



INTER-OFFICE COMMUNICATION

DATE: April 25, 2017

TO: Mayor Poe and Members of the City Commission

VIA: Carrie Bush, Strategic Initiatives Director *CB*
 Anthony Lyons, City Manager *AL*

FROM: Erik A. Bredfeldt, Economic Development and Innovation Director

SUBJECT: Status of Enterprise Zone Program

On January 26, 2017, an agenda item regarding the status of the Enterprise Program was presented to the General Policy Committee.

Staff reported that on December 31, 2015, the State of Florida Legislature let the State Enterprise Zone program sunset. This program had been administered within the City of Gainesville since 1995 and generally provided a menu of State incentives (primarily sales and use tax refunds for capital purchases and hiring) and then a local component as well (reductions in permitting fees, business tax, and utility tax).

Since that time the only remaining Enterprise Zone (utilizing existing Enterprise Zone spatial boundaries) incentive that has been provided continuously is a 50% reduction in development fees related to such matters as processing of site plans and other related planning petitions.

The General Policy Committee directed that staff do additional work on determining other incentives that may be applicable in an expanded Enterprise Zone and bring those back to the Committee for consideration.

Currently, staff is in the process of identifying parties that have recently processed development applications in East Gainesville to participate in a focus group in order to solicit input on the types of incentives that might be fashioned to compliment the development fee relief.

In addition, utilizing existing CRA incentives as a model from a general fund perspective inclusive of a façade program, a company relocation incentive and a job creation incentive may be one approach to making an incentive program seamless (and citizen centric) in terms of administration and management across the board in East Gainesville.

It is anticipated that the focus groups will be held in May and a report back to the General Policy Committee for further direction (where the item is pending) will be scheduled in June.

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