and a 2% annual growth rate. With the three previously discussed projects and a 2% annual growth rate, the City will contribute $1,029,064 to the FY 2020 TIF which is projected to grow to $2,856,321 in FY 2034, for a total projected TIF contributions of $33,838,130.
- Leon County revenues from within the DT District boundary during this same time are estimated at $42,539,996 (at 8.3144 mils) with no new projects and a 2% annual growth rate. If the Firestone-Bloxham, 4Forty North and Washington Square developments are included beginning in FY 2022, the County revenues increase to a projected $72,232,028 (at 8.3144 mils)
- The amount of committed funding as discussed in ***Previous Project Commitments*** does not change.

Review of CRA Impacts on the DT District:

The following table highlights the amount of private investment generated by CRA projects in the DT District and the impact these projects have on property values.

Downtown District CRA - Major Project Results (as of January 2017)					
Project Name	**CRA Investment**	**Est. Private Investment**	**Pre-Development Taxable Value**	**Post-Development Taxable Value[1]**	**Increase in Taxable Value**
Marriott Residence Inn on Gaines St.	$500,000	$11,505,000	$588,166	$7,897,614	$7,309,448
Alliance Center on Monroe St.	$495,000	$16,953,000	$1,282,584	$8,763,858	$7,481,274
College Town, Phase 1	$2,532,000	$17,018,000	$1,207,059	$15,848,239	$14,641,180
The Catalyst on Madison St.	$912,000	$25,488,000	$925,562	$27,241,605	$26,316,043
601 Copeland St.	$395,000	$21,105,000	$0	$18,546,966	$18,546,966
Gateway Tallahassee at Monroe and Tennessee St.	$1,414,766	$12,992,000	$2,120,484	$7,125,962	$5,005,478
The Onyx on Macomb St.	$1,368,892	$41,000,000	$999,376	$48,154,359	$47,156,983
Total	**$7,617,658**	**$146,061,000**	**$7,123,231**	**$133,578,603**	**$126,457,372**

1. Based on 2016 certified values

In summary, these figures show that the property value increase generated by these seven CRA supported projects ($126,457,372) is responsible for approximately 55.9% of the total increase in DT District property values between 2004 and 2016.

A list of the major DT District projects and programs the CRA has supported since FY 2005 is at Attachment 2.

Additional Considerations

The CRA Board may desire to move properties from the DT District to the GFS District: Adding areas from the DT District to the Greater Frenchtown/Southside Community Redevelopment Area (GFS District) would require the full statutory process outlined in Chapter 163, Part III, FS, including a Finding of Necessity and a revised community redevelopment plan. Any properties added to the GFS District would be funded at TIF parity (equal TIF contributions by the City and County). Adding DT District areas to the GFS District may be met with opposition from GFS District residents and business owners who might be concerned that the TIF generated within their district from improvements that have occurred since FY 2000 would be used on downtown projects.

Infrastructure needs within the DT District. Please see Attachment 3 for a list of various infrastructure improvement needs within the DT District. While CRA funding is inadequate for funding most of the infrastructure projects, the CRA could be directed to fund enhancements to infrastructure improvements, such as through street and pedestrian lighting, improved landscaping and other pedestrian amenities.

Other Economic Development Incentives that would Support Appropriate Infill Redevelopment. At this time the CRA is the only source of development incentives exclusively targeted to the DT District that can be used for infill redevelopment efforts. Statewide competitive programs such as the Florida Job Growth Grant Fund are available through Enterprise Florida for economic development project proposals that enhance community infrastructure or develop workforce training programs. Additionally, Blueprint 2000 will have County-wide incentive funds in 2020. However, none of these are specifically targeted for the DT District.

Process:

In addition to the requirements outlined in Chapter 163, Part II, F.S., that address the operation of a redevelopment area, the Interlocal Agreement between the City, County and CRA would apply. Per the *"Interlocal Agreement Among the City of Tallahassee, Leon County and the Community Redevelopment Agency of the City of Tallahassee Regarding the Creation and Operation of the Downtown District Community Redevelopment Area and the Expansion of Any Community Redevelopment Area"* (the "*Interlocal Agreement*"), as amended, any action to phase out or restructure the DT District would have to be approved by the CRA Board, the City Commission and the BOCC.

Options

1. Accept staff's report.

2. Do not accept staff's report.

3. Board direction.

Attachments/References

1. The Interlocal Agreement dated June 23, 2004, and amended on October 4, 2007, February 9, 2009, and December 11, 2014.
2. List of all DT CRA projects
3. Infrastructure needs within the DT CRA District

Attachment 1.pdf (529 KB) Attachment 2.pdf (120 KB) Attachment 3.pdf (2,322 KB)

Summary of DT District Options - Revenues and Expenses (FY 2018 - FY 2034)

	Option 1[1]	Option 2[2]	Option 3[3]	Option 4[4]
Projected Tax Increment[5]	**$85,366,425**	**$78,174,707**	**$85,366,425**	**$64,008,418**
City Tax Increment	$40,723,867	$37,293,073	$40,723,867	$40,723,867
County Tax Increment	$44,642,559	$40,881,634	$44,642,559	$23,284,551
Operating Expenses	**$6,384,533**	**$1,089,616**	**$6,384,533**	**$6,384,533**
Current DT District Commitments[6]				
Catalyst (ends in FY 2018)	$38,553	$38,553	$38,553	$38,553
601 S. Copeland (ends in FY 2018)	$30,000	$30,000	$30,000	$30,000
College Town Phase 1 (ends in FY 2019)	$732,818	$732,818	$732,818	$732,818
Gateway (ends in FY 2026)	$434,897	$434,897	$434,897	$434,897
Onyx/444 College (ends in FY 2021)	$1,080,916	$1,080,916	$1,080,916	$1,080,916
Doubletree ROW Imp. (ends in FY 2028)	$883,260	$883,260	$883,260	$883,260
Other (from FY 2018 Budget)	$307,500	$307,500	$307,500	$307,500
TOTAL	**$3,507,944**	**$3,507,944**	**$3,507,944**	**$3,507,944**
Future DT District Commitments[7]				
NAP/Firestone-Bloxham/Cascade	$13,809,415	$13,809,415	$13,809,415	$13,809,415
Cascade Public Garage Debt Service	$8,221,785	$8,221,785	$8,221,785	$8,221,785
CSIP/4Forty North	$4,295,416	$4,295,416	$4,295,416	$4,295,416
Washington Square	$6,621,268	$0	$6,621,268	$6,621,268
TOTAL	**$32,947,884**	**$26,326,616**	**$32,947,884**	**$32,947,884**
Uncommitted Funds (TIF less expenses)[8]	**$42,526,064**	**$47,250,531**	**$42,526,064**	**$21,168,057**
Uncommitted Funds Returned to City[9]	**$0**	**$21,737,015**	**$19,483,218**	**$0**
Uncommitted Funds Returned to County[10]	**$0**	**$23,828,662**	**$21,357,992**	**$0**
Non-TIF Funds Retained by County[11]	**$46,258,110**	**$42,343,218**	**$46,258,110**	**$46,258,110**

Notes:

1. Option 1 - No Change to DT District; includes $250.0 M in new value for Firestone-Bloxham, 4Forty North and Washington Square starting in FY 2022. The Doubletree ROW improvements ($88,326/year for 10 years) are included even though we do not have an executed agreement with them.
2. Option 2 - Sunset DT District in FY 2020, funding for currently approved projects/agreements, no tax increment other than that required for projects with CRA agreements or approved by the CRA Board; does not include the Washington Square development.
3. Option 3 - Allows for continued operation of the DT District with a focus on specific redevelopment areas or projects. This option includes funding of existing projects/agreements and for Firestone-Bloxham, 4Forty North and Washington Square Projects; other projects would be added with CRA Board approval.
4. Option 4 - DT District continues to be funded by the City, with covering only their portion of approved projects including NAP/Cascades, CSIP/4 Forty North and Washington Square. Assumes no new County contributions in support of projects not listed under Current DT District Commitments or Future DT District Commitments on this table.
5. Tax increment projections for FY 2018 to FY 2034.
6. CRA Board projects approved and/or under agreement with the CRA as of July 31, 2017.
7. CRA Board projects approved after July 31, 2017, or authorized for staff to discuss funding assistance for future Board discussion (Washington Square).
8. The projected amount of tax increment available under the 4 options. For Options 2 and 3 it is assumed these funds would be proportionally returned to the City and County under the concept that "each project must pay for itself."

9 & 10. These are the projected amount of TIF funds that would be uncommitted under the concept that each approved project "must pay for itself", and would be returned to the City and County under Options 2 and 3.

11. This represents the amount of ad valorem revenue the County retains from new/added value within the DT District because, under the *Interlocal* Agreement, it only contributes 4.2698 mils to the DT District, retaining 4.0446 mils (assuming a millage rate of 8.3144 mils and not including the EMS MSTU).

Downtown District Community Redevelopment Area Sunset Review
FY 2018 - FY 2034
OPTION 1 - NO CHANGE TO CURRENT DT DISTRICT OPERATIONS
(TIF Revenue based on City @ 4.1 mils and County @ 4.2698 mils)

Fiscal Year		LCPA	Tax Increment	TIF Revenue[1]			Financial Commitments[2]			Uncommitted Funds Share[3]		Net Property Taxes[4]
		Taxable Value	Baseline Value	Total	City	County	Operating	Projects	Uncommitted	City	County	County
Base	2004	$238,244,226		$0	$0	$0						
1	2005	$248,161,463	$9,917,237	$122,101	$34,859	$87,242						
2	2006	$262,568,978	$24,324,752	$299,486	$85,502	$213,985						
3	2007	$315,597,954	$77,353,728	$603,746	$271,898	$331,847						
4	2008	$388,375,621	$150,131,395	$1,000,801	$451,921	$548,880						
5	2009	$388,888,359	$150,644,133	$1,017,906	$459,604	$558,302						
6	2010	$338,261,824	$100,017,598	$778,617	$351,562	$427,055						
7	2011	$375,780,116	$137,535,890	$1,070,689	$483,439	$587,251						
8	2012	$365,049,309	$126,805,083	$987,152	$445,720	$541,432						
9	2013	$331,339,494	$93,095,268	$724,728	$327,230	$397,498						
10	2014	$325,507,552	$87,263,326	$679,328	$306,731	$372,597						
11	2015	$395,950,365	$157,706,139	$1,227,711	$554,337	$673,374						
12	2016	$408,741,995	$170,497,769	$1,408,277	$680,286	$727,991						
13	2017	$464,394,490	$226,150,264	$1,846,472	$880,855	$965,616						
14	2018	$482,795,226	$244,551,000	$1,996,710	$952,526	$1,044,184	$368,622	$1,091,462	$536,626	$0	$0	$989,111
15	2019	$523,832,820	$285,588,594	$2,331,774	$1,112,368	$1,219,406	$375,994	$807,551	$1,148,228	$0	$0	$1,155,092
16	2020	$568,358,610	$330,114,384	$2,695,318	$1,285,796	$1,409,522	$375,994	$446,552	$1,872,772	$0	$0	$1,467,226
17	2021	$579,725,782	$341,481,556	$2,788,129	$1,330,071	$1,458,058	$375,994	$331,199	$2,080,936	$0	$0	$1,517,749
18	2022[5]	$841,320,298	$603,076,072	$4,923,996	$2,348,981	$2,575,014	$375,994	$2,506,427	$2,041,574	$0	$0	$2,680,432
19	2023	$858,146,704	$619,902,478	$5,061,380	$2,414,520	$2,646,860	$375,994	$2,527,819	$2,157,566	$0	$0	$2,755,219
20	2024	$875,309,638	$637,065,412	$5,201,512	$2,481,370	$2,720,142	$375,994	$2,556,330	$2,269,188	$0	$0	$2,831,501
21	2025	$892,815,831	$654,571,605	$5,344,446	$2,549,556	$2,794,890	$375,994	$2,585,272	$2,383,180	$0	$0	$2,909,309
22	2026	$910,672,147	$672,427,921	$5,490,239	$2,619,107	$2,871,133	$375,994	$2,573,137	$2,541,109	$0	$0	$2,988,673
23	2027	$928,885,590	$690,641,364	$5,638,949	$2,690,048	$2,948,900	$375,994	$2,590,879	$2,672,075	$0	$0	$3,069,625
24	2028	$947,463,302	$709,219,076	$5,790,632	$2,762,408	$3,028,224	$375,994	$2,619,746	$2,794,891	$0	$0	$3,152,195
25	2029	$966,412,568	$728,168,342	$5,945,349	$2,836,216	$3,109,133	$375,994	$2,560,721	$3,008,633	$0	$0	$3,236,417
26	2030	$985,740,819	$747,496,593	$6,103,160	$2,911,499	$3,191,661	$375,994	$2,590,461	$3,136,704	$0	$0	$3,322,323
27	2031	$1,005,455,636	$767,211,410	$6,264,128	$2,988,288	$3,275,839	$375,994	$2,620,647	$3,267,486	$0	$0	$3,409,948
28	2032	$1,025,564,748	$787,320,522	$6,428,315	$3,066,613	$3,361,701	$375,994	$2,651,287	$3,401,033	$0	$0	$3,499,325
29	2033	$1,046,076,043	$807,831,817	$6,595,785	$3,146,505	$3,449,280	$375,994	$2,682,386	$3,537,405	$0	$0	$3,590,489
30	2034	$1,066,997,564	$828,753,338	$6,766,605	$3,227,994	$3,538,611	$375,994	$2,713,952	$3,676,659	$0	$0	$3,683,477
Total				**$97,133,440**	**$46,057,810**	**$51,075,630**	**$6,384,533**	**$36,455,828**	**$42,526,064**	**$0**	**$0**	**$46,258,110**

Notes:

1. TIF revenues from FY 2004 to FY 2018 are based on the certified/final values issued by the Leon County Property Appraiser, values from FY 2019 on are projections that assume an 8.5 percent annual increase in taxable value in FY 2019 and 2020, and 2.0 percent from FY 2021 to FY 2034.
2. Annual operating expenses and expenses to meet existing/approved project commitments, including NAP/Cascades, CSIP/4 Forty North and Washington Square. Funds in the "Uncommitted" column are available to support other Board approved projects and/or programs.
3. The amount of uncommitted DT District funds returned to the City and County under the option terms. No uncommitted funds are returned to the City or County under Option 1.
4. The additional ad valorem taxes the County collects in the DT District that are not part of their annual payment to the CRA per the interlocal agreement. The difference is currently 4.0446 mils but is projected by the County to increase by 0.4 mils to 4.4446 in FY 2020.
5. The FY 2022 projected first-year taxable value includes the anticipated taxable value of NAP/Cascades ($150.0M), CSIP/4Forty North ($40.0M) and Washington Square ($60.0M)

10/16/2017

Downtown District Community Redevelopment Area
FY 2018 - FY 2034
OPTION 2 - SUNSET THE DT DISTRICT IN FY 2020*
(TIF Revenue based on City @ 4.1 mils and County @ 4.2698 mils)
***Includes funding for projects approved as of September 25, 2017: Catalyst, 601 S. Copeland, Collegetown Phase I, Gateway, Onyx, Doubletree ROW, NAP/Cascades, CSIP/4 Forty North and Washington Square. No new projects accepted under this option.**

Fiscal Year		LCPA	Tax Increment	TIF Revenue[1]			Financial Commitments[2]			Uncommitted Funds Share[3]		Net Property Taxes[4]	
		Taxable Value	Baseline Value	Total	City	County	Operating	Projects	Uncommitted	City	County	City	County
Base	2004	$238,244,226		$0	$0	$0							
1	2005	$248,161,463	$9,917,237	$122,101	$34,859	$87,242							
2	2006	$262,568,978	$24,324,752	$299,486	$85,502	$213,985							
3	2007	$315,597,954	$77,353,728	$603,746	$271,898	$331,847							
4	2008	$388,375,621	$150,131,395	$1,000,801	$451,921	$548,880							
5	2009	$388,888,359	$150,644,133	$1,017,906	$459,604	$558,302							
6	2010	$338,261,824	$100,017,598	$778,617	$351,562	$427,055							
7	2011	$375,780,116	$137,535,890	$1,070,689	$483,439	$587,251							
8	2012	$365,049,309	$126,805,083	$987,152	$445,720	$541,432							
9	2013	$331,339,494	$93,095,268	$724,728	$327,230	$397,498							
10	2014	$325,507,552	$87,263,326	$679,328	$306,731	$372,597							
11	2015	$395,950,365	$157,706,139	$1,227,711	$554,337	$673,374							
12	2016	$408,741,995	$170,497,769	$1,408,277	$680,286	$727,991							
13	2017	$464,394,490	$226,150,264	$1,846,472	$880,855	$965,616							
14	2018	$482,795,226	$244,551,000	$1,996,710	$952,526	$1,044,184	$368,622	$1,091,462	$536,626	$0	$0	$0	$887,446
15	2019	$523,832,820	$285,588,594	$2,331,774	$1,112,368	$1,219,406	$375,994	$807,551	$1,148,228	$0	$0	$0	$1,036,367
16	2020	$568,358,610	$330,114,384	$546,552	$260,731	$285,820	$100,000	$446,552	$0	$0	$0	$1,025,064	$2,447,091
17	2021	$579,725,782	$341,481,556	$431,199	$205,702	$225,496	$100,000	$331,199	$0	$0	$0	$1,124,368	$2,601,520
18	2022[5]	$841,320,298	$603,076,072	$2,606,427	$1,243,391	$1,363,036	$100,000	$2,506,427	$0	$0	$0	$1,105,590	$3,629,637
19	2023	$858,146,704	$619,902,478	$2,627,819	$1,253,596	$1,374,223	$100,000	$2,527,819	$0	$0	$0	$1,160,924	$3,757,751
20	2024	$875,309,638	$637,065,412	$2,656,330	$1,267,197	$1,389,133	$100,000	$2,556,330	$0	$0	$0	$1,214,173	$3,884,928
21	2025	$892,815,831	$654,571,605	$2,685,272	$1,281,004	$1,404,268	$100,000	$2,585,272	$0	$0	$0	$1,268,553	$4,014,720
22	2026	$910,672,147	$672,427,921	$2,673,137	$1,275,214	$1,397,922	$100,000	$2,573,137	$0	$0	$0	$1,343,892	$4,168,893
23	2027	$928,885,590	$690,641,364	$2,690,879	$1,283,678	$1,407,201	$100,000	$2,590,879	$0	$0	$0	$1,406,370	$4,310,398
24	2028	$947,463,302	$709,219,076	$2,719,746	$1,297,449	$1,422,297	$100,000	$2,619,746	$0	$0	$0	$1,464,959	$4,449,101
25	2029	$966,412,568	$728,168,342	$2,660,721	$1,269,292	$1,391,430	$100,000	$2,560,721	$0	$0	$0	$1,566,924	$4,636,843
26	2030	$985,740,819	$747,496,593	$2,690,461	$1,283,479	$1,406,982	$100,000	$2,590,461	$0	$0	$0	$1,628,020	$4,781,303
27	2031	$1,005,455,636	$767,211,410	$2,720,647	$1,297,879	$1,422,768	$100,000	$2,620,647	$0	$0	$0	$1,690,409	$4,928,730
28	2032	$1,025,564,748	$787,320,522	$2,751,287	$1,312,496	$1,438,791	$100,000	$2,651,287	$0	$0	$0	$1,754,117	$5,079,183
29	2033	$1,046,076,043	$807,831,817	$2,782,386	$1,327,332	$1,455,054	$100,000	$2,682,386	$0	$0	$0	$1,819,173	$5,232,727
30	2034	$1,066,997,564	$828,753,338	$2,813,952	$1,342,390	$1,471,562	$100,000	$2,713,952	$0	$0	$0	$1,885,604	$5,389,422
Total				**$52,152,314**	**$24,599,668**	**$27,552,645**	**$2,244,616**	**$36,455,828**	**$1,684,854**	**$0**	**$0**	**$21,458,141**	**$65,236,062**

Notes:

1. TIF revenues from FY 2004 to FY 2018 are based on the certified/final values issued by the Leon County Property Appraiser, the FY 2019 value assumes an 8.5 percent over FY 2018. Starting in FY 2020 only the tax increment required to fund approved projects and limited operational expenses are charged to the City (47.70 percent) and the County (52.30 percent).
2. Annual operating expenses and expenses to meet existing/approved project commitments, including NAP/Cascades, CSIP/4 Forty North and Washington Square. Because no new projects are accepted under this option, Operating expenses are limited to $100,000/year for projection purposes.
3. Because only the tax increment required to cover approved project and operating costs are collected starting in FY 2020 there are no Uncommitted Funds anticipated starting in FY 2020. There is an estimated $1.7 million in funds from FY 2018 and 2019 that may be available as Uncommitted Funds.
4. The ad valorem taxes the City and County will retain from funding only the approved projects as described in Footenote 2. The savings are based on the existing or projected millage rate for the City (4.1 mils) and County (8.3144 mils) less their respective expenses from FY 2020 to FY 2034. The County millage includes an anticipated County identified 0.4 mill increase to 8.7144 mils beginning in FY 2020.
5. The FY 2022 projected first-year taxable value includes the anticipated taxable value of NAP/Cascades ($150 million), CSIP/4Forty North ($40 million) and Washington Square ($60 million) are included.

10/16/2017

Downtown District Community Redevelopment Area
FY 2018 - FY 2034

OPTION 3 - FOCUSED INVESTMENT AREAS*

(TIF Revenue based on City @ 4.1 mils and County @ 4.2698 mils)

*Includes funding for projects approved prior to July 31, 2017, as well as NAP/Cascades, CSIP/4Forty North and Washington Square.

Fiscal Year		LCPA	Tax Increment	TIF Revenue[1]			Financial Commitments[2]			Uncommitted Funds Share[3]		Net Property Taxes[4]
		Taxable Value	Baseline Value	Total	City	County	Operating	Projects	Uncommitted	City	County	County
Base	2004	$238,244,226		$0	$0	$0						
1	2005	$248,161,463	$9,917,237	$122,101	$34,859	$87,242						
2	2006	$262,568,978	$24,324,752	$299,486	$85,502	$213,985						
3	2007	$315,597,954	$77,353,728	$603,746	$271,898	$331,847						
4	2008	$388,375,621	$150,131,395	$1,000,801	$451,921	$548,880						
5	2009	$388,888,359	$150,644,133	$1,017,906	$459,604	$558,302						
6	2010	$338,261,824	$100,017,598	$778,617	$351,562	$427,055						
7	2011	$375,780,116	$137,535,890	$1,070,689	$483,439	$587,251						
8	2012	$365,049,309	$126,805,083	$987,152	$445,720	$541,432						
9	2013	$331,339,494	$93,095,268	$724,728	$327,230	$397,498						
10	2014	$325,507,552	$87,263,326	$679,328	$306,731	$372,597						
11	2015	$395,950,365	$157,706,139	$1,227,711	$554,337	$673,374						
12	2016	$408,741,995	$170,497,769	$1,408,277	$680,286	$727,991						
13	2017	$464,394,490	$226,150,264	$1,846,472	$880,855	$965,616						
14	2018	$482,795,226	$244,551,000	$1,996,710	$952,526	$1,044,184	$368,622	$1,091,462	$536,626	$0	$0	$989,111
15	2019	$523,832,820	$285,588,594	$2,331,774	$1,112,368	$1,219,406	$375,994	$807,551	$1,148,228	$0	$0	$1,155,092
16	2020	$568,358,610	$330,114,384	$2,695,318	$1,285,796	$1,409,522	$375,994	$446,552	$1,872,772	$893,402	$979,370	$1,467,226
17	2021	$579,725,782	$341,481,556	$2,788,129	$1,330,071	$1,458,058	$375,994	$331,199	$2,080,936	$992,706	$1,088,229	$1,517,749
18	2022 [5]	$841,320,298	$603,076,072	$4,923,996	$2,348,981	$2,575,014	$375,994	$2,506,427	$2,041,574	$973,929	$1,067,645	$2,680,432
19	2023	$858,146,704	$619,902,478	$5,061,380	$2,414,520	$2,646,860	$375,994	$2,527,819	$2,157,566	$1,029,263	$1,128,304	$2,755,219
20	2024	$875,309,638	$637,065,412	$5,201,512	$2,481,370	$2,720,142	$375,994	$2,556,330	$2,269,188	$1,082,511	$1,186,676	$2,831,501
21	2025	$892,815,831	$654,571,605	$5,344,446	$2,549,556	$2,794,890	$375,994	$2,585,272	$2,383,180	$1,136,891	$1,246,289	$2,909,309
22	2026	$910,672,147	$672,427,921	$5,490,239	$2,619,107	$2,871,133	$375,994	$2,573,137	$2,541,109	$1,212,231	$1,328,878	$2,988,673
23	2027	$928,885,590	$690,641,364	$5,638,949	$2,690,048	$2,948,900	$375,994	$2,590,879	$2,672,075	$1,274,708	$1,397,367	$3,069,625
24	2028	$947,463,302	$709,219,076	$5,790,632	$2,762,408	$3,028,224	$375,994	$2,619,746	$2,794,891	$1,333,297	$1,461,594	$3,152,195
25	2029	$966,412,568	$728,168,342	$5,945,349	$2,836,216	$3,109,133	$375,994	$2,560,721	$3,008,633	$1,435,262	$1,573,371	$3,236,417
26	2030	$985,740,819	$747,496,593	$6,103,160	$2,911,499	$3,191,661	$375,994	$2,590,461	$3,136,704	$1,496,359	$1,640,346	$3,322,323
27	2031	$1,005,455,636	$767,211,410	$6,264,128	$2,988,288	$3,275,839	$375,994	$2,620,647	$3,267,486	$1,558,748	$1,708,738	$3,409,948
28	2032	$1,025,564,748	$787,320,522	$6,428,315	$3,066,613	$3,361,701	$375,994	$2,651,287	$3,401,033	$1,622,456	$1,778,577	$3,499,325
29	2033	$1,046,076,043	$807,831,817	$6,595,785	$3,146,505	$3,449,280	$375,994	$2,682,386	$3,537,405	$1,687,512	$1,849,893	$3,590,489
30	2034	$1,066,997,564	$828,753,338	$6,766,605	$3,227,994	$3,538,611	$375,994	$2,713,952	$3,676,659	$1,753,943	$1,922,716	$3,683,477
Total				**$97,133,440**	**$46,057,810**	**$51,075,630**	**$6,384,533**	**$36,455,828**	**$42,526,064**	**$19,483,218**	**$21,357,992**	**$46,258,110**

Notes:

1. TIF revenues from FY 2004 to FY 2018 are based on the certified/final values issued by the Leon County Property Appraiser, values from FY 2019 on are projections that assume an 8.5 percent annual increase in taxable value in FY 2019 and 2020, and 2.0 percent from FY 2021 to FY 2034.
2. Annual operating expenses and expenses to meet existing/approved project commitments, including NAP/Cascades, CSIP/4 Forty North and Washington Square. This option would allow the CRA Board to approved the use funds from the "Uncommitted" column for future projects if they desire.
3. The amount of uncommitted DT District funds returned to the City and County under the option terms. Under Option 3 starting in FY 2020 any TIF funds collected by the CRA that are not used for operating or project expenses will be proportionally returned to the City and County.
4. The additional ad valorem taxes the County collects in the DT District that are not part of their annual payment to the CRA per the interlocal agreement. The difference is currently 4.0446 mils but is projected by the County to increase by 0.4 mils to 4.4446 in FY 2020.
5. The FY 2022 projected first-year taxable value includes the anticipated taxable value of NAP/Cascades ($150.0M), CSIP/4Forty North ($40.0M) and Washington Square ($60.0M)

10/16/2017

Downtown District Community Redevelopment Area
FY 2018 - FY 2034
OPTION 4 - CITY TIF FUNDED ONLY STARTING IN FY 2020*
(TIF Revenue based on City @ 4.1 mils and County @ 4.2698 mils)
***Includes full TIF contribution by City and County participation in funding projects approved prior to July 31, 2017, as well as the NAP/Cascades Project and CSIP/4 Forty North.**

Fiscal Year		LCPA	Tax Increment	TIF Revenue[1]			Financial Commitments[2]			Uncommitted Funds Share[3]		Net Property Taxes[4]	
		Taxable Value	Baseline Value	Total	City	County	Operating	Projects	Uncommitted	City	County	City	County
Base	2004	$238,244,226		$0	$0	$0							
1	2005	$248,161,463	$9,917,237	$122,101	$34,859	$87,242							
2	2006	$262,568,978	$24,324,752	$299,486	$85,502	$213,985							
3	2007	$315,597,954	$77,353,728	$603,746	$271,898	$331,847							
4	2008	$388,375,621	$150,131,395	$1,000,801	$451,921	$548,880							
5	2009	$388,888,359	$150,644,133	$1,017,906	$459,604	$558,302							
6	2010	$338,261,824	$100,017,598	$778,617	$351,562	$427,055							
7	2011	$375,780,116	$137,535,890	$1,070,689	$483,439	$587,251							
8	2012	$365,049,309	$126,805,083	$987,152	$445,720	$541,432							
9	2013	$331,339,494	$93,095,268	$724,728	$327,230	$397,498							
10	2014	$325,507,552	$87,263,326	$679,328	$306,731	$372,597							
11	2015	$395,950,365	$157,706,139	$1,227,711	$554,337	$673,374							
12	2016	$408,741,995	$170,497,769	$1,408,277	$680,286	$727,991							
13	2017	$464,394,490	$226,150,264	$1,846,472	$880,855	$965,616							
14	2018	$482,795,226	$244,551,000	$1,996,710	$952,526	$1,044,184	$368,622	$1,091,462	$536,626	$0	$0	$0	$887,446
15	2019	$523,832,820	$285,588,594	$2,331,774	$1,112,368	$1,219,406	$375,994	$807,551	$1,148,228	$0	$0	$0	$1,036,367
16	2020	$568,358,610	$330,114,384	$1,571,616	$1,285,796	$285,820	$375,994	$446,552	$749,070	$0	$0	$0	$2,447,091
17	2021	$579,725,782	$341,481,556	$1,555,567	$1,330,071	$225,496	$375,994	$331,199	$848,374	$0	$0	$0	$2,601,520
18	2022[5]	$841,320,298	$603,076,072	$3,712,018	$2,348,981	$1,363,036	$375,994	$2,506,427	$829,596	$0	$0	$0	$3,629,637
19	2023	$858,146,704	$619,902,478	$3,788,743	$2,414,520	$1,374,223	$375,994	$2,527,819	$884,930	$0	$0	$0	$3,757,751
20	2024	$875,309,638	$637,065,412	$3,870,503	$2,481,370	$1,389,133	$375,994	$2,556,330	$938,179	$0	$0	$0	$3,884,928
21	2025	$892,815,831	$654,571,605	$3,953,825	$2,549,556	$1,404,268	$375,994	$2,585,272	$992,558	$0	$0	$0	$4,014,720
22	2026	$910,672,147	$672,427,921	$4,017,029	$2,619,107	$1,397,922	$375,994	$2,573,137	$1,067,898	$0	$0	$0	$4,168,893
23	2027	$928,885,590	$690,641,364	$4,097,249	$2,690,048	$1,407,201	$375,994	$2,590,879	$1,130,375	$0	$0	$0	$4,310,398
24	2028	$947,463,302	$709,219,076	$4,184,705	$2,762,408	$1,422,297	$375,994	$2,619,746	$1,188,964	$0	$0	$0	$4,449,101
25	2029	$966,412,568	$728,168,342	$4,227,645	$2,836,216	$1,391,430	$375,994	$2,560,721	$1,290,929	$0	$0	$0	$4,636,843
26	2030	$985,740,819	$747,496,593	$4,318,481	$2,911,499	$1,406,982	$375,994	$2,590,461	$1,352,026	$0	$0	$0	$4,781,303
27	2031	$1,005,455,636	$767,211,410	$4,411,056	$2,988,288	$1,422,768	$375,994	$2,620,647	$1,414,415	$0	$0	$0	$4,928,730
28	2032	$1,025,564,748	$787,320,522	$4,505,405	$3,066,613	$1,438,791	$375,994	$2,651,287	$1,478,123	$0	$0	$0	$5,079,183
29	2033	$1,046,076,043	$807,831,817	$4,601,559	$3,146,505	$1,455,054	$375,994	$2,682,386	$1,543,179	$0	$0	$0	$5,232,727
30	2034	$1,066,997,564	$828,753,338	$4,699,556	$3,227,994	$1,471,562	$375,994	$2,713,952	$1,609,610	$0	$0	$0	$5,389,422
Total				**$73,610,455**	**$46,057,810**	**$27,552,645**	**$6,384,533**	**$36,455,828**	**$19,003,079**	**$0**	**$0**	**$0**	**$65,236,062**

Notes:

1. TIF revenues from FY 2004 to FY 2018 are based on the certified/final values issued by the Leon County Property Appraiser, the FY 2019 value assumes an 8.5 percent over FY 2018.
   Starting in FY 2020 only the tax increment required to fund approved projects and limited operational expenses are charged to the City and County. The County's expenses remain the same as shown in Option 2.
2. Annual operating expenses and expenses to meet existing/approved project commitments, including NAP/Cascades, CSIP/4 Forty North and Washington Square. Funds in the "Uncommitted" column, which starting in FY 2020 are City funds only, are available to support other Board approved projects and/or programs.
3. Starting in FY 2020 under Option 4 no Uncommitted Funds from the City TIF are returned to the City, instead they are used for other Board approved projects. The County TIF contribution is limited to what is needed to meet County obligations is support of existing projects, as a result, there are no uncommitted funds to return to the County.
4. The ad valorem taxes the County will retain from funding only the approved projects as described in Footenote 2. The savings are based on the County millage (currently 8.3144 mils) less their annual CRA expenses through FY 2034. The County calculations include an anticipated County identified 0.4 mill increase to 8.7144 mils beginning in FY 2020.
5. In FY 2022 NAP/Cascades ($150.0M), CSIP/4Forty North ($40.0M) and Washington Square ($60.0M) are added to the tax rolls. The County contributes TIF towards these projects as well.

10/16/2017

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Sep 25, 2017 - CRA Board Meeting
Category	6. Frenchtown Southside District Policy Formation and Direction
Subject	6.01 Discussion on Possible Expansion of the Greater Frenchtown/Southside Community Redevelopment Area Boundaries -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Budget Source	Future Tax Increment
Recommended Action	Option 1: Accept staff's report.

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, (850)891-8352

Statement of Issue

The possible expansion of the Southside portion of the Greater Frenchtown/Southside Community Redevelopment Area (GFS District) to include South City, or the establishment of a new, stand-alone redevelopment district that includes South City and other residential and commercial areas, has been raised at City of Tallahassee Community Redevelopment Agency (CRA) Board meetings on and off for the past few years. At the July 19, 2017 CRA Board meeting, during the discussion on the possible sunset of the Downtown District Community Redevelopment Area in FY 2020, staff was asked to bring an agenda item to the next CRA Board meeting for discussion on expanding the GFS District or creating a new redevelopment district.

Because of the recent CRA Board discussions on redevelopment needs in the Southside of Tallahassee, the timeframe needed to establish a new redevelopment district and the uncertainty regarding anticipated changes to CRA operations expected during the FY 2018 State Legislative session, staff concentrated on the possible expansion of the Southside boundaries in three areas adjoining the existing GFS District.

Should the Board desire to amend the boundaries of the GFS district, staff will bring back a more detailed blight analysis of the study areas and a more defined schedule for remaining actions.

Recommended Action

Option 1 - Accept staff's report.

Fiscal Impact

There is no fiscal impact at this time.

Supplemental Material/Issue Analysis

History/Facts & Issues

The GFS District consists of three distinct geographic sections and is comprised of over 1,450 acres of residential, office, commercial/retail, industrial, and green/open space land uses, all conveniently located near downtown Tallahassee

(Attachment 1). Included within the boundaries of the redevelopment area are thirteen neighborhood communities; seven major commercial/retail areas including sections of Tennessee Street, Tharpe Street, North and South Monroe Streets, Gaines Street, Lake Bradford Road and South Adams Street; and numerous mixed-use areas. In 2016, the boundary of the GFS District was expanded to include the 26 commercial properties on the east side of S. Monroe Street between Perkins and Van Buren Streets. The City Commission adopted the GFS Community Redevelopment Plan and established the GFS Redevelopment Trust Fund in June 2000. The community redevelopment plan was amended in 2016 to include the 26 commercial properties that were added to the district.

Based on CRA Board direction from the July 19th meeting, staff evaluated the possible expansion of the Southside boundary of the GFS District, concentrating on the three areas listed below and shown on the maps at Attachment 2, 3 and 4.

1. South City Study Area – bounded by Magnolia Street to the north, the properties located on the eastern side of Dozier Drive (up to Magnolia), Orange Avenue to the south and Meridian Street to the west. This does not include the areas of South City already within the GFS District boundary.
2. Orange Avenue Study Area – generally bounded by Holton/Wies Streets to the north, Pasco Street to the east, Orange Avenue to the South and the CSX railroad tracks to the west.
3. Springhill Road Study Area – bounded by Kissimmee Street to the north, the CSX railroad tracks to the east, Orange Avenue to the south and Springhill/Lake Bradford Roads to the west.

Chapter 163.340(8), F.S., requires an area designated as a community redevelopment area must, among other things, exhibit at least two of the fourteen listed definitions of blight; the results of this analysis are presented as part of the study area's Finding of Necessity. The 1998 area analysis conducted for the GFS District Finding of Necessity noted areas of South City east of Meridian Street as exhibiting blight conditions per Chapter 163.340(8), F.S. However, this area was not included in the final district boundary because of a concern by some City Commissioners at the time that the proposed redevelopment area may be too large. The Orange Avenue and Springhill Road study areas were not identified as having blight conditions in the 1998 Finding of Necessity.

As noted in the table below, with the exception of Springhill, the study areas are predominantly Residential, covering 480 of the 551 parcels. The Governmental parcels in South City include the Tallahassee Housing Authority properties.

Use	South City Study Area	Orange Avenue Study Area	Springhill Road Study Area
Residential Parcels	360	117	3
Commercial Parcels	4	7	24
Institutional Parcels	9	2	0
Government Parcels	13	2	8
Miscellaneous Parcels	0	1	1
TOTAL	**386**	**129**	**36**

Study Area Evaluation

For the initial analysis of the study areas staff focused on the three blight conditions listed below. Staff chose these criteria for the initial area evaluation because most of the data is readily available and they could also serve as the basis for the required Finding of Necessity.

1. Property Values – have the aggregate assessed property values in the study area failed to show any appreciable increase over the past five years?
2. Fire and Emergency Medical Services (EMS) Responses – are fire and EMS service calls in the study area proportionally higher than the remainder of the city?
3. Florida Building Code Violations – are there a greater number of recorded violations in the study area than the remainder of the city?

Analysis of Property Values

Initial analysis of both assessed and taxable values in the three study areas found only the Springhill Road Study Area failed to demonstrate any appreciable increase over the past five years in both assessed and taxable property values. This condition of blight may apply to Springhill but it does not appear to apply to either the South City and Orange Avenue study areas.

Assessed Property Values			
Tax Year	**South City Study Area**	**Orange Ave. Study Area**	**Springhill Road Study Area**
2012	$37,927,207	$13,434,317	$3,235,067
2014	$39,644,546	$13,614,007	$3,499,238
2016	$41,471,697	$14,810,574	$3,434,450
Taxable Property Values			
Tax Year	**South City Study Area**	**Orange Ave. Study Area**	**Springhill Road Study Area**
2012	$20,098,641	$9,314,178	$3,112,891
2014	$23,709,752	$9,570,359	$3,377,062
2016	$22,043,879	$10,922,375	$3,306,165

Source: Leon County Property Appraiser files
Prepared By: Tallahassee-Leon County Office of Economic Vitality, Tallahassee-Leon County Planning Department

Analysis of Fire and EMS Responses

Data on EMS response services was not available for this analysis; however the Tallahassee Fire Department (TFD) typically responds to most EMS calls. As a result, staff used TFD response data to evaluate this possible condition of blight. As shown in the table below, the 2015-2016 TFD Incident Rate per 1,000 Population for the entire city was 220.4. The South City Study Area had a rate of 318.7 and the Orange Avenue Study Area had a rate of 356.7, it appears service calls in both study areas are proportionally higher than the remainder of the city. Because of the small number of fire response incidents for 2015 to 2016 (34) and a population of approximately 11 residents, the nearly 3,091 incident rate for the Springhill Road Study Area appears to be distorted, and service calls in the study area may not be proportionally higher than the remainder of the city.

Tallahassee Fire Department Incident Summary, 2015-2016

	Total Incidents	**Incident Rate per 1,000 Population**	**Incident Rate per Sq. Mile**
South City Study Area	834	318.7	1,737.5
Orange Avenue Study Area	321	356.7	3,566.7
Springhill Road Study Area	34	3,090.9	283.3
City of Tallahassee Total	39,984	220.4	387.8
Leon County Total	53,238	193.3	75.7

Source: City of Tallahassee, Technology & Innovations
Prepared By: Tallahassee-Leon County Office of Economic Vitality, Tallahassee-Leon County Planning Department

Analysis of Code Violations

In analyzing code violations, staff used building code information from the City's Growth Management Department, separating the violations into two broad categories: (1) Dangerous Building & Substandard Buildings and (2) Care of Premise

& Inoperable Vehicle Violations. As shown in the table below, the South City and Orange Avenue study areas demonstrate recorded violations of both Dangerous Building & Substandard Buildings and Care of Premise & Inoperable Vehicle Violations that are greater than in the remainder of the city. Because of the small incident rate and size of the Springhill Road Study Area, it appears the incident rate may be distorted, and service calls in the study area may not be proportionally higher than the remainder of the city.

City of Tallahassee Code Violations, 2015-2016, Rate per Sq. Mile

	South City Study Area	Orange Avenue Study Area	Springhill Road Study Area	City of Tallahassee
Building Code Violations (Dangerous Building & Substandard Buildings)	64.6	33.3	8.3	10.7
Care of Premise & Inoperable Vehicle Violations	518.8	600.0	41.7	95.0
Total Violations, 2015-2016	583.3	633.3	50.0	105.7

Source: City of Tallahassee, Growth Management Department
Prepared By: Tallahassee-Leon County Office of Economic Vitality, Tallahassee-Leon County Planning Department

Fiscal Impact

The table below assesses the first year impact of adding the properties in the study areas to the CRA boundary if the areas had been expanded in FY 2015 and began collecting tax increment in FY 2016. As shown, the increment projected to be generated from the inclusion of the study areas is expected to be minimal, especially in the first years. The analysis also assumes tax increment parity between the City and County, with the County contributions based on the existing City millage.

Study Area	FY 2015 Taxable Value	FY 2016 Taxable Value	Change in Taxable Value	Projected Tax Increment
South City	$21,351,183	$22,043,879	$692,696	$5,656
Orange Ave. In-Fill	$10,299,605	$10,922,375	$622,770	$5,085
Springhill Road	$3,402,536	$3,306,165	($96,371)	$0

Steps to Expanding the GFS District Boundary

The procedures for expanding existing community redevelopment area boundaries are essentially the same for establishing a new community redevelopment area. Although the procedures are fairly extensive and can be time consuming, staff believes they could complete the actions necessary to add one or more of the study areas to the GFS District boundary by June 2018.

- **Identification and Approval of Expansion Area by the CRA Board**. CRA staff needs direction from the CRA Board on the expansion area or areas, or the study area for a new redevelopment district, if appropriate.
- **Approval of Expansion by City of Tallahassee and Leon County Commission**. Under the terms of the interlocal agreement governing the CRA, any change and/or expansion of the CRA boundaries must be approved by the City and County Commissions.
- **Preparation and Adoption of the Finding of Necessity**. Depending on the direction provided by the CRA Board, the

analysis in this agenda item could serve as the start of the Finding of Necessity. If the Board directs staff to consider a larger study area or to create a new, stand-alone redevelopment district, the Finding of Necessity may be more involved.

- **Adoption of Amended Community Redevelopment Plan**. The community redevelopment plan identifies those activities the CRA intends to address to eliminate the conditions of blight identified in the Finding of Necessity. CRA staff is in the process of updating the current GFS Community Redevelopment Plan. Because the study areas are relatively small and similar to existing GFS District areas, the main change to the current redevelopment plan from adding one or more of the study areas may be changing the GFS District boundary. The amended redevelopment plan must be reviewed by the Planning Commission for consistency with the Comprehensive Plan. A number of public workshops and meetings would be required during the adoption of the plan. Finally, the plan must be approved by the CRA Board and adopted by the City Commission.
- **Adoption of Ordinance to Amend Trust Fund**. A new ordinance governing the GFS District trust fund reflecting the boundary (and funding) changes will have to be adopted by the City Commission.

Review by GFS CAC

Staff discussed the possibility of expanding the GFS District with members of the GFS CAC at their August 14, 2017 and 28, 2017 meetings. No concerns were raised by the members but other district residents and business owners may be concerned that expanding the boundary to include one or more of the study areas, will result in less project and program funding for the "original" district.

Staff Recommendation

Should the Board desire to amend the boundaries of the GFS district, staff will bring back a more detailed blight analysis of the study area and a more defined schedule for required actions.

Options

1. Accept staff's report.
2. Do not accept staff's report.
3. Board direction.

Attachments/References

1. Boundary Map of Existing Greater Frenchtown/Southside Community Redevelopment Area
2. Map Study Areas
3. Map of the South City Study Area
4. Map of the Orange Avenue and Springhill Study Areas

Attachment 1.pdf (1,183 KB) Attachment 2.pdf (1,484 KB) Attachment 3.pdf (1,192 KB)

Attachment 4.pdf (1,259 KB)

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Oct 25, 2017 - City Commission Meeting
Category	13. POLICY FORMATION AND DIRECTION
Subject	13.09 Discussion on the Sunset of the Downtown CRA District -- Wayne Tedder, Assistant City Manager
Access	Public
Type	Action, Discussion
Recommended Action	Option 6: Provide staff direction

Public Content

For more information, please contact: Wayne Tedder, (850)891-8328

Statement of Issue

At their June 20, 2017 FY 2018 Budget Workshop, the Leon County Board of Commissioners (BOCC) directed County staff to implement one of four options presented to the Board to address anticipated impacts from the State Legislature-proposed additional $25,000 homestead exemption to the Florida Constitution that would take place in 2020 if approved through the state-wide vote. Option 2 approved by the BOCC included, among other budget adjustments, phasing out the Downtown District Community Redevelopment Area (DT District) by FY 2020 to partially address the annual budget shortfall from the reduction in property tax.

On June 28, 2017, City Commission received an update of the city's FY 2018 Budget Plan that included a brief overview of the BOCC action from the County's budget workshop. The City Commission also directed staff to bring back an agenda item discussing revisions to the DT District.

On September 25th, the CRA Board reviewed four potential options for the DT District:

1. No change to DT District operations
2. Sunset the DT District by 2020
3. Retain the DT District with restrictions
4. Retain the DT District with County support removed from the District

The Board directed additional staff review and comparison of the options at subsequent City and County Commission meetings and then report back to the Board at the November 9th CRA Board meeting. The purpose of this agenda item is to provide additional information relating to the identified options and develop a City Commission recommendation to the CRA Board regarding the sunset of the DT district.

Recommended Action

Option 6: Provide staff direction.

Fiscal Impact

There is no fiscal impact at this time. The fiscal impacts are dependent upon the option selected by the City and County

Commissions and the CRA Board as discussed below.

Supplemental Material/Issue Analysis

History/Facts & Issues

The City Commission adopted the Downtown Community Redevelopment Plan and established the Downtown (DT) District Trust Fund in June 2004. Funding of the DT District, as well as any expansion of either the DT District or the GFS District or establishment of new redevelopment districts is governed by the "Interlocal Agreement" dated June 23, 2004, and amended on October 4, 2007, February 9, 2009, and December 11, 2014. The interlocal agreement is included as Attachment 1.

At their June 20, 2017 FY 2018 Budget Workshop, the BOCC directed County staff to implement a phase out of the DT District by FY 2020 to partially address the budget shortfall from the expected reduction in property tax collections if the proposed additional $25,000 homestead exemption is approved. This approach was expected to eliminate an estimated County annual payment of $1.4 million to the DT District.

On June 28, 2017, the City Commission received an update of the city's FY 2018 Budget Plan that included an overview of the BOCC action from the County's budget workshop on June 20th. City staff noted the following three elements that would be part of any action to phase-out the DT District:

- The City, County and CRA Board would direct and supervise the dissolution process and require decisions about end dates, existing and continuing redevelopment expenditures and, if necessary, other work to be addressed.
- As part of this directing effort, the City, County and CRA Board would develop and review the list of previously committed CRA funds. This includes current payments for existing contractual obligations and consideration for projects in process but not currently under contract.
- Depending upon timing, funds that formerly would have been distributed to the CRA as tax increment could be deposited into the DT District Trust Fund to pay enforceable obligations and, upon payment, any remaining monies would be proportionally redistributed to the City and County.

The City Commission, later in the meeting, directed staff to bring back an agenda for Commission discussion on the continuance of the DT District.

On September 25th, the CRA Board reviewed four potential options for the DT District:

1. No change to DT District operations
2. Sunset the DT District by 2020
3. Retain the DT District with restrictions
4. Retain the DT District with County support removed from the District

The Board directed additional staff review and comparison of the options at subsequent City and County Commission meetings and then report back to the Board at the November 9th CRA Board meeting.

Review of CRA Impacts on the DT District:

The following table highlights the amount of private investment generated by the large projects within the DT District that the CRA has invested in and the value created by these projects.

Downtown District CRA - Major Project Results (as of January 2017)

Project Name	CRA Investment	Est. Private Investment	Pre-Development Taxable Value	Post-Development Taxable Value1	Increase in Taxable Value

Attachment 2
Page 3 of 9

Marriott Residence Inn on Gaines St.	$500,000	$11,505,000	$588,166	$7,897,614	$7,309,448
Alliance Center on Monroe St.	$495,000	$16,953,000	$1,282,584	$8,763,858	$7,481,274
College Town, Phase 1	$2,532,000	$17,018,000	$1,207,059	$15,848,239	$14,641,180
The Catalyst on Madison St.	$912,000	$25,488,000	$925,562	$27,241,605	$26,316,043
601 Copeland St.	$395,000	$21,105,000	$0	$18,546,966	$18,546,966
Gateway Tallahassee at Monroe and Tennessee St.	$1,414,766	$12,992,000	$2,120,484	$7,125,962	$5,005,478
The Onyx on Macomb St.	$1,368,892	$41,000,000	$999,376	$48,154,359	$47,156,983
Total	**$7,617,658**	**$146,061,000**	**$7,123,231**	**$133,578,603**	**$126,457,372**

1. Based on 2016 certified values

In summary, these figures show that the total property value increase ($126,457,372) generated by these seven CRA supported projects is responsible for approximately 55.9% of the total increase in DT District property values between 2004 and 2016. More importantly, due to the construction of these large construction projects, over 106 additional projects benefiting the community including small and local businesses and community organizations have received funding by the DT CRA. A full list of the DT District projects and programs that the CRA has supported since FY 2005 is included as Attachment 2.

Previous Project Commitments

At the time of the initial City and County Commission discussions there were four previously approved major redevelopment projects in the DT District receiving or eligible to receive tax increment reimbursements that will extend beyond FY 2018. However, since that time, two additional projects have received CRA Board approval. The following projects have been approved to date:

- College Town, Phase I – The total grant payment to College Town, Phase I was $2,532,045. The fifth and final payment of $366,409 will be made in FY 2019.
- Gateway Tallahassee – An estimated payment of $57,000 will be made in FY 2018; however, reimbursements will continue to FY 2026 under the current payment schedule. From FY 2019 to FY 2026 the total estimated remaining reimbursement is $377,897. These payments include interest of 4.2 percent on the outstanding balance during the first seven years of the reimbursement payments (through FY 2021). The total estimated grant payment to Gateway Tallahassee is $1,414,766.
- The Onyx – The first reimbursement payment was made in FY 2017 for $288,771; an estimated payment of $292,000

will be made in FY 2018. From FY 2019 to 2021 the total estimated reimbursement is $788,916. The total grant payment to the Onyx is projected to be $1,368,892.

- Doubletree **-** The CRA Board approved up to $883,260 in grant funds for sidewalk and streetscape improvements within the City's right-of-way. The CRA will reimburse the cost of the improvements over a 10-year period ($88,326/year) once the improvements are completed. Although the Board approved the grant funds, the hotel owner/operator has not executed an agreement with the CRA at this time.
- Firestone/Bloxham at Cascades - With an estimated taxable value of $132.0 million this project will generate approximately $1,077,754 in TIF beginning in FY 2022, and approximately $15.3 million through FY 2034 when the DT District sunsets. The Board approved 90% of the TIF be reimbursed annually through 2034. This amounts to $984,528 in 2022 and a projected total of $13.9 million through FY 2034. Additionally, the Board approved staff obtaining a loan for $6,500,000 for 229 public parking spaces. Any remaining TIF will be used by the CRA to pay for parking or other improvements as directed by the CRA Board. In addition to the TIF that will be collected by the CRA for this project, Leon County will receive an average of approximately $664,411 each year ($8.6 million over the thirteen-year period) based on the anticipated increase in the property's taxable value and their uncommitted millage per the DT Interlocal Agreement.
- Charles Street Properties Project - With an estimated taxable value of $36.7 million this project is expected to generate $299,344 in TIF in FY 2022, and approximately $4.3 million through FY 2034. The CRA Board approved 100% of the TIF be reimbursed to the developer through FY 2034. In addition to the TIF that will be collected by the CRA for this project, Leon County will receive an average of approximately $163,679 each year ($2.1 million over the thirteen-year period) in property tax from their uncommitted millage.

Potential Project Commitments

In addition to the previously approved funding commitments, the CRA Board has approved staff to enter into negotiations with the Washington Square project on the former Ausley-McMullen Law Office site behind the Leon County Courthouse. The impact on the DT CRA is anticipated to be as follows:

- Based on preliminary development information, this development is estimated to have a taxable value of $56.7 million, and is expected to generate $462,720 in TIF in FY 2022, and approximately $6.6 million through FY 2034. The developer has requested all of the TIF be reimbursed to them through FY 2034 as well as additional tax incentives above the CRA allowed TIF. In addition to the TIF that will be collected by the CRA, Leon County will receive an average of approximately $252,306 each year ($3.5 million over the thirteen-year period) in property tax from their uncommitted millage.

Payment Options

Depending on the City, County and CRA Board's direction, there are three options for paying off the project investment obligations including:

- Make payments as currently scheduled,
- Making the payments earlier than required through existing DT District revenues, or
- Using City and County general funds to make payments beyond FY 2019 or 2020.

For the purposes of evaluating the options to phase out the DT district, staff has assumed that funding of the previously approved and potential projects will be dispersed through annual tax increment funds as currently approved. This is the most appropriate methodology to pay out the financial obligations, in terms of both simplicity and accuracy, as the existing obligations are based on actual assessed values in the future years.

Options for Phasing Out the Downtown District:

CRA staff identified four options for initial consideration by the CRA Board. The assumptions and corresponding financial outcomes for each option are also provided. **It should be understood that all financial data included for all options are estimates that are based on assumed conditions.** There are a number of factors such as market conditions and tax rates that could significantly adjust the amounts represented in this agenda item.

1. No change to DT District Operations (Attachment 3, page 2)
   - DT District would continue to function as is until June 30, 2034.
   - This option includes all approved funding commitments to date (including the Firestone-Bloxham and 4Forty North projects). Also includes reimbursement for the pending Washington Square development.
   - FY 2018: $1,996,710 in TIF ($952,526 in City contributions and $1,044,184 in County contributions)
   - FY 2018: $989,111 in additional Property Taxes to Leon County
   - FY 2018 - 2034: $42,526,064 to CRA for additional programming
   - FY 2018 - 2034: $0 in additional Property Taxes to City of Tallahassee
   - FY 2018 - 2034: $46,258,110 in additional Property Taxes to Leon County

2. Sunset the DT District by 2020 (Attachment 3, page 2)
   - Sunset and end all funding and programs by September 30, 2019 (except for TIF necessary to fund current commitments).
   - This option includes all approved funding commitments to date (including the Firestone-Bloxham and 4Forty North projects). Also includes reimbursement for the pending Washington Square development.
   - Uncommitted increment starting in FY 2020 would be returned to the City and County.
   - FY 2018: $1,996,710 in TIF ($952,526 in City contributions and $1,044,184 in County contributions)
   - FY 2018: $887,446 in additional Property Taxes to Leon County
   - FY 2018 - 2034: $1,684,854 to CRA for additional programming (through 2019)
   - FY 2018 - 2034: $21,458,141 in additional Property Taxes to City of Tallahassee
   - FY 2018 - 2034: $65,236,062 in additional Property Taxes to Leon County

3. Retain the DT District with Restrictions (Attachment 3, page 3)
   - Maintain structure and current boundary of the DT District but narrow the focus of utilizing TIF funding.
   - This option includes all approved funding commitments to date (including the Firestone-Bloxham and 4Forty North projects). Also includes reimbursement for the pending Washington Square development.
   - Eliminate funding of large and small events and small business improvement grants.
   - Focus on large projects in targeted areas that "pays for itself."
   - Focus on infrastructure projects throughout the District (Attachment 4).
   - Unused increment to be returned to the City and County.
   - FY 2018: $1,996,710 in TIF ($952,526 in City contributions and $1,044,184 in County contributions)
   - FY 2018: $989,111 in additional Property Taxes to Leon County
   - FY 2018 - 2034: Up to $19,483,218 to City of Tallahassee and $21,357,992 to Leon County in returned/uncommitted TIF
   - FY 2018 - 2034: $46,258,110 in additional Property Taxes to Leon County

4. Retain the DT District with County removed from the District (Attachment 3, page 4)
   - DT District would continue to function as is until June 30, 2034, without new Leon County participation beginning in FY 2020. The County tax increment through 2034 would be collected to fund currently approved projects and any new projects approved by the Board prior to 2020 (or date determined by the Board).
   - This option includes all approved funding commitments to date (including the Firestone-Bloxham and 4Forty North projects). Also includes reimbursement for the pending Washington Square development.
   - County could elect to pledge TIF for particular projects as desired after 2020. This would require Board of County Commission approval independent of the CRA Board meeting.
   - The City generated TIF would remain available for development incentives and current programs.
   - FY 2018: $1,996,710 in TIF ($952,526 in City contributions and $1,044,184 in County contributions)
   - FY 2018: $887,446 in additional Property Taxes to Leon County
   - FY 2018 - 2034: $19,003,079 to CRA for additional programming
   - FY 2018 - 2034: $0 in additional Property Taxes to City of Tallahassee
   - FY 2018 - 2034: $65,236,062 in additional Property Taxes to Leon County

A financial summary of the four options is provided below.

	Option 1	Option 2	Option 3	Option 4
Projected Tax Increment	**$85,366,425**	**$40,385,299**	**$85,366,425**	**$61,843,440**
City Tax Increment	$40,723,867	$19,265,725	$40,723,867	$40,723,867
County Tax Increment	$44,642,559	$21,119,574	$44,642,559	$21,119,574
Operating Expenses	**$6,384,533**	**$2,244,616**	**$6,384,533**	**$6,384,533**
Current DT District Commitments	**$3,507,944**	**$3,507,944**	**$3,507,944**	**$3,507,944**
Future DT District Commitments	**$32,947,884**	**$32,947,884**	**$32,947,884**	**$32,947,884**
Uncommitted Funds (TIF less expenses)1, 2	**$42,526,064**	**$1,684,854**	**$42,526,064**	**$19,003,079**
Uncommitted Funds Returned to City	**$0**	**$0**	**$19,483,218**	**$0**
Uncommitted Funds Returned to County	**$0**	**$0**	**$21,357,992**	**$0**
Net Property Taxes - City	**$0**	**$21,458,141**	**$0**	**$0**
Net Property Taxes - County	**$46,258,110**	**$65,236,062**	**$46,258,110**	**$65,236,062**

1. All options include Uncommitted Funds from City and/or County TIF contributions. All options include $1,684,854 in projected FY 2018 and FY 2019 funds. Under Option 2, the DT District will only receive the TIF needed to meet current project obligations. As a result there are no Uncommitted Funds beyond FY 2019. Under Option 4 only the City contributes their full TIF, the County only contributes the TIF needed to meet their funding obligations and would have no uncommitted funds at the end of the year.

2. Uncommitted Funds would be retained by the CRA under Options 1 and 4 and used for other Board approved project/program needs in the DT District. Under Options 2 and 3 the Uncommitted Funds would be returned to the City and County based on the premise that "projects must pay for themselves."

Additional Considerations

Infrastructure needs within the DT District. Regardless of option directed, there is a significant amount of infrastructure needs within the DT District. Attachment 4 includes maps and a list of various infrastructure improvement needs within the DT District. While CRA funding is inadequate for funding most of the infrastructure projects, the CRA could be directed to fund infrastructure improvements, such as roadway projects, improved streets and pedestrian lighting, improved landscaping, mass transit improvements and other urban infrastructure and amenities.

Other Economic Development Incentives that would Support Appropriate Infill Redevelopment. At this time the CRA is the only source of development incentives exclusively targeted to the DT District that can be used for infill redevelopment efforts. Statewide competitive programs such as the Florida Job Growth Grant Fund are available through Enterprise Florida for economic development project proposals that enhance community infrastructure or develop workforce training programs. Additionally, Blueprint 2000 will have County-wide incentive funds in 2020. However, none of these are specifically targeted for the DT District.

CRA Board Composition. State Statutes allow for multiple CRA districts within a City. However, multiple CRA districts are required to be governed by a single Board. Should the City and CRA Board continue with the DT District and not object to the County from withdrawing from the DT District, then staff is recommending that the composition of the CRA Board be addressed through the necessary process.

Process:

In addition to the requirements outlined in Chapter 163, Part II, F.S., that address the operation of a redevelopment area, the Interlocal Agreement between the City, County and CRA would apply. Per the “Interlocal Agreement Among the City of Tallahassee, Leon County and the Community Redevelopment Agency of the City of Tallahassee Regarding the Creation and Operation of the Downtown District Community Redevelopment Area and the Expansion of Any Community Redevelopment Area” (the “Interlocal Agreement”), as amended, any action to phase out or restructure the DT District would have to be approved by the CRA Board, the City Commission and the Board of County Commissioners.

Options

1. Direct staff to make no changes to DT District Operations.

Pros:

Provides for continued economic development incentives.

Provides funding for large projects, small projects, events and infrastructure.

Cons:

Does not provide a focus on targeted areas for redevelopment.

Does not make infrastructure improvements a priority.

2. Sunset the DT District by 2020.

Pros:

Provides Leon County maximum amount of tax revenues that can be programmed throughout the County.

Provides the City of Tallahassee additional general revenue dollars that can be utilized throughout the City.

Cons:

Does not provide for continued economic development incentives.

Does not provide funding for large projects, small projects, events and infrastructure.

3. Retain the DT District with Restrictions as provided within this agenda.

Pros:

Provides for continued economic development incentives.

Provides funding for infrastructure projects and large development projects in targeted areas.

Cons:

Does not provide funding for small projects and events.

4. Retain the DT District with County removed from the District in 2020.

Pros:

Provides for continued economic development incentives.

Provides funding for large projects, small projects, events and infrastructure.

Allows County to participate on projects after 2020 if they desire.

Cons:

Does not provide greatest amount of funding for large projects, small projects, events and infrastructure.

Does not make infrastructure improvements a priority.

5. Do not object to the County withdrawing from the DT district and include restrictions identified in Option 3 as identified in this agenda item.

Pros:

Provides for continued economic development incentives.

Provides funding for infrastructure projects and large development projects in targeted areas.

Allows County to participate on projects after 2020 if they desire.

Cons:

Does not provide greatest amount of funding for large projects and infrastructure.

Does not provide funding for small projects and events.

6. Provide staff direction.

Attachments/References

1. The Interlocal Agreement dated June 23, 2004, and amended on October 4, 2007, February 9, 2009, and December 11, 2014.

2. List of all DT CRA projects

3. Tables showing fiscal impact of Options 1 – 4.

4. Infrastructure needs within the DT CRA District

INTERLOCAL AGREEMENT AMONG THE CITY OF TALLAHASSEE, LEON COUNTY, AND THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TALLAHASSEE REGARDING THE CREATION AND OPERATIONS OF THE DOWNTOWN DISTRICT COMMUNITY REDEVELOPMENT AREA AND THE EXPANSION OF ANY COMMUNITY REDEVELOPMENT AREA

This Interlocal Agreement ("Agreement") is made and entered into as of this 23rd day of June, 2004, by and between Leon County, Florida, a charter county and political subdivision of the State of Florida (the "County"), the City of Tallahassee, Florida, a municipal corporation created and existing under the laws of the state of Florida (the "City"), and the Community Redevelopment Agency of the City of Tallahassee, a body politic and entity created, existing and operating under Part III of Chapter 163, Florida Statutes (the "Agency").

RECITALS

WHEREAS, under the authority of Part III of Chapter 163, Florida Statutes (the "Act"), the City has previously created the Agency, which has the authority under the Act to plan, coordinate, and cause the redevelopment of areas of the City determined under the Act to be "slum or blighted areas"; and,

WHEREAS, the Agency is currently implementing a "community development plan" for a "community redevelopment area" (as those terms are defined in the Act) known as the "Downtown District Community Redevelopment Area" (the "District"), and the City may, from time to time, seek to declare other additional areas to be "slum" or "blighted" areas and to cause the Agency similarly to implement such "community redevelopment plans" within those "community redevelopment areas" to address the identified conditions of "slum" or "blight" in those areas; and,

WHEREAS, the County is of the belief and position that neither the City, nor the Agency may legally create or designate any new "community redevelopment area", or expand the boundaries of any existing "community redevelopment area" or exercise any powers within a new or expanded "community redevelopment area", without first obtaining from the County the specific delegation of powers enumerated in the Act or otherwise the County's consent thereto; and,

WHEREAS, the City and the Agency are of the belief and position that the City has the power and authority to create and designate any new "community redevelopment area", or expand the boundaries of an existing "Community Redevelopment Area" and exercise those powers enumerated in the Act, within the new "community redevelopment area" without first obtaining from the County any approval, delegation of powers, or consent; and, WHEREAS, the County and City engaged in the procedures enumerated in the Intergovernmental Conflict Resolution Act, Chapter 164, Florida Statutes, in an effort to resolve their differences concerning the District; however, both parties reached an impasse, and subsequently on March 5, 2004, the County filed a Complaint against the City, challenging the creation of the District; and,

WHEREAS, the parties to this Agreement agree that the conflict between them is better resolved through negotiation and agreement rather than by litigation; and,

WHEREAS, the parties to this Agreement agree that should either party breach this Agreement or should the Agreement be terminated pursuant to Section 10 of the Agreement, that both parties specifically reserve the right to put forth their legal arguments previously articulated, and nothing herein shall be deemed to be a waiver thereof; and

WHEREAS, the parties to this Agreement agree that the establishment of a Community Redevelopment Agency and Tax Increment Financing are effective tools for the redevelopment of slum or blighted areas of the City; and

WHEREAS, the parties to this Agreement agree that it is the intent of both the City and the County that properties acquired by the Agency for the purpose of redeveloping slum or blighted areas of the District, with the exception of those intended to be maintained in public ownership, be placed back on the tax rolls as quickly and as expeditiously as possible and consistent with the approved redevelopment plan; and

WHEREAS, the County, the City and the Agency (hereinafter collectively referred to as the "parties") desire to enter into an Agreement of understanding to delineate their areas of responsibility with respect to the redevelopment of the District and theAgency's obligations and responsibilities to each taxing authority; and

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises hereinafter set forth, the parties do hereby agree as follows:

Section 1. Authority

This Interlocal Agreement is entered into pursuant to the powers and authority granted to the parties under the Constitution and the laws of the State of Florida, including expressly but not limited to the authority of Section 163.01, Florida Statutes, and the Act.

Section 2. Definitions

Unless otherwise defined herein, the following words and phrases shall have the following meanings:

a. **"Agency"** means the Community Redevelopment Agency, or its successor, a public body corporate and politic.

b. **"Act"** means Part III of Chapter 163 of Florida Statutes (2003).

c. **"Agreement"** means this document and other terms and conditions which are included and the exhibits and documents that are expressly incorporated herein by reference.

d. **"City"** means the City of Tallahassee, a Municipal Corporation under the laws of the State of Florida.

e. **"Community Redevelopment Area"** means a slum area, and blighted area, or an area in which there is a shortage of housing that is affordable to residents of low or moderate income, including the elderly, or a coastal and tourist area that is deteriorating and economically distressed due to outdated building density patterns, inadequate transportation and parking facilities, faulty lot layout or inadequate street layout, or a combination thereof which the governing body designates as appropriate for community redevelopment.

f. **"County"** means Leon County, Florida, a Political Subdivision of the State of Florida, a Charter County.

g. **"Downtown Community Redevelopment Plan"** or **"Plan"** means the plan adopted by the City Commission on June 23, 2004, (attached hereto as Exhibit B) for redevelopment of the District, and any amendments or revisions to such plan as the City Commission may from time to time approve in compliance with and subject to the limitations of this Agreement.

h. **"Downtown District Community Redevelopment Area" or "District"** means the area located within the corporate limits of the City and found and determined by the City Commission in Resolution No. 02-R-43, adopted on September 11, 2002, to be a slum and blighted area (as the term is defined in the Act), a copy of which Resolution is attached hereto as Exhibit A.

i. **"Effective Date"** means the date upon which the last party to this Agreement has fully executed same in accordance with the formalities imposed upon such entity required by Florida Law.

j. **"Increment Revenue"** means the amount calculated pursuant to Section 163.387(1), Florida Statutes.

k. **"Project"** means land sales, purchases, proposals, programs, development agreements, and public and private construction related to redevelopment in the District, unless specifically prohibited by the terms of this Agreement, which are projected to exceed $500,000, or the portion thereof funded by the Downtown District Community Redevelopment Area Trust Fund ("Trust Fund"), is expected to exceed $500,000. For purposes of calculating the threshold amount of $500,000, only direct monetary expenditures on a Project from the Trust Fund, shall be included.

Section 3. Term of Downtown District Community Redevelopment Area and Agreement:

a. The term of the District for purposes of completing all Projects contemplated hereunder shall be no later than thirty-five (35) years from the Effective Date of this Agreement. The City reserves the right to reduce the term of the District to less than 35 years as provided for in this Agreement, provided that all indebtedness, in whatever form agreed to, and other contractual obligations involving County funds have been fully satisfied. The City shall notify the County of such intent to terminate the District at least 180 days prior to such termination in accord with Section 13 (e) of this Agreement. During the term of the District, the County method of investment in any redevelopment activities proposed by the Agency within the boundaries of the District shall be subject to the terms and conditions of this Agreement and any amendments hereto.

b. The term of this Agreement shall commence upon the Effective Date, and shall end upon dissolution of the District, however, in no event to exceed thirty-five (35) years from the Effective Date, unless earlier terminated pursuant to Section 9 of this Agreement.

c. This Agreement is non-terminable and non-cancelable during its term, and any amendments thereto, except as provided in Section 9 herein.

Section 4. Community Redevelopment Area.
The parties recognize the validity of the existing Downtown District Community Redevelopment Areas created pursuant to City Resolution No. 02-R-43 adopted September 11, 2002. Any attempt to modify the boundaries of this District, as set forth and delineated in said Resolution, other than by dissolution of such District, shall require the prior written approval of the County. Further, the creation of a Community Redevelopment Agency or Community Redevelopment Area or any boundary adjustments to any existing or newly created Community Redevelopment Area, occurring after the effective date of this Agreement, shall also require the prior written approval of the County.

Section 5. Downtown District Community Redevelopment Area.
The County delegates to the City those powers contained in the Act for the District, and all parties agree to the following conditions:

a. The District shall have duration of no more than thirty-five (35) years from the Effective Date of this Agreement. However, annual Increment Revenue, if necessary to meet the respective obligations set forth in

Section 6(c) hereof or to secure debt issued to meet such obligation, shall be collected for a period of no more than thirty (30) years from the date upon which the District was created by the City.

b. The membership of the Agency shall consist solely of the membership of the City Commission, who shall act as its governing body and who shall have all those powers enumerated under the Act, unless otherwise conferred or delegated hereunder. In addition thereto, the County shall appoint two (2) ex officio members to the CRA, who each shall have a two-year term.

c. There is hereby created a Project Review Committee for the District, which shall be comprised of four members, two of whom shall be City Commissioners and two of whom shall be County Commissioners, who shall each have a two-year term. The Agency shall not remove or otherwise diminish the authority conferred upon the Project Review Committee established herein. All decisions made by the Project Review Committee shall be made by a majority vote. In the event of a tie vote on any matter, such matter shall be referred to both the County Administrator and City Manager who shall jointly be required to propose a "Resolution" to the Project Review Committee. The Project Review Committee shall then be reconvened for purposes of consideration of the "Resolution" to said matter. Should the Project Review Committee not adopt the "Resolution," an impasse shall be declared. In the event that an impasse occurs, the Agency shall have the right, in its sole discretion, to withdraw that Project from further consideration.

d. The Agency confers upon the Project Review Committee all those powers necessary and convenient to carry out and effectuate the specific purposes and provisions of this Agreement which relate to the Project Review Committee. The Project Review Committee shall be required to review and approve or reject all Projects, which are authorized by the Agency for funding from the Trust Fund at both the conceptual stage and at the acquisition, sale and/or construction stage, as the case may be. Every Project shall be reviewed by the Project Review Committee and be subject to their approval. The Project Review Committee shall be required to review and approve or reject all Requests for Proposals and Bids responsive thereto related to any Project, but shall not be responsible for the award and administration of such contract or agreement resulting from such procurement efforts. Final scope of such Projects shall also be subject to review and approval or rejection by the Project Review Committee.

e. <u>Oversight Review Board.</u> There is hereby created an Oversight Review Board, which shall be comprised of five members consisting of the Mayor of the City of Tallahassee, the Chairman of the Leon County Board of County Commissioners, the Leon County Property Appraiser, the

Superintendent of the Leon County Schools, and the Leon County Clerk of the Court. The Oversight Review Board shall be convened solely to address matters upon which the Project Review Committee reaches an impasse. The decision of the Oversight Review Board shall be final and binding upon the Project Review Committee and all Parties. In the event that the Oversight Review Board is unable to resolve a matter by majority vote, referred to it by the Project Review Committee, an impasse shall be declared and the matter shall be resolved in accordance with Section 10, Dispute Resolution.

Section 6. Financial Provisions

a. Tourist Development Tax. The County agrees to impose an additional one-cent tourist development tax on a County-wide basis, as set forth in Section 125.0104(3)(l), Florida Statutes (2003). The proceeds of one cent of the tax imposed pursuant to Section 125.0104(3)(c) and (d), Florida Statutes (2003) which is required to be remitted to the County Tourist Development Trust Fund, in accordance with Section 125.0104(3)(i), Florida Statutes (2003), shall be dedicated exclusively for costs associated with a Performing Arts Center(s) to be located in the Downtown District Community Redevelopment Area. The Performing Arts Center project(s) shall be specifically subject to the review and approval or rejection of the Project Review Committee. Upon the request of the Agency, the County shall authorize, approve, and execute such documents as are necessary to authorize and permit the Agency to issue debt and pledge the above referenced proceeds for the repayment of that debt including the payment of debt service and costs of issuance. Any portion of the Tourist Development Tax not needed for the payment of debt service, construction and/or operational costs for the Performing Arts Center(s), shall at the option of the Agency and upon approval of the Project Review Committee be returned to the Leon County Tourist Development Trust Fund, for use for the purposes thereof.

b. Gaines Street Reconstruction Project. The County agrees to contribute $10.7 million, to be derived from its share of sales tax extension revenues as identified in Leon County Ordinance 00-35, to be used exclusively for the Gaines Street Reconstruction project as set forth in Leon County Resolution 00-30, dated June 1, 2000, as amended by Leon County Resolution No. R.03-63, dated September 23, 2003, provided the City contributes a minimum of $17 million, derived from its share of sales tax extension revenues, to be used for the Gaines Street Reconstruction project, as identified herein, and the east/west pairing reconstruction project associated with the Gaines Street Reconstruction project and associated land acquisition and transportation related improvements in connection therewith. The County shall remit the subject funds to the City not later than 180 days from receipt of written notice from the City that the City funds have been contributed and the County funds are needed for the project. The subject funds shall be deposited into a City Project Work

Order for the project and the responsibility for design, construction and operation of the project shall be strictly that of the City.

c. Joint Funding of Downtown District Community Redevelopment Area Trust Fund. The County agrees to pay $15,000,000 and the City agrees to pay $13,000,000 by September 30, 2005, to the Trust Fund. In no event shall funds from Sales Tax, Municipal Service Taxing Unit or utility service revenues be used to make these contributions. If these payments are made prior to September 30, 2005, then the entity making the payment will be relieved from any future Increment Revenue payments rèquired to be made to the District.

Based on the need for the funding of Projects approved by the Project Review Committee, and other permitted uses of Trust Fund monies, the Agency, shall make written demand on the City and County for payment into the Trust Fund of all or a portion of the outstanding balance owed, which may be due after September 30, 2005. Any such partial payment shall be in the respective percentages of the total obligation set forth above. Such payment shall be made, with accrued interest, within 180 days of Notice by the Agency.

In the event the Agency does not demand payment as described above of the full agreed upon amount prior to September 30, 2005, interest on the outstanding balance will be paid into the Trust Fund on October 1 of each year in which payment is deferred, accruing at 4.50 % or the annual Consumer Price Index ("CPI") rate in effect on October 1 of each year, whichever is greater. "CPI" means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84-100 (unadjusted), as published monthly by the Bureau of Labor Statistics, United States Department of Labor.

Until the principal and all accrued interest, if any, of the agreed amounts are paid (County - $15,000,000; City - $13,000,000), the City and the County agree to pay annually the Increment Revenue to the Trust Fund. The Agency will remit to the account designated by the County the increment amount attributed to the EMS Municipal Services Taxing Unit and the Indigent Health Care Municipal Services Taxing Unit collected within the District. Such remittance will be made within ten (10) calendar days of receipt of payment by the Agency. The remaining amount contributed by each entity will be applied to the outstanding balance owed by that entity, including interest owed as described above.

If either the City or the County desire to finance its required contribution or any portion thereof through the issuance of debt secured by Increment Revenue collected within the District, the Agency agrees upon the request of such party to authorize, approve, and execute such documents as are necessary to authorize and permit that Party to issue debt and pledge the

Increment Revenue for the repayment of that debt, including the payment of debt service and cost of issuance.

Once the total amount owed is paid off by either Party, that Party shall be fully relieved of any obligation to remit Increment Revenue to the Agency or District Trust Fund.

d. Trust funds shall not be used to provide direct lease subsidies within the District. Trust funds shall not be used to provide indirect lease subsidies unless they are specifically approved by the Project Review Committee. A lease subsidy is defined as any payment from the Trust Fund, through the Agency, to either a property owner or a tenant for the express purpose of reducing the tenant's lease costs. The requirement of inclusion of retail or commercial space in a given Project shall not constitute a lease subsidy.

e. Funds and other assets received by the Agency unrelated to the District or through grants, gifts, donations, or in any other manner accruing to the District, including Increment Revenue contributed by the City in excess of its required obligation under Section 6(c) hereof and Increment Revenue from the Downtown Improvement Authority, except as described below, shall remain the assets and/or funds of the Agency and shall not be in any way subject to the provisions of this Agreement. Funds and other assets received by the Agency from the sale or lease of Projects financed by the Agency within the District shall remain subject to the provisions hereof for the entire Term of this Agreement

f. In the event of any subsequent refinancing of debt secured by Increment Revenue or Tourist Development Tax revenue issued pursuant to this Agreement, any debt service savings shall accrue to the benefit of the Trust Fund.

g. As a result of the provisions of this Agreement, subject to the provisions of Section 6(c) hereof, the County is hereby relieved of its obligation under the Act to deposit Increment Revenue or any other funds into the Community Redevelopment Downtown District Trust Fund, and the City and the Agency shall be deemed to have waived their rights under the Act to require the County to make such payments.

<u>Section 7.</u> <u>Records and Reporting</u>. For Projects within the Downtown District Community Redevelopment Area. The Agency shall:

a. Maintain books, records, documents, and other evidence according to generally accepted governmental accounting principles, procedures and practices, which sufficiently and properly reflect all costs and expenditures of any nature, incurred by the City and/or Agency in connection with the Projects or otherwise paid or to be paid from either Incremental Revenues or the proceeds of increment obligations, or paid from revenues derived from the Tourist Development Tax or revenues otherwise contributed by the County to the District, and said books, records, documents and other instruments shall be retained by the City and the Agency for a period of three full years after termination of this Agreement. However, notwithstanding the above, construction records, documents, and reports shall be retained by the City and the Agency for a period of five full years after completion of any such Project, unless said records, documents, and reports are required to be maintained pursuant to federal income tax regulations for arbitrage rebate calculation purposes, upon which said records, documents, and reports shall be retained for a period of three years after termination of this Agreement; and

b. Provide to the Project Review Committee, within 45 days after March 31 and September 30 of each year, a report which shall contain a narrative description of the work completed on any Projects according to the project schedule, a description of any change orders then pending or executed, and a budgetary summary detailing planned expenditures and actual expenditures; and

c. Provide the County and the City upon completion of construction of any Project with a certification to the County from a professional engineer licensed to practice in the State of Florida, that the improvements have been completed according to the plans and specifications approved for such Project; and

d. Within 120 days after the end of each fiscal year, provide the Project Review Committee a report for the preceding fiscal year itemizing all expenditures made by the City and/or Agency from proceeds of Increment Revenue, increment obligations, Tourist Development Tax proceeds, and/or other County contribution to the Trust Fund, setting forth all interest earnings from the investment of proceeds of Increment Revenue, increment obligations, Tourist Development Tax proceeds, and/or County revenue contributions, and calculating the balance of any unexpended proceeds.

<u>Section 8. Audit.</u>

a. The County shall have the right from time to time at its sole expense to audit the compliance by the City and the Agency with the terms, conditions, obligations, limitations, restrictions and requirements of this Agreement, and such right shall extend for a period of three (3) years after termination of this Agreement. However, notwithstanding the above, the right to audit from time to time for compliance by the City and the Agency with the terms, conditions, obligations, limitations, restrictions and requirements of this Agreement as it relates to construction of Projects shall extend for a period of five (5) years after the completion of the Projects.

b. The County shall have full access, for inspection, review, and audit purposes, to all items referred to in the preceding paragraph.

c. The City and the Agency shall insure that all aforementioned recordkeeping, reporting, and audit requirements are included in any contracts and subcontracts entered into by the City and/or Agency with any party for the construction, purchase, sale or lease related to a Project authorized in this Agreement.

d. During the term of this Agreement, or any amended term of this Agreement, the City and the Agency shall provide to the County an annual report as required by Sections 163.387(8) and 163.356(3), Florida Statutes. The City and the Agency shall include a comparison of plan goals, objectives, and policies to annual program accomplishments and an analysis comparing current tax base to the base year, in addition to the statutorily required financial statements.

e. During the term of this Agreement, or any amended term of this Agreement, the City and the Agency shall provide a report to the County on an annual basis, as required by Section 163.356(3)(c), Florida Statutes, to effectively demonstrate accountability for the resources and activity. The activity report shall be provided in a format approved by the County, City and Agency, and must include both expenditures for the current fiscal year and cumulative financial information for each individual project or activity undertaken pursuant to the Community Redevelopment Area Plan. Specific details of the reporting shall be part of the terms and conditions of any amendments to this Agreement.

Section 9. Termination.

a. If any Party fails to comply with any terms or conditions of this Agreement or default in any of its obligations under this Agreement, and shall fail within thirty (30) calendar days after written notice to the non-compliant party to correct such default or non-compliance, the non-defaulting party, at its option may forthwith terminate this Agreement.

b. In the event that either the City or the Agency removes or otherwise diminishes any delegated authority under this Agreement, as identified under Section 5, or otherwise defaults in any of its obligations under this Agreement, the County, at its sole option, may forthwith terminate this Agreement, and the City or the Agency, jointly and severally shall be liable to County for all funds paid pursuant to the provisions of this Agreement by the County to the Trust Fund or to any other fund or entity, or otherwise owed or pledged thereto, for the purposes of and retroactive to the effective date of this Agreement. In the event that the County defaults in any of its obligations under this Agreement, the City and Agency shall have all rights and privileges under Chapter 163, Florida Statutes, and the County shall be liable to the Agency for all Increment Revenue otherwise due to the Agency since the date of this Agreement, notwithstanding the limitations set forth in this Agreement.

c. The grounds for termination and the remedy set forth in this Section are intended to be cumulative with those set forth in other paragraphs in this Agreement, as well as those otherwise available to the parties at law or at equity.

<u>Section 10. Dispute Resolution.</u>

a. The parties shall attempt to resolve any disputes that arise under this Agreement in good faith and in accordance with this Paragraph. The provision of the "Florida Governmental Conflict Resolution Act" shall not apply to disputes under this Agreement, as an alternative dispute resolution process is hereby set forth in this Section 10. The aggrieved party shall give written notice to the other party, in the manner set forth in Section 13.e., setting forth the nature of the dispute, date of occurrence (if known), and proposed resolution, hereinafter referred to as the "Dispute Notice."

b. Should the parties be unable to reconcile any dispute, the appropriate Agency, City and County personnel shall meet at the earliest opportunity, but in any event within ten (10) days from the date that the Dispute Notice is received, to discuss and resolve the dispute. If the dispute is resolved to the mutual satisfaction of both, they shall report their decision, in writing, to the City Manager and County Administrator. If they are unable to reconcile their dispute, they shall report their impasse to the City Manager and the County Administrator who shall then convene a meeting of the City Manager and County Administrator at their earliest opportunity, but in any event within 20 days following receipt of a Dispute Notice, to attempt to reconcile the dispute.

c. If a dispute is not resolved by the foregoing steps within thirty (30) days after receipt of the Dispute Notice, unless such time is extended by mutual agreement of the parties, then either party may require the dispute to be submitted to mediation by delivering written notice thereof (the "Mediation Notice") to the other party. The mediator shall meet the qualifications set forth in Rule 10.010(c), Florida Rules for Mediators, and shall be selected by the parties within 10 days following receipt of the Mediation Notice. If agreement on a mediator cannot be reached in that 10-day period, then either party can request that a mediator be selected by an independent conflict resolution organization, and such selection shall be binding on the parties. The costs of the mediator shall be borne equally by the parties.

d. If an amicable resolution of a dispute has not been reached within 60 calendar days following selection of the mediator, or by such later date as may be mutually agreed upon by the parties, then such dispute may be referred to binding arbitration by either party. Such arbitration shall be conducted in accordance with the Florida Arbitration Code (Chapter 682, Florida Statutes).

1. Such arbitration shall be initiated by delivery, from one party (the "Claimant") to the other (the "Respondent"), or a written demand therefore containing a statement of the nature of the dispute and the amount, if any, involved. The Respondent, within ten (10) days following its receipt of such demand, shall deliver an answering statement to the Claimant. After the delivery of such statements, either party may make new or different claims by providing the other with written notice thereof specifying the nature of such claims and the amount, if any, involved.

2. Within ten (10) days following the delivery of such demand, each party shall select an arbitrator and shall deliver written notice of that selection to the other. If either party fails to select an arbitrator within such time, the other party may make application to the court for such appointment in accordance with the Florida Arbitration Code. Within ten (10) days following delivery of the last of such written notices, the two arbitrators so selected shall confer and shall select a third arbitrator. Each of the arbitrators so appointed shall have experience in local government issues relating to Community Redevelopment Agencies.

3. The arbitration hearing shall be commenced in Leon County, Florida within sixty (60) days following selection of the third arbitrator. Except as may be specifically provided herein, the arbitration shall be conducted in accordance with Rules R-23 – R-48 of the Commercial Arbitration Rules of the American Arbitration Association.

<u>Section 11.</u> <u>Procedure for the Creation of New Community Redevelopment Agencies or the Expansion of Existing Community Redevelopment Agencies.</u>

The City and County agree either Party may only propose new Community Redevelopment Areas in areas within the City limits or boundary adjustments to existing Community Redevelopment Areas, subject to the provisions of this Section. Should either the City or County propose a new Community Redevelopment Area, or a boundary adjustment to an existing Community Redevelopment Area, it shall be required to first receive the prior written approval of the other Party. The City and the County agree to negotiate the boundaries, the duration of future Community Redevelopment Areas and such Increment Revenue in good faith.

<u>Section 12.</u> <u>Charter Amendments</u>

The City and County pledge that neither the City nor the County shall initiate any charter amendment to either the City or County Charter during calendar year 2004 which in any way concern, effect or otherwise impact the budgetary or operational matters of either entity.

Section 13. General Provisions.

a. Assignment. The parties shall not assign any portion of this Agreement without written consent first obtained from the other parties and any assignment made contrary to the provisions of this Paragraph may be deemed a default of the Agreement and, at the option of the other parties, shall not convey any rights to the assignee.

b. Compliance with Applicable Law. In providing services and otherwise carrying out its obligations under this Agreement, the parties shall comply with Applicable Law. Such compliance shall include obtaining any and all federal, state, or local permits or licenses required to perform its obligations under this Agreement.

c. Independent Contractor. Nothing in this Agreement shall be construed to create a relationship or employer and employee or principal and agent, partnership, joint venture, or any other relationship other than that of independent parties contracting with each other solely for the purpose of carrying our the provision of the Agreement. Nothing in the Agreement shall create any right or remedies in any third party, it being solely for the benefit of the County, the City and the Agency.

d. Non-waiver. Failure to enforce or insist upon compliance with any of the terms or conditions of this Agreement or failure to give notice or declare this Agreement terminated shall not constitute a general waiver or relinquishment of the same, or of any other terms, conditions, or acts; but the same shall be and remain at all times in full force and effect.

e. Notice. If written notice to a party is required under this Agreement, such notice shall be given by hand delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested, to the County as follows:

County Administrator
Leon County Courthouse
301 South Monroe Street
Tallahassee, Florida 32301

and to the City as follows:

City Manager
City Hall

300 S. Adams Street, Box A-21
Tallahassee, Florida 32301

and to the Agency as follows:

Executive Director
City Hall
300 S. Adams Street
Tallahassee, Florida 32301

f. Force Majeure. A party's timely performance of its obligations under this Agreement, only to the extent it is specifically affected thereby, shall be suspended, without forfeiture of any performance bond or the incurring of any financial liability, when and only for as long as performance of such obligations is prevented by reason of any of the following cases: (i) acts of God, including without limitation severe weather events, (ii) operation of law, and (iii) any other event beyond the reasonable control of the party whose performance is affected, to the extent not caused by such party's willful or negligent acts or omissions, except in those cases where that party could have reasonably foreseen and reasonably avoided the occurrence. The party affected by any such event shall give written notice thereof to the other party as soon as practicable after it becomes aware of such an event and, to the extent practicable, shall specify the anticipated length of the delay. The affected party shall use reasonable efforts to minimize the impact of that delay on that party's performance. Neither party shall be liable to the other for damages caused by such events. This provision shall not apply to obligations to make payments under Paragraph 6 of this Agreement.

g. Choice of Law, Venue, and Severability. This Agreement shall be construed and interpreted in accordance with Florida Law. Venue for any action brought in relation to this Agreement shall be placed in a court of competent jurisdiction in Leon County, Florida. If any provision of this Agreement is subsequently held invalid, the remaining provisions shall continue in effect.

h. Indemnification. To the extent permitted by law, each party agrees to indemnify, defend and hold harmless the other party, its officials, officers, and employees, from and against all liabilities, damages, costs and expenses, including but not limited to a reasonable attorney's fee, to the extent that same are caused by the negligent or wrongful acts or omissions of the indemnifying party, or its officials, officers, or employees, in the performance of this Agreement. The liability of each party, as set forth in this Paragraph, is intended to be consistent with limitations of Florida law, including the State's waiver of sovereign immunity pursuant to Section 768.28, Florida Statutes. No obligations imposed by this Paragraph shall be deemed to alter said waiver or to extend the liability of a party beyond such limits, nor shall any such obligation be deemed or construed as a waiver of any defense of sovereign immunity to which the indemnifying party may be entitled.

i. Amendment. Neither this Agreement nor any portion of it may be modified or waived orally. The provisions hereof may be amended or waived only pursuant to an instrument in writing, approved by the City Commission, the Governing Board of the Agency, and the County's Board of County Commissioners, and jointly executed by the parties hereto. This Agreement shall be enforced and be binding upon, and inure to the benefits of, the parties hereto and their respective successors and assigns, if any. Any party to this Agreement shall have the right, but not obligation, to waive any right or rights, limitation or limitations, or condition or conditions herein reserved or intended for the benefit of such party without being deemed to have waived other rights, limitations, or conditions. However, any such waiver shall be valid only if expressly granted in writing as described above.

j. Third Party Beneficiary. This Agreement is solely for the benefit of the County, the City, and the Agency, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party. Nothing in this Agreement, either express or implied is intended or shall be construed to confer upon or give any person, corporation, or governmental entity or agency, other than the parties hereto, any right, remedy, or claim under or by reason of this Agreement or any provisions or conditions hereof.

k. Severability. The provisions of this Agreement are declared by the parties to be severable. However, the material provisions of this Agreement are dependent upon one another, and such interdependence is a material inducement for the parties to enter into this Agreement. Therefore, should a material term, provision, covenant, or condition of this Agreement be held unenforceable by a Court of competent jurisdiction, the party protected or benefited by such term, provision, covenant, or condition may demand that the parties negotiate such reasonable alternative contract language or provisions as may be necessary either to restore the protected or benefited party to its previous position, or otherwise mitigate the loss of protection or benefit resulting from the mitigation.

l. Litigation. In exchange for the full compliance of the terms and conditions of this Agreement, the County agrees to dismiss with prejudice the lawsuit filed against the City of Tallahassee, Case No. 2004-612 dated March 5, 2004 with each party to pay its own attorneys fees and costs. In addition, the Parties agree not to challenge an Agency bond validation, if any, for the funding of the other parties' contribution to the Trust Fund.

m. Limited Application. Except with respect to Sections 4 and 11 herein, this Agreement shall in no event be construed as applying to the Frenchtown Southside Community Redevelopment District established September 23, 1998.

IN WITNESS WHEREOF, the parties cause this Agreement to be executed by their duly authorized representatives this 16th day of August, 2004.

Approved as to form:
COUNTY ATTORNEY'S OFFICE
LEON COUNTY, FLORIDA

By: ______________________
Herbert W.A. Thiele, Esq.
County Attorney

Attest:
Bob Inzer, Clerk of the Court
Leon County, Florida

BY: ______________________

LEON COUNTY, FLORIDA

By: ______________________
Jane G. Sauls, Chairman
Board of County Commissioners

Date: August 16, 2004

Approved as to form:
CITY ATTORNEY'S OFFICE

By: ______________________
James R. English, Esq.
City Attorney

Attest:

By: ______________________
Gary Herndon
City Treasurer-Clerk

CITY OF TALLAHASSEE, FLORIDA

By: ______________________
John R. Marks, III
Mayor, City of Tallahassee

Date: August 16, 2004

COMMUNITY REDEVELOPMENT AGENCY

By: ______________________
Chairman

EXHIBIT "A"

RESOLUTION NO. 02-R-43

A RESOLUTION OF THE CITY OF TALLAHASSEE, FLORIDA, RELATING TO COMMUNITY REDEVELOPMENT; FINDING THE EXISTENCE OF BLIGHT CONDITIONS IN AN AREA OF THE CITY; FINDING SHORTAGE OF HOUSING AFFORDABLE TO RESIDENTS OF LOW OR MODERATE INCOME; MAKING CERTAIN FINDINGS AND DETERMINATIONS; FINDING A COMMUNITY REDEVELOPMENT AREA EXISTS; FINDING THE EXISTING COMMUNITY REDEVELOPMENT AGENCY WILL BE THE AGENCY FOR THE AREA; PROVIDING AN EFFECTIVE DATE.

WHEREAS, a study has been done of the conditions in the City of Tallahassee, Florida, finding conditions of blight in that part of the City known as the downtown area as more particularly described on Exhibit "A" hereof (such area being referred to herein as the "Area"); and

WHEREAS, the results of that study have been presented to the City Commission for its consideration and included in the public record; and

WHEREAS, after having considered the study's determinations and the facts and evidence of conditions in the Area and has received and considered such other evidence of the conditions in the Area as have been presented to it, the City Commission has determined that certain actions are appropriate and necessary and should be taken to address the conditions now present and expected to be present in the Area;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TALLAHASSEE, FLORIDA:

Section 1. Findings of Conditions. Based upon the evidence, data and facts presented to it, the City Commission does hereby find:

(a) In that area of the City described in Exhibit "A" attached hereto (such area being referred to herein as either the "Area" or the "Redevelopment Area") there are a substantial number of deteriorated, or deteriorating structures, in which conditions, as indicated by government-maintained statistics or other studies, are leading to economic distress or endanger life or property, and in which two or more of the following factors are present:; and

(1) Predominance of defective or inadequate street layout, parking facilities, bridges, or public transportation facilities exists within the Area; and

(2) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness exists within the Area; and

(3) Unsafe and unsanitary conditions exist within the Area; and

(4) Deterioration of site and other improvements within the Area.

(b) In addition to the conditions set forth in (a) there is a shortage of housing affordable to residents of low or moderate income, including the elderly, within the Area

Section 2. Finding of Necessity. The City Commission does hereby expressly find that the rehabilitation, conservation or redevelopment, or a combination thereof, of the Area, including, if appropriate, the development of housing which residents of low or moderate income, including the elderly, can afford, are necessary and in the interest of the public health, safety, morals or welfare of the residents of the City of Tallahassee.

Section 3. Community Redevelopment Area. Based upon facts presented to it and contained in the public record, the City Commission does hereby find the Area contains conditions of blight as defined in Section 163.340, Florida Statutes (2001), as amended by Chapter 2002-294, Laws of Florida, and that such area constitutes a community redevelopment area as defined in Section 163.340(10), Florida Statutes (2001), as amended by Chapter 2002-294, Laws of Florida.

Section 4. Community Redevelopment Agency. The City Commission does hereby find and declare that the Community Redevelopment Agency created on September 23, 1998, by the enactment of Ordinance 98-O-0046, is the community redevelopment agency for the Area.

Section5. Effective Date. This resolution shall take effect immediately upon its approval.

PASSED AND APPROVED THIS 11th DAY OF SEPTEMBER, 2002.

Attest:

GARY HERNDON
City Treasurer-Clerk

SCOTT MADDOX, Mayor

APPROVED AS TO FORM:

JAMES R. ENGLISH
City Attorney

Downtown Community Redevelopment Area

A portion of Section 36, Township 1 North, Range 1 West, Leon County, Florida, being more particularly described as follows:

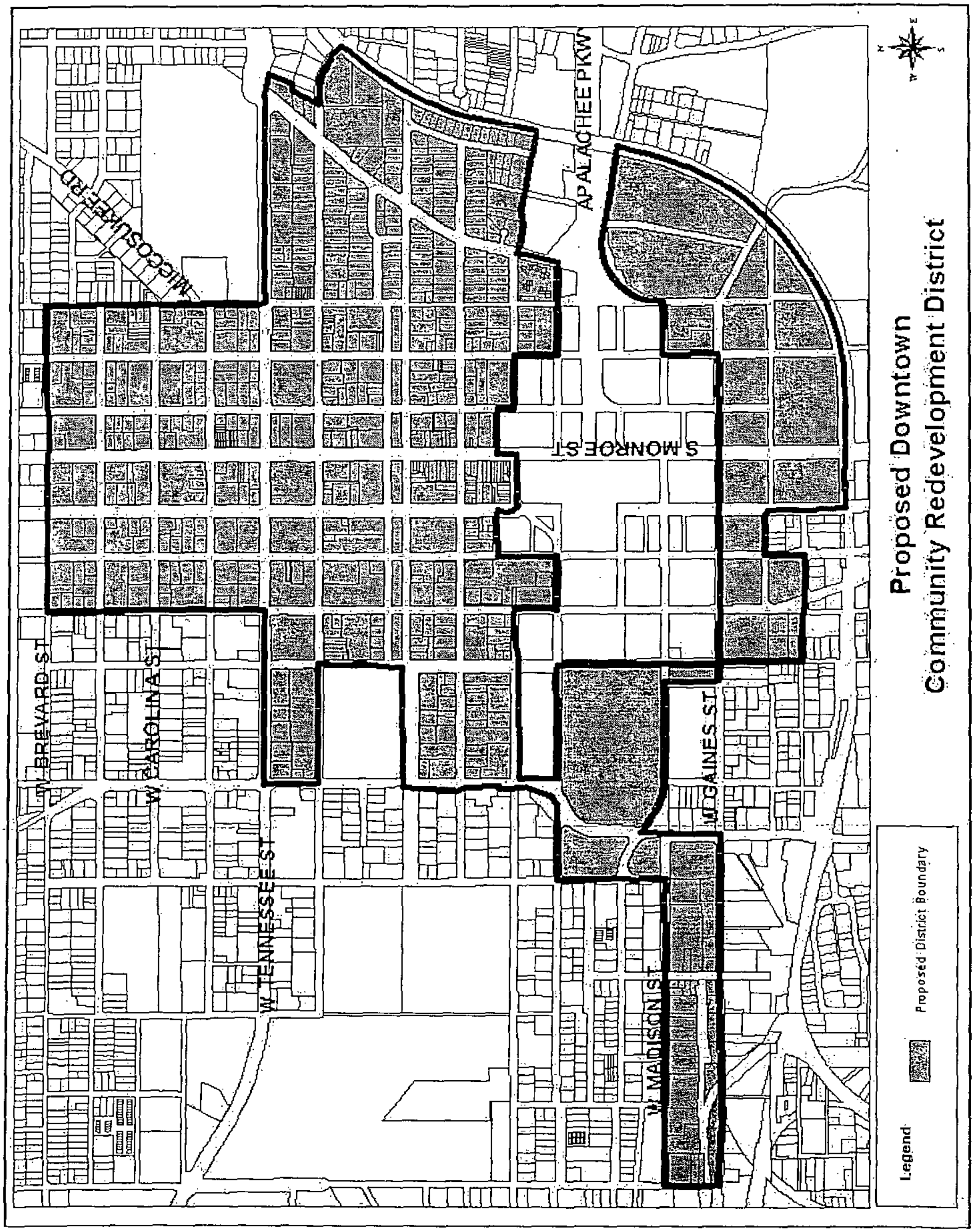
COMMENCE at the Tallahassee Meridian Marker at the northwest corner of Section 6, Township 1 South, Range 1 East; thence North 89 degrees 54 minutes 29 seconds East, along the north boundary of said Section 6, a distance of 545 feet to an intersection with the westerly curvilinear right-of-way boundary of the CSX Railroad for the **POINT OF BEGINNING** of the herein described area. From said **POINT OF BEGINNING** thence, along the curvilinear right-of-way boundary of said CSX Railroad, Southwesterly and Westerly for a distance of approximate 2150 feet to an intersection with the easterly right-of-way boundary of Adams Street; thence North 00 degrees 06 minutes 32 seconds West, along the easterly right-of-way boundary of said Adams Street, a distance of 575 feet, more or less, to an intersection with the easterly prolongation of the northerly right-of-way boundary of Bloxham Street; thence, along said easterly extension and the northerly boundary of said Bloxham Street, North 89 degrees 22 minutes 17 seconds West, a distance of 420 feet, more or less, to an intersection with the northerly extension of the westerly right-of-way boundary of Duval Street; thence, along said northerly extension and the westerly right-of-way boundary of said Duval Street, South 00 degrees 03 minutes 31 seconds East, a distance of 294 feet, more or less, to an intersection with the northerly right-of-way boundary of Blount Street; thence, along the northerly right-of-way boundary of said Blount Street as follows: South 89 degrees 27 minutes 38 seconds West, a distance of 585.20 feet; thence North, a distance of 33.20 feet; thence West, a distance of 165.00 feet to an intersection with the easterly right-of-way boundary of Martin Luther King Boulevard, (hereinafter referred to as MLK Boulevard); thence North 01 degrees 17 minutes 06 seconds East, along the easterly right-of-way boundary of said MLK Boulevard, a distance of 550 feet, more or less, to an intersection with the southerly right-of-way boundary of Gaines Street; thence West, along the southerly right-of-way boundary of said Gaines Street, a distance of 200 feet to an intersection with the westerly right-of-way boundary of said MLK Boulevard; thence North, along the westerly right-of-way boundary of said MLK Boulevard, a distance of 461 feet, more or less, to an intersection with the northerly right-of-way boundary of Madison Street; thence, along the northerly right-of-way boundary of said Madison Street as follows: South 89 degrees 56 minutes 33 seconds West, a distance of 687.59 feet; thence North 73 degrees 53 minutes 01 seconds West, a distance of 294.35 feet; thence North 54 degrees 16 minutes 06 seconds West, a distance of 53.58 feet; thence North 37 degrees 21 minutes 05 seconds West, a distance of 88.56 feet; thence, leaving said northerly right-of-way last referenced and crossing railroad Avenue, South 54 degrees 37 minutes 03 seconds West, a distance of 106 feet, more or less, to an intersection with the westerly right-of-way boundary of said railroad Avenue; thence, along the westerly right-of-way boundary of said Railroad Avenue as follows: South 03 degrees 38 minutes 34 seconds West, a distance of 111.28 feet; thence South 02 degrees 48 minutes 57 seconds West, a distance of 150.83 feet; thence South 00 degrees 13 minutes 42 seconds East, a distance of 247.00 feet; thence South 47 degrees 54 minutes 27 seconds West, a distance of 22.39 feet to an intersection with the northerly right-of-way boundary of Gaines Street; thence, along the northerly right-of-way boundary of said Gaines Street as follows: South 89 degrees 57 minutes 04 seconds West, a distance of 1,266 feet; thence South 88 degrees 15 minutes 15 seconds West, a distance of 653.51 feet; thence North 87 degrees 20 minutes 57 seconds West, a distance of 620.10 feet to an intersection with the easterly right-of-way boundary of Woodward

Avenue; thence North 00 degrees 01 minutes 20 seconds East, along the easterly right-of-way boundary of said Woodward Avenue, a distance of 359 feet, more or less, to an intersection with the southerly right-of-way boundary of Madison Street; thence, along the southerly right-of-way boundary of said Madison Street as follows: South 88 degrees 16 minutes 00 seconds East, a distance of 555.74 feet; thence South, a distance of 10.00 feet; thence South 89 degrees 59 minutes 03 seconds East, a distance of 1,676.96 feet to an intersection with the westerly right-of-way boundary of Copeland Street; thence North 00 degrees 17 minutes 28 seconds West, along the westerly right-of-way boundary of said Copeland Street, a distance of 784 feet, more or less, to an intersection with the southerly right-of-way boundary of Pensacola Street; thence North 89 degrees 57 minutes 20 seconds East, along the southerly right-of-way boundary of said Pensacola Street, a distance of 388.85 feet; thence, leaving said southerly right-of-way boundary last referenced and crossing said Pensacola Strect, North 59 degrees 17 minutes 57 seconds East, a distance of 117.28 feet to an intersection with the westerly right-of-way boundary of Macomb Street; thence, along said westerly right-of way boundary as follows: North 48 degrees 19 minutes 01 seconds East, a distance of 28.23 feet; thence North 50 degrees 17 minutes 32 seconds East, a distance of 104.46 feet; thence North 48 degrees 59 minutes 05 seconds East, a distance of 16.29 feet; thence North 42 degrees 19 minutes 12 seconds West, a distance of 5.00 feet; thence North 47 degrees 14 minutes 30 seconds East, a distance of 5.30 feet; thence North 00 degrees 32 minutes 50 seconds West, a distance of 7.54 feet; thence South 89 degrees 56 minutes 30 seconds East, a distance of 7.85 feet; thence North 31 degrees 55 minutes 49 seconds East, a distance of 159.84 feet; thence North 14 degrees 47 minutes 17 seconds West, a distance of 14.64 feet; thence North 23 degrees 42 minutes 29 seconds East, a distance of 65.58 feet; thence North 03 degrees 02 minutes 32 seconds East, a distance of 40.66 feet; thence North 00 degrees 12 minutes 49 seconds West, a distance of 271.98 feet; thence North 00 degrees 02 minutes 29 seconds East, a distance of 18.02 feet; thence North 45 degrees 41 minutes 36 seconds West, a distance of 14.03 feet; thence North 07 degrees 26 minutes 01 seconds West, a distance of 60.49 feet; thence North 37 degrees 28 minutes 50 seconds East, a distance of 32.63 feet; thence North 01 degrees 26 minutes 06 seconds East, a distance of 90.69 feet; thence North 00 degrees 12 minutes 27 seconds East, a distance of 165.70 feet to an intersection with the southerly right-of-way boundary of Park Avenue; thence, along the southerly right-of-way boundary of Park Avenue, North 89 degrees 22 minutes 14 seconds East, a distance of 902.05 feet to an intersection with the westerly right-of-way boundary of said MLK Boulevard; thence, along the westerly right-of-way boundary of said MLK Boulevard, North 00 degrees 03 minutes 29 seconds West, a distance of 750.87 feet to an intersection with the northerly right-of-way boundary of Call Street; thence, along the northerly right-of-way boundary of Call Street, South 89 degrees 56 minutes 46 seconds West, a distance of 806.63 feet to an intersection with the easterly right-of-way boundary of Macomb Street; thence, along the easterly right-of-way boundary of Macomb Street as follows: North 51 degrees 39 minutes 09 seconds West, a distance of 17.23 feet; thence North 00 degrees 05 minutes 27 seconds West, a distance of 29.64 feet; thence North 02 degrees 22 minutes 03 seconds West, a distance of 48.51 feet; thence North 04 degrees 38 minutes 26 seconds West, a distance of 58.25 feet; thence North 00 degrees 06 minutes 24 seconds West, a distance of 162.27 feet to an intersection with the southerly right-of-way boundary of West Tennessee Street (US 90 West); thence, along said southerly right-of-way boundary last referenced as follows: North 44 degrees 53 minutes 22 seconds East, a distance of 19.80 feet; thence North 44 degrees 53 minutes 42 seconds East, a distance of 8.49 feet; thence North 89 degrees 23 minutes 54 seconds East, a distance of 1,208.21 feet to an intersection with the southerly prolongation of the easterly right-of-way boundary of Bronough Street; thence, along said southerly prolongation and the westerly right-of-way boundary of Bronough Street, North 00 degrees 03 minutes 57 seconds West, a distance of 1,605 feet, more or less, to an intersection with the southerly right-of-way boundary of Brevard Street; thence, along the southerly right-of-way boundary of Brevard Street, South 89 degrees 54 minutes 33 seconds East, a distance of 2,301 feet, more or less, to an intersection with the westerly right-of-way boundary of Meridian Street; thence, along the westerly right-of-way boundary of Meridian Street, South 00 degrees 15 minutes 47 seconds West, a distance of 1,598 feet, more or less, to an intersection with the southerly right-of-way boundary of East Tennessee Street (US 90 East); thence, along the southerly right-of-way boundary of said East Tennessee Street, North 89 degrees 47 minutes 00 seconds East, a distance of 1,7477 feet, more or less, to an intersection with the easterly boundary of Lot1, Block B, Franklin Park, a subdivision as per plat thereof, recorded in Plat Book 2, Page 69 of said Public Records; thence Southwesterly, along the easterly boundary line of said Lot 1 and the easterly boundary of Lot 2, Block B of said Franklin Park subdivision, a distance of 378 feet, more or less, to an intersection with the northerly right-of-way boundary of Cal Street; thence South, a distance of 60 feet to the southerly right-of-way boundary of said Call Street; thence Southeasterly, along said southerly right-of-way last referenced, approximately 330 feet to an intersection with the curvilinear westerly right-of-way boundary of the CSX Railroad; thence Southwesterly, along the westerly right-of-way boundary of said CSX Railroad, a distance of 1900 feet, more or less, to an intersection with the northerly boundary of Lot 2, Block "B", Cherokee Heights, a subdivision as per plat thereof, recorded in Plat Book 2, Page 106 of said Public Records; thence, along the southerly boundary of said Lot 2, to the southwest corner of said Lot 2 on the easterly right-of-way boundary of Crest Street; thence, crossing Crest Street to an intersection of the westerly right-of-way boundary of said Crest Street with the northerly right-of-way boundary of Jefferson Street; thence Westerly, along the northerly right-of-way boundary of said Jefferson Street, a distance of 700 feet, more or less, to an intersection with the easterly right-of-way boundary of Franklin Boulevard; (FRANKLIN BOULEVARD thence Southeasterly, along the easterly right-of-way boundary of said Franklin Boulevard, to an intersection with the easterly prolongation of the northerly right-of-way boundary of Pensacola Street; thence West, along said northerly right-of-way boundary last referenced, a distance of FRANKLIN BLVD) thence, crossing said Franklin Boulevard, North 42 degrees 11 minutes 51 seconds West, a distance of 60.74 feet to an intersection with the northerly right-of-way boundary of Jefferson Street; thence, along said northerly right-of-way boundary last referenced, West, a distance of 336 feet, more or less to an intersection with the easterly right-of-way boundary of Meridian Road; thence, along the easterly right-of-way boundary of said Meridian Road, South 00 degrees 27 minutes 26 seconds East, a distance of 320 feet, more or less, to an intersection with the northerly right-of-way boundary of Pensacola Street; thence, along the northerly right-of-way boundary of Pensacola Street, South 89 degrees 50 minutes 42 seconds West, a distance of 380 feet, more or less, to an intersection with the easterly right-of-way boundary of Gadsden Street; thence, along the easterly right-of-way boundary of Gadsden Street, North 00 degrees 06 minutes 07 seconds West, a distance of 321 feet, more or less, to an intersection with the northerly right-of-way boundary of Jefferson Street; thence, along the northerly right-of-way boundary of Jefferson Street and a westerly extension thereof, South 89 degrees 55 minutes 45 seconds West, a distance of 461 feet, more or less, to an intersection with the westerly right-of-way boundary of Calhoun Street; thence, along the westerly right-of-way boundary of said Calhoun Street, North, a distance of 125 feet, more or less, to an intersection with the northerly right-of-way boundary of said Jefferson Street; thence, along the northerly right-of-way boundary of said Jefferson Street, West, a distance of 260 feet, more or less, to an intersection with the easterly right-of-way boundary of

Monroe Street; thence, along said easterly right-of-way boundary last referenced, South, a distance of 125 feet, more or less, to an intersection with easterly extension of the northerly right-of-way boundary of said Jefferson Street; thence, along said easterly extension and the northerly right-of-way boundary of said Jefferson Street, South 89 degrees 53 minutes 56 seconds West, a distance of 522 feet, more or less, to an intersection with the easterly right-of-way boundary of Adams Street; thence, along the easterly right-of-way boundary of said Adams Street, North, a distance of 160 feet, more or less, to an intersection with the easterly extension of the northerly right-of-way boundary of said Jefferson Street; thence West, along said easterly extension and the northerly right-of-way boundary of said Jefferson Street, a distance of 380 feet, more or less, to an intersection with the easterly right-of-way boundary of Duval Street; thence, along the easterly right-of-way boundary of Duval Street, South , a distance of 450 feet, more or less, to an intersection with the easterly extension of the northerly right-of-way boundary of Pensacola Street; thence, along said easterly extension and the northerly right-of-way boundary of said Pensacola Street, South 89 degrees 53 minutes 44 seconds West, a distance of 400 feet, more or less, to an intersection with the easterly right-of-way boundary of Bronough Street; thence North 00 degrees 03 minutes 41 seconds West, along the easterly right-of-way boundary of Bronough Street, a distance of 260 feet, more or less, to an intersection with the southerly right-of-way boundary of said Jefferson Street; thence, along said southerly right-of-way boundary last referenced, South 89 degrees 55 minutes 18 seconds West, a distance of 1,286 feet, more or less, to an intersection with the easterly right-of-way boundary of Macomb Street; thence, along the easterly right-of-way boundary of Macomb Street, South 00 degrees 10 minutes 00 seconds East, a distance of 260 feet, more or less, to an intersection with the northerly right-of-way boundary of Pensacola Street; thence North 89 degrees 56 minutes 40 seconds East, along the northerly right-of-way boundary of Pensacola Street, a distance of 884 feet, more or less, to an intersection with the easterly right-of-way boundary of said MLK Boulevard; thence, along the easterly right-of-way boundary of MLK Boulevard, South 00 degrees 17 minutes 17 seconds East, a distance of 1,182 feet, more or less, to an intersection with the southerly right-of-way boundary of Gaines Street; thence, along the southerly right-of-way boundary of Gaines Street, North 89 degrees 56 minutes 33 seconds East, a distance of 2,300 feet, more or less, to an intersection with the easterly right-of-way boundary of Gadsden Street; thence, along the easterly right-of-way boundary of Gadsden Street, North 00 degrees 06 minutes 52 seconds West, a distance of 341 feet, more or less, to an intersection with the southerly right-of-way boundary of Madison Street; thence, along the southerly right-of-way boundary of Madison Street, East, a distance of 386 feet, more or less, to an intersection with the easterly right-of-way boundary of Meridian Street; thence, along the easterly right-of-way boundary of Meridian Street and the curvilinear right-of-way boundary of Lafayette street as follows: North, a distance of 70.00 feet; thence North 11 degrees 18 minutes 36 seconds East, a distance of 101.98 feet; thence North 31 degrees 36 minutes 27 seconds East, a distance of 152.64 feet; thence North 65 degrees 33 minutes 22 seconds East, a distance of 120.83 feet; thence North, a distance of 30.00 feet; thence North 60 degrees 38 minutes 32 seconds East, a distance of 91.79 feet; thence North 86 degrees 49 minutes 13 seconds East, a distance of 270.42 feet; thence South 81 degrees 33 minutes 09 seconds East, a distance of 510.54 feet to an intersection with the curvilinear westerly right-of-way boundary of the CSX Railroad; thence Southwesterly, along the curvilinear westerly right-of-way boundary of said CSX Railroad, a distance of 1,240 feet, to the POINT OF BEGINNING; Containing 17,990,120.51 square feet or 413.00 acres, more or less.

************** CLOSURE REPORT **************
Coordinate File: D:\JBLEGAL\CRA-2002.ASC
Sequence of Described Points to POB: 1 2
Length of Described Courses to POB: 545.00
Closing Line: South 89 degrees 54 minutes 28 seconds West 0.0000
Precision: 1 in 2,040,859,426

Sequence of Described Points: 2 3 4 5 6 7 8 9 10 11 12 13 14 132 131 130 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 50 51 52 48 49 53 141 142 143 144 54 55 56 57 58 59 60 61 62 63 64 65 66 67 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 2
Length of Described Courses: 42,986.64
Closing Line: South 62 degrees 58 minutes 39 seconds West 0.0084
Precision: 1 in 5,121,534


Proposed Downtown
Community Redevelopment District
Legend
Proposed District Boundary
S MONROE ST
APALACHEE PKWY
MICCOSUKEE RD
W BREVARD ST
W CAROLINA ST
W TENNESSEE ST
W MADISON ST
W GAINES ST

FIRST AMENDMENT TO INTERLOCAL AGREEMENT AMONG THE CITY OF TALLAHASSEE, LEON COUNTY, AND THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TALLAHASSEE REGARDING THE CREATION AND OPERATIONS OF THE DOWNTOWN DISTRICT COMMUNITY REDEVELOPMENT AREA AND THE EXPANSION OF ANY COMMUNITY REDEVELOPMENT AREA

This First Amendment to the Interlocal Agreement ("Agreement") is made and entered into as of this 4th day of October, 2007, by and between Leon County, Florida, a charter county and political subdivision of the State of Florida (the "County"), the City of Tallahassee, a municipal corporation created and existing under the laws of the state of Florida (the "City"), and the Community Redevelopment Agency of the City of Tallahassee, a body politic and entity created, existing and operating under Part III of Chapter 163, Florida Statutes (the "Agency").

RECITALS

WHEREAS, the County, City, and Agency entered into the Agreement as of the 23rd day of June, 2004, regarding the Downtown District Community Redevelopment Area (the "District"); and

WHEREAS, the Agreement defines the area encompassed by the District; and

WHEREAS, the Agreement includes provisions for the joint funding of the Downtown District Community Redevelopment Area Trust Fund (the "Trust Fund") by the County and the City; and

WHERAS, the Agreement provides for funding of costs associated with the Performing Arts Center and Gaines Street Reconstruction projects;

WHEREAS, the parties to the Agreement agree that it is in the best interest of the Agency, the City, and the County (hereinafter collectively referred to as the "Parties") to expand the boundaries of the District, modify the Parties' funding obligations, expand the membership of the Agency Board, and provide for consideration of additional Projects; and

WHEREAS, the Agreement provides that any provisions of the Agreement may be amended or waived only pursuant to an instrument in writing, approved by the City Commission, the Governing Board of the Agency, and the County's Board of County Commissioners, and jointly executed by the Parties; and

WHEREAS, the Agreement provides that any proposed boundary adjustment to the District requires the prior written approval of the City and County; and

WHEREAS, the Parties desire to enter into an amendment to the Agreement to provide the prior written approval of the proposed adjustment to the District boundary, change the calculation method for City and County contributions, expand the membership of the Agency Board, and provide for consideration of additional Projects.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises hereinafter set forth, the Parties do hereby agree as follows:

1. Section 2.h. is hereby deleted, replaced, and superceded by the following:

   2.h. "Downtown District Community Redevelopment Area" or "District" means the area located within the corporate limits of the City and found and determined by the City Commission in Resolution No. 02-R-43, adopted on September 11, 2002, to be a slum and blighted area (as the term is defined in the Act), a copy of which Resolution is attached hereto as Exhibit A. The District shall also include the areas depicted on Exhibit A-1 attached hereto and made a part hereof, contingent upon City adoption of the appropriate resolution and that shall be incorporated herein by reference.

2. Section 5.b. is hereby deleted, replaced, and superceded by the following:

   b. The membership of the Agency shall consist of the Mayor of the City, the four (4) members of the City Commission, and the four (4) members of the County Commission as appointed by the Board of County Commissioners, who shall act as its governing body and who shall have all those powers enumerated under the Act, unless otherwise conferred or delegated hereunder.

3. Sections 5.c., 5.d., and 5.e. are hereby deleted.

4. Section 6.a. is hereby deleted, replaced, and superceded by the following:

   a. Tourist Development Tax. The County agrees to impose an additional one-cent tourist development tax on a County-wide basis, as set forth in Section 125.0104(3)(l)(4), Florida Statutes (2003). The proceeds of one cent of the tax imposed pursuant to Section 125.0104(3)(c) and (d), Florida Statutes (2003) which is required to be remitted to the County Tourist Development Trust Fund, in accordance with Section 125.0104(3)(i), Florida Statutes (2003), shall be dedicated exclusively for the debt service, construction and/or operational costs of a Performing Arts Center(s) to be located in the Downtown District Community Redevelopment Area. Upon the request of the Agency, the County shall authorize, approve, and execute such documents as are necessary to authorize and permit the Agency to issue debt and pledge the above referenced proceeds for the repayment of that debt including the payment of debt service and costs of issuance. Any portion of the Tourist Development Tax not needed for the payment of debt service, construction and/or operational costs for the Performing Arts Center(s), shall be returned to the Leon County Tourist Development Trust Fund, for use for the purposes thereof.

5. Section 6.c. is hereby deleted, replaced, and superceded by the following:

c. Joint Funding of Downtown District Community Redevelopment Area Trust Fund.

(1) The County's annual contribution of Increment Revenue to the Trust Fund shall be equal to an ad valorem tax rate of 4.29 mills of the incremental increase in ad valorem taxes and the City's annual contribution of increment revenue to the Trust Fund shall be equal to an ad valorem rate of 3.7 mills of the incremental increase in ad valorem taxes, except as provided in section (2) below. The incremental increase in ad valorem taxes shall be determined as provided in Section 163.387(1), Florida Statutes.

(2) The City and County recognize that the modifications to the contributions to the Trust Fund made by this amendment results in a reduction in the revenue previously available for the Trust Fund in the early years of the District. To mitigate the impact of this revenue reduction, the City and County agree to provide supplemental contributions to the Trust Fund in fiscal years 2006-07, 2007-08 and 2008-09. The supplemental contributions will be in the amounts to ensure that the Trust Fund receives the total revenue equal to $1,537,659, which is the amount of revenue that the Trust Fund received in fiscal year 2005-06. The amount the City and County will contribute will be determined by applying the annual contributions to the Trust Fund that are collected for those years to the $1,537,659 revenue target. If the Increment Revenue contributions do not equal or exceed the $1,537,659 revenue target, then the City and County will make supplemental contributions to the Trust Fund sufficient to reach that revenue target. The County will provide 53.6% and the City will provide 46.4% of the required total supplemental contribution amount. These contributions shall be made at the same time as the City and County submit their required Increment Revenue payment to the Trust Fund.

6. Section 6.d. is hereby deleted, replaced, and superceded by the following:

d. Lease subsidies shall be an eligible expenditure of Trust Funds. A lease subsidy is defined as any payment from the Trust Fund, through the

Agency, to either a property owner or a tenant for the express purpose of reducing the tenant's lease costs.

7. Section 6. is hereby amended to add item 6.h. as follows:

   h. The Agency agrees that it shall consider continuing to provide further financial support for the Performing Arts Center project, contingent upon: (1) determination of the actual total costs; (2) availability of a funding source for Agency participation; (3) availability of other funding sources for the majority of the costs of the Performing Arts Center project, and (4) location of the Performing Arts Center within the boundaries of the District.

8. Section 6. is hereby amended to add item 6.i. as follows

   i. The Agency agrees that it shall work with the County to develop a plan for additional public parking in the District, particularly to address the needs for parking to accommodate those serving on jury duty at the Leon County Courthouse. The Agency will provide funding to support bus service to transport jurors from the County's public parking lot on Duval Street to the County Courthouse. The schedule and frequency of such service shall be coordinated with the Clerk of the Courts.

9. Section 7 b. is hereby deleted:

10. Section 7.d. hereby deleted:

11. The City and County execution of this amendment shall constitute the City and County required prior written approval to the proposed District boundary adjustment as required by Section 11 of the Agreement.

All other terms and conditions of the Agreement remain in full force and effect, except as amended herein.

IN WITNESS WHEREOF, the Parties have caused this First Amendment to the Interlocal Agreement to be executed by their duly authorized representatives this 4th day of October, 2007.

LEON COUNTY, FLORIDA

By: ________________________
C.E. DePuy, Jr., Chairman
Board of County Commissioners

ATTEST:
Bob Inzer, Clerk of the Court
Leon County, Florida
BY: ________________________

Approved as to Form:
Leon County Attorney's Office
BY: ________________________
Herbert W.A. Thiele, Esq.
County Attorney

CITY OF TALLAHASSEE

By: ________________________
John R. Marks, III
Mayor, City of Tallahassee

Date: 10/1/07

ATTEST:

By: ________________________
Gary Herndon
City Treasurer-Clerk

Approved as to Form:

By: ________________________
James R. English
City Attorney

COMMUNITY REDEVELOPMENT AGENCY

By: ________________________
John R. Marks, III
Chair

SECOND AMENDMENT TO INTERLOCAL AGREEMENT AMONG THE CITY OF TALLAHASSEE, LEON COUNTY, AND THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TALLAHASSEE REGARDING THE CREATION AND OPERATIONS OF THE DOWNTOWN DISTRICT COMMUNITY REDEVELOPMENT AREA AND THE EXPANSION OF ANY COMMUNITY REDEVELOPMENT AREA

This Second Amendment to the Interlocal Agreement is made and entered into as of this 9TH day of FEBRUARY, 2009, by and between Leon County, Florida, a charter county and political subdivision of the State of Florida (the "County"), the City of Tallahassee, a municipal corporation created and existing under the laws of the state of Florida (the "City"), and the Community Redevelopment Agency of the City of Tallahassee, a body politic and entity created, existing and operating under Part III of Chapter 163, Florida Statutes (the "Agency").

RECITALS

WHEREAS, the County, City, and Agency entered into the Interlocal Agreement as of the 23rd day of June, 2004, as amended by that certain First Amendment dated October 4, 2007, (collectively the "Agreement") regarding the Downtown District Community Redevelopment Area (the "District"); and

WHEREAS, the Agreement includes provisions for the joint funding of the Downtown District Community Redevelopment Area Trust Fund (the "Trust Fund") by the County and the City; and

WHEREAS, the parties to the Agreement agree that it is in the best interest of the Agency, the City, and the County (hereinafter collectively referred to as the "Parties") to modify the calculation method for the Parties' funding obligations; and

WHEREAS, the Agreement provides that any provisions of the Agreement may be amended or waived only pursuant to an instrument in writing, approved by the City Commission, the Governing Board of the Agency, and the County's Board of County Commissioners, and jointly executed by the Parties; and

WHEREAS, the Parties desire to enter into a second amendment to the Agreement to provide a revised method for the calculation of City and County annual contributions of Increment Revenue and to eliminate the requirement for supplementary payments.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises hereinafter set forth, the Parties do hereby agree as follows:

1. Section 6.c. is hereby deleted, replaced, and superceded by the following:

c. Joint Funding of Downtown District Community Redevelopment Area Trust Fund.

The City's annual contribution of Increment Revenue to the Trust Fund shall be equal to the ad valorem tax rate adopted by the City Commission as part of the annual budget adoption process, and applied to the incremental increase in ad valorem taxes. The County's annual contribution of Increment Revenue to the Trust Fund shall be equal to an ad valorem rate that is 1.154 times the City ad valorem rate, but not to exceed a maximum rate of 4.2698, and applied to the incremental increase in ad valorem taxes. The incremental increase in ad valorem taxes shall be determined as provided in Section 163.387 (1), Florida Statutes.

All other terms and conditions of the Agreement remain in full force and effect, except as amended herein.

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to the Interlocal Agreement to be executed by their duly authorized representatives this 9TH day of FEBRUARY, 2009.

LEON COUNTY, FLORIDA

By: ______________________
Bryan Desloge, Chair
Board of County Commissioners

Date: 2-9-09

ATTEST:
Bob Inzer, Clerk of the Court
Leon County, Florida
BY: ______________________

Approved as to form:
COUNTY ATTORNEY'S OFFICE
LEON COUNTY, FLORIDA
BY: ______________________
Herbert W.A. Thiele, Esq.
County Attorney

CITY OF TALLAHASSEE

By: ______________________ III
John R. Marks, III
Mayor, City of Tallahassee

Date: 2-2-09

ATTEST:

By: ______________________
Gary Herndon
City Treasurer-Clerk

Approved as to Form:

By: ______________________ for
James R. English
City Attorney

TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY

By: ______________________
Bryan Desloge, Chair

Date: 2/9/09

THIRD AMENDMENT TO INTERLOCAL AGREEMENT AMONG THE CITY OF TALLAHASSEE, LEON COUNTY, AND THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TALLAHASSEE REGARDING THE CREATION AND OPERATIONS OF THE DOWNTOWN DISTRICT COMMUNITY REDEVELOPMENT AREA AND THE EXPANSION OF ANY COMMUNITY REDEVELOPMENT AREA

This Third Amendment to the Interlocal Agreement is made and entered into as of this 11 day of December, 2014, by and between Leon County, Florida, a charter county and political subdivision of the State of Florida (the "County"), the City of Tallahassee, a municipal corporation created and existing under the laws of the State of Florida (the "City"), and the Community Redevelopment Agency of the City of Tallahassee, a body politic and entity created, existing and operating under Part III of Chapter 163, Florida Statutes (the "Agency").

RECITALS

WHEREAS, the County, City, and Agency entered into the Interlocal Agreement as of the 23rd day of June, 2004, as amended by that certain First Amendment dated October 4, 2007, and as further amended by that certain Second Amendment dated February 9, 2009 (collectively the "Agreement"); and

WHEREAS, the Agreement includes provisions dedicating certain tourist development tax proceeds for the debt service, construction, and/or operational costs of a performing arts center(s); and

WHEREAS, the parties to the Agreement agree that it is in the best interest of the Agency, the City, and the County (hereinafter collectively referred to as the "Parties") to discontinue dedicating tourist development tax proceeds for a performing arts center(s), and to reallocate the previously dedicated tourist development tax proceeds for other projects, programs and expenses consistent with the uses of such tax proceeds as set forth in section 125.0104, Florida Statutes; and

WHEREAS, the Agreement provides that any portion of the Agreement may be amended or waived only pursuant to an instrument in writing, approved by the City Commission, the Governing Board of the Agency, and the County's Board of County Commissioners, and jointly executed by the Parties; and

WHEREAS, the Parties desire to enter into a third amendment to the Agreement to modify the provisions relating to the dedication, allocation, and use of tourist development tax proceeds.

NOW, THEREFORE, for and in consideration of the forgoing recitals and the mutual covenants and promises contained herein, the Parties do hereby covenant and agree as follows:

1. Section 6.a. of the Agreement is hereby deleted, replaced, and superceded by the following:

a. Tourist Development Tax.

(1) The tourist development tax funds (the "Funds") in the amount of $5,042,522 previously collected through and including September 30, 2014, which had been dedicated exclusively for the debt service, construction and/or operational costs of a performing arts center(s) in the Downtown District Community Redevelopment Area, shall be set aside for use by the Agency consistent with this Section 6.a. of the Agreement. The Funds shall be held in an interest bearing account and the accrued interest shall accumulate to the Funds. The interest rate shall be the same as that accruing to accounts holding the monies which constitute the County's general fund.

(2) The Funds shall be utilized for projects, programs and expenses recommended by the Agency, and subject to the approval of the County and City, related to culture, visual arts, and heritage programs; performing arts space, as part of the convention center project; or other performing arts projects. The Funds may be utilized in the Downtown District Community Redevelopment Area or the Greater Frenchtown/Southside Community Redevelopment Area. The Funds shall be utilized for projects, programs and expenses authorized under section 125.0104, Florida Statutes.

(3) All tourist development tax funds collected on and after October 1, 2014, shall be retained by the County for utilization consistent with section 125.0104, Florida Statutes.

(4) Any portion of the Funds not utilized by the Agency, shall be returned to or otherwise be made available to the Leon County Tourist Development Tax Trust Fund, upon the termination or expiration of the Agency.

2. Section 6.h. of the Agreement is hereby deleted in its entirety.

3. All other terms and conditions of the Agreement shall remain in full force and effect, except as amended herein.

4. This Third Amendment to the Agreement shall be effective upon full execution hereof.

IN WITNESS WHEREOF, the Parties have caused this Third Amendment to the Interlocal Agreement to be executed by their duly authorized representatives this ____ day of ______________, 20______.

LEON COUNTY, FLORIDA

BY: ______________________
Mary Ann Lindley, Chairman
Board of County Commissioners

Date: 12-12-14

ATTEST:
Bob Inzer
Clerk & Comptroller
Leon County, Florida

BY: ______________________

Approved as to Form:
Leon County Attorney's Office

BY: ______________________
Herbert W. A. Thiele, Esq.
County Attorney

CITY OF TALLAHASSEE

BY: ______________________
Andrew D. Gillum, Mayor

Date: 1/7/15

ATTEST:

BY: ______________________
James O. Cooke, IV
City Treasurer/Clerk

Approved as to Form:

BY: ______________________
Lewis E. Shelley, Esq.
City Attorney

TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY

BY: ______________________
Andrew D. Gillum, Chair

Date: 1/7/15

Downtown District Community Redevelopment Area Sunset Review
FY 2018 - FY 2034
OPTION 1 - NO CHANGE TO CURRENT DT DISTRICT OPERATIONS
(TIF Revenue based on City @ 4.1 mils and County @ 4.2698 mils)

Fiscal Year		LCPA	Tax Increment	TIF Revenue[1]			Financial Commitments[2]			Uncommitted Funds Share[3]		Net Property Taxes[4]
		Taxable Value	Baseline Value	Total	City	County	Operating	Projects	Uncommitted	City	County	County
Base	2004	$238,244,226		$0	$0	$0						
1	2005	$248,161,463	$9,917,237	$122,101	$34,859	$87,242						
2	2006	$262,568,978	$24,324,752	$299,486	$85,502	$213,985						
3	2007	$315,597,954	$77,353,728	$603,746	$271,898	$331,847						
4	2008	$388,375,621	$150,131,395	$1,000,801	$451,921	$548,880						
5	2009	$388,888,359	$150,644,133	$1,017,906	$459,604	$558,302						
6	2010	$338,261,824	$100,017,598	$778,617	$351,562	$427,055						
7	2011	$375,780,116	$137,535,890	$1,070,689	$483,439	$587,251						
8	2012	$365,049,309	$126,805,083	$987,152	$445,720	$541,432						
9	2013	$331,339,494	$93,095,268	$724,728	$327,230	$397,498						
10	2014	$325,507,552	$87,263,326	$679,328	$306,731	$372,597						
11	2015	$395,950,365	$157,706,139	$1,227,711	$554,337	$673,374						
12	2016	$408,741,995	$170,497,769	$1,408,277	$680,286	$727,991						
13	2017	$464,394,490	$226,150,264	$1,846,472	$880,855	$965,616						
14	2018	$482,795,226	$244,551,000	$1,996,710	$952,526	$1,044,184	$368,622	$1,091,462	$536,626	$0	$0	$989,111
15	2019	$523,832,820	$285,588,594	$2,331,774	$1,112,368	$1,219,406	$375,994	$807,551	$1,148,228	$0	$0	$1,155,092
16	2020	$568,358,610	$330,114,384	$2,695,318	$1,285,796	$1,409,522	$375,994	$446,552	$1,872,772	$0	$0	$1,467,226
17	2021	$579,725,782	$341,481,556	$2,788,129	$1,330,071	$1,458,058	$375,994	$331,199	$2,080,936	$0	$0	$1,517,749
18	2022 [5]	$841,320,298	$603,076,072	$4,923,996	$2,348,981	$2,575,014	$375,994	$2,506,427	$2,041,574	$0	$0	$2,680,432
19	2023	$858,146,704	$619,902,478	$5,061,380	$2,414,520	$2,646,860	$375,994	$2,527,819	$2,157,566	$0	$0	$2,755,219
20	2024	$875,309,638	$637,065,412	$5,201,512	$2,481,370	$2,720,142	$375,994	$2,556,330	$2,269,188	$0	$0	$2,831,501
21	2025	$892,815,831	$654,571,605	$5,344,446	$2,549,556	$2,794,890	$375,994	$2,585,272	$2,383,180	$0	$0	$2,909,309
22	2026	$910,672,147	$672,427,921	$5,490,239	$2,619,107	$2,871,133	$375,994	$2,573,137	$2,541,109	$0	$0	$2,988,673
23	2027	$928,885,590	$690,641,364	$5,638,949	$2,690,048	$2,948,900	$375,994	$2,590,879	$2,672,075	$0	$0	$3,069,625
24	2028	$947,463,302	$709,219,076	$5,790,632	$2,762,408	$3,028,224	$375,994	$2,619,746	$2,794,891	$0	$0	$3,152,195
25	2029	$966,412,568	$728,168,342	$5,945,349	$2,836,216	$3,109,133	$375,994	$2,560,721	$3,008,633	$0	$0	$3,236,417
26	2030	$985,740,819	$747,496,593	$6,103,160	$2,911,499	$3,191,661	$375,994	$2,590,461	$3,136,704	$0	$0	$3,322,323
27	2031	$1,005,455,636	$767,211,410	$6,264,128	$2,988,288	$3,275,839	$375,994	$2,620,647	$3,267,486	$0	$0	$3,409,948
28	2032	$1,025,564,748	$787,320,522	$6,428,315	$3,066,613	$3,361,701	$375,994	$2,651,287	$3,401,033	$0	$0	$3,499,325
29	2033	$1,046,076,043	$807,831,817	$6,595,785	$3,146,505	$3,449,280	$375,994	$2,682,386	$3,537,405	$0	$0	$3,590,489
30	2034	$1,066,997,564	$828,753,338	$6,766,605	$3,227,994	$3,538,611	$375,994	$2,713,952	$3,676,659	$0	$0	$3,683,477
Total				**$97,133,440**	**$46,057,810**	**$51,075,630**	**$6,384,533**	**$36,455,828**	**$42,526,064**	**$0**	**$0**	**$46,258,110**

Notes:
1. TIF revenues from FY 2004 to FY 2018 are based on the certified/final values issued by the Leon County Property Appraiser, values from FY 2019 on are projections that assume an 8.5 percent annual increase in taxable value in FY 2019 and 2020, and 2.0 percent from FY 2021 to FY 2034.
2. Annual operating expenses and expenses to meet existing/approved project commitments, including NAP/Cascades, CSIP/4 Forty North and Washington Square. Funds in the "Uncommitted" column are available to support other Board approved projects and/or programs.
3. The amount of uncommitted DT District funds returned to the City and County under the option terms. No uncommitted funds are returned to the City or County under Option 1.
4. The additional ad valorem taxes the County collects in the DT District that are not part of their annual payment to the CRA per the interlocal agreement. The difference is currently 4.0446 mils but is projected by the County to increase by 0.4 mils to 4.4446 in FY 2020.
5. The FY 2022 projected first-year taxable value includes the anticipated taxable value of NAP/Cascades ($150.0M), CSIP/4Forty North ($40.0M) and Washington Square ($60.0M)

10/16/2017

Downtown District Community Redevelopment Area
FY 2018 - FY 2034
OPTION 2 - SUNSET THE DT DISTRICT IN FY 2020*
(TIF Revenue based on City @ 4.1 mils and County @ 4.2698 mils)
***Includes funding for projects approved as of September 25, 2017: Catalyst, 601 S. Copeland, Collegetown Phase I, Gateway, Onyx, Doubletree ROW, NAP/Cascades, CSIP/4 Forty North and Washington Square. No new projects accepted under this option.**

Fiscal Year		LCPA	Tax Increment	TIF Revenue[1]			Financial Commitments[2]			Uncommitted Funds Share[3]		Net Property Taxes[4]	
		Taxable Value	Baseline Value	Total	City	County	Operating	Projects	Uncommitted	City	County	City	County
Base	2004	$238,244,226		$0	$0	$0							
1	2005	$248,161,463	$9,917,237	$122,101	$34,859	$87,242							
2	2006	$262,568,978	$24,324,752	$299,486	$85,502	$213,985							
3	2007	$315,597,954	$77,353,728	$603,746	$271,898	$331,847							
4	2008	$388,375,621	$150,131,395	$1,000,801	$451,921	$548,880							
5	2009	$388,888,359	$150,644,133	$1,017,906	$459,604	$558,302							
6	2010	$338,261,824	$100,017,598	$778,617	$351,562	$427,055							
7	2011	$375,780,116	$137,535,890	$1,070,689	$483,439	$587,251							
8	2012	$365,049,309	$126,805,083	$987,152	$445,720	$541,432							
9	2013	$331,339,494	$93,095,268	$724,728	$327,230	$397,498							
10	2014	$325,507,552	$87,263,326	$679,328	$306,731	$372,597							
11	2015	$395,950,365	$157,706,139	$1,227,711	$554,337	$673,374							
12	2016	$408,741,995	$170,497,769	$1,408,277	$680,286	$727,991							
13	2017	$464,394,490	$226,150,264	$1,846,472	$880,855	$965,616							
14	2018	$482,795,226	$244,551,000	$1,996,710	$952,526	$1,044,184	$368,622	$1,091,462	$536,626	$0	$0	$0	$887,446
15	2019	$523,832,820	$285,588,594	$2,331,774	$1,112,368	$1,219,406	$375,994	$807,551	$1,148,228	$0	$0	$0	$1,036,367
16	2020	$568,358,610	$330,114,384	$546,552	$260,731	$285,820	$100,000	$446,552	$0	$0	$0	$1,025,064	$2,447,091
17	2021	$579,725,782	$341,481,556	$431,199	$205,702	$225,496	$100,000	$331,199	$0	$0	$0	$1,124,368	$2,601,520
18	2022[5]	$841,320,298	$603,076,072	$2,606,427	$1,243,391	$1,363,036	$100,000	$2,506,427	$0	$0	$0	$1,105,590	$3,629,637
19	2023	$858,146,704	$619,902,478	$2,627,819	$1,253,596	$1,374,223	$100,000	$2,527,819	$0	$0	$0	$1,160,924	$3,757,751
20	2024	$875,309,638	$637,065,412	$2,656,330	$1,267,197	$1,389,133	$100,000	$2,556,330	$0	$0	$0	$1,214,173	$3,884,928
21	2025	$892,815,831	$654,571,605	$2,685,272	$1,281,004	$1,404,268	$100,000	$2,585,272	$0	$0	$0	$1,268,553	$4,014,720
22	2026	$910,672,147	$672,427,921	$2,673,137	$1,275,214	$1,397,922	$100,000	$2,573,137	$0	$0	$0	$1,343,892	$4,168,893
23	2027	$928,885,590	$690,641,364	$2,690,879	$1,283,678	$1,407,201	$100,000	$2,590,879	$0	$0	$0	$1,406,370	$4,310,398
24	2028	$947,463,302	$709,219,076	$2,719,746	$1,297,449	$1,422,297	$100,000	$2,619,746	$0	$0	$0	$1,464,959	$4,449,101
25	2029	$966,412,568	$728,168,342	$2,660,721	$1,269,292	$1,391,430	$100,000	$2,560,721	$0	$0	$0	$1,566,924	$4,636,843
26	2030	$985,740,819	$747,496,593	$2,690,461	$1,283,479	$1,406,982	$100,000	$2,590,461	$0	$0	$0	$1,628,020	$4,781,303
27	2031	$1,005,455,636	$767,211,410	$2,720,647	$1,297,879	$1,422,768	$100,000	$2,620,647	$0	$0	$0	$1,690,409	$4,928,730
28	2032	$1,025,564,748	$787,320,522	$2,751,287	$1,312,496	$1,438,791	$100,000	$2,651,287	$0	$0	$0	$1,754,117	$5,079,183
29	2033	$1,046,076,043	$807,831,817	$2,782,386	$1,327,332	$1,455,054	$100,000	$2,682,386	$0	$0	$0	$1,819,173	$5,232,727
30	2034	$1,066,997,564	$828,753,338	$2,813,952	$1,342,390	$1,471,562	$100,000	$2,713,952	$0	$0	$0	$1,885,604	$5,389,422
Total				**$52,152,314**	**$24,599,668**	**$27,552,645**	**$2,244,616**	**$36,455,828**	**$1,684,854**	**$0**	**$0**	**$21,458,141**	**$65,236,062**

Notes:
1. TIF revenues from FY 2004 to FY 2018 are based on the certified/final values issued by the Leon County Property Appraiser, the FY 2019 value assumes an 8.5 percent over FY 2018. Starting in FY 2020 only the tax increment required to fund approved projects and limited operational expenses are charged to the City (47.70 percent) and the County (52.30 percent).
2. Annual operating expenses and expenses to meet existing/approved project commitments, including NAP/Cascades, CSIP/4 Forty North and Washington Square. Because no new projects are accepted under this option, Operating expenses are limited to $100,000/year for projection purposes.
3. Because only the tax increment required to cover approved project and operating costs are collected starting in FY 2020 there are no Uncommitted Funds anticipated starting in FY 2020. There is an estimated $1.7 million in funds from FY 2018 and 2019 that may be available as Uncommitted Funds.
4. The ad valorem taxes the City and County will retain from funding only the approved projects as described in Footenote 2. The savings are based on the existing or projected millage rate for the City (4.1 mils) and County (8.3144 mils) less their respective expenses from FY 2020 to FY 2034. The County millage includes an anticipated County identified 0.4 mill increase to 8.7144 mils beginning in FY 2020.
5. The FY 2022 projected first-year taxable value includes the anticipated taxable value of NAP/Cascades ($150 million), CSIP/4Forty North ($40 million) and Washington Square ($60 million) are included.

10/16/2017

Downtown District Community Redevelopment Area
FY 2018 - FY 2034
OPTION 3 - FOCUSED INVESTMENT AREAS*
(TIF Revenue based on City @ 4.1 mils and County @ 4.2698 mils)
***Includes funding for projects approved prior to July 31, 2017, as well as NAP/Cascades, CSIP/4Forty North and Washington Square.**

Fiscal Year		LCPA	Tax Increment	TIF Revenue[1]			Financial Commitments[2]			Uncommitted Funds Share[3]		Net Property Taxes[4]
		Taxable Value	Baseline Value	Total	City	County	Operating	Projects	Uncommitted	City	County	County
Base	2004	$238,244,226		$0	$0	$0						
1	2005	$248,161,463	$9,917,237	$122,101	$34,859	$87,242						
2	2006	$262,568,978	$24,324,752	$299,486	$85,502	$213,985						
3	2007	$315,597,954	$77,353,728	$603,746	$271,898	$331,847						
4	2008	$388,375,621	$150,131,395	$1,000,801	$451,921	$548,880						
5	2009	$388,888,359	$150,644,133	$1,017,906	$459,604	$558,302						
6	2010	$338,261,824	$100,017,598	$778,617	$351,562	$427,055						
7	2011	$375,780,116	$137,535,890	$1,070,689	$483,439	$587,251						
8	2012	$365,049,309	$126,805,083	$987,152	$445,720	$541,432						
9	2013	$331,339,494	$93,095,268	$724,728	$327,230	$397,498						
10	2014	$325,507,552	$87,263,326	$679,328	$306,731	$372,597						
11	2015	$395,950,365	$157,706,139	$1,227,711	$554,337	$673,374						
12	2016	$408,741,995	$170,497,769	$1,408,277	$680,286	$727,991						
13	2017	$464,394,490	$226,150,264	$1,846,472	$880,855	$965,616						
14	2018	$482,795,226	$244,551,000	$1,996,710	$952,526	$1,044,184	$368,622	$1,091,462	$536,626	$0	$0	$989,111
15	2019	$523,832,820	$285,588,594	$2,331,774	$1,112,368	$1,219,406	$375,994	$807,551	$1,148,228	$0	$0	$1,155,092
16	2020	$568,358,610	$330,114,384	$2,695,318	$1,285,796	$1,409,522	$375,994	$446,552	$1,872,772	$893,402	$979,370	$1,467,226
17	2021	$579,725,782	$341,481,556	$2,788,129	$1,330,071	$1,458,058	$375,994	$331,199	$2,080,936	$992,706	$1,088,229	$1,517,749
18	2022[5]	$841,320,298	$603,076,072	$4,923,996	$2,348,981	$2,575,014	$375,994	$2,506,427	$2,041,574	$973,929	$1,067,645	$2,680,432
19	2023	$858,146,704	$619,902,478	$5,061,380	$2,414,520	$2,646,860	$375,994	$2,527,819	$2,157,566	$1,029,263	$1,128,304	$2,755,219
20	2024	$875,309,638	$637,065,412	$5,201,512	$2,481,370	$2,720,142	$375,994	$2,556,330	$2,269,188	$1,082,511	$1,186,676	$2,831,501
21	2025	$892,815,831	$654,571,605	$5,344,446	$2,549,556	$2,794,890	$375,994	$2,585,272	$2,383,180	$1,136,891	$1,246,289	$2,909,309
22	2026	$910,672,147	$672,427,921	$5,490,239	$2,619,107	$2,871,133	$375,994	$2,573,137	$2,541,109	$1,212,231	$1,328,878	$2,988,673
23	2027	$928,885,590	$690,641,364	$5,638,949	$2,690,048	$2,948,900	$375,994	$2,590,879	$2,672,075	$1,274,708	$1,397,367	$3,069,625
24	2028	$947,463,302	$709,219,076	$5,790,632	$2,762,408	$3,028,224	$375,994	$2,619,746	$2,794,891	$1,333,297	$1,461,594	$3,152,195
25	2029	$966,412,568	$728,168,342	$5,945,349	$2,836,216	$3,109,133	$375,994	$2,560,721	$3,008,633	$1,435,262	$1,573,371	$3,236,417
26	2030	$985,740,819	$747,496,593	$6,103,160	$2,911,499	$3,191,661	$375,994	$2,590,461	$3,136,704	$1,496,359	$1,640,346	$3,322,323
27	2031	$1,005,455,636	$767,211,410	$6,264,128	$2,988,288	$3,275,839	$375,994	$2,620,647	$3,267,486	$1,558,748	$1,708,738	$3,409,948
28	2032	$1,025,564,748	$787,320,522	$6,428,315	$3,066,613	$3,361,701	$375,994	$2,651,287	$3,401,033	$1,622,456	$1,778,577	$3,499,325
29	2033	$1,046,076,043	$807,831,817	$6,595,785	$3,146,505	$3,449,280	$375,994	$2,682,386	$3,537,405	$1,687,512	$1,849,893	$3,590,489
30	2034	$1,066,997,564	$828,753,338	$6,766,605	$3,227,994	$3,538,611	$375,994	$2,713,952	$3,676,659	$1,753,943	$1,922,716	$3,683,477
Total				**$97,133,440**	**$46,057,810**	**$51,075,630**	**$6,384,533**	**$36,455,828**	**$42,526,064**	**$19,483,218**	**$21,357,992**	**$46,258,110**

Notes:

1. TIF revenues from FY 2004 to FY 2018 are based on the certified/final values issued by the Leon County Property Appraiser, values from FY 2019 on are projections that assume an 8.5 percent annual increase in taxable value in FY 2019 and 2020, and 2.0 percent from FY 2021 to FY 2034.
2. Annual operating expenses and expenses to meet existing/approved project commitments, including NAP/Cascades, CSIP/4 Forty North and Washington Square. This option would allow the CRA Board to approved the use funds from the "Uncommitted" column for future projects if they desire.
3. The amount of uncommitted DT District funds returned to the City and County under the option terms. Under Option 3 starting in FY 2020 any TIF funds collected by the CRA that are not used for operating or project expenses will be proportionally returned to the City and County.
4. The additional ad valorem taxes the County collects in the DT District that are not part of their annual payment to the CRA per the interlocal agreement. The difference is currently 4.0446 mils but is projected by the County to increase by 0.4 mils to 4.4446 in FY 2020.
5. The FY 2022 projected first-year taxable value includes the anticipated taxable value of NAP/Cascades ($150.0M), CSIP/4Forty North ($40.0M) and Washington Square ($60.0M)

10/16/2017

Downtown District Community Redevelopment Area
FY 2018 - FY 2034
OPTION 4 - CITY TIF FUNDED ONLY STARTING IN FY 2020*
(TIF Revenue based on City @ 4.1 mils and County @ 4.2698 mils)
***Includes full TIF contribution by City and County participation in funding projects approved prior to July 31, 2017, as well as the NAP/Cascades Project and CSIP/4 Forty North.**

Fiscal Year		LCPA	Tax Increment	TIF Revenue[1]			Financial Commitments[2]			Uncommitted Funds Share[3]		Net Property Taxes[4]	
		Taxable Value	Baseline Value	Total	City	County	Operating	Projects	Uncommitted	City	County	City	County
Base	2004	$238,244,226		$0	$0	$0							
1	2005	$248,161,463	$9,917,237	$122,101	$34,859	$87,242							
2	2006	$262,568,978	$24,324,752	$299,486	$85,502	$213,985							
3	2007	$315,597,954	$77,353,728	$603,746	$271,898	$331,847							
4	2008	$388,375,621	$150,131,395	$1,000,801	$451,921	$548,880							
5	2009	$388,888,359	$150,644,133	$1,017,906	$459,604	$558,302							
6	2010	$338,261,824	$100,017,598	$778,617	$351,562	$427,055							
7	2011	$375,780,116	$137,535,890	$1,070,689	$483,439	$587,251							
8	2012	$365,049,309	$126,805,083	$987,152	$445,720	$541,432							
9	2013	$331,339,494	$93,095,268	$724,728	$327,230	$397,498							
10	2014	$325,507,552	$87,263,326	$679,328	$306,731	$372,597							
11	2015	$395,950,365	$157,706,139	$1,227,711	$554,337	$673,374							
12	2016	$408,741,995	$170,497,769	$1,408,277	$680,286	$727,991							
13	2017	$464,394,490	$226,150,264	$1,846,472	$880,855	$965,616							
14	2018	$482,795,226	$244,551,000	$1,996,710	$952,526	$1,044,184	$368,622	$1,091,462	$536,626	$0	$0	$0	$887,446
15	2019	$523,832,820	$285,588,594	$2,331,774	$1,112,368	$1,219,406	$375,994	$807,551	$1,148,228	$0	$0	$0	$1,036,367
16	2020	$568,358,610	$330,114,384	$1,571,616	$1,285,796	$285,820	$375,994	$446,552	$749,070	$0	$0	$0	$2,447,091
17	2021	$579,725,782	$341,481,556	$1,555,567	$1,330,071	$225,496	$375,994	$331,199	$848,374	$0	$0	$0	$2,601,520
18	2022[5]	$841,320,298	$603,076,072	$3,712,018	$2,348,981	$1,363,036	$375,994	$2,506,427	$829,596	$0	$0	$0	$3,629,637
19	2023	$858,146,704	$619,902,478	$3,788,743	$2,414,520	$1,374,223	$375,994	$2,527,819	$884,930	$0	$0	$0	$3,757,751
20	2024	$875,309,638	$637,065,412	$3,870,503	$2,481,370	$1,389,133	$375,994	$2,556,330	$938,179	$0	$0	$0	$3,884,928
21	2025	$892,815,831	$654,571,605	$3,953,825	$2,549,556	$1,404,268	$375,994	$2,585,272	$992,558	$0	$0	$0	$4,014,720
22	2026	$910,672,147	$672,427,921	$4,017,029	$2,619,107	$1,397,922	$375,994	$2,573,137	$1,067,898	$0	$0	$0	$4,168,893
23	2027	$928,885,590	$690,641,364	$4,097,249	$2,690,048	$1,407,201	$375,994	$2,590,879	$1,130,375	$0	$0	$0	$4,310,398
24	2028	$947,463,302	$709,219,076	$4,184,705	$2,762,408	$1,422,297	$375,994	$2,619,746	$1,188,964	$0	$0	$0	$4,449,101
25	2029	$966,412,568	$728,168,342	$4,227,645	$2,836,216	$1,391,430	$375,994	$2,560,721	$1,290,929	$0	$0	$0	$4,636,843
26	2030	$985,740,819	$747,496,593	$4,318,481	$2,911,499	$1,406,982	$375,994	$2,590,461	$1,352,026	$0	$0	$0	$4,781,303
27	2031	$1,005,455,636	$767,211,410	$4,411,056	$2,988,288	$1,422,768	$375,994	$2,620,647	$1,414,415	$0	$0	$0	$4,928,730
28	2032	$1,025,564,748	$787,320,522	$4,505,405	$3,066,613	$1,438,791	$375,994	$2,651,287	$1,478,123	$0	$0	$0	$5,079,183
29	2033	$1,046,076,043	$807,831,817	$4,601,559	$3,146,505	$1,455,054	$375,994	$2,682,386	$1,543,179	$0	$0	$0	$5,232,727
30	2034	$1,066,997,564	$828,753,338	$4,699,556	$3,227,994	$1,471,562	$375,994	$2,713,952	$1,609,610	$0	$0	$0	$5,389,422
Total				**$73,610,455**	**$46,057,810**	**$27,552,645**	**$6,384,533**	**$36,455,828**	**$19,003,079**	**$0**	**$0**	**$0**	**$65,236,062**

Notes:
1. TIF revenues from FY 2004 to FY 2018 are based on the certified/final values issued by the Leon County Property Appraiser, the FY 2019 value assumes an 8.5 percent over FY 2018. Starting in FY 2020 only the tax increment required to fund approved projects and limited operational expenses are charged to the City and County. The County's expenses remain the same as shown in Option 2.
2. Annual operating expenses and expenses to meet existing/approved project commitments, including NAP/Cascades, CSIP/4 Forty North and Washington Square. Funds in the "Uncommitted" column, which starting in FY 2020 are City funds only, are available to support other Board approved projects and/or programs.
3. Starting in FY 2020 under Option 4 no Uncommitted Funds from the City TIF are returned to the City, instead they are used for other Board approved projects. The County TIF contribution is limited to what is needed to meet County obligations is support of existing projects, as a result, there are no uncommitted funds to return to the County.
4. The ad valorem taxes the County will retain from funding only the approved projects as described in Footenote 2. The savings are based on the County millage (currently 8.3144 mils) less their annual CRA expenses through FY 2034. The County calculations include an anticipated County identified 0.4 mill increase to 8.7144 mils beginning in FY 2020.
5. In FY 2022 NAP/Cascades ($150.0M), CSIP/4Forty North ($40.0M) and Washington Square ($60.0M) are added to the tax rolls. The County contributes TIF towards these projects as well.

Commercial Façade Downtown Area

FY	Project Name	Street Address	CRA Funds Committed	CRA Funds Expended to Date	Total Project Cost
2010	Lewis/Whitlock Properties, LLC	206 W. Virginia St.	$50,000.00	$49,291.50	$210,000.00
	Florida Commerce Credit Union	107 E. College Ave.	$44,383.00	$44,383.00	$169,418.00
2012	Robert Botel/Botel Properties	523 E. Tennessee St.	$28,155.00	$27,939.00	$71,311.00
	David Ericks/ASA Office Space, LLC	205 S. Adams St.	$50,000.00	$49,109.50	$350,000.00
	Parker House	College Avenue	$50,000.00	$0.00	$0.00
2013	Ron Sachs/ Seamoon Properties Inc.	114 S. Duval St.	$8,220.50	$6,036.15	$300,000.00
	FSU Collegetown Retail, LLC	717 S. Woodward Ave.	$50,000.00	$49,837.50	$529,410.00
2014	Georgia Street Partners, LLC	302 E. Georgia St.	$50,000.00	$49,879.50	$280,000.00
	IB Tallahassee, LLC	101 South Adams St.	$50,000.00	$49,991.50	$258,000.00
2015	Southern Strategy Group Assets II, LLC	222/224 East College Ave.	$50,000.00	$49,637.00	$750,000.00
	TP Thirteen, LLC	227 North Bronough Street	$50,000.00	$49,559.22	$735,100.00
	402 West College Ave, LLC (Dan Gilbertson)	402 West College Avenue	$50,000.00	$50,000.00	$425,000.00
	204 South Monroe Street, LLC	204 South Monroe Street	$42,499.30	$0.00	$84,998.60
2016	Florida Restaurant & Lodging Association, Inc.	230 South Adams Street	$50,000.00	$0.00	$362,656.00
		Totals:	**$623,258**	**$475,664**	

Community/Not For Profits Downtown District

FY	Organization	Project Description	CRA Funds Committed	CRA Funds Expended to Date
2010	Civil Rights Commerative Sidewalk	Assistance with the construction of the Civil Rights Commerative Sidewalk on Pensacola St	$67,500	$64,350
2011	John G Riley House Museum Visitor Center	Construction of 1,000 square feet visitor center adjacent to the museum.	$175,000	$175,000
2014	DD Before I Die (BID) Wall	Construction of BID wall in Doug Burnette Park.	$1,500	$1,254
2015	Declaration Public Art	Assistance with the Declaration Sculpture on Gaines Street	$2,000	$1,880
2017	Big Brothers, Big Sisters	Assistance with external and internal improvements at their facility on 565 E Tennessee St	$100,000	$44,054
		Totals:	**$346,000**	**$286,538**

Commercial Painting Downtown District

FY	Organization	Project Description	CRA Funds Committed	CRA Funds Expended to Date
2015	Georgia St. Partners, LLC	302 E. Georgia Street	$5,000	$5,000
	Anabelle Dias	521 North Adams Street	$4,500	$4,500
2016	402 West College Avenue LLC	402 West College Avenue	$3,500	$3,500
		Totals:	**$13,000**	**$13,000**

Retail Incentive Loans Downtown Area

FY	Organization	Project Description	CRA Funds Committed	CRA Funds Expended to Date
2010	Tallahassee RI, LLC/Utrecht Art Supplies	600 W. Gaines Street	$50,000	$50,000
2012	Parker House (approved but contract not executed)	College Avenue	$50,000	$0
2013	Lucy & Leo's Cupcakery, Inc.	631 W. Madison St.	$10,000	$10,000
		Totals	**$110,000**	**$60,000**

Major Development Downtown Area

FY	Organization	Project Description	CRA Funds Committed	CRA Funds Expended to Date
2005	Marriott Residence Inn	City directed urban design features: hotel to the street, parking in the rear, ground floor retail	$450,000	$450,000
2007	Alliance Center	Incentive to develop retail, office space & 30 parking spaces within the mixed-use development	$495,000	$495,000
2010	Cascade Park Phase I	Design and construction costs of phase I of Cascade Park	$1,100,000	$1,100,000
2011	Seminole Booster Inc - College Town	Construction of a Mixed-use residential development on the south side of Madison Street	$2,532,045	$1,799,254
2012	Chance Catalyst Development	Construction of mixed-use student housing development	$911,800	$873,309
	601 Copeland - ACC	Construction of student housing development	$395,000	$365,000
2103	Gateway Tallahassee	Construction of mixed-use development at the northeast corner of Tennessee and Monroe Streets	$1,447,661	$980,595
	Electric Building Renovation	Renovation of Electric Building in Cascade Park	$816,789	$816,789
2014	444 College Avenue Development	Mixed-Use Student Residential with 12,000 sq. ft. Retail Space	$1,606,780	$288,771
	Railyard Lofts at College Town	Undergrounding of utilities and landscape and streetscape improvements around the project	$600,000	$0
2016	Double Tree Hotel Sidewalk/Streescape	Sidewalk and Streetscape Improvements on Adams Street near the Double Tree Hotel between Park and College Avenue	$682,000	$0
		Totals:	**$11,037,075**	**$7,168,717**

Infrastructure Downtown Area

FY	Organization/Location	Project Description	Committed	Expended
2010	Seminole Tribe of Florida	Assistance with Sidewalk Improvements on N. Monroe St (funding unused return to Master project)	$4,500	$0
2016	DD N Bicycle Blvd Electric Lines	Undergrounding the overhead electric lines in N. Bicycle Blvd from Lorene St to the City's Gay St parking lot	$161,000	$36,681
		Totals:	**$165,500**	**$36,681**

Promotional/Special and Large Events Downtown District

FY	Organization	Event	Committed	Expended
2008	Tallahassee Film Festival	Film Festival in Downtown	$20,000	$20,000
2009	Tallahassee Downtown Improv Auth.	Funds for Three Downtown Get Down Events: Mardi Gras, Springtime Tallahassee & 4th of July	$9,000	$9,000
2010	Tallahassee Downtown Improv Auth.	Cinco de Mayo	$2,500	$2,500
	Tallahassee's Writer's Association	2010 Writer's Association Conference	$700	$700
	Tallahassee Downtown Improv Auth.	Summer Bijou Theatre	$4,300	$4,300
	Junior League of Tallahassee	Jingle Jubilee	$10,000	$10,000
	Springtime Tallahassee, Inc.	Springtime Tallahassee	$2,500	$2,500
2011	Riley House Museum	Reception as part of AAAM	$5,000	$5,000
	Tallahassee Astronomical Society	Skies Over Tallahassee	$2,400	$2,400
	Challenger Learning Center	Back to School Bash	$2,500	$2,500
	Tallahassee Downtown Improv Auth.	Bayou Bash Freedom Festival	$2,500	$2,500
2012	Tallahassee Bach Parley	Bradenburg Concertos	$1,000	$1,000
	Riley House Museum	Smokey Hollow Reunion	$4,500	$4,500
	Knight Creative Communities Inst.	Victory Park Celebration @ Urban Disturbance	$4,200	$4,200
	The Mary Brogran MOAS	National Food Day - Tallahassee	$5,000	$5,000
	Junior League of Tallahassee	Jingle Jubilee	$2,400	$2,400
	MAACA, Inc	Kick-Off Dinner, Peer Navigator Program	$5,000	$5,000
2013	Junior League of Tallahassee	Jingle Jubilee	$5,000	$5,000
	Tallahassee Bach Parley	Concert Series	$1,500	$1,500
	10,000 Marbles	Urban Disturbance	$5,000	$5,000
	Riley Foundation	Smokey Hollow Reunion	$3,988	$3,988
	The Tallahassee Community Chorus	Sound of Music Sing A Long	$2,000	$2,000
	Downtown Tallahassee New Year's Eve	New Year's Eve Celebration	$5,000	$5,000
	United Way of the Big Bend	Downtown Get Down	$5,000	$5,000
	Tallahassee Astronomical Society	Skies Over Tallahassee	$2,999	$2,999
	Martin Luther King Dare to Dream Assoc.	MLK Dare to Dream Festival	$5,000	$5,000
	Tallahassee Irish Society	St. Patrick's Day Celebration	$1,000	$1,000
2014	Seminole Boosters	Friday Night Block Party	$10,000	$10,000
	United Way of the Big Bend	Capital City Bank Downtown GetDowns	$10,000	$10,000
	LeMoyne Center for the Visual Arts	Chain of Parks	$9,000	$9,000
	Springtime Tallahassee	Springtime Tallahassee	$8,750	$8,750
	Tallahassee New Year's Eve Incorporated	Downtown Tallahassee New Year's Eve	$8,750	$8,750
	Tallahassee Irish Society	St. Patrick's Day Festival	$4,500	$4,500
	Downtown Merchants and Business Association	Tallahassee Saturday in the Park	$2,500	$2,500

	Tallahassee Bach Parley	Tallahassee Bach Parley Concert Series	$2,500	$2,500
	Friends of the Museums of Florida History, Inc.	Emancipation Day Celebration	$2,000	$2,000
	John Gilmore Riley Center	Annual Holiday Rock-A-Thon	$2,000	$2,000
2014	Martin Luther King Dare to Dream Association	Martin Luther King Dare to Dream	$2,000	$2,000
	Word of South LitFest Inc.	Word of South Literary Festival	$75,000	$75,000
	Big Bend Homeless Coalition	2014 Pay-It-Forward Fish Fry	$1,000	$1,000
	Tallahassee Community Chorus	Sing Along Sound of Music	$1,000	$1,000
	MAACA, Inc	4th Annual World Aids Day	$500	$500
	Journey to Dance	Dance with the Soul	$500	$500
2015	Seminole Boosters	Friday Night Block Party	$10,000	$10,000
	United Way of the Big Bend	Capital City Bank Downtown GetDowns	$10,000	$10,000
	LeMoyne Center for the Visual Arts	Chain of Parks*	$8,000	$8,000
	Springtime Tallahassee	Springtime Tallahassee	$8,000	$8,000
	Springtime Tallahassee	Springtime Tallahassee Music Festival	$25,000	$25,000
	Tallahassee New Year's Eve Incorporated	Downtown Tallahassee New Year's Eve	$8,000	$8,000
	Tallahassee Irish Society	St. Patrick's Day Festival	$4,500	$4,500
	Capital City Kiwanis	Tallahassee Saturday in the Park*	$2,500	$2,500
	Tallahassee Bach Parley	Tallahassee Bach Parley Concert Series*	$2,500	$2,500
	Friends of the Museums of Florida History, Inc.	Emancipation Day Celebration*	$2,500	$2,500
	John Gilmore Riley Center	Annual Holiday Rock-A-Thon	$1,500	$1,500
	Martin Luther King Dare to Dream Association	Martin Luther King Dare to Dream	$1,500	$1,500
	Tally Food Truck Assn.	Second Saturday's Roundup	$500	$500
	MDCF	Motown Tribute @ Cascades*	$500	$500
	Southern Shakespeare Co.	Southern Shakespeare Fest	$2,500	$2,500
	DD Experience Tallahassee	Experience Tallahassee Festival	$5,000	$5,000
	Tallahassee Symphony Orchestra (TSO)	TSO*	$2,000	$2,000
	Capital City Youth Services	Tally Awards	$500	$500
2016	Seminole Boosters	Friday Night Block Party	$9,000	$9,000
	LeMoyne Center for the Visual Arts	Chain of Parks	$7,500	$7,500
	Springtime Tallahassee	Springtime Tallahassee	$7,500	$7,500
	Southern Shakespeare Co.	Southern Shakespeare Fest	$1,500	$1,500
	Tallahassee Bach Parley	Tallahassee Bach Parley Concert Series	$1,500	$1,500
	Friends of the Museums of Florida History, Inc.	Emancipation Day Celebration	$1,500	$1,500
	Martin Luther King Dare to Dream Association	Martin Luther King Dare to Dream	$1,500	$1,500
	Word of South LitFest Inc.	Word of South Literary Festival	$37,500	$37,500
	DT Jazz and Blues Festival	Jazz and Blues Festival	$75,000	$75,000
2016	MDCF	Motown Tribute @ Cascades	$0	$0
	Legal Services of N. Fl	Jazz for Justice	$750	$0
	CCYS	Gaines Brew Fest	$750	$0
	Tallahassee Irish Society	St. Patrick's Day Festival	$3,500	$0
	FIT Tallahassee	Free Community Fitness	$0	$0
		Total:	**$502,487**	**$497,487**

Land Acquisition Downtown District

FY	Organization	Project Description	CRA Funds Committed	CRA Funds Expended to Date
2009	Former Star Metro Overflow Lot	Land acquisition for aLoft Parking	$2,100,000	$2,100,000
2017	Firestone and Bloxham Annex Properties	Property exchange with Florida State University (FSU) as part of O'Connell property sale		
		Totals:	**$2,100,000**	**$2,100,000**

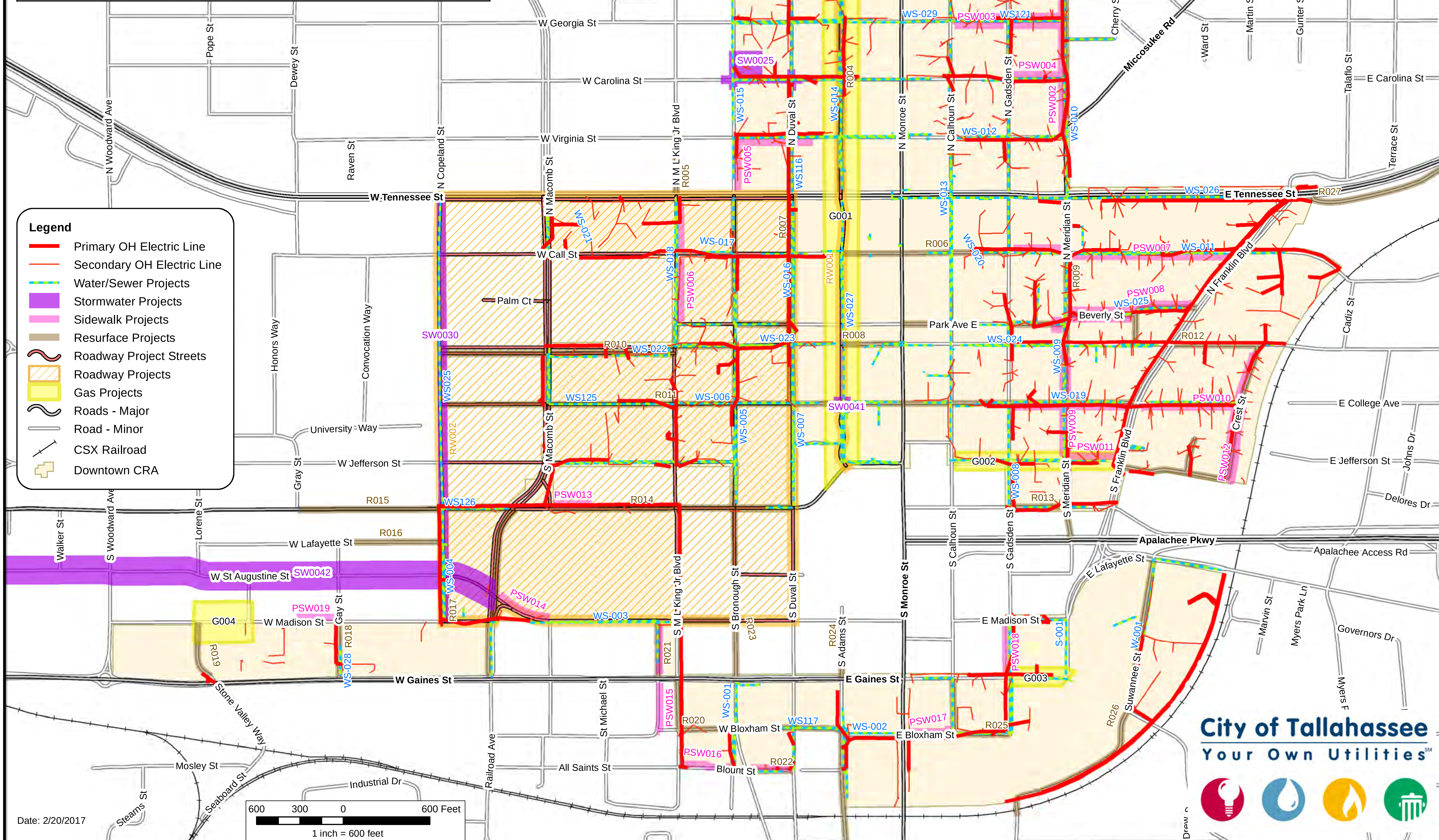
CRA Plans, Studies and Assessments Downtown District

FY	Organization	Project Description	CRA Funds Committed	CRA Funds Expended to Date
2003	RMPK Consultants	Preparation of Downtown Community Redevelopment Plan	$100,000	$88,000
2011	Kimley Horn & Associates	Downtown parking demand analysis	$8,000	$8,000
2012	Patrick Hodges Land Studio	Market analysis and development renderings	$4,000	$4,000
2013	Live Work Learn Play	Assessment of downtown Tallahassee	$30,217	$30,217
2016	GAI	Market study and feasibility analysis for Frenchtown/Southshide and Downtown districts	$56,750	$56,750
		Totals:	**$198,967**	**$186,967**

Utility Projects Associated with the Downtown CRA

CITY OF TALLAHASSEE

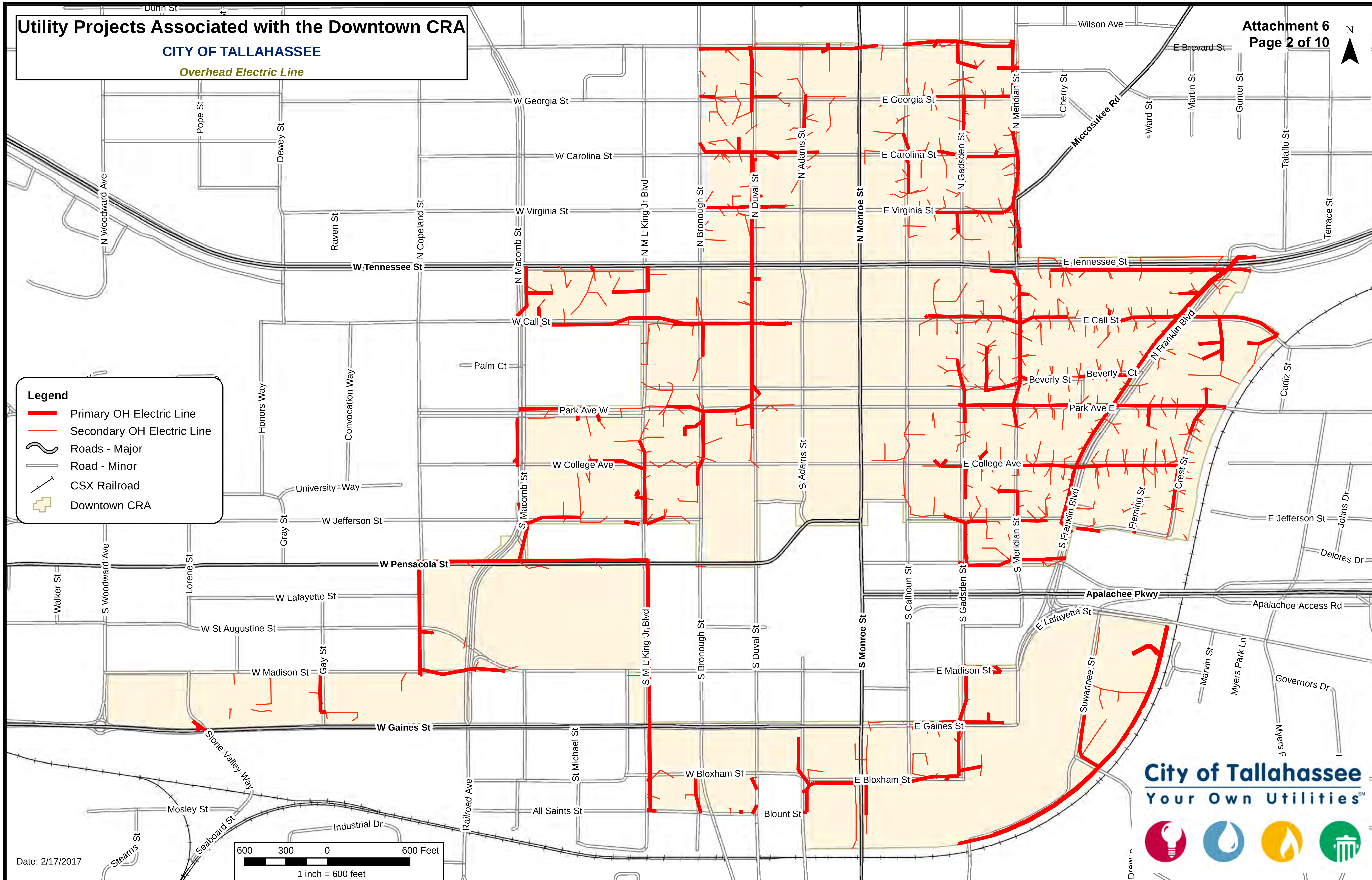
Underground Utilities & Public Infrastructure



Utility Projects Associated with the Downtown CRA

CITY OF TALLAHASSEE

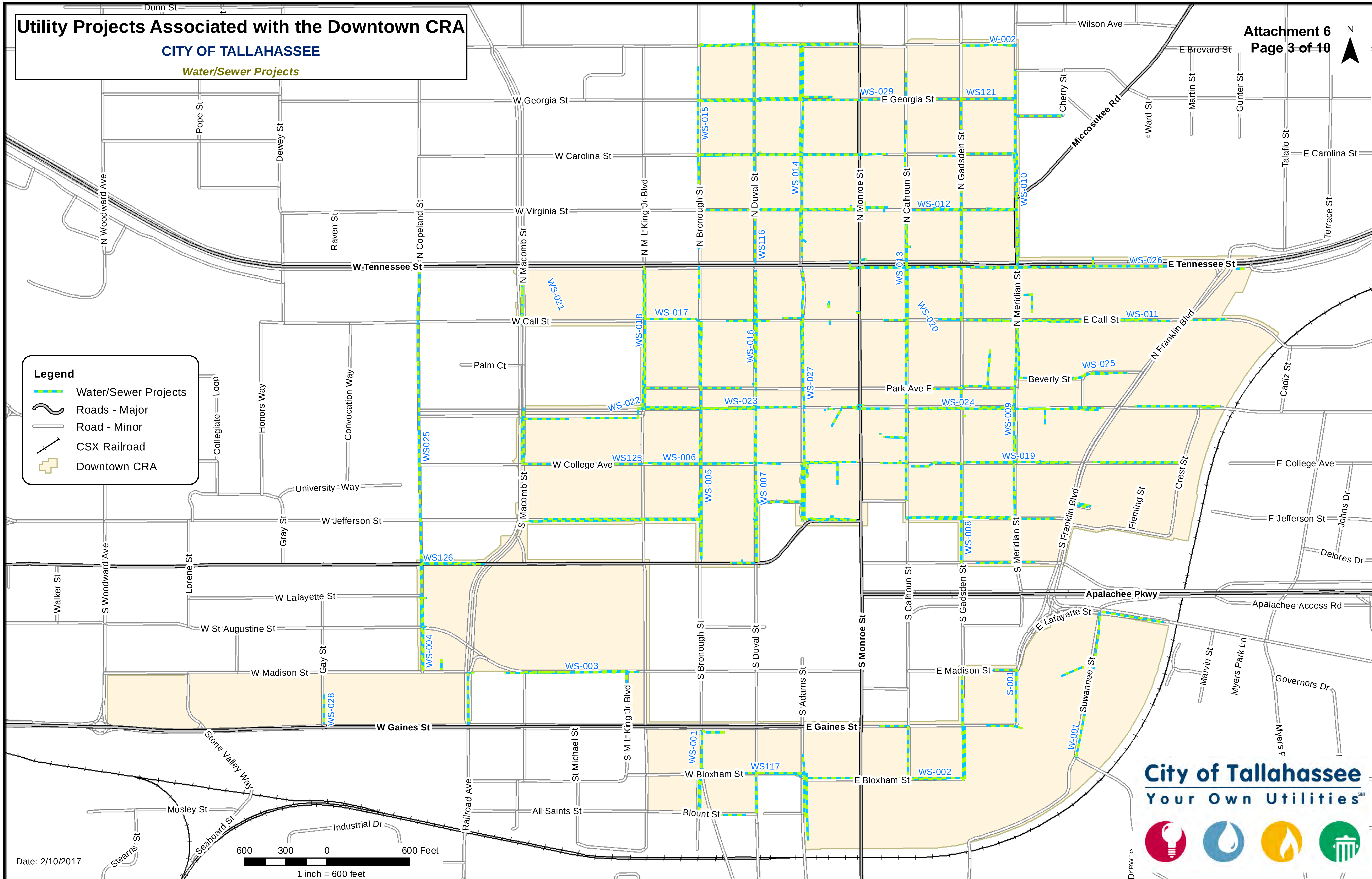
Overhead Electric Line



Utility Projects Associated with the Downtown CRA

CITY OF TALLAHASSEE

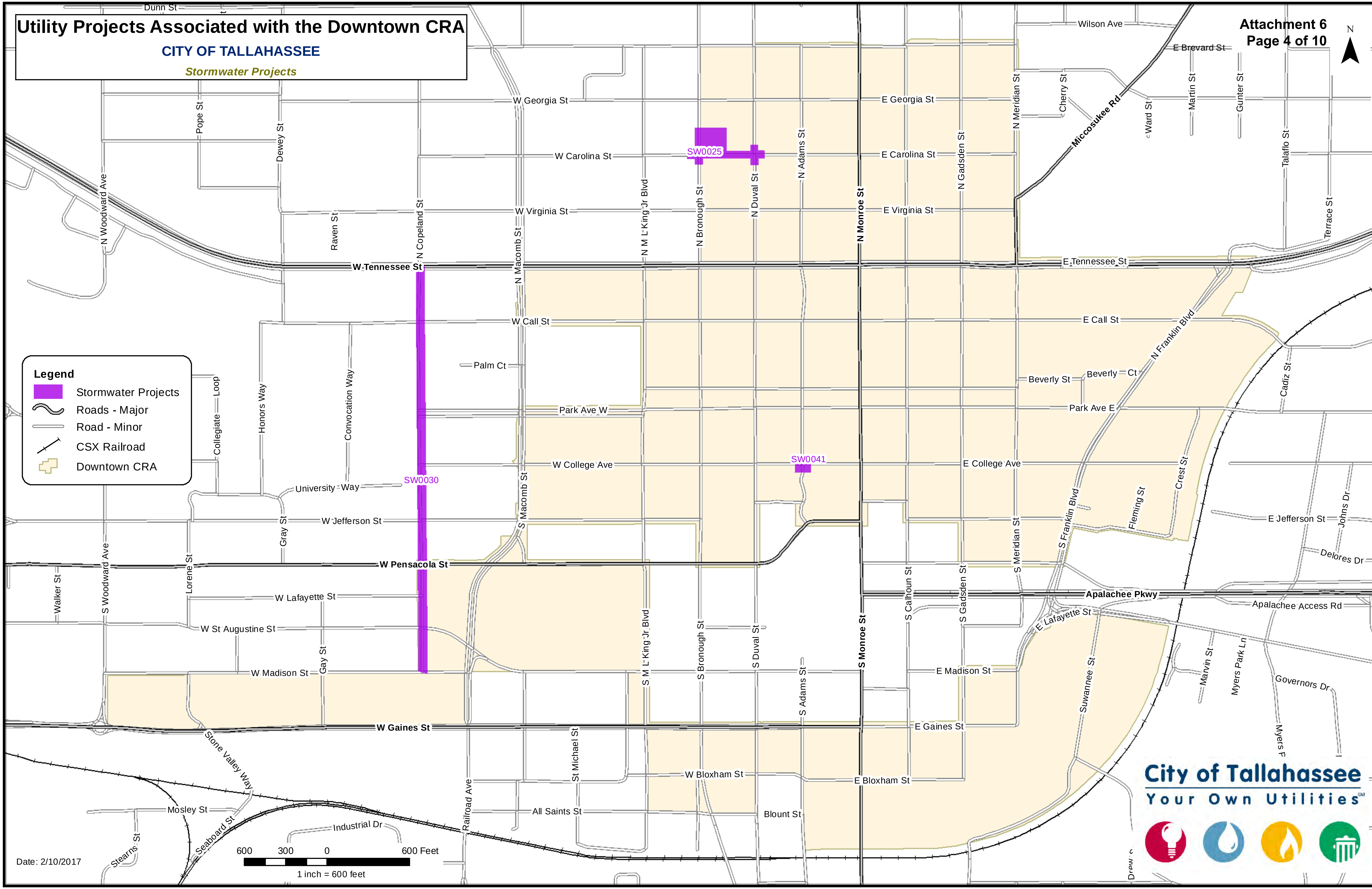
Water/Sewer Projects



Utility Projects Associated with the Downtown CRA

CITY OF TALLAHASSEE

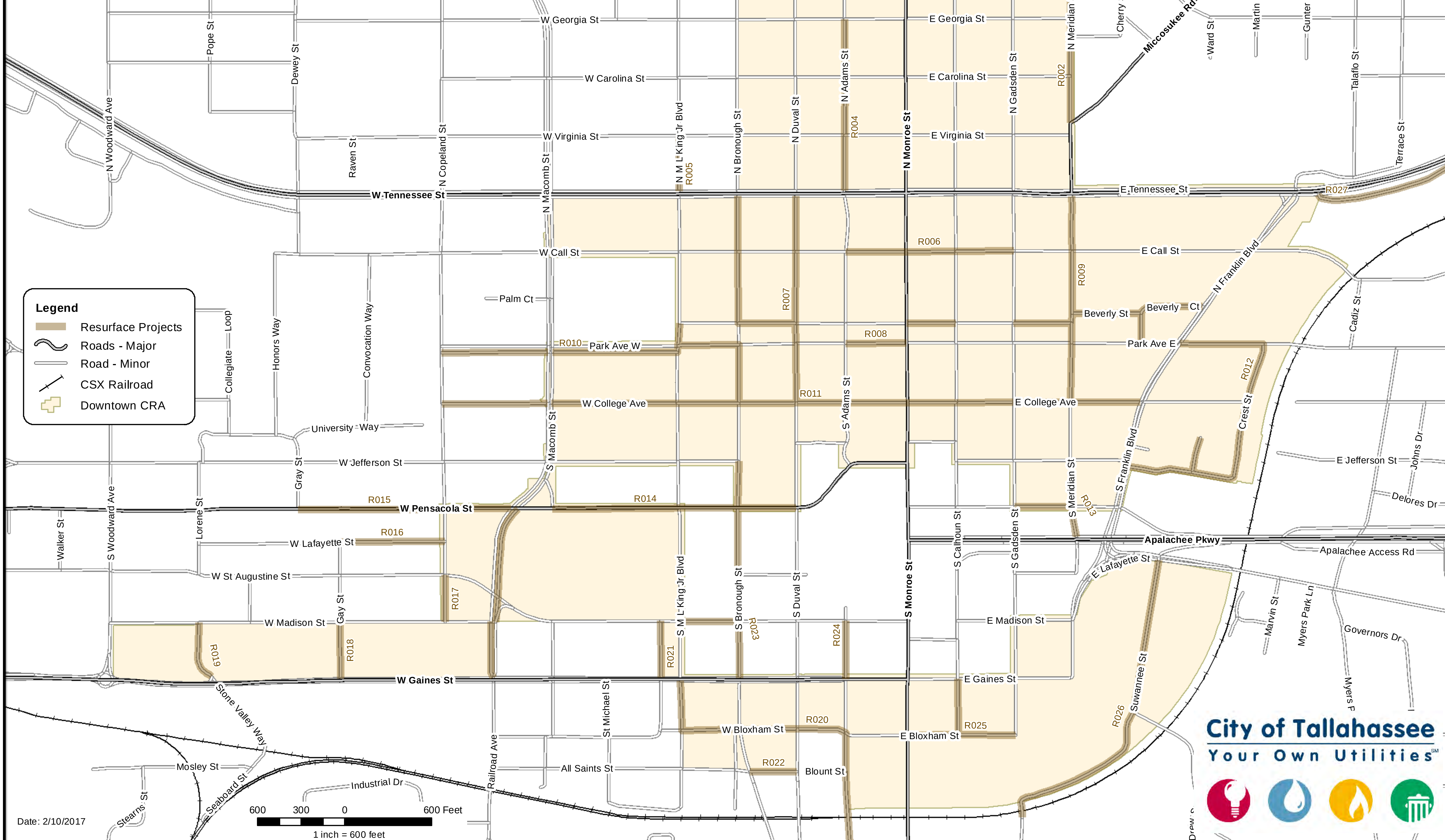
Stormwater Projects



Utility Projects Associated with the Downtown CRA

CITY OF TALLAHASSEE

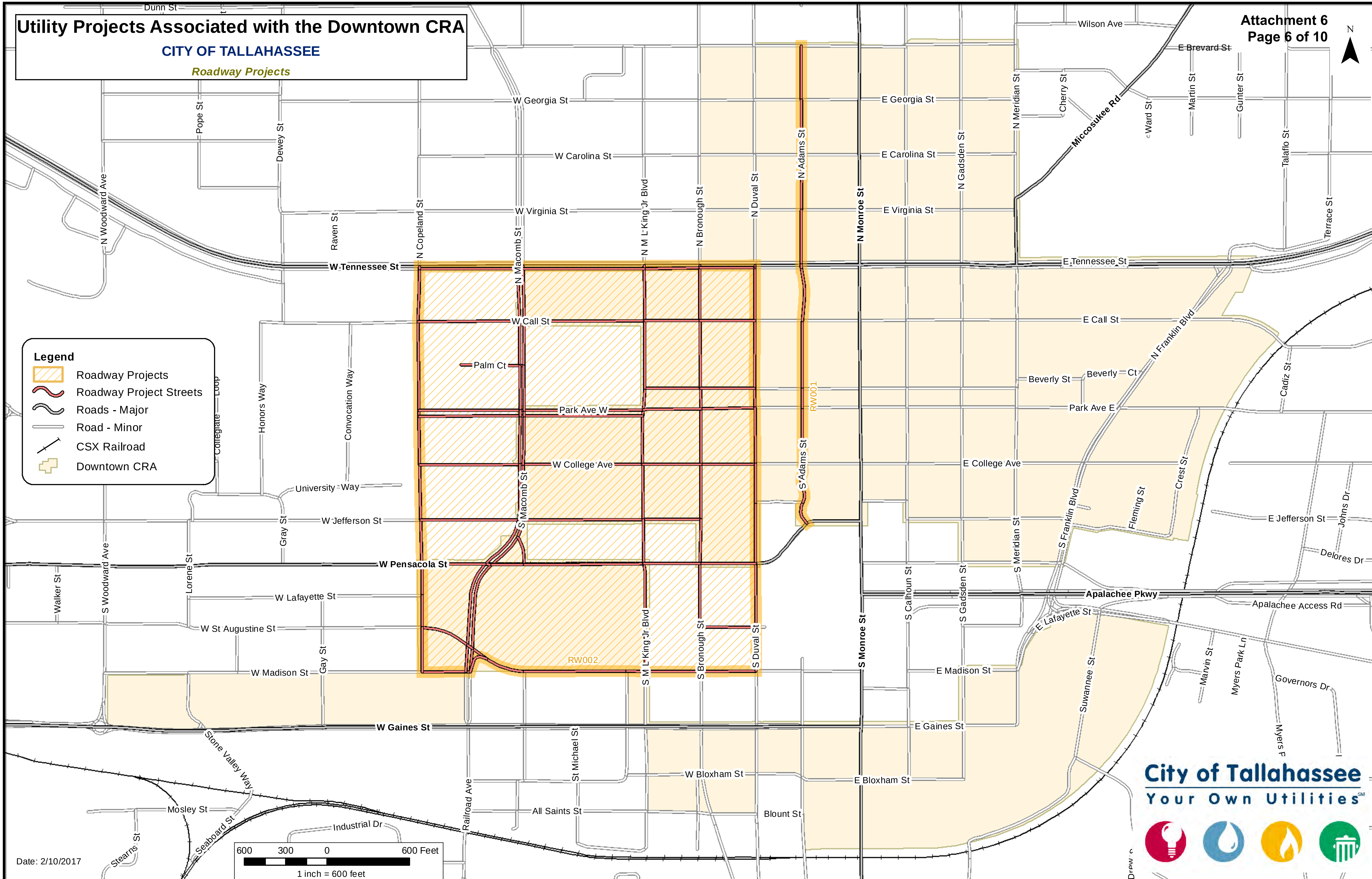
Resurface Projects



Utility Projects Associated with the Downtown CRA

CITY OF TALLAHASSEE

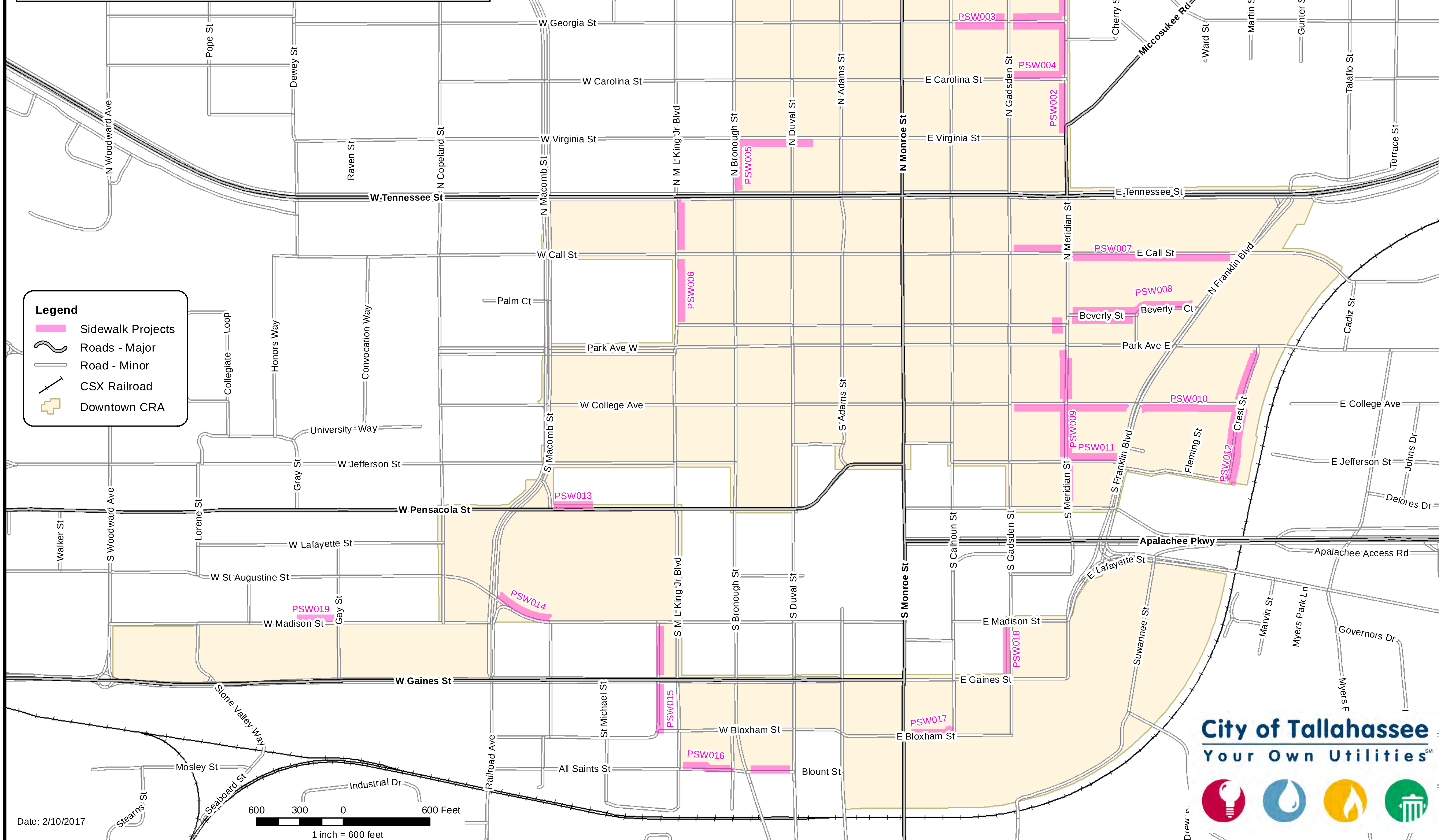
Roadway Projects



Utility Projects Associated with the Downtown CRA

CITY OF TALLAHASSEE

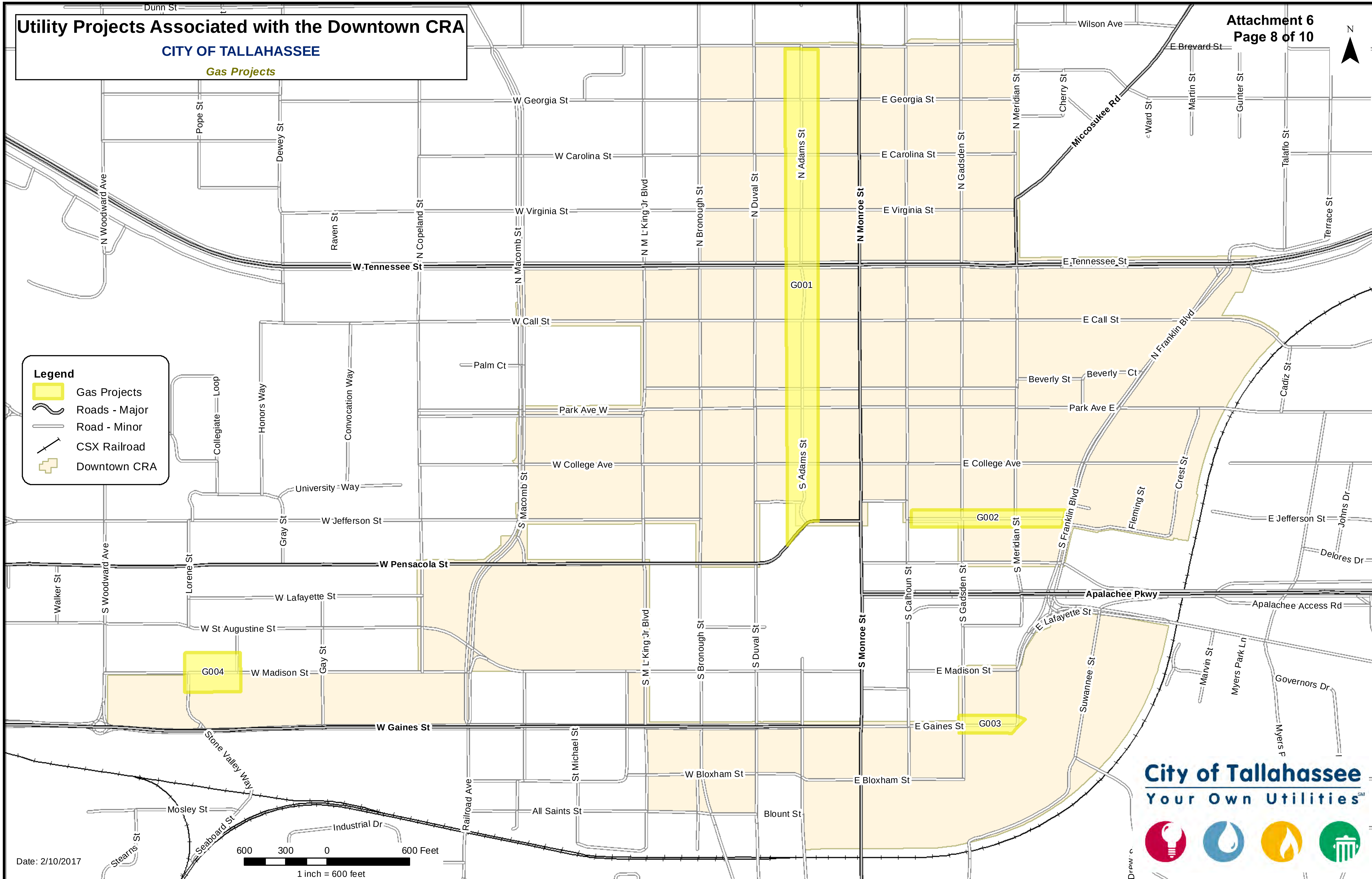
Sidewalk Projects



Utility Projects Associated with the Downtown CRA

CITY OF TALLAHASSEE

Gas Projects



Water and Sewer Projects

MapID	Project Name	Project Location	Project Length	Funding Source	Budget	Total Cost
WS025	COPELAND ST UTILITY IMPROVEMENTS	TENNESSEE TO ST AUGUSTINE	LF	17090 - Master Water Plan Improvements; 17088 - Master Sewer Plan Improvements	Programmed	Design $150,000 $750,000 Water $700,000 Sewer
WS116	DUVAL STREET WATER AND SEWER	TENNESSEE TO 1ST	LF	1600495 – 16090W Duval Street Improvements Design	Programmed	$100,000 Design Estimated Construction Cost: $550,000 Water $700,000 Sewer
WS117	BLOXHAM STREET WATER IMPROVEMENTS	ADAMS TO BRONOUGH	LF	1600484 – 16090W Bloxham St Utility Improv Design	Programmed	Design $50,000 $200,000 Water $140,000 Sewer
WS121	GEORGIA/CAROLINA STREET UTILITY IMPROVEMENTS	GEORGIA FROM CALHOUN TO MERIDIAN, CAROLINA FROM GADSDEN TO CHERRY, MERIDIAN FROM GEORGIA TO CAROLINA	LF	1600589 – 16090W Georgia Carolina St Utility	Programmed	Design $150,000 $600,000 Water $700,000 Sewer
WS125	W COLLEGE STREET WATER MAIN UPGRADE	MACOMB TO MLK	LF	1600476 - 16090W College Ave Utility Imp	Programmed	Design $35,000 $250,000 Water
WS126	W PENSACOLA STREET WATER MAIN UPGRADES	NEED TO VERIFY	LF	1600478 - 16113W Ocala Pensacola Wtr Mn	Programmed	Design $30,000 Water $140,000 Water
S-001	MERIDIAN AREA SEWER	MERIDIAN FROM MADISON TO GAINES; PORTIONS OF MADISON & GAINES	835 LF	Not Applicable	None	$ 250,509.19
W-001	LAYFAYETTE-SUWANNEE AREA WATER	LAYFAYETTE FROM CSX TO SUWANNEE; SUWANNEE TO MYERS PARK	1,732 LF	Not Applicable	None	$ 433,043.97
W-002	E BREVARD WATER	GADSDEN TO MERIDIAN	394 LF	Not Applicable	None	$ 98,516.62
WS-001	S BRONOUGH AREA	BRONOUGH FROM GAINES TO BLOUNT; DUVAL FROM BLOXHAM TO BLOUNT; A PORTION OF GAINES; BLOXHAM FROM BRONOUGH TO ADAMS; BLOUNT FROM BRONOUGH TO DUVAL	2,487 LF	Not Applicable	None	$ 685,105.58
WS-002	GADSDEN-BLOXHAM AREA	GADSDEN FROM MADISON TO BLOXHAM; CALHOUN FROM GAINES TO BLOXHAM; ADAMS FROM N OF BLOXHAM TO CSX; BLOXHAM FROM ADAMS TO GADSDEN; GAINES FROM ADAMS TO CALHOUN	4,215 LF	Not Applicable	None	$ 1,160,246.11
WS-003	W MADISON AREA	MADISON FROM RAILROAD TO MLK; RAILROAD AND MLK FROM MADISON TO GAINES	2,424 LF	Not Applicable	None	$ 656,503.45
WS-004	S COPELAND AREA PHASE I	COPELAND FROM PENSACOLA TO MADISON; PENSACOLA FROM COPELAND TO MACOMB	2,229 LF	Not Applicable	None	$ 599,777.42
WS-005	JEFFERSON-BRONOUGH AREA	JEFFERSON FROM MACOMB TO BRONOUGH; BRONOUGH FROM CALL TO PENSACOLA	5,543 LF	Not Applicable	None	$ 1,510,325.20
WS-006	W COLLEGE AREA	COLLEGE FROM MLK TO MONROE; ADAMS FROM PARK TO COLLEGE	2,306 LF	Not Applicable	None	$ 666,107.13
WS-007	CITY ANNEX AREA	DUVAL FROM COLLEGE TO PENSACOLA; ADAMS FROM COLLEGE TO JEFFERSON; JEFFERSON FROM DUVAL TO ADAMS; PENSACOLA FROM DUVAL WEST 200'	3,483 LF	Not Applicable	None	$ 963,362.40
WS-008	E JEFFERSON AREA	JEFFERSON FROM CALHOUN TO FRANKLIN; FRANKLIN STREET; GADSDEN FROM COLLEGE TO PENSACOLA	2,528 LF	Not Applicable	None	$ 698,083.12
WS-009	MERIDIAN AREA PHASE I	MERIDIAN FROM TENNESSEE TO PENSACOLA; PENSACOLA FROM GADSDEN TO FRANKLIN	3,979 LF	Not Applicable	None	$ 1,135,086.74
WS-010	MERIDIAN AREA PHASE II	MERIDIAN FROM CAROLINA TO TENNESSEE	1,633 LF	Not Applicable	None	$ 447,644.68
WS-011	CALL AREA PHASE I	CALL FROM GADSDEN TO FRANKLIN	2,845 LF	Not Applicable	None	$ 765,569.87
WS-012	N GADSDEN AREA	GADSDEN FROM GEORGIA TO CALL; CAROLINA FROM CALHOUN TO GADSDEN; VIRGINIA FROM CALHOUN TO MERIDIAN; CALL FROM GADSDEN WEST 200'	2,950 LF	Not Applicable	None	$ 834,076.92
WS-013	N CALHOUN AREA	CALHOUN FROM BREVARD TO CALL	2,506 LF	Not Applicable	None	$ 708,853.53
WS-014	N ADAMS AREA	ADAMS FROM BREVARD TO TENNESSEE; GEORGIA, CAROLINA, & VIRGINIA FROM DUVAL TO MONROE	7,847 LF	Not Applicable	None	$ 2,152,210.60
WS-015	N BRONOUGH AREA	BRONOUGH FROM BREVARD TO TENNESSEE; BREVARD, GEORGIA, CAROLINA, & VIRGINIA FROM BRONOUGH TO DUVAL	3,928 LF	Not Applicable	None	$ 1,118,254.98
WS-016	S DUVAL AREA	DUVAL FROM TENNESSEE TO COLLEGE	2,312 LF	Not Applicable	None	$ 622,551.94
WS-017	CALL AREA PHASE II	CALL FROM MLK TO ADAMS	1,031 LF	Not Applicable	None	$ 294,284.04
WS-018	MLK AREA	MLK FROM TENNESSEE TO PARK	1,925 LF	Not Applicable	None	$ 527,389.21
WS-019	E COLLEGE AREA	COLLEGE FROM MONROE TO CREST; CALHOUN FROM COLLEGE TO JEFFERSON	3,403 LF	Not Applicable	None	$ 949,324.02
WS-020	S CALHOUN AREA	CALHOUN FROM CALL TO COLLEGE; CALL FROM MONROE TO CALHOUN; SEGMENT AT PARK; SEGMENT NORTH OF COLLEGE	1,799 LF	Not Applicable	None	$ 523,534.48
WS-021	S MACOMB AREA	MACOMB FROM TENNESSEE TO CALL; MACOMB FROM PARK TO COLLEGE	1,593 LF	Not Applicable	None	$ 438,985.63
WS-022	PARK AREA PHASE I	PARK FROM MACOMB TO MLK	855 LF	Not Applicable	None	$ 230,965.99
WS-023	PARK AREA PHASE II	PARK FROM MLK TO ADAMS	2,574 LF	Not Applicable	None	$ 716,193.82
WS-024	PARK AREA PHASE III	PARK FROM ADAMS TO MERIDIAN; SEGMENT SOUTH FROM PARK NEAR MONROE; SEGMENT NORTH NEAR GADSDEN	3,287 LF	Not Applicable	None	$ 894,318.61
WS-025	PARK AREA PHASE IV	PARK FORM MERIDIAN TO FRANKLIN-CSX, BEVERLY COURT	3,231 LF	Not Applicable	None	$ 873,172.81
WS-026	E TENNESSEE AREA	TENNESSEE FROM MONROE TO FRANKLIN	3,185 LF	Not Applicable	None	$ 800,795.09
WS-027	S ADAMS AREA	ADAMS FROM TENNESSEE TO PARK	1,354 LF	Not Applicable	None	$ 355,508.66
WS-028	GAY AREA	GAY FROM MADISON TO GAINES	213 LF	Not Applicable	None	$ 63,804.85
WS-029	N MONROE AREA	GEORGIA FROM MONROE TO CALHOUN; CAROLINA FROM MONROE TO CALHOUN; VIRGINIA FROM MONROE TO CALHOUN	952 LF	Not Applicable	None	$ 269,659.25
WS-000	MISC WATER & SEWER	MISCELLANEOUS WATER AND SEWER TANGENTS THROUGHOUT CRA	12,825 LF	Not Applicable	None	$ 3,645,768.01
		Totals:	94,403 LF			$ 26,089,533.93

Stormwater Projects

MapID	Project Name	Project Location	Project Area	Funding Source	Budget	Total Cost*
SW0041	Adams St-College Ave Drainage Improvements	South Adams St and College Ave	0.30 ac	606	Programmed	$ 240,000.00
SW0030	Copeland Street Drainage Improvement	Copeland St between W Madison St and W Tennessee St	4.54 ac	606	Programmed	$ 798,000.00
SW0025	Carolina Street Stormwater Improvements (Frenchtown SW Improvements Master Plan)	W Carolina St between N Bronough St and N Duval St	1.82 ac	606	Programmed	$ 1,500,000.00
SW0042	St. Augustine Street SW Outfall	St. Augustine Street from Macomb Street west to the CDD (box culverts across FSU Stadium property)	16.48 ac	Not Applicable	None	$ 7,000,000.00
SW000	Downtown Master Plan Projects		23.14 ac	Not Applicable	None	$ 1,200,000.00
	* Includes relocation cost	Totals:	46 ac			$ 10,738,000.00

Resurface Projects

MapID	Project Name	Project Location	Project Length	Funding Source	Budget	Total Cost
R001	Downtown CRA Resurfacing	Downtown CRA	37,937 LF	Master Street Paving Project	None	$ 2,832,799.50
		Totals:	37,937 LF			$ 2,832,799.50

Sidewalk Projects

MapID	Project Name	Project Location	Project Length	Funding Source	Budget	Total Cost
PSW001	E Brevard St	E Brevard St between N Meridian St and N Monroe St	934 LF	Not Applicable	None	$ 186,773.69
PSW002	N Meridian St	N Meridian St between E Brevard St and E Georgia St	1,025 LF	Not Applicable	None	$ 204,957.76
PSW003	E Georgia St	E Georgia St between N Meridian St and N Calhoun St	1,216 LF	Not Applicable	None	$ 243,248.16
PSW004	E Carolina St	E Carolina St between N Meridian St and N Gadsden St	341 LF	Not Applicable	None	$ 68,269.42
PSW005	W Virginia St and N Bronough St	W Virginia St and N Bronough St between W Tennessee St and N Duval St	789 LF	Not Applicable	None	$ 157,734.60
PSW006	N M L King Jr Blvd	N M L King Jr Blvd between W Tennessee St and Park Ave W	766 LF	Not Applicable	None	$ 153,204.63
PSW007	E Call St	E Call St between N Franklin Blvd and N Gadsden St	1,432 LF	Not Applicable	None	$ 286,483.70
PSW008	Beverly St	Beverly St between N Franklin Blvd and N Gadsden St	1,408 LF	Not Applicable	None	$ 281,676.05
PSW009	S Meridian St	S Meridian St between Park Ave E and E Pensacola St	1,575 LF	Not Applicable	None	$ 314,993.99
PSW010	E College Ave	E College Ave between Crest St and S Gadsden St	1,395 LF	Not Applicable	None	$ 279,086.03
PSW011	E Jefferson St	E Jefferson St between S Franklin Blvd and S Meridian St	333 LF	Not Applicable	None	$ 66,673.80
PSW012	Crest St	Crest St between Park Ave E and E Jefferson St	1,363 LF	Not Applicable	None	$ 272,699.65
PSW013	W Pensacola St	Along W Pensacola St at Macomb St	268 LF	Not Applicable	None	$ 53,630.86
PSW014	W Madison St	W Madison St between Railroad Ave and S Macomb St	386 LF	Not Applicable	None	$ 77,199.87
PSW015	S M L King Jr Blvd	S M L King Jr Blvd between W Madison St and W Bloxham St	687 LF	Not Applicable	None	$ 137,315.25
PSW016	Blount St	Blount St between S ML King Jr Blvd and S Bronough St	621 LF	Not Applicable	None	$ 124,244.56
PSW017	E Bloxham St	E Bloxham St between S Calhoun St and S Monroe St	299 LF	Not Applicable	None	$ 59,812.76
PSW018	S Gadsden St	S Gadsden St between E Madison St and E Gaines St	343 LF	Not Applicable	None	$ 68,667.25
PSW019	W Madison St	W Madison St between Gay St and Collier St	260 LF	Not Applicable	None	$ 52,089.73
		Totals:	15,444 LF			$ 3,088,761.75

Roadway Projects

MapID	Project Name	Project Location	Project Length	Funding Source	Budget	Total Cost
RW001	Governor's Walk	Adams Street from Governor's mansion to City Hall	3,492 LF	2020 Sales Tax Extension	None	$ 5,000,000.00
RW002	College Avenue Placemaking	Area bounded by Tennessee Street, Madison Street, Duval Street and Copland Street	38,690 LF	2020 Sales Tax Extension	None	$ 7,000,000.00
		Totals:	42,182 LF			$ 12,000,000.00

Gas

MapID	Project Name	Project Location	Project Length	Funding Source	Budget	Total Cost
G001	Washington Square Development	2136250711210	3,500 LF	431	Programmed	$ 30,000.00
G002	Governor's Walk along Adams Street	2136401533790	1,105 LF	431	Programmed	$ 245,000.00
G003	Cascades Park Commercial	4101208070000	451 LF	431	Programmed	$ 20,000.00
G004	College Town	2135204060000	106 LF	431	Programmed	$ 15,000.00
		Totals:	5,162 LF			$ 310,000.00

Electric

MapID	Project Name	Project Location	Project Length	Funding Source	Budget	Total Cost
	Main Feeders	42,000 feed of 600 amp	42,000 LF	431	Programmed	
	Branch Feeders	31,400 feet of 200 amp	31,400 LF	431	Programmed	
		Totals:	73,400 LF			$ 32,000,000.00

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	6. Downtown District Policy Formation and Direction
Subject	6.02 Approval of CRA Financial Assistance Terms with Fairmont Development, LLC for Development of Washington Square -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Recommended Action	Option 1: Authorize CRA staff to negotiate and execute a development agreement with Fairmont Development, LLC consistent with the terms of this agenda item and additional direction provided by the CRA Board.

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, (850)891-8352

Statement of Issue

On August 4, 2017 Fairmont Development, LLC (the Developer) submitted a request for $9.6 million to the City of Tallahassee Community Redevelopment Agency (CRA) requesting financial assistance in the development of Washington Square (the Project), a proposed mixed-use development that will include a full-service hotel, Class "A" office space, residential condominiums and three restaurants. The development will be located at 227 S. Calhoun Street, behind the Leon County Courthouse, in the Downtown District Community Redevelopment Area (DT District).

At the September 25, 2017 CRA Board meeting, the Board authorized staff to begin discussions with the Developer to determine and evaluate their financial assistance request. Since the September CRA Board meeting staff has had several conversations and meetings with the Developer regarding their original request and identifying other information required to move forward with the proposal evaluation.

On October 20, 2017, the Developer submitted an updated financial assistance request with additional supporting documentation. The Developer is requesting 100 percent reimbursement of the tax increment generated once the Project is completed and added to the tax rolls. The request is for up to $9.6 million in tax increment reimbursement, although the Developer recognizes the anticipated tax increment refund will be closer to $6.6 million over the remaining life of the DT District. There is no request for up-front financial assistance.

The DT District's Downtown Redevelopment Commission (DRC) reviewed the request on October 24, 2017 and recommended approval of the Developer's request consistent with all but one of the recommendations prepared by CRA staff. During discussions with the Developer, several DRC members asked if the requirement that any change of more than 5 percent or more in number of hotel rooms, meeting space, office space, restaurant/retail space or parking spaces be approved in writing by the CRA was too restrictive. The DRC members, as part of their recommended approval to the CRA Board of the Developer's financial assistance request, increased the percentage from 5 percent to 10 percent.

Recommended Action

Option 1 **-** Authorize CRA staff to negotiate and execute a development agreement with Fairmont Development, LLC consistent with the terms of this agenda item and additional direction provided by the CRA Board.

Fiscal Impact

Based on current city and county millage rates and a post-development taxable value of $56,672,555, Washington Square is projected to generate approximately $462,720 in its first year and $6.6 million through FY 2034, all of which would be returned to the Developer. Additionally, because Leon County does not contribute its full tax increment to the DT District, the Project will generate an estimated $3.3 million in additional ad valorem taxes for the county through FY 2034.

Supplemental Material/Issue Analysis

History/Facts & Issues

The proposed Project at 227 S. Calhoun Street will encompass the southern half of the block bounded by East College to the north, S. Gadsden Street to the east, E. Jefferson Street to the south, and S. Calhoun Street to the west; approximately 1.3 acres. The property was acquired by the Washington Square Partnership from the Ausley & McMullen law firm on January 5, 2007. There were changes in the partnership structure in December 2010 and October 2015, and the property is now owned by Fairmont Investment, LLC.

Between 2009 and early 2011 the Developer (Washington Square Partnership and then Fairmont Investment, LLC) submitted several proposals for consideration by CRA staff and/or the CRA Board, all focused around financial assistance to help with the cost of structured parking. On February 7, 2011, CRA staff provided the CRA Board with a memo outlining the most recent Washington Square proposal which requested the CRA purchase the property for $5.5 million with public parking to be constructed at a future date when DT District funding would be sufficient to support construction of a parking garage. A review of the initial proposals by the DT District's Downtown Redevelopment Commission (DRC) acknowledges the development potential of the site but indicated the proposals were beyond the current financial capacity of the DT District.

Following several exploratory meetings with staff, on August 4, 2017, the Developer submitted a project update outlining changes from the original office space development proposal into the current mixed-use development proposal that includes a hotel, 24 residential condominiums, offices, meeting space, retail/restaurant uses and structured parking. The update also included a request for $9.6 million from the CRA to assist in the development of the Project. The request did not specify how the funds would be used, but the report did note the cost of the structured parking was a “continued concern to the economic viability of the project.”

On October 20, 2017, the Developer submitted an updated financial assistance request with additional supporting documentation (Attachment 1). The Developer is requesting 100 percent reimbursement of the tax increment generated once the Project is completed and added to the tax rolls. The request is for up to $9.6 million in tax increment reimbursement, although the Developer recognizes the anticipated tax increment refund will be closer to $6.6 million over the remaining life of the DT District. There is no request for up-front financial assistance. The August proposal included 24 residential condominiums but that portion of the development has been determined to be financial infeasible, and has been eliminated from the proposal. The main elements of the current proposal are listed below.

- An Upscale, full-service hotel under the Loews banner
    - 270 - 280 rooms
    - 17,000 square feet of meeting/event space (including an 8,000-square foot grand ballroom)
    - 7,000 square feet of finished outdoor space
- 67,000 square feet (net rentable) of Class “A” office space
- Lounge and three restaurants
    - A lobby lounge
    - A fine-dining restaurant

    - A breakfast/lunch casual café
    - A rooftop restaurant
- A 425-space structured parking garage
    - 225 monthly rental parking spaces
    - 200 transient/public parking spaces

The Developer estimates the Project will cost $90.0 million to complete, with construction starting within 90 days of the CRA Board's approval of their funding assistance request, and construction completion between December 2019 and May 2020. The Developer further estimates the Project will have a taxable value of $60.0 million upon completion, which will be $56,672,555 above the 2003 baseline value (the value above which the CRA collects tax increment).

The refund of the tax increment requested by the Developer would be used to offset the construction and operating costs of the 425-space parking garage the Developer will build beneath the Project (this will be separate from the access arrangements through the Eastside Garage the Developer is negotiating with the City). At an estimated $33,000/space, the cost to construct the parking garage will be approximately $14,025,000. As shown in Attachment 2, the Developer has projected the garage will generate nearly $12.1 million in revenue between Year 1 and Year 14, but operating expenses are projected to be $15.7 million, or $3.6 million more than the projected revenues during this period.

Attachment 3 describes Loews Hotels' "Good Neighbor Program" which promotes a Green Policy in hotel operations, supports local donation efforts, community outreach efforts and their Minority Business Enterprise Program. These programs are designed to promote greater community involvement by the hotel and its employees.

The Center for Economic Forecasting and Analysis at Florida State University, in partnership with the Tallahassee-Leon County Office of Economic Vitality (OEV), prepared an economic impact assessment for the Project. The analysis evaluated the Project's broader economic benefits measured in terms of economic output, local employment/jobs and income/wages. A summary of the analysis is provided below, with the full assessment at Attachment 4.

- Construction Impact
    - 742 direct jobs with $29.0 million in wages/income.
    - 352 indirect/induced jobs with $14.7 million in wages/income.
    - $143.9 million in total economic impact.
- Operational Impact
    - 515 permanent jobs generating $16.0 million in annual wages/income.
    - 188 indirect/induced jobs generating $7.2 million in annual wages/income.
    - $62.4 million total economic impact.

As outlined in Attachment 5, the Project is projected to generate approximately $6.6 million in tax increment between FY 2022 and FY 2034. This is less than the Developer's request and represents approximately 11.7 percent of the Project's first-year increase in taxable value or 7.4 percent of the total estimated cost (hard and soft costs) of the Project. These funds will be used to supplement the parking garage costs to create better alignment with market rental rates and assist in the construction of public space improvements along Calhoun and Gadsden Streets.

Financial Evaluation

In analyzing the Project's anticipated economic and fiscal impact, staff used the criteria listed below.

- The Project will be completed in 2020, added to the tax roll in 2021 and generate tax increment starting in FY 2022 (October 2021).
- Tax increment reimbursements will end in FY 2034 when the DT District is projected to sunset; a 13-year reimbursement period.
- If the DT District sunsets sooner than FY 2034, it is assumed the City and County will continue to make tax increment payments to the CRA based on the annual taxable value of the Project.
- The Project property has a 2003 baseline value (the value from which the tax increment is calculated) of $3,337,214.

This value will be subtracted from the annual taxable value of the Project to determine the amount of tax increment generated by the improvements. It is important to note that the 2017 certified value of the property is $1,445,000, which is $1,882,214 less than the 2003 baseline value, which means neither the City nor County are collecting ad valorem taxes on the property that they were collecting when the DT District was established. Increasing the current value to the baseline value will generate an additional $7,700 in ad valorem taxes for the City and $15,600 for the County, before any tax increment is returned to the Developer.

- The first-year tax increment generated by the Project and reimbursed to the Developer is based on a $56,672,555 increase in taxable value (using the Developer's estimate of $60.0 million less the baseline value described above). The taxable values in Attachment 5 assume an annual increase of 1.5 percent per year.

Provided below and in Attachment 5 is a summary of projected financials related to the Developer ask and the tax increment that would be generated through the increased value of the Project and collected by the CRA.

- Assuming a FY 2022 first year taxable value of $60.0 million and an annual increase in taxable value of 1.5%, the Project will generate $6,621,269 in tax increment from FY 2022 through FY 2034. This would be reimbursed to the Developer over the remaining 13 years of the DT District.
- The exact amount of tax increment returned to the Developer during this period will depend on the annual taxable value of the Project as determined by the Leon County Property Appraiser.
- During this period, the City would contribute a projected $3,158,345 in tax increment reimbursement and the County would contribute $3,462,924.
- Because the County only contributes 4.2698 mils to the DT District, the County would retain $3,279,980 in non-tax increment ad valorem revenue from the Project based on a balance of 4.0446 mils. This assumes City and County millage remains constant at today's rates.

Staff and DRC Recommendation

The Project is consistent with the Downtown Community Redevelopment Plan, which recommends redevelopment of vacant and/or underutilized lots within the downtown core, providing financial incentives to attract private investment in the downtown core and supports the development of mixed-use projects in the downtown core.

Staff presented the Developer's proposal and financial assistance request to the DRC at their October 24, 2017 meeting, with five of the seven DRC members present. During the presentations by staff and the Developer, the DRC recommended the threshold before the Developer needs written CRA approval of changes to the number of hotel rooms, meeting space square footage, office space square footage, restaurant/retail space uses/square footage or the number of parking spaces be increased from 5 percent to 10 percent (bullet 4, below). With that change, the DRC unanimously recommended (1) the CRA Board approve the Developer's financial assistance request for the Washington Square development consistent with the financial evaluation described above and (2) the conditions listed below to be incorporated into the development agreement with the Developer.

- Developer will be required to meet with OEV/MWSBE to establish procedures for meeting the City of Tallahassee's 10.5 % goal of MWSBE participation (7.5% Black and 3.0% Women) for construction projects based on the projected CRA financial participation.
- The Developer will meet with the Planning Department's DesignWorks to discuss and identify potential site and exterior design issues and solutions, including uses and treatments along Calhoun, College, Gadsden and Jefferson Streets.
- The completed Project will be consistent with the design approved by the CRA and City of Tallahassee. Any change to the approved design must be approved in writing by the CRA.
- Any change of ten percent (10%) or more to the number of hotel rooms, meeting space square footage, office space square footage, restaurant/retail space uses/square footage or the number of parking spaces must be approved in writing by the CRA.
- Other conditions that may be identified by the CRA Board during review of the proposal or CRA staff during agreement negotiations and discussions with the Developer.

Options

1. Authorize CRA staff to negotiate and execute a development agreement with Fairmont Development, LLC consistent with

the terms of this agenda item and additional direction provided by the CRA Board.

2. Do not authorize CRA staff to negotiate and execute a development agreement with Fairmont Development, LLC; provide staff with other direction.

Attachments/References

1. Washington Square Cover Letter and Project Description, October 20, 2017
2. Project Garage Pro Forma
3. Summary of Loews Hotel "Good Neighbor Program"
4. Washington Square Economic Impact Analysis
5. Washington Square Sensitivity Analysis at $60.0 Million Taxable Value

Attachment 1.pdf (2,059 KB) Attachment 2.pdf (19 KB) Attachment 3.pdf (178 KB)

Attachment 4.pdf (171 KB) Attachment 5.pdf (579 KB)

Washington Square Tallahassee
Fairmont Development, LLC

October 20, 2017

Roxanne Manning
Executive Director, CRA
300 South Adams Street
Tallahassee, FL 32301

RE: Washington Square

Dear Roxanne,

Thank you for seeking CRA board guidance in response to our August 4, 2017 request to have a portion of future ad valorem taxes refunded to help offset structured parking cost.

Attached is an updated request and supporting documentation to seek Downtown District CRA financial assistance and be added to the November 9, CRA board meeting agenda. We are very pleased to bring a project forward that has concluded its pre-development phase and is ready to commence construction within the next 90-days.

With an estimated mixed-use development cost in excess of $90 million, this investment recognizes of the city and county growth management commitment to create a vibrant 18-hour city that will attract full-time residents and new visitors to the downtown districts.

With the role of both developer and owner of Washington Square, we have and will continue to support the local community. As a high priority, we actively seek local resources whenever possible and are proud to know our hotel and restaurants will create over 190 permanent onsite jobs.

We look forward to presenting our proposed project to the Downtown Redevelopment Commission (DRC) on October 24th and receiving their comments and recommendations.

Please let me know if you have questions that require additional information

Best regards,

Walter Hall
Principal

CC: Rick McCraw
Wayne Tedder

Fairmont Development, LLC

Washington Square Tallahassee

Mixed-use Development
Revised Request For CRA Support

227 South Calhoun Street
Tallahassee, Florida 32301

October 21, 2017

Introduction:

Fairmont Development, LLC

As a follow-up to its August 4, 2017 CRA request for financial assistance, Fairmont Development, LLC (Fairmont) has updated Washington Square project information and revised its request on project support.

When Fairmont began pre-development feasibility for Washington Square in June 2015, there were numerous financial incentives available through Enterprise Florida and the Downtown District CRA. Together these financial incentives enhanced the project economics allowing us to move forward with pre-development planning.

The state legislature eliminated the Enterprise Zone incentives in 2016. The DDCRA is the only development incentive available to support our $90 million investment in the community.

Today, Washington Square completed pre-development planning and is ready to move to the construction phase. With the site plan approval, development agreements completed (city/county), and permits obtained, the project is “shovel ready” and can commence site work immediately.

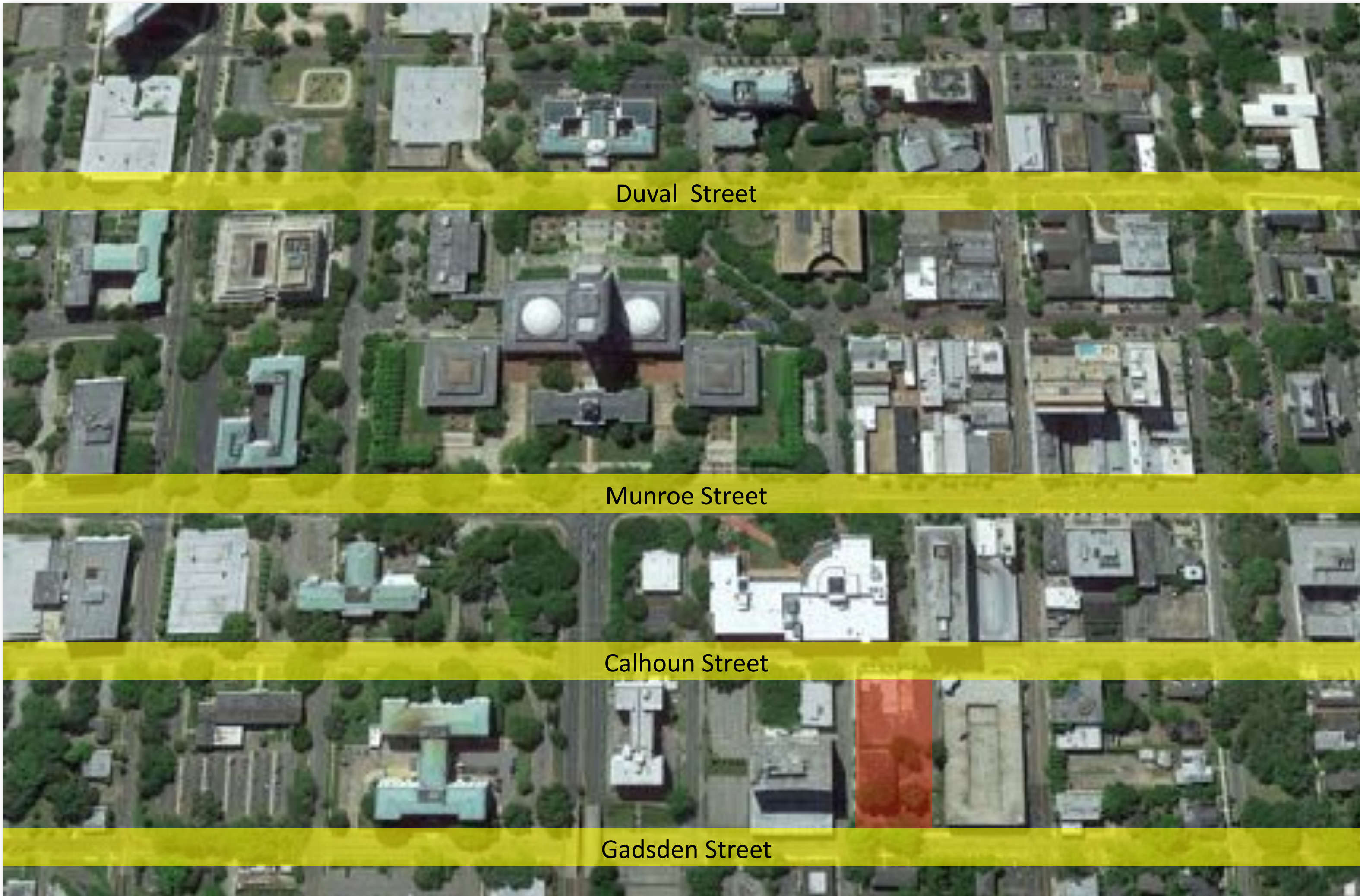
Fairmont Development, LLC

Pre-Development Activity:

• Market Feasibility & Analysis	June - August 2015
• Building Site Testing / Conceptual Design	September 2015
• Project Introduction to CRA staff	September 2015
• Pre-Construction Site Analysis	November 2015
• Growth Management Site Plan Review	August – December 2015
• Site Plan Approval	January 2016
• Eastside City Garage Easement Approval	December 2016
• Project Update to CRA staff	November 2016
• Schematic Design Completion	September 2017
• Environmental Permit	October 2017

Fairmont Development, LLC

Site Location / 227 South Calhoun Street:



Site Location / 227 South Calhoun Street:

Fairmont Development, LLC

Site Location / 227 South Calhoun Street:

Fairmont Development, LLC


Calhoun Street to South East


Gadsden Street to North


Gadsden Street to South


City Eastside Garage to South West


Aerial View East

Fairmont Development, LLC

Proposed Architecture Building Program:

Upscale Full-Service Hotel

- 270-280 Rooms
- 17,000 s.f. Meeting/Event Space

Class "A" Office

- 67,000 s.f. Net Rentable

Food & Beverage Outlets

- Lobby Lounge
- Fine Dining Restaurant
- Breakfast/Lunch Casual Café
- Rooftop Restaurant

Structured Parking Garage

- 424 Spaces

Proposed Building Elevation:

Fairmont Development, LLC

Proposed Building Elevation:

Fairmont Development, LLC

Fairmont Development, LLC

Development Team:

Skanska, USA Pre-Construction Services & General Contractor:	SKANSKA	Tampa, Florida
Ardaman & Associates, Inc. Geotechnical Engineering:	Ardaman & Associates, Inc.	Tallahassee, Florida
Alfonso Architects Design Architecture:	ALFONSO ARCHITECTS	Tampa, Florida
Inovia Consulting Group Civil Engineering:	inovia	Tallahassee, Florida
Walter P. Moore Structural Engineering:	WALTER P MOORE	Tampa, Florida
RDG Consulting Engineers MEP Design Engineering:	rdgengineering consulting engineers	Jupiter, Florida
Nobles Consulting Group, Inc. Land Surveying:	NCG NOBLES CONSULTING GROUP, INC.	Tallahassee, Florida
Exp Consulting Building Sustainability:	exp.	Tallahassee, Florida
Foley & Lardner, LLP Legal Services:	FOLEY FOLEY & LARDNER LLP	Tallahassee, Florida
4M Design Group, PA Architecture Consulting:	4m	Tallahassee, Florida
Ausley McMullen Legal Services:	AUSLEY MCMULLEN ATTORNEYS & COUNSELORS AT LAW	Tallahassee, Florida

Development Announcement April 2016

Fairmont Development, LLC

WCTV·tv

Weather | Sports | Contests | Submit It | Livestream

15-Story Complex Set for Downtown Tallahassee: Washington Square

By Erin Lisch | Posted: Fri 6:01 PM, Apr 15, 2016 | Updated: Fri 6:21 PM, Apr 15, 2016

By: Erin Lisch
April 15, 2016

TALLAHASSEE, Fla. – A new complex is in the works at the corner of Calhoun and Jefferson Streets, and it's BIG.

Graffiti lines the walls at the old Ausley lot right behind the courthouse, but that's about to change.

Washington Square will fill this 1.3 acre lot, and it's estimated to cost up to $100 million by Fairmount Development.

The fifteen-story building will host 2 restaurants, conferences rooms, a ballroom, condos and a hotel.

Visit Tallahassee isn't surprised by news of the new complex.

Visit Tallahassee Senior Market Director Gary Stogner said, "It speaks well for tourism growth in Tallahassee... it's good for us, it's good for the community, more jobs obviously. I think it's a credit to the great 7 year period of continuous growth."

Right now, there are around 6,000 hotel rooms in the area. This will add another 200-250 rooms.

Working around the corner from the complex site, Charlene Williams said, "We really need them here because we don't have enough in the Tallahassee area."

TALLAHASSEE DEMOCRAT
PART OF THE USA TODAY NETWORK

NEWS | SPORTS | TLH | LIMELIGHT | OPINION | POLICY & POLITICS

15-story complex coming to former Ausley site

Sean Rossman, Democrat staff writer Published 1:29 p.m. ET April 14, 2016 | Updated 8:48 p.m. ET April 14, 2016

(Photo: Courtesy of Fairmont Development)

Tallahassee's downtown has scored another prize.

A 15-story development, complete with a 4-star hotel, condominiums, two restaurants, an underground parking garage, meeting space and a grand ballroom is anticipated to come to the corner of Calhoun and Jefferson streets. Most Tallahasseeans know it as the site of the old Ausley and McMullen law firm.

Fairmont Development said the project is still in the conceptual design phase, but preliminary specs on the 1.33-acre parcel are impressive.

"There isn't anything currently in the market like this," said Walter Hall, managing partner at Fairmont.

The site, located at 219 S. Calhoun St., Hall said, is a perfect spot for a mixed-use development. Located on the "quieter side" of North Monroe Street, the development will be within walking distance of downtown amenities and the Florida Capitol.

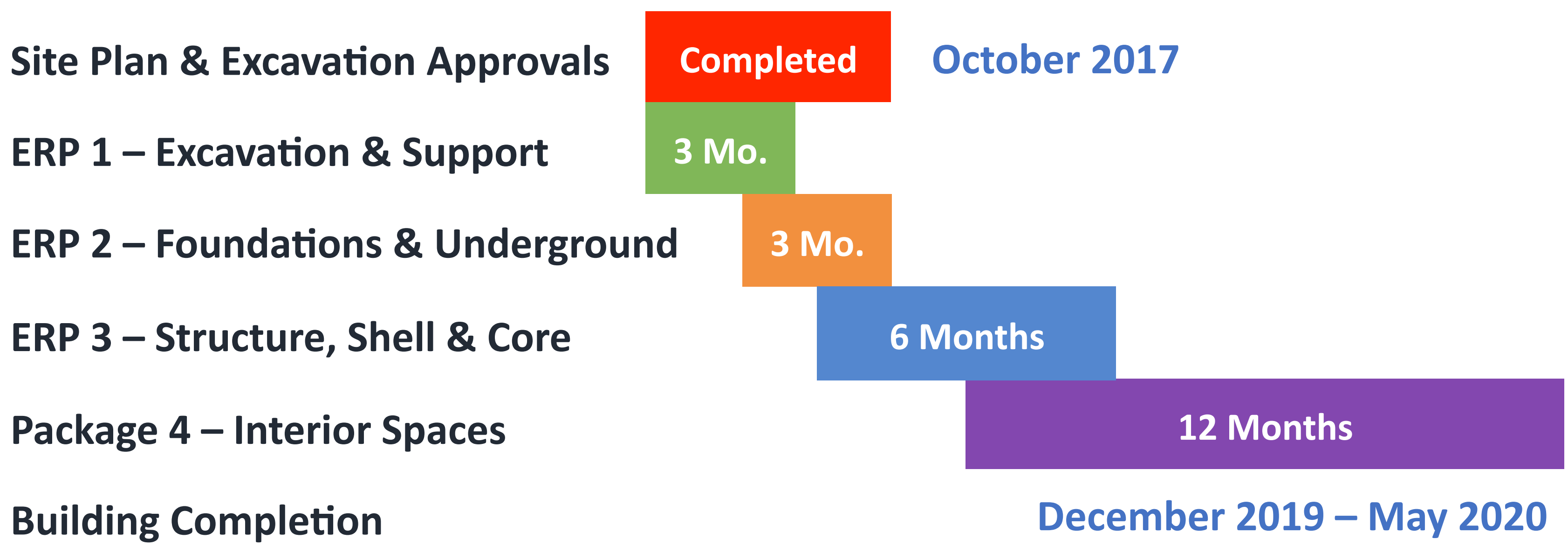
The estimated cost of the project, which is scheduled to open in June 2018, is between $90 and $100 million.

The first floor of the building, which will face Calhoun Street, will be lobby space, the grand ballroom and a full service restaurant. Beneath will be a 5 to 6 level parking garage able to hold about 600 cars.

The first seven floors of the complex will be used for a 200-250 room hotel. Hall said the firm is in final negotiations with one hotelier, but he chose not to disclose the company until all is said and done.

Construction Schedule:

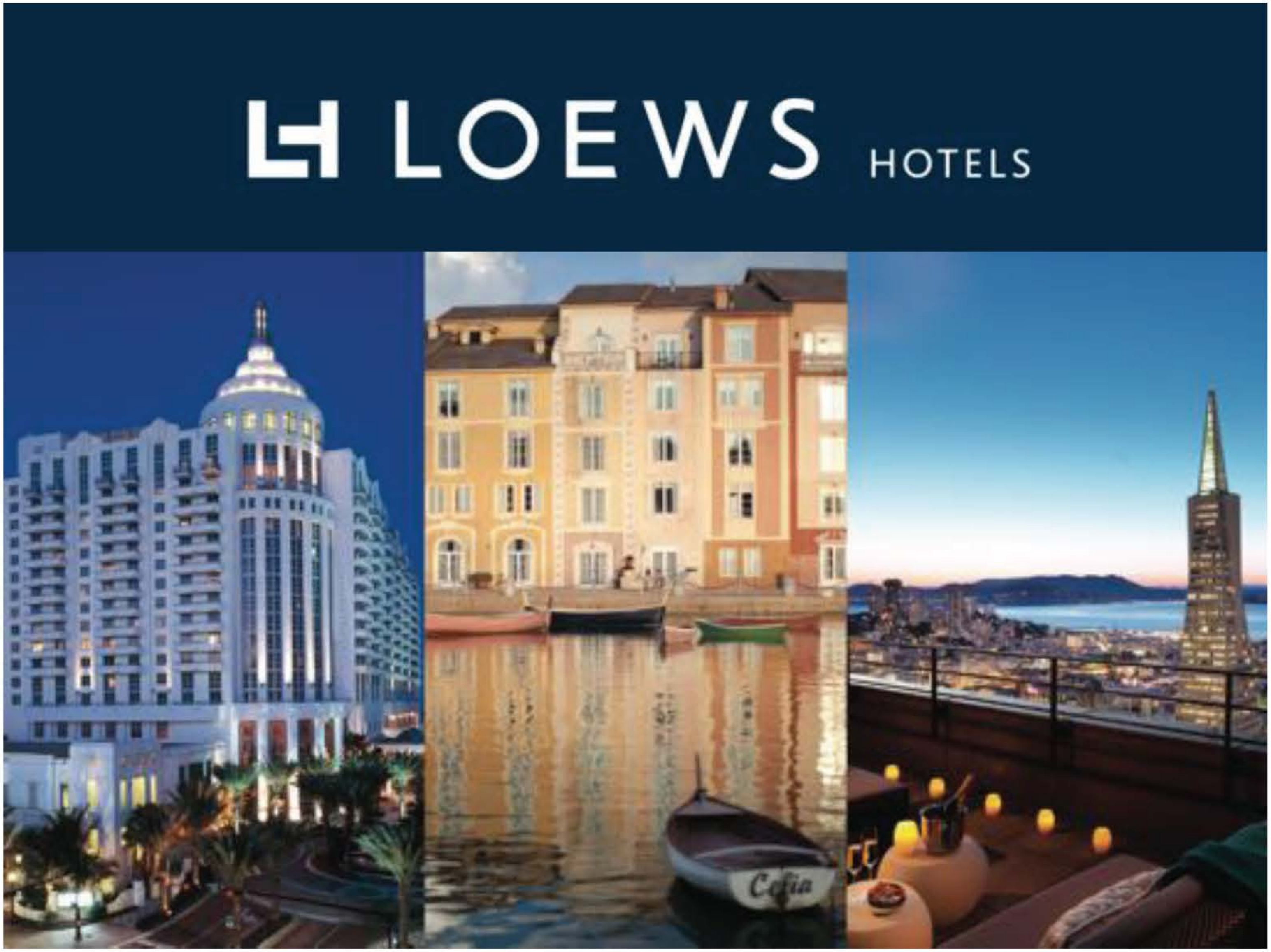
Fairmont Development, LLC



After 30 months of pre-development activity, Washington Square currently has all required permits, approvals, and agreements to commence site demolition and excavation.

Fairmont Development, LLC

Hotel Operator:



Loews Hotels - Locations:

Fairmont Development, LLC

Florida Properties:
6,500 Guest Rooms
- Miami Beach
- Portofino Bay, Orlando
- Hark Rock Café, Orlando
- Royal Pacific Resort, Orlando
- Aventura Hotel, Orlando
- Sapphire Falls Resort, Orlando
- Cabana Bay Beach Resort, Orlando

Loews Hotels – Community Involvement:

Fairmont Development, LLC

LOEWS
HOTELS • RESORTS

Loews Hotels is in the business of hospitality, but also believe that doing the right thing is everyone’s business. Loews has a variety of programs and initiatives that are focused on everything from safeguarding our planet to being a positive force in the community to fostering a more inclusive world.

Attached is an overview of the Loews Good Neighbor Program that contains their Green Policy (green hotel standards and practices), Good Neighbor Policy, and Minority Business Enterprise Program.

Loews & Fairmont Commitment to Education:

Fairmont Development, LLC

Loews Hotels and the Washington Square ownership are committed to supporting education at the local level. Florida welcomed nearly 113 million tourists in 2016. Year-after-year tourist growth has created a shortage of skilled workers in the hospitality sector that will worsen in the coming decade.

Washington Square is committed to working with the three major colleges/ universities and technical schools in Tallahassee to create partnerships and programs to support their individual goals and objectives.

In anticipation of these future relationships, we will have a training/ classroom facility to support 60 students.

Our educational support will include but not be limited to the following:

- Internships
- Management training programs
- Scholarships
- Hosting foundation fund raisers, etc.

CRA Financial Assistance Request:

Fairmont Development, LLC

To help provide the public infrastructure required to support a high density mixed-use development on the Washington Square parcel located at 227 South Calhoun Street, Fairmont Development, LLC (Fairmont) is requesting CRA financial assistance as follows:

Tax Increment Refunding

Fairmont will invest approximately $90 million to construct the Washington Square building without receiving city or county public (taxpayer) funds.

After the city issues the certificate of occupancy for the project, and when Fairmont pays its first ad valorem tax bill, a portion of "increment" taxes will be refunded to Fairmont. Fairmont is requesting 100% of its eligible tax increment refund. The tax increment refund period is expected to be from December 2019 through the end of the Downtown District CRA (DDCRA) in 2034. Should the DDCRA period be extended, Fairmont will continue to receive 100% of its eligible tax increment refund until it has received $9.6 million (Approximately 10.7% of the anticipated development cost).

Property Tax Summary:

Fairmont Development, LLC

	Property Valuation	*Ad valorem Taxes*
Pre-Project:	**$ 1,445,000**	**$ 30,057***
Completed Project:	**$60,000,000****	**$1,231,362**
Increased Tax Value & Property Taxes:	**$58,555,000****	**$1,228,305**

* 2016 Actual

** Estimate based on Leon County property appraiser valuation guidelines & 20.801 Mills

Fairmont Development, LLC

CRA Tax Increment Distribution:

	2020 Assessed Value	2020 Tax Payment*
Washington Square:	$60,000,000	$1,248,060**

County Tax Revenue 2020 – 2034: $3,300,000

County & City Contribution to Washington Square 2020 – 2034

- **Annual Tax Increment Refund:** $ 462,720
- **Total Tax Increment Refund:** $6,838,535

Why is CRA Support Needed?:

Fairmont Development, LLC

PUBLIC INFRASTRUCTURE
PARKING & STREETSCAPE IMPROVEMENTS

High-density development in an urban core requires structured parking that is either onsite or in close proximity. The city owned Eastside garage is currently fully subscribed with monthly renters.

The significant slope of the Washington Square site and difficult soil conditions have the estimated cost per parking space at $33,000. In secondary markets, with affordable land outside the city core, it is more advantageous for a real estate developer to secure a building site that has surface parking or flat ground to construct a pre-cast parking structure.

With the current average monthly parking rate of $90, constructing a parking garage at $33,000 per space is not economically viable.

In the absence of adequate nearby public parking, Washington Square will utilize the tax increment rebate to help fund the 425 space parking garage and landscaped pathway on Calhoun and Jefferson Streets which leads to Cascades Park.

Fairmont Development, LLC

OEV Economic Impact Analysis:

Construction Impact

- 742 Direct jobs with $28.9m in wages
- 352 Indirect/induced jobs with $14.7m in wages
- $143.8m Total Economic Output

Operational Impact

- 515 Direct jobs with $16m in wages
- 188 Indirect/induced jobs with $7.4m in wages
- $62.4m Total Economic Output

Total Economic Impact

1,797 Jobs

$66.9m in wages

$206.2m Total Economic Output

Source: Florida State University Center for Economic Forecasting and Analysis

PLACE
PLANNING, LAND MANAGEMENT and COMMUNITY ENHANCEMENT

OFFICE OF ECONOMIC VITALITY

Attachment 2

Washington Square Tallahassee
Structured Parking Analysis
October 20, 2017

Total Parking Spaces: **425** Inflation: 2.50%
Monthly Rental: 225
Transient (Public): 200

	Per Space	TTL
Construction Cost	24,000	10,200,000
Land & Soft Cost	9,000	3,825,000
TOTAL	33,000	14,025,000

		YR 1 2020	YR 2 2021	YR3 2022	YR 4 2023	YR 5 2024	YR 6 2025	YR 7 2026	YR 8 2027	YR 9 2028	YR 10 2029	YR 11 2030	YR 12 2031	YR 13 2032	YR 14 2033	Total
Revenue:	Per Month															
Rental/Lease	$105	283,500	290,588	297,852	305,298	312,931	320,754	328,773	336,992	345,417	354,053	362,904	371,977	381,276	390,808	4,683,123
Public Transient	$187	448,800	460,020	471,521	483,309	495,391	507,776	520,470	533,482	546,819	560,490	574,502	588,864	603,586	618,676	7,413,706
Total Revenue		732,300	750,608	769,373	788,607	808,322	828,530	849,243	870,475	892,236	914,542	937,406	960,841	984,862	1,009,484	12,096,829
Expenses:	Per Year															
Operating (Per Space)	$420	178,500	182,963	187,537	192,225	197,031	201,956	207,005	212,180	217,485	222,922	228,495	234,207	240,063	246,064	2,948,633
Property Taxes*		159,128	163,106	167,184	171,363	175,648	180,039	184,540	189,153	193,882	198,729	203,697	208,790	214,009	219,360	2,628,628
Debt Service**		723,456	723,456	723,456	723,456	723,456	723,456	723,456	723,456	723,456	723,456	723,456	723,456	723,456	723,456	10,128,384
Total Expenses***		1,061,084	1,069,525	1,078,176	1,087,044	1,096,134	1,105,451	1,115,001	1,124,790	1,134,823	1,145,107	1,155,648	1,166,453	1,177,528	1,188,880	15,705,645
Net Profit/Loss:		(328,784)	(318,917)	(308,804)	(298,437)	(287,812)	(276,921)	(265,757)	(254,315)	(242,586)	(230,565)	(218,242)	(205,612)	(192,666)	(179,396)	(3,608,816)

* 18,000 per space, $7,650,000 assessed value @ 20.80100 Mills
** 60% LTV, 20 year term @6%, monthly payment $60,288
*** Excludes capital equipment & maintenance reserve / 5% of annual revenue = $36,000+ per year

LOEWS HOTELS

Good Neighbor Program

Understanding Our Responsibilities. Shaping Our Communities.

At Loews Hotels, we are in the business of hospitality. But we also believe that doing the right thing is everyone's business. So Loews has a variety of programs and initiatives that are focused on everything from safeguarding our planet to being a positive force in the community to fostering a more inclusive world.

Green Policy

DonorsChoose.org

Good Neighbor Policy

Minority Business Enterprise Program

Source: https://www.loewshotels.com/good-neighbor-program

LOEWS
HOTELS

Green Policy

Loews Hotels fully embraces our responsibility as an environmental steward and believes in developing sustainable practices as a leader in the industry. Loews is thoroughly committed to reducing its environmental impact by actively participating in standards that are in harmony with the earth's natural resources and direction through our partnership with ENERGY STAR and other green initiatives.

OUR GREEN HOTEL STANDARDS AND PRACTICES INCLUDE:

- Food Donations in partnership with America's Second Harvest
- Linen/terry policy
- Banquet/back-of-house recycling
- Eco-friendly Inks and Papers
- Energy Technologies including; Low-flow shower heads, compact fluorescent light Bulbs
- Green Training
- Green Teams

Source: https://www.loewshotels.com/good-neighbor-program

LOEWS
HOTELS

DonorsChoose.org

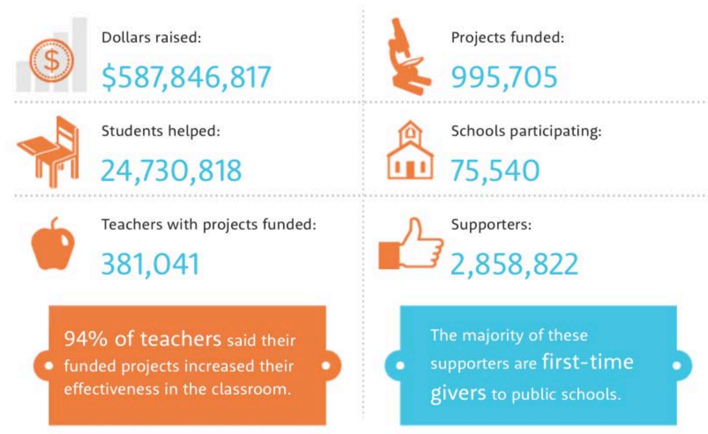
We at Loews Hotels are happy to support DonorsChoose.org. At various times throughout the year many Loews properties have special promotions that include gift card donations to DonorsChoose. This remarkable organization helps fund local educational projects and support public schools in need.

Mission Statement

DonorsChoose.org

"We make it easy for anyone to help a classroom need, moving us closer to a nation where students in every community have the tools and experiences they need for a great education."

National Impact



Source: https://www.donorschoose.org/about/impact.html#national

Source: https://www.loewshotels.com/good-neighbor-program

LOEWS
HOTELS

Good Neighbor Policy

The Loews Hotels Good Neighbor Policy, the hospitality industry's first comprehensive community outreach program, addresses issues ranging from hunger relief and literacy to green practices and the arts. Loews Hotels' commitment to good corporate citizenship is so strong and deep that with each year the Good Neighbor Policy has evolved and grown. Created in 1990 by Jonathan Tisch, Loews Hotels Chairman, the Loews Good Neighbor Policy is the company's formal commitment to our long-standing tradition of understanding our social responsibility to the communities where we own and operate hotels.

- Donating excess food to local food banks, shelters, and hunger relief programs.
- Supporting local literacy programs by providing space for classes to be held and volunteer instructors from the hotels.
- Extensive recycling programs including office paper, newspapers, aluminum, plastic, and the purchase of recycled products when possible.
- Donating used goods such as linens and furniture to local organizations and shelters.
- Encouraging volunteer activities for hotel employees.
- Implementing energy saving equipment in new hotels and in existing properties as they are renovated.

Loews Hotels Good Neighbor Policy was awarded the President's Service Award, the highest honor given by the President of the United States for community service directed at solving critical social problems.

Source: https://www.loewshotels.com/good-neighbor-program

LOEWS HOTELS

Minority Business Enterprise Program

While times may change, our commitment to doing the right thing has not. We still believe that our success is a result of strong relationships with partners that lead to empowered employees, satisfied customers, and an improved community. For us, that means providing economic opportunities to minority and women owned businesses through the Loews Hotels Minority Business Enterprise Program. This program gives small businesses owned by these groups the opportunity to become partners of Loews Hotels.

What we buy:

- Operating supplies and equipment
- Furniture fixtures and equipment
- Food and beverage
- Design and construction services
- Freight and logistics
- Services, engineering supplies and utilities

Source: https://www.loewshotels.com/good-neighbor-program

OFFICE OF ECONOMIC VITALITY

Economic Impact Results
Proposed Washington Square Development

Introduction

The Center for Economic Forecasting & Analysis (CEFA) at Florida State University, in Partnership with the Tallahassee-Leon County Office of Economic Vitality (OEV) prepared the following economic impact analysis for Fairmont Development's proposed mixed-use development, Washington Square, at 227 South Calhoun Street. Consistent with standard practice for economic impact analysis, the direct impacts associated with the proposed project, as well as the indirect and induced impacts are calculated for the Tallahassee Metropolitan Statistical Area (MSA). These impacts have been produced using the IMPLAN® model.

This report evaluates the proposed project's broader economic benefits, measured in terms of economic output (the value of industry production), local employment or jobs, and income or wages. Calculations are provided for two categories of benefits (and totaled): a) Construction (or Temporary) benefits; and b) Permanent benefits associated with the ongoing operation of the commercial operations. The total economic impact of Washington Square is the summation of the one-time economic benefits associated with the construction phase of the project and the ongoing, permanent operations of the proposed development.

The project will generate the following types of economic benefits in the regional economy:

- Direct Benefits. Direct benefits relate to: a) the short-term business activity associated with project construction, and b) the ongoing business activity associated with the businesses that are located within the developed mixed-use project.
- Indirect Benefits. Indirect benefits will result when local firms directly impacted by the project in turn purchase materials, supplies or services from other firms.
- Induced Benefits. Induced benefits relate to the consumption and spending of employees of firms that are directly or indirectly affected by the project. These would include all of the goods and services normally associated with household consumption (i.e., housing, retail purchases, local services, etc.).

Summary of Total Economic Impact

The total economic impact of Washington Square is estimated to total 1,797 jobs, nearly $67 million in income or wages and approximately $206.3 million in total economic output. The construction impacts are estimated to total 1,094 jobs, more than $43.7 million in income or wages and nearly $143.9 million in total economic output (sales/revenues). On an annual (permanent) basis, the project is projected to generate 703 jobs, nearly $23.3 million in income or wages, and approximately $62.4 million in total economic output (sales/revenues).

Tallahassee MSA Total Economic Impact

Economic Measure	Economic Output (Sales/Revenues)	Employment or Jobs	Income or Wages
Construction	$143,884,402	1,094	$43,716,349
Permanent	$62,383,069	703	$23,266,437
Grand Total	**$206,267,471**	**1,797**	**$66,982,786**

* in June 2017 $

OFFICE OF ECONOMIC VITALITY

Summary of Employment Impact

Construction (temporary) impact will create 742 one-time jobs with an additional 352 indirect and induced jobs. These jobs are not permanent jobs, rather, when the project is complete the construction employment demands created by the project will cease. A total of 515 permanent jobs will be created when construction is complete and all economic activities are fully operational, with an additional 188 indirect and induced jobs needed to support project operations. The jobs associated with the operations are permanent jobs, therefore these impacts will continue on an annual basis.

Tallahassee MSA Employment Impact

Employment	Direct	Indirect	Induced	Total
Construction	742	155	197	1,094
Permanent	515	83	105	703
Grand Total	**1,257**	**238**	**302**	**1,797**

Summary of Output Impact

Construction (temporary) impacts will result in more than $97.8 million in direct economic output (total economic activity generated by the project) with an additional nearly $46.1 million in output from indirect and induced economic activity. Permanent direct economic output will total nearly $39.4 million annually, with an additional nearly $23.0 million in annual indirect and induced economic output.

Tallahassee MSA Output Impact

Output	Direct	Indirect	Induced	Total
Construction	$97,808,138	$21,713,225	$24,363,039	$143,884,402
Permanent	$39,370,859	$10,042,551	$12,969,659	$62,383,069
Grand Total	**$137,178,997**	**$31,755,776**	**$37,332,698**	**$206,267,471**

* in June 2017 $

Summary of Income Impact

Construction (temporary) direct impacts will result in nearly $29 million in one-time income with an additional more than $14.7 million in income from indirect and induced jobs. The jobs associated with construction are not permanent jobs, rather, when the project is complete those employment demands created by the project will cease. Just over $16 million in income annually will continue by permanent employment when construction is complete and all economic activities are fully operational, with an additional nearly $7.3 million in indirect and induced jobs needed to support project operations. The income associated with the operations are permanent wages, therefore these impacts will continue on an annual basis.

Tallahassee MSA Income Impact

Income	Direct	Indirect	Induced	Total
Construction	$28,997,595	$7,296,337	$7,422,417	$43,716,349
Permanent	$16,026,073	$3,288,201	$3,952,163	$23,266,437
Grand Total	**$45,023,668**	**$10,584,538**	**$11,374,580**	**$66,982,786**

* in June 2017 $

Summary of State, Local and Federal Taxes Impacts

In addition to the employment, income and economic output associated with the project, there is also the accrual of State, Local, and Federal taxes. The one-time fiscal impact associated with the construction of the project is estimated to be nearly $14.8 million. The estimated annual fiscal impact is approximately $10.8 million.

Tallahassee MSA State, Local, and Federal Taxes Impact

Taxes	Permanent	Construction	Total
State & Local Taxes	$5,028,690	$4,330,863	$9,359,553
Federal Taxes	$5,742,973	$10,452,981	$16,195,954
Grand Total	**$10,771,663**	**$14,783,844**	**$25,555,507**

* in June 2017 $

**All impacts are presented as impacts to the Tallahassee MSA with monetary figures presented in current (July 2017) dollars. Additionally, the analysis is based on information provided by company representatives. Economic Impact analysis does not include any quality of life nor opportunity costs (alternative investment) valuation. Small differences in the estimates may occur due to rounding.*

Economic Impact Analysis Prepared By:
Julie Harrington, Ph.D.
Director, Center for Economic Forecasting and Analysis
Florida State University

Attachment 5

Sensitivity Analysis - Washington Square Projection, October 2017 (1.5 percent annual increase in taxable value)

Fiscal Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
Certified Tax Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Assessed/Certified Taxable Value[1]	$0	$0	$0	$60,000,000	$60,900,000	$61,813,500	$62,740,703	$63,681,813	$64,637,040	$65,606,596	$66,590,695	$67,589,555	$68,603,399	$69,632,450	$70,676,936	$71,737,090	
Baseline Assessment[2]	$0	$0	$0	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	$3,327,445	
Assessed Value Increase	$0	$0	$0	$56,672,555	$57,572,555	$58,486,055	$59,413,258	$60,354,368	$61,309,595	$62,279,151	$63,263,250	$64,262,110	$65,275,954	$66,305,005	$67,349,491	$68,409,645	
Cash/TIF Outflow - Public Features																	
TIF Generated by Development[3]				$462,720	$470,068	$477,527	$485,097	$492,781	$500,581	$508,497	$516,532	$524,687	$532,965	$541,367	$549,895	$558,551	**$6,621,269**
TIF Reimbursement to Developer[4]				$462,720	$470,068	$477,527	$485,097	$492,781	$500,581	$508,497	$516,532	$524,687	$532,965	$541,367	$549,895	$558,551	$6,621,269
TIF Retained by CRA[5]				$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
Amount from City				$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
Amount from County				$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
Non-TIF Ad Valorem Retained by County[6]				$229,218	$232,858	$236,553	$240,303	$244,109	$247,973	$251,894	$255,875	$259,915	$264,015	$268,177	$272,402	$276,690	$3,279,980
Total Cash Outflow[7]	**$0**	**$0**	**$0**	**($462,720)**	**($470,068)**	**($477,527)**	**($485,097)**	**($492,781)**	**($500,581)**	**($508,497)**	**($516,532)**	**($524,687)**	**($532,965)**	**($541,367)**	**($549,895)**	**($558,551)**	-$6,621,269
City TIF Amount	$0	$0	$0	$220,717	$224,223	$227,780	$231,391	$235,057	$238,777	$242,553	$246,386	$250,276	$254,224	$258,232	$262,300	$266,429	$3,158,345
County TIF Amount	$0	$0	$0	$242,003	$245,846	$249,747	$253,706	$257,725	$261,804	$265,944	$270,146	$274,411	$278,741	$283,135	$287,595	$292,122	$3,462,924
Other Revenue	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	
TIF Inflow	$0	$0	$0	$462,720	$470,068	$477,527	$485,097	$492,781	$500,581	$508,497	$516,532	$524,687	$532,965	$541,367	$549,895	$558,551	
Annual NOI	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	

Internal Rate of Return **0.00%**

Cells with blue font require user input

Cells with black font are model outputs (do not require user input)

Assumptions as to CF from Developer	
Cash Flow Increase Item #1	0.00%
Cash Flow Increase Item #2	0.00%
Cash Flow Increase Item #3	0.00%

Assumptions as to TIF		
Assessed Value, Estimated	$60,000,000	
Baseline Assessment	$3,327,445	
Assessed Value Increase	$56,672,555	
% of Incremental Increase	0.00	
Incremental Value Increase	$0	
Divide by $1,000	$1,000	
Amount to be Taxed	$0	
Millage Rate[3]	8.3698	Note: Based on City millage of 4.1 and max County millage of 4.2698 (per Interlocal Agreement for the DT District).
Tax Incremental - TIF	$0	
Growth Rate of Assessed Value	1.50%	

Inputs				
Assumptions	**Year**	**Amount/Rate**	**Project Notes**	
Assessment Value		$60,000,000		Based on developer estimate of taxable value
Assessed Growth Rate		1.50%		
Current Assessment Taxable Value		$3,327,445		2003 Baseline Taxable Value
Cash Outflow from DRC				
Cash Inflow - Item #1		0		
Cash Inflow - Item #2		0		
Cash Inflow - Item #3		0		

Outputs	
Assessed Value Increase	**$56,672,555**
Annual Net Operating Income	
Internal Rate of Return	**0.00%**

Notes
1. The FY 2022 taxable value of $60 million was provided by the developer. Staff assumes the development will be completed in 2020, added to the tax rolls in 2021 and generate TIF in FY 2022. Future value projections assume a 1.5 percent annual increase in taxable value.
2 The baseline value of $3,327,445 is the value of the property when the DT District was established in June 2004. The TIF due the CRA is calculated from the baseline value.
3. Based on projected taxable values starting in FY 2022 and a millage rate of 4.1 for the city and 4.298 for the county, per CRA-City-County interlocal agreement governing DT District funding.
4. TIF reimbursement to the developer once improvements are added to the tax rolls is based on the percentages outlined in the developer request.
5. This is the amount of TIF retained by the CRA, if any, based on the reimbursement amounts to the developer under 4, above.
6. This is the amount of non-TIF ad valorem tax revenue the county would retain under the interlocal agreement assuming the remaining balance of the county millage remains at 4.0446 (8.3144 - 4.2698).
7. This is the amount of city and county contributions contained in the TIF reimbursements.

10/20/2017

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	6. Downtown District Policy Formation and Direction
Subject	6.03 Direction on Florida Department of State Nominate to List the CRA Owned Bloxham Annex Buildings 319 and 325 East Gaines Street in the National Register of Historic Places -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	No
Recommended Action	Option 1: Object to the Florida Department of State Nomination to List the CRA-Owned Bloxham Annex Buildings at 319 and 325 East Gaines Street in the National Register of Historic Places; authorize staff to prepare and submit a letter from the CRA Chair outlining the CRA objections.

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, (850)891-8352

Statement of Issue

On October 17, 2017, the City of Tallahassee Community Redevelopment Agency (CRA) Chair received a package from the Florida Department of State, Division of Historical Resources (DOS/DHS), that included nominations to list 319 and 325 East Gaines Street in the National Register of Historic Places (Attachment 1). These two buildings are on the former Bloxham Annex property that was transferred to the CRA in August of this year as part of the sale of the former CRA owned O'Connell property to the State of Florida. The CRA has a Purchase and Sales Agreement (PSA) with North American Properties to sell the Bloxham Annex and Firestone properties for $4.28 million. NAP plans to redevelop the properties as the Cascades Project.

The DOS/DHS cover letter notes there will be a public meeting of the Florida National Register Review Board on November 30, 2017 to consider the nominations. The DOS/DHS is seeking comments from the CRA by November 30, 2017 supporting or objecting to having the buildings listed. As outlined in this agenda item staff recommends the Board authorize staff to prepare a letter for CRA Chair signature that objects to having the buildings at 319 and 325 East Gaines Street listed. Because the properties are publicly owned, an objection by the CRA will not stop the buildings from being listed (it would for privately owned properties) if the Keeper of the National Register in Washington D.C. decides to list the buildings. However, the nomination package submitted to the Keeper of the National Register will included comments from the CRA regarding the nomination.

Recommended Action

Option 1 - Object to the Florida Department of State Nomination to List the CRA owned Bloxham Annex buildings at 319 and 325 East Gaines Street in the National Register of Historic Places; authorize staff to prepare and submit a letter from the CRA Chair outlining the CRA objections.

Fiscal Impact

There is no fiscal impact associated with the staff recommendation.

Supplemental Material/Issue Analysis

History/Facts & Issues

On October 17, 2017, the City of Tallahassee Community Redevelopment Agency (CRA) Chair received a package from the Florida Department of State, Division of Historical Resources (DOS/DHS) that included nominations to list 319 and 325 East Gaines Street in the National Register of Historic Places (Attachment 1). These two buildings are on the former Bloxham Annex property which was transferred to the CRA in August of this year as part of the sale of the former CRA owned O'Connell property to the State of Florida. The nominations do not include the former Leon County Jail at 409 East Gaines Street. Earlier reviews by the State determined the many changes to the exterior of the building over the years make it ineligible for listing in the National Register of Historic Places.

According to the DOS/DHS, the building at 319 East Gaines Street was constructed in 1940 and opened in 1941 as the district offices for the Works Progress Administration. The building at 325 East Gaines Street was constructed in 1940 and opened in 1941 as the Leon County Health Unit Building, the County's first health building. Both buildings are constructed in the Art Moderne style, and although significant changes have occurred to the interiors, the exteriors of both buildings remain largely intact. Based primarily on the design, historical uses and condition of the exteriors, the DOS/DHS believes the buildings are candidates for being listed in National Register of Historic Places.

The Bloxham and Firestone properties are currently under a PSA between the CRA and NAP to sell the properties to NAP for $4.28 million. NAP plans to redevelop the properties as the Cascades Project, a mixed-use development with over 310 residential units, 25,000 square feet of office space and 32,000 square feet of retail and restaurant space. As part of their redevelopment plans, NAP will retain and renovate the building 325 East Gaines as a retail, office or possible as a medical use, but they have verbally advised staff they would prefer not to have the property listed in the National Register of Historic Places. Because of its center location in the redevelopment site plan, NAP does not plan to retain 319 East Gaines Street.

The DOS/DHS cover advises that listing the property "...in the National Register will not, in itself, restrict your rights as a property owner to use and dispose of your property as you see fit." The letter notes that if the "...future use and redevelopment of the property should require approval or assistance from a Federal agency, the plans for such use or redevelopment would be subject to review by the State Historic Preservation Office and the Advisory Council on Historic Preservation."

As part of a public meeting planned for November 30, 2017, to determine if the buildings meet the criteria for being listed in the National Register, the DOS/DHS is seeking comments from the CRA, as the property owner, either supporting or objecting to having the two buildings listed. If the Review Board finds the properties meet the criteria for listing in the National Register of Historic Places, DOS/DHS will submit formal nominations to the Keeper of the National Register in Washington D.C., who will make the final decision to list the buildings.

Staff recommends the Board authorize staff to prepare a letter for CRA Chair signature that objects to having the building at 319 and 325 East Gaines Street listed. Because the properties are publicly owned, a CRA objection will not stop them from being listed. However, the nomination package submitted to the Keeper of the National Register will included comments from the CRA regarding the nomination. Staff opposes to having the two buildings listed for the reasons listed below.

1. These buildings are located on three parcels that have been owned by the State of Florida since at least 1968, with some sub-parcels under State ownership much earlier. There was sufficient opportunity during this time to list the properties in the National Register of Historic Places and prior to transfer of ownership the the CRA. The CRA was not made aware of the State's intent to list the properties prior to the exchange.
2. The transfer of the Bloxham Annex property to the CRA as part of the O'Connell land sale by the CRA to the State on August 3, 2017 was based on the appraised value of the property without the National Register of Historic Places designation. It is possible the property would have appraised at a lower value if that designation was in place when the properties were appraised for sale to the CRA, this would have lowered the value of the Bloxham property as part of the overall O'Connell land sale and swap arrangement.
3. The Bloxham Annex property, where the two buildings are located, and the adjacent Firestone property, are under a

Purchase and Sales Agreement between the CRA and North American Properties, Inc. The sales agreement was executed on March 27, 2017, well in advance of the Department of States, Division of Historic Resources effort to have the properties listed in the National Register.

For the reasons outlined in this agenda item, staff recommends the Board authorize staff to prepare a letter for CRA Chair signature that objects to having the buildings at 319 and 325 East Gaines Street listed in the National Register of Historic Places.

Options

1. Object to the Florida Department of State Nomination to List the CRA owned Bloxham Annex buildings at 319 and 325 East Gaines Street in the National Register of Historic Places; authorize staff to prepare and submit a letter from the CRA Chair outlining the CRA objections.
2. Support the Florida Department of State Nomination to List the CRA owned Bloxham Annex buildings at 319 and 325 East Gaines Street in the National Register of Historic Places.
3. Provide staff with other direction.

Attachments/References

1. Florida Department of State Letter Notifying CRA of Intent to Nominate 319 and 325 East Gaines Street for listing in the National Register of Historic Places; October 10, 2017

Attachment 1.pdf (4,977 KB)

FLORIDA DEPARTMENT *of* STATE

RICK SCOTT
Governor

KEN DETZNER
Secretary of State

October 10, 2017

The Honorable Nick Maddox
Chair, Tallahassee Community Redevelopment Agency
300 South Adams Street
Tallahassee, FL 32301

Re: Works Progress Administration Building, 319 East Gaines Street, Tallahassee, Leon County, FL
Leon County Health Unit Building, 325 East Gaines Street, Tallahassee, Leon County, FL

Dear Commissioner Maddox:

We are pleased to advise you that the above properties have been proposed for nomination for listing in the National Register of Historic Places.

You are invited to attend the public meeting at which the nomination proposals will be reviewed by the Florida National Register Review Board. The Board will meet on November 30, 2017, at 1:30 p.m., in room 307 at the R.A. Gray Building, 500 South Bronough Street, Tallahassee, Florida. If the Review Board finds that these properties meet the criteria for such listing, the State Historic Preservation Officer will submit formal nominations to the Keeper of the National Register in Washington D.C., who will make the final decision whether or not to list the properties.

It is very important to us that you understand the purpose of listing properties in the National Register and what this will mean to you as the owner of a listed property. In addition, you should be aware of your right to object to the listing if your property is privately owned, and how to register that objection if you desire to do so.

The National Register of Historic Places is the Federal government's official listing of historically significant properties throughout the country. It is maintained by the Keeper of the National Register, National Park Service, U.S. Department of the Interior. It includes sites and properties that have been identified and documented as having played a significant role in the prehistoric occupation or historical development of our nation, states, and local communities.

There are three basic purposes for listing a property in the National Register. They are:

1) to provide official recognition of its historic significance and encourage consideration of its historic value in future development planning,

2) to provide the property limited protection from any Federally funded, licensed, or assisted projects that might adversely affect the historic property, and

3) to make the property eligible for Federal financial incentives for historic preservation.

Division of Historical Resources
R.A. Gray Building • 500 South Bronough Street• Tallahassee, Florida 32399
850.245.6300 • 850.245.6436 (Fax) • FLHeritage.com

Listing your property in the National Register will not, in itself, restrict your rights as a property owner to use and dispose of your property as you see fit. Public visitation rights are not required of owners. The Federal government will not attach restrictive covenants to the properties or seek to acquire them. However, if the future use or redevelopment of the property should require approval or assistance from a Federal agency, the plans for such use or redevelopment would be subject to review by the State Historic Preservation Office and the Advisory Council on Historic Preservation. In that event, we will be happy to furnish information and guidance to help you in planning your activities so as to provide for the preservation of the historic characteristics of the property. This review requirement would also apply to any Federally funded, licensed, or assisted projects undertaken by others that could have an adverse effect on the property.

The enclosed fact sheets explain the criteria for listing properties in the National Register and the results of listing in the National Register, with references to major laws and Federal regulations relating to listed properties. We will be happy to provide additional information and to discuss any questions you may have on protection provisions, financial incentives, or other aspects of the National Register program. Also enclosed is a copy of the proposal being presented before the National Register Review Board.

If your property is privately owned, you may object to its being listed in the National Register by sending a notarized statement addressed to Dr. Tim Parsons as State Historic Preservation Officer by November 30, 2017. The statement must certify that you are the sole or part owner, as appropriate, of the private property in question and that you object to its listing in the National Register of Historic Places. It is not necessary to state the reason for your objection, but we would appreciate having that information if you wish to include it.

If the property in question is privately owned, and if you as sole owner, or a majority of the partial owners, object to the listing of their property, it will not be listed. If the majority of the property owners in a district object, the district will not be listed. However, the nomination will be forwarded to the Keeper of the National Register for a determination of eligibility of the property for listing in the National Register. A copy of your statement objecting to the listing of the property will be included. If the property is then determined eligible for listing, the protection from Federally funded, licensed, or assisted activities outlined above will become effective, but the property will not be eligible for the Federal financial incentives for preservation. If the owners of a publicly owned property object to the listing of the property, the nomination will be forwarded to the Keeper of the National Register with a copy of their statement objecting to the listing.

We would certainly like to have your active support for the nominations of your properties, as we feel it reflects an important part of Florida's historic heritage. However, any comment you may wish to send will be appreciated. We also hope that you may be able to attend the Review Board meeting on November 30, 2017.

In the meantime, please do not hesitate to write or call our office at 850.245.6364 if you have any questions.

Sincerely,

Ruben A. Acosta

Ruben A. Acosta
Survey & Registration Supervisor
Bureau of Historic Preservation

RAA/ajw

Enclosures

NATIONAL REGISTER OF HISTORIC PLACES
RESULTS OF LISTING
IN FLORIDA

FLORIDA DEPARTMENT OF STATE – KEN DETZNER - SECRETARY OF STATE

The National Register of Historic Places is an official listing of properties throughout the country that reflect the prehistoric occupation and historic development of our nation, states, and local communities. The Register is maintained by the National Park Service under the Secretary of the Interior. It is used primarily as a planning tool in making decisions concerning the development of our communities to ensure, as much as possible, the preservation of buildings, sites, structures, and objects that are significant aspects of our cultural and historic heritage. Sometimes there are misunderstandings as to what listing in the National Register will mean for a property owner. The following is an outline of what it will do and what it will not do.

WILL DO

- The National Register **provides recognition** that the property is deemed by the federal and state governments to be significant in our history at the national, state, and/or local levels. Most properties are significant because of their local significance.

- The National Register **identifies** the properties that local, state, and federal planners should carefully consider when developing projects. Projects involving federal funding, permitting, licensing, or assistance and that may result in damage or loss of the historic values of a property that is listed in the National Register or is eligible for listing are reviewed by the State Historic Preservation Office and the federal Advisory Council on Historic Preservation. A similar review takes place under state law for state or state-assisted undertakings. A typical example of projects that are given such review is road construction or improvement. For more information, call the Compliance Review Section of the Florida Bureau of Historic Preservation at (850) 245-6333.

- Listing may make a property eligible for a **Federal Income Tax Credit**. If a registered property that is income producing undergoes a substantial rehabilitation carried out according to the Secretary of the Interior's Standards for Rehabilitation, the owner may apply for a 20% income tax credit. The credit amounts to 20% of the cost of the rehabilitation. For more information, contact the Architectural Preservation Services Section of the Florida Bureau of Historic Preservation at (850) 245-6333.

- In 1992, the Florida Legislature passed legislation that allows counties or cities to grant **ad valorem tax relief** for owners of properties that are listed or eligible for listing in the National Register or in a local district. When a property is improved its value is increased and the assessment is raised accordingly. The ad valorem tax legislation provides that the increase in assessed value of the improved property will be exempted for up to 10 years from taxation for those portions of the tax bill affected by local option county or municipal exemption ordinances. This provision is available for both income and non-income producing properties. Contact your local property appraiser to see if this provision is available.

- Listing may make a property exempt from certain **Federal Emergency Management Act (FEMA)** requirements and eligible for some **American Disabilities Act (ADA)** and **building safety code** adjustments. For more information, call the Architectural Preservation Services Section of the Bureau of Historic Preservation at (850) 245-6333.

- Listing or being determined eligible for listing is not required for receiving **state preservation grants**. The competition for the grants is intense, however, and this official recognition adds weight to the argument that a property is significant and should be awarded a grant. For more information, call the Grants and Education Section of the Bureau of Historic Preservation at (850) 245-6333.

WILL NOT DO

- Listing in the National Register or being determined eligible for listing does not automatically preserve a building, and does not keep a property from being modified or even destroyed.

- Unless an undertaking is state or federally funded, or regulated by local ordinance, private property owners may deal with their property in any way they see fit. Architects in the Bureau of Historic Preservation are available to provide advice concerning the best ways to approach rehabilitation needs while maintaining the historic character of a property. For more information, call the Architectural Preservation Services Section at (850) 245-6333.

- Private owners are not required to open their listed property to the public for visitation.

- The federal and state governments will not attach restrictive covenants to a property or seek to acquire it because of its listing in the National Register.

BUREAU OF HISTORIC PRESERVATION - R.A. GRAY BUILDING
500 SOUTH BRONOUGH STREET - TALLAHASSEE, FLORIDA 32399-1250
TELEPHONE (850) 245-6333 OR 1-800-847-7278
FAX (850) 245-6437

NATIONAL REGISTER OF HISTORIC PLACES CRITERIA FOR LISTING

FLORIDA DEPARTMENT OF STATE – KEN DETZNER - SECRETARY OF STATE

The ***National Register of Historic Places*** is an official listing of sites and properties throughout the United States that reflect the prehistoric occupation and historical development of our nation, states, and local communities. It is maintained by the Keeper of the National Register, National Park Service, U.S. Department of the Interior.

The following criteria are used by the State Historic Preservation Officer and the Keeper of the National Register in evaluating properties for eligibility for listing in the ***National Register***.

Criteria for Evaluation:

1) Districts, sites, buildings, structures, and objects may be considered to have significance in American history, architecture, archaeology, engineering, and/or culture if they possess integrity of location, design, setting, materials, workmanship, feeling, and association, and:

a) are associated with events that have made a significant contribution to the broad patterns of our history; and/or
b) are associated with the lives of persons significant in our past; and/or
c) embody the distinctive characteristics of type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; and/or
d) have yielded, or may be likely to yield, information important in prehistory or history.

Criteria Considerations:

2) Ordinarily cemeteries, birthplaces, or graves of historical figures; properties owned by religious institutions or used for religious purposes; structures that have been moved from their original locations; reconstructed historic buildings; properties primarily commemorative in nature; and properties that have achieved significance within the past 50 years shall not be considered eligible for the ***National Register***. However, such properties will qualify if they are integral parts of districts that do meet the criteria or if they fall within the following categories:

   a) a religious property deriving its primary significance from architectural or artistic distinction or historical importance; or
   b) a building or structure removed from its original location but which is significant primarily for architectural value, or which is the surviving structure most importantly associated with a historic person or event; or
   c) a birthplace or grave of an historical figure of outstanding importance if there is no appropriate site or building directly associated with his productive life; or
   d) a cemetery which derives its primary significance from graves of persons of transcendent importance, from age, distinctive design features, or association with historic events; or
   e) a reconstructed building, when it is accurately executed in a suitable environment and

presented in a dignified manner as part of a restoration master plan, and no other building or structure with the same association has survived; or

f) a property primarily commemorative in intent, if design, age, tradition, or symbolic value has invested it with its own exceptional significance; or

g) a property achieving significance within the past 50 years, if it is of exceptional importance.

For further information on the ***National Register*** criteria for listing, please contact us at the address or phone number below.

BUREAU OF HISTORIC PRESERVATION - R.A. GRAY BUILDING
500 SOUTH BRONOUGH STREET - TALLAHASSEE, FLORIDA 32399-0250
TELEPHONE (850) 245-6333 OR 1-800-847-7278
FAX (850) 245-6437

NPS Form 10-900
(Rev. 10-90)

OMB No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES REGISTRATION FORM

This form is for use in nominating or requesting determinations for individual properties and districts. See instructions in How to Complete the National Register of Historic Places Registration Form (National Register Bulletin 16A). Complete each item by marking "x" in the appropriate box or by entering the information requested. If any item does not apply to the property being documented, enter "N/A" for "not applicable." For functions, architectural classification, materials, and areas of significance, enter only categories and subcategories from the instructions. Place additional entries and narrative items on continuation sheets (NPS Form 10-900a). Use a typewriter, word processor, or computer, to complete all items.

1. Name of Property

historic name Works Progress Administration Building

other names/site number Bloxham Annex/LE1810

2. Location

street & number 319 East Gaines Street N/A ☐ not for publication

city or town Tallahassee N/A ☐ vicinity

state Florida code FL county Leon code ____ zip code 32301

3. State/Federal Agency Certification

As the designated authority under the National Historic Preservation Act, as amended, I hereby certify that this ☒ nomination ☐ request for determination of eligibility meets the documentation standards for registering properties in the National Register of Historic Places and meets the procedural and professional requirements set forth in 36 CFR Part 60. In my opinion, the property ☒ meets ☐ does not meet the National Register criteria. I recommend that this property be considered significant ☐ nationally ☒ statewide ☒ locally. (☐ See continuation sheet for additional comments.)

Signature of certifying official/Title Date

State or Federal agency and bureau

In my opinion, the property ☐ meets ☐ does not meet the National Register criteria. (☐ See continuation sheet for additional comments.)

Signature of certifying official/Title Date

State or Federal agency and bureau

4. National Park Service Certification

I hereby certify that the property is: Signature of the Keeper Date of Action

- ☐ entered in the National Register
  - ☐ See continuation sheet
- ☐ determined eligible for the National Register
  - ☐ See continuation sheet.
- ☐ determined not eligible for the National Register
  - ☐ See continuation sheet.
- ☐ removed from the National Register.
- ☐ other, (explain) ____________

Works Progress Administration Building
Name of Property

Tallahassee, Leon Co., FL
County and State

5. Classification

Ownership of Property
(Check as many boxes as apply)

- ☐ private
- ☒ public-local
- ☐ public-State
- ☐ public-Federal

Category of Property
(Check only one box)

- ☒ buildings
- ☐ district
- ☐ site
- ☐ structure
- ☐ object

Number of Resources within Property
(Do not include any previously listed resources in the count)

Contributing	Noncontributing	
1	0	buildings
0	0	sites
2	0	structures
0	0	objects
3	0	total

Name of related multiple property listings
(Enter "N/A" if property is not part of a multiple property listing.)

Florida's New Deal Resources MPS

Number of contributing resources previously listed in the National Register

0

6. Function or Use

Historic Functions
(Enter categories from instructions)

HEALTHCARE: clinic
HEALTHCARE: medical office
GOVERNMENT: government office
SOCIAL: civic

Current Functions
(Enter categories from instructions)

VACANT/NOT IN USE

7. Description

Architectural Classification
(Enter categories from instructions)

MODERN MOVEMENT: Moderne

Materials
(Enter categories from instructions)

foundation CONCRETE
walls STUCCO

roof ASPHALT
other

Narrative Description
(Describe the historic and current condition of the property on one or more continuation sheets.)

Works Progress Administration Building
Name of Property

Tallahassee, Leon Co., FL
County and State

8. Statement of Significance

Applicable National Register Criteria
(Mark "x" in one or more boxes for the criteria qualifying the property for National Register listing.)

☒ **A** Property is associated with events that have made a significant contribution to the broad patterns of our history.

☐ **B** Property is associated with the lives of persons significant in our past.

☒ **C** Property embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction.

☐ **D** Property has yielded, or is likely to yield information important in prehistory or history.

Criteria Considerations
(Mark "x" in all the boxes that apply.)

Property is:

☐ **A** owned by a religious institution or used for religious purposes.

☐ **B** removed from its original location.

☐ **C** a birthplace or grave.

☐ **D** a cemetery.

☐ **E** a reconstructed building, object, or structure.

☐ **F** a commemorative property.

☐ **G** less than 50 years of age or achieved significance within the past 50 years

Areas of Significance
(Enter categories from instructions)

HEALTH/MEDICINE
POLITICS/GOVERNMENT
SOCIAL HISTORY
ARCHITECTURE

Period of Significance

1941-1943
1950-1966

Significant Dates
1941

Significant Person
N/A

Cultural Affiliation
N/A

Architect/Builder
WORKS PROGRESS ADMINISTRATION, BUILDER

Narrative Statement of Significance
(Explain the significance of the property on one or more continuation sheets.)

9. Major Bibliographical References

Bibliography
Cite the books, articles, and other sources used in preparing this form on one or more continuation sheets.)

Previous documentation on file (NPS):

☐ preliminary determination of individual listing (36 CFR 36) has been requested
☐ previously listed in the National Register
☐ previously determined eligible by the National Register
☐ designated a National Historic Landmark
☐ recorded by Historic American Buildings Survey #
☐ recorded by Historic American Engineering Record #

Primary location of additional data:

☒ State Historic Preservation Office
☐ Other State Agency
☐ Federal agency
☐ Local government
☐ University
☐ Other
Name of Repository

Works Progress Administration Building
Name of Property

Tallahassee, Leon Co., FL
County and State

10. Geographical Data

Acreage of Property less than one

UTM References
(Place additional references on a continuation sheet.)

	Zone	Easting	Northing
1	16	761344	3370168
2			
3			
4			

☐ See continuation sheet

Verbal Boundary Description
(Describe the boundaries of the property on a continuation sheet.)

Boundary Justification
(Explain why the boundaries were selected on a continuation sheet.)

11. Form Prepared By

name/title Andrew Waber, Historic Preservationist

organization Florida Division of Historical Resources date September 2017

street & number 500 South Bronough Sr. telephone (850) 245-6430

city or town Tallahassee state FL zip code 32399

Additional Documentation

Submit the following items with the completed form:

Continuation Sheets

Maps

A **USGS map** (7.5 or 15 minute series) indicating the property's location.

A **Sketch map** for historic districts and properties having large acreage or numerous resources.

Photographs

Representative **black and white photographs** of the property.

Additional items
(check with the SHPO or FPO for any additional items)

Property Owner

(Complete this item at the request of SHPO or FPO.)

name City of Tallahassee Community Redevelopment Agency

street & number ____________ telephone ____________

city or town ____________ state ____________ zip code ____________

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Summary

The Works Progress Administration (WPA) Building, located in downtown Tallahassee near Cascades Park, is a two-story cast concrete Art Moderne building with stucco exterior finish. The building features a flat roof, rounded corners, horizontal banding, decorative molding, and a prominent main entrance with glass block windows and vertical protrusions. The building contains a first floor and ground floor levels, with the first floor functioning as the main entry point. To help clear room for both the windows and entryways into the ground floor, the ground is cut away from the north and west sides of the building and a barrier wall has been installed. The interior features concrete walls covered with vinyl wall paneling, drop ceilings, and carpeting applied over concrete floors. In addition to the interior changes, there is also a historic small one-story addition onto the east elevation. The windows on the building has also been replaced. Despite these changes, the building still retains sufficient integrity to qualify for listing in the National Register. There are also two contributing structures, retention walls located around the northeast corner and along the west elevation that allows for ground floor windows and access to the side entrances.

Setting

The WPA Building is located in the city of Tallahassee, Florida. Located within the Big Bend region, the city of Tallahassee serves as both the state capital of Florida and the county seat of Leon County. It is also the home to two major state universities, Florida State University and Florida Agricultural and Mechanical University. The health unit building is located near the intersection of East Gaines Street and South Gadsden Street in an area dominated by large governmental buildings. The building is located roughly a block away from Cascades Park, a large municipal park. The WPA Building is one of three adjacent contemporary buildings, sharing a lot with the historic Leon County Health Unit Building to the east and located across Gadsden Street from the historic former Leon County Jail.

Physical Description

The WPA Building is a two-story stuccoed cast concrete building with a flat roof (Photo 1). It rests on a concrete slab foundation. Fenestration consists primarily of 1/1 metal windows and glass block. There are three horizontal bands extending around the building near the roofline, exterior wall chimneys on the east and west walls, decorative near full-height stylized pilasters, and decorative molding. The building features a first floor and ground floor levels, with the main entrance through the first floor. To help clear room for both the windows and entryways into the ground floor, the ground is cut away from the north and west sides of the building and a retaining wall has been installed.

Exterior

Main (North) Façade

The main façade of the building features a wood double door surrounded by glass block sidelights and transom (Photo 2). Access to the building is through a cast concrete stoop, which leads to the recessed entryway. The entryway is flanked by two prominent vertical pilasters that protrude slightly above the roofline. There are also prominent decorative moldings, including one-story high vertical molding and stylized circular porthole moldings in the pilasters and stylized square moldings above the main entrance. The northeast corner of the building is rounded while the northwest corner is rectangular. There is a roof access ladder on the west side of the main façade.

West Elevation

The west elevation is partially obscured by the cutaway into the ground and a non-historic chain link fence (Photo 3). There is a single entry door on this elevation with an independent cantilevered flat roof. The decorative moldings on this elevation include square vents and fan-shaped moldings atop the pilasters.

South (Rear) Elevation

The rear elevation of the building was an important access point into the building during its period of significance, serving as the main entry for the agencies and organizations occupying the ground floor offices (Photos 4-5). The windows and doorways on this elevation are very similar in appearance to those found on the side elevations. Although covered over in dense vegetation, the cast concrete walkways and stoop are still visible.

East Elevation

The east elevation of the building is very much similar in appearance to the west and rear elevations of the building (Photo 6). There is a small one-story addition added onto this side adjacent to the side entrance.

Interior

First Floor

The interior floorplan of the first floor is irregular (Photos 7-12). There is a central corridor opening from the main entrance of the building to the rear rooms and wrapping around the stairwell. The flooring is generally carpeting over concrete, the walls are generally vinyl paneling over concrete, and the ceilings are drop ceilings. There have also been cabinets installed in several rooms.

Stairwell

The main access point between the first and ground floors is a small carpeted staircase which opens into the central corridor on both levels (Photo 13).

Ground Floor

The ground floor level is very similar in layout and appearance to the first floor (Photos 14-16). Like the first floor, it is irregular in plan with a central corridor leading from the rear entrance to the stairwell and wrapping around the stairwell to access the north rooms. The flooring, carpeting, and ceiling are all similar to the first floor. There is a large single open space on the east side of the ground floor that opens into the east elevation entrance door. The west end of the ground floor is unusual in that the doorways to the rooms on this side all align, serving as a de facto secondary corridor.

Alterations

The building has undergone a number of changes during its history. Sometime before 1959, there was a small one-story addition built onto the east elevation of the building. The windows on the building were replaced but the window openings remain unaltered. The interior has seen a number of changes over the years as well, with carpeting, vinyl paneling, cabinets, and drop ceilings added. Some of the rooms in the building have been partitioned as well. The original flooring and walls remain. The building also has some condition issues, with surface cracking in the stucco and mold damage in a couple rooms. Despite these changes, however, the building retains sufficient integrity to qualify for listing in the National Register.

Integrity

The building is still in its original location within a larger institutional area comprised primarily of government buildings. Hence it retains its integrity of location, setting, and association. The exterior of the building still retains a high degree of integrity and keeps many of the character-defining features, including the horizontal lines, vertical protrusions, stucco exterior, rounded corner, and decorative moldings. Despite the fact the windows have been replaced, the building still retains the original openings and the glass block main entrance door surrounds. Although the interior has seen some changes, the original flooring and walls are still present and the coverings placed over them can be reversed without permanently altering the building. The central corridors of both floors are both still largely visible. Due to its long history as an office building lasting well into the 1990s, the changes on the interior are to be expected. Despite this, the building still clearly conveys its

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

historic 1966 appearance. Hence the building retains sufficient integrity of materials, workmanship, feeling, and design.

SUMMARY

The Works Progress Administration (WPA) Building is being proposed for listing in the National Register under Criterion A at the local level for Government, Health/Medicine, and Social History and under Criterion C at the local level for Architecture. The period of significance extends from 1940-1943 and from 1950 to 1966. This building was constructed to serve as the regional headquarters for the WPA, which occupied the building until circa 1943, when the agency was discontinued. From 1950 until circa 1965, the building served as the district offices for the Florida Crippled Children's Commission (FCCC) District Number Six. The FCCC offices contained a full physical therapy department, which operated from the building. The FCCC, which was originally established in 1921, was responsible for helping children with congenital deformities and orthopedic conditions, including case finding, diagnosis, medical treatment, and aftercare services. The establishment of the district office in Tallahassee marked a major milestone in the treatment of children in the community, who prior to this time were forced to travel to Jacksonville to seek treatment. From 1951 until 1965, the WPA Building functioned as the headquarters and clinic for the Human Relations Institute/Leon County Mental Health Clinic. The Human Relations Institute, which was originally established next door in the Health Unit Building, was a collaborative effort between Florida State University and the Leon County Health Department. By 1955, the county took full control of the clinic and renamed it the Leon County Mental Health Clinic, which operated under the control of the Health Department. The WPA Building also served as the headquarters for the Leon County Associated Charities (LCAC) from circa 1951 until 1965. Originally known as the Leon County Welfare Association, the LCAC functioned as the chief social welfare agency in the county, distributing aid to the poor, certifying people for needs-based assistance, and serving as a principal referral authority for a wide variety of legal and health services.

The WPA Building is a locally significant example of Art Moderne architecture, which is exemplified through the building's stucco exterior, flat roof, rounded corner, horizontal lines, porthole motifs, and usage of glass block, which are all character defining features of the style.

The Works Progress Administration Building contributes to the Florida's New Deal Resources MPS under Associated Historic Contexts: The New Deal in Florida, 1933-1943 and Associated Property Type F.1 Buildings.

HISTORIC CONTEXT

<u>Florida Crippled Children's Commission</u>

The Florida Crippled Children's Commission (FCCC) was created by the state legislature with the passage of Chapter 13620 of the Florida Statutes in 1929. The impetus for this measure came about as a result of the American Legion, which ran the American Legion Hospital for Crippled Children in St. Petersburg, Florida.

The hospital was founded for the benefit of children in the state with congenital deformities and orthopedic conditions that could be treated or corrected with proper surgery or rehabilitation services. It was open to children of all races. Using the local lodges around the state to collect data, the American Legion soon gathered a list of over 1,000 children to present before the governor. Although legislation dating back to 1906 and later changed in 1911 were meant to address these concerns, it was largely ineffective and funding was completely cut by 1921. The attention and support generated by the Legion had its effect, however, and the FCCC was created along with an appropriation of $50,000.[1]

The FCCC was tasked with the responsibilities of locating the children, diagnosing the medical problems, administering treatment, and providing aftercare services. The FCCC originally had just three districts, with the city of Tallahassee falling within the North Florida region, which was headquartered in Jacksonville. The administrative offices for the organization was located in the state capital building. With such a wide geographic range, the FCCC relied heavily on the cooperation of county health units. In 1944, Dr. Leander J. Gates, who was the director of the Leon County Health Unit, was named Director of the FCCC, a position he would hold until 1950.[2]

Leon County Welfare Association

Following World War I, the American Red Cross provided public health nurses "on a demonstration basis" to a number of communities, including Leon County. By 1925, however, the Red Cross recalled the nurse assigned to Leon County due to a lack of funding. Recognizing a community need, the Leon County Council of Women, which was a federation of a variety of women's clubs, took the lead in fundraising. The women were successful in raising enough money to convince the American Red Cross to once again provide a public health nurse but on the condition that the salary was provided by the community. The city of Tallahassee and Leon County provided assistance as well, offering an automobile and assisting with the funding of the nurse's salary.[3]

Although the public health nurse provided a much needed service to the community, there was a growing realization of the need for something more substantial. In 1929, a group of concerned citizens formed the Leon County Health Association. Initially concerned with public health, they quickly realized the need for improved social services, changing their name to the Leon County Health and Welfare Association. Their first major project undertaken was for a comprehensive survey of both the health and welfare services provided in the county. The report shed light on the chaotic nature of the welfare services, which at this time was handled

[1] Ed R. Bentley, "Introduction," in "Report of the Florida Crippled Children's Association 1930-1962," p. 4.
[2] Florida Crippled Children's Commission, *Report of the Florida Crippled Children's Commission 1930-1962* (Tallahassee, FL, 1962),
[3] Paul F. Hebert, "An Analysis of the Structure, Function, and Procedures of the Leon County Associated Charities, Tallahassee, Florida," (master's thesis, Florida State University, 1952), 4.

primarily through local civic organizations and churches, often with duplication of efforts and no central coordination. Their review of the public health services in the community was no better. Their report was supplemented by a grand jury investigation which gave a scathing review of the social services. By the end of 1929, as the stock market crashed and the Great Depression began, the deficiencies of the already underfunded social welfare program became more pronounced. This prompted the LCHA to schedule a massive public meeting, which was attended by representatives of nearly every major civic and religious organization in the county and representatives from the city, county, and state governments.[4]

As a result of this meeting, the Leon County Welfare Association (LCWA) was formed. This was a private non-profit organization funded through a combination of local government spending, membership dues, and donations from individuals and organizations. The LCWA's stated purpose was very broadly defined: "The... purpose of the Association shall be to provide relief for and look after the sick, indigent or needy persons in Tallahassee and Leon county... It will also conduct and carry on general welfare work throughout the city and county."[5] The LCWA provided much needed centralization and organization of the disparate charitable groups operating in the county and handled much of the welfare duties of the city and county. The LCWA was also responsible for verifying eligibility of people requesting government assistance, a job that was especially important during the Great Depression.[6]

The original purpose of the LCWA was to handle both the public health and social welfare responsibilities of the city and county. As a result, the head of the organization, Helen Farrow, was a certified public health nurse. It quickly became apparent, however, that the work at hand was far more involved than could be capably handled by one person. After the founding of the Leon County Health Unit, the LCWA focused primarily on social work and material relief.[7] From its inception, the LCWA had a close working relationship with the Florida State College for Women (FSCW), now known as Florida State University. The sociology department under the leadership of Dr. Raymond Bellamy, began offering courses in social work in the 1920s. By 1930, the college and the LCWA collaborated on a field work program designed to give third and fourth year undergraduate students practical experience in casework. The students formed the bulk of the workforce for the LCWA and operated under the supervision of Dr. Elinor Nims, a sociology professor under the employ of FSCW. The presence and foresight of the Florida State College for Women to offer their students to the LCWA during this period proved immeasurably valuable to both organizations. The program provided much needed staff support for the county welfare association. The implementation of this program was a major milestone for the fledgling social work program at FSCW. By 1934, the number of enrollees in social work courses more than

[4] Hebert, 5-9.
[5] Ibid., 9-10.
[6] Ibid., 19-21.
[7] Ibid., 19-20.

doubled. By 1939, there were over 100 FSCW graduates employed in the social work field in the state of Florida alone.[8]

When the adjacent Health Unit Building was constructed in 1941, the LCWA was one of the original occupants. After the LCWA moved into the Health Unit Building, the collaborations continued with FSCW. In 1942, the Welfare Association, working with FSCW, started a campaign to raise $15,000 for "social rehabilitation."[9] By 1945, students under the direction of Caroline Blue conducted outreach to local schools, interviewed applicants for financial assistance, and worked as receptionists for both the LCWA and the State Board of Welfare in the Health Unit Building. Students devoted four hours a week to case work, which served as the foundation of their training.[10] In 1945, the LCWA, working in conjunction with the American Red Cross, founded the Community War Chest, aimed at both fundraising and at raising money for the war effort. Due in part to the influx of new donors brought in by the military, these fundraisers were successes. After the war, the Community War Chest became the Community Chest, which continued to function as a major community nonprofit support wing. By 1951, the welfare association, which changed its name to Leon County Associated Charities, moved into the WPA Building.[11]

Mental Health Program/Human Relations Institute Prior to 1951

In 1947, thanks to a grant from the U.S. Public Health Service, the State Board of Health started its Mental Health Program. When the program first started in 1947, there were six county mental health clinics in operation. Among the first six was in Leon County, which started in 1947 but was in full operation in 1948. By this time, the county health department and Florida State University (FSU) formed a collaborative venture known as the Human Relations Institute, which operated the mental health clinic for the county through the Health Unit Building.[12] The clinic consisted of a certified psychiatrist, a clinical psychologist, and a social worker all paid by FSU. The psychologist and social worker oversaw a staff of 9 students from the FSU clinical psychology and social work departments. In addition to receiving regular referrals in Leon County, the staff psychologist also spent three to five days a week in neighboring counties for two months out of the year. By the end of 1948, the nascent mental health clinic saw a total of 207 cases.[13] By 1950, the service area expanded into 13 surrounding counties, accounting for over 1/3 of the total 334 cases seen by the clinic. By this time, the

[8] *Florida Flambeau*, "Inspection of Welfare Units Made by Class," 12 Oct 1934; *Florida Flambeau*, "College Joins Social Workers," 18 Aug 1939.
[9] *Florida Flambeau*, "Dr. Moore Heads Welfare Campaign," 2 Oct 1942.
[10] *Florida Flambeau*, "Students do Social Work," 9 Mar 1945.
[11] Hebert, 22-25; R.L. Polk and Company, *Polk's Tallahassee City Directory 1951* (Richmond, VA: R.L. Polk & Co., 1951), 58.
[12] Lowell S. Selling, M.D., "Mental Health Program," in Florida State Board of Health, *48th Annual Report State Board of Health State of Florida: 1947* (Jacksonville, FL, 1948), 88-89.
[13] Frances E.M. Read, M.D., "Mental Health Program," in Florida State Board of Health, *Florida State Board of Health 49th Annual Report* (Jacksonville, FL, 1949), 84-85.

clinic had its own electroencephalograph (EEG), which was moved to Tallahassee Memorial Hospital.[14] As the program expanded, it soon became apparent that it was outgrowing its space in the health unit building.[15] By 1951, the number of cases grew to 414, including out-of-state referrals. By this time, staff from the clinic also held special "sub-clinics" at the Florida Industrial School for Boys in Marianna.[16] As the clinic outgrew its facilities, it moved next door to the WPA Building in 1951.[17]

Historic Significance – WPA 1940-1943

WPA Building

When the building was constructed in 1940, it served as the district offices for the WPA. Like many areas across the country, the WPA had a profound impact upon the Leon County area. While in the building, the WPA oversaw the construction of the adjacent Leon County Jail and the Leon County Health Unit. In addition to these three buildings, there were a number of other projects, including the Leon County Armory and the Florida State College for Women dining hall. The WPA was also a major benefactor of the arts, employing artists and writers for public works projects, including contracting Eduard Ulreich to paint the downtown post office. The WPA left the building in 1943 after the federal government disbanded the agency.[18]

Historic Context – 1943-1950

After the WPA left the building, it was used as a general office building. During World War II, the building was used by the Stanolind Oil and Gas Company's Exploration Department, the Magnolia Petroleum Company's Geological Department, the Tidewater Association Oil Company's Geological Department, and the Ohio Oil Company.[19] Immediately after the war, the building served as a field office for the War Assets Administration (WAA), which was established in 1944 to help dispose of surplus military equipment and property. It was during this period that Dale Mabry Field was repurposed to civilian use. The airfield itself served as a civilian airport and the barracks were converted to use for the Tallahassee Branch of the University of Florida (TBUF),

---

[14] An EEG is a machine used to measure electrical activity in the brain.
[15] Florida State Board of Health, "Mental Health Program," in *Florida State Board of Health 1950 Annual Report* (Jacksonville, FL, 1951), 164-165.
[16] Florida State Board of Health, "Mental Health Program," in *Florida State Board of Health 1951 Annual Report* (Jacksonville, FL, 1952), 190-191.
[17] *Polk's Tallahassee City Directory 1951*, 58.
[18] Jonathan Lammers, "Brief History of the Firestone & Bloxham Annex Buildings," [unpublished manuscript] (April 2017), 16-17.
[19] R.L. Polk and Company, *Polk's Tallahassee City Directory 1946* (Richmond, VA: R.L. Polk & Co., 1946), 28.

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Section number 8 Page 6

Works Progress Administration Building
Tallahassee, Leon County, FL

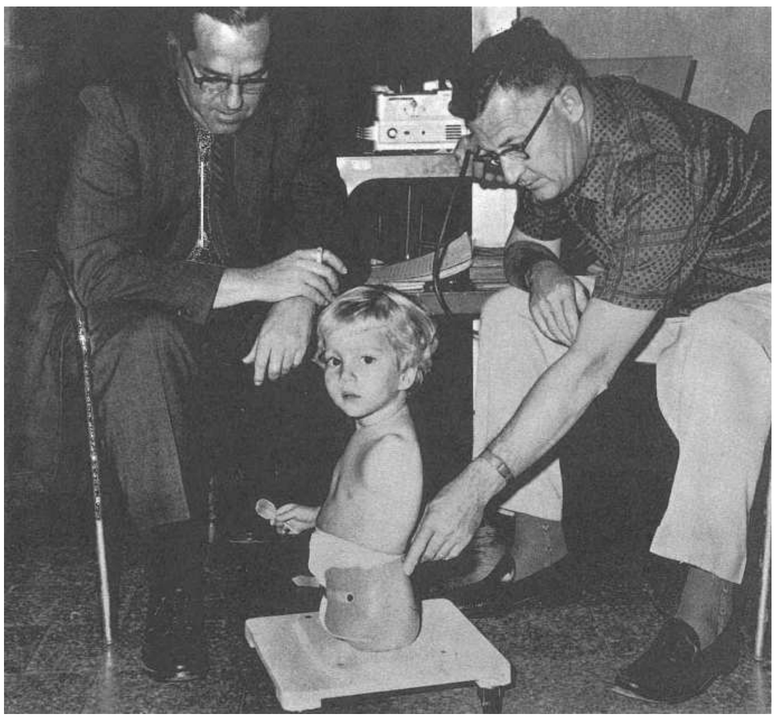
which was later combined with FSCW to form the coeducational Florida State University after the war. The WAA handled the transfer of the airfield to local and state control. By 1949, the WAA was disbanded.[20]

Historic Significance – 1950-1965

Exterior view of WPA Building, circa 1959
(Source: Florida Memory project)

[20] U.S. Department of Commerce, *Establishing and Operating a Trucking Business* (Washington: USGPO, 1946), 69; Florida Memory Project, "Dale Mabry Field: From Army Air Base to College Campus, 1929-1948," https://www.floridamemory.com/photographiccollection/photo_exhibits/dale-mabry/.

Florida Crippled Children's Commission District No. 6



Doctors from the FCCC Juvenile Amputee Program tending to child, circa 1962
(source: *Report of the Florida Crippled Children's Commission 1930-1962*, p. 11)

Although the Florida Crippled Children's Commission's administrative offices were located in Tallahassee, the agency really operated on a decentralized basis. Most of the agency's work took place in district offices located across the state. Hence, prior to 1950, children in Leon County with congenital defects were forced to travel to Jacksonville to take advantage of the FCCC's inpatient services. This all changed when FCCC District Number 6 was established in Tallahassee, which serviced a ten-county area in the Big Bend region, including Leon County. The district office was housed in the WPA Building, which also contained a full physical therapy department and conducted weekly outpatient clinics under the supervision of physical therapist Edna Knowlton. Patients requiring inpatient care convalesced in the newly established Tallahassee Memorial Hospital for white residents and the Florida A&M College Hospital for black residents, which also provided the surgical facilities.

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

The district staff consisted of an orthopedic surgeon, a pediatrician, a nurse, a physical therapist, and a secretary.[21]

During the roughly 14 years in which District No. 6 was based in the WPA Building, the scope and services of the FCCC expanded. Originally focused on the treatment of orthopedic conditions and conditions affecting physical appearance, the services expanded to include cerebral palsy, cleft palate, cardiac rehabilitation, and juvenile amputee programs. The staff grew to include a medical social worker tasked with addressing the "social, emotional, and environmental problems of crippled children and their parents..." Through the cerebral palsy program, which started in 1950, special clinics were held for children with this condition that brought together a number of professionals including doctors, surgeons, psychologists, social workers, and physical therapists who evaluated the children and created individualized treatment plans for them. In 1953, the cardiac rehabilitation program started. As open heart surgery became available in the state of Florida, there was a recognized need for establishing a system of referrals for children in need of this procedure. It was the district pediatrician who was primarily responsible for assessing the patient for eligibility, handling referrals, and coordinating the treatment of children. The FCCC also referred children to out of state facilities such as the Mayo Clinic and Johns Hopkins University Hospital for more difficult cardiac cases. In 1957, the juvenile amputee program began, which offered enhanced services for child amputees. The introduction of these programs provided a much needed service in the community and greatly improved the lives of children with special needs.[22] The FCCC district office remained in the WPA Building until 1964, when it left.[23]

<u>Human Relations Institute/Leon County Mental Health Department</u>

By 1951, the Human Relations Institute moved to the WPA Building, where they conducted services on the first floor. Florida State University and the Leon County Health Department continued to manage the clinic as a joint venture until the mid-1950s. It continued to function as it had before, with FSU providing the staffing. This arrangement proved unsatisfactory for the county, however. The lack of direct control over the program and the staff led the county health department to create a new entity, the Leon County Mental Health Clinic (LCMHC), which continued to carry out the department's mental hygiene program in the WPA Building. The county health clinic was completely staffed and controlled by the county health department, which continued to operate next door in the Health Unit Building. The LCMHC continued to carry out mental health services for the county, conducting clinics on an outpatient basis. The clinic was divided into two general areas of responsibility: children/adolescents and adults. Most of their focus went towards children. The services offered for minors

[21] Florida Crippled Children's Commission, *Triennial Report of the Florida Crippled Children's Commission* (Tallahassee, FL, 1950), 28-29.
[22] Florida Crippled Children's Commission, *Report of the Florida Crippled Children's Commission 1930-1962* (Tallahassee, FL, 1962), 7-12.
[23] The FCCC district office last shows up at 319 East Gaines Street in the 1964 Tallahassee City Directory.

included among other things counseling children with emotional problems, handling juvenile delinquents, referrals for institutions, diagnosis, and after care for children released from mental institutions. For adults, they offered marital counseling, outpatient care, and parenting counseling.[24] By the mid-1960s, as the county health department grew, several of its departments were spread out into different buildings in the city. By this time, the Sanitation Department and the Mental Health Clinic outgrew their respective spaces. By 1967, the county health department moved to 2965 Municipal Way, where it currently remains. The LCHMC also relocated to the new facility.[25]

Leon County Associated Charities

The WPA Building housed the Leon County Associated Charities (LCAC) by 1951. The organization continued to function as it did before while in the Health Unit Building. The collaborative agreement with FSU continued and the association still function as an important training ground for the university's social work program. The students also continued to form an important element of the association's workforce. In 1951, there were on average 127 cases handled per month and disbursements totaling over $32,000. By this time, the organization was freed of some of its responsibilities towards the transients in the community as the Salvation Army arrived. The LCAC continued to pay hospital expenses for indigent or transient persons and offer financial assistance for the poor and people unable to work due to illness or disability. The organization functioned as the official representative for the local Traveler's Aid society, which was established to provide material support for stranded travelers in the community. The LCAC also continued to serve a crucial function as a certifying agency for needs-based assistance. The organization had referral powers for a wide variety of health and legal services. By 1966, the LCAC left the WPA Building.[26]

Other Agencies, Companies, and Organizations 1950-1966

During the period the WPA Building hosted the FCCC, the LCMHC, and the LCAC, there were a number of other organizations and companies housed in the building. From 1951 to sometime before 1954, the building served as the state office for the National Foundation for Infantile Paralysis. During the Korean War era, it functioned as the offices for the U.S. Selective Service Local Board Number 11. During the mid-1950s, two prosthetics companies, the Williams Brace Company and the Gillespie brace and Limb Company, who were vendors for the FCCC, were housed in the building. The two longest occupants in the building during this time, however, were the Ochlockonee Tuberculosis and Health Association (later the Leon County Tuberculosis and

---

[24] Albert Markovitz, "Organization and Administration of the Leon County Health Unit," (master's thesis, Florida State University, 1955), 85-86.
[25] Gerlad Ensley, "Proposed Development May Save Old Jail – or Not," *Tallahassee Democrat*, January 21, 2017; R.L. Polk & Company, *Polk's Tallahassee City Directory 1965* (Richmond, VA: R.L. Polk & Co., 1965), 98.
[26] Hebert, 13, 32-34.

Health Association) and the Boy Scouts of America. The two organizations occupied the ground floor of the building.[27]

By the mid-1960s, the organizations that occupied the WPA Building began to move out. By 1964, the Florida Crippled Children's Commission left. They were joined the following year by the Leon County Mental Health Clinic. The last organizations to leave the building were the Leon County Associated Charities, the Boy Scouts, and the Leon County Tuberculosis and Health Association, who all left by 1967.

Historic Context – Bloxham Annex Building 1967-present

By 1967, the WPA Building began a long and varied career as a state of Florida office building. By this time, the name of the building was changed to Bloxham Annex A. It initially served as the offices for the State Comptroller's Office. By the mid-1970s, the building was used by the Florida Department of State's Bureau of Historical Museums. By the early 1990s, the Florida Department of Insurance, Treasury, and State Fire Marshal occupied the building. By the late 1990s, the building was vacant but remained under state ownership. In 2015, the state officially sold the land, which included the former Leon County Jail, the Health Unit Building, and the WPA Building, to the City of Tallahassee's Community Redevelopment Agency, which currently owns all three buildings.

Although the WPA Building and the Health Unit Building share a similar history, with both being built by the WPA, both serving as one-time homes to the welfare association and mental health clinic, and both having a similar usage as Bloxham Annex buildings after their periods of significance, they are both being listed individually. The two buildings were built for distinctly different reasons, with the Health Unit Building custom-built for local public health purposes while the WPA Building was built as an administrative office for a federal agency. Although the welfare association did share the building until 1951, the Health Unit Building was largely a singular-use building exclusively focused on the operations of the county health unit. In contrast, the WPA Building was more varied in its usage, with only the mental health clinic directly connected to the county health unit. Since there is not a sufficient concentration of contemporary resources to warrant a district and both buildings have attained significance in their own right, the resources are both being presented for individual listing.

Architectural Significance

The Works Progress Administration Building is a locally significant example of Art Moderne architecture. The building's stucco exterior, flat roof, rounded corner, horizontal lines, porthole motifs, and usage of glass block

[27] R.L. Polk and Company, *Polk's Tallahassee City Directory 1946*, 28; *Polk's Tallahassee City Directory 1951*, 58; R.L. Polk and Company, *Polk's Tallahassee City Directory 1954* (Richmond, VA; R.L. Polk & Co., 1954), 85.

are all character defining features of the Art Moderne Style. The building also incorporates some elements of the Art Deco Style, such as vertical protrusions and incorporation of geometric designs in the moldings found on the main elevation and on the second story windows.

The health unit building is one of only three Art Moderne buildings still standing in downtown Tallahassee. The other two are the adjacent former Leon County Jail and the former WPA Building. The Leon County Jail has been heavily altered, and therefore is not considered eligible for listing in the National Register either individually or as part of a district. The Health Unit Building is also being listed on the National Register as an individual listing. Although the two buildings were both built by the WPA and are adjacent to each other and also share a similar history as one-time homes of the county mental health clinic and the county welfare office, they have both assumed enough significance in their own right to warrant individual listing. There is also not enough of a concentration beyond the two buildings to warrant a district listing.

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Primary Sources

Florida Crippled Children's Commission. *Report of the Florida Crippled Children's Commission 1930-1962*. Tallahassee, FL, 1962.

_______. *Triennial Report of the Florida Crippled Children's Commission.* Tallahassee, FL, 1950.

Florida Flambeau. "College Joins Social Workers," 18 Aug 1939.

_______. "Dr. Moore Heads Welfare Campaign," 2 Oct 1942.

_______. "Inspection of Welfare Units Made by Class," 12 Oct 1934.

_______. "Students do Social Work," 9 Mar 1945.

Florida State Board of Health. "Mental Health Program," in *Florida State Board of Health 1950 Annual Report*. Jacksonville, FL, 1951, 164-165.

_______. "Mental Health Program," in *Florida State Board of Health 1951 Annual Report*. Jacksonville, FL, 1952, 190-191.

Hebert, Paul F. "An Analysis of the Structure, Function, and Procedures of the Leon County Associated Charities, Tallahassee, Florida." Master's thesis, Florida State University, 1952.

Markovitz, Albert. "Organization and Administration of the Leon County Health Unit." Master's thesis, Florida State University, 1955.

R.L. Polk and Company. *Polk's Tallahassee City Directory 1946.* Richmond, VA: R.L. Polk & Co., 1946.

_______. *Polk's Tallahassee City Directory 1951*. Richmond, VA: R.L. Polk & Co., 1951.

_______. *Polk's Tallahassee City Directory 1954*. Richmond, VA; R.L. Polk & Co., 1954.

_______. *Polk's Tallahassee City Directory 1965* (Richmond, VA: R.L. Polk & Co., 1965.

Read, Frances E.M., M.D. "Mental Health Program," in Florida State Board of Health. *Florida State Board of Health 49th Annual Report*. Jacksonville, FL, 1949, 84-85.

Selling, Lowell S., M.D., "Mental Health Program," in Florida State Board of Health. *48th Annual Report State Board of Health State of Florida: 1947*. Jacksonville, FL, 1948, 88-89.

U.S. Department of Commerce. *Establishing and Operating a Trucking Business.* Washington: USGPO, 1946.

Secondary Sources

Ensley, Gerald. "Proposed Development May Save Old Jail – or Not," *Tallahassee Democrat*, January 21, 2017.

Florida Memory Project. "Dale Mabry Field: From Army Air Base to College Campus, 1929-1948," https://www.floridamemory.com/photographiccollection/photo_exhibits/dale-mabry/.

Lammers, Jonathan. "Brief History of the Firestone & Bloxham Annex Buildings," [unpublished manuscript] April 2017.

Verbal Boundary Description

The boundary encompasses a portion of lot 31 of parcel number 21-36-25-0000 in the Leon County Property Appraiser's records. Please see accompanying map.

Boundary Justification

The boundary encompasses the land historically associated with the Works Progress Administration Building.

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Photographs

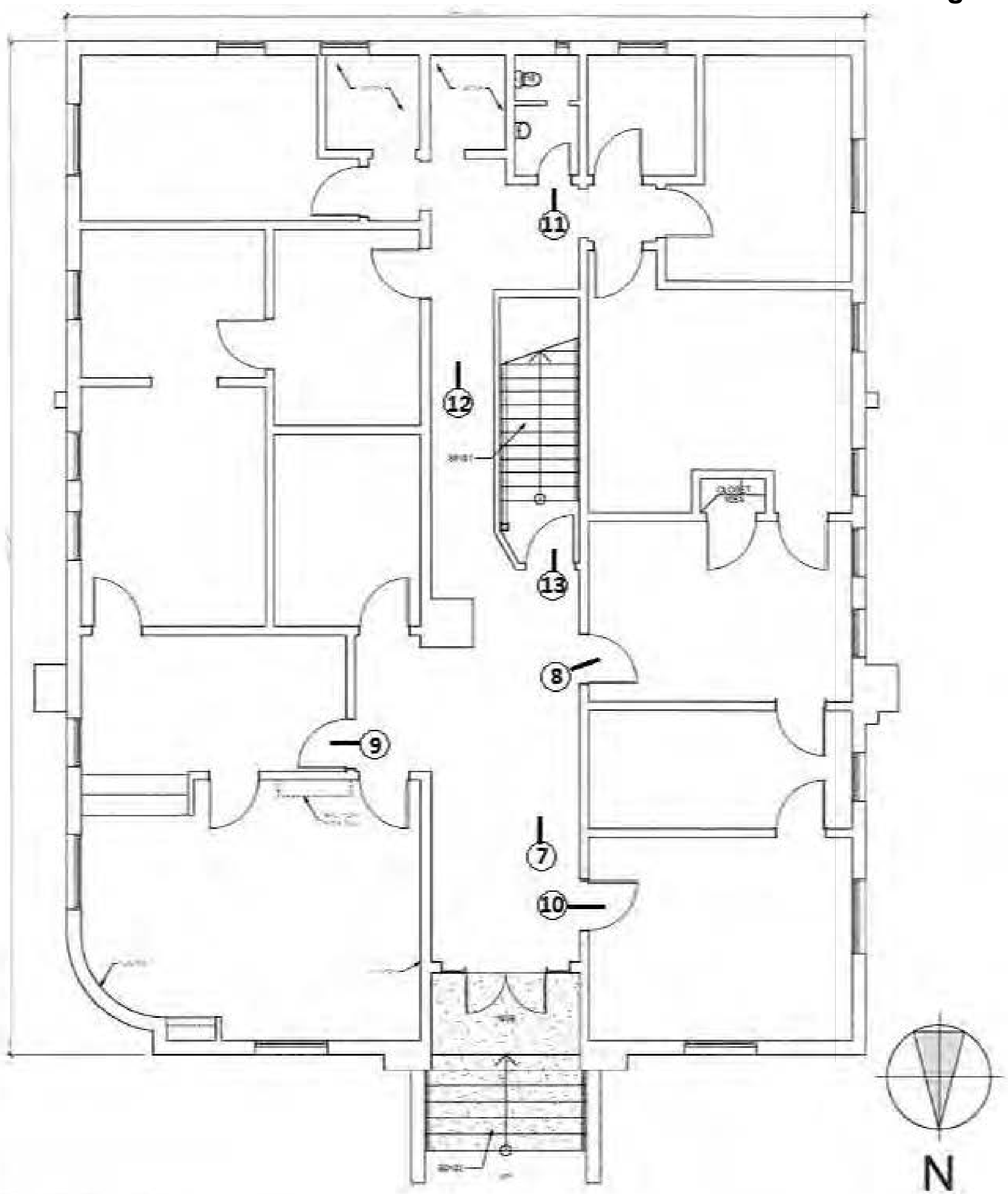
Name of Property: Works Progress Administration (WPA) Building

City of Vicinity: Tallahassee County: Leon State: Florida

Photographer: Andrew Waber Date Photographed: 2017

Description of Photograph(s) and number, including description of view indicating direction of camera.

1. Main (north) façade, facing south
2. Detail view of main entrance, facing south
3. West elevation, facing southeast
4. South (rear) elevation, facing north
5. Southeast corner, facing northwest
6. East elevation, facing west
7. Interior view of first floor entry foyer, facing south
8. Interior view of first floor room, facing southwest
9. Interior view of first floor room, facing east
10. Interior view of first floor room, facing west
11. Interior view of first floor restrooms, facing south
12. Interior view of first floor corridor, facing south
13. Interior view of central staircase, facing south
14. Interior view of ground floor room, facing west
15. Interior view of ground floor room, facing east
16. Interior view of ground floor west side doorways, facing north



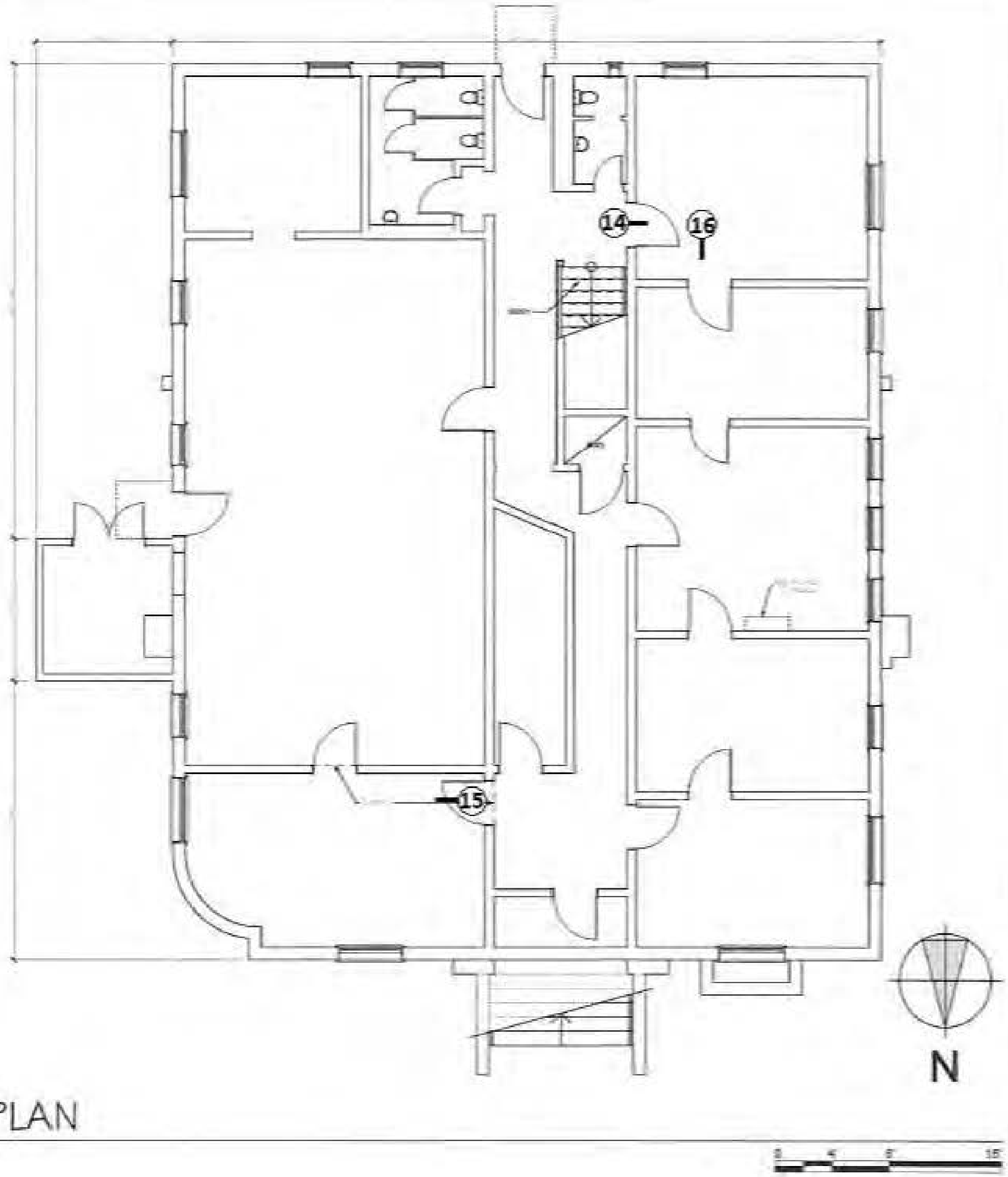
NOTES (TYPICAL)

- CEILING HEIGHT: 8'-3"
- CEILING 2x4 A.C.T.
- WALL BASE - WOOD IN CENTRAL AREAS, CARPET IN ALL OTHERS
- FLOORING - CPT, CONCRETE
- WALLS - CONCRETE, GYPSUM BOARD AND PANELING

1
A.3

FIRST FLOOR PLAN

SCALE: 1/8" = 1'-0"

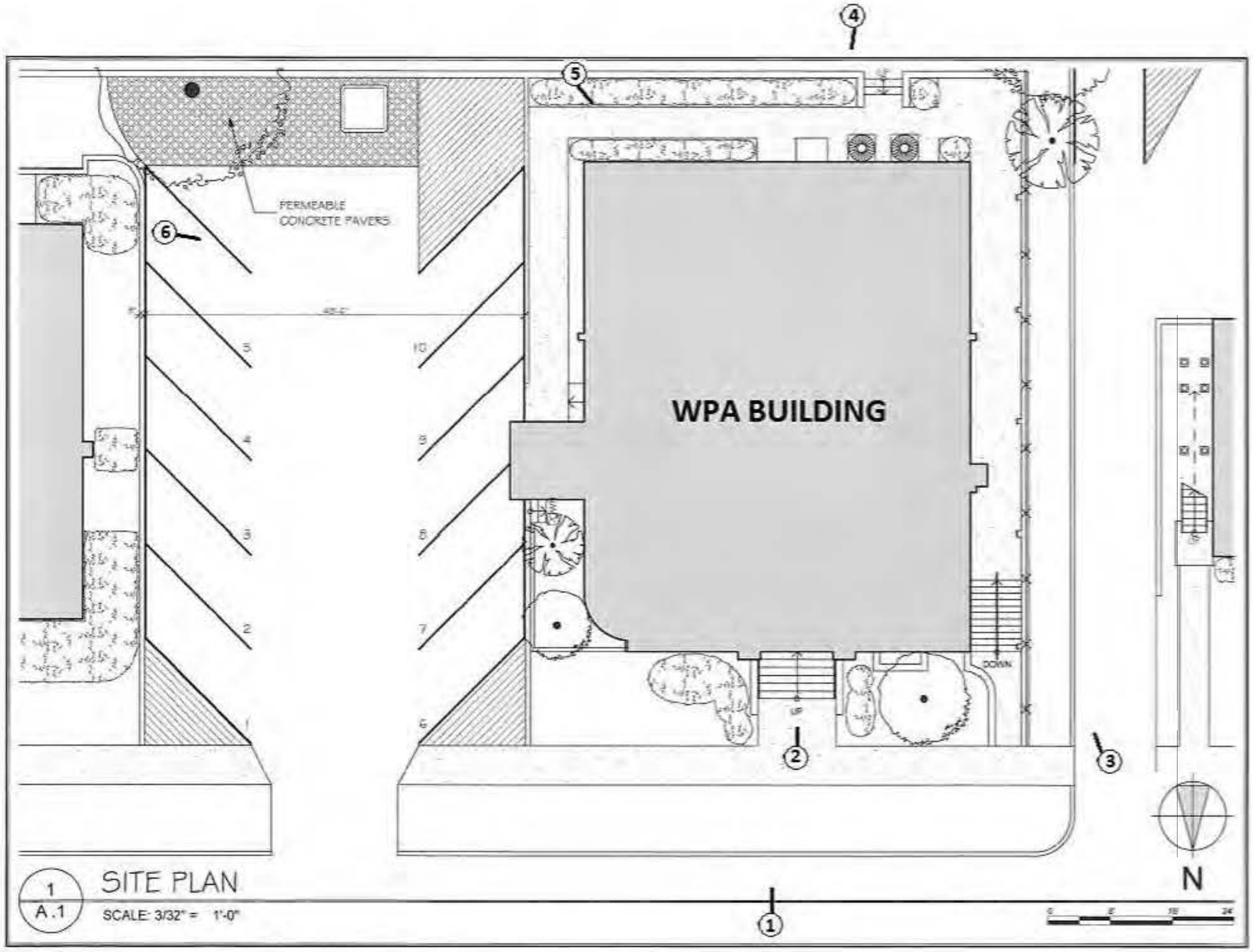


NOTES (TYPICAL)
- CEILING HEIGHT: 8'-8" TYP., 9'-0" +/ IN BATHROOMS
- CEILING 2x4 A.C.T.
- WALL BASE - WOOD, VINYL OR CPT ALONG IN REPAIRED AREAS
- FLOORING - CPT, CONCRETE, SHEET VINYL
- WALLS
  - PANELING FULL HEIGHT
  - PANELING TO 44", PLASTER ABOVE
  - PLASTER WALL AS INDICATED
  - WALLCOVERING AS INDICATED

1
A.2

BASEMENT PLAN

SCALE: 1/8" = 1'-0"


WPA BUILDING
PERMEABLE CONCRETE PAVERS
UP
DOWN
N
1
A.1
SITE PLAN
SCALE: 3/32" = 1'-0"

WPA Building

319 East Gaines Street
Tallahassee, Leon Co., FL

UTM:
16R 761344 3370168

Latitude: 30.4353
Longitude: -84.2788

Datum: WGS84

Legend

Proposed National Register Boundary

Date: 9/15/2017

1:10,000

N

0 425 850 1,700 Feet

0 105 210 420 Meters

Basemap Source: Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

WPA Building

319 East Gaines Street
Tallahassee, Leon Co., FL

UTM:
16R 761344 3370168

Latitude: 30.4353
Longitude: -84.2788

Datum: WGS84

Legend

Proposed National Register Boundary

Date: 9/15/2017

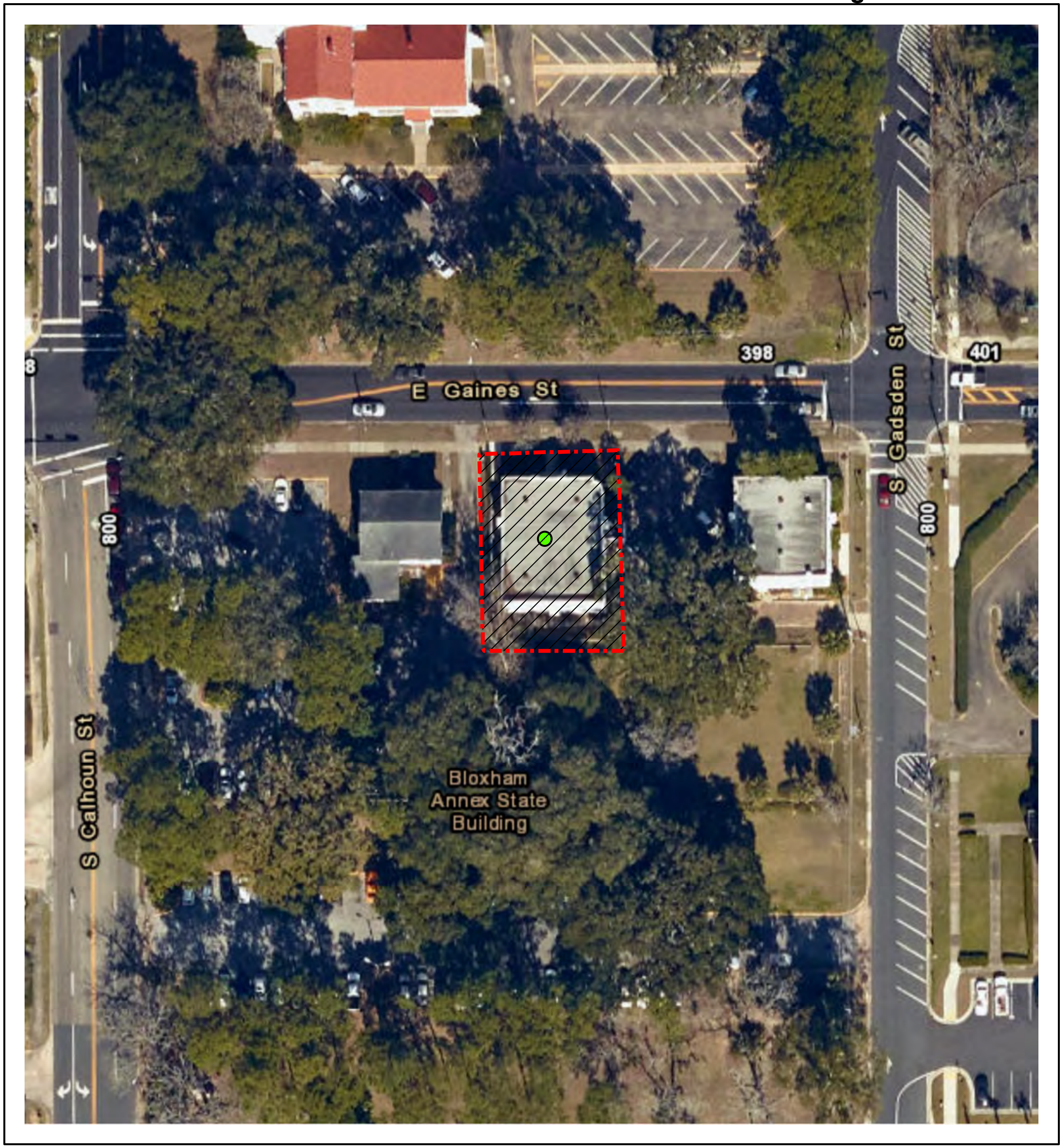
1:1,000

N

0 40 80 160 Feet

Meters 0 10 20 40

Basemap Source: Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community




101

NPS Form 10-900 OMB No. 1024-0018
(Rev. 10-90

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES REGISTRATION FORM

This form is for use in nominating or requesting determinations for individual properties and districts. See instructions in How to Complete the National Register of Historic Places Registration Form (National Register Bulletin 16A). Complete each item by marking "x" in the appropriate box or by entering the information requested. If any item does not apply to the property being documented, enter "N/A" for "not applicable." For functions, architectural classification, materials, and areas of significance, enter only categories and subcategories from the instructions. Place additional entries and narrative items on continuation sheets (NPS Form 10-900a). Use a typewriter, word processor, or computer, to complete all items.

1. Name of Property

historic name Leon County Health Unit Building

other names/site number Bloxham Annex/LE1811

2. Location

street & number 325 East Gaines Street N/A ☐ not for publication

city or town Tallahassee N/A ☐ vicinity

state Florida code FL county Leon code ______ zip code 32301

3. State/Federal Agency Certification

As the designated authority under the National Historic Preservation Act, as amended, I hereby certify that this ☒ nomination ☐ request for determination of eligibility meets the documentation standards for registering properties in the National Register of Historic Places and meets the procedural and professional requirements set forth in 36 CFR Part 60. In my opinion, the property ☒ meets ☐ does not meet the National Register criteria. I recommend that this property be considered significant ☐ nationally ☒ statewide ☒ locally. (☐ See continuation sheet for additional comments.)

Signature of certifying official/Title Date

State or Federal agency and bureau

In my opinion, the property ☐ meets ☐ does not meet the National Register criteria. (☐See continuation sheet for additional comments.)

Signature of certifying official/Title Date

State or Federal agency and bureau

4. National Park Service Certification

I hereby certify that the property is: Signature of the Keeper Date of Action

☐ entered in the National Register
☐ See continuation sheet
☐ determined eligible for the National Register
☐ See continuation sheet.
☐ determined not eligible for the National Register
☐ See continuation sheet.
☐ removed from the National Register.
☐ other, (explain)

Leon County Health Unit Building
Name of Property

Tallahassee, Leon Co., FL
County and State

5. Classification

Ownership of Property
(Check as many boxes as apply)

- ☐ private
- ☒ public-local
- ☐ public-State
- ☐ public-Federal

Category of Property
(Check only one box)

- ☒ buildings
- ☐ district
- ☐ site
- ☐ structure
- ☐ object

Number of Resources within Property
(Do not include any previously listed resources in the count)

Contributing	Noncontributing	
1	0	buildings
0	0	sites
0	0	structures
0	0	objects
1	0	total

Name of related multiple property listings
(Enter "N/A" if property is not part of a multiple property listing.)

Florida's New Deal Resources MPS

Number of contributing resources previously listed in the National Register

0

6. Function or Use

Historic Functions
(Enter categories from instructions)

HEALTHCARE: clinic
HEALTHCARE: medical office
GOVERNMENT: government office
SOCIAL: civic

Current Functions
(Enter categories from instructions)

VACANT/NOT IN USE

7. Description

Architectural Classification
(Enter categories from instructions)

MODERN MOVEMENT: Moderne

Materials
(Enter categories from instructions)

foundation CONCRETE
walls STUCCO

roof ASPHALT
other

Narrative Description
(Describe the historic and current condition of the property on one or more continuation sheets.)

Leon County Health Unit Building
Name of Property

Tallahassee, Leon Co., FL
County and State

8. Statement of Significance

Applicable National Register Criteria
(Mark "x" in one or more boxes for the criteria qualifying the property for National Register listing.)

☒ **A** Property is associated with events that have made a significant contribution to the broad patterns of our history.

☒ **B** Property is associated with the lives of persons significant in our past.

☒ **C** Property embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction.

☐ **D** Property has yielded, or is likely to yield information important in prehistory or history.

Criteria Considerations
(Mark "x" in all the boxes that apply.)

Property is:

☐ **A** owned by a religious institution or used for religious purposes.

☐ **B** removed from its original location.

☐ **C** a birthplace or grave.

☐ **D** a cemetery.

☐ **E** a reconstructed building, object, or structure.

☐ **F** a commemorative property.

☐ **G** less than 50 years of age or achieved significance within the past 50 years

Areas of Significance
(Enter categories from instructions)

HEALTH/MEDICINE
POLITICS/GOVERNMENT
SOCIAL HISTORY
ETHNIC HERITAGE: BLACK
EDUCATION
ARCHITECTURE

Period of Significance

1941-1971

Significant Dates

1941
1965

Significant Person

GRAVES, LEANDER JOHNSON, M.D.

Cultural Affiliation

N/A

Architect/Builder

WORKS PROGRESS ADMINISTRATION, BUILDER

Narrative Statement of Significance
(Explain the significance of the property on one or more continuation sheets.)

9. Major Bibliographical References

Bibliography
Cite the books, articles, and other sources used in preparing this form on one or more continuation sheets.)

Previous documentation on file (NPS):

☐ preliminary determination of individual listing (36 CFR 36) has been requested
☐ previously listed in the National Register
☐ previously determined eligible by the National Register
☐ designated a National Historic Landmark
☐ recorded by Historic American Buildings Survey
#
☐ recorded by Historic American Engineering Record #

Primary location of additional data:

☒ State Historic Preservation Office
☐ Other State Agency
☐ Federal agency
☐ Local government
☐ University
☐ Other
Name of Repository

Leon County Health Unit Building
Name of Property

Tallahassee, Leon Co., FL
County and State

10. Geographical Data

Acreage of Property less than one

UTM References
(Place additional references on a continuation sheet.)

	Zone	Easting	Northing
1	16	761379	3370171
2			
3			
4			

☐ See continuation sheet

Verbal Boundary Description
(Describe the boundaries of the property on a continuation sheet.)

Boundary Justification
(Explain why the boundaries were selected on a continuation sheet.)

11. Form Prepared By

name/title Andrew Waber, Historic Preservationist

organization Florida Division of Historical Resources date September 2017

street & number 500 South Bronough Sr. telephone (850) 245-6430

city or town Tallahassee state FL zip code 32399

Additional Documentation

Submit the following items with the completed form:

Continuation Sheets

Maps

A **USGS map** (7.5 or 15 minute series) indicating the property's location.

A **Sketch map** for historic districts and properties having large acreage or numerous resources.

Photographs

Representative **black and white photographs** of the property.

Additional items
(check with the SHPO or FPO for any additional items)

Property Owner

(Complete this item at the request of SHPO or FPO.)

name City of Tallahassee Community Redevelopment Agency

street & number ________ telephone ________

city or town ________ state ________ zip code ________

Summary

The Leon County Health Unit Building, located in downtown Tallahassee near Cascades Park, is a two-story cast concrete Art Moderne building with stucco exterior finish. The exterior of the building retains a high degree of integrity and aside from some changes such as replacement of windows looks very much as it did during its period of significance. The integrity of the interior has been altered, with carpeting applied to the flooring and the interior walls covered over with vinyl faux wood paneling, which has been applied over the original walls in a manner that they can be removed without permanently damaging the historic fabric of the building. There are also drop ceilings put in place on both levels. In the southwest room, there is some damage to the ceiling, wall, and flooring. Despite these changes, the building still retains sufficient integrity to qualify for listing in the National Register.

Setting

The Leon County Health Unit Building is located in the city of Tallahassee, Florida. Located within the Big Bend region, the city of Tallahassee serves as both the state capitol of Florida and the county seat of Leon County. It is also the home to two major state universities, Florida State University and Florida Agricultural and Mechanical University. The health unit building is located at the intersection of East Gaines Street and South Gadsden Street in an area heavily dominated by large governmental buildings. The building is located roughly a block away from Cascades Park, a large municipal park. The health building is one of three contemporary buildings, sharing a lot with the historic Works Progress Administration (WPA) Building to the west and located across Gadsden Street from the historic former Leon County Jail.

Physical Description

Exterior

The Health Department Building is a two-story cast concrete building with stucco exterior finish. It features a flat roof and rests on a poured concrete foundation. Fenestration consists primarily of 1/1 metal windows of various sizes. The second story windows feature distinctive stylized lintels and noticeable sills while the first story windows are plain with sills. There are two horizontal coping lines extending around the building near the roofline.

Main (North) Façade

The main façade has perhaps the most distinctive architectural detailing of the building’s exterior (Photo 1). Facing Gaines Street, it features a prominent wood double door main entrance inset within the middle of the elevation. Above the door is a stylized vertical molding which extends above the roofline. There is also decorative porthole-shaped moldings and geometric motifs. Access to the main entrance is through a cast concrete stoop with metal railings. On the northwest corner of the building is a cornerstone (Photo 2).

West Elevation

The west elevation, which fronts South Gadsden Street, serves as a secondary façade for the building (Photo 3). There are two decorative pilasters extending to the second story. There is also decorative porthole-shaped moldings directly above the pilasters. There is a single wood door on the first story sheltered by a streamlined visor.

South (Rear) Elevation

The south (rear) elevation of the building features fenestration and decorative geometric motifs similar in appearance to those found on the main façade (Photo 4). The utility lines and air conditioning units are found on this elevation. On the west and west side of the elevation are scuppers and downspouts used for roof drainage.

East Elevation

The east elevation of the building is rather plain in appearance, with fenestration similar in appearance to the rest of the building. On this elevation is a prominent square chimney extending near the midpoint of the elevation and extending above the roofline.

Interior

First Floor

Access to the first floor of the building is through a lobby that opens into the main entrance (Photos 5-7). The main corridor wraps around the staircase, leading from the foyer to the southwest room. There are three rooms on the east side of the elevation and four rooms on the west side. There are also public restrooms for on the south end of the building (Photo 8). Access to the stairs is through an interior door that opens into the hallway. The flooring on this level has been covered over with carpeting and the interior walls consist of vinyl faux wood paneling, which has been applied over the original walls in a manner that they can be removed without permanently damaging the historic fabric of the building. There are also drop ceilings put in place. In the southwest room, there is some damage to the ceiling, wall, and flooring (Photo 9).

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Stairwell

There is a central stairwell and a two-flight staircase providing access between the first floor and ground floor. The original interior walls are visible in this area (Photo 10).

Ground Floor

The ground floor of the building is access from the staircase leading from the first floor (Photos 11-13). Unlike the first floor, there is no central hallway that wraps around the stairwell. The staircase opens into the north end of the floor into a small corridor. Access to south end is through other rooms. The flooring in this level, much like the first floor, is carpeted and has drop ceilings. The interior fabric is white gypsum board. The southwest room in this level, like the southwest room on the first floor, has seen some damage to it (Photo 14).

Alterations

The building has seen a number of alterations to it over the course of its history. Sometime likely after 1970, the interior of the first floor was covered over with faux wood paneling and the ground floor was covered over n gypsum board. Carpeting was put in place on both floors. Drop ceilings were added and the windows were replaced. Despite these interior changes, the exterior of the building retains a high degree of integrity.

Integrity

The building is still in its original location, hence it retains its integrity of location and association. The setting of the building has changed somewhat since its construction in 1939. It was originally located adjacent to a thriving historic African American neighborhood known as Smokey Hollow. This neighborhood was demolished in the 1950s, a victim of urban renewal and government expansion. It has since been partially replaced by Cascades Park. The health unit building was an extension of a preexisting concentration of government buildings to the north, and the building still retains its visual connection to these buildings. Hence, it retains sufficient integrity of setting. The exterior of the building retains a high degree of integrity, and the most important architectural features are retained. The interior integrity has been affected by the non-historic fabric and carpeting but these changes can be reversed without affecting the historic fabric. Hence the building retains sufficient integrity of design, materials, workmanship, and feeling.

SUMMARY

The Leon County Health Unit Building is being listed under Criterion A at the state and local level for Health/Medicine and Government and at the local level for Ethnic Heritage: Black, Social History, and Education. The period of significance extends from 1941 until 1971, when the Division of Youth Services relocated. The building is significant under Criterion B at the local level for its association with Dr. Leander J. Graves, an important figure in the history of public health in the city of Tallahassee and Leon County. It is also being listed under Criterion C at the local level for Architecture. It is one of only three surviving Art Moderne buildings left in downtown Tallahassee. The building, which was built by the Works Progress Administration (WPA), was the home of the Leon County Health Unit (LCHU) from 1941 until 1965. It also served as the home of the Leon County Welfare Association from 1941 until circa 1951.The building was the first in the state of Florida purpose-built for a local health unit. The LCHU, which was the oldest county health unit in continuous operation in Florida, was a major fixture in the community, assuming a vast array of public health responsibilities. The LCHU was unusual in that it employed an interracial staff and was open to both black and white residents. With the implementation of the Florida School Health program, the county health unit played a significant role in both countywide school nursing programs and in the coordination of special education needs for students with physical, mental, or emotional disabilities. The creation of local health units was considered a major turning point in the history of public health in the state. The units greatly increased the efficiency of public health programs through cooperation and shared funding between the different levels of government. After World War II, the responsibilities of the unit, now known as the county health department, expanded into mental health, cancer treatment, and occupational or industrial hygiene. The building housed the first county mental health clinic, then known as the Human Relations Institute, from 1947 until 1950. In 1954, one of the last polio epidemics in the United States struck the Tallahassee area. The county health department played a key role in fighting the outbreak, coordinating medical services, educating the public, and providing support to the hospitals in the area.

From 1967 to 1971, the Health Unit Building served as the first permanent home of the state Division of Youth Services. This agency ran the juvenile detention facilities in the state. It was during its brief tenure in the Health Unit Building that major changes took place in Florida juvenile detention facilities, including the integration of facilities, the creation of the first state-funded halfway house in Florida, the introduction of group therapy into juvenile facilities, and the elimination of corporal punishment.

The Leon County Health Unit Building contributes to the Florida's New Deal Resources MPS under Associated Historic Contexts: The New Deal in Florida, 1933-1943 and Associated Property Type F.1 Buildings.

HISTORIC CONTEXT

Public Health in Florida

Prior to the creation of the Florida State Board of Health (SBH) in 1889, public health in the state was handled locally and was sporadic, often limited to simple quarantine measures for incoming ships. Like many other states at the time, Florida had a long history of epidemics that killed large numbers of people. The ports were especially vulnerable to outbreaks, as the influx of ships from around the world increased the risks of spreading diseases. Despite the clear need for cooperative effort, it was not until the 1870s that serious efforts were made to address public health concerns at the state level. Despite the lobbying efforts of the Florida Medical Association and concerned citizens, little leeway was made in creating a statewide public health agency until 1888, when a yellow fever epidemic swept through the city of Jacksonville. The general confusion and inadequacy of control measures failed to contain the epidemic within the city and it soon spread to surrounding communities. This convinced Governor Francis Fleming of the urgency of creating a centralized public health agency for the state, which took place the following year. The first state public health officer was Dr. Joseph Yates Porter, a military doctor who made a name for himself for his efforts in controlling yellow fever and cholera outbreaks in Key West.[1]

The original focus of the SBH was epidemiological studies and the implementation and coordination of disease control and prevention measures, both of which remain important functions of the agency today. This included issuing reports and investigations, ordering and overseeing quarantines and evacuations, and mandating municipal and county authorities to record and report vital records and the presence of communicable diseases. By the early 20th century, the focus of the SBH expanded into public education, veterinary medicine, disaster relief, prenatal care, women's health issues, and pediatric health. The SBH also began directly operating hospitals and clinics. As the responsibilities of the organization expanded, there was a pressing need to establish local public health agencies. Due to financial difficulties and political wrangling, however, the legislation for the creation of local health units did not pass until 1931. The resulting legislation, known as the Florida Health Unit Law, provided for the creation of a "system of coordinated county health department services," composed of individual county health units (CHU), which were founded in conjunction with the SBH and the local county commissions. This legislation encouraged counties to improve the efficiency of local public health services through more effective coordination efforts and more efficient dispersal of state and federal funds. The Leon

[1] William J. Bigler, "Public Health in Florida – Yesteryear," *Florida Journal of Public Health* vol. 1, no. 3 (May 1989) [reprint] http://www.fpha.org/resources/Documents/public%20health%20in%20florida-yesteryear.pdf, p. 3-5.

County Health Unit (LCHU) became the second of its kind in the state of Florida in 1931. Although the state was slow to adopt county health unit programs, by 1941, there were units in 32 counties across the state.[2]

Each county health unit was composed of at least one health officer, nurse, sanitary officer, and a clerk. These units were expected to administer programs in twelve areas of public health: maternal health, infant and preschool health, school health, adult health, cancer control, tuberculosis control, venereal disease control, industrial hygiene, dental hygiene, nutrition, community sanitation, and health education. The health officer was tasked with a wide variety of responsibilities, including the administration of all local health programs, the enforcement of health laws, conducting health surveys, and disease control measures such as quarantines, case finding, and hospitalization referrals of patients with communicable diseases. Public health nurses were often the most ubiquitous presence of public health in the state. They assisted the local public health officer in administering the programs and usually had the most day to day interaction with the public. Many of the educational programs offered by the CHU were taught by nurses. In rural areas, nurses were often the only public health officials regularly seen as they either made home visits or conducted remote clinics. The sanitary officer was responsible for inspecting sewage disposal, municipal water supplies, and food handling establishments. They were tasked with promoting proper food handling techniques, sewage disposal, and sanitary living conditions. The sanitation officer also inspected school grounds, tourist establishments, and recreational facilities, and oversaw pest control services.[3]

Public Health in Leon County Before 1931

Like many towns in Florida during the 19th century, Tallahassee and Leon County saw a number of outbreaks of diseases, most notably yellow fever. A particularly bad outbreak of the disease struck the city in 1841, killing an estimated 230 to 400 people in a town of only 1,600 residents. With an incomplete understanding of the causes of the disease, however, little could be done to stop its spread. A pervasive belief at the time was the disease was connected to bad air. As a result, a mass exodus from the town usually ensued whenever a health crisis such as a disease outbreak occurred, which often exacerbated the problem by spreading it to surrounding communities. Around this time, the city established five police commissioners and tasked them with the responsibility of assuring that privies were properly maintained and garbage removed from the streets. These commissioners were granted further powers to form what amounted to a board of health, consulting with physicians in the town to better stop the spread of yellow fever. As no one knew how the disease was spread, their suggestions were ineffective in stopping its spread. To accommodate the sudden influx of deceased, the city expanded the municipal burial ground. All burials were mandated to be done within 24 hours and had to be overseen by a superintendent. Aside from this, nothing else was done by the city to combat the disease. Despite

[2] Bigler, "Public Health in Florida – Yesteryear," p. 4-10; Bill Bigler and Davis D. Janowski, *Florida's Public Health Heritage* (Tallahassee, FL: Florida Health, 2016), p. 33.
[3] *Florida Health Notes*, "What are County Health Departments and Units?" vol. 38, no. 5 (May 1946), p. 88-96.

the fact that the city would be plagued by outbreaks of disease throughout the rest of the 19th century, little was done to improve public health on a governmental level until the late 19th century.[4]

In 1889, shortly after the creation of the State Board of Health, authorization was given for the creation of county boards of health, which replaced a similar law that passed in 1885.[5] The measure never took off however and by 1897 it was shot down. As a result, the state board was forced to handle much of the local public health work through designated county sanitary agents. These agents worked at the local level in close communication with the state health officer and were crucial to the operation of the state board. The county sanitary agent of Leon County in the mid-1890s was Dr. Henry Palmer.[6]

Following World War I, the American Red Cross provided public health nurses "on a demonstration basis" to a number of communities, including Leon County. By 1925, however, the Red Cross recalled the nurse assigned to Leon County due to a lack of funding. Recognizing a community need, the Leon County Council of Women, which was a federation of a variety of women's clubs, took the lead in fundraising. The women were successful in raising enough money to convince the American Red Cross to once again provide a public health nurse but on the condition that the salary was provided by the community. The city of Tallahassee and Leon County provided assistance as well, offering an automobile and assisting with the funding of the nurse's salary.[7]

Although the public health nurse provided much needed service to the community, there was a growing realization of the need for something more substantial. In 1929, a group of concerned citizens formed the Leon County Health Association. Initially concerned with public health, they quickly realized the need for improved social services, changing their name to the Leon County Health and Welfare Association. Their first major project undertaken was for a comprehensive survey of both the health and welfare services provided in the county. The report shed light on the chaotic nature of the welfare services, which at this time was handled primarily through local civic organizations and churches, often with duplication of efforts and no central coordination. Their review of the public health services in the community was no better. Their report was supplemented by a grand jury investigation which gave a scathing review of the social services. By the end of 1929, as the stock market crashed and the Great Depression began, the deficiencies of the already underfunded social welfare program became more pronounced. This prompted the LCHA to schedule a massive public

[4] Barbara Elizabeth Miller, "Tallahassee and the 1841 Yellow Fever Epidemic" (master's thesis, Florida State University, 1976), 74-78, 96-97; Jason Dehart, "Yellow Fever was the Scourge of Tallahassee and Surrounding Towns in 1841," *Tallahassee Magazine* (July-August 2011), http://www.tallahasseemagazine.com/July-August-2011/Historicity.
[5] State Board of Health of Florida, "An Act to Provide for the Appointment of County Boards of Health in and for the Several Counties of the State of Florida," *First Annual Report of the State Board of Health of Florida* (Jacksonville, FL, 1890), 65-67.
[6] State Board of Health of Florida, *Report of the Board of Health of the State of Florida for the Years 1895 and 1896* (Jacksonville, FL, 1897), 22.
[7] Paul F. Hebert, "An Analysis of the Structure, Function, and Procedures of the Leon County Associated Charities, Tallahassee, Florida," (master's thesis, Florida State University, 1952), 4.

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

meeting, which was attended by representatives of nearly every major civic and religious organization in the county and representatives from the city, county, and state governments.[8]

HISTORICAL SIGNIFICANCE

Leon County Welfare Association and FSCW Social Work Program

As a result of this meeting, the Leon County Welfare Association (LCWA) was formed. This was a private non-profit organization funded through a combination of local government spending, membership dues, and donations from individuals and organizations. The LCWA's stated purpose was very broadly defined: "The... purpose of the Association shall be to provide relief for and look after the sick, indigent or needy persons in Tallahassee and Leon county... It will also conduct and carry on general welfare work throughout the city and county." [9] The LCWA provided much needed centralization and organization of the disparate charitable groups operating in the county and handled much of the casework and welfare duties of the city and county. The LCWA was also responsible for verifying eligibility of people requesting government assistance, a job that was especially important during the Great Depression.[10]

The original purpose of the LCWA was to handle both the public health and social welfare responsibilities of the city and county. As a result, the head of the organization, Helen Farrow, was a certified public health nurse. It quickly became apparent, however, that the work at hand was far more involved than could be capably handled by one person. After the founding of the Leon County Health Unit, the LCWA focused primarily on social work.[11] From its inception, the LCWA had a close working relationship with the Florida State College for Women (FSCW), now known as Florida State University. The sociology department under the leadership of Dr. Raymond Bellamy began offering courses in social work in the 1920s. By 1930, the college and the LCWA collaborated on a field work program designed to give third and fourth year undergraduate students practical experience in casework. The students formed the bulk of the workforce for the LCWA and operated under the supervision of Dr. Elinor Nims, a sociology professor under the employ of FSCW. The presence and foresight of the Florida State College for Women to offer their students to the LCWA during this period proved immeasurably valuable to both organizations. The program provided much needed staff support for the county welfare association. The implementation of this program was a major milestone for the fledgling social work program at FSCW. By 1934, the number of enrollees in social work courses more than doubled. By 1939, there were over 100 FSCW graduates employed in the social work field in the state of Florida alone.[12]

---

[8] Hebert, 5-9.
[9] Ibid., 9-10.
[10] Ibid., 19-21.
[11] Ibid., 19-20.
[12] *Florida Flambeau*, “Inspection of Welfare Units Made by Class,” 12 Oct 1934; *Florida Flambeau*, “College Joins Social Workers,” 18 Aug 1939.

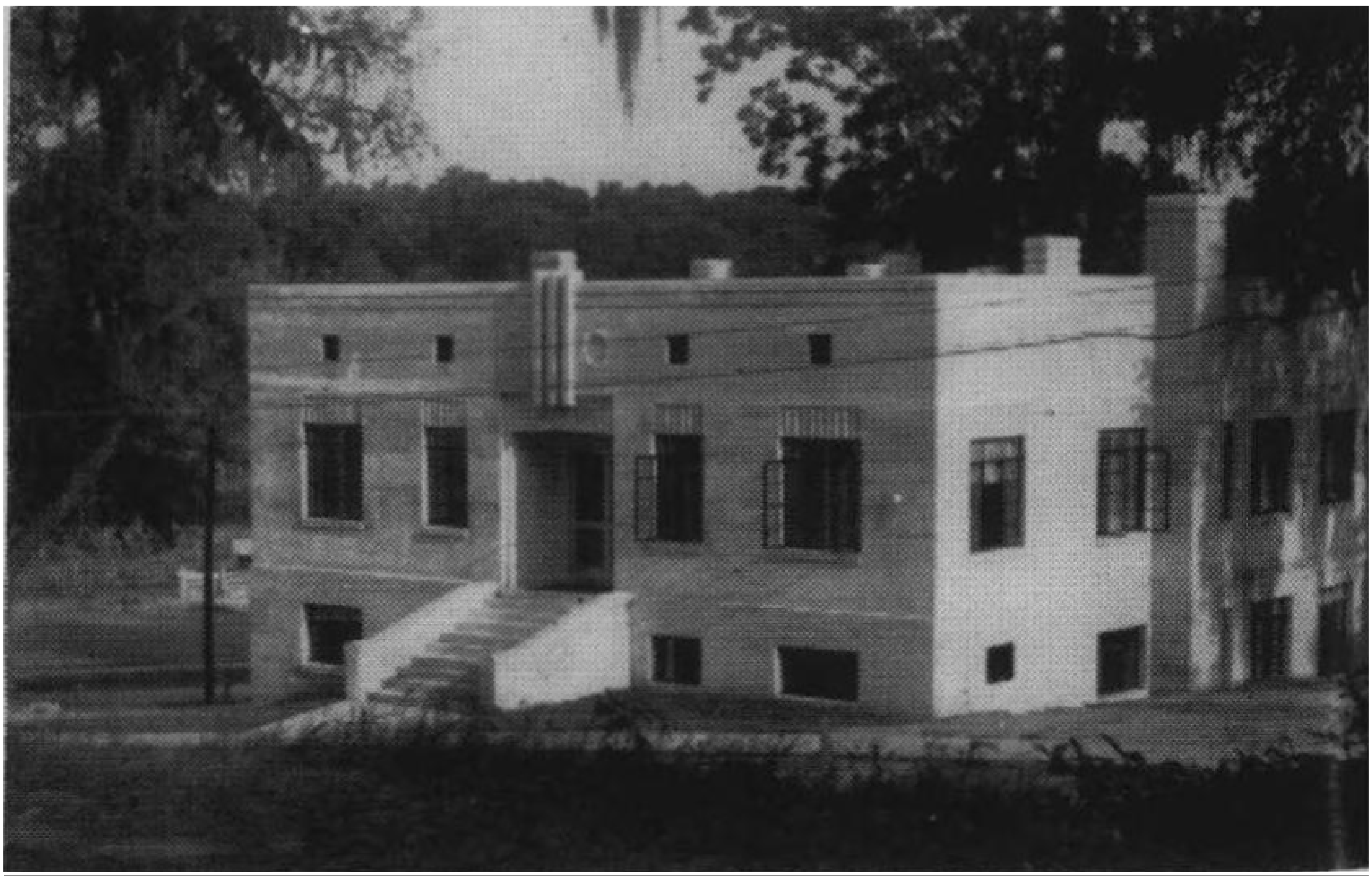
Leon County Health Unit Establishment

The Leon County Health Unit was formally established on January 1, 1931. It was subsidized as a joint venture by the city of Tallahassee, Leon County, and the state of Florida. The unit found difficulties in securing proper facilities early on, moving between several different buildings, including the Demetree Building on Monroe Street, the basement of the Leon County High School, and a private residence on North Monroe Street. Despite these limitations, the unit was able to make significant progress, and managed to remain in continuous operation throughout this period, which was marked by significant financial difficulties for the community. Doctor Leander J. Graves was named director of the unit while Helen Farrow, director of the Leon County Welfare Association, was the nurse for the white people and Irene O'Dell McGreen was the nurse for the African American community. Ford L. Thompson was appointed as sanitary officer for Tallahassee while William R. Hendrix was named sanitary officer for the rural areas.[13] By the end of 1933, the LCHU gave 128 health talks, made over 2,800 home visits, made over 1,700 meat and dairy inspections, treated over 1,000 cases of hookworm, tested over 400 cases of venereal diseases, provided immunization for over 2,000 people, and oversaw the installation of 287 pit toilets and 33 sewer connections. The unit also oversaw a massive mosquito control program that included over 99,000 inspections and the drainage of over 32,000 linear feet of road ditches, swamps, and ponds.[14] The effectiveness of this program was such that by 1939, there was not a single death in the county from malaria, which director Leander Graves believed was the first time this ever happened.[15]

One of the primary functions of the LCHU was its role as the primary recorder of vital statistics in the county. The county health officer was also the local registrar of vital statistics, responsible for the reporting of all births, deaths, and diseases in the community. This was a function the unit continued to serve after it moved into the Health Unit Building.[16]

[13] *Sunday News-Democrat*, "County Health Unit is Geared to New Service," 18 Aug 1940; *Florida Health Notes*, "Leon County Unit Established," vol. 23, no. 1 (January 1931), 35.
[14] State Board of Health of Florida, *Thirty-Fourth Annual Report for the Year Ending December 31, 1933* (Jacksonville, FL, 1934), 78-81.
[15] L.J. Graves, "No Deaths from Malaria Reported in Leon County," *Florida Health Notes*, vol. 32, no. 3 (March 1940), 39.
[16] Albert Markovitz, "Organization and Administration of the Leon County Health Unit," (master's thesis, Florida State University, 1955), 92.

Leon County Health Unit Building



View of Leon County Health Unit Building shortly after its construction in 1940
(Source: *Florida Health Notes* vol. 32, no. 9 (September 1940), 116)

The construction of the Leon County Health Unit Building marked a significant milestone in the fledgling local health unit program of the State Board of Health. Constructed with the aid of the Works Progress Administration (WPA), the building was the first purpose-built edifice for a local county health unit. The LCHU occupied the first floor of the building while the county welfare association was located in the ground floor. Originally the building was all-white on both the interior and exterior. The opening of the new building had an immediate effect on allowing the health unit to expand its services. The prenatal clinic that had been suspended due to lack of facilities resumed, and was helping between 40 to 60 pregnant women a week within weeks of its reopening. The unit quickly expanded to offer clinics for preschool children, routine checkups of infants, medical examinations of new mothers, and syphilis examinations.[17] By the end of 1941, the unit administered over 2,000 immunizations, received over 14,000 visits to the venereal disease clinic, admitted over 4,000 tuberculosis cases to the medical service, and made over 1,700 nursing visits for maternity services. In addition, over 10,000 food handling venues were registered with the sanitation officer for inspection and over 1,700 inspections of these establishments were made.[18]

By the time the building opened in 1941, the health unit had in addition to the director Leander Graves two sanitation inspectors, two white nurses, and three African American nurses. The interracial focus of the health unit was a very important component of its operations. The building was opened to both black and white residents of the county, albeit on alternating days. The white and African American nurses generally administered services and conducted outreach amongst their respective communities. For members of the African American community of Tallahassee, especially the adjacent Smokey Hollow neighborhood, the health unit was an important support organization, providing preventative medical care for the poor.

Leon County Welfare Association

After the LCWA moved into the Health Unit Building, the collaborations continued with FSCW. In 1942, the Welfare Association, working with FSCW, started a campaign to raise $15,000 for “social rehabilitation.”[19] By 1945, students under the direction of Caroline Blue conducted outreach to local schools, interviewed applicants for financial assistance, and worked as receptionists for both the LCWA and the State Board of Welfare in the Health Unit Building. Students devoted four hours a week to case work, which served as the foundation of their training.[20] In 1945, the LCWA, working in conjunction with the American Red Cross, founded the Community War Chest, aimed at both fundraising and at raising money for the war effort. Due in part to the influx of new donors brought in by the military, these fundraisers were successes. After the war, the Community War Chest became the Community Chest, which continued to function as a major community nonprofit support wing. By 1951, the welfare association, which changed its name to Leon County Associated Charities, moved nearby to the former WPA Building.[21]

---

[17] *Sunday News-Democrat*, “County Health Unit is Geared to New Service,” 18 Aug 1940; *Daily Democrat*, “New Health Unit Structure Opened with Ceremonies,” 19 July 1940.
[18] State Board of Health of Florida, *Thirty-Fifth Annual Report for the Year Ending December 31, 1934* (Jacksonville, FL, 1935), 120, 123.
[19] *Florida Flambeau*, “Dr. Moore Heads Welfare Campaign,” 2 Oct 1942.
[20] *Florida Flambeau*, “Students do Social Work,” 9 Mar 1945.
[21] Hebert, “An Analysis of the Structure, Function, and Procedures of the Leon County Associated Charities, Tallahassee, Florida,” 22-25; R.L. Polk and Company, *Polk’s Tallahassee City Directory 1951* (Richmond, VA: R.L. Polk & Co., 1951), 58.

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Prenatal Care

Nurse examining infant, ca. 1950s
(source: Florida Memory Project)

From its beginnings, the Leon County Health Unit played a major role in providing prenatal care services for the community. During this period, residents predominantly in the rural areas of the state, particularly African Americans, relied on midwives to deliver newborns. Most of the midwives operating in Florida at this time were African Americans. The city of Tallahassee was unusual in that there had been a nursing school for African Americans in full operation since 1904 at Florida A&M College. Despite this, the black midwives, especially in rural areas, had a great deal of interaction with public health nurses outside the school. In 1931, in an effort to decrease infant mortality rates, the state of Florida mandated that midwives operating in the state received certification in order to practice. In response, the State Board of Health established the Institute for Midwives, which was first held at Florida A&M in 1933. In the first institute alone, 234 midwives from 25 counties attended the program. The African American nurse assigned to the LCHU, Irene McGreen, was an important collaborator in this first institute. As an extension of this program, there were classes and demonstrations held for the midwives at the local level, including in Leon County.[22] By the time the Health Unit Building opened in 1941, approximately 65% of the births in the county were still handled by midwives, so outreach and educational efforts directed towards them was a major public health objective for the county health unit.[23] In addition to state law requiring certification, the city of Tallahassee passed a municipal ordinance requiring the city health officer to issue a permit for midwives to operate within city limits. Midwives were also mandated to issue reports to the county health unit after every delivery performed. This gave the health unit strong regulatory power over midwives in the area.[24]

The Leon County Health Unit held weekly clinics for expectant mothers, with clinics held on separate days for white and black women. The service was open to all women in the community who were either pregnant or suspected pregnancy. On their first visit, they were given full medical evaluations and tested for a variety of medical conditions and diseases. The public health nurses also provided health education for the mothers and often provided follow up prenatal and postnatal home visits. This was a level of care that largely did not exist for indigent families in the community prior to the arrival of the county health unit.[25]

[22] Christine Ardalan, "Forging Professional Public Health Nursing in a Southern State: Florida's Public Health Nurses, 1889 to 1934" (PhD. Diss., Florida International University, 2012), 243-247.
[23] *Sunday News-Democrat*, "County Health Unit is Geared to New Service," 18 Aug 1940.
[24] Albert Markovitz, "Organization and Administration of the Leon County Health Unit," (master's thesis, Florida State University, 1955), 75.
[25] Markovitz, "Organization and Administration of the Leon County Health Unit," 74-75.

Florida School Health Program

Schoolchildren receiving polio shots, ca. 1955
(source: Florida Memory Project)

The connection between healthy living in children and their success both in the classroom and in adult life has long been noted by professionals in both the education and public health fields. By the 1930s, efforts were being made to standardize health education and to fully incorporate the local public health agencies within the schools. In 1939, the Florida State Department of Education and the State Board of Health jointly issued a bulletin titled “Florida’s School Health Program,” which was revised in 1943. It broke up the program into three general areas: Healthful School Living, Health Service, and Health Instruction. Healthful School Living involved maintaining a healthy environment for the children and included maintaining sanitary school grounds, encouraging good hygiene, physical education, and providing proper nutrition. Health Service included physical examinations, corrective plans of action accommodating handicapped children, and limiting the spread of communicable diseases. Health Education involved providing proper health instruction to children. In all of these areas, the local health units played a vital role in their implementation, either in an advisory role or through direct action.[26]

The LCHU made education a top priority from its earliest stages. As early as 1933, the unit contacted every school principal in Leon County to discuss the implementation of health programs. They examined over 2,600 children and taught nutritional classes for 550 underweight children. By 1934, the LCHU oversaw the physical examinations of white students in Leon County schools, and were able to identify problems in children, which were primarily dental defects, tonsillitis, hearing problems, and poor eyesight. Similar work for black schools was subcontracted out to black physicians.[27] In 1941, the year the health unit building opened, the LCHU made 781 inspections, 635 examinations, 6 admissions to nursing services, and 200 nursing visits relating to school hygiene.[28]

The local health unit had help in the execution of its school health program from a number of local charities. The Pilot Club, for instance provided audiometers and volunteer examiners to assist the nurses in inspecting children for hearing loss. They also provided hearing aids for children from poor families. The Lions Club provided similar assistance for visually impaired students.[29]

Well Baby Conference

From the beginning, the Leon County Health Unit had an active focus on preventative healthcare for infants and young children. The opening of the building provided the unit with an opportunity to greatly expand its outreach in these areas. The unit had its own Well Baby Conference, which was held once a week. This was a service offered to infants under one year of age whose parents were unable to afford a visit to a pediatrician. Infants received medical checkups and immunization shots by a doctor. They were also screened for nutritional

[26] Florida State Department of Education and Florida State Board of Health, *Florida's School Health Program: Florida Program for Improvement of Schools*, Bulletin No. 4 (Tallahassee, FL, 1943), 8-14.
[27] State Board of Health of Florida, *Thirty-Fifth Annual Report for the Year Ending December 31, 1934* (Jacksonville, FL, 1935), 23-24.
[28] Florida State Board of Health, *Forty-Second Annual Report of the State Board of Health for the Year Ending December 31, 1941* (Jacksonville, FL, 1942), 122.
[29] Markovitz, "Organization and Administration of the Leon County Health Unit," 78.

deficiencies, physical and mental abnormalities, and communicable diseases.[30] The unit also provided health education to mothers, teaching them proper health care for young children and infants.[31]

Venereal Disease Clinic

One of the most important public health objectives of the health unit was the screening and treatment of venereal disease and public education on the subject. In 1941 alone, there were over 14,000 visits to the Leon County Health Unit for venereal disease control.[32] In the early years of the health unit during the 1930s and into the 1940s, effective antibiotic treatment of syphilis was not widely available. As a result, the disease was very difficult to contain and often resulted in permanent disfigurement or death. The disease was exacerbated by the fact it could spread from mother to newborn child, and the mother often showed few signs of infection.[33] The social stigma associated with syphilis and other venereal diseases often discouraged people from getting tested. During World War II in particular, the large influx of servicemen into the state, including in Tallahassee, made venereal disease control especially important. By the mid-1940s, the widespread availability of antibiotics such as penicillin and streptomycin marked a huge turning point in the treatment of bacterial venereal diseases such as syphilis and gonorrhea.[34] By the mid-1950s, the county's Venereal Disease Prevention and Control Center was operating clinics out of the health unit building six days a week. A US Public Health Service surgeon was assigned to the center as was a health field worker, who was tasked with important case finding responsibilities of tracking the potential causes and spread of venereal diseases.[35]

Tuberculosis

One of the earliest priorities of the Leon County Health Unit was combating the spread of tuberculosis. The disease itself was especially problematic in the late 1930s, as it was one of the leading causes of death in the county. It was also a problem across the state, so much so that the State Board of Health created an entire division exclusively focusing on the disease. The Leon County unit was especially proactive in addressing the problem in the community, hosting special clinics, engaging in case finding, making home visits, giving medical referrals, and providing x-rays and medical supplies to those suspected of tuberculosis infection. Working closely with several support organizations such as the Ocklockonee Tuberculosis and Health

[30] T.K. Waering, M.D., "The Well Baby Conference," *Florida Health Notes,* vol. 36, no. 5 (May 1944), 87-88.
[31] Markovitz, "Organization and Administration of the Leon County Health Unit," 75-76.
[32] Florida State Board of Health, *Forty-Second Annual Report of the State Board of Health for the Year Ending December 31, 1941*, 120.
[33] For more information on the history of syphilis, please see: Bruce M. Rothschild, "History of Syphilis," *Clinical Infectious Diseases* vol. 40, no. 10 (May 2005), 1454-1463, https://academic.oup.com/cid/article/40/10/1454/308400/History-of-Syphilis.
[34] R.F. Sondag, M.D., "Venereal Disease Control," in Florida State Board of Health, *48th Annual Report State Board of Health* (Jacksonville, FL, 1947), 10.
[35] Markovitz, "Organization and Administration of the Leon County Health Unit," 70-72.

Association, they were exceedingly effective in helping to significantly reduce infection in the community. In 1941, there were over 4,000 individuals admitted to medical service for tuberculosis in Leon County. By 1950, the number admitted to medical and nursing services dropped to 84. By 1965, the number of active cases fell to 15.[36]

Florida State-Wide Negro Health Committee

In 1942, health education programs amongst the African American community in Florida began through the efforts of the Afro-American and Central Life Insurance companies. The companies provided the funds for the printing of a series of health education pamphlets through Florida A&M College. The companies through their agents began actively promoting health education throughout the communities in which they served, distributing the literature amongst the African American residents. With interest aroused on the subject matter, the Florida Bureau of Health Education arranged for a series of conferences with recognized leaders of the local black communities. In February 1944, on National Social Hygiene Day, over 150 African Americans from around the state met at Bethune-Cookman College to form the State-Wide Negro Health Committee. The State-Wide Negro Health Committee played a major role in the development of health education in black schools in the state. The organization relied heavily on the local health units, utilizing their resources and facilities to help conduct outreach and educate black residents outside of the schools. Margaret L. Blake, who was hired by the State Board of Health as a consultant for their Negro program, served in an advisory capacity for the State-Wide Negro Health Committee.[37]

Leon County Health Department

In 1944, the name of the Leon County Health Unit changed to the Leon County Health Department. After World War II, two major developments took place in Tallahassee that greatly expanded the reach of the local health unit. In addition to the expansion of the former Florida State College of Women into the coed FSU, the hospital facilities for both black and white residents in the city improved. In 1948, Tallahassee Memorial Hospital (TMH) opened. This was followed by the expansion of the medical facility at Florida A&M University, which was elevated to the status of a full hospital in 1951 following the construction of a new 105-bed brick building. Public health in the state also expanded into a number of new fields, including cancer treatment, mental health, and industrial health.

---

[36] Florida State Board of Health, *Forty-Second Annual Report of the State Board of Health for the Year Ending December 31, 1941*, 120; Florida State Board of Health, *Annual Report State Board of Health State of Florida 1950* (Jacksonville, FL, 1951), 45; Florida State Board of Health, *Annual Report State board of Health State of Florida 1965* (Jacksonville, FL, 1966), 139.
[37] Margaret L. Blake, "Introduction to this Issue," *Florida Health Notes*, vol. 36, no. 6 (June 1944), 102-106; Richard V. Moore, "The Organization and Purposes of the State-Wide Negro Health Committee," *Florida Health Notes*, vol. 36, no. 6 (June 1944), 107-109.

Mental Health Program/Human Relations Institute

In 1947, thanks to a grant from the U.S. Public Health Service, the State Board of Health started its Mental Health Program. When the program first started in 1947, there were six county mental health clinics in operation. Among the first six was in Leon County, which started in 1947 but was in full operation in 1948. By this time, the county health department and Florida State University (FSU) formed a collaborative venture known as the Human Relations Institute, which operated the mental health clinic for the county through the Health Unit Building.[38] The clinic consisted of a certified psychiatrist, a clinical psychologist, and a social worker all paid by FSU. The psychologist and social worker oversaw a staff of 9 students from the FSU clinical psychology and social work departments. In addition to receiving regular referrals in Leon County, the staff psychologist also spent three to five days a week in neighboring counties for two months out of the year. By the end of 1948, the nascent mental health clinic saw a total of 207 cases.[39] By 1950, the service area expanded into 13 surrounding counties, accounting for over 1/3 of the total 334 cases seen by the clinic. By this time, the clinic had its own electroencephalograph (EEG), which was moved to Tallahassee Memorial Hospital.[40] As the program expanded, it soon became apparent that it was outgrowing its space in the health unit building.[41] By 1951, the number of cases grew to 414, including out-of-state referrals. By this time, staff from the clinic also held special "sub-clinics" at the Florida Industrial School for Boys in Marianna.[42] As the clinic outgrew its facilities, it moved next door to the former WPA Building at 319 East Gaines Street in 1951, where it would remain until 1965.[43]

Occupational Health/Industrial Hygiene

In 1946, the State Board of Health created the Division of Industrial Hygiene. The division was established as a result of a 1945 state legislative amendment to the Workmen's Compensation Act, which was changed to include occupational diseases. This marked a significant expansion of the preexisting workmen's compensation laws, which up until this point was primarily concerned with compensation for short term injuries. The amended law required the State Board of Health to work with the Florida Industrial Commission to undertake a statewide study of industrial diseases. The study found inadequate measures were being taken to protect workers at risk of

---

[38] Lowell S. Selling, M.D., "Mental Health Program," in Florida State Board of Health, *48th Annual Report State Board of Health State of Florida: 1947* (Jacksonville, FL, 1948), 88-89.
[39] Frances E.M. Read, M.D., "Mental Health Program," in Florida State Board of Health, *Florida State Board of Health 49th Annual Report* (Jacksonville, FL, 1949), 84-85.
[40] An EEG is a machine used to measure electrical activity in the brain.
[41] Florida State Board of Health, "Mental Health Program," in *Florida State Board of Health 1950 Annual Report* (Jacksonville, FL, 1951), 164-165.
[42] Florida State Board of Health, "Mental Health Program," in *Florida State Board of Health 1951 Annual Report* (Jacksonville, FL, 1952), 190-191.
[43] R.L. Polk & Company, *Polk's Tallahassee City Directory 1951* (Richmond, VA: R.L. Polk & Co., 1951), 58.

developing industrial diseases, especially in the phosphate, citrus, and cigar industries. Although the responsibility of managing the program remained with the industrial commission, the Division of Industrial Hygiene played an important advisory role. The duties of the division expanded into conducting surveys and inspections of industrial plants. The division often relied upon the sanitarians in the local health units such as Leon County to help in their inspections.[44]

Cancer Control Program

By the 1940s, public health concerns expanded into cancer detection and prevention measures. In 1947, the State Board of Health officially established the Cancer Control Program. The program quickly grew from just over 300 examinations in 1947 to over 1,149 by the end of 1949. By 1950, a local cancer control clinic known as the Leon County Tumor Clinic was opened in the city of Tallahassee. The clinic was based out of Tallahassee Memorial Hospital and by 1951 was fully certified as a cancer treatment center. It serviced a 19-county area. It was operated as a joint venture between the State Board of Health and the Florida Division of the American Cancer Society. Its establishment was a significant milestone in cancer treatment for the area. The clinic marked the beginning of active local and state government participation in the fight against cancer in Tallahassee. By 1955, the clinic had its own director and secretary as well as a certified pathologist. The clinic was established for indigent cancer patients. It relied heavily on local doctors who provided their services free of charge. The State Board of Health, operating through the Leon County Health Department, was responsible for payments of fees for x-rays, laboratory work, surgeries, radium treatments, and hospital bills. The Board also covered the salary of the secretary. The American Cancer Society provided funding for the administrative expenses of the clinic. Surgery or inpatient care was handled by TMH for white patients and FAMU Hospital for African American patients.[45]

Tallahassee Polio Epidemic, 1954

Perhaps the biggest health scare that struck the city of Tallahassee during the health department’s tenure in the Health Unit Building was in August 1954, when a polio epidemic struck the city. Between August and October of that year, there were 784 cases of polio in Leon County alone. The disease branched out into the surrounding areas as well, as Florida recorded over 1,700 cases of polio, the most ever reported in the state. The sudden influx of polio patients overwhelmed TMH, which sought help from the National Foundation for Infantile Paralysis. Although most of the activity in treating the patients took place at TMH, it was Dr. Joseph Bistowish, the director of the Leon County Health Department, who took the lead in coordinating public health efforts and educating the public on polio. For his efforts, he was awarded a distinguished service award by the Tallahassee

---

[44] H.N. Doyle, “Industrial Hygiene,” in *47th Annual Report State Board of Health, State of Florida: 1946* (Jacksonville, FL, 1947), 22-23.
[45] Markovitz, “Organization and Administration of the Leon County Health Unit,” 87-89.

Junior Chamber of Commerce.[46] In the absence of a proper vaccine, the health agencies depended on gamma globulin, which did not cure polio but rather halted the spread of blood infections. The disease that struck Tallahassee was rather unusual in that there were no deaths reported and most of those afflicted were adults. This outbreak would become one of the last to occur in the United States, as the polio vaccine discovered by Jonas Salk became widely available the following year. The Leon County Health Department would become an important source of polio vaccinations in the city shortly afterwards.[47] By 1965, polio was completely eradicated from Leon County.

Health Unit/Health Department Building 1945-1965

When the Health Unit Building was constructed in the early 1940s, it was considered a model building for a local health unit in the state. In a 1945 report on the conditions of health unit buildings across the state, the Leon County Health Unit Building was classed among the top six in terms of adequacy of size and accommodations.[48] After World War II, however, as the health department's responsibilities expanded and the population in Leon County grew, it quickly outgrew the building. By 1951, the Leon County Welfare Association and the Human Relations Institute relocated next door to the former WPA Building. The Sanitation Department also left the building by the 1950s. Due to the shortages of space, the department was often forced to conduct classes and large meetings offsite.[49] By the 1960s, the Sanitation Department and mental health clinic, which remained under the administrative control of the health department, outgrew their respective spaces. The 1965 city directory is the last in which the health department is shown as occupying the health unit building. By 1967, the county health department moved to 2965 Municipal Way, where it currently remains. The Health Unit Building was turned over to the state that same year.[50]

[46] Florida State Board of Health, "Bureau of Local Health Service," in *Annual Report State Board of Health State of Florida: 1954* (Jacksonville, FL, 1955), 32.
[47] Florida State Board of Health, "Bureau of Preventable Diseases," in *Annual Report State Board of Health State of Florida: 1954* (Jacksonville, FL, 1955), 63-64; Jason Dehart, "The 'Polio Team' of 1954," *Tallahassee Magazine* (March-April 2010); Gerald Ensley, "60 Years Ago, Polio Paralyzed Tallahassee," *Tallahassee Democrat*, November 18, 2014.
[48] Florida State Board of Health, "Health Buildings Listed in Three 'Condition' Groups," *Florida Health Notes* vol. 37, no. 3 (March 1945), 52.
[49] Markovitz, "Organization and Administration of the Leon County Health Unit," 63-64.
[50] Gerlad Ensley, "Proposed Development May Save Old Jail – or Not," *Tallahassee Democrat*, January 21, 2017; R.L. Polk & Company, *Polk's Tallahassee City Directory 1965* (Richmond, VA: R.L. Polk & Co., 1965), 98.

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Section number 8 Page 18

Leon County Health Unit Building
Tallahassee, Leon County, FL

Florida Division of Child Training Schools/Division of Youth Services 1967-1971

Photo of Health Unit Building during tenure as Division of Youth Services headquarters, circa 1969
(source: Florida Memory project)

Starting in 1967, the building served as both the regional and central offices for the Florida Division of Child Training Schools (FDCTS) After-Care Program. The FDCTS had administrative responsibilities over juvenile detention facilities and reform schools in the state. The goal of the after-care program was to both provide supervision over children furloughed from these programs and to help in their transition back to society after their release, serving as juvenile parole program. Prior to the creation of the FDCTS in 1957, there was little to no centralization of services for juvenile delinquents, who were often forced before adult criminal courts. The FDCTS was originally based in the Florida Industrial School for Boys in Marianna, later renamed the Arthur G. Dozier School for Boys. The FDCTS became the Florida Division of Youth Services (DYS) in September 1967 and soon moved the central office for the entire division into the Health Unit Building. In 1969, the DYS was incorporated as its own division within the newly established Department of Health and Rehabilitative Services

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

(HRS). During this time, the DYS was under the leadership of Oliver J. Keller, who would later go on to serve as the head of HRS.[51]

During its brief tenure in the Health Unit Building, the DYS accomplished a number of important goals. One of the founding principles of DYS was to provide more efficient and effective rehabilitation services for juvenile offenders. In its first year of existence, the DYS founded the Walter S. Criswell House in Tallahassee, the first state-funded halfway house in Florida. This house, which was open to boys, was a rehabilitation facility that utilized guided group therapy techniques. There was a growing realization that the isolation and often rough atmosphere of the training schools clearly did not work for many, if not most, of the children sentenced for lesser crimes such as running away or truancy. Emphasis was placed on opening group therapy facilities around the state designed to keep children closer to their friends and family at home. To manage this transition, the Department of Group Treatment, which operated out of the Health Unit Building, was created. The novelty of the Criswell House drew university attention. The first intern formally trained in guided group therapy techniques came from Florida A&M University and the first thesis written on the topic in Florida was produced by a graduate student from the University of Florida. The use of corporal punishment was also abolished in all juvenile detention facilities at this time, as was the notorious farm work going on at the Dozier School in Marianna.[52]

Another major project undertaken by the DYS in its early years was overseeing the full integration of juvenile detention facilities in the state. Unequal treatment and facilities for African American youth offenders had long been a problem throughout the south, including in Florida. After years of delays, by the late 1960s the state of Florida began implementation of long overdue integration initiatives across all levels of government. At this time, there were four juvenile detention facilities in the state: the Florida School for Boys at Marianna, the Florida School for Boys at Okeechobee, the Florida School for Girls at Ocala, and the Florida School for Girls at Forest Hill. Although both boys' schools accepted black and white children, they were kept segregated in the facilities. The girl's school at Ocala was whites only and the Forest Hill "school" was really a program run through the state women's prison, Lowell Women's Prison, where black girls were housed. The process of desegregation of juvenile detention facilities began in the late 1960s and was largely complete, at least officially, by 1970.[53] By 1971, the DYS moved into the Florida Bank and Trust Building.[54]

---

51 Division of Child Training Schools, *Florida Statutes,* Chapter 965.01(2) (1963); "United States Parole Commission," in Jimmy Carter, *Public Papers of the Presidents of the United States: Jimmy Carter*, *1978* (Washington, DC: GPO, 1979), 1083.
52 Florida Division of Youth Services, *First Annual Report Division of Youth Services* (Tallahassee, FL, 1968), 7, 11-13, 16-20, 22-25.
53 O. J. Keller, Jr., letter to P.A. Pacyna, March 27, 1970, https://www.clearinghouse.net/chDocs/public/JI-FL-0001-0027.pdf; Florida Division of Youth Services, *First Annual Report Division of Youth Services*, 19; Allen W. Imershein, Mary K. Pugh Mathis, and C. Aaron McNeese, *Who Cares About the Children? A Case Study of Policies and Practices* (Dix Hills, NY: General Hall, Inc., 1995), 89-90.
54 Florida Sheriff's Association, "Directory of State Agencies," *The Sheriff's Star* vol. 15, no. 1 (March 1971), 33.

Historic Context – Bloxham Annex Building, 1971-present

Following the departure of DYS, the Health Unit Building began a long and varied career as a general purpose state office building. By this time, the Florida Department of State had taken over the nearby former Leon County Jail, which was renamed the Bloxham Building. The adjacent former WPA Building was also taken over by the state. The Health Unit Building was used as office space for the Florida Department of General Service, the Florida Department of State, the Florida Department of Legal Affairs, and the Florida Inspector General's Office among others. By the late 1990s, the building fell vacant although it remained under state control. In 2015, the state officially sold the land which included the former Leon County Jail, the Health Unit Building, and the WPA Building to the City of Tallahassee's Community Redevelopment Agency, who currently own all three buildings.[55]

Criterion B – Dr. Leander Johnson Graves

The person perhaps most associated with the development of public health in Leon County in its early years was Dr. Leander J. Graves (1882-1965). A native of Alabama, Dr. Graves graduated from Birmingham Medical College in 1910. He was involved with public health as early as 1906, serving as a field agent for the U.S. Public Health Service (USPHS) in Scottsboro, Alabama. By the 1920s, he was the health officer for Franklin County, Alabama, a position he held before arriving in Tallahassee. In addition to serving as the first city and county health officer for Tallahassee and Leon County and director of the County Health Unit from 1931 until 1943, Dr. Graves was also for a leader in the Florida Public Health Association, serving as president in 1941 and vice president in 1938. It was largely through his initiative or leadership that some of the most important local public health programs, such as school health, mosquito control, tuberculosis, maternal health, venereal disease control, health education, sanitation, and preschool health, were either implemented or expanded in Leon County.

Dr. Graves was particularly active in school health, mosquito control, and the fight against tuberculosis. Years before school health as a collaboration between the schools and the State Board of Health was an official state policy, the Leon County Health Unit actively sought out and worked with the local school district as early as 1931. It was largely through initiatives either implemented or expanded under his leadership that reported cases of malaria and tuberculosis dropped considerably in the county. Shortly after stepping down as director of the county health unit, Dr. Graves was named Director of the Florida Crippled Children's Commission (FCCC), which at the time was based in the state capital building. The FCCC was an important public health organization in its own right, providing services for children with congenital and orthopedic deformities that

[55] R.L. Polk & Company, *Polk's Tallahassee City Directory 1972* (Richmond, VA: R.L. Polk & Co., 1972), 128; R.L. Polk & Company, *1975 Tallahassee City Directory* (Richmond, VA: R.L. Polk & Co., 1975), 84; R.L. Polk & Company, *1979 Tallahassee City Directory* (Richmond, VA: R.L. Polk & Co., 1979), 98.

included case finding, diagnosis, treatment, and aftercare services. In 1950, Dr. Graves retired as director of the FCCC. He died in Tallahassee in 1965.[56]

Although he was director of the unit for only two years while it occupied the building, the Health Unit Building is the most significant resource connected to the professional life of Dr. Graves. The construction of the building itself was one of the most significant achievements during his tenure. The building allowed for the expansion of the health unit's programs under Dr. Graves, most notably its various clinics opened for prenatal and postnatal care, preschool care, immunizations, venereal diseases, and school health. There are two known buildings that housed the LCHU prior to its arrival in the health unit building: the Demetree Building at 120 East Jefferson Street and the old Leon County High School Building. The Demetree Building, which was the original home of the LCHU, still stands and retains a high degree of integrity. The unit only stayed in this building briefly, however, and much of their work was offsite due to space limitations as they only occupied three rooms in the building. By the mid-1930s, the unit moved to the basement of the old Leon County High School, which has since been demolished and replaced by the LeRoy Collins Leon County Public Library. There were two other locations identified as the homes of the unit: "the Myers home on North Monroe" and a metal building near the old county jail at the corner of Gaines and Meridian streets which has since been demolished. The "Myers home" is possibly the home of Florrie M. Myers listed as residing on 423 North Monroe Street but it is not exactly certain. The FCCC, although a statewide organization with administrative offices in Tallahassee, did not have a large active presence in Tallahassee until district offices were established in the adjacent WPA Building in 1950. Hence, the Health Unit Building represents Dr. Graves' most significant direct work in the city.

Architectural Significance

The Leon County Health Unit Building is a locally significant example of Art Moderne architecture. The building features a smooth stucco exterior, flat roof, horizontal lines, independent flat cantilevered roofs over the rear and side entrance, and porthole shaped moldings, all character defining features of the Art Moderne Style. The building also displays some features of the Art Deco Style, including the prominent decorative vertical protrusion from the main façade and geometrical moldings above the windows and in the walls. The building itself lacks the glass block fenestration and rounded edges commonly found in the Art Moderne Style but still retains enough essential characteristics.

---

[56] Albert Burton Moore, *History of Alabama and Her People* vol. II (Chicago: The American Historical Society, Inc., 1927), 296; U.S. Public Health Service, "Studies and Demonstrations in Rural Sanitation," in *Official List of Commissioned and other Officers of the United States Public Health Service* (Washington, DC: USGPO, 1922), 38; *Florida Health Notes*, "Leon County Unit Established," 35; *Tallahassee Democrat*, "Dr. L.J. Graves Dead at 83; Headed FCCC," April 11, 1965.

The health unit building is one of only three Art Moderne buildings still standing in downtown Tallahassee. The other two are the adjacent former Leon County Jail and the former WPA Building. The Leon County Jail has been heavily altered, and therefore is not considered eligible for listing in the National Register. The former WPA Building is also being listed on the National Register as an individual listing. Although the two buildings were both built by the WPA and are adjacent to each other and also share a similar history as one-time homes of the county mental health clinic and the county welfare office, they have both assumed significance in their own right to warrant individual listing. There is also not enough of a concentration beyond the two buildings to warrant a district listing.

Primary Sources

Blake, Margaret L. "Introduction to this Issue," *Florida Health Notes*, vol. 36, no. 6 (June 1944), 102-106.

Daily Democrat, "New Health Unit Structure Opened with Ceremonies," 19 July 1940.

Division of Child Training Schools, *Florida Statutes*, Chapter 965.01(2) (1963).

Doyle, H.N. "Industrial Hygiene," in *47th Annual Report State Board of Health, State of Florida: 1946.* Jacksonville, FL, 1947, 22-23.

Florida Division of Youth Services. *First Annual Report Division of Youth Services*. Tallahassee, FL, 1968.

Florida Flambeau. "College Joins Social Workers," 18 Aug 1939.

_______. "Dr. Moore Heads Welfare Campaign," 2 Oct 1942.

_______. "Inspection of Welfare Units Made by Class," 12 Oct 1934.

_______. "Students do Social Work," 9 Mar 1945.

Florida Health Notes. "Leon County Unit Established," vol. 23, no. 1 (January 1931), 35.

_______. "What are County Health Departments and Units?" vol. 38, no. 5 (May 1946), p. 88-96.

Florida Sheriff's Association. "Directory of State Agencies," *The Sheriff's Star* vol. 15, no. 1 (March 1971), 33.

Florida State Department of Education and Florida State Board of Health. *Florida's School Health Program: Florida Program for Improvement of Schools*, Bulletin No. 4. Tallahassee, FL, 1943.

Florida State Board of Health. "Bureau of Local Health Service," in *Annual Report State Board of Health State of Florida: 1954.* Jacksonville, FL, 1955, 32.

_______. "Bureau of Preventable Diseases," in *Annual Report State Board of Health State of Florida: 1954*. Jacksonville, FL, 1955, 63-64.

_______. *Forty-Second Annual Report of the State Board of Health for the Year Ending December 31, 1941*. Jacksonville, FL, 1942.

_______. "Health Buildings Listed in Three 'Condition' Groups." *Florida Health Notes* vol. 37, no. 3 (March 1945), 52.

_______. "Mental Health Program," in *Florida State Board of Health 1950 Annual Report.* Jacksonville, FL, 1951, 164-165.

_______. "Mental Health Program," in *Florida State Board of Health 1951 Annual Report.* Jacksonville, FL, 1952, 190-191.

Graves, L.J. "No Deaths from Malaria Reported in Leon County," *Florida Health Notes*, vol. 32, no. 3 (March 1940), 39.

Hebert, Paul F. "An Analysis of the Structure, Function, and Procedures of the Leon County Associated Charities, Tallahassee, Florida." Master's thesis, Florida State University, 1952.

Keller, O.J., Jr. Letter to P.A. Pacyna, March 27, 1970, https://www.clearinghouse.net/chDocs/public/JI-FL-0001-0027.pdf.

Markovitz, Albert. "Organization and Administration of the Leon County Health Unit." Master's thesis, Florida State University, 1955.

Moore, Albert Burton. *History of Alabama and Her People* vol. II. Chicago: The American Historical Society, Inc., 1927.

Moore, Richard V. "The Organization and Purposes of the State-Wide Negro Health Committee," *Florida Health Notes*, vol. 36, no. 6 (June 1944), 107-109.

Read, Frances E.M., M.D. "Mental Health Program," in Florida State Board of Health, *Florida State Board of Health 49th Annual Report.* Jacksonville, FL, 1949, 84-85.

R.L. Polk & Company. 19*75 Tallahassee City Directory*. Richmond, VA: R.L. Polk & Co., 1975.

_______. *1979 Tallahassee City Directory*. Richmond, VA: R.L. Polk & Co., 1979.

_______. *Polk's Tallahassee City Directory 1951.* Richmond, VA: R.L. Polk & Co., 1951.

_______. *Polk's Tallahassee City Directory 1965.* Richmond, VA: R.L. Polk & Co., 1965.

_______. *Polk's Tallahassee City Directory 1972.* Richmond, VA: R.L. Polk & Co., 1972.

Selling, Lowell S., M.D. "Mental Health Program," in Florida State Board of Health, *48th Annual Report State Board of Health State of Florida: 1947*. Jacksonville, FL, 1948, 88-89.

Sondag, R.F., M.D. "Venereal Disease Control," in Florida State Board of Health, *48th Annual Report State Board of Health.* Jacksonville, FL, 1947, 10.

State Board of Health of Florida. "An Act to Provide for the Appointment of County Boards of Health in and for the Several Counties of the State of Florida," *First Annual Report of the State Board of Health of Florida.* Jacksonville, FL, 1890, 65-67.

_______. *Report of the Board of Health of the State of Florida for the Years 1895 and 1896.* Jacksonville, FL, 1897.

State Board of Health of Florida. *Thirty-Fourth Annual Report for the Year Ending December 31, 1933.* Jacksonville, FL, 1934.

State Board of Health of Florida. *Thirty-Fifth Annual Report for the Year Ending December 31, 1934.* Jacksonville, FL, 1935.

Sunday News-Democrat. "County Health Unit is Geared to New Service," 18 Aug 1940.

Tallahassee Democrat. "Dr. L.J. Graves Dead at 83; Headed FCCC," April 11, 1965.

U.S. Public Health Service. *Official List of Commissioned and other Officers of the United States Public Health Service.* Washington, DC: USGPO, 1922.

Waering, T.K., M.D. "The Well Baby Conference." *Florida Health Notes*, vol. 36, no. 5 (May 1944), 87-88.

Secondary Sources

Ardalan, Christine. "Forging Professional Public Health Nursing in a Southern State: Florida's Public Health Nurses, 1889 to 1934." PhD. Diss., Florida International University, 2012.

Bigler, Bill, and Davis D. Janowski. *Florida's Public Health Heritage.* Tallahassee, FL: Florida Health, 2016.

Bigler, William J. "Public Health in Florida – Yesteryear," *Florida Journal of Public Health* vol. 1, no. 3 (May 1989) [reprint] http://www.fpha.org/resources/Documents/public%20health%20in%20florida-yesteryear.pdf.

Carter, Jimmy. *Public Papers of the Presidents of the United States: Jimmy Carter, 1978*. Washington, DC: GPO, 1979.

Dehart, Jason. "The 'Polio Team' of 1954," *Tallahassee Magazine* (March-April 2010).

_______. "Yellow Fever was the Scourge of Tallahassee and Surrounding Towns in 1841," *Tallahassee Magazine* (July-August 2011), http://www.tallahasseemagazine.com/July-August-2011/Historicity.

Ensley, Gerald. "60 Years Ago, Polio Paralyzed Tallahassee," *Tallahassee Democrat*, November 18, 2014.

_______. "Proposed Development May Save Old Jail – or Not," *Tallahassee Democrat*, January 21, 2017.

Imershein, Allen W., Mary K. Pugh Mathis, and C. Aaron McNeese. *Who Cares About the Children? A Case Study of Policies and Practices*. Dix Hills, NY: General Hall, Inc., 1995.

Miller, Barbara Elizabeth. "Tallahassee and the 1841 Yellow Fever Epidemic." Master's thesis, Florida State University, 1976.

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Section number 10 Page 1

Verbal Boundary Description

The boundary encompasses a portion of lot 31 of parcel number 21-36-25-0000 in the Leon County Property Appraiser's records. Please see accompanying map.

Boundary Justification

The boundary encompasses the land historically associated with the Leon County Health Unit Building.

NPS Form 10-900-a
(8-86)

OMB Approval No. 1024-0018

United States Department of the Interior
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES CONTINUATION SHEET

Photographs

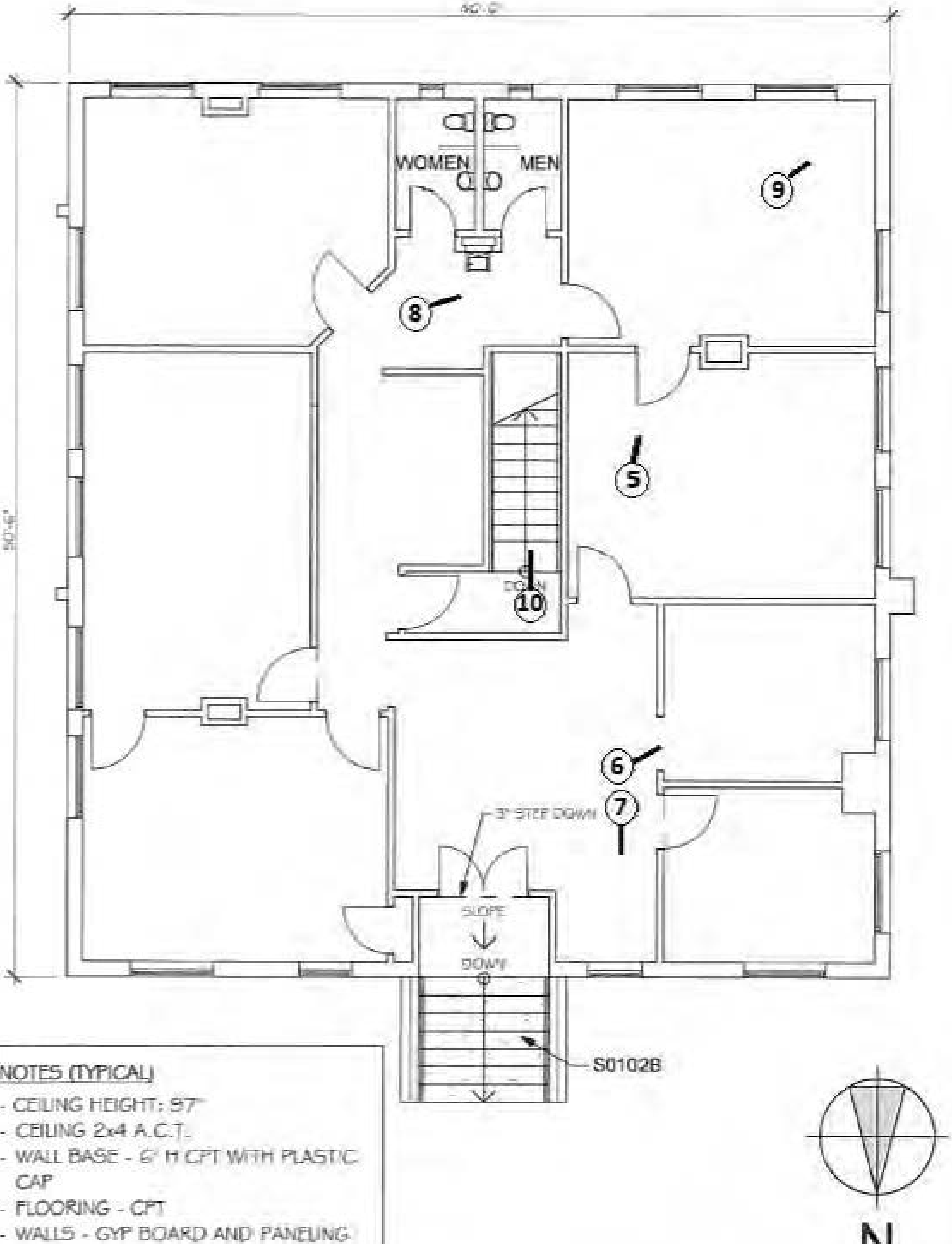
Name of Property: Leon County Health Unit Building

City of Vicinity: Tallahassee County: Leon State: Florida

Photographer: Andrew Waber Date Photographed: 2017

Description of Photograph(s) and number, including description of view indicating direction of camera.

1. Main (north) façade, facing south
2. Detail view of cornerstone, facing southwest
3. East elevation, facing west
4. South (rear) elevation, facing north
5. Interior view of first floor room, facing south
6. Interior view of first floor room, facing southwest
7. Interior view of first floor lobby, facing north
8. Interior view of first floor public restrooms, facing southwest
9. Interior view of first floor southwest corner room, facing southwest
10. Interior view of central staircase, facing south
11. Interior view of ground floor room, facing southwest
12. Interior view of ground floor corridor, facing south
13. Interior view of east entrance door, facing northeast
14. Interior view of ground floor southwest corner room, facing southwest



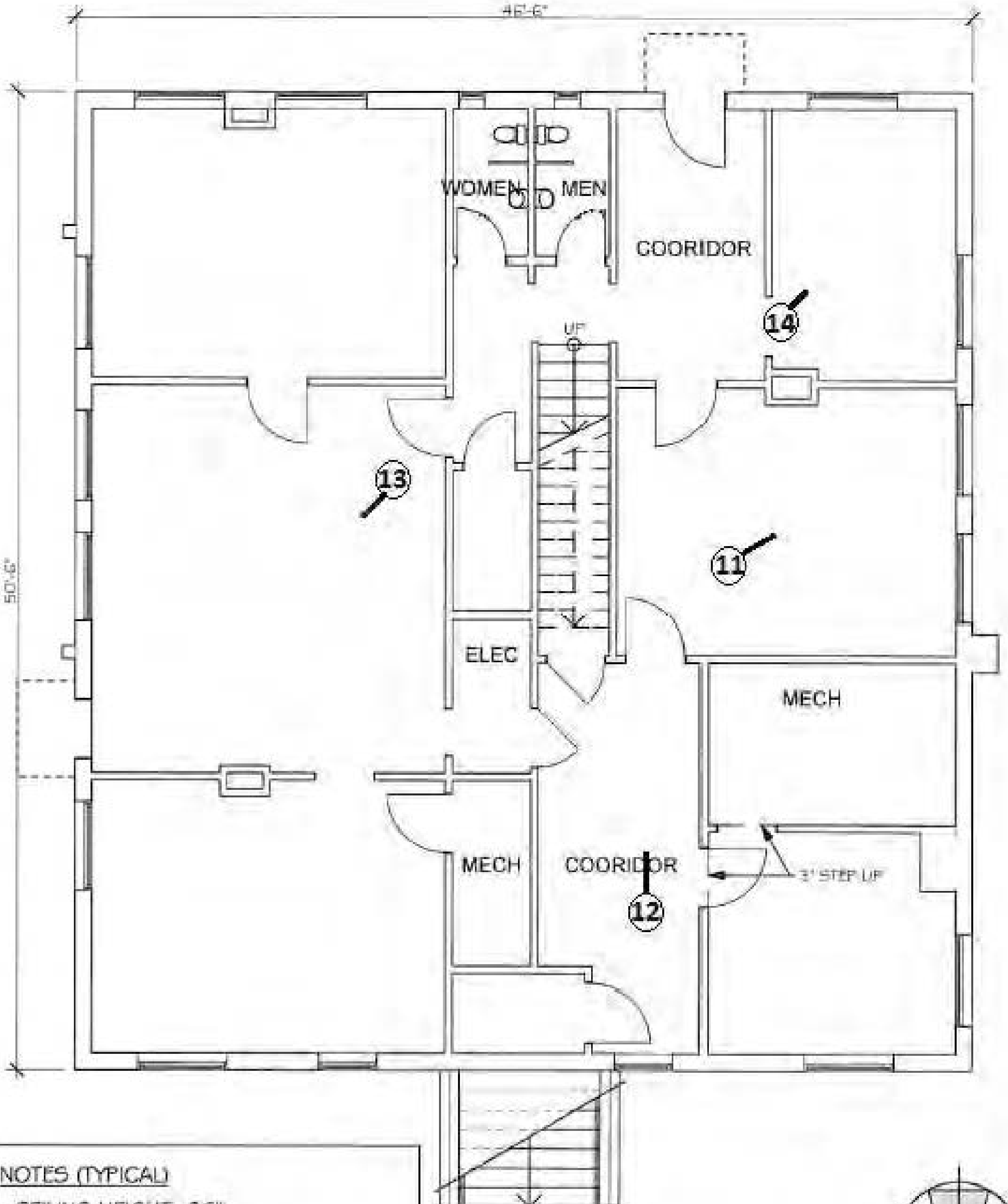
NOTES (TYPICAL)
- CEILING HEIGHT: 97"
- CEILING 2x4 A.C.T.
- WALL BASE - 6" H CPT WITH PLASTIC CAP
- FLOORING - CPT
- WALLS - GYP BOARD AND PANELING

FIRST FLOOR PLAN

1
A.2

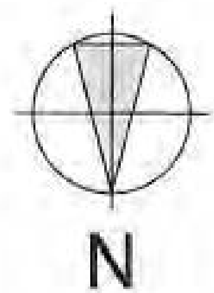
SCALE: 1/8" = 1'-0"

0 4' 8' 16'



NOTES (TYPICAL)

- CEILING HEIGHT: 86"
- CEILING 2x4 A.C.T.
- WALL BASE - 6" H CPT WITH PLASTIC CAP
- FLOORING - CPT, VINYL, CONCRETE
- WALLS - GYP BOARD AND PANELING

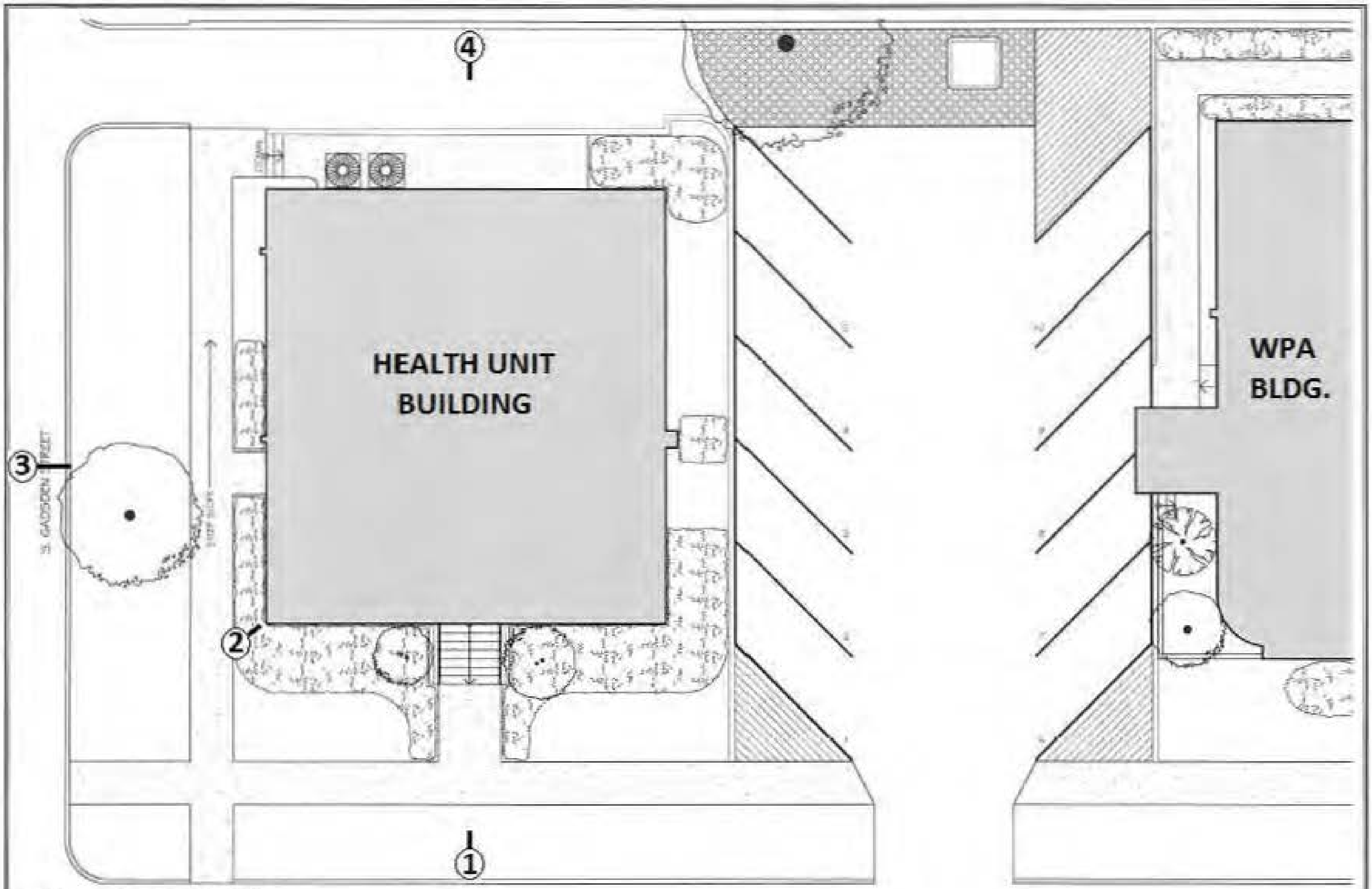


1
A.2

BASEMENT FLOOR PLAN

SCALE: 1/8" = 1'-0"

0 4' 8' 16'



1
A.1
SITE PLAN
SCALE: 3/32" = 1'-0"

Leon County Health Unit Building

325 East Gaines Street
Tallahassee, Leon Co., FL

UTM:
16R 761379 3370171

Latitude: 30.4353
Longitude: -84.2785

Datum: WGS84

Legend

Proposed National Register Boundary

Date: 9/1/2017

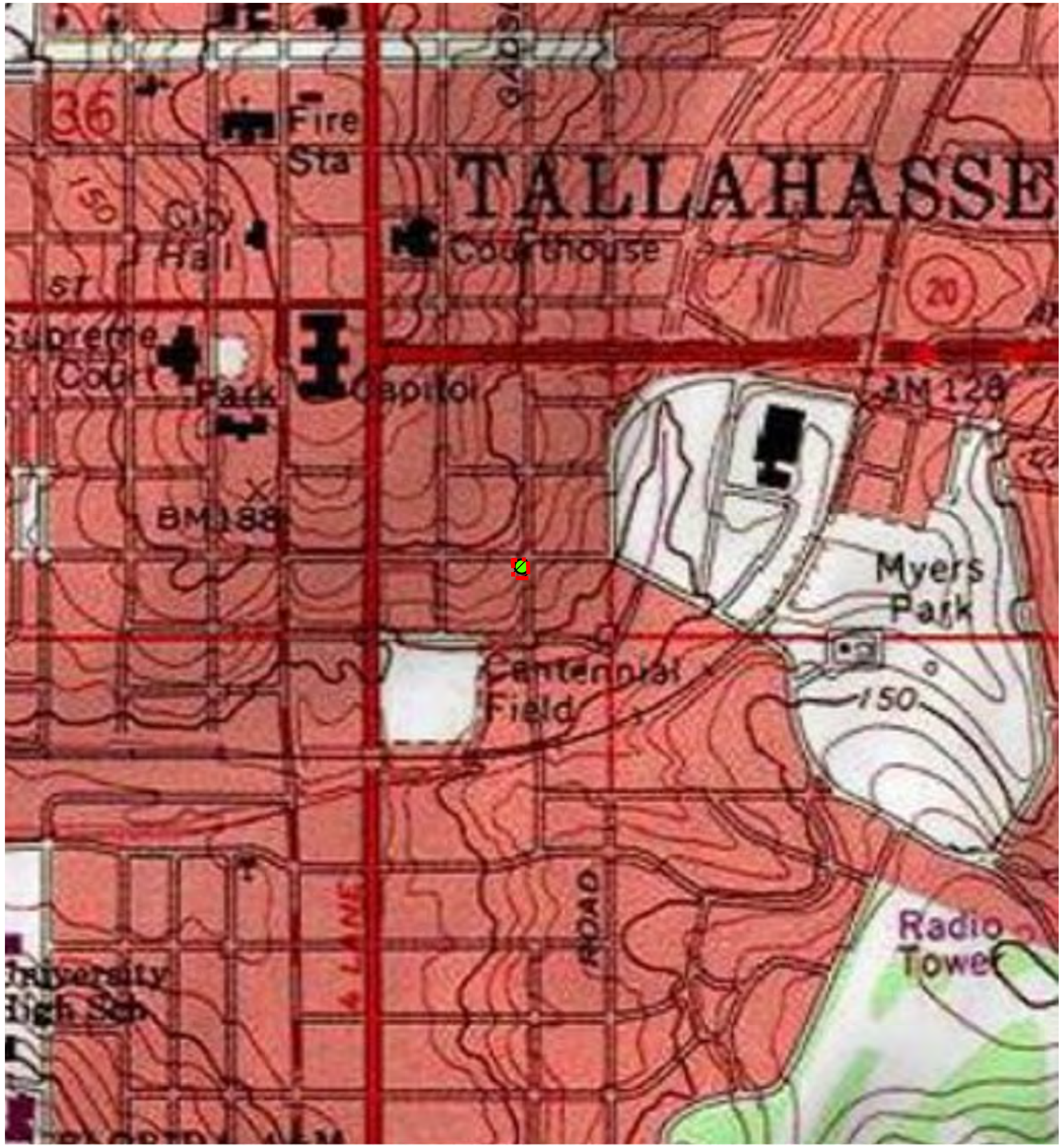
1:10,000

N

0 425 850 1,700 Feet

0 105 210 420 Meters

Basemap Source: Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



Leon County Health Unit Building

325 East Gaines Street
Tallahassee, Leon Co., FL

UTM:
16R 761379 3370171

Latitude: 30.4353
Longitude: -84.2785

Datum: WGS84

Legend

Proposed National Register Boundary

Date: 9/1/2017

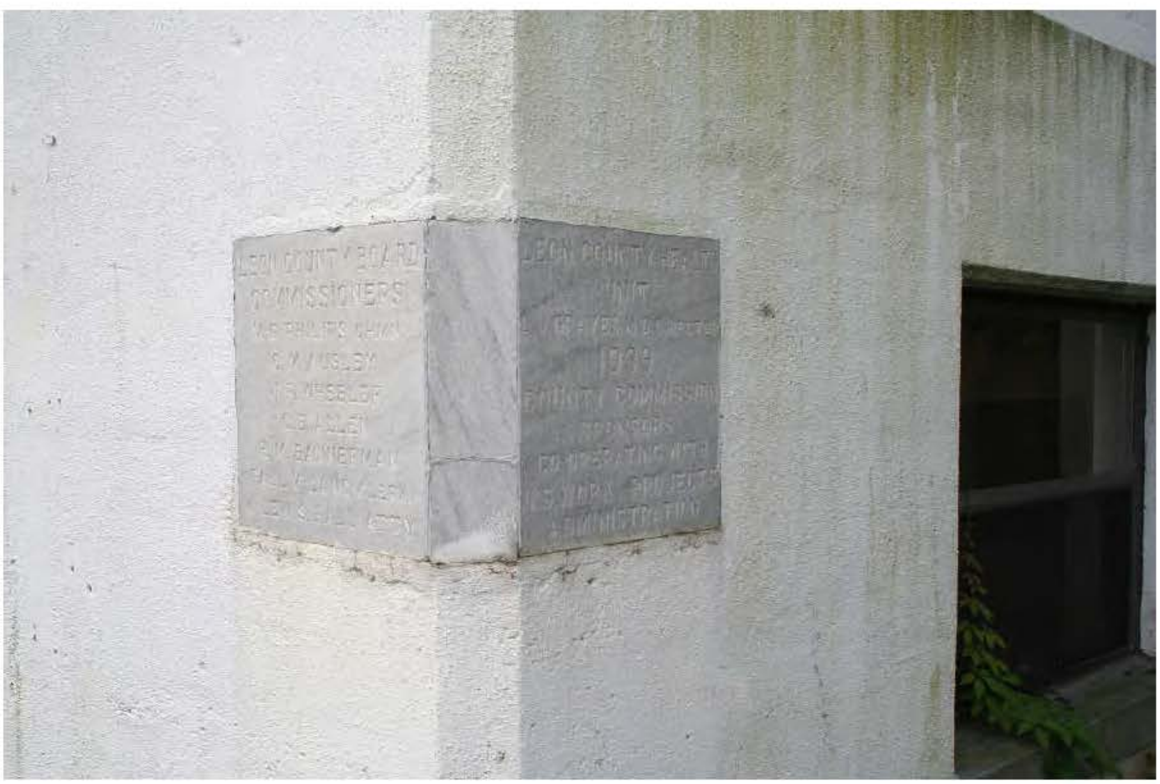
1:1,000

N

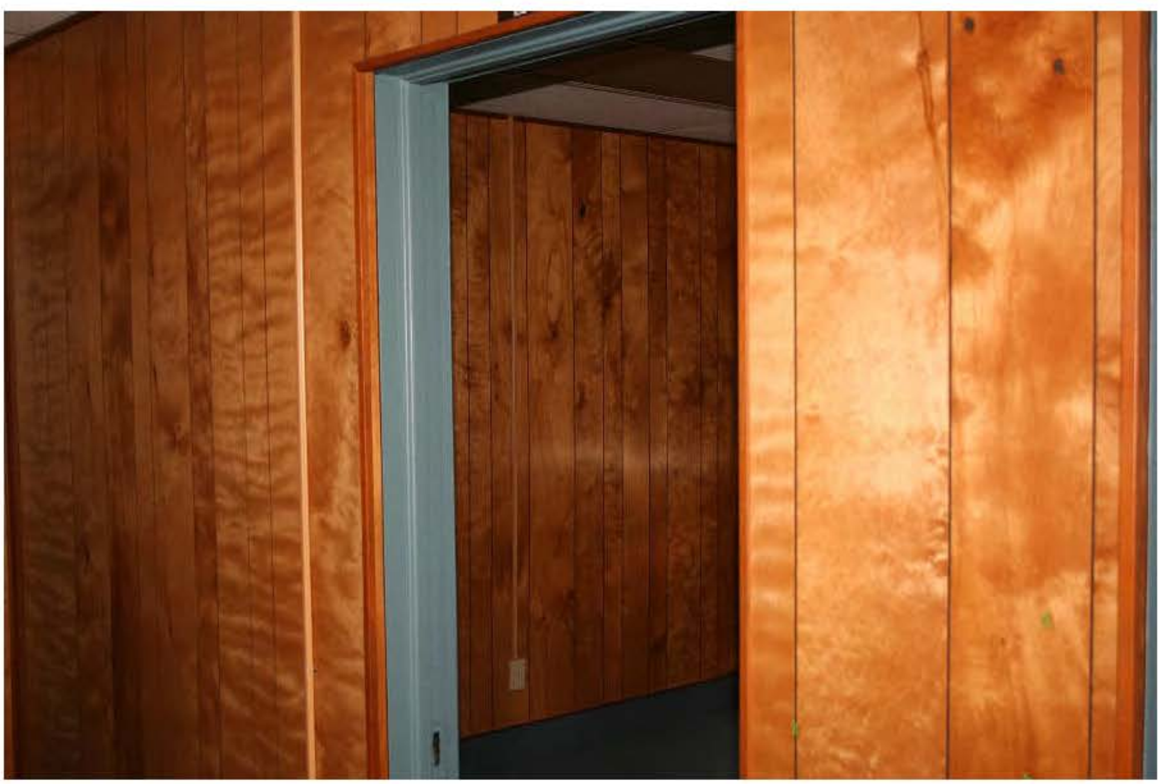
0 40 80 160 Feet

0 10 20 40 Meters

Basemap Source: Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community


LEON COUNTY BOARD
COMMISSIONERS
UNIT
SPONSORS


WRONG
WAY




EXIT


WOMEN


EXIT


EXIT

CITY OF TALLAHASSEE

Agenda Item Details

Meeting	Nov 09, 2017 - CRA Board Meeting
Category	7. Both Districts Policy Formation and Direction
Subject	7.01 Board Direction on March 2018 CRA Board Workshop -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Recommended Action	Option 1: Confirm Proposed CRA Board Workshop Time and Date. Option 2: Provide CRA staff direction on discussion items for March 2018 CRA Board Workshop.

Public Content

For more information, please contact: Roxanne Manning, Tallahassee CRA, (850)891-8353

Statement of Issue

At the September 25, 2017 CRA Board meeting, Board members requested a CRA Board Workshop, to be scheduled in early 2018. Staff has identified 9:30 AM, Thursday, March 22, 2018 for the potential workshop. To ensure a relevant and impactful workshop, CRA staff is requesting Board direction on preferred workshop subjects. In order to facilitate the Board's decision-making process, staff has identified several potential subjects, as follows:

1. Update on GFS District Investment Plan Programs and Projects,
2. Measuring CRA Impact within the GFS District,
3. Discussion of Affordable Housing Options for the GFS District,
4. Discussion on the "Block by Block" Approach to Redevelopment,
5. Review of Standards and Processes for Large and Small Projects,
6. The Revised GFS Redevelopment Plan,
7. The Impact of Recent and Anticipated Legislative Actions and CRA Board Decisions.

Following today's Board deliberation, please provide staff with a list of topics for research, presentation, and discussion.

Recommended Action

Option 1: Confirm proposed CRA Board workshop time and date.
Option 2: Provide CRA staff direction on discussion items for March 22, 2018 CRA Board Workshop.

Fiscal Impact

There is no fiscal impact at this time.

Supplemental Material/Issue Analysis

History/Facts & Issues

At the September 25, 2017 CRA Board meeting, Board members requested a CRA Board Workshop, to be scheduled in early

2018. Staff has identified 9:30 AM, Thursday, March 22, 2018 for the potential workshop. Staff suggests that the workshop last for approximately 4 hours and contain a maximum of 3 - 4 subjects for discussion and action. To ensure a relevant and impactful workshop, CRA staff is requesting direction on workshop subjects. To facilitate the Board's decision making process, staff has identified several potential subjects, as follows:

1. Update on GFS District Investment Plan Programs and Projects,
2. Measuring CRA Impact within the GFS District,
3. Discussion of Affordable Housing Options for the GFS District,
4. Discussion on the "Block by Block" Approach to Redevelopment,
5. Review of Standards and Processes for Large and Small Projects,
6. The Revised GFS Redevelopment Plan,
7. The Impact of Recent and Anticipated Legislative Actions and CRA Board Decisions.

Following today's Board deliberation, please provide staff with a list of topics for research, presentation, and discussion.

Options

1. Confirm Proposed CRA Board Workshop Time and Date.
2. Provide CRA staff direction on subjects for the proposed March 2018 CRA Board Workshop.
3. Provide alternate direction to staff regarding the workshop.

Attachments/References

None