

EASTSIDE REDEVELOPMENT AREA

**REDEVELOPMENT
INCENTIVE PROGRAM**

***GAINESVILLE
COMMUNITY REDEVELOPMENT AGENCY***

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I. Introduction

The Eastside Redevelopment Plan sets forth a number of Objectives and Policies to guide the redevelopment process. They include Land Use, Economic Development, Housing, Utilities & Services, Transportation, and Community Pride and Cohesiveness. These Objectives and Policies provide a framework for redevelopment activities within the district.

These incentives are intended to encourage redevelopment in the Eastside Redevelopment Area that complies with the goals of the Plan, increases the diversity of uses, and increases the residential component of the redevelopment area and enhances commercial usage. The program is for commercial, mixed-use, and mixed-income housing including a substantial market-rate component. 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. The reimbursement is derived solely from the increase in taxes generated by the completed project.

This Redevelopment Incentive Program includes a menu of reimbursement eligible 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 Eastside 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 reimbursement for any or all of the above items, 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 awards under this program, the CRA will establish separate accounting systems in the area's trust fund for each project. The CRA will use only those funds in the account established to receive tax increment revenues for reimbursement to that specific project.

II. Eligibility

In order for a project to be eligible for an award, the applicant must submit a request and that request must be approved prior to an initial building permit being issued or any work being completed by the applicant, related to that award. No award will be considered or approved for actions or work which has commenced or been completed. Projects must be eligible for an award of \$25,000 to be considered for an award. Awards smaller than \$25,000 will not be considered. The program is for commercial, mixed-use, and mixed-income housing including a substantial market-rate component.

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 Development Agreement the CRA executes to provide funding for the award, 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 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 further reimbursement shall cease.

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.

The applicant must demonstrate that the project would not be feasible but for the award amount requested. Awards under this program will also be limited as follows:

1. Awards 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.

Award approvals will be based policies and procedures of the CRA, and the City of Gainesville and state and federal law as may be applicable.

III. Disbursements

- 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. Payment of taxes is required before reimbursement will occur.

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 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 Eastside Advisory Board based on an evaluation of the information provided in the application and in response to the Selection Criteria listed below.
 - The Eastside 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 Eastside Advisory Board, the CRA may accept or reject the application, or may approve the application with changes or conditions. All applicants must submit a \$1000.00 fee per application with checks payable to the Gainesville Community Redevelopment Agency in order for the application to be independently evaluated. All applications must be submitted within three (3) weeks of the monthly Eastside Redevelopment Advisory Board meeting in order for the application to be independently evaluated.

Following approval the staff shall prepare or cause to be prepared a Development 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 Eastside 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:

- Provide opportunities for different housing to accommodate different demographic groups
- Replace older or underutilized utility lines where needed
- Increase mobility through transit service and pedestrian improvements
- Develop neighborhood commercial centers
- Augment existing street grid system
- Strengthen University Avenue as a commercial corridor
- Address district stormwater improvements
- Provide neighborhood improvements- safety, identity, and facilities

- Provide opportunities for consumers to shop within the district
- Implement streetscaping improvements including sidewalks and lighting