July 18, 2007

Honorable Pegeen Hanrahan, Mayor City Commission City of Gainesville 200 East University Avenue Gainesville, FL 32601

Dear Mayor Hanrahan and Commissioners:

I continue to appreciate the opportunity to work with the supportive commission and staff of the City of Gainesville Following is an update of the Cities priority issues and other important measures for the 2007 Regular Legislative Session.

Local Funding Issues:

- Traffic Signalization Project This project was designated as the top priority for the City during this past year With the strong support of the legislative delegation, the City applied for a grant from FDOT under the Transportation Regional Incentive Program. This process took over a year and involved multiple jurisdictions, including the MTPO's of Alachua and Marion Counties, and the University of Florida. The diligent efforts of the delegation, local elected officials and staff have been rewarded with the announced intentions of the FDOT to fund the maximum of 50 percent of Phase I and Phase II of the Traffic Signalization Project, which will amount to approximately \$6.5 million.
- Florida Recreation Development Assistance Program (FRDAP) The
 Legislature fully funded the two FRDP grants for which the City applied –
 \$200,000 was appropriated for Possum Creek Park and \$75,000 was provided
 for the outdoor classroom at Morningside Nature Center

Honorable Pegeen Hanrahan, Mayor City Commission June 18, 2007 Page 2 of 4

- Reichert House Program \$100,000 was appropriated for the Reichert House Juvenile Facility, but, unfortunately, Governor Christ vetoed the item.
- Orange Creek Basin Initiative Although the delegation was very active in pursuing funding for the initiative, no money was appropriated for this important effort.
- University Concurrency Trust Fund The trust fund is important to communities which host state universities. It provides money to help offset cost to the City for providing necessary infrastructure needs of the university. The Fund was reviewed under the Sunset provisions of the State Constitution and re-enacted (Ch. 2007-18)
- Florida Tax Reform The Legislature convened a special session to deal with tax reform, an issue which had overshadowed the entire Regular Session. The Legislature passed a general law on tax reform and a proposed amendment to the State Constitution. The proposed amendment will be on the ballot January 29, 2008.

Following is a summary of the tax reduction initiative (Ch. 2007-321) (S.J.R. 4-B) http://www.flsenate.gov/Publications/2007B/Senate/reports/summaries/pdf/sesum07B.pdf

Other Substantive Issues:

• Venture Capital Investments – This legislation creates the <u>Institute for the Commercialization of Public Research</u>, which is to assist in the commercialization of products developed by the research and development activities of publicly supported universities and colleges.

There is an appropriation of \$900,000 for the institute's operational expenses.

Also created in the act is the <u>State University Research Commercialization</u> <u>Assistance Grant Program</u>, which is to distribute grants to state universities to

Honorable Pegeen Hanrahan, Mayor City Commission June 18, 2007 Page 3 of 4

finance early-stage, pre-marketing activities geared to commercializing university research products. The grants will range from \$100,000 to \$250,000. A total of \$4 million is set aside for these grants.

The act also creates the <u>Florida Opportunity Fund</u>, a private, not-for-profit corporation organized and operated with Enterprise Florida, Inc. The Florida Opportunity Fund will provide seed and early-stage venture capital funds to companies that include enterprises in life sciences, information technology, advanced manufacturing processes, aviation and aerospace technologies, and homeland security and defense. The act appropriates \$29.5 million to the Florida Opportunity Fund for investments. (<u>Ch. 2007-189</u>)

A separate bill (HB 131) creates a public records exemption for certain information relating to venture capital investments related to this program (Ch. 2007-190)

- Innovative Economy Growth The Legislature established the Florida Business and Education Collaborative as an advisory board to make annual recommendations for defining and attaining Florida's economic goals. (Ch. 2007-246)
- Affordable Housing The affordable housing legislation contains several items of importance to the City. It provides for the Community Workforce Housing Innovation Pilot Program which will administer a grant application and award process to stimulate the provisions of workforce housing. The bill allows for tax deferrals, and provides that two or more CRA's acting jointly may create self-insurance funds for the purpose of self-insuring real or personal property. It also contains a provision which extends developments of regional impact under active construction as of July 1, 2007, for a period of three years (Ch. 2007-198)
- Growth Management –Seeks to clarify directives of SB 360 which passed in the 2005 Session. These include the definition of "financial feasibility" for transportation and school concurrency. The bill limits proportionate share mitigation of impacts a development has on a transportation system to not include reducing or eliminating backlogs. (Ch. 2007-204)

Honorable Pegeen	Hanrahan,	Mayor
City Commission		
June 18, 2007		
Page 4 of 4		

