



# City of Gainesville

## Office of Capital Asset Planning & Economic Resilience

To: Deborah Bowie, Assistant City Manager

From: Erik A. Bredfeldt, Economic Development & Innovation Director

Date: January 25, 2021

**Re: Economic Development Incentives Health Care Services/Providers in East Gainesville**

Please see staff's response to item #2 in the motion adopted by the City Commission regarding Health Equity and Access in East Gainesville:

**2) Determine if existing Economic Development incentives (city, county, opportunity zone) may assist in recruiting health care services/providers to East Gainesville (specifically in zip codes 32609 and 32641);**

Current ED incentives that are available in the East Gainesville (Enterprise Zone) geography outside of those offered by GCRA are limited to a 50% reduction in development fees associated with the City of Gainesville development applications and an electric energy reimbursement program available to large users of electric energy.

Alachua County does not currently offer incentives to the private sector however County staff indicates that they may position the County's GCRA equalization fund as a possible future source of funding.

The Federal Opportunity Zone Program is governed by Federal regulations and not administered by City/County staff however City staff and the local real estate community do provide information on the program to interested parties. It's presumed that the Opportunity Zone program will continue to be offered however there may be some changes based upon the incoming administration.

If a health care services/providers economic development incentive is desired it probably would have to be structured as a new program with a corresponding funding source(s)...it may be that you could tie a local package to the Opportunity Zone geography and collapse the EZ programs into the OZ geography as well.

A determination would need to be made on what type of incentive(s) are being contemplated: Is it real estate development or business operations-oriented? Is it only directed at the health care services/providers sector of the economy or broader in application? Will there be performance tied to the incentives and how will they be administered?

In considering a program, it may be prudent to tie incentives to the Opportunity Zone that are consistent between those being formulated/funded by the GCRA and those funded by General Government in order to build continuity and eliminate confusion.

cc: Lee R. Feldman, ICMA-CM, City Manager  
Phil Mann, Interim Assistant City Manager  
Fred Murry, Assistant City Manager