

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA, DESIGNATING A BROWNFIELDS AREA IN THE CITY OF GAINESVILLE, FLORIDA, COMPRISED OF THE PROPOSED UNIVERSITY CORNERS PROJECT, FOR THE PURPOSE OF ENVIRONMENTAL REMEDIATION, REHABILITATION, AND ECONOMIC DEVELOPMENT, AUTHORIZING THE CITY MANAGER TO NOTIFY THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION OF SAID DESIGNATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS: The State of Florida has provided in the Brownfields Redevelopment act, codified at Florida Statutes 376.77-376.875, for the designation by resolution of certain contiguous areas consisting of one or more Brownfield sites as "Brownfields Areas" and for the corresponding provision of environmental remediation and economic development for such areas; and

WHEREAS: University Corners LLC, has requested that the City of Gainesville designate the University Corners Project a state Brownfield Area for the purpose of participating in the Brownfields Redevelopment Bonus Refund program as provided for in section 288.107, Florida Statutes; and

WHEREAS: The proposed Brownfield Area encompasses real property identified in Exhibit A, attached hereto and incorporated herein by reference, which is entirely located in the College Park University Heights Redevelopment District; and

WHEREAS: the City of Gainesville has considered the criteria set forth in Section 376.80, Brownfield program administration process, evaluated the benefits of the State of Florida Brownfields Redevelopment Program, and finds that the proposed Brownfield Area meets the criteria set forth in section 376.80 Florida Statutes; and

WHEREAS: The procedure set forth in section 166.041 Florida Statutes, has been followed; and

WHEREAS: The City of Gainesville wishes to notify the Florida Department of Environmental Protection of its decision to designate a Brownfield Area for Rehabilitation purposes of the Brownfields Redevelopment Act.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA, that:

1. The recitals and findings set forth in the Preamble to this Resolution are hereby adopted by reference thereto and incorporated herein as if fully set forth in this section.

2. The area depicted in Exhibit A, attached hereto and incorporated herein by reference is hereby designated a Brownfields Area for environmental remediation, rehabilitation and economic development for the purposes set forth in the Brownfields Redevelopment Act.
3. The City Manager is hereby authorized to notify the Florida Department of Environmental Protection of the decision of the City of Gainesville to designate a Brownfields Area for remediation, rehabilitation and economic development for the purposes set forth in Florida Statutes 376.77-376.875.
4. This resolution shall become effective immediately upon adoption.

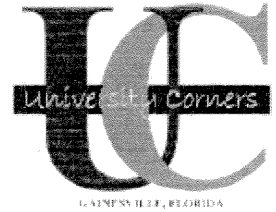
ATTEST:

KURT M. LANNON
CLERK OF THE COMMISSION

PEGEEN HANRAHAN
MAYOR

Approved as to form and legality

MARION RADSON
CITY ATTORNEY



April, 2005

Mr. Matt Dube
Projects Coordinator
306 NE 6th Ave., Bldg B
Station 48 P. o. Box 490
Gainesville, FL 32602-0490

Re: University Corners

Dear Mr. Dube:

As the developers of University Corners, we are eager to have the City of Gainesville designate our site as a "Brownfield area". Specifically, the area under the old Supercuts site, which was previously a dry cleaners, had been listed by the Florida Department of Environmental Protection as a contaminated site (score=30). UES completed and filed the Contamination Assessment Plan with the DEP on February 8 of this year. This plan is still under review. Any additional remediation will be completed over the next few months. The groundwater in the subterranean soils slated for excavation when the project commences this summer, will all be carbon treated as they are pumped into accepted discharge channels.

University Corners, as you are aware, is a massive redevelopment project in an Economic Enterprise Zone, which will provide hundreds if not thousands of desperately needed jobs to area residents. Replacing In working with the Community Redevelopment Agency and the County Appraiser's Office, it has been ascertained that the property tax differential is in the order of \$2.0 Million for the referenced properties being consolidated to makeup the site under our project. The overall project valuation is preliminarily estimated at \$150.0 Million. Clearly, these facts demonstrate a legitimate basis for a Brownfield designation and for University Corners, LLC to be recognized as a QTI (Qualified Target Industries) business.

Aside from our firm's redevelopment activities, the multi-year construction project will provide hundreds of well-paying technical jobs. The completed center will attract dozens of new businesses, which in turn will bring even more commercial activity into the area. All businesses moving into University Corners will have demonstrated significant financial strength and responsibility as pre-requisite to their tenancy. Many of these new businesses will be QTIs. The "Brownfield designation" will prove invaluable in attracting and retaining these businesses as QTIs because of the corporate tax benefits, job creation bonus refund, and the \$2500 per job incentive to name a few. Obviously, these perquisites will augment the existing benefits of the Economic Enterprise Zone making the proposition of upscale businesses moving into a "Brownfield site", that much more appealing and potentially profitable.

While we have not previously mentioned the motivation of being good corporate citizens, it must be enumerated now as an important reason for seeking the "Brownfield designation" and working with the State and the City to ameliorate economic conditions in a historically challenged area.

While we understand that the City has been advised by Counsel that its quasi-judicial responsibilities, in regard to the five ordinances affecting the project, must be completed, we respectfully remind you time is of paramount importance. Please advise us of anything we can do to expedite matters. We appreciate your assistance in guiding us through this process.

Sincerely,

Michael A. Conroy, President
University Corners, LLC

cc: F.Darabi, File

Enterprise FLORIDA, Inc.

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PARTNER INFORMATION

BROWNFIELD REDEVELOPMENT BONUS REFUND

How It Works

SUMMARY

The **Brownfield Redevelopment Bonus** is available to encourage redevelopment and job creation within designated brownfield areas. Pre-approved applicants receive tax refunds of up to \$2,500 per new job created in a designated brownfield area. The amount of the refund is equal to 20 percent of the average annual wage of the new jobs created. Refunds are based upon taxes paid by the business, including corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes. No more than 25 percent of the total refund approved may be paid in any single fiscal year.

The Brownfield Development Bonus may be awarded in addition to the Qualified Target Industry (QTI) Tax Refund provided under s. 288.106, Florida Statutes. (Please refer to the QTI Tax Refund partner information sheet for additional information.)

KEY DEFINITIONS

"Brownfield sites" means sites that are generally abandoned, idled, or underused industrial and commercial properties where expansion or redevelopment is complicated by environmental contamination.

"Brownfield area" means a contiguous area of one or more brownfield sites, some of which may not be contaminated, and which has been designated by a local government by resolution. Such areas may include all or portions of community redevelopment areas, enterprise zones, empowerment zones, other such designated economically deprived communities and areas, and Environmental-Protection-Agency-designated brownfield pilot projects.

ELIGIBILITY

To qualify, an applicant must locate within a Brownfield area and:

- Be certified as QTI business as defined in Section 288.106, F.S., or
- Be a business that can demonstrate a fixed capital investment of at least \$2 million in mixed-use business activities in a brownfield area, including multiunit housing, commercial, retail, and industrial;
- Create at least 10 new Florida full-time jobs with benefits, excluding construction and site remediation jobs;
- Show that the project will diversify and strengthen the economy of the area surrounding the site;

- Show that the project will promote capital investment in the area beyond that contemplated for the rehabilitation of the site; and
- Provide a resolution from the city or county commission recommending the applicant for the incentive and, at the option of the city or county, committing the community to provide a local match equaling 20 percent of the tax refund. If a community elects to be exempt from the local match requirement, the applicant is only eligible for 80 percent of the refund for which they would otherwise qualify. The local match exemption must be requested in a resolution of the local governing authority.

APPLICATION PROCESS

- In order to participate, a company must apply to Enterprise Florida, Inc. (EFI). EFI staff will shepherd businesses and communities through the entire application process, ensuring that the company and community understand what is required for a complete, effective application.
- EFI reports its evaluation of the application and recommendation to the Director of the Office of Trade, Tourism and Economic Development (OTTED) who makes the final decision on the project. (Note: While the law allows a maximum of 45 days to evaluate the completed application, both EFI and OTTED make every effort to expedite the process to meet the applicant's schedule.)

APPROVAL PROCESS

- OTTED's approval or disapproval of the application is in the form of a certification letter.
- If the application is approved, the certification letter will indicate the amount and schedule of tax refunds approved, as well as the number of jobs and average wage rate for the project jobs. These must be the same as stated in the application.
- Once the Brownfield redevelopment bonus refund application is approved, the business will begin working directly with OTTED to finalize the tax refund agreement. Within 120 days of issuance of the certification letter, the eligible business and the Director of OTTED must sign a written tax refund agreement.

REFUND PROCESS

- The business submits a claim to OTTED each year for the scheduled tax refund.
- If all the terms of the tax refund agreement are met, then OTTED pays the refund.

ADDITIONAL INFORMATION

For additional information, please contact John Ray at (850) 922-8784.

Statutory Reference: Section 288.107, Florida Statutes



CITY OF GAINESVILLE

Department of Community Development

June 15, 2005

Michael A. Conroy, General Manager
University Corners, LLC
120 NW 13th Street
Gainesville, FL 32601

Dear Mr. Conroy,

I wanted to confirm our conversation of June 8, 2005 regarding University Corner's request to receive a Brownfield Designation from the City of Gainesville in order for your tenants to receive Brownfield Redevelopment Bonus Refunds.

It is our understanding that the Brownfield Redevelopment Bonus Refund program allows the businesses that located in your project to apply for a state tax credit for the creation of certain jobs. It is also our understanding that the City of Gainesville or the Community Redevelopment Agency could be asked to provide a 20% cash match for the 80% state-funded portion of those tax credits. It is important for you to understand that if University Corners were to receive an incentive package from the CRA that the Development Agreement would prohibit you or your tenants from applying for that additional 20% match. You or your tenants could still apply for the state-funded portion of the Bonus Refund.

Sincerely,

A handwritten signature in cursive script that reads "Karen Slevin".

Karen Slevin
Community Redevelopment Agency Manager

