

COLLEGE PARK UNIVERSITY HEIGHTS AREA

**REDEVELOPMENT
INCENTIVE PROGRAM**

***CITY OF GAINESVILLE
COMMUNITY REDEVELOPMENT AGENCY***

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I. Introduction

The College Park/University Heights Redevelopment Plan (“Plan”) states as its goal to “Establish the College Park/University Heights Special District as a thriving mixed-use, high density, safe and convenient urban neighborhood and commercial district serving the diverse needs of the University Community and the central core of the City.” The Plan identifies specific needs of the district. “Foremost is improvement of infrastructure such as road conditions, sidewalk conditions, lighting and stormwater management. Secondly, attention to the physical design of the Special District will improve transportation mobility, discourage criminal activity and attract new residents, businesses and customers to the area. Finally, this Plan encourages housing redevelopment in order to provide greater housing opportunities within walking and biking distance to the University of Florida campus.”

These incentives are intended to encourage redevelopment in the College Park University Heights Redevelopment District that complies with the goals of the Plan and the College Park and University Heights Special Area Plans, increases the diversity of uses, and increases the residential component of the redevelopment area and enhances the livability of existing residential units and viability of existing commercial usage. It also intends to reduce the cost of development in the redevelopment area by offering to reimburse for various charges and public infrastructure improvements associated with new development.

Toward that end, this Redevelopment Incentive Program includes a menu of items that can be tailored to each project:

- Water and wastewater meter costs and connection fees
- Tap charges (required when a project must tap into the line--not meter or connections costs)
- Meter fees (gas or electric)
- Undergrounding utilities
- Placement of utilities in buildings to avoid large surface-mounted facilities on site
- Utility enclosures (intended to reduce clutter of utility boxes in pedestrian areas)
- Streetscaping and upgraded lighting to CPUH design criteria and other applicable standards
- Development of stormwater at off-site locations if possible or on-site if necessary
- Curb and gutter, sidewalks
- Parking
- Dumpster enclosures

It is intended that an applicant may request any or all of the above incentives, subject to available funding, qualification, and execution of formal agreements as necessary. Each project will be evaluated to determine the incentives the project qualifies for, and the applicant must then select the type for which they will apply. Approval of an application under this program in no way grants a project vested rights for development or grants any third-party benefit.

The CRA reserves the right to set priorities among applications under consideration if necessary. The CRA also reserves the right to revoke or change this package of incentives at any time and for any or no reason. The CRA may reject an application if the applicant does not provide additional information requested, or if circumstances change during consideration. The CRA may offer these or other incentives for projects that the CRA initiates.

For any grants awarded under this program, the CRA will establish separate accounting systems in the district's trust fund for each project grant. The CRA will use only those funds in the account established to receive tax increment revenues for that specific project to repay the loan or indebtedness, if any, incurred by the CRA to provide a grant to that specific project. If the CRA chooses to repay a loan earlier, it may use other available funds in the district to do so.

II. Eligibility

In order for a project to be eligible for a grant, the applicant must submit a request and that request must be approved prior to any actions being taken, or work commencing or being completed by the applicant, related to that grant. No grants will be considered or approved for actions or work which has commenced or been completed. Projects must be eligible for a grant award of \$50,000 using the formula in the program to be considered for a grant. Grants smaller than \$50,000 will not be considered.

Funding of grants for new construction under this program may exceed available funds in any one-year's deposit of tax increment for the College Park University Heights Redevelopment District (total tax increment less operating overhead and less any debt). Therefore, the CRA may, at its sole discretion and subject to approval by the City Commission, borrow against the anticipated tax increment revenues to be generated by the project for which the funding request is made. The developer will be required to agree not to ask for, apply for or accept any exemption from City and/or County ad valorem taxes related to the project or project site. If, during the life of any note the CRA executes to provide funding for the grant, some or all of the project or project site becomes subject to City and/or County ad valorem tax exemptions, the developer will be required to agree to pay the CRA an amount equal to the proportionate reduction in tax increment revenues. The developer will further agree that in the event some or all of the project/project site is transferred by developer to a type of ownership that is exempt, in whole or in part, from City and or County ad valorem taxes, the developer will be required to pay to the CRA, at the time of transfer, the amount of debt, if any, still outstanding on the note.

Applicants for this program are advised that there will be default language in the development agreement that protects the CRA from changes within the project after approval and that incentives can be withdrawn if default occurs.

Any assumption of debt including the length of time for which the CRA will borrow (loan maturity) in order to provide a grant to a project will be subject to authorization by the City Commission. The applicant must demonstrate that the project would not be feasible but for the grant amount requested. Grants under this program will also be limited as follows:

1. Grants under this program are limited by the amount equal to 100% of the tax increment revenues generated by the project for up to 5 years, or 50% of the tax increment revenues generated by the project for up to 10 years, or 25% of the tax increment revenues generated by the project for up to 20 years (subject to debt services costs and debt service reserves if paid as an up front, lump sum grant).

Grant approvals will be based on the ability to borrow, policies and procedures of the CRA, and the City of Gainesville and state and federal law as may be applicable.

III. Disbursements

- Grant payments may be annually, as draws or installments during the construction of the project or as a lump sum payment when the City of Gainesville Building Department has issued, for all units, certificates of occupancy for completed units or certificates of completion for units which are ready for tenant/owner finishes before occupancy.
- The lump sum grant would be limited to the CRA's borrowing potential based on the amount of tax increment revenues generated by the project as described in Section III above. The applicant must demonstrate that the project would not be feasible but for the grant amount requested. That amount is further limited to the amount demonstrated by the construction proforma or the statutory life of the agency, whichever is less.
- Annual payments will be made at the beginning of each tax year as payment from the previous tax year, and may be prorated as appropriate. The annual payments will be up to and not exceed the tax increment to be generated by the redevelopment as described in Section III above.
- Lump sum grant payments will be made when the City of Gainesville Building Department has issued, for all units, certificates of occupancy for completed units or certificates of completion for units which are ready for tenant/owner finishes before occupancy and/or subject to an agreement between the applicant and the CRA and CRA policies concerning debt financing.

IV. Application Process

- Applicant (property owner or agent with property owner's written consent) will submit an application to CRA staff including:
 - Description of the proposed project including location, preliminary design, square footage of commercial, and/or number of residential units;
 - Description of how the project implements the redevelopment plan based on the selection criteria listed in Section V;
 - Current taxable value for the property;
 - Estimated taxable value after construction of the entire project;
 - Construction pro forma demonstrating that the project would not be undertaken but for the public funds necessary to make the project financially feasible;
 - List of those items on the incentives menu that are requested for the project;
 - The amount of grant requested and substantiated by the construction proforma;
 - Description of permits and fees, to be reimbursed by the grant, and associated costs;
 - Information about any governmental approvals required, including land use and zoning changes etc.; and
 - Other information as requested by staff considering the particular project.

- Staff will review the application, and a recommendation will be made to the College Park University Heights Advisory Board based on an evaluation of the information provided in the application and in response to the Selection Criteria listed below.
- The College Park University Heights Advisory Board will review the application, and make a recommendation to the CRA based on an evaluation of the information provided in the application and in response to the Selection Criteria listed below.
- Based on the recommendation by CRA staff and the College Park University Heights Advisory Board, the CRA may accept or reject the application, or may approve the application with changes or conditions.

Following approval the staff shall prepare or cause to be prepared a grant agreement with the property owner/developer, which must be entered into before any disbursement of funds by the CRA.

V. Selection Criteria

Projects seeking incentives must address issues identified in the College Park University Heights Redevelopment Plan. Requests for incentives will be evaluated on the following criteria. A project must meet five of the criteria listed below. Does the project:

- Support the redevelopment of West University Avenue as a pedestrian oriented corridor
- Redevelop surface parking lots, blighted, or underutilized sites
- Encourage mixed-use parking structures
- Address district-wide stormwater deficiencies
- Create significant improvements to the public infrastructure
- Include pedestrian and bicycle safety improvements
- Encourage a variety of housing types and prices within the district
- Encourage the redevelopment of specific sites to discourage criminal activity
- Encourage mixed-use development in the district where appropriate
- Encourage the development of a mix of businesses to serve the needs of the residents of the district, adjacent neighborhoods and institutions
- Advances affordable housing goals in the district

CPUH Redevelopment Incentive Program Application Checklist

Project Name: _____

Applicant (property owner or agent with property owners written consent) will submit an application to CRA staff including:

- Description of the proposed project including location, preliminary design, square footage of commercial, and/or number of residential units;
- Description of how the project implements the redevelopment plan based on the selection criteria listed in Section VI;
- Current taxable value for the property;
- Estimated taxable value after construction of the entire project;
- Construction pro forma demonstrating that the project would not be undertaken but for the public funds necessary to make the project financially feasible;
- List of those items on the incentives menu that are requested for the project;
- The amount of grant requested and substantiated by the construction proforma;
- Description of permits, and fees, to be reimbursed by the grant, and associated costs;
- Information about any governmental approvals required, including land use and zoning changes, etc.;
- Other information as requested by staff considering the particular project.