

City of Gainesville

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



Meeting Agenda

March 20, 2006

6:00 PM

City Hall Auditorium

Community Redevelopment Agency

*Rick Bryant (Chair)
Jack Donovan (Vice Chair)
Ed Braddy (Member)
Chuck Chestnut (Member)
Pegeen Hanrahan (Member)
Craig Lowe (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****051043 Community Redevelopment Agency (CRA) Minutes (B)****RECOMMENDATION**

The CRA approve the minutes of February 20, 2006, as circulated.

EXECUTIVE DIRECTOR CONSENT**051047 Rehabilitation and Sale of Model Block House Located at 418 Northwest 4th Avenue (B)**

Explanation: The CRA acquired this structure as part of the Model Block project and is now ready to begin rehabilitation and prepare for the sale of the property for homeownership. The property is a contributing structure to the Pleasant Street Historic District, which was listed in the National Register of Historic Places in 1989. The building is currently dilapidated and vacant. The living area of 1,257 square feet consists of a series of small rooms, most without closets, no living room or dining room, and no functional kitchen or bathroom. After rehabilitation, the historic footprint will be maintained at 1,257 square feet and contain three bedrooms, one bathroom, a living room, dining room and a kitchen. The property will be rehabilitated in accordance with the Secretary of the Interior's Standards for Rehabilitation, which describes appropriate guidelines for rehabilitation projects located in historic districts. Although the interior of the building will be modernized, historically appropriate and original materials will be used, when possible, to renovate the structure to increase its value.

After several unsuccessful attempts to bid the rehab of all four CRA houses at once, the CRA approved a plan to have staff negotiate directly with appropriate contractors to rehab the properties individually. Staff has negotiated a price of \$129,675 for the rehab of this property with Hoffman Construction. Hoffman Construction is a contractor who has done considerable work with the Housing Division and is experienced with this type work. Hoffman Construction will be completing Site A prior to beginning work on this project. The CRA will borrow from the National Trust for Historic Preservation Inner City Venture Fund line of credit for part of the construction cost and fund the balance of the project plus the 10% contingency from the bond funds it borrowed from the City for the

Model Block project.

Fiscal Note: The CRA has a \$300,000 line of credit established with the National Trust for Historic Preservation Inner City Venture Fund and \$250,000 budgeted for the Model Block project.

RECOMMENDATION

Executive Director to the CRA: 1) authorize the Executive Director to execute a construction contract with Hoffman Construction in an amount not to exceed \$129,675, and also budget a 10% contingency in the amount of \$12,967 for change orders, if needed, and all necessary documents, certifications or assurances required to rehabilitate the property; and 2) authorize the Executive Director to draw down funds for the National Trust for Historic Preservation Inner City Venture Fund line of credit for construction financing.

051072

Update on Redevelopment Projects (NB)

Explanation: Staff has been asked to provide an update on several redevelopment projects.

Gainesville Greens- The CRA attorney is currently working with the developer's attorneys to complete the development agreement for this project. Gainesville Greens staff is working with the planning division on preliminary submittals for review.

University Corners- The development agreement for this project is underway.

Model Block Project Update- The first house, Site A, in the Pleasant Street Model Block area is nearing 80% completion. Staff is preparing materials for the sale of the house. Site B is at roughly the 40% completion mark and Site D should move to construction shortly after Site A is completed.

Tackle Box Project- Both Gainesville Fire Rescue and Gainesville Police Department will be using the building for training exercises prior to its demolition. The Eastside Advisory Board has begun working with a landscape architect to create a design for the gateway feature. The advisory board recommendation will come to the CRA within the next few months.

Northwest 5th Avenue Streetscape- Public Works is still awaiting several necessary easements for the project and the CRA continues to work with Cox Communications on their undergrounding plan. Staff anticipates that the streetscape will be built this summer when fewer students would be impacted by the construction.

Northwest 5th Avenue Corridor Plan- The Fifth Avenue Pleasant Street Advisory Board heard a presentation in March from Jesse Wiles of APD, Inc. on this project. There was not a quorum at the meeting so no action was taken on the project. Those in attendance did provide feedback and APD continues to

refine the project. This project will be presented to the CRA at the April meeting.

Visual Master Plan- Recommended changes are being made and several new items are being rendered. Once these changes are complete the project will be printed and ready for distribution.

Eastside Expansion- This Request for Proposals has been circulated and should be released by the end of March.

Master Plan for Area surrounding Depot Park- This Request for Qualifications is currently circulating for comments. Release is anticipated in mid April.

Fiscal Note: None at this time

RECOMMENDATION

Executive Director to the CRA: Hear an update from staff.

ADVISORY BOARDS/ COMMITTEES CONSENT

College Park/University Heights Consent

051048

SW 7th Avenue Improvements (B)

Explanation: Key objectives of the College Park/University Heights Community Redevelopment Plan include the addition of sidewalks, improved parking, and curb and stormwater improvements. The CRA has prioritized corridors for improvement based on new development activity, adding sidewalks and lighting leveraged with new development to maximize the aesthetic impact. This was done previously on NW 12th Terrace and SW 5th Avenue.

A new opportunity for improvement is SW 7th Avenue, from SW 9th Street to SW 12th Street, in University Heights. This corridor is a heavy pedestrian connector, and is located near three new developments: Royale Palms, Taylor Square and Stratford Court. There are sections of missing curb, sidewalks, and there are inadequate parking patterns on the corridor. In addition, the absence of curb has allowed for cars to park on lawns, creating blight and erosion. The missing sidewalks sections have previously been ranked in the Priority I group.

Phase I of the proposed project includes surveying the area and the addition of curb and gutter, sidewalks, angled parking to the north side and parallel parking to the south side of the corridor. In addition, stormwater improvements would assist in the flow of water and in the removal of sediment. A conceptual plan of the improvements is included for review. Public Works staff would provide support, with an outside engineering consultant providing engineering design and construction management services.

Phase II of the proposed project includes undergrounding the electrical lines

and installing Domus light fixtures. The project has been divided into phases due to funding limitations. Phase II will be brought forward for funding consideration next fiscal year.

The City's Public Works department has also planned on making improvements to this section, and will be completing a sidewalk segment, provide sign relocation, striping, and other in-kind contributions to this project.

Initially, the CRA was asked to fund the survey work and professional engineering design services to determine the most appropriate design for the corridor. The CRA will work to inform the affected residents of the plans proposed.

Fiscal note: \$21,150 for professional survey and engineering design services. There is \$182,225.72 remaining in Streetscape Park/Matching MY-618-790-W711-5520.

RECOMMENDATION

College Park University Heights Redevelopment Advisory Board to the CRA: 1) Recommend approval of the professional survey work and engineering design services for a not to exceed budget of \$21,500.

051049

Depot Rail Trail Conceptual Design and Cost Estimates (B)

Explanation: The College Park/University Heights Redevelopment Advisory Board has recommended that the CRA hire a consultant to develop design guidelines and a conceptual design and cost estimates for improvements to the Depot Avenue Rail Trail from Southwest 11th Street to the South 13th Street overpass, including concepts for the overpass itself. Part of the scope of work would include design guidelines to address current and future development projects that abut the rail trail. The CRA could then consider developing an incentive program for private developments abutting the trail. The Advisory Board felt it was important that the design plans for the remainder of the Depot Avenue corridor be reviewed for consistency.

Previously, part of this work was to be completed with the Public Works department as part of the Depot Avenue reconstruction project. However, timing, funding issues and the addition of design guidelines and conceptual plans for the 13th Street overpass are beyond the scope of that project.

The College Park/University Heights Advisory Board also hopes that, when the conceptual design and design guidelines are developed, the Community Redevelopment Agency will recommend the City Commission adopt the design for all rail trail corridors and amend the City Code to include the design guidelines for developments abutting rail trails.

A proposal from Glatting Jackson of Orlando was reviewed at the March College Park/University Heights Advisory Board meeting and was

recommended for approval.

Fiscal Note: \$25,000 to develop conceptual designs, prepare design guidelines, and review plans developed for adjacent sections of the Depot Avenue rail trail for consistency. There is \$182,225.72 remaining in Streetscape Park/Matching MY-618-790-W711-5520.

RECOMMENDATION

College Park University Heights Redevelopment Advisory Board to the CRA: 1) Recommend approval of the proposal submitted by Glatting Jackson; and 2) authorize a not to exceed budget of \$25,000 for the project.

Downtown Redevelopment Advisory Board Consent

051044

Downtown Spring Out to Lunch Concert Series (B)

Explanation: The CRA sponsored several Out to Lunch events over the past year and Downtown is gearing up for a Spring series with a jazz focus. The events are held in the Plaza from 11:30 AM to 1:30 PM, and offer an opportunity for downtown workers to come outside and enjoy lunch. The Downtown restaurants offer lunch specials and there are door prizes, including monthly parking at the garage, Spa packages from Cloud 9 Spa and rounds of golf from Ironwood. During this series to encourage participation the CRA will be holding a drawing for a Downtown Vacation Package, which includes a night at the Bed and Breakfast, dinner out and tickets to a play. The marketing will include print advertising, poster, flyers, Channel 12 and radio spots.

The Downtown Redevelopment Advisory Board is recommending that three Spring events be budgeted at \$2,300 each, for a total of \$6,900.

Fiscal Note: There is currently \$30,383 in the Public Information account MY610-790-W217-5520 that could be used for this project

RECOMMENDATION

Downtown Redevelopment Advisory Board to the CRA: Recommend that \$6,900 from the Public Information account be used to fund the upcoming Out to Lunch events.

END OF THE CONSENT AGENDA

ADOPTION OF THE REGULAR AGENDA**SECRETARY****EXECUTIVE DIRECTOR****051045 Transformational Project Incentive Program Application for Jefferson on Second Avenue (B)**

Explanation: The CRA has received an application for Transformational Incentives for a project entitled Jefferson on Second Avenue from JPI Companies out of Irving, Texas. JPI is a privately owned and nationally recognized multifamily housing company specializing in student housing. JPI Companies currently owns and manages 240 apartment communities across 26 states and Canada. The proposed project is located at what has been called the Cone Property and the Midtown site. It is bordered on the west by Southwest 6th Street, on the east by Southwest 5th Street, on the north by Southwest 2nd Avenue and on the south by Southwest 4th Avenue. The project includes 5-four story buildings with just over 800 structured parking spaces in the rear. The proposed development is a student rental project with 281 units that includes a mix of units with 60% of the units being 4 bedrooms, 4 bath units.

The Transformational Incentive Program allows for projects that receive 25 points to request 80% of the increment generated by the project for 15 years. The program was amended to allow those projects that receive 50+ points to request 90% of the increment. In this application the developer has requested 90% of the increment generated by the project for 23 years. The developer has claimed 46 points under the Downtown points system for the Incentive Program. After review by an outside consultant, Staff assesses the points differently, but does agree that the project would receive 25 points and therefore could be eligible for up to 80% of the increment generated by the project for 15 years. The issues of costly land assembly and significant contamination that will need remediation are cited by the developer as the basis for the higher incentive request.

The project has been reviewed by PMG and Associates. A copy of their report is provided as backup and is available in the Clerk's office for review. (In their report the current program is referred to as "Varying Rates, 15 years.") PMG and Associates has found that the stated gap does exist; and that the development costs and revenues are acceptable. The consultant agrees that the project points in the application are overstated and the project is eligible under the current program for up to 80% of the increment for 15 years.

The Downtown Redevelopment Advisory Board (DRAB) met on March 8, 2006 to discuss this project. DRAB was comfortable with the type, scale, and mass of the project. DRAB liked the site plan and project layout and felt that it would not be overwhelming to the Porter's neighborhood. At the same time, DRAB was not comfortable with the incentive request. DRAB supports the program,

as written, and is concerned that if each developer who applies asks for more than the program allows there is little point to the program's point standards.

The issue of the contamination on the site is the one undefined aspect of the project at this time. The developer has been working with the property owner to try to develop a full understanding of the contamination. At present, the source of the contamination has not yet been determined and there will be significant impact on the cleanup costs if the source of the contamination is found to be on the site. An estimate of cleanup costs has come in as high as \$1.7 million. The property owner (seller) may share in some of those costs; however, it is still unclear how much will be covered by the seller.

The developer stated at the DRAB meeting that he is currently in negotiations with the property owner regarding the clean up. DRAB believes that the property owner should be responsible for some of the costs associated with the cleanup, rather than expect that the CRA would cover the costs. While DRAB would not support the 90% for 23 year request, they were willing to recommend to the CRA that if the contamination costs were high, that the Transformational Project Incentive program might be amended to allow for a slightly higher increment payment.

The CRA is scheduled to review the Transformational Projects Incentive Program at the April CRA meeting. Staff is preparing a number of recommendations for changes to the program based on our experiences to date.

Fiscal Note: Projects that receive 25 points under the Transformational Incentive Program are eligible for up to 80% of increment generated by the project for 15 years.

RECOMMENDATION

Downtown Redevelopment Advisory Board to the CRA: 1) DRAB supports the project type, scale and mass; 2) DRAB does not support the request for 90 % of the increment for 23 years; however, 3) DRAB would be willing to recommend the program be amended to include a slight increase in the percentage of increment, if high contamination costs were to merit it.

Executive Director to the CRA: 1) approve the Transformational Projects Incentive Program application for Jefferson on Second Avenue providing 80% of the increment generated by the project for up to 15 years under the current terms of the program, not the 90% for 23 years as requested; 2) request the developer continue to refine the façade; and 3) the CRA authorize the Executive Director to negotiate the terms of and execute the development agreement and any other documents necessary.

Explanation: Contamination issues are often significant in redevelopment sites. The CRA has found in both University Corners and now Jefferson on Second Avenue that contamination issues can provide a variable difficult to quantify prior to application for incentives. While reviewing the Jefferson on Second Avenue Transformational Project Incentive program, the Downtown Redevelopment Advisory Board (DRAB) expressed interest in a way to provide additional incentive to the project, if the project had significant environmental clean issues. Staff recommends that the CRA develop an environmental issues incentive program for all four CRA areas. This program could be offered in addition to the other programs already offered and would focus on those costs created by significant environmental issues. Developers choosing to apply for this program could not use the environmental issues to qualify for more than one program. For example, a developer who desired to apply for the proposed environmental program could not claim the 5 environmental clean up points under the Transformational Projects Incentive program. The proposed program would offer additional increment as an incentive; however, at no time would the total increment dedicated to any project from all programs be more than 90% of the increment generated by the project. If the CRA is interested in the program, staff will draft it and bring it before the CRA in April.

Fiscal Note: None at this time.

RECOMMENDATION

Executive Director to the CRA: Authorize staff to draft an incentive program that focuses on addressing environmental issues in all four CRA areas.

051073

Clean and Safe Services in the Downtown (B)

Explanation: The CRA increment for Downtown is currently \$789,331; with operating at \$175,004. The Downtown covers \$370,630 in debt service and annual payments for various projects including the City Downtown Southwest Quadrant Parking Garage and completed private development projects. The Downtown provides \$134,312 for clean and safe services leaving \$109,385 for remaining projects.

The clean and safe services are broken out as follows:

The CRA provides landscape maintenance, sidewalk sweeping and graffiti abatement through a contract with Oasis. The contract includes 16 hours in the Downtown area, 16 hours in College Park University Heights and 8 hours in Fifth Avenue Pleasant Street. The cost to Downtown for these services is \$28,580. The current services include sidewalk sweeping using a "Green Machine," litter pickup on the sidewalk, graffiti abatement, tree well maintenance (including weeding, trimming and mulching) and landscaping of downtown landscape bubbles and median islands. (See exhibit A for entire scope of work)

This contract is being currently rebid with the addition of a number of services

including: expanded litter pickup (on weekdays) in and around the Downtown Community Plaza and litter pickup & landscape bubble maintenance around the SW Downtown Parking Garage.

The CRA has an annual contract with EC cleaning for \$33,900 for clean up after the bars close and prior to the opening of Downtown businesses. EC's also cleans the Plaza and the Plaza restrooms weekly on Saturdays and Sundays. His services include litter and debris pickup, flyer removal, washing down of areas that have urine, vomit or food spills. EC's contract includes cleanup of debris near dumpsters and city lots 1, 9, 10, & 13. Exterior janitorial services are performed a minimum of three days per week year round; Friday, Saturday, and Sunday. When the University of Florida is in full session (approximately mid-August through mid-May) exterior janitorial services are performed a minimum of five days per week; Tuesday, Thursday, Friday, Saturday, and Sunday. This contract was recently rebid and the CRA approved the new contract at the November 2005 CRA meeting.

Last year the CRA began a pressure washing and gum removal project in the CPUH area along University Avenue. This project has been so successful that it has been expanded into the Downtown area. At the February, 20th CRA meeting the CRA approved \$19,000 for pressure washing and gum removal in targeted areas. The contract specifies power washing and gum removal to be performed 6 times a year. Due to the prevalence of brick pavers in the Downtown Area, the method for power washing differs from areas that are concrete only. In order to prevent damage to the brick areas, specified areas must be cleaned with high heat and low pressure. It has been our experience that with this process it takes a number of washings to bring the area to the desired level of cleanliness. Because of that, certain areas have been target for multiple treatments during the coming year. As those areas reach acceptable levels new streets will be added.

Two years ago the CRA began funding a demonstration project that provides a dedicated police unit for the Downtown area. The CRA is providing a match for a COPS grant that provided a dedicated five office unit for the Downtown area. This year the CRA has budgeted \$52,832 for this special unit. Next year the CRA will budget \$75,000 for Downtown policing and will complete a three year commitment for this project. After next year the CRA will no longer fund the Downtown policing unit. If it is to continue it will need to be funded using other sources.

The City's sidewalk maintenance program provides vegetation maintenance and repair of damaged sidewalk sections that create potential hazards, however, it does not include washing. RTS pressure washes their facilities in the Plaza two or three times a year; Solid Waste handles grease spills at the compactor on Southeast 2nd Avenue when they occur at a cost of \$500 to \$600 an event and Parks pressures washes the Plaza and City Hall several times a year. Parks also provides litter pickup on City Hall during the work week but not on weekends. There are very few services provided over the weekend unless there is a scheduled event.

The CRA began providing clean and safe services in 2004. Since that time the CRA has increased the services annually during each budget cycle. Currently the CRA spends slightly more than half of the available project funds for clean and safe services in the Downtown area. The challenge for the CRA in the Downtown area is to provide services that supplement what the City currently offers while leaving increment to be spent in the larger expanded Downtown area. There are needs in the Porters neighborhood, Northeast Neighbors area, Southeast Historic District, along Southwest 2nd Avenue and east of Main Street on University Avenue. Clean and safe services tend to be ongoing expenses that grow annually without returning additional TIF to be spent in other areas, rather than one time expenses or more traditional CRA projects.

Fiscal Note: As noted above.

RECOMMENDATION

Executive Director to the CRA: 1) Hear presentation by staff and 2) take action as necessary.

CRA ATTORNEY

REPORTS FROM ADVISORY BOARDS/COMMITTEES

College Park/University Heights Redevelopment Advisory Board

Downtown Redevelopment Advisory Board

051046

Selection of Windsor Aughtry Company to Develop Lot 9 (B)

Explanation: Windsor Aughtry Company of Greenville, South Carolina has proposed a seven-story, 122-room Hampton Inn and Suites Hotel in response to the Lot 9 Request for Proposals. They have developed hotels, in Tallahassee; Greenville and Columbia, South Carolina; and residential projects in Chattanooga, Tennessee and Greenville, South Carolina. The company is a preferred Hilton developer and has negotiated the rights to build the Hampton Inn with Hilton.

Windsor Aughtry's proposal meets the requests made in the RFP. The first floor of the hotel offers 8,000 square feet of retail space and the developer has included 2,100 square feet of meeting space on the second floor. Local business owner Billy Scheel is part of the development team, focusing on the retail spaces. Since Lot 9 is a small site Windsor Aughtry has negotiated parking with McGurn Investments at their parking garage. There are several possible areas that have been identified for staging, including the possibility of closing several streets or using a portion of the Plaza. These details will need to be resolved while the development agreement is being negotiated.

The hotel would be oriented so that the retail would front Southeast 1st Street and Southeast 2nd Avenue to reflect the existing development pattern. The Southeast 2nd Avenue façade will have balconies that mirror those on Union

Street Station. The main entrance to the hotel will face the Plaza on Southeast 1st Avenue.

The developer is requesting the following incentives for this project. The developer requests that the CRA return 75% of the increment generated by the project for the first three years, then reducing to 60% for an additional 10 years. The developer has requested connection to the community stormwater bank at no cost to the developer. The CRA fund relocation the existing utility transformers off site at no additional cost to the developer. The developer requests use of the sidewalk and existing parking on Southeast 1st Avenue as a drop off and loading zone for the hotel guest at no cost. Finally, the developer has requested that the CRA cover half of the cost for the balconies on Southeast 2nd Avenue.

This proposal has been reviewed by RERC in Orlando, Florida. A copy of the report is available in the Clerk's office. Staff has also checked the references and found them to be exceptional. The staff selection committee comprised of Teresa Scott, Public Works Director, Thomas Saunders, Community Development Director and Sham Sundar, CRA Downtown Projects Coordinator, heard an oral presentation and ranked the proposal 90, 95 and 82 for an average of 89 out of a possible 100.

DRAB had a special meeting on Wednesday, March 8, 2006 and voted to recommend the proposal to the CRA.

Fiscal Note: The CRA primarily offers back end incentives that are paid for from the tax increment generated by the project. Several of the incentives requested will need to be negotiated with the developer so they are paid through tax increment returned to the developer rather than cash up front.

RECOMMENDATION

Downtown Redevelopment Advisory Board to the CRA: 1) Accept the proposal from Windsor Aughtry for the development of a hotel on Lot 9; 2) the CRA authorize the Executive Director to negotiate the terms of and execute the development agreement and any other documents necessary.

Fifth Avenue/Pleasant Street Redevelopment Advisory Board

Eastside Redevelopment Advisory Board

MEMBER COMMENT

CITIZEN COMMENT

NEW BUSINESS

NEXT MEETING DATE

ADJOURNMENT