

# **City of Gainesville**

*City Hall  
200 East University Avenue  
Gainesville, Florida 32601*



## **Meeting Agenda**

**April 18, 2005**

**3:00 PM**

**City Hall Auditorium**

## **Community Redevelopment Agency**

*Craig Lowe (Chair)  
Rick Bryant (Vice Chair)  
Ed Braddy (Member)  
Chuck Chestnut (Member)  
Tony Domenech (Member)  
Pegeen Hanrahan (Member)  
Warren Nielsen (Member)*

*Persons with disabilities who require assistance to participate in this meeting are requested to notify the Equal Opportunity Department at 334-5051 or call the TDD phone line at 334-2069 at least 48 hours in advance.*

**CALL TO ORDER****ROLL CALL****ADOPTION OF THE CONSENT AGENDA****SECRETARY CONSENT****041207 Community Redevelopment Agency Minutes (CRA) (B)**

**RECOMMENDATION**      *The CRA approve the minutes of March 21, 2005, as circulated.*

**041210 Resignation of Advisory Board/Committee Member Dotty Faibisy (NB)**

**RECOMMENDATION**      *The CRA accept the resignation of Dotty Faibisy from the College Park/University Heights Redevelopment Advisory Board.*

**EXECUTIVE DIRECTOR CONSENT****041161 Move and Rehabilitation of Two Houses Owned by Santa Fe Community College (B)**

*Explanation: Santa Fe Endowment Corporation owns two houses, at 502 and 508 Northwest 4th Avenue, which are contributing buildings to the Pleasant Street Historic District. The houses are boarded and are in need of repair. Santa Fe Community College (SFCC) wishes to have the houses moved to another location in order to create a buffer between the nearest residence and the SFCC complex.*

*City staff has explored options as to how the buildings could be moved and renovated, and has done an initial cost estimate showing the range of costs that may be involved in moving and renovating the buildings. The only property owned by the City where the houses could be located feasibly is the lot on the north side of Northwest 5th Avenue (parcel 14479) that SFCC had, at one point, requested that the City transfer to SFCC for a portion of its new site on Northwest 5th Avenue. SFCC no longer is interested in acquiring that lot from the City.*

*An option that could result in these houses being renovated for residential use would be for the City to transfer the Northwest 5th Avenue parcel to the Community Redevelopment Agency. SFCC would transfer the two houses to the Community Redevelopment Agency. The CRA would move the two houses onto*

*the lot on NW 5th Avenue. The CRA would bring the houses on this lot into the Model Block Program.*

*Before undertaking any of this, the following steps would be done to be sure the moves and rehabs are not too expensive in relation to the sales price, and all costs (and resale prices) would need to be known exactly, by doing the following:*

- \* The CRA would develop specifications for the moves and rehabilitation work*
- \* The CRA would bid the houses to house movers and to renovation contractors, and ascertain exactly what amount would have to be paid for the bids accepted by the CRA for the moves and renovations*
- \* The CRA would have the houses appraised based on those specifications (an "after-value" appraisal based on the houses' anticipated renovated condition)*
- \* The CRA would work with the potential buyers on the Model Block list to locate purchasers and arrange appraisal-based sales prices for each house (or alternatively use a bidding process).*

*Only then would the CRA know the exact cost of the moves plus renovations, how much the houses would be sold for - and therefore how much the funding gap would be, if any. The proposal is that the City request the CRA to put in up to \$10,000 per house and that Santa Fe put in up to \$10,000 per house. The funds would be provided in equal amounts by each entity. This means that if the gap in funding is no more than \$20,000 per house the project could go forward. If the gap turns out to be greater than \$20,000 per house the project would not go forward and Santa Fe would have to resolve this situation relating to the two houses.*

*A Certificate of Appropriateness from the Historic Preservation Board would be required for the house moves. The City may wish to expand the historic district to include both portions of the lot so both houses would be in the district.*

*While the proposal is a compromise in order to address a difficult situation given the condition of these houses along with their historic value to the community, it is proposed with the ultimate goal in mind of continued revitalization of the neighborhood and its historic housing stock.*

*Fiscal Note: The City would transfer parcel 14479 on Northwest 5th Avenue (assessed at \$5,000) to the CRA at no cost. The City would have no additional cost, since for each house the buyer would fund the construction with the buyer's funds and a construction loan from a lender. If there is any gap in the difference between the combined cost of moving and renovation and the sales prices, the City would ask the CRA to cover up to \$10,000 of that gap for each house, and Santa Fe has offered to cover up to \$10,000 of that gap for each house in a matching amount.*

**RECOMMENDATION**

*City Commission to the CRA: The City transfer of parcel 14479 to the CRA, request that the CRA handle the house moves and renovations, by bringing these properties into the Model Block program, and the CRA fund up to \$10,000 per house of any funding gap with Santa Fe funding up to \$10,000 per house of any*

*funding gap, in equal amounts from the CRA and Santa Fe.*

*Executive Director to the CRA: 1) The CRA accept the transfer of parcel 14479 contingent upon the CRA finding qualified buyers for the houses, 2) the CRA agree to accept the transfer of two houses from Santa Fe by transfer title to personal property by bill of sale for \$10 conditional on the financial gap not exceeding \$20,000 per house, 3) the CRA agree to handle the house moves and renovations, by bringing these properties into the Model Block program, 4) the CRA fund up to \$10,000 per house of any funding gap with Santa Fe funding up to \$10,000 per house of any funding gap, in equal amounts from the CRA and Santa Fe and 5) the CRA authorize the Chair to execute all appropriate documents.*

**Legislative History**

4/11/05 City Commission Approved as Recommended (6 - 0 - 1 Absent)

## **ADVISORY BOARDS/COMMITTEES CONSENT**

### **College Park/University Heights Redevelopment Advisory Board Consent**

#### **041212 Extension of the College Park University Heights Redevelopment District Façade Grant to 13th Street Corridor (B)**

*Explanation: The CRA currently has in place a Façade Improvement Program in the College Park University Heights (CPUH) district for the University Avenue corridor. Matching grants of up to \$5,000 are offered per building elevation fronting West University Avenue, and applicants with a single business whose façade is greater than 30 feet in width are eligible for \$10,000, subject to funding availability. A dollar for dollar match from the building or business owner is required. Eligible expenses for improvements include removing old signs, installing new signs, removing old awnings and the replacement of new awnings, exterior building improvements (such as cleaning, painting, re-pointing of mortar joints, woodwork, window and/or door replacement, other repairs or rebuilding historic storefronts), and fences and landscaping that hide incompatible uses and negative site elements.*

*Currently, to be eligible for this program, buildings must be located along West University Avenue between West 6th Street and West 13th Street. A business owner on 13th Street has expressed interest in the program's expansion to the 13th Street corridor. Since blighted conditions also exist on the 13th Street corridor, and several properties may benefit from this program, expanding the program would result in the eradication of blight on an additional critical corridor. The CPUH Board discussed this issue at their April 6, 2005 meeting and recommended expansion of the program to the 13th Street corridor that*

*falls within the CPUH district.*

*Fiscal Note: The CRA has \$45,958 remaining in the budget for the Façade Grant Program in the CPUH district. It has spent \$59,041 on façade grants to date.*

**RECOMMENDATION**

*College Park University Heights Redevelopment Advisory Board to the CRA: Recommend the expansion of the Façade Grant Program to properties on 13th Street within the College Park University Heights district.*

**END OF THE CONSENT AGENDA**

**ADOPTION OF THE REGULAR AGENDA****SECRETARY****EXECUTIVE DIRECTOR****041211 Extensive Graffiti Abatement Program (B)**

*Explanation: The CPUH Advisory Board directed staff to investigate the eligibility of the removal of large-scale graffiti under the façade grant program, when the graffiti is deemed too large for the current graffiti removal program. Staff determined that large-scale graffiti removal does not fall under the guidelines for eligibility for the façade grant program because the façade grant program is intended for permanent improvements that applicants are eligible for only once every five years. Due to the nature of graffiti, more frequent removal may be required, and the applicant may need to apply for assistance more often than every five years in order to preserve a graffiti-free appearance.*

*In order to address this problem, the CPUH board has recommended and Extensive Graffiti Abatement Program. This would be a matching grant program, with the CRA contributing 75%, and the property owner contributing 25% of the costs of the project, not to exceed a total project cost of \$1,000. The applicant must also have a graffiti-resistant sealant applied to prevent future graffiti damage, which is included in the project cost cap. This program is recommended to be approved at the staff-level, with applications submitted as needed from the property owner. CPUH recommends that \$5,000 be allocated to initiate the program.*

*This program could be implemented CRA-wide. Each district would need to fund the program separately. Staff recommends that \$2,000 be budgeted for each of the remaining three districts.*

*Fiscal Note: In the CPUH district \$5,000 could be taken from MY 618-790-W711-5520. In Downtown \$2,000 could be taken from MY 610-790-W202-5520. In FAPS \$2,000 could be taken from MY 613-790-W500-5520. In the Eastside \$2,000 could be taken from MY 621-790-W905-5520.*

**RECOMMENDATION**

*College Park University Heights Redevelopment Advisory Board to the CRA: 1) Recommend the CRA establish an Extensive Graffiti Abatement Program for the entire district; 2) create an initial \$5,000 budget for the project; and 3) staff to report the progress of the program six months after approval or when all of the allocated funds have been used.*

*Executive Director to the CRA: Recommend the CRA refer the program to the remaining three CRA districts for review.*

041213

**Review of the Transformational Projects Incentive Program (B)**

*Explanation: At the March 14, 2005 City Commission meeting, it was suggested that the Community Redevelopment Agency (CRA) review the Transformational Incentives program. There has been some concern discussed that the program may be too generous and does not provide enough increment to the CRA districts.*

*The history of the program is as follows. At the December 2003 CRA meeting, the Board directed staff to prepare an incentive program for projects that were transformational in nature. Staff was asked to create a program that met several goals: to provide incentives that were performance based; to provide the CRA with a clear way to evaluate which projects would have the largest impact on redevelopment; and to assure that the District receive some of the financial benefits from the increased tax increment immediately. This new program is targeted towards those projects that are so large in scope, or are in such prominent locations, that they would have a significant impact on the district in which they are built. Because these projects are more comprehensive, the development gap is greater. The goal of the program is to help the developer bridge the gap and bring the project to fruition, thereby transforming the area in which they are located. Because the City is no longer in a position to lend the CRA funds for upfront payments to the developers, the incentive program was required to have payments to the developers after the project was completed on fully on the tax rolls*

*In February 2004, the CRA approved the concept of a scoring system that could be used to evaluate the projects and to determine the level of incentives that a project would be eligible to receive.*

*The point system was developed so that the more desired items a project provides, the greater the incentives offered. There are enough categories so that projects would not have to provide everything to receive enough points to be eligible for incentives. A wide variety of combinations would be accommodated by the system. Categories include items such as number of residential units, whether those units are rental or condominium, amount of retail and office space provided, public parking generated by the project, number of stories used, and the overall impact on the district. There are merit points built into the system so that the CRA would have an opportunity to award points for special components of the project, including prominent location or resolving existing area flooding.*

*The Advisory Boards each reviewed the program and made recommendations. A number of their recommendations were incorporated into the program, although some Advisory Board recommendations were found not to be appropriate. Initially, the CRA approved the concept recommending two funding levels with a decreasing payment scale. The Advisory Boards recommended that the points required in order to be funded be higher than originally considered and that the spread between the percentages of incentives provided be wider. Based on the Advisory Boards recommendations, if a project received 25+ points it would be eligible for 80% of the increment for 15*

years. Those receiving 19-24 points would be eligible for 60% of the increment for 15 years. The decreasing payment scale would allow the developer to receive the highest incentives during the first five years of the project when it is most needed, smaller amount in years 6-10, and a still smaller amount in years 11-15, with the total of the payments equaling 80% of the increment over 15 years. As an example, if the developer qualified for 80% of the increment for 15 years, they would receive 90% of the annual increment in years 1-5, 85% of the annual increment in years 6-10 and 65% of the increment in years 11-15. In the 60% range the developer would receive 90% of the annual increment in years 1-5, 60% in years 6-10 and 30% in years 11-15.

When a project applies for this program, the potential tax increment will be determined and a 3% growth rate would be applied as a cap for the payments. The developer will be asked to work with the Property Appraiser to obtain a letter providing the estimated taxable value of the property. As the project comes on line, the developer would receive an annual payment based on the percentage of the TIF generated by the project. Over the course of the agreement, the developer's payments would be capped by the total initially agreed upon. Should the payments reach the limit prior to year 15, no additional payment would be made. If the cap amount were not received by year 15, no further payments would be made.

At the recommendation of the Advisory Board, while the overall program remains the same, each district has a point system by which applicants would be evaluated. This allowed the districts to create point systems that reflect the district's particular goals.

The CRA adopted the program at their August 16, 2004 meeting with two changes. The reference to eminent domain was removed from the program and the CRA added that for projects that received 50 or more points the CRA could, at its discretion, provide an additional 10% of the increment to the developer, making the cap 90% of the increment over a 15-year period.

*Fiscal Note: None at this time.*

**RECOMMENDATION**

*Executive Director to the CRA: 1) maintain the Transformational Project Incentive program; however, limit the total increment allowable to 80%.*

**CRA ATTORNEY**

**ADVISORY BOARDS AND COMMITTEES**

**Downtown Redevelopment Advisory Board**

**College Park/University Heights Redevelopment Advisory Board**

**Fifth Avenue/Pleasant Street Redevelopment Advisory Board**



**Eastside Redevelopment Advisory Board**

**MEMBER COMMENT**

**CITIZEN COMMENT**

**NEW BUSINESS**

**NEXT MEETING DATE**

*May 15, 2005*

**ADJOURNMENT**