

**Board of County Commissioners  
Leon County, Florida**

**FISCAL YEAR 2012 BUDGET WORKSHOP**



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# Leon County Office of Management & Budget Fiscal Year 2012 Budget Workshop

## Table of Contents

### Fiscal Year 2012 Budget Overview

<b>Discussion Item 1</b>	<i>Consideration of the Continuance of the Leon County Project Search Program</i>
<b>Discussion Item 2</b>	<i>Operating Costs for the Opening of the Branch Libraries</i>
<b>Discussion Item 3</b>	<i>Consideration of Two Additional Park Attendants for the Division of Parks &amp; Recreation</i>
<b>Discussion Item 4</b>	<i>Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office</i>
<b>Discussion Item 5</b>	<i>Establishing the FY 2012 Maximum Discretionary Funding Level for Funding for Outside Agencies</i>
<b>Discussion Item 6</b>	<i>Status of Stormwater Non Ad Valorem Assessments</i>
<b>Discussion Item 7</b>	<i>Consideration of Proposed Increase to the Solid Waste Tipping Fee at the Transfer Station</i>
<b>Discussion Item 8</b>	<i>Consideration to Install Solar Thermal System at the Sheriff Administration Building</i>
<b>Discussion Item 9</b>	<i>Consideration of Holding Employee's Pay Neutral to any Changes to the Florida Retirement System Contribution Rate</i>
<b>Discussion Item 10</b>	<i>Consideration of Funding for the Court Mental Health Program</i>
<b>Discussion Item 11</b>	<i>Consideration to Increase Funding for the Quality Targeted Industry Program</i>
<b>Discussion Item 12</b>	<i>Tourist Development Tax Allocations</i>
<b>Discussion Item 13</b>	<i>Status Update Regarding the Current Level of Service Provided by the Leon County Community Centers, Consideration of Funding for an Additional Community Center Attendant, and an Update on the Miccosukee Community Center</i>
<b>Discussion Item 14</b>	<i>Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds</i>
<b>Discussion Item 15</b>	<i>Consideration of Increased of the Senior Outreach Program FY 2011/2012 Funding Request</i>
<b>Discussion Item 16</b>	<i>Status of the Transportation Trust Fund</i>



**Board of County Commissioners  
Leon County, Florida**

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**Budget Discussion Item  
Executive Summary**

March 17, 2011

**Title:**

FY 2012 Budget Workshop Overview

**Staff:**

Parwez Alam, County Administrator *PA*  
Vincent S. Long, Deputy County Administrator *VSL*  
Alan Rosenzweig, Assistant County Administrator *AR*  
Scott Ross, Director, Office of Management and Budget *SR*

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**Issue Briefing:**

This item requests Board acceptance of the overview regarding the preparation of the FY 2012 budget.

**Fiscal Impact:**

This item has a fiscal impact and leads the discussion for the development of the FY 2012 tentative budget.

**Staff Recommendations:**

Option #1: Accept staff's report.

Option #2: Authorize the Chairman to send a letter to the Constitutional Officers requesting they develop budget reductions of at least 5%.

Option #3: Director the County Administrator to develop a list of at least 5% in reductions for all Board departments.

## Report and Discussion

### **Background:**

The Board has made a concerted effort over the past four years to maintain the quality of service delivery to the citizens of Leon County following a reduction in resources caused by changes to property tax laws and the subsequent recession. This endeavor included implementing expenditure reductions and reducing and/or restructuring services (Attachment #1).

The process began during FY 2008 at the Board Annual Retreat. During this retreat the Board began to prioritize county services with regard to the funding priorities. The Board also adopted "Guiding Principles" as a template for directing this process and to make Leon County's service delivery sustainable into the future (Attachment #1). The prioritization process was completed during the January 30, 2008 budget workshop. Continued restructuring and reductions occurred during FY2009 and FY2010. Service areas affected included the library, solid waste, mosquito control, stormwater, management information, and county administration (Attachment #2). As a comparison, Attachment #3 reflects some of the reductions comparative counties have made over the same period of time. For example, in Lake County they have implemented 12 mandatory furlough days annual for each of the last two fiscal years and in St. Lucie County they froze 157 out of 907 positions. For Leon County, the Board will have to carefully consider any further reductions which would impact service delivery, and possibly leave citizens wondering why they are paying taxes for low quality services.

By prioritizing services and taking actions to limit costs, the Board placed the community in a position to weather the recession, and future economic uncertainty. Leon County has added minimal operating expenses (e.g. The Office of Sustainability), which has allowed the Board to provide adequate resources to established programs, without having to make drastic personnel reductions like other Florida local governments. Due to the continued ambiguity of when the economy will rebound to pre-recession levels (compared to the private sector recovery), the Board is still faced with uncertainty relating to ad valorem collections, as a result of a continued decline in property valuations, and sales tax collections.

This year's budget continued to provide property tax relief to our citizens; correspondingly, this caused a decline in revenue to the County. Overall, property tax collections for FY 2010/2011 will be \$1.8 million less than last year. Over the past two years, the total reduction is approximately \$11 million. The savings for the current year are a direct result of two factors: (1) the Board maintaining the current combined millage rate of 8.35 (7.85 countywide and 0.50 Emergency Medical Services MSTU); and (2) a decline in property values by \$1.227 billion over a two year period.

The FY 2011 budget utilized \$3.8 million in fund balance to support services. Fund balances grow annually (typically \$3 to \$5 million) through the under spending of appropriations and the over collection of forecasted revenues (mainly resulting from the statutory requirement to budget at 95% of forecast). Given these parameters, the utilization of \$4.0 million is not an unreasonable allocation. However, historically the fund balances that have accumulated have been utilized for one-time capital project funding. Out-year budget were contemplated at utilizing \$3.8 million per year to maintain existing service levels.

**Analysis:**

The following narrative provides a preliminary view of budget consideration for FY 2012. The County is in the very early stages of the budget development process with Department budgets submittal on March 21, and the Constitutional budgets (Sheriff, Supervisor of Election, and Clerk of the Courts) submitted on May 1. Notwithstanding, the Board provided indications of budget priorities during the December 2010 retreat, and preliminary assumptions of operating expenditures needed to maintain existing service levels, and the resources required to maintain these service levels have been made.

**Preliminary FY 2012 Budget Shortfall**

Preliminary indications from the Property Appraiser's office indicate that valuations will decline for the third year in a row. This year valuations are estimated to decline by another one to two percent. Using a two percent decline and keeping the combined millage rate at 8.35 mills (7.85 Countywide, and 0.5 Emergency Medical Services) would cause a decline in property tax collections in FY 2012 by \$2.3 million.

In addition to the decline in ad valorem revenue, Table 1 shows preliminary estimates of operating expenditure increases that will allow the County to "open the doors" in FY 2012 and maintain existing operations. The table then identifies additional operating expenditures which will be considered through the budget discussion items.

**Table 1: Preliminary Recurring Budget Shortfall Analysis Detail**

<b>Resources/Expenditures (1)</b>	<b>Amounts in Millions</b>
Preliminary Property Tax Reduction (Estimated 2%)	\$2.30
<b>Subtotal</b>	<b>\$2.30</b>
<b>Preliminary Operating Cost Increases</b>	
Presidential Election (est. increase over current year funding)	\$1.67
Increased Transfer to General Revenue to Transportation*	\$1.64
Health Care (Estimated increase at 10%)	\$1.54
Other Contractual Services Increased Costs	\$0.50
Fuel Costs (based on estimated 15% percent increase)	\$0.38
Medicaid	\$0.20
Debt Refinancing Savings	(\$0.16)
<b>Subtotal Operating Cost Increases</b>	<b>\$5.77</b>
<b>Additional Operating Cost Considerations</b>	
Continued Project Search Funding*	\$0.20
Court Mental Health Program*	\$0.27
Qualified Targeted Industry (QTI) Program*	\$0.10
Branch Library Expansion Openings*	\$0.21
Park Attendants*	\$0.19
Community Center Attendant*	\$0.08
Senior Citizen Services*	\$0.04
<b>Subtotal Additional Operating Expenditure Considerations</b>	<b>\$1.09</b>
<b>Replacement of Fund Balance Utilization</b>	<b>\$3.80</b>
<b>Total Preliminary Recurring Shortfall</b>	<b>\$12.96</b>

\* Separate Budget Discussion Item

(1) Assumes other revenues will remain flat or increase slightly

As noted in Table 1, the total preliminary recurring budget shortfall is \$12.96 million. The analysis shows the existing \$3.8 million being used in fund balance needing to be replaced –

either through budget reductions or increased revenues. Historically, the County has utilized accumulated fund balances to support one-time capital projects.

With regard to the preliminary operating costs impacts, the cost for retirement to the County has been projected as neutral. Currently, there are several proposals being presented by the Governor's Office and the Legislature that may ultimately shift some Florida Retirement System costs to the employees. While this would appear to offer savings to the County, proposals are being considered that would reduce state shared revenue to counties equivalent to the savings gained through the retirement cost shift. A preliminary budget discussion item is included in the workshop package. In addition, the Board has scheduled a workshop on May 24 (if necessary) to deliberate the ramifications of any budget issues that the state may pass through to the counties. Final retirement system adjustments and any other budget items will be presented for Board consideration regarding their impact during the FY 2012 budget development.

The Board has also identified approximately \$8.6 in possible new capital projects expenditures including the Northeast Park, a Regional Sports Complex, and the acquisition of land for the North Florida Fairground relocation identified as Board priorities at the December retreat.

Funding estimates for the Northeast Park land purchase are based on allocations made in FY 2007 before the Board eliminated this project as part of the restructuring of the capital program in anticipation of the enacted property tax reform legislation. Two million dollars has been programmed as an estimate for the Apalachee Park Sports Complex. As the master plan, final scope of the project and funding sources are identified, this figure will be adjusted.

Dollar figures for the Fairground relocation, Miccosukee Community Center, and thermal solar at the Sheriff's Office are based on recent appraisals and estimates calculated by staff, respectively, and are discussed in detail in separate budget discussion items.

Table 2 presents the list of increased capital project funding. In addition, staff has included funding for a needed replacement of the fire suppression system in the Courthouse parking garage.

**Table 2: Preliminary Capital Project Increased Funding**

	<b>Amounts in Millions</b>
Fairgrounds Land Purchase (includes est. closing costs) (1)*	\$2.63
Northeast Park - Land (1)	\$2.00
Sports Complex (final cost to be determined) (1) (2)	\$2.00
Miccosukee Community Center *	\$1.90
Courthouse Parking Garage – Fire Suppression Renewal/Replacement (3)	\$1.00
Thermal Solar at Sheriff's Office*	\$0.05
<b>Subtotal Capital Project Considerations</b>	<b>\$9.58</b>

\* Separate Budget Discussion Item

(1) Board Identified Retreat Priority

(2) Possible funding source could be a portion of the Tourist Development Tax

(3) Preliminary estimate, final amounts to be determined based on engineering review and design

The projects identified in Table 2 could partially be funded through the utilization of the \$3.8 million in fund balance previously allocated to the operating budget. However, if the Board

directs the fund balance towards the operating budget then projects such as the Fairgrounds (\$2.63 million) and the Northeast Park (\$2.0 million) could not be funded.

It is important to note, that this budget information is preliminary, and the presentation of additional operating cost considerations and capital projects considerations identified for the Board have not been placed in the budget. If at the workshop, the Board directs staff to include some or all of these options in the preliminary budget preparation, then at the time the preliminary budget needs to be balanced at the July workshops, the Board may ultimately decide to not fund some or any of these projects.

A mid-year financial report detailing revenue forecasts and projected fund balances will be provided to the Board in April. The County Administrator will hold Budget Hearings from May 11-13 where a detailed review of Department and Constitutional operating and capital budget submittals will be reviewed. Based on these hearings, the County Administrator will then make preliminary budget recommendations to the Board during the July budget workshops.

#### Balancing Strategies

As reflected in Table #1, a total preliminary operating short fall in excess of \$12.96 million exists. There are various approaches that can be taken to balance the budget:

- 5% operating budget reductions for all Board Departments, Constitutional Officers and outside agencies. Based on the FY2010 budget, this could generate approximately \$8.0 million. This will require the full participation of all entities.
- Utilization of fund balance. Preliminary indications are the County's fund balance will be in excess of the County's policy minimum requirements that can continue to support the \$3.8 million used to support the operating budget; final estimates will be available as part of the next budget workshop. Historically fund balance has been used to support one time capital projects. Fund balances typically grow \$4 to \$5 million based on under expenditure and higher revenue collections (statutory the County budgets at 95% of anticipated collections).
- Furlough days. To date the County has not had to utilize furlough days to balance the budget. Given the current financial situation, the Board may need to consider furloughs as part of the final balancing. Total payroll for one day (including all Constitutional Officers) is estimated at \$280,000, this includes law enforcement and EMS. To institute this, the furlough would actually have to correspond to an existing holiday; in effect converting the holiday to a non-paid day. Alternatively, furloughs that occur on non-holidays would result in fewer saving as public safety would not be able to participate. **Furlough days result in a direct pay cut for the employees affected.**
- Additional revenues. As discussed in other budget discussion items, the Board may need to consider additional revenues, such as the 5 cent gas tax. Based on a 50/50 split with the City of Tallahassee, the additional gas tax would generate approximately \$2.5 million for the County.
- Imposition of the rolled-back millage rate. Based on a 2% reduction in value, the County would need to increase the millage rate by 0.16 mils to mitigate the lost value. This

would produce \$2.3 million. The Board needs to appreciate that raising the millage rate under **this circumstance is not a tax increase** as it would not generate any additional revenue for the County (outside of new construction). If values decline less, the rate increase would correspondingly be less. Final property values will be available for the July workshop.

- An increase in the millage rate above the rolled-back rate. The Board needs to consider that when property tax reform legislation passed, the legislature implemented various voting thresholds to address property tax collections. Under the law, the Board (on a simple majority 4-3 vote) can establish a millage rate that enables the collection equal to the prior year plus the growth in per capita income and new construction. The intent allows for the collection of additional revenue to address the normal increase in costs for operating government (e.g. raises, healthcare, retirement, and inflation). **This process acknowledges that property values may not only decrease, but may increase over time.** The focus therefore is not on the property value or the millage rate, but on the amount of property taxes being collected, and how much is necessary to fund the operations of government. Higher voting thresholds allow for greater property tax collections, which could be utilized to support different levels of service or to offset other revenue declines.

Based on the above, staff recommends:

- The Board authorize the Chairman to send a letter to the Constitutional Officers requesting they develop budget reductions of at least 5%.
- The County Administrator develop a list of at least 5% in reductions for all Board departments.

Based on the above, the County Administrator will provide the Board more refined balancing strategies during the July workshop ranging from discussing the millage rate (once final valuations have been established), the utilization of fund balance and budget reductions. However, some expenditures and possible revenue offsets such as the status to the transportation and stormwater subsidies should be discussed now due to statutory time constraints regarding public notices of possible tax or fee increases.

Budget Discussion Items

The following discussion items have been prepared for Board consideration. Based on actions and direction provided during the Board's review of these items, staff will be able to prepare additional information for workshops scheduled in May (if necessary pending legislative session) and July.

1. Consideration of the Continuance of the Leon County Project Search Program
2. Operating Costs for the Opening of the Branch Libraries
3. Consideration of Two Additional Park Attendants for the Division of Parks & Recreation
4. Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office
5. Establishing the FY 2012 Maximum Discretionary Funding Level for Funding for Outside Agencies
6. Status of Stormwater Non Ad Valorem Assessments
7. Consideration of Proposed Increase to the Solid Waste Tipping Fee at the Transfer Station
8. Consideration to Install Solar Thermal System at the Sheriff Administration Building
9. Consideration of Holding Employee's Pay Neutral to any Changes to the Florida Retirement System Contribution Rate
10. Consideration of Funding for the Court Mental Health Program
11. Consideration to Increase Funding for the Quality Targeted Industry Program
12. Tourist Development Tax Allocations
13. Status Update Regarding the Current Level of Service Provided by the Leon County Community Centers, Consideration of Funding for an Additional Community Center Attendant, and an Update on the Miccosukee Community Center
14. Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds
15. Consideration of Increase of the Senior Outreach Program FY 2011/2012 Funding Request
16. Status of the Transportation Trust Fund

Subsequent to Board direction staff on these items, staff will prepare a preliminary budget to be presented to the Board during the July workshops.

**Options:**

1. Accept staff's report.
2. Authorize the Chairman to send a letter to the Constitutional Officers requesting they develop budget reductions of at least 5%.
3. Director the County Administrator to develop a list of at least 5% in reductions for all Board departments.
4. Do not accept staff's report.
5. Board Direction.

**Recommendation:**

Options #1 - #3

Attachments:

- #1 Leon County Guiding Principles
- #2 Previous Years Service Reductions and Savings
- #3 Comparative County Budget Reductions

## Leon County Guiding Principles

1. The Board of County Commissioners upholds the importance of the Leon County Home Rule Charter allowing citizen involvement and flexibility in shaping government to best meet the County's unique and changing needs.
2. The County budget will always be balanced, with available revenues equal to appropriations.
3. The County will strive to maintain the lowest dollars spent per County resident, as compared to like-size counties, while retaining the maximum level of service possible.
4. Through citizen input and Commission deliberation, core functions for County government will be identified and the dollars will be allocated accordingly during the budget process.
5. The County will continue to explore opportunities with its governmental counterparts for functional consolidation and/or shared efficiencies.
6. The County will continue to enhance our cooperation and coordination with our Universities and Community College to promote, strengthen, and sustain our community's intellectual capital.
7. The County Administrator will require Program Managers to conduct an annual review and scrutiny of their base budgets when preparing budgets for future years.
8. Consistent with best practices and the Florida Statutes, Leon County will retain an emergency reserve fund of not less than 5%, but not more than 10% of the general operating budget (Policy No. 07-2).
9. Consistent with best practices and the Florida Statutes, Leon County will retain an operating cash reserve fund of not less than 10% but not more than 20% of the general operating budget (Policy No. 07-2).
10. Cash reserves in excess of reserve policies will be utilized to support one time capital projects and/or other one-time expenditures to address unforeseen revenue shortfalls (Policy No. 07-2).
11. Leon County will continue to ensure the useable and safe life of existing infrastructure by providing funding for proper maintenance (Policy No. 93-44).
12. Provide that fees charged in enterprise operations will be calculated at a level which will support all direct and indirect costs of the enterprise (Policy No. 92-5).
13. Ensure that capital projects financed through the issuance of bonds will not be financed for a period that exceeds the useful life of the project or the life of the supporting revenue source (Policy No. 93-47), and support conduit financing to promote the economic health of the community.
14. Maintain accounting and reporting practices in conformance with the Uniform Accounting System of the State of Florida and Generally Accepted Accounting Principles (GAAP) (Policy No. 92-4).
15. Ensure that the annual financial and compliance audit of the County's financial records is conducted by an independent firm of certified public accountants whose findings and opinions are published and available for public review (Policy No. 92-4).
16. Will optimize return on investments within the constraints of safety and liquidity through an adopted Investment Policy.
17. Shall establish formal policies and procedures to address amending the budget while allowing the organization to function and react to changing conditions (Policy No. 97-11).
18. The County shall provide a meaningful public input process during the annual budget review which shall, at a minimum, include at least one Board Workshop and two Public Hearings.
19. The County will fully research and employ technology to improve the personal and collective efficiency of county employees.
20. The County will continue to enhance our culture of performance, as we maintain a very low employee per 1,000 population and a "flat" organizational structure, and hold individual employees to high expectations and performance standards. Employees are entrusted with broad authority in their functional areas, expected to respond quickly to requests for service, explore and pursue alternatives to assist the citizenry, attempt to deliver more than what is expected, and are empowered to use professional discretion on the spot to resolve issues and reduce "bureaucracy." These employees are valued and compensation and benefits are commensurate with their responsibilities and competitive in the industry.
21. The County will continue to improve our efforts to promote employee innovation, through incentives, recognition and rewards for identifying and implementing program and process improvements that add value to services while producing cost savings.
22. The County will continue to leverage Leon County tax payer dollars to attract federal and state appropriations, reimbursements, and matching grants to realize revenue maximization for the purpose of funding priority projects and programs.

**Board of County Commissioner's Actions to Reduce Expenses FY 2009 - FY 2011**

- The Board reduced hours of the branch library system from 52 to 40 hours a week. This involved completely closing the branch locations on Mondays. Savings achieved are a recurring \$386,985 per year.
- The County closed the Solid Waste Facility to the public for the disposal of Class III waste (generally waste not expected to produce leachate) and began contracting with a private vendor to recycle this waste stream. This change allowed the County to restructure landfill operations and eliminate seven positions at the solid waste facility for a savings of \$284,500. Furthermore, this effort will assist the County in reducing the amount of Class III waste disposed of at the solid waste facility, and expand the recycling and reuse of Class III waste.
- The Public Works Department significantly restructured its stormwater and mosquito control programs. Specifically, stormwater maintenance previously performed by two divisions, is now being conducted by one division. This produced organizational efficiencies, but this restructuring saved \$214,054 over the past two fiscal years.
- Management Information Services underwent a restructuring resulting in annualized savings of \$181,997. This involved the elimination of three technical positions, which resulted in increased response times to technical calls; however, call times remain within applicable industry benchmark standards.
- County Administration reorganized to increase efficiencies. Part of the reorganization involved eliminating the Management Services Support Services Division. The net annual savings is \$176,980.
- Reevaluated and competitively bid the County's insurance (property, workers compensation, general liability) for savings of \$407,000.
- Reduced County take home vehicles from 49 to 1.
- In a reaction toward the construction downturn, eliminated 9.0 positions in the Growth and Environmental Management Department. An additional 9.0 position reductions are recommended as part of the FY2011 budget and is detailed in a separate budget discussion item. This reduction is a total of 18.0 positions over two years.
- No employee layoffs have occurred in the past three years; however, over the past two years a total of 72 FTEs, or more than 5% of the Board's total work force, have been eliminated from the budget.

## FY 2010 & FY 2011 Comparative Counties Budget Reductions

### Lake

#### FY10 Program Reductions

- A total budget reduction of \$43 million over the previous fiscal year
- 87 full/part time positions have been eliminated - cost savings of \$4.1 million
- No salary increase and mandatory 12 day furlough program
- Eliminated the annual salary contribution to an employee's post employment health plan
- Closed two libraries one day a week and eliminated the "Books by Mail" program

#### FY11 Program Reductions

- Support Departments have been reduced by \$1.45 million
- Operating Departments reduced by \$8.4 million
- Constitutionals reduced by \$74k
- Eliminated 41 positions
- No salary increases and continues the mandatory 12 day furlough program (with the of Growth Management Building Services employees and Fire/Rescue)

### Alachua

#### FY10 Program Reductions

- A total 13 BOCC positions and 2.5 Constitutional positions were eliminated
- No cost of living or merit increases
- Administrative Reductions of \$37k
- Facilities maintenance and janitorial reductions of \$97k
- County Attorney professional services reduction of \$27k
- Reduction in CIP funding of \$1.7 million for one year
- Information Technology, Growth Management, and Animal Services operating expenses reduced by \$125k
- Community Agency Partnership and Poverty Reduction of \$139k
- No salary increases were budgeted for non-bargaining unit employees

#### FY11 Program Reductions

- A total of 19.85 BOCC positions and 3.00 Constitutional positions were eliminated
- Reduced CIP funding by \$1.15 million for one year
- Reduced Juvenile Detention Center, Medicaid in Patient Hospitalization and Nursing Home funding by \$1.05 million
- Eliminated Lease Space funding by \$182k
- Sustainability Program Reductions by \$20k
- Community Agency Partnership and Poverty Reduction of \$80k
- Reduced Administrative Services Operating Budget by \$57k
- Reduced County Attorney's Operating Budget by \$69k
- Information Technology and Growth Management operating expenses reduced by \$82k
- Facilities janitorial reductions of \$20k

## Escambia

### FY10 Program Reductions

- Property Appraisers budget was reduced by 10.6% - mostly due to the reduction of 9 positions
- SOE budget was decreased by 8.6%
- Total of 37 BOCC positions and 141 Constitutional positions eliminated

### FY11 Program Reductions

- Continued decreasing staffing levels due to the 5.16% (\$25 million) ad valorem reduction
- Property Appraisers budget was decreased by 2.68%
- SOE budget was decreased by 1.22%
- Continued reduction of BOCC staffing levels by 16 positions

## Manatee

### FY10 Program Reductions

- Eliminated 80 positions
- \$11.3 reduction in BOCC spending
- \$5.2 million reduction in Constitutional spending (Sheriff eliminated 12 positions and overtime budget as well as reduced vehicle replacements; Clerk, SOE, and Property Appraiser reduced budget by 5%)
- Reduced County Admin, County Attorney, Human Resources staffing
- Opened two new parks and did not add any staff due to budget constraints
- Increased employees health contribution by \$50 per month
- Offered the Voluntary Separation Incentive Program to employees

### FY11 Program Reductions

- Eliminated 53 positions
- Reorganized staffing in Parks and Recreation and eliminated three positions
- Reduced General Fund transfer by \$46k for youth substance abuse
- The library is no longer providing Book Mobile Services and reduced teen/children programs
- Do not add any CIPs to the out years and deferred other projects due to funding
- No cost of living or merit increases
- Increased employees health contribution by additional \$20 per month

## Osceola

### FY10 Program Reductions

- Reduced personnel by 135 FTEs
- Eliminated the Wellness Incentive
- Eliminated Tuition reimbursement
- No cost of living or merit increase for employees
- Outsourced small vehicle repair
- Outsourced Risk Management
- Delayed CIPs

### FY11 Program Reductions

- Implemented an 80 hour furlough
- No cost of living or merit increase for employees
- Re-structured the County's health insurance for employees
- Decreased new capital projects
- Discontinued the General Fund's support for capital projects

## St. Lucie

### FY10 Program Reductions

- Reduced Constitutional and Outside Agency funding by 3.3%
- In the FY10 budget only 750.11 positions out of 907.05 positions have been funded. A total of 156.94 were frozen.

### FY11 Program Reductions

- Re-structure the County's 18 departments into 9 operations
- Shifted non-profit agency funding from operation funding to fund balance funding
- Shifted legally required economic development obligations from operating funding to fund balance funding
- BOCC personnel expenses were decreased by 13.8% and operating by 13.2%
- Reduced Constitutional and Outside Agency funding by 19.75%



**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Budget Discussion Item**  
**Executive Summary**

March 17, 2011

**Title:**

Consideration of the Continuance of the Leon County Project SEARCH Program for FY 11/12

**Staff:**

Parwez Alam, County Administrator   
Lillian Bennett, Human Resources Director  
LaKendra Cunningham, Project SEARCH Coordinator

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**Issue Briefing:**

This item seeks Board direction on the continuance of the Leon County Project SEARCH Program for FY 11/12. The Board accepted the Status Report of the Project SEARCH Program at the September 21, 2010 meeting (Attachment #1). The memorandum of understanding between Leon County and the Project SEARCH partnering agencies will end June 30, 2011 (Attachment #2). The Board will need to make a decision to continue the Project SEARCH program with or without the partnering agencies funding prior to the start of the upcoming 2011/2012 school year, scheduled to begin August 22, 2011. Financial commitments from partnering agencies will not be known until July 1, 2011.

**Fiscal Impact:**

This item has a fiscal impact. The Board approved FY 09/10 funding from general fund contingency in the amount of \$15,225 to hire a 30-hour a week OPS graduate student to assist in the development and implementation of the Project SEARCH Pilot Program for the first nine months. Subsequently, the Board authorized a FY 2010/11 budget request for \$38,320 to fund a full-time OPS Project SEARCH Coordinator position to administer the program.

If the Board chooses to continue the Project Search Program the budget will depend on the funding from each partnering agency. If Leon County Board of County Commissioners chooses to continue the Project SEARCH program and all financial commitments are secured from partnering agencies, the Board's contribution will be \$56,092 annually. If the partnering agencies cannot continue to provide funding, the Board's cost will increase to \$201,956 annually.

**Staff Recommendation:**

Option #1 - Continue Project Search Program with anticipated financial contributions from each partner agency (\$145,864) and County Funding of \$56,092 for total program funding of \$201,956. If funding is not received from partnering agencies, discontinue the Project SEARCH program.

## Report and Discussion

### **Background:**

At the October 27, 2009 meeting, there was a presentation by the Agency for Persons with Disabilities on the Project SEARCH Pilot Program (Attachment #3). The Board approved the creation of the Pilot Program, with the following requirements:

1. The Agency for Persons with Disabilities will provide written confirmation from the Leon County School Board detailing its student participation in the Project SEARCH program for the 2010/11 school year and their commitment to providing per pupil funding in the second and future years of the Project SEARCH Program.
2. The Agency for Persons with Disabilities will provide funding in the amount of \$100,000 for the first year of the Project SEARCH Pilot program. The first year funding of \$100,000 would cover the cost of providing approximately four job coaches and classroom materials needed to assist 12 students with disabilities in their internships with various departments within Leon County.
3. Approved budget amendment and funding in the amount of \$15,225 from the general fund for a 30-hour a week OPS position to assist in the development, implementation, and monitoring of the Project SEARCH Pilot Program for the first year beginning in January 2010. Include a request in the FY 2010/2011 Budget for a full-time Leon County Project SEARCH Coordinator position to administer the Project SEARCH Program for future years.

At the February 9, 2010 meeting, the Board authorized staff to proceed with the development and implementation of the Project SEARCH Pilot Program, with an August 2010 implementation date, hire an OPS graduate student to develop the program, and authorized staff to submit a budget request for \$38,320 to fund a full-time OPS Project SEARCH Coordinator position to administer the program in the FY 2010/11 budget. In June 2010, County Administration approved funding in the amount of \$4,000 to purchase furnishings and technology equipment needed for the Project SEARCH classroom.

In March 2010, the position for the Leon County Project SEARCH Coordinator was hired to coordinate and administer the Leon County Project SEARCH program. Several activities were required to implement and administer the Leon County Project SEARCH program (Attachment #4).

The Leon County Project Search Program was initiated on August 23, 2010. The students reported to the classroom for two weeks to learn employability skills, how to access public transportation, and attend employee orientation. On September 7, 2010 the students reported to their designated worksites as listed below in Table #1.

**Table #1**

<b>Worksite</b>	<b>Number of Youth</b>
Animal Control	1
Probation	1
Health & Human Services	1
Growth & Environmental Management	1
Tourist Development	1
Library	3
Management Information Systems	1
County Attorney / Management & Budget	1
Facilities Management	1
County Administration	1
<b>Total</b>	<b>12</b>

The Board accepted the Status Report of the Project SEARCH Program at the September 21, 2010 meeting (Attachment #1). The memorandum of understanding between Leon County and the Project SEARCH partnering agencies will end June 30, 2011 (Attachment #2). The Board will need to make a decision to continue the Project SEARCH program with or without the partnering agencies funding prior to the start of the upcoming 2011/2012 school year, scheduled to begin August 22, 2011. Financial commitments from partnering agencies will not be known until July 1, 2011.

The Project SEARCH Coordinator designed and administered a mid-year survey that worksite supervisor's anonymously completed on SurveyMonkey, to assess the program's growth and continuance. 100% of the supervisor's stated their intern's work skills improved greatly and they believe the Project SEARCH Program is beneficial to their department and Leon County (Attachment #5).

**Analysis:**

Currently there are 5 partnering agencies involved in the Leon County Project SEARCH program Leon County Board of County Commissioners, Agency for Persons with Disabilities, Leon County Schools, Vocational Rehabilitation, and Opportunity Services. Each partnering agencies financial contribution for FY 09/10 and FY 10/11 are illustrated below in Table #2.

**Table #2**

<b>Partner Agency</b>	<b>FY 09/10</b>	<b>FY 10/11</b>
Leon County BOCC	\$19,001 (Part-time OPS position without benefits, March 15, 2010-September 30, 2010)	\$38,320 (Full-time OPS position without benefits, October 1, 2010-September 30, 2011)
Agency for Persons with Disabilities	\$6,771*	\$74,479**
Leon County Schools	\$5,385*	\$59,229**
Vocational Rehabilitation	Provided expertise in job accommodations	Provide long-term support to participants***
Opportunity Services	Funded by APD grants	Funded by APD grants
<b>TOTAL</b>	<b>\$31,157</b>	<b>\$172,028</b>

\* This amount reflects funds contributed August 23, 2010-September 30, 2010.

\*\* This amount reflects funds contributed October 1, 2010-September 30, 2011.

\*\*\* \$8,500/per student is provided to participants upon completion of the Project SEARCH program.

Opportunity Services utilized \$81,250 of the \$100,000 grant provided by Agency for Persons with Disabilities, for this first year. The Project Budget Summary obtained from Opportunity Services details the expense of providing job coaches, for the first year of the Project SEARCH program (Attachment #6).

On December 9, 2010, in an effort to secure funding for the second year, FY 11/12, of the Project SEARCH program, Leon County Human Resources mailed a letter to each partnering agency requesting a notification of their agencies' renewed commitment to continue the Project SEARCH program and each agency's financial contribution (Attachment #7).

On January 3, 2011, an email was sent to each agency confirming their receipt of the aforementioned letter. Each agency has given their response, with the exception of Leon County Schools (Attachment #8). Florida Agency for Person's with Disabilities has committed to continue financially supporting the program, contingent upon legislative funding, on July 1, 2011. Vocational Rehabilitation has agreed to continue their current support role of providing long-term services to the Project SEARCH program participants including: job placement, job training, and job retention services, however Vocational Rehabilitation will not provide direct funding to the Project SEARCH program. Opportunity Services has committed to continue providing administrative support, through job coaches, for next fiscal year, and if necessary assist in the cost associated with providing the job coaches. As a non-profit agency, Opportunity Services can not entirely fund a project. The proposed funding for FY 11/12 is illustrated below in Table #3.

**Table #3**

<b>Partner Agency</b>	<b>Proposed FY 11/12 with all Partner Agencies</b>	<b>Proposed FY 11/12 without all Partner Agencies</b>	<b>Status of Partner Agencies FY 11/12 Financial Commitments</b>
Leon County BOCC	\$56,092 (Full-time regular position with benefits and operation costs, October 1, 2011-September 30,2012)	\$201,956	Committed to provide a full-time Project SEARCH coordinator position along with the administering costs of the program. Continue to provide worksites, classroom facility, furnishings and equipment.
Agency for Persons with Disabilities	\$81,250	\$0	Committed to continue financially supporting the program, contingent upon legislative funding, on July 1, 2011.
Leon County Schools	\$64,614	\$0	Leon County School Board financial commitment, for the Project SEARCH instructor, is contingent upon legislative funding on July 1, 2011.
Vocational Rehabilitation	Provide long-term support to participants**	\$0	Committed to continue current support role of providing long-term services to the Project SEARCH program participants including: job placement, job training, and job retention services. However Vocational Rehabilitation will not provide direct funding to the Leon County Project SEARCH program.
Opportunity Services	Funded through grants	\$0	Committed to continue providing job coaches, contingent upon funding received Agency for Persons with Disabilities.
<b>TOTAL</b>	<b>\$201,956</b>	<b>\$201,956</b>	

\*\* \$8,500/per student is provided to participants upon completion of the Project SEARCH program.

To continue and maintain the program would include the financial contributions currently being provided by the partnering agencies in addition to Leon County's current contributions which will fund a regular full-time staffing position for the program that is required to administer and operate the program. Additional funding is also required to operate the program which includes: Open House/Info Night, Project SEARCH Employee Orientation, Project SEARCH Team Orientation, Holiday

Luncheon, Graduation, Worksite Supervisor's appreciation gifts, and Office materials (paper, printer ink, folders, etc.).

If Leon County Board of County Commissioners chooses to continue the Project SEARCH program and all financial commitments are secured from partnering agencies, the Board's contribution will be \$56,092. Continuance of the program without the partners' financial assistance may result in a \$201,956 contribution from the Board. The \$201,956 contribution will include Leon County providing a full-time Project SEARCH coordinator position along with the administering costs of the program, Agency for Persons with Disabilities current contribution of \$81,250 to fund the job coaches, and Leon County School's current contribution of \$64,614 to fund the Project SEARCH instructor position, it will not include Vocational Rehabilitation's contribution of \$8,500 per student after the completion of the Project SEARCH program.

The memorandum of understanding between Leon County and the Project SEARCH partnering agencies will end June 30, 2011 (Attachment #2). The Board will need to make a decision to continue the Project SEARCH program with or without the partnering agencies funding prior to the start of the upcoming 2011/2012 school year, scheduled to begin August 22, 2011. Financial commitments from partnering agencies will not be known until July 1, 2011.

**Options:**

1. Continue Project Search Program with anticipated financial contributions from each partner agency (\$145,864) and County Funding (\$56,092) for total program funding of \$201,956. If funding is not received from partnering agencies, discontinue the Project SEARCH program:
2. Do not continue Project Search program beyond first year with an effective end date of September 2011.
3. Board Direction.

**Recommendation:**

Option #1

**Attachments:**

1. September 21, 2010 Project SEARCH Agenda Item
2. Leon County Project SEARCH Memorandum of Understanding.
3. October 27, 2009 Project SEARCH Agenda Item
4. Activities required to administer the Project SEARCH Program
5. Project SEARCH worksite supervisor's survey
6. Opportunity Services Project Budget Summary
7. Letter requesting second year commitment from partner agencies
8. Responses from partnering agencies regarding second year commitment.

PA/LB/LC



## Board of County Commissioners

Leon County, Florida

www.leoncountyfl.gov

### Agenda Item Executive Summary

Tuesday, September 21, 2010

**Title:**

Acceptance of Status Report on the Project SEARCH Program

**Staff:**

Parwez Alam, County Administrator  
Lillian Bennett, Director of Human Resources  
LaKendra Cunningham, Project SEARCH Coordinator

**Issue Briefing:**

At the February 9, 2010 meeting, the Board authorized staff to proceed with the development and implementation of the Project SEARCH Pilot Program, with an August 2010 implementation date (Attachment #1). The Leon County Project SEARCH Program is a collaborative partnership between Leon County, the Leon County School Board, the Agency for Persons with Disabilities, Vocational Rehabilitation, and Opportunity Services, outlined in the Agreement (Attachment #2).

**Fiscal Impact:**

This item has a fiscal impact. The Board approved FY 09/10 funding from general fund contingency in the amount of \$15,225 to hire a 30-hour a week OPS graduate student to assist in the development and implementation of the Project SEARCH Pilot Program for the first nine months. Subsequently, the Board authorized a FY 2010/11 budget request for \$38,320 to fund a full-time OPS Project SEARCH Coordinator position to administer the program. Should the Board choose to continue the Project Search Program beyond FY 2010/11, the estimated cost to maintain the program is \$138,320 annually.

**Staff Recommendation:**

- Option #1: Accept the status report on the Leon County Project SEARCH Program.
- Option #2: Direct staff to provide an update on the Project Search Program and submit a budget request during the FY 11/12 budget process to continue funding for the program.

**Report and Discussion**

**Background:**

At the October 27, 2009 meeting, there was a presentation by the Agency for Persons with Disabilities on the Project SEARCH Pilot Program (Attachment #3). The Board approved the creation of the Pilot Program, with the following requirements:

1. The Agency for Persons with Disabilities will provide written confirmation from the Leon County School Board detailing its student participation in the Project SEARCH program for the 2010/11 school year and their commitment to providing per pupil funding in the second and future years of the Project SEARCH Program.
2. The Agency for Persons with Disabilities will provide funding in the amount of \$100,000 for the first year of the Project SEARCH Pilot program. The first year funding of \$100,000 would cover the cost of providing an instructor, approximately four job coaches and classroom materials needed to assist 12 students with disabilities in their internships with various departments within Leon County.
3. Approved budget amendment and funding in the amount of \$15,225 from the general fund for a 30-hour a week OPS position to assist in the development, implementation, and monitoring of the Project SEARCH Pilot Program for the first year beginning in January 2010. Include a request in the FY 2010/2011 Budget for a full-time Leon County Project SEARCH Coordinator position to administer the Project SEARCH Program for future years.

At the February 9, 2010 meeting, the Board authorized staff to proceed with the development and implementation of the Project SEARCH Pilot Program, with an August 2010 implementation date, hire an OPS graduate student to develop the program, and authorized staff to submit a budget request for \$38,320 to fund a full-time OPS Project SEARCH Coordinator position to administer the program in the FY 2010/11 budget. In June 2010, County Administration approved funding in the amount of \$4,000 to purchase furnishings and technology equipment needed for the Project SEARCH classroom.

**Analysis:**

In March 2010, the position for the Leon County Project SEARCH Coordinator was hired. From March 2010 through May 2010, the Project SEARCH Coordinator has performed the following duties:

- Developed marketing collateral for the program to include a Leon County Project SEARCH brochure and informational PowerPoint Presentation
- Created a Manager Information Packet, a Worksite Request Form, and an Implementation Process chart (Attachment # 4)
- Developed job descriptions and Project Search Job Description Questionnaires
- Attended Project SEARCH Advisory meetings
- Conducted Project SEARCH departmental information sessions

Project SEARCH informational sessions were scheduled and presented to the County departments from May 2010 through June 2010.

<b>Department:</b>	<b>Date:</b>
EMS	May 3
Facilities	May 5
Co-op Extension	May 10
Public Works	May 10

GEM	May 11
TDC	May 17
MIS	May 21
Library	May 26
Human Services	June 2
Executive Team	June 9
OMB/County Attorney	May 25
Probation	May 17

A presentation was made to the Leon County Executive Team on June 9, 2010 to provide a status report on the progress of the program, and to discuss additional budgetary needs. County Administration has approved funding to purchase furniture and the technology needed for the Project SEARCH classroom.

From June 2010 through August 2010, the Project SEARCH Coordinator has performed the following duties:

- Secured 12 Project SEARCH work sites in Leon County departments
- Assisted with the Project SEARCH student recruitment process
- Selected and ordered the Project SEARCH classroom furniture and coordinated the furniture install
- Developed the Project SEARCH classroom terms and conditions
- Coordinated the Project SEARCH Job Coach department training at each work site
- Served on the Project SEARCH instructor selection committee
- Created, coordinated and conducted Project SEARCH intern New Employee Orientation
- Created, coordinated and conducted Project SEARCH Supervisor Orientation
- Developed the Project SEARCH Employee Guidebook which consisted of the employee handbook, workplace harassment training, and workplace etiquette resources
- Developed the Project SEARCH Supervisor Guidebook which consisted of the supervisor handbook, disability sensitivity training, disability simulation activities, and disability etiquette resources.
- Coordinating the Project SEARCH Open House

The Leon County Project Search Program was initiated on August 23, 2010. The students will report to the classroom for two weeks to learn employability skills, how to access public transportation, and attend employee orientation. The Project SEARCH Committee has interviewed and selected eight students with the last set of interviews held on September 2, 2010 to fill the four remaining positions. On September 7, 2010 the students will report to their designated worksites as listed below in Table #1.

**Table #1**

Worksite	Number of Youth
Animal Control	1
Probation	1
Health & Human Services	1
Growth & Environmental Management	2
Tourist Development	1
Library	2
Management Information Systems	1
County Attorney / Office of Management &	1

Budget	
Facilities Management	1
County Administration	1
<b>Total</b>	<b>12</b>

The Board of County Commissioners serves as the first Project SEARCH worksite in Leon County. The Project SEARCH Coordinator is currently working with the Public Information Office to coordinate Project SEARCH Open House scheduled for September 23, 2010 from 6:00-7:00 p.m. to showcase the Leon County Project SEARCH Program, participants, and the Project SEARCH classroom located in the Courthouse Annex - Traffic Court Building on Thomasville Road.

The Project SEARCH program implementation process will continue to the next phase of monitoring the program, providing support to the job coaches, worksite managers and instructor, and serving as a liaison between the collaborative partners and the advisory committee (Attachment #5).

Should the Board choose to continue the Project SEARCH program beyond FY 10/11, additional estimated funding in the amount of \$138,320 is required in FY 11/12 annually. A regular full-time staffing position for the program will be required, together with costs associated with administering and operating the program (orientation supplies, open house supplies, telephone system, etc.). In addition, funding for three job coaches will be required at an estimated \$100,000. It should be noted that the first full year funding for job coaches in the amount of \$100,000 is to be paid for by the Area Agency for Persons with Disabilities through a State Grant. Staff will provide a future update on the Project SEARCH program and submit a budget request during the FY 11/12 budget process to continue funding for the program.

**Options:**

1. Accept status report on the Leon County Project SEARCH Program.
2. Direct staff to provide an update on the Project Search Program and submit a budget request during the FY 11/12 budget process to continue funding for the program.
3. Do not authorize staff to proceed with the Project SEARCH Pilot Program beyond FY10/11.
4. Board Direction.

**Recommendation:**

Options #1 and #2.

**Attachments:**

1. February 09, 2010 Project SEARCH Follow-up
2. Agreement for Project SEARCH Program
3. October 27, 2009 Project SEARCH Agenda Item
4. Project SEARCH Manager's Informational Packet
5. Project SEARCH Timeline

**Agreement of Roles and Responsibilities for  
Project SEARCH**

The Parties to this Agreement are Opportunity Services, Leon County, Florida, the Leon County Public School District and the Agency for Persons with Disabilities.

**I. Purpose:**

The Parties to this Agreement will collaborate and cooperate to create a High School Project SEARCH Transition program at Leon County, Florida for students with developmental disabilities, and to foster and facilitate the acquisition of jobs by people with disabilities when possible. This Agreement specifies the roles and responsibilities of the Parties as they work in partnership to increase opportunities for persons with disabilities. The program will be titled "Leon County Project SEARCH". It is modeled after Project SEARCH at the Children's Hospital Medical Center in Cincinnati, Ohio.

**II. Roles and Responsibilities:**

The Parties agree to the following roles and responsibilities.

**A. The Opportunity Services will:**

- Provide a Director to assist in coordinating the efforts of all key partners, to supervise all job coaching staff, to ensure that program is moving forward within the framework of the projected timeline, and to assist in any way necessary to facilitate success of the program.
- Provide Job Coaches to work with students on work sites throughout the host business.
- Work with participating departments to identify intern work site opportunities for individuals with disabilities and perform job analyses.
- Assist with classroom set-up, curriculum development and work site rotation planning.
- Provide travel training for students as necessary before program begins.
- Assist with student recruitment activities.
- Establish student eligibility guidelines and select students for the program as a participating partner of the Advisory Committee.

- Provide expertise in adaptations and accommodations, and implement as necessary.
- Work with Vocational Rehabilitation to assist with obtaining adaptations and accommodations as necessary, and to help secure funding for job coaching and job development.
- Provide education and training to Leon County Florida's Office employees regarding supporting people with disabilities in the workplace as necessary.
- Attend regular meetings with team members from the Parties to this Agreement to discuss and evaluate program progress.
- Assist with public relation activities to promote the Project SEARCH program.
- Assist the instructor as needed.
- Liaison with Cincinnati Project SEARCH for technical assistance, data collection and other issues related to model integrity.

**B. Leon County, Florida will:**

- Provide classroom space with small tables and chairs to be used as student work areas. Instructor space if possible, with a telephone, fax line, and internet access.
- Provide a business liaison that is available on a frequent basis to assist with job site development, introduce Project SEARCH staff to the business staff, market the program internally, attend periodic meetings to discuss, evaluate program progress, and work with the Instructor to reinforce workplace rules.
- Develop a minimum of three intern work sites and a point of contact at each site for the purpose of teaching competitive, marketable skills to the program participants. Facilitate job analysis of those sites for the Project SEARCH staff.
- Provide Project SEARCH participants access to the County Job Vacancy Announcements located on the County's website for hiring opportunities for internal job openings.
- Provide badges and parking access for Project SEARCH staff.
- Examine existing open positions and determine their applicability for people with disabilities; and predetermine high turnover, entry level support positions, or other applicable positions for proactive job analysis, and recommend pre-screened applicants.

- Provide managers of departments that are being used as work sites to give direction, feedback and evaluation to students during their work site rotations.
- Provide access to conference space for Open Houses.
- Establish student eligibility guidelines and select students for program as a participating partner of the Advisory Committee.
- Is not responsible to have worker's compensation coverage on the students in Project Search.

**C. The Leon County Public School System will:**

- Provide a Special Education Instructor with transition experience to coordinate/teach the program.
  - Develop and provide curriculum and instructional materials that encompass employability skills, functional academics, transition, job development and job readiness. Project SEARCH Curriculum already approved by the Ohio Department of Education can be used (and adapted for use if necessary).
  - Assist the agency on development of intern work sites, and coordinate and monitor intern activities.
  - Facilitate student recruitment activities.
  - Establish student eligibility guidelines and select students for program as a participating partner of the Advisory Committee.
  - Provide expertise in adaptations and accommodations, and implement as necessary.
  - Provide general liability solely for students and staff only as respects to negligent acts of the named insured
  - Provide travel reimbursement to teachers for home visits, job development, etc.
  - Secure relationship with Vocational Rehabilitation for each student to allow for partial funding of Job Coaches and job development.
- 
- Provide additional support for students if necessary, such as Interpreter service, Speech or Occupational Therapy, transportation, etc.
  - Coordinate regular meetings to discuss and evaluate program progress.

- Collect data on student outcomes and report to all partners.
- Liaison with Cincinnati Project SEARCH for technical assistance, data collection and other issues related to model integrity
- Assist with public relation activities to promote "University of Maryland Baltimore – Project SEARCH".

**D. Department of Vocational Rehabilitation will:**

- Provide funding support for individuals to participate in Project SEARCH at Leon County, Florida's Offices.
- Students must have a DVR Employment Plan/eligible IPE signed prior to involvement in the program.
- Provide expertise and assistance in adaptations and job accommodations.
- Establish student eligibility guidelines and select students for program as a participating partner of the Advisory Committee.
- Attend regular meetings to discuss and evaluate program progress.
- Assist with public relation activities to promote Project SEARCH.

**E. Agency for Persons with Disabilities will:**

- Provide initial infrastructure funding for the first year of the program.
- The program must have a minimum of 10 students that are eligible for APD services.
- Provide expertise and assistance in adaptations and job accommodations.
- Establish student eligibility guidelines and select students for program as a participating partner of the Advisory Committee.
- Attend regular meetings to discuss and evaluate program progress.
- Assist with public relation activities to promote Project SEARCH.

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**III. Measurable Objectives:**

All Parties will work collaboratively to:

- Provide intern opportunities for a minimum of 10 – 12 student participants (per school year) with developmental disabilities for the 2010-2011 school year and to provide employment opportunities when available to people with disabilities whenever possible, also during that time period.
- Provide support necessary to maximize success of the program participants.
- Develop a minimum of 3 intern work sites during the first school year of the program, and continue to develop work sites as the program progresses.
- Publicize the collaboration and program activities with a minimum of two written materials and two public presentations.

**IV. Period of Agreement:**

The effective date of this Agreement will be March 2010 to June 2011.

**V. Limitation of Agreement:**

1. Termination of Convenience. Either party may terminate the Agreement upon a 30 day written notice to the other party.
2. Termination for Cause. If either party fails to perform in the manner called for in this Memorandum of Understanding, either party may terminate this Agreement upon a 30 day written notice to the other party.

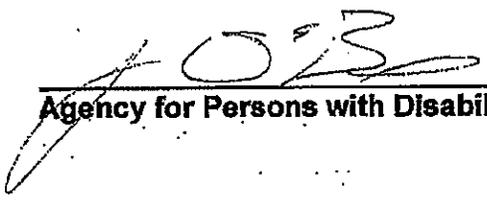
**VI. Relationship of Parties:**

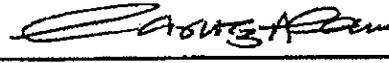
No agent or employee of either party shall be deemed an agent or employee of the other party. Each party will be solely and entirely responsible for the acts of its agents, subcontractors, or employees.

This Agreement is executed for the benefit of the Parties and the public generally. It is not intended nor may it be construed to create any third party beneficiaries.

**Signatures:**

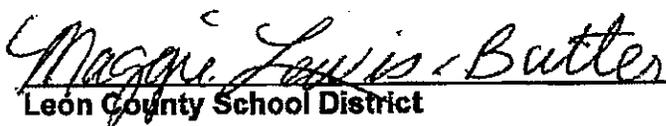
  
\_\_\_\_\_  
Opportunity Services Date 8-24-10

  
\_\_\_\_\_  
Agency for Persons with Disabilities Date 6/24/10

  
\_\_\_\_\_  
Leon County Administrator Date 7/13/10

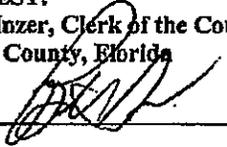
  
\_\_\_\_\_  
Leon County Attorney's Office Date 7/9/10

  
\_\_\_\_\_  
Department of Vocational Rehabilitation Date 6/29/10

  
\_\_\_\_\_  
Leon County School District Date 5/25/10

  
\_\_\_\_\_  
Project Search Date 8-24-10

ATTEST:  
Bob Inzer, Clerk of the Court  
Leon County, Florida

BY:   
\_\_\_\_\_



## Board of County Commissioners

Leon County, Florida

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### Agenda Item Executive Summary

Tuesday, October 27, 2009

**Title:**

Presentation on Project SEARCH: Transition from School to Work for Individuals with Disabilities and Request for Board Direction on Creation of a Project SEARCH Program for Leon County

**Staff:**

Parwez Alam, County Administrator  
Lillian Bennett, Director of Human Resources  
Chansidy Daniels, Employee Relations Manager

**Issue Briefing:**

This item seeks Board direction of a new "Project SEARCH" pilot program for Leon County that would provide internships for students with disabilities (Attachment #1). Representatives from the Agency for Persons with Disabilities will provide a brief presentation on the Project SEARCH program.

**Fiscal Impact:**

This item has a fiscal impact. The Agency for Persons with Disabilities would provide funding in the amount of \$100,000 for the first year of the Project SEARCH Pilot program. The first year funding of \$100,000 would cover the cost of providing an instructor, approximately four job coaches and classroom materials needed to assist 12 students with disabilities in their internships with various departments within Leon County. The Agency for Persons with Disabilities indicates that the second and future year funding for the Project SEARCH Program would be funded with per pupil funding by the Leon County School Board. At this time, the Agency for Persons with Disabilities has not entered into a formal agreement with the Leon County School Board to participate in the Project SEARCH Program or received a commitment from the School Board to provide per pupil funding for the Project SEARCH program in the second and future years of the program. Staff recommends that, if the County chooses to create the Project SEARCH program, the Agency for Persons with Disabilities receive a written commitment from the School Board prior to Leon County establishing the Project SEARCH program.

Additionally, staff is requesting funding from the FY2010 general fund in the amount of \$15,225 to hire a 30-hour a week OPS graduate student to assist in the development and implementation of the Project SEARCH Pilot Program for the first nine months. Funding is available in the general fund contingency account. A full-time Project SEARCH Coordinator position would be requested in the FY 2010/11 budget to administer the program for Leon County on a continuing basis. Future funding in this project should be addressed during the FY 2011 budget process.

**Staff Recommendation:**

Board Direction.

## Report and Discussion

### Background:

At the September 22, 2009 meeting, the Board directed staff to bring back an agenda item regarding the creation of a Project SEARCH program for Leon County. Representatives from the Agency for Persons with Disabilities will provide a brief presentation on the Project SEARCH program (Attachment #1).

October is recognized as Disability Employment Awareness Month. Nationally, qualified individuals with disabilities are not working at a level that is consistent with the able-bodied workforce. Although tremendous strides have been made in employing persons with disabilities, significant barriers still exist. According to the U.S. Department of Labor, the unemployment level of qualified individuals with disabilities is 70%. During this economic downturn, the unemployment rate for persons with disabilities is 15.4% and for those without a disability it is 9.7%. Thus, getting a job and keeping a job is more challenging for persons with disabilities than other population groups.

With the 20th Anniversary of the Americans with Disabilities Act (ADA) approaching, the State of Florida, Agency for Persons with Disabilities, has requested that Leon County evaluate the feasibility of creating a Project SEARCH pilot program for Leon County that would provide internships for students with disabilities.

### Analysis:

Project SEARCH is a one-year, high school transition program that was developed in 1996. Project SEARCH provides training and education leading to employment for individuals with disabilities.

Project SEARCH serves as a workforce alternative for students in their last year of high school. The cornerstone of Project SEARCH is total immersion into a large business. Each day, the student reports to the host employer, learns employability skills in the classroom and job skills while participating in three to four rotating internships/experiences during the year, approximately 10 months. Students also participate in monthly progress meetings to define their career goal and plan necessary steps to achieve their goals.

Project SEARCH is a national employment model to help the most vulnerable individuals with disabilities gain work experience, be competitive, and transition into full-time work. Project SEARCH is based on a partnership that includes the Florida Agency for Persons with Disabilities, the identified and selected local business, the school board and other designated agencies. All partners are vital to success of the program and must all be on board and in agreement with their role and responsibilities in order for the program to work.

### Roles and Responsibilities

Attachment #2 provides an outline of the Project SEARCH Roles and Responsibilities for the entities involved in the program. Roles and responsibilities outlined are:

- Student Intern
- Instructor
- Job Coach
- School Board Administrator
- Vocational Rehabilitation Counselor - (Would provide approximately four Job Coaches)
- Employee (once student becomes hired!)
- Job Developer (may be Instructor or Service Provider)
- Follow Along (MRDD or APD or Service Provider)

Staff has reviewed the primary roles and responsibilities for Leon County to participate in the Project SEARCH Pilot Program. Additional resources required are shown in italics as follows:

#### *Business Liaison (Host Employer):*

- Works with instructor and job coach to develop three to four job rotations, job descriptions, and job modifications for approximately 12 students with disabilities.
- Arranges for detailed job orientation and training to the intern.
- Provides a mentor to the intern who would be available during the same work shift.
- Assist with interview process for student interns before their job rotations.
- When possible, provides educational talks regarding their areas of business to interns before and between job rotations.
- *Provide classroom space to be set aside for instructor and approximately four job coaches. Space would be needed at each designated worksite location.*
- *Identify and fund internal staffing needs for Project SEARCH Coordination*
- *Serves on Agency for Persons with Disabilities Advisory Committee*

#### *Co-Worker / Mentor:*

- A co-worker who works the same shift as the intern and provides on-the-job support (answers questions, introduce them to co workers, provide friendship).
- Provides natural supports to the student intern and orientation to the work environment.
- Notifies the immediate supervisor and job coach of any concerns that arise.

#### *Department Supervisor:*

- *Provides detailed job orientation and minimal training to the intern. Job Coaches would need to provide primary training in order for Leon County's program to work effectively.*
- Provides immediate supervision to the intern.
- Completes intern evaluations.
- Works with the job coach and teacher to address areas of development.
- Works with *Leon County Project SEARCH Coordinator*, manager, teacher and job coach to develop appropriate job descriptions for interns.

The goal of Project SEARCH is to simulate a true work environment as much as possible. This includes going through initial job orientation and training, shadowing other employees (if this is how new employees are generally trained), taking normal breaks, eating lunch with peers, clocking in and out, providing and wearing the correct uniform, dealing with a supervisor and being evaluated on performance. The role of the instructor is to provide classroom training on these job skills. The role of the job coach is to assist the employee in being successful in these tasks with as much independence as possible.

In general, workers with disabilities do best when instructions are clear and precise. Detailed training from Job Coaches, together with written instructions and mentoring would be large factors in a successful experience. The roles of all members of the team are "cogs in the wheel" of a successful placement.

#### Project SEARCH Host Businesses

Currently, the Project SEARCH Program has primarily been implemented in hospital environments (Attachment #3). Florida governmental agencies that have implemented Project SEARCH Pilot Programs include the City of Miami and the Miami Metro Zoo. In staff discussions with the City of Miami staff, they indicate that the program is rewarding but requires a significant amount of staff time, coordination, and County resources, including space allocation and funding. A dedicated staff person spends up to 75% of their time administering and planning the Project SEARCH program annually. They also recommend the use of one job location site to accommodate the classroom space needs of the instructor and job coaches and to immediately address any issues that may arise on the job site with department managers/supervisors. Since Leon County has several locations throughout Leon County, space needs would be an important consideration in the development of the Project SEARCH Pilot Program.

#### Project SEARCH Funding

The Agency for Persons with Disabilities would provide funding in the amount of \$100,000 for the first year of the Project SEARCH Pilot program. This funding would cover the cost of providing an instructor, approximately four job coaches, and classroom materials needed to assist 12 students with disabilities in their internships with various departments within Leon County.

The Agency for Persons with Disabilities indicates that the second and future year funding for the Project SEARCH Program would be funded with per pupil funding by the Leon County School Board. The Leon County School Board would be responsible for funding the costs associated with providing the instructor (FTE's from students + weights), Job Coaches, any additional teaching staff, providing the curriculum and classroom supplies (Attachment #4). At this time, the Agency for Persons with Disabilities has not entered into a formal agreement with the Leon County School Board to participate in the Project SEARCH Program or received a commitment from the School Board to provide per pupil funding for the program in future years. Staff recommends that representatives from the Agency for Persons with Disabilities receive a written commitment of participation and funding from the School Board prior to Leon County embarking on creation of the Project SEARCH Pilot program. If for some reason the School Board does not fully fund the Project SEARCH Pilot Program, Leon County may be expected to fund and continue the program in future years.

Additionally, if the County moves forward with Project SEARCH, staff would request funding from the general fund in the amount of \$15,225 to hire a 30-hour a week OPS graduate student to assist in the development and implementation of the Project SEARCH Pilot Program for the first nine months (Attachment #5). The position would be responsible for working with Project SEARCH staff, instructors, and job coaches, as well as identifying job sites, developing student tasks and responsibilities and job descriptions. The position would also coordinate with supervisors and managers involved in the Project SEARCH program. A full-time Project SEARCH Coordinator position would be requested in the FY 2010/11 budget to administer the program for Leon County on a continuing basis. The cost of providing dedicated classroom space at several potential internship site locations and any cost associated with rehabbing, and making any potential accommodations that may be required to the space(s) would also need to be determined.

### Summary

Project SEARCH is a one-year, high school transition program that was developed in 1996 and provides training and education leading to employment for individuals with disabilities. Project Search has an employment model with identified roles and responsibilities for all involved entities that requires significant coordination and commitment by all parties. The Agency for Persons with Disabilities will provide funding for the first year of the program which includes 12 high school student interns with disabilities, an instructor and approximately four Job Coaches. However, in future years, the Agency for Persons with Disabilities indicates that the Leon County School Board will fund the program. Currently, there is no agreement with the School Board or commitment for future funding from the School Board.

Staff would request a 30-hours a week OPS position for the initial planning, development and implementation of the program and will request a full-time Leon County Project Search Coordinator in the FY 2010/11 budget. The Project Search program model would need to be adapted to work within the Leon County government structure, including a determination of the number of students that can participate in the first year, space allocation for classroom use in multiple locations and the number of jobs and job rotation positions available that meets the skill level and needs of the student interns within the Leon County workforce. This would be a new program for Leon County. If the Board wishes to pursue the Project Search Pilot program, staff recommends Options #1, #2, and #3.

**Options:**

1. Direct Agency for Persons with Disabilities to provide written confirmation from the Leon County School Board of its student participation in the Project SEARCH Program for the 2010/11 school year and commitment to providing per pupil funding in the second and future years of the Project SEARCH Program.
2. Direct staff to create a Project SEARCH Pilot Program for Leon County that would provide internships for students with disabilities and bring back for Board review and approval once confirmation of participation and future year funding is received by the Agency from Persons with Disabilities from the Leon County School Board.
3. Approve budget amendment and funding in the amount of \$15,225 from the general fund for a 30-hour a week OPS position to assist in the development, implementation, and monitoring of the Project SEARCH Pilot Program for the first year beginning in January 2010. Include a request in the FY 2010/2011 Budget for a full-time Leon County Project SEARCH Coordinator position to administer the Project SEARCH Program for future years.
4. Do not direct staff to create a Project SEARCH Pilot Program for Leon County.
5. Board Direction.

**Recommendation:**

Board Direction.

**Attachments:**

1. What is Project SEARCH
2. Project SEARCH Roles and Responsibilities
3. Project SEARCH Host Businesses
4. Project SEARCH PowerPoint Presentation
5. Budget Amendment for OPS Position

[Back](#) [Print](#)

**Activities Required to Implement and Administer  
The Leon County Project SEARCH Program**

From March 2010 through June 2010, the Project SEARCH Coordinator performed the following duties:

- Developed marketing collateral for the program to include a Leon County Project SEARCH brochure and informational PowerPoint Presentation
- Created a Manager Information Packet, a Worksite Request Form, and an Implementation Process chart
- Developed job descriptions and Project Search Job Description Questionnaires
- Attended Project SEARCH Advisory meetings
- Conducted Project SEARCH departmental information sessions
- Scheduled and conducted 12 Project SEARCH departmental informational sessions to the County departments from May 2010 through June 2010.
- Conducted a presentation to the Leon County Executive Team on June 9, 2010 to provide a status report on the progress of the program, and to discuss additional budgetary needs. At this meeting County Administration approved funding to purchase furniture and the technology needed for the Project SEARCH classroom.

From June 2010 through January 2011, the Project SEARCH Coordinator has performed the following duties:

- Secured 12 Project SEARCH work sites in Leon County departments
- Assisted with the Project SEARCH student recruitment process
- Selected and ordered the Project SEARCH classroom furniture and coordinated the furniture install
- Developed the Project SEARCH classroom terms and conditions
- Coordinated the Project SEARCH Job Coach department training at each work site
- Served on the Project SEARCH instructor selection committee
- Created, coordinated and conducted Project SEARCH intern New Employee Orientation
- Created, coordinated and conducted Project SEARCH Supervisor Orientation
- Developed the Project SEARCH Employee Guidebook which consisted of the employee handbook, workplace harassment training, and workplace etiquette resources
- Developed the Project SEARCH Supervisor Guidebook which consisted of the supervisor handbook, disability sensitivity training, disability simulation activities, and disability etiquette resources
- Coordinated the Project SEARCH Open House on September 23, 2010
- Coordinated and hosted the Project SEARCH Holiday Luncheon on December 15, 2010
- Created, coordinated, and conducted Project SEARCH Team (Staff) Orientation.
- Developed the Project SEARCH Team Playbook which consisted of a team-building activity, Project SEARCH Memorandum of understanding, Leon County BOCC employee conduct, Leon County BOCC violence & prevention policy, Project SEARCH roles & responsibilities, Leon County Project SEARCH disciplinary procedures and corresponding forms.
- Conducted employee orientation, to reiterate the workplace rules and procedures.

- Organized the transition for the interns' second rotation.
- Attend weekly team meetings, to ensure all Leon County BOCC and Project SEARCH rules are being enforced, and students are progressing at each worksite
- Attend monthly committee meetings to discuss the program's progress and address any areas of concern.
- Leon County Human Resources Division, with assistance from Leon County Public Information Office hosted the Project SEARCH Open House, with local media coverage.
- Coordinated and oversaw the Project SEARCH Holiday Luncheon on December 15, 2010.

**1. Please rate the Project SEARCH Team's performance during the first rotation:**

<b>Project SEARCH Instructor</b>					
	<b>Excellent</b>	<b>Good</b>	<b>Average</b>	<b>Needs Improvement</b>	<b>Response Count</b>
<b>Ability to make necessary modifications at the work site</b>	<b>77.8% (7)</b>	<b>11.1% (1)</b>	<b>11.1% (1)</b>	<b>0.0% (0)</b>	<b>9</b>
<b>Works with manager to determine new skills for the intern</b>	<b>66.7% (6)</b>	<b>22.2% (2)</b>	<b>11.1% (1)</b>	<b>0.0% (0)</b>	<b>9</b>
<b>Ability to address all areas of concern</b>	<b>66.7% (6)</b>	<b>33.3% (3)</b>	<b>0.0% (0)</b>	<b>0.0% (0)</b>	<b>9</b>
<b>Maintains a constant line of communication</b>	<b>66.7% (6)</b>	<b>33.3% (3)</b>	<b>0.0% (0)</b>	<b>0.0% (0)</b>	<b>9</b>

<b>Project SEARCH Job Coaches</b>					
	<b>Excellent</b>	<b>Good</b>	<b>Average</b>	<b>Needs Improvement</b>	<b>Response Count</b>
<b>Ability to make necessary modifications at the work site</b>	<b>88.9% (8)</b>	<b>11.1% (1)</b>	<b>0.0% (0)</b>	<b>0.0% (0)</b>	<b>9</b>
<b>Works with manager to determine new skills for the intern</b>	<b>77.8% (7)</b>	<b>22.2% (2)</b>	<b>0.0% (0)</b>	<b>0.0% (0)</b>	<b>9</b>

**1. Please rate the Project SEARCH Team's performance during the first rotation:**

Ability to address all areas of concern	77.8% (7)	22.2% (2)	0.0% (0)	0.0% (0)	9
Maintains a constant line of communication	66.7% (6)	33.3% (3)	0.0% (0)	0.0% (0)	9

**2. Do you feel you have direct access to all members of our team?**

	Yes	Sometimes	No	Response Count
Project SEARCH Coordinator	100.0% (9)	0.0% (0)	0.0% (0)	9
Project SEARCH Instructor	87.5% (7)	12.5% (1)	0.0% (0)	8
Project SEARCH Job Coaches	100.0% (9)	0.0% (0)	0.0% (0)	9

**3. How supportive are the job coaches, in terms of daily interaction with your department and the intern?**

	Response Percent	Response Count
Very supportive	88.9%	8

**3. How supportive are the job coaches, in terms of daily interaction with your department and the intern?**

Supportive	11.1%	1
Somewhat supportive	0.0%	0
Not at all supportive	0.0%	0
1. The Coaches have been extremely helpful, always, with passing on instructions to the interns, during our busy times and days.		Tue, Feb 1, 2011 12:24 PM

**4. How supportive is the Project SEARCH instructor, in terms of occasional interaction with your department and the intern?**

	Response Percent	Response Count
Very supportive	77.8%	7
Supportive	22.2%	2
Somewhat supportive	0.0%	0
Not at all supportive	0.0%	0
Additional Comments		0

**5. How supportive is the Project SEARCH Coordinator, in terms of on-going interaction to address all issues or concerns?**

	Response Percent	Response Count
Very supportive	77.8%	7
Supportive	22.2%	2
Somewhat supportive	0.0%	0
Not at all supportive	0.0%	0

1. Excellent Program! Tue, Feb 1, 2011 12:24 PM

**6. In your opinion, how has your Project SEARCH intern's skills improved during the first rotation?**

	Response Percent	Response Count
Greatly	100.0%	7
Average	0.0%	0
Minimal	0.0%	0

1. I could see an improvement in work and social skills  
 Tue, Feb 1, 2011 12:33 PM

**6. In your opinion, how has your Project SEARCH intern's skills improved during the first rotation?**

- 2. Janina Wilson is a great improvement for our office this rotation. She is smart and a quick learner with very good skills which makes her a good fit for the Probation Division. Janina has been able to perform all tasks that we have given her so far accurately and in a timely manner. Fri, Jan 21, 2011 4:27 PM
  
- 3. This has been a great experience for me and I am enjoying it. Tue, Jan 18, 2011 9:29 AM

**7. Please rate your department's experience during the first rotation:**

	Response Percent	Response Count
Excellent	57.1%	4
Good	28.6%	2
Average	0.0%	0
Needs Improvement	14.3%	1

- 1. Our last intern was very nice and sweet and she had a good attitude. She would try to do any task that we gave her to do but unfortunately she was not able to perform most of the tasks without strict supervision. She also left the program before it was over. Fri, Jan 21, 2011 4:27 PM
  
- 2. I feel like it was a great help for everybody especially myself, I got a lot of work done. Tue, Jan 18, 2011 9:29 AM

**8. Do you feel the Project SEARCH program is beneficial to your department and Leon County BOCC?**

	Response Percent	Response Count
Yes	100.0%	7
No	0.0%	0

Yes I think it is very beneficial, because he help me alot with my filing and sorting. Sometimes I push it to the side because it is so much to do and it piles up on me. And it makes Leon County BOCC looks very good because we are extended a helping hand out to younger people that can get a job with our help.

1. Tue, Jan 18, 2011 9:29 AM

**9. Do you have any suggestions or comments for the next rotation?**

1. Keep up the good work! Tue, Feb 1, 2011 12:33 PM

2. Not at this time. Thu, Jan 27, 2011 9:33 AM

3. Keep up the good work! Mon, Jan 24, 2011 12:16 AM

I think the Project SEARCH program is a very good program because it is beneficial to the interns as well as Leon County BOCC. I suggest that the program continues so that the interns can learn and gain more skills and work experiences that will help them a great deal in the future.

4. Fri, Jan 21, 2011 4:27 PM

9. Do you have any suggestions or comments for the next rotation?

5. Not at this time

Fri, Jan 21, 2011  
12:46 PM

6. Keep up the good work.

Fri, Jan 21, 2011  
12:38 PM

7. It would have been very nice if Leon BOCC could have given the supervisors some kind of incentive for extended out an extra hand. This is really a lot more to do than just training summer youth people. I know budget can be tight, but sometimes you need to think about their time and effort we as supervisor put into doing these type of jobs.

Tue, Jan 18, 2011  
9:29 AM

PROJECT BUDGET SUMMARY

- (A). List budget line item as detailed on Pages C-1 through C-6. (If N/A, please indicate)
- (B). List total agency amount for line item.
- (C). List percent of each line item requested from DCF.
- (D). (Column D) = (Column B) X (Column C).

(A) Budget Line Item	(B) \$ Amount of Line Item	(C) Percent (%) Requested	(D) \$ Amount Requested From DCF
A. Personnel.....	55,400	100	55,400
B. Fringe Benefits .....	13,850	100	13,850
C. Staff Travel .....	NA		
D. Consultants.....	1,200	100	1,200
E. Subcontracted Services.....	NA		
F. Client Transportation .....	2,000		2,000
G. Office Expenses .....	675	100	675
H. Operating Capital Outlay .....	NA		
I. Rental or Use of Space .....	NA		
J. Rental of Equipment.....	NA		
K. Maintenance Agreements.....	NA		
L. Insurance .....	NA		
M. Membership Fees & Subscriptions.....	NA		
N. Advertising.....	NA		
O. Client Educational & Training Tools .....	NA		
P. Other Allowable Costs.....	8,125	100	8,125
Q. Administrative Costs.....			
R. _____ .....			
		<b>GRAND TOTAL</b>	<b><u>81,250</u></b>

**PROJECT BUDGET DETAIL**

**Project Search Staff**

	<b>Team Leader Column 1</b>	<b>Job Coach Column 2</b>	<b>Job Coach Column 3</b>	<b>(Enter Heading) Column 4</b>
A. Personnel	21,054	17,173	17,173	
B. Fringe Benefits	5,264	4,293	4,293	
C. Staff Travel	NA	NA	NA	
D. Consultants Services	NA	NA	NA	
F. Client Transportation	NA	NA	NA	
G. Office Expenses Outlay	225	225	225	
I. Rental or Use of Space	NA	NA	NA	
J. Rental of Equipment	NA	NA	NA	
K. Maintenance Agreements	NA	NA	NA	
L. Insurance	NA	NA	NA	
M. Membership Fees & Subscriptions	NA	NA	NA	
N. Advertising	NA	NA	NA	
O. Client Educational & Training Tools	NA	NA	NA	
P. Other Allowable Costs	NA	NA	NA	
Q. _____				
R. _____				

\$ TOTAL\_69,925\_\_\_\_\_

**PROJECT BUDGET DETAIL**

**Project Search Consultant**

	(Enter Heading) Column 1	(Enter Heading) Column 2	(Enter Heading) Column 3	(Enter Heading) Column 4
A. Personnel	NA			
B. Fringe Benefits	NA			
C. Staff Travel	NA			
D. Consultants Services	1,200			
F. Client Transportation	NA			
G. Office Expenses Outlay	NA			
I. Rental or Use of Space	NA			
J. Rental of Equipment	NA			
K. Maintenance Agreements	NA			
L. Insurance	NA			
M. Membership Fees & Subscriptions	NA			
N. Advertising	NA			
O. Client Educational & Training Tools	NA			
P. Other Allowable Costs	NA			
Q. _____				
R. _____				

\$ TOTAL 1,200

**PROJECT BUDGET DETAIL****Client Transportation**

	(Enter Heading) Column 1	(Enter Heading) Column 2	(Enter Heading) Column 3	(Enter Heading) Column 4
A. Personnel	NA			
B. Fringe Benefits	NA			
C. Staff Travel	NA			
D. Consultants Services	NA			
F. Client Transportation	2,000			
G. Office Expenses Outlay	NA			
I. Rental or Use of Space	NA			
J. Rental of Equipment	NA			
K. Maintenance Agreements	NA			
L. Insurance	NA			
M. Membership Fees & Subscriptions	NA			
N. Advertising	NA			
O. Client Educational & Training Tools	NA			
P. Other Allowable Costs	NA			
Q. _____				
R. _____				

\$ TOTAL 2,000

## Narrative

**Team Leader-** will be an experienced senior staff to manage the day to day operation as well as job coach and work on job placement.

**Job Coaches-** will all be college educated and extensively trained by our management team as well as Project Searches approaches. Job Coach to student ratio will be 1:4 at all times the students are working.

**Fringe Benefits-** Full-time positions will have FICA, Worker's Comp, Unemployment, Health and Dental Insurance.

**Office Equipment-** will be resume paper, ink for printer and copier, and miscellaneous office supplies to run this project.

**Consultant-** Project Search consultant at a fixed rate for training.

**Client Transportation costs-** are due to the nature of this scattered site model where all of the students will not be at the same work site all the time. It was expressed at our initial meeting that the Job Coaches will be responsible for transporting the students form one work site to the next. Each Job Coach will travel 13 miles per day, a total of 6896 miles at \$.29 per mile.

**Opportunity Services-** will be assigning a member of our management team as a Project Search liaison. Jeremy Gurney the Project Director will be devoting 25% of his time to oversee the operation, work on business development and future funding options. This is not in the budget and Opportunity Services will be offering this at no additional cost as a gesture to show how interested and excited we are to make this project a long-term success.

Project SEARCH partnering agencies:

This letter is in regards to the second year funding, for the 2011-2012 Leon County Project SEARCH High School Transition Program. As you are aware, the memorandum of understanding will come to term June 2011 as agreed upon by, Agencies for Persons with Disabilities, Leon County Board of County Commissioners, Vocational Rehabilitation, Leon County Schools, and Opportunity Services. As the Project SEARCH business host site, we would like to begin receiving commitments from all partnering agencies in regards to your financial contribution, participation, and continued support for the second year of the transition program.

Leon County BOCC will begin its budget process for fiscal year 2011/12 in early February 2011. Therefore, in order to sustain the program for a second year, it is imperative that we are made aware of your agencies renewed commitment to the Leon County Project SEARCH program as soon as possible. If the program is adequately funded by our participating Project SEARCH partners, Leon County will remain committed to providing students with job training opportunities, as well as making County facilities and equipment accessible to program participants. A response of your continued commitment to and funding for the Project SEARCH program for FY 2011/12 is requested by February 4, 2010. Please contact me with any questions or concerns, at (850) 606-2416.

Sincerely,

LaKendra Cunningham  
Project SEARCH Coordinator  
[CunninghamLa@leoncountyfl.gov](mailto:CunninghamLa@leoncountyfl.gov)



agency for persons with disabilities  
State of Florida

Attachment # 8  
Page 1 of 3

RECEIVED BY

JAN 26 2011

LEON COUNTY  
HUMAN RESOURCES

January 19, 2011

Rick Scott,  
Governor

Jim DeBeaugrine,  
Director

John Daley, Chairman  
Leon County Board of Commissions  
301 S. Monroe Street  
Tallahassee, 32301

30 Esplanade Way  
Suite 380  
Tallahassee,  
Florida  
32399-C95G  
(850) 488-4257  
Fax:  
(850) 922 6456  
To-I Free:  
(866) APD-CARES  
(866-273-2273)

Dear Chairman Daley:

I am writing in response to your Human Resource Leon County letter dated December 9, 2010, regarding the Agency's support of Project Leon County.

First, we are most pleased that Leon County took the leadership role in piloting this new innovative, on-the-job training for individuals with developmental disabilities. Moreover, I understand that one of our students is now working full-time for the county.

As you understand well, state agencies can only renew contracts on an annual basis contingent on legislative funding.

As the Director of this Agency, I do not foresee any challenges that would prohibit APD's continued support of Project Leon. It is our hope that with the success of this program we can count on your leadership to replicate additional programs across the state.

In direct response to the letter's request, please plan on funding during the 2011-2012 calendar year your partnership piece of Project Leon County. This piece is the Project SEARCH Coordinator position located in the Leon County Human Resource department.

I look forward to this program to continue to grow and to continue to succeed. Should you have any questions, please do not hesitate to call me or Dr. JR Harding in External Affairs at (850) 922-5220.

Sincerely,

Jim DeBeaugrine  
Director

Cc: JR Harding, Ed.D., External Affairs  
LaKendra Cunningham, Leon County Human Resources

Ms. Cunningham:

The Division of Vocational Rehabilitation is willing to continue support for Project Search in a manner similar to our current arrangement. We would appreciate the opportunity to provide input into the wording of the MOU that is developed to aid in that collaboration.

Bill Palmer  
DVR Director

Attachment # 8  
Page 3 of 3

From: Nancy Gurney <NancyG@oppserv.org>  
To: LaKendra Cunningham <CunninghamLa@leoncountyfl.gov>  
CC: Jeremy Gurney <JeremyG@oppserv.org>  
Date: 1/3/2011 12:47 PM  
Subject: RE: Project SEARCH second year funding

LaKendra

Yes I have received the letter. I talked with Jeremy about it and since we are grant funded by APD we assumed the letter was more of a formality to each project partner. We are very committed to Project Search in Tallahassee but as a non-profit agency we can't fund a project. We have ideas and can work with other options for funding and support and will be most happy to do that. If your questions is the commitment of our administrative support for project leadership as an in kind support we are committed to provide that for next year.

I have toured Project Search twice and feel it is an incredible transition project and will do whatever I can so see it continue.

If you would like to talk with me directly my phone is 239-222-7909.

Nancy Gurney  
President  
Opportunity Services

---

From: LaKendra Cunningham [CunninghamLa@leoncountyfl.gov]  
Sent: Monday, January 03, 2011 11:37 AM  
To: jim\_debeaugrine@apd.state.fl.us; hildebrandtw@leonschools.net; Nancy Gurney; William.Palmer@vr.fldoe.org  
Subject: Project SEARCH second year funding

Good afternoon,

I would like to confirm your receipt of the letter dated December 9, 2010, regarding your commitment to the second year funding for the Project SEARCH Program. I have attached a copy of the letter for your convenience.

If you have any questions or concerns please feel free to contact me.

Thank you,

LaKendra Cunningham  
Project SEARCH Coordinator  
Leon County BOCC, Human Resources  
PH:(850)606-2416

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**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Budget Discussion Item**  
**Executive Summary**

March 17, 2011

**Title:**

Operating Costs for the Opening of the Branch Libraries

**Staff:**

Parwez Alam, County Administrator *PA*  
Vincent S. Long, Deputy County Administrator *VSL*  
Alan Rosenzweig, Assistant County Administrator *AR*  
Scott Ross, Director, Office of Management and Budget *SR*  
Cay Hohmeister, Director, Library Services *CH*

---

**Issue Briefing:**

This Budget Discussion Item provides the Board an update on the operating costs for the Woodville, Eastside, and Lake Jackson branch libraries.

**Fiscal Impact:**

For FY 2012, the operating impact will be an additional \$206,177, which includes the addition of 2.0 FTE. The first full year of operation of all the expanded branches will require approximately \$260,000 per year beginning in FY 2013.

The Woodville and Eastside branches are anticipated to open in April and September, respectively, of this fiscal year. The operating impacts associated with these openings are \$6,920 for Woodville and \$12,883 for the Eastside branch for the remainder of FY 2011. Although there are costs associated with the Woodville and Eastside branches opening in FY 2011, the library should be able to absorb the costs within their current budget, due primarily to cost savings from the existing staff vacancies.

**Staff Recommendation:**

Option #1: Accept staff's report on the branch libraries operating costs and direct staff to utilize existing staff resources, where feasible, to support the new and expanded branch libraries.

Option #2: Direct staff to include the addition of two FTEs for the new branch libraries in the FY 2012 budget.

## **Report and Discussion**

### **Background:**

As part of the Board's overall effort to support the construction industry and create and/or retain jobs, the Board adopted an aggressive capital project schedule as part of the FY 2010 budget process. Funding was provided for expansions to the Northeast and Dr. B. L. Perry, Jr. Branch libraries, a stand alone Eastside Branch Library, and the expansion of the Woodville Community Center to include a new branch library. In addition, the Board purchased through a land exchange the Huntington Oaks Plaza to provide a permanent location for the Lake Jackson Branch Library.

The expansions at the Northeast and Dr. B. L. Perry Jr. Branch libraries were completed in November 2010. Construction of the Woodville and Eastside branches are expected to be completed by the end of March and August, respectively. The Lake Jackson branch is slated to be bid in June with construction starting in July, and an anticipated opening during the first quarter of FY 2012.

Operating costs for the Woodville and Eastside branches are not contemplated in the FY 2011 budget. Instead, during the development of the FY 2011 budget, the Board voted to wait until mid-year to address the anticipated staffing needs to allow construction schedules to be finalized and a firm occupancy date to be established. Staff has evaluated the operating impacts associated with the opening of the new facilities.

### **Analysis:**

In response to the hiring freeze implemented by the Board in February 2007, the library began to emphasize its core services of providing materials and information services at all locations. Many programs the public had become accustomed to have been eliminated. Some of the changes in the library system since 2007 include the following:

- Most adult programming (including Books for Lunch, co-hosting library programs with community groups, and intergenerational programming), except for ongoing book clubs at the branch libraries, was eliminated.
- Co-hosting library programs with community groups was eliminated.
- The after-school Family Connection program was eliminated, which reduced the need for 2 FTEs.
- Check-out counter staff was reduced from three positions to two, resulting in longer check out times. Cross-trained staff from circulation are brought in during peak check-out times to reduce wait times, resulting in circulation material jobs being backed up.
- In public services areas, more staff has been cross-trained to work on other service desks as needed.
- Due to reductions in staff, shelving has slowed, resulting in increased times for some library users and staff to locate recently returned materials.

In addition, due to the opening of the new libraries, the library has been conservative in filling vacant positions and has adjusted the workloads of existing staff as necessary. As a result of these efforts and those listed above, with minimal reclassifications, existing staff resources can be utilized to fulfill some of the staffing requirements for the new and expanded branches, which will offset a portion of the additional operating costs associated with the opening of these facilities.

Operating Impact for the New and Expanded Branch Libraries

Eastside Branch Library

The Eastside branch library is a new structure and will increase in size from 2,000 square feet to 12,000 square feet. Construction is scheduled for completion in August, and fully occupied by September. In addition to the current staff at the Parkway Branch, three additional FTEs are required (for a total of 7.5 FTEs) to operate the new library. The operating impact for the Eastside branch, including salary, utilities, security, custodial and grounds, and other library costs, is estimated at \$436,379 per year.

With the opening of the new Eastside Branch, the County can terminate the existing storefront lease for the Parkway location. Under the current month-to-month lease, the County pays \$3,335 per month.

Lake Jackson Branch

Construction for the Lake Jackson Branch is expected to begin in July and ready for occupancy by the end of the first quarter of FY 2012. This expansion will require the addition of two FTEs, bringing the total FTE count to 7.5. The total operating costs, including salary, utilities, security, custodial and grounds, and other library costs for this facility is estimated at \$508,384 per year.

Woodville Branch Library

The Woodville branch library is a 2,000 square foot expansion of the existing Woodville Community Center. There is no existing library function at this facility. Construction is expected to be completed by the end of March, with a possible occupancy date in April. To accommodate for the increase in size as well as a new branch location, staff anticipates three FTEs will be required. The operating impact for this facility, including personnel is estimated at \$156,058 per year.

Table 1. reflects the total number of staff and annualized recurring costs required for the opening of the new Eastside, Lake Jackson, and Woodville branch libraries.

Table 1. Total Staff & Operating Costs Required for New Branches

Branch	Staff Required	Total Annualized Recurring Costs
Eastside	7.5	\$436,379
Lake Jackson	7.5	\$508,384
Woodville	3.0	\$156,058
Total	18.0	\$1,100,821

FY 2011 Operating Costs & Existing Vacancies

The costs to operate the Eastside and Lake Jackson branch libraries in FY 2011 are \$268,123 and \$327,798, respectively. Collectively, the two branches have 10.0 FTEs, with a total operating cost of \$595,921 (See Table 2.). There are 6.0 existing vacancies within the library system that can be realigned to support the staffing needs at the new branches.

Table 2. Current FY 2011 Appropriations &amp; Existing Vacancies

Branch	Current Staff	Total Operating Costs
Eastside	4.5	\$268,123
Lake Jackson	5.5	\$327,798
Total Current	10.0	\$595,921
Existing Vacancies	6.0	\$245,292
Total (Current + Existing Vacancies)	16.0	\$841,213

To support the new and expanded facilities, an additional 8.0 FTEs (18.0 Total Staff Required – 10.0 Current Positions) are required. However, as stated earlier, due to the library's streamlining efforts, with minimal reclassifications, 6.0 of the required 8.0 additional positions can be staffed with existing vacancies. As a result, only the funding for 2.0 FTEs is required for the FY 2012 budget (See Table 3.). The total additional funding, including operating and personnel, required for the opening of the new branches is approximately \$259,608 per year. Staff will include this funding request in the FY 2012 budget.

Table 3. Additional Positions/Funding Required for New/Expanded Branches

	FTE	Funding Required
Total FTE/Funding Required (Table 1. Totals)	18.0	\$1,100,821
Less Existing Staff & Vacancies (Table 2. Totals)	16.0	\$841,213
Total Required for the Opening of the New Branches	2.0	\$259,608

FY 2011 Opening of the Woodville and Eastside Branches and FY 2012 Lake Jackson Opening  
Construction for the Woodville branch is expected to be completed by the end of March, and opening by the first of April. The net operating impact associated with the branch opening in April is estimated at \$6,920 for the remainder of FY 2011. If the Eastside branch opens by September, as anticipated, the net operating impact for FY 2011 is estimated at \$12,883.

Although there are costs associated with the Woodville and Eastside branches opening in FY 2011, the library should be able to absorb the costs within their current budget appropriations, due primarily to cost savings from the existing staff vacancies.

The Lake Jackson Branch is expected to open by the end of the first quarter in FY 2012. The operating impacts associated with this opening are estimated at \$135,440 for FY 2012.

Table 4. represents the additional operating costs for the Woodville, Eastside, and Lake Jackson branches for FY 2011, FY 2012, and FY 2013. The FY 2013 costs represent the first year that all three branches will be operating for the entire fiscal year.

Table 4. FY 2011-2013 Additional Library Operating Costs

Branch	FY 2011	FY 2012	FY 2013
Woodville	\$6,920	\$23,892	\$3,622
Eastside	\$12,883	\$46,845	\$4,663
Lake Jackson	n/a	\$135,440*	\$45,147
Totals	\$19,803	\$206,177	\$53,432

\*FY 2012 costs for Lake Jackson include funding for only three quarters of the fiscal year.

The Board continues to recognize the importance of creating a quality cultural and recreation environment as a key component to economic development. The effect of the branch library projects has been beneficial to the citizens of Leon County by infusing local funds into capital projects, which assists in providing needed jobs in the community. Moreover, the streamlining efforts of the library has allowed for the utilization of existing staff resources to support these projects, which offsets a portion of the additional operating costs associated with the opening of these facilities. These savings can be redirected to fund other vital County services.

**Options:**

1. Accept staff's report on the branch libraries operating costs and direct staff to utilize existing staff resources, where feasible, to support the new and expanded branch libraries.
2. Direct staff to include the addition of two FTEs for the new branch libraries in the FY 2012 budget.
3. Do not accept staff's report on the branch libraries and do not direct staff to include the addition of two positions in the FY 2012 budget.
4. Board Direction.

**Recommendation:**

Options #1 and #2



**Board of County Commissioners  
Leon County, Florida**

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**Budget Discussion Item  
Executive Summary**

March 17, 2011

**Title:**

Consideration of Two Additional Park Attendants for the Division of Parks & Recreation

**Staff:**

Parwez Alam, County Administrator *PA*

Alan Rosenzweig, Assistant County Administrator *AR*

Scott Ross, Director, Office of Management and Budget *SR*

Tony Park, P.E, Director of Public Works *TP*

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**Issue Briefing:**

This item seeks Board consideration of providing two additional park attendants for the Division of Parks and Recreation. The inventory of Passive Parks and Greenways has significantly increased over the last three years with additions such as; Martha Wellman Park, Lake Henrietta Park, Jackson View Park and the Fred George Greenway. These increases have occurred without the addition of Parks & Recreation personnel to manage these areas. As such, the level of service for all existing facilities is being compromised.

**Fiscal Impact:**

This item has a fiscal impact. Approval of the two additional park attendants will increase the Parks and Recreation FY12 budget by recurring costs \$113,176 and one time costs of \$91,724. A decrease in overtime of \$15,000 is expected to offset a portion of the increase in personnel expenses. The net increase for the FY12 budget would be \$189,900.

**Staff Recommendation:**

Option#1: Approve the development of the FY11-12 Budget with the inclusion of two additional park attendants for the Division of Parks and Recreation with net increase in the budget of \$98,176 in recurring costs and \$91,724 in one time costs.

## **Report and Discussion**

### **Background:**

The inventory of Passive Parks and Greenways has significantly increased over the last three years with additions such as: Martha Wellman Park, Lake Henrietta Park, Jackson View Park and the Fred George Greenway. These increases have occurred without the addition of Parks & Recreation personnel to manage these areas, which had remained constant over the past four fiscal years. As such, the level of service for all existing facilities is being compromised. Additionally, citizen concerns regarding cleanliness and maintenance of the parks and greenways have been on the increase.

### **Analysis:**

The Division of Parks & Recreation is requesting two additional Park Attendant positions along with the vehicles and equipment needed by these positions. One position would be for Passive Parks and one for the Greenways.

### **Passive Parks**

Illustrated in Table 1, five new Passive Parks containing 246 acres have been brought on-line in the last three years or will open in the next fiscal year. Those facilities are: Jackson View Park, Lake Henrietta Park, Martha Wellman Park, Pedrick Pond Park, and the Okeehepkee Park. These additional parks represent an increase of 84% in the total acreage of existing passive parks. These facilities have been opened without an increase in manpower and equipment necessary to maintain the new areas. Utilizing existing staff to maintain the new areas has reduced the amount of time available for necessary routine maintenance at existing passive parks. As a result, the standard level of service for the County passive parks has decreased prompting numerous complaints about litter at park sites from the public. The standard level of service for passive parks includes the following:

- Police the entire park for damage and litter removal three days per week
- Clean and maintain restrooms three days per week
- Trash removal from restrooms and parking lots three days per week

The current level of maintenance for passive parks is restroom service and litter removal twice a week. Policing of the entire park due to staff time constraints is limited to every other week. Presently there are three staff members to maintain the passive parks as well as the boat ramps. By adding an additional park attendant, there will be a full-time employee assigned to the passive parks to keep them clean and maintained on a standard basis.

**Table 1 - Passive Parks**

<b>PASSIVE PARKS</b>	<b>ACREAGE</b>
<b>NEW PASSIVE PARKS</b>	
Jackson View Park	44.53
Lake Henrietta Park	127.12
Martha Wellman Park	23.78
Okeeheepkee Prairie Park	26.17
Pedrick Pond Park	24.64
<b>Total Acreage of New Passive Parks</b>	<b>246.24</b>
<b>EXISTING PASSIVE PARKS</b>	
<b>ACREAGE</b>	
Ben Stoutamire Landing Park	17.5
Brent Street Park	0.96
Bull Headley Landing Park	21.35
Cedar Hill Landing	4.08
Coe Landing Campground	5.85
Cypress Landing Park	10
Flagg Street Park	0.34
Gil Waters Preserve Park	166.83
J. Lee Vause Park	26.76
Kate Ireland Park	6.5
Luther Hall Campground	9.6
Rhoden Cove Landing Park	2.54
US 27 Landing	13
Williams Landing Campground	9.5
<b>Total Acreage of Existing Passive Parks</b>	<b>294.81</b>
<b>Total Acreage of all Passive Parks</b>	<b>541.05</b>

Greenways

Reflected in Table 2, the Greenways' acreage has increased by 1,170 acres over the last three years, representing an increase of 77% in total greenway acreage. This acreage includes the Fred George Greenway, "8 Mile Pond," and the Booth II track of the St. Marks Greenway. Staff has only been able to consistently perform routine safety checks on these new areas. Mowing and maintenance for the most part is not being performed. The standard level of service for the existing greenways consists of the following:

- Policing of the trails for safety concerns, trash removal, and trail litter/debris removal twice a week
- Mowing and general maintenance once every two weeks

Without an additional park attendant for the greenways, the new greenway acreage will continue to lack the necessary maintenance needed to integrate them into our serviced greenway system.

Additionally, since the greenways are geographically spread apart, anywhere from ½ hour to 1 hour driving time, numerous man hours are currently spent in travel time between the sites. Another greenways park attendant would cut down on overall staff travel time between sites resulting in more time available for park maintenance.

**Table 2 - Greenways**

<b>GREENWAYS</b>	<b>ACREAGE</b>
<b>NEW GREENWAYS</b>	
Eight Mile Pond Greenways	132.23
Fallchase Greenways	200
Fred George Greenways	83.44
St. Marks Headwater Greenways	754
<b>Total Acreage of New Greenways</b>	<b>1,169.67</b>
<b>EXISTING GREENWAYS</b>	
Daniel B. Chaires (Natural Area)	100
Goose Creek	45.26
J.R. Alford Greenways	874.2
Miccosukee Canopy Road Greenways	501.97
<b>Total Acreage of Existing Greenways</b>	<b>1521.43</b>
<b>Total Acreage of Greenways</b>	<b>2,691.10</b>

**Budget Impacts**

The FY11 budget for Parks and Recreation is \$2,264,194, with personnel costs of \$1,305,793 making up 58% the total budget. The addition of two park attendants will increase the personnel costs as well as the overall budget for FY12 by \$36,488 per park attendant for a total of \$72,976, salary and benefits included. Part of the FY11 Parks and Recreation personnel costs consists of \$30,120 budgeted for overtime. It is anticipated that a reduction of \$15,000 in budgeted overtime for FY12 would be realized with the addition of the two park attendants. Additional cuts to overtime would not be likely as staff would still be required to meet the demands of active park and community center weekend activities. In addition to the increase in personnel costs, a vehicle would be required for each of the new park attendants, as well as a mower, ATV and trailer for the passive park position. The one time FY12 cost for both vehicles is estimated to be \$61,724 and the additional equipment for the passive park position is estimated to be \$30,000. Associated to the additional vehicles and equipment, an increase of \$18,000 in the fuel, maintenance, and insurance budget is expected in FY12. Operating expenses such as training, radios, and small equipment is expected to increase by \$22,200.

Table 3 summarizes the budget impacts of the two additional park attendants.

**Table 3**

<b>Budget Impacts</b>	<b>FY12</b>
Personnel (2 x Salary & Benefits)	\$ 72,976
Vehicles & Equipment	\$ 91,724
Transportation	\$ 18,000
Operating Expenses	\$ 22,200
Overtime Reduction	\$(15,000)
<b>Net Impact</b>	<b>\$189,900</b>

In the event the Board chooses not to add positions, staff foresees the following:

- 1) The level of service to all areas will continue to be reduced as manpower is needed to maintain new areas.
- 2) The opening of the St. Marks Headwaters Greenways will have to be delayed until such time that manpower is available to handle the maintenance of the area.
- 3) The new passive parks will be maintained on an “as available basis” and not receive daily attention.

**Options:**

1. Approve the development of the FY11-12 Budget with the inclusion of two additional park attendants for the Division of Parks and Recreation with a net increase in the budget of \$98,176 in recurring costs and \$91,724 in one time costs.
2. Do not approve the development of the FY11-12 Budget with the inclusion of two additional park attendants for the Division of Parks and Recreation.
3. Board Direction.

**Recommendation:**

Board Direction.



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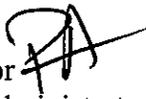
**Budget Discussion Item  
Executive Summary**

March 17, 2011

**Title:**

Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office

**Staff:**

Parwez Alam, County Administrator   
Vincent S. Long, Deputy County Administrator  
Alan Rosenzweig, Assistant County Administrator  
Scott Ross, Director of the Office of Management and Budget  
Ken Morris, Director of Legislative Affairs & Economic Development  
Iranetta Dennis, MWSBE Director

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**Issue Briefing:**

During the November 9, 2010, Board Meeting, Commissioner Proctor discussed transitioning the MWSBE program into a Small Business and Community Development Office and requested this issue to be included at the Board retreat. At the Board's 2010/2011 Annual Retreat, staff provided an overview of the County's MWBE and Small Business programs with potential transition opportunities toward a broadly defined Small Business and Community Development Office (Attachment #1). At that time, the Board directed staff to proceed and further develop the concept of a Small Business and Community Development Office and present the findings as a budget discussion item.

**Fiscal Impact:**

This item has no fiscal impact.

**Staff Recommendation:**

- Option #1: Accept staff report.
- Option #2: Direct staff to continue to review the SBE program and policies to increase small business participation.

## Report and Discussion

### **Background:**

During the November 9, 2010, Board Meeting, Commissioner Proctor discussed transitioning the MWSBE program into a Small Business and Community Development Office and requested this issue to be included at the Board retreat. At the Board's 2010/2011 Annual Retreat, staff provided an overview of the County's MWBE and Small Business programs with potential transition opportunities toward a broadly defined Small Business and Community Development Office. At that time, the Board directed staff to proceed and further develop the concept of a Small Business and Community Development Office and present the findings as a budget discussion item.

### **Analysis:**

Leon County currently operates the Minority, Women and Small Business Enterprise program through the MWBE Division. While co-located with the Purchasing Division, the MWSBE Division operates separately based upon the recommendation of a 2000 MGT study. Co-location provides vendors and staff with access to shared documents and facilitates better collaboration during pre-bid conferences and bid award activities. The MWSBE program is composed of two, separate program areas:

1. The MWBE component focuses on firms owned and operated by minorities and women; and
2. The SBE component focuses on businesses that meet the small business criteria in terms of their size and net worth, regardless of the owner's gender or ethnicity.

*Minority/Women* - The County adopted an MWBE policy in 1987. To remain a legally viable program, the County has engaged an outside consultant on a regular basis to prepare an updated disparity study; the last study was prepared in October 2009. The County also regularly monitors the actual results of the program. The program has been successful in providing opportunities for minority/women owned businesses to secure business with the County that may not have occurred without the program. Through certification, training and outreach, the program continues to have a positive impact on the targeted community.

Leon County's MWBE program is a race/gender specific program whereby a prime contractor receives preference for utilizing certified minority and women owned businesses on a Leon County project. The MWBE program's overall objective is to promote parity of MWBE firms in Leon County procurement activities through the utilization of aspirational targets and other means.

*Small Business* - The County added the SBE component in June 13, 2006. The County currently operates a limited SBE program. The SBE program is a race/gender neutral program which, by Board policy, provides for the reservation of certain procurement opportunities for exclusive competition among SBE firms only. The dollar threshold that must be met in order to limit competition to SBEs only differs by business category, as follows: Construction (Procurement Value - \$100,000 or less), Professional Services (Procurement Value - \$50,000 or less), Other Services (Procurement Value - \$25,000 or less), and Material & Supplies (Procurement Value - \$25,000 or less).

A significant difference between MWBE goals and SBE goals are the MWBE goals need to be supported through a disparity study based on existing case law; whereas SBE goals do not. If the Board directs staff to eliminate the MWBE program for an SBE only program, the County could no longer mandate MWBE requirements because an SBE program must be race and gender neutral. However, MWBE aspirational targets could be set for projects based on the availability of MBEs and WBEs. Should the Board choose this route, staff would also recommend revising the current thresholds established for business categories in order for a project to be set aside for small businesses. Other changes consistent with SBE trends should also be considered:

- Impose bond waivers for construction projects with a procurement amount of \$200,000 or less, consistent with the Florida Statue Section 255.05(1)(a). The division procuring the project will determine the appropriateness of waiving payment and performance bond requirements. The factors to be considered include but are not limited to:
  - a. Complexity of the construction project;
  - b. Contractors experience with the type of construction project under review;
  - c. Exceptional risk factors; and
  - d. The recommendation of the user or solicitation division.
- Set aside all projects with a procurement amount of \$250,000 or less when at least three SBEs are available. Such procurements shall be contracts that SBEs are capable of performing in an economically feasible manner, i.e. at the customary and usual market rate.
- Establish a cumulative goal based on local market availability and participation by certified SBE firms on all County contracts that exceed a procurement value of \$200,000. This goal may be adjusted if SBE firms are not available. The cumulative goal should not be applicable to shelter market projects.

These proposed revisions would provide small business owners additional opportunities to gain experience needed to expand their businesses and keep dollars in the local market area. However, as an SBE program, it would be a race/gender neutral program. If the Board determines to transition the program, staff is recommending the assistance of a consultant to ensure the program functionality is consistent with SBE trends.

The Community Development Office (CDO) concept, as described by Commissioner Proctor, is one that could provide a local community with the necessary resources to address a wide range of unique community development needs in an effort to eliminate blight and promote economic development. Many of the typical areas addressed in a CDO (i.e., social services and housing) are currently being performed by existing County departments (Housing and Human Services). As noted during the Board Retreat, staff does not recommend incorporating Housing and Human Services in to the CDO given the focus on commercial economic development.

The major focus of a combined Small Business and CDO would be to expand the County's role in economic development efforts through the utilization of an in-house office. The County's existing economic development efforts are addressed through the County's Director of Legislative Affairs and Economic Development, located in County Administration, and an annual contract with the Economic Development Council (EDC). The CDO component could allow the County to bring the

current services contracted out to the EDC in-house so that the County can directly engage the economic development community. The reorganization to a Small Business and CDO could be established in short time and located at the Purchasing office to maintain coordination and access to vendors.

Under the proposed Small Business and CDO, all of the County's economic development efforts would be centrally located in one office to address community needs and serve small vendors in the procurement process. The County could also begin to directly or indirectly provide youth development services such as after school programs and activities focused on vocational training and crime prevention. Should the Board wish to proceed with this concept, staff could prepare more detailed financial information relating to the staffing needs and investment strategies for the next budget workshop.

#### MWSBE Citizen Advisory Committee

On March 1, 2011, the County's MWSBE Citizen Advisory Committee convened to discuss the potential transition of the MWSBE program to a Small Business and Community Development Office. The Committee unanimously opposed the transition at this time over concerns that it would reduce the County's focus on the achieving its aspirational targets for contract opportunities with minority vendors. Commissioner Proctor, who attended the meeting and concurred with the Committee, suggested that the County table this discussion for the time being and continue efforts to engage and educate minority vendors on procurement opportunities with the County.

#### Summary

The transition from the MWSBE programs to a Small Business and Community Development Office presents a major policy shift by the Board to a race/gender neutral program. However, a CDO could provide a more holistic approach to community and economic development with the inclusion of youth services and by bringing the economic development services in-house.

Many of the services traditionally offered by a CDO are currently being provided by the County's Health and Human Services Division and the County has benefited from a successful partnership with the EDC in recent years as evidenced by the Board's consideration of increasing funds for the Qualified Targeted Industry program. At this time, staff recommends proceeding with the existing MWSBE program and continuing to review the SBE program and policies to increase small business participation.

Should the Board wish to proceed with the CDO concept, staff will prepare more detailed financial information relating to the staffing needs and investment strategies for the next budget workshop. To develop the long-term strategies of the SBE component, staff would recommend seeking a consultant to provide guidance on the program functionality consistent with SBE programs.

**Options:**

1. Accept staff report.
2. Direct staff to continue to review the SBE program and policies to increase small business participation.
3. Direct staff to prepare more detailed financial information relating to staffing and investment strategies for the proposed Small Business and Community Development Office at the next budget workshop.
4. Board Direction.

**Recommendation:**

Options 1 & 2.

**Attachments:**

1. Agenda Item #23 from the Board's 2010/2011 Annual Retreat regarding the consideration to transition from a MWSBE to a Small Business and Community Development Office.

**Board Retreat, Agenda Item #23**  
December 13, 2010

**Title:**

Board Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office.

**Staff:**

Parwez Alam, County Administrator  
Vincent S. Long, Deputy County Administrator  
Alan Rosenzweig, Assistant County Administrator  
Iranetta Dennis, Director, MWSBE

**Issue Briefing:** This item seeks Board direction on whether to pursue the transition from the County's existing Minority, Women and Small Business (MWSBE) program to a Small Business and Community Development Office.

During the November 9, 2010, Board Meeting, Commissioner Proctor discussed transitioning the MWSBE program into a Small Business and Community Development Office and requested this issue to be included at the Board retreat.

**Analysis:** Leon County currently operates the Minority, Women and Small Business Enterprise program through the MWSBE Division. While co-located with the Purchasing Division, the MWSBE Division operates separately. The County co-located the divisions upon the recommendation of a 2000 MGT study. Co-location provides vendors and staff with access to shared documents and facilitates better collaboration during pre-bid conferences and bid award activities.

The MWSBE program is composed of two, separate program areas:

1. The MBE component focuses on firms owned and operated by minorities and women; and
2. The SBE component focuses on businesses that meet the small business criteria in terms of their size and net worth, regardless of the owner's gender or ethnicity.

There are relatively few programs of this nature currently being run in Florida. The following table shows the most recent listing of jurisdictions in Florida running a similar program:

Agenda Item #23, Board Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office  
Page 2

FL County/City	* Programs	Program Design	
		Race/Gender Specific	Race/Gender Neutral
Hillsborough County, FL	MWBE, SBE	X	X
City of Hollywood, FL	MBE, SBE	X	X
City of Tallahassee	MWBE, DBE	X	X
City of Tampa, FL	MWBE, SBE	X	X
Orange County, FL	MWBE	X	
Osceola County, FL	MBE	X	
City of Orlando, FL	MWBE	X	
Polk County, FL	MBE	X	
Palm Beach County, FL	SBE		X
Broward County, FL	CBE, DBE, SBE		X
Alachua County, FL	SBE		X
City of West Palm Beach, FL	SBE		X
City of Jacksonville, FL	SBE		X
St. Petersburg, FL	SBE		X
Pinellas County, FL	SBE		X

- Race/Gender Specific: MWBE (Minority Women Business Enterprise)
- Race/Gender Neutral: Small Business Enterprise (SBE), Disadvantaged Business Enterprise (DBE), Community Disadvantaged Business Enterprise (small businesses within the County) (CDBE)

The following provides a brief overview of each program area.

*Minority/Women* - The County adopted an MWBE policy in 1987. The program has been successful in providing opportunities for minority/women owned businesses to secure business with the County that may not have occurred without the program. Through certification, training and outreach, the program continues to have a positive impact on the targeted community.

Leon County's MWBE program is a race/gender specific program whereby a prime contractor receives preference for utilizing certified minority and women owned businesses on a Leon County project. The MWBE program's overall objective is to promote parity of MWBE firms in Leon County procurement activities through the utilization of aspirational targets and other means.

*Small Business* - The County added the SBE component in June 13, 2006. The County currently operates a limited SBE program. The SBE program is a race/gender neutral program which, by Board policy, provides for the reservation of certain procurement opportunities for exclusive competition among SBE firms only. The dollar threshold that must be met in order to limit competition to SBEs only differs by business category, as follows: Construction (Procurement Value - \$100,000 or less), Professional Services (Procurement Value - \$50,000 or less), Other

Agenda Item #23, Board Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office  
Page 3

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Services (Procurement Value - \$25,000 or less), and Material & Supplies (Procurement Value - \$25,000 or less).

Additionally, to reserve a procurement opportunity for exclusive competition among SBE firms, there must be no less than three SBEs for the relevant procurement area; this assures sufficient competition. Currently staff has identified certified SBE vendors in the categories of concrete, landscape, janitorial, and roofing, however, an exclusive competition opportunity meeting the dollar thresholds has not been available. Hence, to date, the County has not done any set asides under the existing program.

Staff is continuing to review the existing program in order to incorporate innovative methods to identify opportunities and increase small business participation. In this effort staff has consulted with Leon County departments/divisions to identify projects that would fit the current dollar threshold for the FY 10/11.

In addition staff has provided networking events in order to inform the local community of the program and the benefits of participating. The SBE program provides outreach opportunities to keep the local business community informed about the necessary tools to stay in business. In an effort to increase awareness staff has either conducted or participated in MED (Minority Enterprise Development) Week, Small Business Development Week, FSU Vendor Conference and Trade Fair, Financially Fit Workshop, and a Reverse Trade Show. In excess of 40 vendors either attended the events and/or workshops.

Additionally, FAMU's Small Business Development Center is located in the Morgan Building in Innovation Park. The center offers free workshops for startups, along with business counseling and troubleshooting with seasoned advisers. Florida has 12 Small Business Development Centers, all supported financially by the U.S. Small Business Administration. The center in Tallahassee serves an eight-county area.

*Transition of Existing Program:*

If the Board directs staff to eliminate the MWBE program and operate an SBE only program, staff will evaluate several components that could be included in a new structured program. A significant difference between MWBE goals and SBE goals are the MWBE goals need to be supported through a disparity study based on existing case law; whereas SBE goals do not. Some of the types of program changes could include:

- A cumulative program target for small business participation. For example, a project that is \$500,000 could incorporate a project aspirational target of 25% for certified small businesses. (As with the existing MWBE program, this would not be a mandatory target).
- Consider establishing a sheltered market process where contracts will be reserved for competition among certified SBE businesses for projects with a total base bid amount of \$200,000 or less (or some other threshold) across business categories.

Agenda Item #23, Board Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office  
Page 4

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- Evaluate imposing a vendor rotation process for purchase orders of \$50,000 (or some other to be determined threshold) or less; this process allows vendors to be rotated based on their first award of the same type of services and/or commodities.

As part of the SBE program some agencies impose mandatory subcontracting clauses which would promote SBE utilization and be more consistent with industry practice by way of bid and/or vendor rotation. Other than Alachua and Osceola, none of Leon County comparable counties (Bay, Collier, Escambia, Lake, Manatee, Marion, Okaloosa, and St. Lucie Counties, FL) reported having a small or a minority business office. Larger state, cities and county's agencies have adopted small business initiatives.

- Alachua County, Florida's SBE program has established goals of awarding up to 15% of the total bid for the areas of materials, supplies, equipment, services and construction to small business. This is accomplished by offering bid preference discounts of 5% for SBEs and 3% for prime contractors who meet the participation goal by subcontracting with SBEs
- Miami-Dade County, Florida, uses a small pool of qualified A&E professionals that are rotated awards as prime contractors and subcontractors.
- Florida Department of Transportation (Florida DOT) has undertaken a small business initiative with the following principle components:
  - Reserving certain construction, maintenance, and professional services contracts for small businesses
  - Providing bid preference points to small businesses and to firms offering subcontracts to small businesses on professional services contracts
  - Waiving performance and bid bond requirements for contracts under \$250,000
  - Using a modified pre-qualification process for certain construction and maintenance projects
- DeKalb County, Georgia uses bidder rotation. This system works by selecting a group of bidders from a list of County registered vendors to participate in open market procurements. The buyer identifies the commodity or services by entering an item box number. The computer selects five to six firms. The lowest responsible bidder is awarded the contract. An outcome of this process involved MWBEs being afforded more opportunities.
- The City of Charlotte, North Carolina sets department goals for SBE utilization, and sets SBE goals on formal and informal contracts and makes SBE utilization part of the department performance review utilization numbers.

Agenda Item #23, Board Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office  
Page 5

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*Community Development Office (CDO)* - The Community Development Office (CDO) concept, as described by Commissioner Proctor, is one that could provide a local community with the necessary resources to address a wide range of unique community development needs in an effort to eliminate blight and promote economic development. As part of the review, staff would evaluate the role of the County's existing economic development efforts and how they could be integrated with a CDO.

Many of the typical areas addressed in a CDO (i.e., social services and housing) are currently being performed by existing County departments (Housing and Human Services). For these areas, staff does not recommend changing this approach at this time.

The major focus of a CDO would be to expand the County's role in economic development efforts through the utilization of an in-house office. The County's existing efforts are addressed through the county's Director of Economic Development and Intergovernmental Affairs and an annual contract with the Economic Development Council (EDC).

Should the Board wish to further consider this proposal, additional review and analysis of the scope of a County CDO would need to be defined. Areas of consideration may include:

- Inclusion of the Small Business Enterprise within the CDO
- The consolidation of all the County's Economic Development efforts under one central office.
- Researching the nature and extent of local social and reinvestment needs.
- Develop priorities and strategies to address community development needs in consultation with other County departments and local public and private service organizations.
- Provide youth development initiatives to increase youth awareness and development opportunities.

**Timeline:**

If the Board directed staff to further evaluate this concept, staff would provide a budget discussion item during the Board's FY11/12 budget workshops. Pending the outcome of the budget discussion item, the transition could occur beginning in FY11/12.

**Fiscal Impact:**

This item is an informational report and has no fiscal impact at this time. Should the Board proceed, the implementation of a new office could have a fiscal impact that depending upon the scope of services could include additional staffing and operating expenses.

Agenda Item #23, Board Consideration to Transition from a Minority, Women, Small Business Enterprise (MWSBE) Office to a Small Business and Community Development Office  
Page 6

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**Options:**

1. Direct staff to further develop the concept of transitioning from a Minority, Women, Small Business Enterprise Office to a Small Business and Community Development Office and present the findings as a budget discussion item.
2. Direct staff to further develop the concept of transitioning from a Minority, Women, Small Business Enterprise Office to a Small Business Office (excluding the Community Development Office component) and present the findings as a budget discussion item.
3. Accept staff's report and take no further action.
4. Board Direction

**Recommendation:**

Board Direction



**Board of County Commissioners  
Leon County, Florida**

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**Budget Discussion Item  
Executive Summary**

March 17, 2011

**Title:**

Establishing the FY 2012 Maximum Discretionary Funding Levels for Outside Agencies

**Staff:**

Parwez Alam, County Administrator

Alan Rosenzweig, Assistant County Administrator

Scott Ross, Budget Director

PA  
Z/N

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**Issue Briefing:**

This item seeks Board approval in the setting of maximum funding levels for outside agencies as required by Ordinance 2006-34 "Discretionary Funding Guidelines" (Attachment #1).

**Fiscal Impact:**

This item has a fiscal impact. A maximum of \$2,390,309 in outside agencies discretionary funding was established in FY 2011. This item will lead the discussion for the final development of the FY 2012 tentative budget.

**Staff Recommendation:**

Option #1: Establish the maximum discretionary funding levels for the FY 2012 at a level to be determined by the Board.

## Report and Discussion

### Background:

This agenda item addresses the specific requirements of County Ordinance No. 2006-34 “Discretionary Funding Guidelines”, which requires that, prior to March 31, the Board of County Commissioners will:

1. Determine the maximum amount of line item funding to be considered for the budget.
2. Determine the list of permanent line item funded agencies that can submit applications for funding during the current budget cycle.
3. Provide direction to staff on additional appropriation requests that should be considered as part of the tentative budget development process.

### Analysis:

Based on the Discretionary Funding Ordinance, the Board is to establish maximum funding levels for a series of categories. In addition, the Board is to determine which agencies are to receive applications for funding requests.

Table 1 shows the amount of discretionary funding allocated during the past three fiscal years, FY 2009 thru FY 2011. Except for the Commissioner District budget fund (not shown and currently set at \$9,500 per Commissioner) and special event funding, the categories in the table are covered by Ordinance 2006-034.

Table 1: FY 2009 – FY 2011 Adopted Discretionary Funding

Discretionary Funding Category/Fiscal Year	FY 2009	FY 2010	FY 2011
Community Human Service Partnership (CHSP)	\$ 750,000	\$750,000	\$825,000
Line Item Agency Funding	1,357,809	986,559	1,136,559
Event Sponsorships	21,500	22,000	24,500
Youth Sports Teams	4,750	4,750	4,750
Economic Development Council	199,500	199,500	199,500
Tallahassee Memorial Trauma Center	300,000	300,000	200,000
<b>Total</b>	<b>\$2,633,559</b>	<b>\$2,262,809</b>	<b>\$2,390,309</b>

#### *Community Human Service Partnership (CHSP) Funding*

During the January 26, 2010 budget workshop the Board directed staff to set the maximum funding level for CHSP FY11 budget at \$825,000. As stated in Ordinance 2006-034, “Non-profits eligible for CHSP funding are not eligible for funding in any other county government funding category, except when requesting funding for an activity that is not CHSP eligible, such as a capital improvement.”

#### *Line Item Agency Funding*

Table 2 depicts agencies that received line item funding during FY11 and were projected to receive funding in out-year budgets. With the enactment of Ordinance 2006-034, agencies that provide human services that are eligible for CHSP funding, cannot receive line item funding, unless the funding is for an activity that is not CHSP eligible, such as capital projects.

In addition, the proposed expenditure impact depending whether the agency is categorized in the human service, cultural, or other category is reflected in the table. Staff is prepared to send line-item funding applications to these agencies for FY 2012, when directed by the Board.

Table 2: FY2011 Adopted Funding and FY 2012 Projected Maximum Funding Levels

<b>Permanent Line Item Funding</b>	<b>Adopted FY11</b>	<b>Projected FY12 TBD*</b>
<i>Human Services Funding</i>		
DISC Village	185,759	
Whole Child Leon (United Way of the Big Bend) (1)	38,000	
United Partners for Human Services (UPHS) (1)	23,750	
Palmer Monroe Teen Center	150,000	
<i>Subtotal – Human Services</i>	\$397,509	
<i>Cultural Services Funding</i>		
Keep Tallahassee-Leon County Beautiful	21,375	
Tallahassee Trust for Historic Preservation	63,175	
Cultural Resource Commission/Local Arts Agency -Administrative Costs	150,000	
<i>Subtotal Cultural and Other Services</i>	\$234,550	
<b>Total General Revenue Permanent Funding</b>	<b>\$632,059</b>	
<i>Other Non-General Revenue Line Items (TDC)</i>		
Cultural Resource Commission - Grant Program	504,500	
<b>Total Other Non-General Revenue Line Items Funding</b>	<b>\$504,500</b>	
<b>Grand Total</b>	<b>\$1,136,559</b>	

\*To be determined by the Board of County Commissioners

- (1) Whole Child Leon and UPHS are not 503(c) organizations and are not eligible for CHSP money. These agencies are coalition organizations that refer clients for services to other human service agencies.

*Special Event, and Youth Sports Funding*

During the FY 2011 budget process, the Board allocated funding for special events as detailed in Table 3. At the February 9, 2010 board meeting, the Board directed staff to realign funds for the Veterans Parade from the Veterans Services budget to special events funding. This had no net fiscal impact by moving the account. The following events are not required to submit applications, but are included in the budget as direct event sponsorships at the direction of the Board.

*Table 3: FY 2011 Maximum Event Sponsorship Funding  
(Amounts Based on Historical Level of Board Support)*

<b>Event Sponsorships(Organization)</b>	<b>FY 11 Funding</b>	<b>FY 12 Funding Level TBD*</b>
Celebrate America 4 <sup>th</sup> of July Celebration (Celebrate America)	2,500	
Dr. Martin Luther King Celebration (Inter Civic Southern Leadership Council of Tallahassee)	4,500	
Capital City Classic (Capital City Classic)	5,000	
Friends of the Leroy Collins Public Library (The Friends of the Library)	3,000	
NAACP Freedom Funds Award (Tallahassee Branch NAACP)	1,000	
After School Jazz Jam (The Women's Club)	2,000	
Soul Santa (Frenchtown \$2,500 and Walker Ford \$1,500)	4,000	
Veterans Parade	2,500	
<b>Total</b>	<b>\$24,500</b>	

\* To be determined by the Board of County Commissioners

Additional Policy Guidance

Staff is also recommending the following to be considered as part of the budget process of the FY 2012 tentative budget; where appropriate, applications will be sought from the outside agency:

1. Request Tallahassee Memorial Hospital submit an application for the operation of the regional trauma center. From FY 2008 – FY 2010, the Board provided \$300,000 towards the operation of the trauma center. For FY 2011, the Board reduced funding by \$100,000 to \$200,000.
2. Request the Economic Development Council (EDC) submit an application for funding. Since FY 2008, the Board has provided \$199,500 for the EDC contract.

Title: Establishing the FY 2012 Maximum Discretionary Funding Levels for Outside Agencies

March 17, 2011

Page 5

**Options:**

1. Establish the maximum discretionary funding levels for the FY 2012 at a level to be determined by the Board.

Agency/Category	FY 2010	FY 2011	FY 2012-TBD*
<b>Human Services Funding</b>			
Community Human Service Partnership	\$750,000	\$825,000	
<b>Line Item Funding for Agencies</b>			
DISC Village	185,759	185,759	
Whole Child Leon	38,000	38,000	
United Partners for Human Services	23,750	23,750	
Palmer Monroe Teen Center	0	150,000	
<b>Subtotal Line Item Funding for Agencies</b>	<b>247,509</b>	<b>397,509</b>	
<b>Subtotal Human Services Funding</b>	<b>\$997,509</b>	<b>\$ 1,222,509</b>	
<b>Cultural Funding</b>			
Keep Tallahassee-Leon County Beautiful	21,375	21,375	
Tallahassee Trust for Historic Preservation	63,175	63,175	
Cultural Resource Commission/Local Arts Agency --Administrative Costs	150,000	150,000	
<b>Subtotal Cultural Funding (Line Item Funding)</b>	<b>\$234,550</b>	<b>\$234,550</b>	
<b>Other Cultural Funding</b>			
Cultural Resource Commission - Grant Program	504,500	504,500	
<b>Subtotal Other Non-General Revenue</b>	<b>\$504,500</b>	<b>\$504,500</b>	
<b>Special Event Funding</b>			
Celebrate America 4th of July Celebration (Celebrate America)	\$2,500	\$2,500	
Dr. MLK Celebration (Inter Civic Southern Leadership Council of Tallahassee)	4,500	4,500	
Capital City Classic	5,000	5,000	
Friends of the Leroy Collins Public Library (The Friends of the Library)	3,000	3,000	
NAACP Freedom Funds Award (Tallahassee Branch NAACP)	1,000	1,000	
After School Jazz Jam (The Women's Club)	2,000	2,000	
Soul Santa (Frenchtown \$2,500 and Walker Ford \$1,500)	4,000	4,000	
Veterans Parade	0	2,500	
<b>Subtotal Special Event Funding</b>	<b>\$22,000</b>	<b>\$24,500</b>	
<b>Other Funding</b>			
Youth Sports Teams	4,750	4,750	
Economic Development Council	199,500	199,500	
Tallahassee Memorial Trauma Center	300,000	200,000	
<b>Subtotal Other</b>	<b>\$504,250</b>	<b>\$404,250</b>	
<b>Grand Total</b>	<b>\$2,262,809</b>	<b>\$2,390,309</b>	

**Recommendation:**

Options #1.

**Attachments:**

1. Leon County Ordinance 2006-34, Discretionary Funding Guidelines

Leon County, Florida, Code of Ordinances >> - CODE OF LAWS >> Chapter 2 - ADMINISTRATION >>  
ARTICLE XI. - DISCRETIONARY FUNDING GUIDELINES >>

**ARTICLE XI. - DISCRETIONARY FUNDING GUIDELINES**

- Sec. 2-600. - Application of article.  
Sec. 2-601. - Annual appropriation.  
Sec. 2-602. - Definitions.  
Sec. 2-603. - Application process.  
Sec. 2-604. - Funding category guidelines.  
Secs. 2-605—2-699. - Reserved.

**Sec. 2-600.- Application of article.**

This article shall govern the allocation of discretionary funds and provide the board a maximum amount of annual funding available in each of the following fund categories:

- (a) Community human services partnership fund;
- (b) Community human services partnership—Emergency fund;
- (c) Commissioner district budget fund;
- (d) Midyear fund;
- (e) Non-departmental fund; and
- (f) Youth sports teams fund.

(Ord. No. 06-34, § 1, 11-14-06)

**Sec. 2-601.- Annual appropriation.**

Funding for the purposes set forth in this article shall be subject to an annual appropriation by the board in accordance with this article.

(Ord. No. 06-34, § 1, 11-14-06)

**Sec. 2-602.- Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

*Community human services partnership fund* shall mean funds eligible for allocation to social service programs.

*Community human services partnership—Emergency fund* shall mean funds eligible for allocation for one time funding to meet an emergency situation.

*Commissioner district budget fund* shall mean funds eligible for allocation to each commissioner for activities relating to his or her district or the county at large.

*Emergency situation* shall mean those exigent circumstances that would prohibit or severely impact the ability of a currently funded community human services partnership (CHSP) agency to provide services.

*Midyear fund* shall mean funds eligible for allocation for requests that occur outside of the regular budget process.

*Non-departmental fund* shall mean funds eligible for allocation for non-profit entities that are included, by direction of the board, as part of the regular adopted budget.

*Non-profit* shall mean an entity that has been designated as a 501(c)(3) eligible by the U.S. Internal Revenue Services and/or registered as a non-profit entity with the Florida Department of State.

*Youth sports teams fund* shall mean funds eligible for allocation for temporary and nonrecurring youth sporting events such as tournaments and playoffs, and events recognizing their accomplishments.

(Ord. No. 06-34, § 1, 11-14-06)

### **Sec. 2-603.- Application process.**

- (a) The county administrator or his designee is authorized to develop forms and procedures to be used by a non-profit, group or individual when submitting a request for funding consistent with the provisions herein.
- (b) The county administrator or his designee shall establish a process for evaluating requests for funding made pursuant to this article.

(Ord. No. 06-34, § 1, 11-14-06)

### **Sec. 2-604.- Funding category guidelines.**

- (a) *Community human services partnership program fund.*
  - (1) Non-profits eligible for community human service partnership (CHSP) funding are not eligible for funding in any other county government funding category, except when requesting funding for an activity that is not CHSP eligible, such as capital improvements.
  - (2) Annually, as part of the budget process, the board shall confirm the allocation of funding set aside for the community human services program.
- (b) *Community human services partnership program—Emergency fund.*
  - (1) Non-profits that are funded through the CHSP process are eligible to apply for emergency, one time funding through the community human services partnership program—Emergency fund.
  - (2) Annually, as part of the budget process, the board shall confirm the allocation of funding set aside for the community human services partnership program—Emergency fund.
  - (3) These funds are available to any agency that is currently funded through the CHSP process.
  - (4) The request for emergency funding shall be made at a regular meeting of the board. If deemed appropriate, the request for emergency funding shall then go before a CHSP sub-committee consisting of members from the CHSP review boards of each of the partners (Leon County, the City of Tallahassee, and the United Way of the Big Bend). The sub-committee shall determine if the situation would qualify as an emergency situation and what amount of financial support would be appropriate. The CHSP shall then make a recommendation to the county administrator, who is authorized to approve the recommendation for funding.
  - (5) In the event the board does not meet in a timely manner, as it relates to an agency's request, the county administrator shall have the authority to appropriate expenditures from this account.
- (c) *Commissioner district budget fund.*
  - (1) Annually, as part of the budget process, the board shall determine the allocation of funding set aside for the commissioner district budget fund.
  - (2) Expenditures shall only be authorized from this account at a regular meeting of the board.
- (d) *Midyear fund.*
  - (1) Non-profits, groups or individuals that do not fit into any of the other categories of discretionary funding as outlined in this article are eligible to apply for midyear funding.
  - (2) Annually, as part of the budget process, the board shall determine the allocation of funding set aside for the midyear fund.
  - (3) In the event the board does not meet in a timely manner, as it relates to a funding request, the county administrator shall have the authority to appropriate expenditures from this account. Such action is thereafter required to be ratified by the board.
- (e) *Non-departmental fund.*
  - (1) Non-profits eligible for non-departmental funding are not eligible for funding in any other category. Eligible funding activities in this category are festivals and events and outside service agencies.
  - (2) Annually, as part of the budget process, the board shall determine the allocation of funding set aside for the non-departmental fund.
  - (3) Non-profits eligible for funding through the cultural resources commission (CRC) Leon County Grant Program (funded through the non-departmental process) are not eligible for funding in any other category.
- (f) *Youth sports teams fund.*
  - (1) Non-profits or athletic teams of the Leon County School System that are eligible for the county's youth athletic scholarship program are not eligible for funding pursuant to this article.
  - (2) Annually, as part of the budget process, the board shall determine the amount of funding pursuant to this article.
  - (3) The award for youth sports teams shall not exceed \$500.00 per team.

- (4) Youth sports teams requesting funding from the Board shall first submit their requests in writing to the county administrator or his or her designee for review and evaluation. The request must include certified documentation establishing the legitimacy of the organization.
  - (5) Funding will be allocated on a first-come, first-served basis. In the event that more than one request is received concurrently when the fund's balance is reduced to \$500.00, the remaining \$500.00 will be divided equally among the applicants meeting the evaluation criteria.
  - (6) Applicants must have participated in a city, county, or school athletic program during the year in which funding is sought.
  - (7) Team participants must be 19 years of age or younger.
  - (8) The requested funding shall support post-season activity, e.g., tournaments, playoffs, or awards banquets associated with extraordinary performance.
  - (9) In the event the board does not meet in a timely manner, as it relates to a youth sports teams' request, the county administrator shall have the authority to appropriate expenditures from this account. Such action is thereafter required to be ratified by the board.
- (g) *Appropriation process.* Annually, prior to March 1, the board shall:
- (1) Determine the amount of funding set aside for each funding category identified in this article;
  - (2) Determine the list of permanent line item funded entities that can submit applications for funding during the current budget cycle; and
  - (3) Provide direction to staff on additional appropriation requests that should be considered as part of the tentative budget development process.

(Ord. No. 06-34, § 1, 11-14-06)

**Secs. 2-605—2-699.- Reserved.**



**Board of County Commissioners  
Leon County, Florida**

www.leoncountyfl.gov

**Budget Discussion Item  
Executive Summary**

March 17, 2011

**Title:**

Status of Stormwater Non Ad Valorem Assessments

**Staff:**

Parwez Alam, County Administrator *PA*

Vincent S. Long, Deputy County Administrator *VSL*

Alan Rosenzweig, Assistant County Administrator *AR*

Scott Ross, Director, Office of Management and Budget *SR*

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**Issue Briefing:**

This item requests Board guidance regarding increasing the stormwater non ad valorem assessment.

**Fiscal Impact:**

This item has a fiscal impact. For fiscal year 2012, a general revenue subsidy of \$3.4 million would be required to balance the stormwater utility fund at the current \$20 non ad-valorem stormwater assessment rate.

**Staff Recommendation:**

Option #1: Direct staff to not contemplate raising the stormwater non ad valorem assessment for the FY 2012 budget cycle.

## Report and Discussion

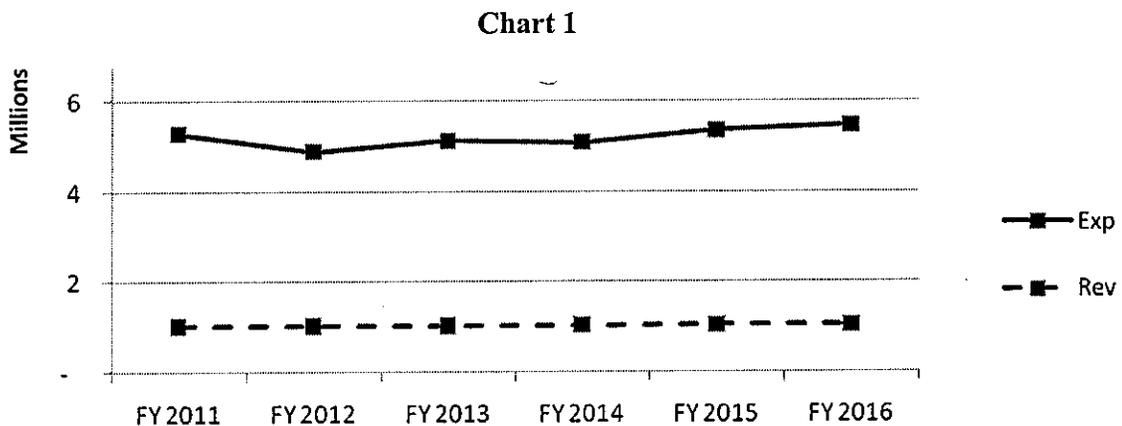
### Background:

A non ad valorem assessment is levied on both residential and non-residential property to fund the County's stormwater program. The residential assessment is \$20 for each residential structure per parcel. The non-residential properties are assessed a multiplied rate, based on the impervious area on site including sidewalks and parking areas relative to the average 2,723 square feet per single family unit. In other words, each \$20 assessment per residential structure or single family unit equals a \$20 assessment for every 2,723 square feet of a non-residential parcels impervious area. Currently, the total residential and non-residential ad valorem assessment does not generate enough revenue to operate the program. To address this short fall, the program is supported by general revenue. The Board's adopted guiding principles provides that fees charged in enterprise operations will be calculated at a level which will support all direct and indirect costs of the enterprise (Attachment #1).

### Analysis:

For several years, the Board has been evaluating the necessity to increase the stormwater non ad valorem assessment. The \$20 annual assessment for the service per year has remained the same since its inception in the early 1990s. Due to the recession economy, the Board decided not to increase these fees during the FY 2011 budget process.

Chart 1 reflects the current projected revenues and expenses for stormwater services from FY 2011 to FY 2016. Revenue projections estimate a 0.5% annual increase while expenditures indicate an estimated average of 1% increase per annum. The variance in expenditures is associated with the variable funding of the capital program over this period.



Based on the current five-year plan, the Stormwater program will require an average general revenue subsidy of approximately \$3.5 million. The subsidy is the direct result of insufficient revenue being generated by the \$20 fee. Table 1 provides a summary of the current rate and the rate required to make the stormwater operating and capital program fund self supporting.

<b>Stormwater</b>	<b>Fee</b>	<b>FY 2012 Revenue Comparison</b>
Current	\$20	\$950,665
Proposed*	\$120	\$5,658,754

\* *Could be phased in over a number of years*

There are a number of options to consider as part of the development of the FY 2012 budget:

- Maintain the current level for the Stormwater assessments
- Authorize increasing the Stormwater assessments to the maximum rate over a period of three years
- Authorize increasing the Stormwater assessments to the maximum rate next year

#### *Assessment Process*

In order to increase the current assessment, the Board would need to schedule a public hearing. This could be done as follows:

1. In accordance with Florida Statute, separate first class notification to the property owners would be mailed 20 days prior to the required public hearing. Due to the requirement of the first class notice, the assessment would not appear on the TRIM notice.
2. The Board would conduct a public hearing to consider the proposed increase.

#### **Options:**

1. Direct staff to not contemplate raising the stormwater non ad valorem assessment for the FY 2012 budget cycle.
2. Direct staff to proceed with developing the FY 2012 budget, maintaining the current stormwater assessments and providing a general revenue subsidy to support fund expenditures.
3. Direct staff to:
  - a. Schedule a public hearing to consider raising the Stormwater Non Ad Valorem Assessment for \$20 to a maximum of \$120, thereby, maintaining the current level of service and eliminating the general revenue subsidy. The fee could be phased in over a three year period.
4. Board Direction.

#### **Recommendation:**

Board Direction.

#### **Attachments:**

1. Board Guiding Principles

## Leon County Guiding Principles

1. The Board of County Commissioners upholds the importance of the Leon County Home Rule Charter allowing citizen involvement and flexibility in shaping government to best meet the County's unique and changing needs.
2. The County budget will always be balanced, with available revenues equal to appropriations.
3. The County will strive to maintain the lowest dollars spent per County resident, as compared to like-size counties, while retaining the maximum level of service possible.
4. Through citizen input and Commission deliberation, core functions for County government will be identified and the dollars will be allocated accordingly during the budget process.
5. The County will continue to explore opportunities with its governmental counterparts for functional consolidation and/or shared efficiencies.
6. The County will continue to enhance our cooperation and coordination with our Universities and Community College to promote, strengthen, and sustain our community's intellectual capital.
7. The County Administrator will require Program Managers to conduct an annual review and scrutiny of their base budgets when preparing budgets for future years.
8. Consistent with best practices and the Florida Statutes, Leon County will retain an emergency reserve fund of not less than 5%, but not more than 10% of the general operating budget (Policy No. 07-2).
9. Consistent with best practices and the Florida Statutes, Leon County will retain an operating cash reserve fund of not less than 10% but not more than 20% of the general operating budget (Policy No. 07-2).
10. Cash reserves in excess of reserve policies will be utilized to support one time capital projects and/or other one-time expenditures to address unforeseen revenue shortfalls (Policy No. 07-2).
11. Leon County will continue to ensure the useable and safe life of existing infrastructure by providing funding for proper maintenance (Policy No. 93-44).
12. Provide that fees charged in enterprise operations will be calculated at a level which will support all direct and indirect costs of the enterprise (Policy No. 92-5).
13. Ensure that capital projects financed through the issuance of bonds will not be financed for a period that exceeds the useful life of the project or the life of the supporting revenue source (Policy No. 93-47), and support conduit financing to promote the economic health of the community.
14. Maintain accounting and reporting practices in conformance with the Uniform Accounting System of the State of Florida and Generally Accepted Accounting Principles (GAAP) (Policy No. 92-4).
15. Ensure that the annual financial and compliance audit of the County's financial records is conducted by an independent firm of certified public accountants whose findings and opinions are published and available for public review (Policy No. 92-4).
16. Will optimize return on investments within the constraints of safety and liquidity through an adopted Investment Policy.
17. Shall establish formal policies and procedures to address amending the budget while allowing the organization to function and react to changing conditions (Policy No. 97-11).
18. The County shall provide a meaningful public input process during the annual budget review which shall, at a minimum, include at least one Board Workshop and two Public Hearings.
19. The County will fully research and employ technology to improve the personal and collective efficiency of county employees.
20. The County will continue to enhance our culture of performance, as we maintain a very low employee per 1,000 population and a "flat" organizational structure, and hold individual employees to high expectations and performance standards. Employees are entrusted with broad authority in their functional areas, expected to respond quickly to requests for service, explore and pursue alternatives to assist the citizenry, attempt to deliver more than what is expected, and are empowered to use professional discretion on the spot to resolve issues and reduce "bureaucracy." These employees are valued and compensation and benefits are commensurate with their responsibilities and competitive in the industry.
21. The County will continue to improve our efforts to promote employee innovation, through incentives, recognition and rewards for identifying and implementing program and process improvements that add value to services while producing cost savings.
22. The County will continue to leverage Leon County tax payer dollars to attract federal and state appropriations, reimbursements, and matching grants to realize revenue maximization for the purpose of funding priority projects and programs.



**Board of County Commissioners  
Leon County, Florida**

www.leoncountyfl.gov

**Budget Discussion Item  
Executive Summary**

March 17, 2011

**Title:**

Consideration of Proposed Increase to the Solid Waste Tipping Fee at the Transfer Station

**Staff:**

Parwez Alam, County Administrator *PA*

Vincent S. Long, Deputy County Administrator *ve*

Alan Rosenzweig, Assistant County Administrator *AR*

Scott Ross, Director, Office of Management and Budget *SR*

Tony Park, P.E., Director of Public Works *TP*

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**Issue Briefing:**

This item seeks to revise the solid waste tipping fee schedule at the transfer station for increased operating costs and capital improvement needs.

**Fiscal Impact:**

This item has a fiscal impact. Additional revenue for the proposed increase in tipping fees is estimated at \$300,000 per \$1.80 a ton increase. To maintain existing services and establish rate stabilization and certainty, the tipping fee is proposed to increase \$1.80 per year over the next five years, which equates to approximately a \$0.15 per month for each household.

**Staff Recommendation:**

Option #1: Approve resolution (Attachment #1) increasing the tipping fee rates.

## Report and Discussion

### Background:

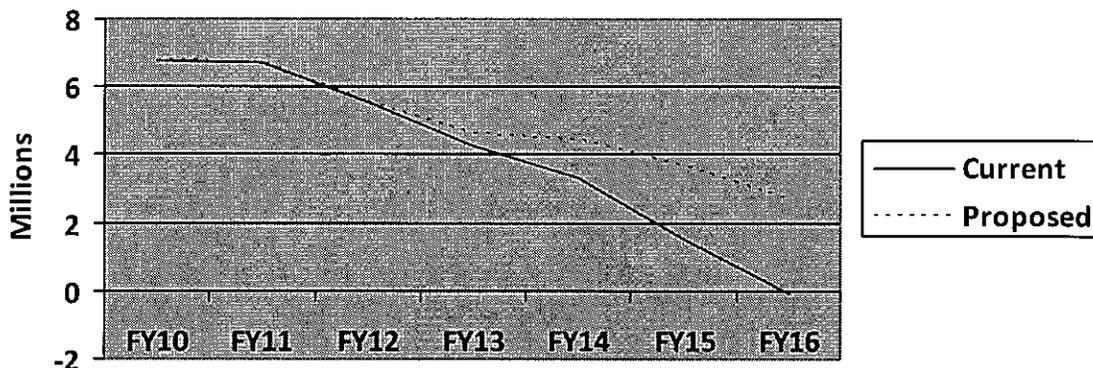
On May 9, 2006, the Board approved an amended five-year rate schedule establishing a \$35 tipping fee rate for FY 2006 and raising the rate by \$1 per year over a five-year period for a maximum rate of \$39. The rate is currently capped at \$39 per ton plus a fuel adjustment surcharge which is adjusted annually. With the expiration of the existing tipping fee schedule, a new pro forma has been developed that will continue to fund existing solid waste operation services and provide rate stabilization over the next five years.

### Analysis:

The Solid Waste Division is an Enterprise Fund. Operational costs and capital improvements are funded by fees for services (tipping fees) and a non-general fund subsidy. The current tip fee structure at the transfer station is inadequate to fund current operations and needed capital improvements. While the fund currently has a positive cash balance, the current five-year business pro forma projects a deficit occurring without either increases in the tipping fees or reductions in operating and capital expenditures.

Graph #1 reflects two trend lines related to the unrestricted cash balance in the Leon County Solid Waste Fund. The "current" line shows the projection if no change is made to the tipping fees and the current operating and proposed infrastructure improvements are made. This scenario illustrates steadily declining unrestricted reserves as the Solid Waste Management Business Plan is implemented over the next five fiscal years. The "proposed" line reflects the projected unrestricted cash balance trend assuming the proposed new tipping fee schedule. The proposed increase in the tipping fee schedule provides a stable unrestricted cash balance over the next five years.

**Graph 1**  
**Comparison of Reserves with Current and Proposed Tipping Fees**



To address this issue, staff has explored a number of financial plan scenarios based on the following assumptions:

- Continued subsidization of the Rural Waste Service Centers.
- Maintaining a minimum cash balance of \$2.5 million for liquidity, cash flow and a contingency for unforeseen catastrophic events.
- Establishing a tip fee rate structure sufficient to cover operational and capital improvement costs that will not show significant operating deficits over the five-year period.

Due to rising operating costs, a revised tipping fee schedule is recommended for the transfer station beginning in FY 2012. This revised schedule will also include a programmed fee increase each year thereafter through FY 2016. The pro forma will be updated annually, dropping the past year and adding a new fifth year.

The proposed five-year pro forma (Attachment #2) suggests the tipping fee should increase by \$1.80 per year over the next five years. The fee should increase to \$40.80 per ton in FY 2012 and increase by \$1.80 in subsequent years up until FY 2016 to prevent the County's solid waste system from incurring any operating deficits during the same time period. This increase is estimated on average to raise the monthly disposal cost for households by \$0.15 per month.

Pursuant to the agreement with Waste Management, the annual hauling contract allows for increases in inflation and fuel. Tipping fees are exclusive of the required annual fuel adjustment surcharges. The fuel adjustments are calculated per the Waste Management Inc. Agreement and are based upon the change in Consumer Price Index (CPI) and the Oil Price Information System report for Ultra Low Diesel.

During the next five years, as unrestricted funds are needed to operate the Solid Waste Management facilities, it is projected that the Leon County Solid Waste Fund would have an unrestricted fund balance no greater than \$5.6 million and slightly less than \$2.5 million by FY 2016.

Pursuant to an inter-local agreement between Leon County and the City of Tallahassee, the Financial Review Committee (a five-member board consisting of the City Manager or designee, the County Administrator or designee, an appointed citizen (David Reid), and the City and County Attorneys) meets to review proposed tipping fee increases prior to any increases being recommended to the Board of County Commissioner. The committee's advisory role includes reviewing tipping fees, cash balances and capital expenditures.

At its March 1, 2011 meeting, the Financial Review Committee had no objection to the proposed five-year pro forma raising the tipping fee \$1.80 per year over the next five years and increasing the electronics disposal fee from \$75 to \$90 per ton, with the understanding that the pro forma will be updated annually. No other fee increases are proposed on the recommended fees schedule.

Raising the tipping fee is exclusive of operating the rural waste service centers. Even with the tipping fee increase, a general revenue transfer of approximately \$1.3 million will still need to be provided to the Solid Waste fund to operate the rural waste service centers.

**Options:**

1. Approve resolution (Attachment #1) increasing the tipping fee rates.
2. Do not approve resolution (Attachment #1) increasing the tipping fee rates.
3. Board Direction.

**Recommendation:**

Options #1

**Attachments:**

1. Proposed Solid Waste Pro Forma
2. Resolution and Fee Schedule

RESOLUTION: 2011 - \_\_\_\_\_

**A RESOLUTION CONFIRMING AND READOPTING SOLID WASTE TIPPING FEE RATES  
AT LEON COUNTY SOLID WASTE MANAGEMENT FACILITIES**

WHEREAS, The Leon County Board of County Commissioners adopted a rate resolution for Fiscal Year 1995-1996 at a duly advertised public hearing on August 19, 1995; and

WHEREAS, the Board of County Commissioners adopted a tipping fee disposal rate schedule for FY 2006 through FY 2009 on April 25, 2006; and

WHEREAS, the rate schedule has expired and should be revised to meet the increased financial demands of operating the Solid Waste Management facilities; and

WHEREAS, Section 18-141, Article IV, "Solid Waste" of Chapter 18, "Utilities", of the Code of Laws of Leon County, was amended November 8, 2005, to establish solid waste tipping fees in accordance with law set by resolution of the Board of County Commissioners; and

WHEREAS, Section 4.2 of the Interlocal Agreement with the City of Tallahassee for solid waste management services has been amended to require the City to pay a per ton Operating Fee, determined by the County, for all solid waste delivered by the City to the Gum Road Transfer Station; and

WHEREAS, Section 4.3 of the Interlocal Agreement with the City of Tallahassee for solid waste management services has been amended to require the City to pay a per ton Household Hazardous Waste Program Fee, determined by the County, for all solid waste delivered by the City to the Gum Road Transfer Station; and

WHEREAS, Amendments to the Solid Waste Ordinance and the Interlocal Agreement with the City of Tallahassee for solid waste services requires the County to establish solid waste tipping fee rates by resolution; and

WHEREAS, the Financial Review Committee, at its March 1, 2011 meeting, reviewed these rates in a five-year pro forma and had no objection to raising the rates.

NOW, THEREFORE BE IT RESOLVED by the Board of County Commissioners of Leon County, Florida, that:

1. Effective on October 1 of each year as hereby designated below the tipping fee disposal rates at the Leon County Solid Waste Management Facility shall be:

Year	Tipping Fee Per Ton *
2012	\$40.80 (plus fuel surcharge adjustment)
2013	\$42.60 (plus fuel surcharge adjustment)
2014	\$44.40 (plus fuel surcharge adjustment)
2015	\$46.20 (plus fuel surcharge adjustment)
2016	\$48.00 (plus fuel surcharge adjustment)

\* The annual fuel adjustments are calculated per the Waste Management Inc. Agreement and are based upon the change in Consumer Price Index and the Oil Price Information System report for Ultra Low Diesel.

2. Effective October 1, 2011, the following tipping fee rates are hereby confirmed and readopted for the Solid Waste Management Facilities:

Material	Fee Per Ton
<b>Transfer Station</b>	
Special Handling	100.00
<b>Apalachee SWMF</b>	
Class III	27.00
Records	100.00
Dead Animals	100.00
Asbestos	100.00
Electronics	90.00
Tires	160.00
Yard Debris Clean, City of Tallahassee	27.00
Yard Debris Bagged, City of Tallahassee	39.00
Yard Debris, Other	39.00
Soil Disposal	Negotiable

3. The tipping fee rates shall supersede any other previous Board actions to the extent of any inconsistency herewith.

DONE AND ADOPTED by the Board of County Commissioners of Leon County, Florida this 12<sup>th</sup> day of April, 2011.

LEON COUNTY, FLORIDA

By:

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John E. Dailey, Chairman  
Board of County Commissioners

ATTEST:  
Bob Inzer, Clerk of the Court  
Leon County, Florida

By: \_\_\_\_\_

APPROVED AS TO FORM:  
Leon County Attorney's Office

By: \_\_\_\_\_  
Herbert W.A. Thiele, Esq.  
County Attorney

**Solid Waste Five Year Proforma Summary**

	FY10 Final	FY11 Adjusted	FY12 Projected	FY13 Projected	FY14 Projected	FY15 Projected	FY16 Projected
Beginning Cash Balance (1)	6,786,955	6,705,071	5,573,424	4,632,663	4,413,819	3,690,075	2,651,551
Total Revenues (2)	10,746,340	11,087,538	11,194,966	11,714,483	12,110,160	12,655,076	13,290,809
<b>Total Resources Available</b>	<b>17,533,295</b>	<b>17,792,609</b>	<b>16,768,390</b>	<b>16,347,146</b>	<b>16,523,979</b>	<b>16,345,151</b>	<b>15,942,359</b>
Total Operating Expenses (3)	9,264,127	10,832,356	10,793,227	11,132,827	11,451,485	11,843,200	12,080,064
Capital Improvements (4)	1,564,097	1,386,829	1,342,500	800,500	1,382,419	1,850,400	1,576,238
<b>Total Expenditures</b>	<b>10,828,224</b>	<b>12,219,185</b>	<b>12,135,727</b>	<b>11,933,327</b>	<b>12,833,904</b>	<b>13,693,600</b>	<b>13,656,302</b>
<b>Total Resources less Total Expenditures</b>	<b>6,705,071</b>	<b>5,573,424</b>	<b>4,632,663</b>	<b>4,413,819</b>	<b>3,690,075</b>	<b>2,651,551</b>	<b>2,286,057</b>
Less: Reserve for Contingency & Liquidity (5)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
<b>Unreserved Available Balance (6)</b>	<b>4,205,071</b>	<b>3,073,424</b>	<b>2,132,663</b>	<b>1,913,819</b>	<b>1,190,075</b>	<b>151,551</b>	<b>(213,943)</b>
<b>Tipping Fee Adjustment</b>							
Current Transfer Station Tipping Fee (7)	39.00	39.00	40.80	42.60	44.40	46.20	48.00
Est. Transfer Station Fuel Adjustment Surcharge (8)	2.11	2.00	2.08	2.12	2.21	2.24	2.45
<b>Total Transfer Station Tipping Fee</b>	<b>41.11</b>	<b>41.00</b>	<b>42.88</b>	<b>44.72</b>	<b>46.61</b>	<b>48.44</b>	<b>50.45</b>

**Notes:**

- The beginning cash balance does not include funding already set aside for closure and post closure monitoring and maintenance.
- Total revenues includes all Landfill & Transfer Station Fees, Interest Earnings, Waste Disposal Special Assessments, non-countywide general revenue support and other miscellaneous revenues.
- Total operating expenses includes all on-going personnel and on-going expenses (i.e. supplies, utilities, etc.) to run the landfill, transfer station, rural collection centers, hazardous waste disposal program, and recycling programs.
- Projected capital improvements requirements for the entire system, including improvements to the landfill, transfer station, and rural waste collection centers.
- A \$2,500,000 operating reserve for cash flow and unanticipated expenses.
- This difference is the annual surplus or deficit based on the entire solid waste management function. It includes the total resources less the total expenditures less a total of \$2,500,000 for reserves.
- Monthly average increase per home is \$0.15.
- Pursuant to agreements with Waste Management fuel adjustment surcharge based on CPI and fuel charge formula, fuel adjustment lags one year.



**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Budget Discussion Item**  
**Executive Summary**

March 17, 2011

**Title:**

Consideration to Install Solar Thermal at the Sheriff Administration Building

**Staff:**

Parwez Alam, County Administrator *PA*  
Vincent S. Long, Deputy County Administrator *VSL*  
Alan Rosenzweig, Assistant County Administrator *AR*  
Scott Ross, Budget Director *SR*  
Maggie Theriot, Sustainability Coordinator *MT*

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**Issue Briefing:**

This item seeks Board approval to install solar thermal at the Sheriff Administration building. During the December 8, 2009 workshop to review and discuss the status and initiatives of Leon County's Sustainability Program, the Board directed staff to provide an agenda detailing the opportunities to install solar on County owned facilities. The results of this analysis were presented to the Board on November 16, 2010 in an agenda item. Staff identified facilities that are most conducive to solar applications. In total, three sites were deemed most suitable for solar PV and one site was best suited for solar thermal. A cost analysis was conducted for each of the four sites. Analysis showed the approximate payback for solar PV of 20 years, while solar thermal has an estimated payback of eight years. With this in mind, the Board directed staff to consider funding of solar thermal for the Sheriff Administration building during the upcoming FY12 budget cycle.

**Fiscal Impact:**

This item has a fiscal impact. If approved, this item would have a fiscal impact of \$50,395 for the FY 2012 Capital Improvement Budget. The solar thermal installation has an estimated payback of eight year.

**Staff Recommendation:**

Option #1: Direct staff to create a CIP for the installation of solar thermal for the Sheriff Administration building at a cost of \$50,395 for FY12.

## Report and Discussion

### **Background:**

During the December 8, 2009 workshop to review and discuss the status and initiatives of Leon County's Sustainability Program, the Board directed staff to provide an agenda detailing the opportunities to install solar on County owned facilities. The results of this analysis were presented to the Board on November 16, 2010 in an agenda item (Attachment #1). Several factors, such as; shading, roof type, roof pitch, facility usage patterns, and public visibility were taken into consideration in order to identify those facilities that are most conducive to solar applications. Through utilization of GIS aerial mapping, assessment of building construction documents, and site visits, the preliminary listing was narrowed to four ideal sites; Leon County Courthouse, Facilities Management, Fleet Management and Sheriff Administration building.

There are two forms of solar that were contemplated for application on Leon County facilities, solar photovoltaic (PV) and solar thermal. Multiple solar technologies were assessed for each of the four proposed solar sites. In total, three sites were deemed most suitable for solar PV (Leon County Courthouse, Facilities Management, and Fleet Management) and one site was best suited for solar thermal (Sheriff Administration building). A cost analysis was conducted for each of the four sites. Analysis showed the approximate payback for solar PV of 20 years, while solar thermal has an estimated payback of eight years. With this in mind, the Board directed staff to consider funding of solar thermal for the Sheriff Administration building during the upcoming FY12 budget cycle.

### **Analysis:**

The recommended technology for solar thermal is a passive solar water heater. By using local water pressure and solar radiation to operate, the passive solar unit requires no pumps, controls, chemical solutions, or mechanical/electrical components. The passive solar unit serves as a pre-heater to a conventional water heater. The units can be connected to one another and scaled to the capacity required. The units measure 8' x 4' and 1' thick and require no roof penetrations. The units are also manufactured in Jacksonville Florida, adding to the sustainability of the project by sourcing regionally.

The Jail and associated operations represents the largest hot water demand of any County facility. A constant flow of hot water is required in order to provide showers, meals and cleaning service for approximately 1,000 inmates daily. Currently the Jail has nine 300-gallon water heaters. These run from a steam boiler. The boiler system is a highly engineered system and is integrated into multiple aspects of the jail. In addition to hot water, the boiler is used to heat the Jail, run the dishwashers and cook. Given the integration of the boiler and water heater, this building is not a leading candidate for solar thermal despite the large volume of hot water consumption.

However, the Sheriff Administration building offers a suitable opportunity for solar thermal. The building has a single 300-gallon water heater that is conveniently located on the roof, which simplifies the connection to solar thermal. Given the size of the water heater and volume of demand, the building could require five 50-gallon progressive tube solar collectors. More formal engineering will occur in the design phase of this project. There is a possibility that the existing 300-gallon water heater is over sized given current demand. If this is proven correct during the design phase, then the solar thermal system may be down sized to reflect actual hot water demand. These five solar thermal units will be interconnected which provides the ability to add or remove capacity as necessary during design or in the future as demand changes.

At a price of \$5,350 for each collector, the total solar thermal equipment would cost an estimated \$26,750. Because the solar unit serves as a pre-heater to a conventional water heater, a water heater will still be required. The existing heater is old and in need of replacement. As a component of this project, a new more energy efficient water heater is included. The cost of each of the project components is outline in the table below.

**Table #1: Solar Thermal Project Cost**

<b>Project Component</b>	<b>Cost</b>
Solar Thermal	\$26,750
New Water Heater	\$8,560
Partial Re-roof	\$5,135
Design and Permitting	\$9,950
<b>Total</b>	<b>\$50,395</b>

Recent inspection by staff indicates that the building's roof may need to be replaced in the next five years. An opportunity exists to synchronize the roof replacement and the installation of solar thermal. At this time, staff recommends replacing only a portion of the roof where the solar thermal system will be mounted. Including the design and permitting of the system, equipment, labor, replacement of the existing aged water heater, re-roofing just the project area, the total project cost is estimated to be \$50,395.

**Options:**

1. Direct staff to create a CIP for the installation of solar thermal for the Sheriff Administration building at a cost of \$50,395 for FY12.
2. Do not direct staff to create a CIP for the installation of solar thermal for the Sheriff Administration building at a cost of \$50,395 for FY12.
3. Board Direction.

**Recommendation:**

Board Direction.

PA/AR/SR/CP/MT



**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Budget Discussion Item**  
**Executive Summary**

March 17, 2011

**Title:**

Consideration of Holding Employee's Pay Neutral to any Changes to the Florida Retirement System Contribution Rate

**Staff:**

Parwez Alam, County Administrator

Vincent S. Long, Deputy County Administrator

Alan Rosenzweig, Assistant County Administrator

Scott Ross, Director, Office of Management and Budget

**Issue Briefing:**

This item provides a preliminary status of proposed changes to the Florida Retirement System (FRS) and contemplates holding employees harmless by providing an off setting cost-of-living increase.

**Fiscal Impact:**

This entire net fiscal impact to the County is not known at this time. Certain proposed pieces of the retirement legislation while reducing retirement contribution rates may correspondingly reduce state shared revenues to the County. However, this language is not included in the current versions being considered in committee. Staff's recommendation is to develop the tentative budget with an increase in employee's pay at an amount at least equal to the employee contribution for retirement.

**Staff Recommendation:**

Option #1: Direct staff to develop the tentative FY 2012 budget raising employee's salaries to offset any increase to employee retirement contributions.

## **Report and Discussion**

### **Background:**

Under the current Florida Retirement System the employer pays 100% of the cost for retirement benefits. Currently, there are options under consideration that would shift some level of retirement costs to employees. Locally, any changes will affect County and State employees. The City of Tallahassee does not participate in the Florida Retirement System.

### **Analysis:**

Currently the Governor's Office and the Senate have pending legislation that would shift retirement costs to employees. The Governor's Office proposal would require employees to contribute five percent of their pay to the system. Any savings provided to the County would be offset by a reduction in state revenue sharing to a level where it would not prevent a government from paying back debt service. The Senate proposal contemplates shifting two percent of the cost for employees earning less than \$75,000 and four percent of the cost for employees earning \$75,000 or more. The Senate proposal does not address cost savings by the participating governments.

The net effect to County employees would be a reduction in pay in the range of two to five percent. Presently a cost-of-living adjustment is not contemplated in the FY 2012 budget shortfall. Staff is recommending that based on the final retirement legislation, the FY 2012 budget be prepared to make the impact net neutral to County employees. Any savings provided by retirement system adjustments to the County would be utilized to equalize employee pay.

### **Options:**

1. Direct staff to develop the tentative FY 2012 budget raising employee's salaries to offset any increase to employee retirement contributions.
2. Do not direct staff to develop the tentative FY 2012 budget raising employee's salaries to offset any increase to employee retirement contributions.
3. Board Direction.

### **Recommendation:**

Option #1



# Board of County Commissioners Leon County, Florida

www.leoncountyfl.gov

## Budget Discussion Item Executive Summary

March 17, 2011

**Title:**

Consideration of Funding for the Court Mental Health Program

**Staff:**

Parwez Alam, County Administrator *PA*  
Vincent S. Long, Deputy County Administrator *VSL*  
Alan Rosenzweig, Assistant County Administrator *AR*  
Scott Ross, Director of the Office of Management and Budget *SR*  
Ken Morris, Director of Legislative Affairs & Economic Development

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**Issue Briefing:**

On January 18, 2011, the Board held a workshop on the County's utilization of the Criminal Justice, Mental Health, and Substance Abuse Reinvestment (CJMHSAR) Grant and directed staff to bring back a budget discussion item to consider sustaining the Court Mental Health Court Program after the life of the Grant (Attachment #1). In addition, Commissioner Proctor had requested that the budget discussion item contemplate the housing challenges of mentally ill defendants as identified during the workshop presentation. The Grant funds, awarded by the state in 2008, will expire on June 30, 2011.

Based on the Board's direction at the January 18, 2011 workshop, this budget discussion item provides the Board funding options should it wish to continue the Court Mental Health Program at current or enhanced service levels. However, staff does not recommend continuing this program and absorbing the cost of the Court Mental Health Program once the Grant expires due to the County's preliminary recurring budget shortfall of \$12.9 million as noted in the overview item of this budget workshop.

**Fiscal Impact:**

Should the Board wish to maintain the level of service for the Court Mental Health Program, the annual cost for FY 12 would be \$235,858. If the Board wishes to enhance the program to provide for housing and incidental needs, the total program cost for next year would be \$250,858.

Given the recent notification from the state about moving up the expiration date of the Grant, additional funds would be needed to continue the program from July 1, 2011 until the start of the County's FY 12 budget on October 1, 2011. In order to provide temporary bridge for funding, the Board could allocate \$58,965, or 25%, of the annualized cost of the Court Mental Health Program from general contingency funds to address the three month gap in funding.

**Staff Recommendation:**

Option #1: Accept staff report and do not continue funding the program past June 30, 2011.

## Report and Discussion

### **Background:**

On January 18, 2011, the Board held a workshop on the County's utilization of the CJMHSAR Grant and directed staff to bring back a budget discussion item to consider funding the Court Mental Health Court Program beyond the life of the Grant. In addition, Commissioner Proctor had requested that the budget discussion item contemplate the housing challenges of mentally ill defendants as identified during the workshop presentation. The Grant funds, awarded by the state in 2008, will expire on June 30, 2011.

The Department of Children and Families' (DCF) Grant funding was originally scheduled to expire on April 30, 2011. A request for extension was approved by DFC through September 30, 2011 (Attachment #2). Subsequently, DCF notified Leon County that the Grant will expire at the end of the state's fiscal year on June 30, 2011 due to state funding uncertainties and anticipated budget reductions (Attachment #3).

### **Analysis:**

The three year Grant, along with the Board's vision and the hard work of many community partners, stakeholders, and staff, helped Leon County establish a Court Mental Health Program that aggressively addresses the cases of defendants with a severe and persistent mental illness in the criminal justice system. Before the Court Mental Health Program launched in 2008, the Judiciary chose to maximize the program's potential by including persons with a developmental disability or a traumatic brain injury. Although these two populations are not served by Grant funding, staff was able to provide services to these defendants through County funded positions like the Court Mental Health Coordinator and other state and community agencies. The structure of the Grant has afforded Leon County the opportunity to develop and implement a program that combines national best practices and local dynamics. The result is a Court Mental Health Program that is tailored to address the specific needs of the Leon County criminal justice system and community.

As a new program, there were several challenges that immediately presented themselves. Affordable housing instantly emerged as the number one obstacle to efficiently and effectively dispose of cases involving mentally ill defendants. There was also a major gap in the transition from incarceration to re-entry into the community. Through a series of Grant amendment requests to DCF, Leon County was able to address some of these challenges by modifying its original program design.

In funding the program beyond the life cycle of the Grant, it is important to identify and place a priority on those aspects of the program that have been successful in aiding in case disposition while helping to maintain defendants in the community and reduce recidivism. Court Administration has also identified parts of the program that will deviate from the original intent and application submitted to DCF in an effort to reduce costs to the County. In order to maintain the success of the program, Court Administration proposes maintaining the following core aspects:

1. Crisis Intervention Team (CIT) training will continue to be held three times per year and will be extended to all law enforcement agencies in the jurisdiction of the Second Judicial Circuit. No additional funding is required as the Court Mental Health Coordinator will continue to serve as a moderator of the program. Further, all instructors for the program are volunteers and space for the training has historically been donated in-kind by a participating agency. To

maintain the success of the program and control the costs incurred by the County, Court Administration recommends discontinuing the subsidies for the overtime costs of telecommunicators/dispatchers to participate in the CIT training.

2. The Mental Health Pretrial Release Program would continue with two (2) FTEs, who would work out of the County's Pretrial Release office. The Mental Health Pretrial Release Specialist is responsible for the supervision of all defendants ordered to pretrial release with mental health conditions to help ensure compliance with court sanctions. The Mental Health Transition Case Manager, who is housed in the County's Pretrial office and is essential to the Misdemeanor and Felony Mental Health Courts, develops and implements re-entry plans for defendants upon release from jail and/or prison. Through this process, a system is established to help ensure that a defendant has a smooth transition from the criminal justice system to appropriate community resources. The anticipated cost for these two FTEs needed to continue this program is \$88,191.
3. The Misdemeanor and Felony Mental Health Courts would both continue to be held twice a month but would reduce dedicated staffing from one (1) FTE to a half (0.5) FTE. The Court Mental Health Case Manager is responsible for managing and integrating resources to permit timely case disposition and release of all defendants where mental health concerns have been identified. The staff reduction will put an increased burden on serving the Misdemeanor and Felony Mental Health Courts but Court Administration does not think it will have a significant impact on amount of time defendants remain in jail as long as both dockets continue meeting twice a month. The anticipated cost for this 0.5 FTE to serve both the Misdemeanor and Felony Mental Health Courts is \$17,189.
4. The Mental Health Probation Program would continue at the County and Circuit Court levels by maintaining funds for one (1) FTE. The County's Probation office dedicated staff for Mental Health Probation prior to receiving Grant funds. Therefore, no new funds are needed to continue this program. This program would continue to utilize the services of the Court Mental Health Coordinator and Mental Health Case Manager for monitoring administrative procedures and developing probation plans for each defendant placed on Mental Health Probation.
5. The Community Competency Restoration program is the most labor intensive program funded by the Grant and is provided by a third party vendor. In order to maintain the current level of service beyond the Grant life cycle, three (3) FTEs are needed to provide competency restoration training and recovery support in the community to defendants placed on either conditional release or mental health probation. The three Community Competency Restoration Specialists are anticipated to cost \$130,478 annually.

It is important to note that there is a proposed change in the populations that all positions in the program will serve. All positions funded by the Grant only serve persons with a mental illness in Mental Health Court. The Court Mental Health Coordinator, funded by the County, provided services to defendants with a diagnosis of mental retardation and traumatic brain injury in and out of the Mental Health Court. Should the Board provide funds following the end of the Grant, all positions would serve all defendants with a mental illness, developmental disability, or a traumatic brain injury. It is anticipated that this change would help increase efficiency in case disposition that

can translate to a decrease in the amount of days these defendants stay in the County jail, thus decreasing the cost to the County associated with prolonged incarceration.

The current Grant-funded program includes an allocation for data analysis with Florida State University's Schools of Psychology and Public Administration. These schools were used to help meet the data analysis requirements of the Grant application. Court Administration proposes to discontinue with the data analysis portion of the program and utilize existing resources that have been developed through the County's Justice Information System since the start of the program. This reduction would save the County \$24,000 per year.

Should the Board wish to continue the Court Mental Health Program, it would be coordinated by the Court Mental Health Coordinator with oversight by the presiding judges and the Trial Court Administrator. The CJMHSAR Advisory Council would continue to be the vehicle where stakeholders monitor and assess the program's effectiveness and development. The Court Mental Health Coordinator would also continue working with the County's MIS department to enhance court processes and improve the current system for program outcomes.

#### Housing & Incidentals

Should the Board wish to address the housing challenges identified during the January 18, 2011 workshop, the Board could set aside an additional \$15,000 for housing subsidies and short term incidental needs such as medicine and bus passes. Housing and lack of medicine are common challenges and often prevent defendants from being released from custody in a timely manner. Court Administration recommends this housing and incidentals component of the Court Mental Health Program be managed through the Community Competency Restoration program without increasing staffing levels.

Based upon utilization of contingency funds during the Grant program, it is estimated that this level of funding would serve approximately 100 defendants for short term incidental needs and at least twenty (20) defendants for housing subsidies. The housing subsidies would be limited to transitional needs for a period of no more than 30 to 60 days as eligible clients seek to restore their benefits (e.g. Medicaid, Medicare, Social Security, or Veteran benefits). Again, these funds could be managed by the County's third party provider under the Community Competency Restoration program. Should the Board approve funding for the Community Competency Restoration program and the \$15,000 for housing and medicinal needs, the County would amend its contract with the Apalachee Center Inc or issue an RFP for these services.

#### Summary

Should the Board wish to maintain the level of service for the Court Mental Health Program, the annual cost for FY 12 would be \$235,858. If the Board wishes to enhance the program to provide for housing and incidental needs, the total program cost for next year would be \$250,858. Given the recent notification from DCF about moving up of the Grant expiration date, additional funds would be needed to continue the program from July 1, 2011 until the start of the County's FY 12 budget on October 1, 2011. In order to provide temporary bridge for funding, the Board could allocate \$58,965, or 25%, of the annualized cost of the Court Mental Health Program from general contingency funds to address the three month gap in funding. Given the June 30<sup>th</sup> expiration of Grant funds, the Board must provide immediate direction regarding this program so that the contractual relationships, used to provide staffing, can be addressed in a timely manner.

The Grant was created in 2007 to provide a temporary incentive for counties to plan, implement, or expand mental health and substance abuse initiatives like the Court Mental Health Program. Unfortunately, the ability of local governments to maintain funding for such programs has greatly diminished since the Legislature approved the program in 2007 and the County was awarded funds in 2008. Given the County's preliminary recurring budget shortfall of \$12.9 million as noted in the overview item of this workshop, staff does not recommend continuing this program and absorbing the full cost of the Court Mental Health Program once the Grant expires.

**Options:**

1. Accept staff report and do not continue funding the program past June 30, 2011.
2. Direct staff to include \$235,858 in the FY 12 County budget to maintain the Court Mental Health Program.
3. Direct staff to include \$250,858 in the FY 12 County budget to enhance the Court Mental Health Program.
4. Direct staff to prepare a Budget Amendment Request in the amount of \$58,965 to provide funding for the Court Mental Health Court in FY 11 due to the change in the expiration date of the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant.
5. Board Direction.

**Recommendation:**

Option #1.

**Attachments:**

1. January 18, 2011 Workshop on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program.
2. January 12, 2011 letter from DCF approving the extension of the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant through September 30, 2011.
3. February 28, 2011 letter from DCF moving up the extension of the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant to June 30, 2011.

**Board of County Commissioners  
Leon County, Florida**

**Workshop on the Criminal Justice, Mental Health, and  
Substance Abuse Reinvestment Grant Program**

**January 18, 2011  
1:30-3:00 p.m.**

**Leon County Board of County Commissioners  
Leon County Courthouse, 5<sup>th</sup> Floor**

## Board of County Commissioners Workshop Request

**Date of Meeting:** January 18, 2011  
**Date Submitted:** January 11, 2011

**TO:** Honorable Chairman and Members of the Board

**FROM:** Parwez Alam, County Administrator  
Vincent S. Long, Deputy County Administrator  
Alan Rosenzweig, Assistant County Administrator  
Grant Slayden, Trial Court Administrator  
Ken Morris, Director of Legislative Affairs and Economic Development  
Kendra Brown, Court Mental Health Coordinator

**SUBJECT:** Status Report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program

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### STATEMENT OF ISSUE:

This workshop serves as a status report on the County's utilization of the Criminal Justice, Mental Health, and Substance Abuse Reinvestment (CJMHSAR) Grant and seeks Board direction on the future of the Leon County Court Mental Health Program.

### BACKGROUND:

The deinstitutionalization of the mentally ill and their resultant involvement in the criminal justice system continues to be an increasing burden to county jails and the criminal justice system. In recent years, mentally ill inmates have been serving time in jail more frequently and for longer periods of time. County jails have become some of largest mental health facilities in the state. Often times, mentally ill inmates cost more than other inmates in county jails due to the cost of their mental health needs and the cost associated with providing adequate supervision during incarceration. The criminal justice system has been ill equipped to handle mentally ill defendants or process their cases efficiently.

During the FY 2003/04 budget process, the Board approved the creation of a Court Mental Health Coordinator position within the Court Administrator's Office. This position is modeled after the success of the Detention Review Coordinator and is focused on improving case processes, information availability, and problem resolution specifically associated with mentally ill defendants. The Court Mental Health Coordinator's current focus is to facilitate the development and implementation of the Court Mental Health Program for mentally ill, mentally retarded, and brain injured defendants along with continuing to identify areas in the entire Leon County criminal justice process where improvements can be made to decrease delays with cases involving these defendants. The Court Mental Health Coordinator provides services to all criminal divisions for all defendants that have been diagnosed as mentally ill, mentally retarded, and/or brain injured in an effort to decrease the cost of incarceration. It is important to note that while grant funded positions have added invaluable resources to the criminal justice system, they are limited to defendants in mental health court with a mental illness.

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program  
January 18, 2011  
Page 2

---

During the 2007 legislative session, then-Representative Ausley sponsored and successfully passed HB 1477, creating the CJMHSAR Grant Program within the Department of Children and Families (DCF). The 2007 Legislature set aside grant funding for counties who would be able to bring together key stakeholders to implement programs that serve the mentally ill and substance abuse populations at risk of becoming involved in the criminal justice system. The purpose of the Grant was to provide funding to counties to plan, implement, or expand initiatives that increase public safety, and improve the accessibility and effectiveness of treatment services for adults and juveniles who have a mental illness and/or substance abuse disorders, in order to reduce the use of state forensic treatment facilities, jails, and prisons.

The state segmented the initial \$3.85 million for two different types of grants - planning and implementation/expansion grants. There was \$2 million available to counties for planning grants, with the maximum award of \$100,000 per applicant. The second type of grant had \$1.85 million earmarked for implementation and/or expansion of programs with a maximum award limit of \$1 million per applicant. Both grants called for a 1:1 equal match from the applicant county. Counties were allowed to contribute in-kind resources as part of the match contribution. In-kind resources included salaries, programming costs, supplies, or equipment provided by a county or third party that is dedicated to a particular mental health or substance abuse program.

On September 11, 2007, the Board adopted an Enabling Resolution establishing the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Advisory Council (Advisory Council), as required by the Grant, and directed the Council to submit a proposal to the Board at the October 23, 2007 Commission meeting. It is chaired by Circuit Judge Sjostrom and made up of industry professionals and stakeholders in substance abuse, mental health, and corrections (Attachment #1). The Advisory Council collected mental health data on local services available, the number of mentally ill offenders in the jail, the costs associated with providing for the mentally ill in the jail, and the amount of time it takes for a mentally ill defendant to proceed through the court system. The Advisory Council also brought together local stakeholders to examine the effects that Crisis Intervention Training (CIT) had on the local law enforcement community in dealing with the local mental health consumer population.

The Advisory Council found that the deinstitutionalization of the mentally ill, and their resultant involvement in the criminal justice system, continued to be an increasing burden to the jail and the criminal justice system. Prison Health Services, the medical provider in the Leon County Jail, estimated seeing approximately 300 inmates per month in 2007 for psychiatric concerns and spending an average of \$13,000 per month for psychotropic medication. Additionally, the Advisory Council examined the benefits of implementing a mental health docket to better serve mental health consumers in the criminal justice system.

On October 2, 2007, the Advisory Council recommended that the Board pursue an implementation and expansion grant for mental health services. Three core programs were identified to be the most beneficial to the mental health population in or at-risk of entering the criminal justice system including the expansion of CIT, the implementation of a mental health

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program

January 18, 2011

Page 3

---

court to include a specialized pretrial release program for mentally ill defendants, and the implementation of a community based competency restoration program. The Advisory Council also acknowledged the County's fiscal constraints at that time due to the pending property tax reform efforts and determined that it would not be fiscally prudent for the County to directly employ additional personnel. Therefore, the Advisory Council worked closely with local mental health agencies to secure "good faith estimates" for the County to contract with local mental health providers to provide additional mental health services upon receipt of the Grant.

On October 23, 2007, the Board approved the Advisory Council's recommendation to submit an application for the CJMHSAR Grant Program. The Grant application included a strategic plan and project narrative to address Leon County's critical mental health needs and focused on developing and implementing a comprehensive system that would quickly identify mentally ill defendants to appropriately dispose of their cases in a timely manner. The proposal included early screening for mental illness at each stage of the criminal justice process, community competency restoration services, the implementation of pretrial and post-adjudication alternatives to incarceration, and a method to measure program outcomes and accountability.

Staff identified the necessary in-kind contributions required for the local match which came from numerous existing Board programs that offer mental health services to the residents of Leon County, including the mental health coordinator position and support staff, funding set aside for additional mental health services at the Bond and Neighborhood Health Services clinics, and other support services related to mental health care. Additionally, the Apalachee Center Inc. and the Tallahassee Police Department made commitments to increase the County's in-kind contribution match. The County did not need to set aside additional funds or cash to meet the Grant's in-kind contribution requirements.

In January 2008, Leon County was awarded an implementation grant from DCF in the amount of \$792,624 over a three year period. The state awarded 22 total grants and Leon County was one of 11 counties to receive an implementation grant under this program. The programs implemented with the Grant funding include enhancements of CIT programs, a mental health court with a focus on specialized mental health pretrial release and probation programs, and a community competency restoration program. As a key component in implementing all of these programs, the Mental Health Coordinator worked with the County's MIS Department to establish an automated system for identifying mentally ill defendants, scheduling their cases, and generating data reports. Experts from Florida State University were contracted with to provide data analysis on the impact of the new programs and help identify areas for improvement during the initial year of implementation. The Analysis section provides greater detail on each program and the progress made over the Grant's lifespan.

The three year CJMHSAR Implementation Grant was designed to offer funding and guidance during the initial startup phase to achieve positive results that would encourage counties to fund these alternative programs beyond the Grant's lifespan. Given the state's budget shortfalls in recent years, the Legislature had considered reducing or eliminating funding of this Grant

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program  
January 18, 2011.  
Page 4

---

program. On February 18, 2009, Leon County was recognized by the Florida Senate Committee on Children, Families, and Elder Affairs and invited to make a presentation on the County's implementation of the CJMHSAR Grant. Through the success of the program and the continued lobbying by partner counties and industry supporters, the Legislature preserved its funding commitment for the life of the grant.

Following the 2010 legislative session, Leon County received \$261,200 for the final year of the Grant program. At this time, the grant is set to expire on April 30, 2011 but staff has requested an extension to utilize the previously allocated funds and preserve the program through September 30, 2011. This item provides the Board a status report on the Court Mental Health Program and seeks Board direction regarding its future, whether it expires in April or September 2011.

#### ANALYSIS:

In developing the Court Mental Health Program, it was evident that Leon County's program would differ from the typical court mental health programs in the nation in that it would not be a diversionary program. In 2007, the Advisory Council conducted an analysis of the case processing of a typical mentally ill defendant in the Leon County criminal justice system, and constructed a flowchart that aided in identifying where delays were occurring. As a result, the Advisory Council was able to identify points in the process where additional services could be implemented to have an immediate impact on decreasing the likelihood of case processing delays and the time of incarceration prior to disposition (Attachment #2). Based in part upon this process, the Judiciary took steps to implement a mental health program that would seek timely and appropriate case dispositions for mentally ill defendants in addition to upholding its primary function of public safety.

While the Court recognized the need for a mental health program, it also understood that mental health in the criminal justice system will always have the potential to be a public safety issue. It is for this reason, the Leon County Court Mental Health Program is not a diversionary program, but one that was built upon a commitment to be efficient, effective, and accountable. Many mental health courts are diversionary in that they are voluntary and the defendant's cases are dismissed after successful completion of court sanctions. In Leon County, the judiciary chose to establish a mental health court where entry was not voluntary and the various types of case dispositions were possible. The program was designed in such a way to be efficient in immediately identifying when mentally ill defendants enter the criminal justice system and the processing of their cases. One of the primary goals of the Court Mental Health Program is to be effective enough that the various dispositions address public safety in addition to linking defendants to appropriate services in an effort to reduce the likelihood of re-offending. The Advisory Council agreed that accountability could be achieved by establishing a meaningful and reliable database system that tracks the program's progress and challenges even beyond initial grant funding. With the help of Leon County's MIS department and the Court Mental Health Coordinator, the Court Mental Health Program has been able to develop and implement a database system that has received favorable mention and praise from Grant auditors and other

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program

January 18, 2011

Page 5

---

implementation grantees for its comprehensive and sustainable approach in gathering and analyzing data. The database is one of the first in the state that has implemented a system of immediately identifying when a mentally ill defendant is booked into the jail and using that technology to notify key stakeholders in the criminal justice system at specified times each day. This process then allows the Pretrial Release team to present information at First Appearance so that all court parties are in a better position to make decisions regarding the case and that the case is routed to the appropriate court docket. The database is restricted from public access as it contains sensitive defendant information.

Based on the strategic plan and project narrative developed by the Advisory Council, the Court Mental Health Program focuses on developing and implementing a comprehensive system that will quickly identify mentally ill defendants to appropriately dispose of their cases in a timely manner.

Within the first year of implementing the Court Mental Health Program, it was evident to staff and the Advisory Council that several programmatic gaps existed. The first service gap, which was also noted by Grant auditors, was that of having adequate staff to continually input the data in a timely manner. At that time, the Court Mental Health Coordinator had limited support staff for data entry. The second service gap identified was that of the smooth transition/ re-entry to the community of mentally ill defendants upon release from custody. Another programmatic challenge that immediately presented itself was housing for mentally ill defendants in Leon County, as Leon County currently does not have assisted living facilities available for this population and many landlords are reluctant to rent to individuals with criminal charges. At about the same time, Grant project managers recognized that Leon County had unspent funds from the first year of the Grant as a result of startup delays for a few of the program's components. Through a series of publicly noticed meetings, the Advisory Council agreed to address both issues by recommending that Leon County submit a request to utilize unspent Grant funds for programmatic enhancements. This request was approved and allowed the program to add 1) the services of two part time data entry positions contracted through the FSU School of Psychology; 2) a Transition Case Manager in the Pretrial Release Program; 3) increased contingency funds specifically to help address housing for mentally ill defendants being released from custody; and 4) supplies for the programs implemented. The Crisis Intervention Training, Mental Health Court, Mental Health Pretrial Release, Mental Health Probation, and a Community Competency Restoration Program remained the core components of the program and are explained in further detail:

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program  
 January 18, 2011  
 Page 6

Crisis Intervention Training (CIT)

CIT is a community partnership that provides local law enforcement officers training to enable them to better respond to a mental health crisis. The program represents a collaboration between several stakeholders. The classes are organized and moderated by the Tallahassee Police Department, the Court's Mental Health Coordinator, and the Tallahassee chapter of the National Alliance for the Mentally Ill (NAMI). Typically, three (3) classes are held each year with no more than thirty (30) participants in each class. Classes are usually held at Apalachee Center Inc., who provides the space in-kind. It is important to note that the instructors for the CIT program render their services free of charge, which allows the program to run at little cost to participating agencies. Since its inception in 2004, CIT was only offered to a select group of local law enforcement officers and was the only mental health pre-booking diversionary program in Leon County.

**Table #1: CIT Graduates 2004 - 2010**

AGENCY	NUMBER OF GRADUATES
TALLAHASSEE POLICE DEPARTMENT	121
LEON COUNTY SHERIFF'S OFFICE	67
FSU POLICE DEPARTMENT	22
FDLE CAPITOL POLICE	17
FAMU POLICE DEPARTMENT	4
TCC POLICE DEPARTMENT	1
LEON COUNTY PROBATION AND PRETRIAL	4
WAKULLA COUNTY SHERIFF'S OFFICE	15
GADSDEN COUNTY SHERIFF'S OFFICE	4
QUINCY POLICE DEPARTMENT	1
FLORIDA DEPT. OF CORRECTIONS	15
APALACHEE CENTER FORENSIC TEAM	2
OTHER	2
TOTAL	275

The Grant expanded CIT to local emergency dispatch personnel and regional law enforcement officers to increase exposure to the identification and problem-solving techniques needed when coming into contact with mental health consumers. To date, 275 law enforcement personnel have graduated from the class, as noted in Table #1, with future efforts to include additional law enforcement agencies in the Second Judicial Circuit.

Mental Health Court

Leon County's mental health courts, felony and misdemeanor, were implemented on May 27, 2008 by Administrative Order, with the felony court being the third of its kind established in the State of Florida. Grant funding has allowed the mental health courts to utilize the contracted services of a Mental Health Court Case Manager through the Apalachee Center, Inc., and under the direction of the Court Mental Health Coordinator, to specifically assist with the mentally ill defendant caseload. The judiciary's initial plans were to merge the mental health consumer population from multiple dockets onto a single mental health court docket to expedite the resolution of mental health cases and

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program

January 18, 2011

Page 7

associated delays in the court system. However, after an analysis of which defendants with open cases met the criteria for mental health court, it was decided that placing the cases of the almost 400 defendants identified would put a considerable strain on a new mental health court. Consequently, felony and misdemeanor mental health courts were established as two separate dockets. Both dockets are conducted on two Tuesdays each month with the felony docket conducting an additional docket once per month for contested hearings. The Mental Health Court also established a staffing team by administrative order led by the Court Mental Health Coordinator each Wednesday in Court Administration. The primary focus of the staffing team is to gather verifiable information for each defendant in Mental Health Court and use this information to assist in making recommendations to all court parties regarding case disposition.

Leon County's Mental Health Court is one of the more progressive mental health courts in the state as the criteria for entry into the court is not limited to those with just a mental illness, but extends to defendants that are diagnosed with mental retardation and/or a traumatic brain injury. These inclusions have allowed the Court to address a defendant's competency concerns regardless of etiology, thus truly addressing mental health in the criminal justice system. The caseload of defendants

**Table #2: Mental Health Court Data**

	MISDEMEANOR	FELONY
Number of unduplicated defendants served since May, 2008	1,120	1,607
Number of distinct cases in Mental Health Court since May, 2008	1,531	2,143
Average days to case disposition for mentally ill defendants prior to Mental Health Court (2007)	133	187
Average days to case disposition in Mental Health Court	70	99
Percentage difference in days to disposition since Mental Health Court	53%	53%

with mental illnesses receive the services of Grant funded positions, while the caseload of defendants with mental retardation and/or brain injury receive the services of the Court Mental Health Coordinator. Table #2 provides data on the Mental Health Court for misdemeanors and felonies since May 2008 which illustrates the reduction in the number of days mentally ill defendants spent in jail awaiting disposition.

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse  
Reinvestment Grant Program

January 18, 2011

Page 8

Mental Health Pretrial Release

Prior to the application for Grant funds, staff determined that many mentally ill defendants were not being placed on pretrial release, and those that were, presented many challenges to the Pretrial Release Staff. The first step to address these problems was to have the Leon County Pretrial Release Program staff participate in CIT training to enhance their ability to properly identify and engage mentally ill defendants. The Advisory Council stakeholders that prepared the Reinvestment Grant application concurred that the addition of a Mental Health Pretrial Release Specialist would be a major benefit as it would allow many defendants with a mental illness to continue with treatment in the community while awaiting case disposition. This position was designed to help decrease the possibility of mentally ill defendants languishing in the jail and afford mentally ill defendants the opportunity to be better linked to appropriate community based services. A focal point of the Mental Health Pretrial Release Specialist would be to consult with defendants in the community at locations such as The Shelter, the Apalachee Center Drop In Center, and/or a psychiatric facility. This would allow mentally ill defendants that may not have an address and/or phone number to qualify for pretrial release and allow the Mental Health Pretrial Release Specialist to work with defendants in linking them to essential services that can continue even after their cases have been disposed.

The Mental Health Pretrial Release Specialist was contracted through the Apalachee Center Inc. under the direction of the Director of Probation. The position has been successful in linking defendants to programs such as initial psychiatric care, vocational rehabilitation, Safelink (for cell phones), the Apalachee Center Florida Assertive Community Treatment (FACT) team, and substance abuse care. The timely linkages to such services are often times essential to keeping mentally ill defendants out of jail, thus decreasing the cost of incarceration that includes costly psychiatric medications. The Mental Health Pretrial Release Specialist was initially anticipated to have a caseload of 25 defendants but is currently averaging a caseload of 40 defendants. Table #3 illustrates the volume of the heavy caseload combined with the success rate of the program. It is also important to point out the increase in the number of new cases assigned each year as the Court Mental Health Coordinator, under the guidance of the Advisory Council, was able to refine the processes as the program took shape.

**Table #3: Mental Health Pretrial Release Data**

	FY 07/08	FY 08/09	FY 09/10	FY 10/11 (10/10 – 12/10)
CARRIED OVER FROM PREVIOUS FY	33	24	27	36
NEW CASE ASSIGNED	39	74	101	17
SUCCESSFUL TERMINATIONS	N/A	36	54	23
UNSUCCESSFUL TERMINATIONS	N/A	22	20	3
JAIL BED DAYS AVOIDED	N/A	11,542	9,746	3,413

## Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program

January 18, 2011

Page 9

*Mental Health Probation*

Leon County's Court Mental Health Program is one of the few in the state that has an established mental health probation component for both county and circuit probation. Prior to the establishment of mental health probation, defendants with a mental illness were either placed on regular probation with few mental health conditions or were placed on administrative (non-reporting) probation where it was virtually impossible for probation officers to track their compliance with court ordered sanctions. The first step in implementing the Grant was to have probation officers from the Florida Department of Corrections Circuit Probation and Parole Office and the Leon County Probation Office complete CIT training. Each of these agencies then appointed the CIT trained officers as their mental health probation officers. Leon County courts now have the option of placing a defendant on mental health probation where the defendants are assigned to specific mental health probation officers. A major addition to the process is the development of defendant specific mental health probation plans. These requests can be initiated by any court party and submitted to the Court Mental Health Coordinator, who submits to all court parties upon completion. This helps to ensure that the defendant, the court parties, the mental health agencies, and the probation officers are aware of court sanctions and have a mechanism by which adherence to these sanctions can be monitored. Another addition to this program that is proving successful is the implementation of an "At Risk Form" which can be by any person working with the defendant if there are behaviors and/or circumstances that arise that put the defendant at risk for a violation. Once the At Risk Form is submitted, the defendant's case is reviewed at the subsequent mental health court staffing and/or is placed on the next mental health court docket for a status hearing. This allows for timely interventions that in many cases prevent a violation of probation. In the event a violation of probation does occur, the probation officers have the option to request a status hearing instead of re-arrest, provided there are no new law violations. Table #4 measures the number of defendants who successfully completed mental health probation.

**Table #4: County Mental Health Probation Data**

	FY 07/08	FY 08/09	FY 09/10	FY 10/11	TOTALS
NEW ASSIGNMENTS	33	45	58	14	150
SUCCESSFUL CLOSURES	5	34	16	5	60
UNSUCCESSFUL CLOSURES	3	20	18	5	46

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program

January 18, 2011

Page 10

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*Community Competency Restoration Program*

The community competency restoration program created by the Grant was initially designed for defendants who are incompetent to proceed with their cases but are deemed by the Court to be safe enough to be maintained in the community. Through this program, defendants can be placed on a conditional release while the three FTEs that are contracted through the Apalachee Center Inc. and Ability First work to restore the competency of felony and misdemeanor defendants and enroll defendants in social service programs. The competency restoration team has been successful in referring defendants to services such as housing assistance, vocational rehabilitation, bus training, and entitlement programs (Medicaid, SSI) to enhance the continuity of care. The benefits of this program were immediately recognized by the Court to the extent that the Court is now able to utilize the services provided by the program for 1) assessing the competency of misdemeanor defendants not covered for services under Florida Statutes, and 2) ensuring that competent defendants placed on mental health probation are linked to appropriate services. Many defendants on mental health probation are in need of wrap around services to help ensure they successfully complete probation, which decreases the chances of re-arrest at additional costs to the County. The competency program staff has been able to address these needs by referring defendants on probation to any of the social services mentioned above. The competency program was also allotted contingency funds through the Grant to provide incidentals such as initial funding for housing, medications, and clothing for mentally ill defendants upon release from jail.

Table #5 depicts the utilization of the different types of competency restoration programs and their impact on the Leon County Jail. Leon County's community competency restoration program has been aggressive in seeking to reduce the number of mentally ill defendants that were languishing in the Leon County jail and/or having to be committed to a state forensic facility. Defendants only charged with a misdemeanor are not covered under Chapter 916, Florida Statutes to be placed in a state forensic facility. As a result, many mentally ill misdemeanants who were in psychiatric crisis at the jail were not having their cases progress, as they were clearly not in a position to accept a plea and there was not a strong mechanism in place at the jail to provide treatment without their consent. To address this dilemma, the Court and several stakeholders sought to implement two processes: 1) to initiate a Baker Act proceeding for misdemeanor defendants in the jail to relocate them to a local psychiatric facility to be stabilized and better facilitate case disposition, and 2) assess the competency of misdemeanants and, if needed, place them on misdemeanor conditional release.

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program  
January 18, 2011  
Page 11

**Table #5: Community Competency Restoration Program (05/2008 - 12/2010)**

LEGAL STATUS	Number of Defendants Referred	Number of Jail Bed Days Avoided due to Services Provided	Estimated Cost Avoidance
Incompetent to Proceed (ITP)	26	9,515	\$513,810
Mental Health Probation	31	7,334	\$396,036
Not Guilty by Reason of Insanity (NGI)	2	690	\$37,260
No Current Charges (Previously received services but all criminal cases are now disposed)	42	9,549	\$515,646
Re-offended with new charges	21	3,061	\$165,294
Totals	122	30,149	\$1,628,046

The Advisory Council continues to meet on the first Wednesday of each month at 4:00 p.m. in the County Commission Chambers and continues to monitor the mental health program's progress and address challenges. On January 20th, 2010, the Advisory Council teamed with the former Healthcare Advisory Board to host a one day Leon County Mental Health Summit for stakeholders (Attachment #3). The summit was well attended and represented the first steps of working toward better collaboration between community partners in delivering mental health services in Leon County. Several weeks later on February 3, 2010, the Advisory Council hosted a successful town hall meeting entitled "Facing Mental Illness in Leon County" (Attachment #4). The event was fashioned after the *Minds on the Edge* series produced by Fred Friendly Seminars, and allowed for a dialogue that exposed several vital issues regarding mental illness in Leon County. Since these events, members of the Advisory Council and other community and state agencies embarked on intensive workgroup project that sought to produce a report, with recommendations, on the Mental Health Summit and the Town Hall Meeting. Once the report is completed, the Advisory Council will seek to present it to the County Commission.

To assist in the oversight and assessment of the program, the Advisory Council developed a two-tiered approach for the evaluation and data analysis requirements of the Grant. The County contracts with the Florida State University's School of Psychology and the Askew School for Public Administration and Public Policy to evaluate and interpret different types of data. The School of Psychology is utilized to measure the effectiveness and quality of care for the County's expanded mental health services. The Askew School is used to measure qualitative and quantitative program outcomes with data gathered by staff. These two approaches allow the County to identify areas for improvements and adjustments by providing an all-encompassing evaluation of all three parts of the Court Mental Health Program.

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse  
Reinvestment Grant Program

January 18, 2011

Page 12

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The Court Mental Health Coordinator also provides the Public Safety Coordinating Council (PSCC) with quarterly reports on the status of the Grant program. Under its purview of jail population management, the PSCC meetings provide another venue for the judiciary, law enforcement, and other stakeholders in the criminal justice system to weigh in on the program and identify areas for improvement.

Financial Considerations:

As previously noted, the County received \$261,200 for the final year of the Grant program. The Grant is set to expire on April 30, 2011 but staff has made several requests for an extension to fully utilize these funds and preserve the program through September 30, 2011. Two letters have been submitted to the Department of Children and Families Assistant Secretary for Mental Health and Substance Abuse, Mr. David Sofferin. The first letter was submitted on November 18<sup>th</sup>, 2010, after which staff was asked to submit another letter containing details on the number of defendants that could be served with an extension. The second letter was submitted on January 4, 2011. Staff has also engaged the County's legislative lobbying team to assist in these efforts to encourage DCF to grant the County's request for an extension.

Should DCF provide the County the extension through September 30, 2011, the Court Mental Health Coordinator and the contracted providers will continue to carry out the program objectives. If the extension is not permitted, the program will conclude on April 30, 2011 barring an infusion of resources. The Court Mental Health Program is expected to require approximately \$125,000 to continue operating from May to September 2011. If DCF does not permit the extension and the Board wishes to continue this program through the remainder of the fiscal year, staff could bring back an agenda item for Board consideration to temporarily fund the program.

To date, the Court Mental Health Program has not been contemplated in the FY 2012 County budget. The Board has the discretion to allow the program to sunset as the Grant funding runs out. Should the Board wish to continue the program in FY 2012, staff recommends bringing the issue back as a budget discussion item to evaluate it in context with other County priorities. The current program has cost approximately \$260,000 annually. Based on preliminary data provided by the Court Administrator's Office, the Court Mental Health Program could be modified to an annual cost of \$200,000 in future years.

Workshop: Status report on the Criminal Justice, Mental Health, and Substance Abuse  
Reinvestment Grant Program

January 18, 2011

Page 13

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**OPTIONS:**

1. Accept the status report on the Criminal Justice, Mental Health; and Substance Abuse Reinvestment Grant Program.
2. Direct staff to bring back an agenda item if the Department of Children and Families does not authorize the extension of the Grant funds.
3. Direct staff to include the Court Mental Health Program as an FY 2012 budget discussion item.
4. Board Direction.

**RECOMMENDATION:**

Board Direction.

**Attachments:**

1. Membership of the County's Criminal Justice, Mental Health, and Substance Abuse Reinvestment Advisory Council.
2. Flow of Events Involving a Mentally Ill Person – Leon County Integrated Mental Health Court.
3. Leon County Mental Health Summit Announcement.
4. Leon County Town Hall Meeting Announcement.



State of Florida  
Department of Children and Families

Attachment # 2  
Rick Scott Page 1 of 2  
Governor

George H. Sheldon  
Secretary

January 12, 2011

Mr. Don Lanham  
Grants Program Coordinator  
Leon County  
301 S. Monroe Street  
Tallahassee, FL 32301

Dear Mr. Lanham:

I am writing in response to your request for an extension of Leon County's Criminal Justice Mental Health and Substance Abuse Reinvestment Grant. The Memorandum of Agreement between the Department of Children and Families and Leon County is currently set to expire on April 30, 2011. You are requesting an extension until September 30, 2011, to coincide with the end of Leon County's fiscal year. On behalf of the Department, I am writing to grant your request to extend the Memorandum of Agreement between the Department of Children and Families and Leon County Reinvestment Grant to September 30, 2011. Joy Neves, Chief of the Department's SAMH Contract Management, or her staff will provide you with the required documentation to process this action.

As your request indicates, the extension would allow Leon County to sustain your program through alternative funding sources if the grant expired September 30, 2011. Beginning October 1, 2011, alternative funding sources would be available for continued program implementation. I am pleased to hear that Leon County will be meeting one of the major grant outcomes of sustaining its Reinvestment Grant after the state grant is completed.

Leon County has aggressively addressed the challenges of processing cases in the criminal justice system involving individuals with mental illnesses. Your program has served over 300 defendants with mental illnesses currently in the misdemeanor and felony mental health courts.

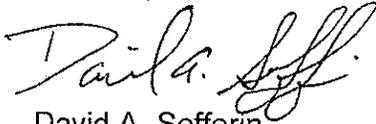
I understand that Leon County has scheduled a workshop on January 18, 2011, on continuation of the funding from non-state funds in the County's Commission Chambers. Please advise us of the outcome of this workshop.

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700

Mission: Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency

I look forward to hearing about your continued success in serving individuals with mental illnesses through Leon County's Mental Health Court.

Sincerely,



David A. Sofferin  
Assistant Secretary for  
Substance Abuse and Mental Health

Cc: Joy Neves, DCF



State of Florida  
Department of Children and Families

RECEIVED MAR 2 2011

Attachment # 3  
Page 1 of 1

Rick Scott  
Governor

David E. Wilkins  
Secretary

February 28, 2011

Mr. Don Lanham  
Grants Program Coordinator  
Leon County  
301 S. Monroe Street  
Tallahassee, FL 32301

Dear Mr. Lanham:

I am writing in response to your request for an extension of Leon County's Criminal Justice Mental Health and Substance Abuse Reinvestment Grant. The grant is currently set to expire on April 30, 2011. You have requested an extension until September 30, 2011, to coincide with the end of Leon County's fiscal year.

Though we originally thought it would be possible to grant the extension until September 30, 2011, based upon additional information that the Department has received, we can only grant an extension to Leon County until June 30, 2011 to coincide with the state fiscal year.

Joy Neves, Chief of the Department's Substance Abuse and Mental Health (SAMH) Contract Management, or her staff will provide you with the required documentation to process this action.

I look forward to hearing about your continued success in serving individuals with mental illnesses through Leon County's Mental Health Court.

Sincerely,

A handwritten signature in cursive script that reads 'David A. Sofferin'.

David A. Sofferin  
Assistant Secretary for  
Substance Abuse and Mental Health

cc Joy Neves, DCF

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700

Mission: Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency



**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Budget Discussion Item**  
**Executive Summary**

March 17, 2011

**Title:**

Consideration to Increase Funding for the Qualified Targeted Industry Program

**Staff:**

Parwez Alam, County Administrator *PA*  
Vincent S. Long, Deputy County Administrator *VSL*  
Alan Rosenzweig, Assistant County Administrator *AR*  
Scott Ross, Director of the Office of Management and Budget *SR*  
Ken Morris, Director of Legislative Affairs & Economic Development *KM*

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**Issue Briefing:**

Given the recent success of the Qualified Targeted Industry (QTI) program, the Board directed staff to prepare a budget discussion item to consider the annual funding of the program to ensure that enough funds will be available in the QTI account to meet current obligation and for future projects.

**Fiscal Impact:**

This budget discussion item provides the Board a range of funding options from meeting minimum needs to address the shortfall in committed liabilities to an aggressive infusion of funds to help continue the recent success of the QTI program. The funding options outlined in Table #1 vary from no additional cost to the County to a \$100,000 fiscal impact in FY 2012. Staff recommends maintaining the current annual funding level of \$25,000 for the QTI program.

**Staff Recommendation:**

- Option #1a: Approve Funding Option #1 (maintain funding at the current level of \$25,000) and;
- a. Direct staff and the Economic Development Council to continue to seek business expansion and relocation opportunities under the QTI program to be evaluated by the Board and funded with general contingency funds.

## Report and Discussion

### **Background:**

The State's QTI tax refund incentive program is available to companies that create high wage jobs in targeted high value-added industries. The program includes refunds on corporate income, sales, ad valorem and certain other taxes for pre-approved applicants who create the targeted jobs. QTI refunds range from \$3,000 to \$8,000 per net new job created. Companies can increase its QTI "per job" refund by establishing its business within an enterprise zone and/or offering wages that are increasingly above average annual salaries. Applications for this program are processed by the state Office of Tourism, Trade and Economic Development for approval.

A local match of 20% is required from the local community where the job creation is occurring. In Leon County, the QTI local match is split evenly between the County and the City of Tallahassee (City) when the jobs are created within the City limits. Each year, the Board of County Commissioners has approved annual expenditures of \$25,000, earmarked for future use as the County's portion of the QTI "local match." These expenditures have been placed in an escrow account at the Economic Development Council (EDC), as part of its annual contract. The QTI assistance is provided on a reimbursement basis and is only released once the required jobs have been created.

Given the recent success of the QTI program, concurrent with the approval of ACS State and Local Solutions as a QTI applicant, the Board directed staff on February 8, 2011 to prepare a budget discussion item to consider the annual funding of the QTI program to ensure that enough funds will be available in the QTI account to meet current obligations and for future projects.

### **Analysis:**

The EDC maintains the County's QTI reserve account, which is allocated \$25,000 each fiscal year as part of the EDC contract. There is currently \$271,698 in the County's reserve QTI account for use in attracting new high-paying jobs to Leon County. The only payment issued to date in FY 2011 has been to Danfoss Turbocor in the amount of \$26,250. The QTI assistance is provided on a reimbursement basis and is only released once the required jobs have been created. The QTI reimbursements are spread over multiple years based on the performance of the company. Once the job creation goals are met and the company has generated enough tax liability, an applicant may request annual QTI payments of up to 25% of the total commitment. For budgeting purposes, staff assumes that each company could meet its job creation projects and seek full reimbursement over a four year period.

Since October 2010, the Board has adopted resolutions committing QTI incentives for five companies should they choose to locate or expand their operations in Leon County. Three of those companies (Bing Energy, Event Photography, and ACS State and Local Solutions Inc.) have done so and will qualify for QTI reimbursements based on the number of jobs created. The County is still waiting to hear back from two small companies (SunnyLand Solar LLC and SolarSink LLC) whose combined maximum reimbursements would total \$32,500 if they meet all the criteria and targets set forth in the QTI program.

Budget Discussion Item: Consideration to Increase Funding for the Qualified Targeted Industry Program

March 17, 2011

Page 3

Based on the total committed liabilities for the County's QTI escrow account, the Board has committed up to \$400,675 in QTI incentives over the next three fiscal years (FY 12 – FY 14). Assuming the Board maintains its funding level at \$25,000 and each of the QTI applicants achieve their targeted employment goals, adequate funds would not be available to meet current obligations. Under this conservative assumption, staff projects a \$28,977 shortfall by FY 2014 in the QTI program as illustrated in Table #1. Assuming all of the County's QTI businesses meet their job creation projections, the County would need an additional \$28,977 by FY 2014 to meet its obligations.

Table #1: Leon County QTI Escrow Account\*

	2011	2012	2013	2014	QTI Balance Plus Projected Investment 2011-2014
<b>Starting Balance:</b>	\$297,948	\$206,523	\$115,098	\$34,173	
<b>Annual Investment:</b>	\$25,000	\$25,000	\$25,000	\$25,000	\$371,698
<b>Available Funds:</b>	\$322,948	\$231,523	\$140,098	\$59,173	
<b>Encumbered Balance</b>					
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>QTI Investment</b>
Southeast Corporate	\$3,000	\$3,000	\$3,000	\$975	\$9,975
Danfoss Turbocor	\$26,250	\$26,250	\$15,750	\$0	\$42,000
Bing	\$48,800	\$48,800	\$48,800	\$48,800	\$195,200
EventPhoto	\$5,250	\$5,250	\$5,250	\$5,250	\$21,000
ACS	\$25,000	\$25,000	\$25,000	\$25,000	\$100,000
Sunnyland**	\$4,375	\$4,375	\$4,375	\$4,375	\$17,500
SolarSink**	\$3,750	\$3,750	\$3,750	\$3,750	\$15,000
<b>Total QTI Payments</b>	<b>\$116,425</b>	<b>\$116,425</b>	<b>\$105,925</b>	<b>\$88,150</b>	<b>\$400,675</b>
<b>End of Year Balance</b>	<b>\$206,523</b>	<b>\$115,098</b>	<b>\$34,173</b>	<b>(\$28,977)</b>	

\*These calculations assume each company would receive the maximum funding in each fiscal year.

\*\*These companies have yet to determine a site within the County for their business.

This budget discussion item provides the Board a range of funding options from meeting minimum needs to address the shortfall in committed liabilities to an aggressive infusion of funds to help continue the recent success of the QTI program. For most of the past decade, the Board has identified economic development as its top priority during the annual retreat process and used the budget process to follow through with its priorities by investing in local infrastructure, partnering with the EDC, and supporting small businesses. The funding options outlined in Table #2 attempts to balance the Board's priorities with the County's financial realities by providing varying levels of flexibility for the immediate and future utilization of the QTI program.

**Table #2: Funding Options for the QTI Program**

Funding Options	FY 2012	FY 2013	FY 2014	Total Investment Beyond Current Liabilities
#1	\$25,000	\$25,000	\$25,000	-\$28,977
#2	\$40,000	\$40,000	\$40,000	\$16,023
#3	\$50,000	\$50,000	\$50,000	\$46,023
#4	\$125,000	\$125,000	\$50,000	\$196,023

**Funding Option #1:** The Board may choose to not increase funding for the QTI program and to maintain the funding level at \$25,000. This will require staff and the EDC to carefully monitor the progress of the QTI reimbursements and report back to the Board at a future date on the status of the County's liabilities. This option assumes that some of the previously approved companies (SunnyLand Solar LLC and SolarSink LLC) may not select Leon County as their home and/or other companies will not meet their projected job figures.

Funding Option #1 would also require additional direction from the Board to the EDC and staff. Since the County already has an unfunded liability of \$28,977, any savings would be assumed to apply to this balance. Therefore, there would be no funds in the QTI account to attract new businesses or help expand local businesses. The Board could place a moratorium on the QTI program until the liabilities are addressed or it can consider QTI applicants on a case by case basis. Although the certainty of QTI funds would no longer remain, case by case consideration of applicants would encourage the EDC to continue to seek interested businesses.

**Funding Option #2:** This option proposes a \$15,000 annual increase in QTI funding to \$40,000 and would address the County's \$28,977 liability by FY 2014 should each of the approved QTI companies meet their job creation projections. However, only \$16,023 in uncommitted funds would be available over the next three years that could be used to attract new businesses and assist local business expansion.

**Funding Option #3:** This option proposes doubling the County's annual investment in QTI to \$50,000 which would nearly address the shortfall in the first year (short by \$3,977). This would also provide the County and EDC some flexibility for attracting new QTI applicants by building up the uncommitted funds to \$46,023 over the next three years.

**Funding Option #4:** This option proposes an aggressive short term infusion of funds to rebuild the uncommitted balance in the QTI escrow account. Under this option, the Board would commit to providing an additional \$100,000 for the QTI program over the next two years and then level off funding at \$50,000 for FY 2014 and beyond. While this option may seem drastic given the County's austere finances, it provides the County and EDC the greatest flexibility to attract QTI applicants as the economy begins to rebound and small businesses look to expand.

**Summary**

The QTI program has served the County as an effective economic development tool to create high wage jobs in targeted sectors of the economy by leveraging local and state funds. Unlike many other economic development incentive programs, the QTI program is an extremely low risk program because funding is provided on a reimbursement basis upon verification that a company has met all its performance goals. The Board's direction is sought to determine the appropriate funding level of the QTI program to help guide its immediate and future utilization by businesses.

**Options:**

1. Approve Funding Option #1 and;
  - a. Direct staff and the Economic Development Council to continue to seek business expansion and relocation opportunities under the QTI program to be evaluated by the Board and funded with general contingency funds.
  - b. Direct staff and the Economic Development Council to discontinue efforts relating to the QTI program until there is a surplus in the QTI escrow account to fund future liabilities.
2. Approve Funding Option #2.
3. Approve Funding Option #3.
4. Approve Funding Option #4.
5. Board Direction.

**Recommendation:**

Option #1a.



# Board of County Commissioners

## Leon County, Florida

www.leoncountyfl.gov

### Budget Discussion Item Executive Summary

March 17, 2011

**Title:**

Tourist Development Tax Allocations

**Staff:**

Parwez Alam, County Administrator

Vincent S. Long, Deputy County Administrator

Alan Rosenzweig, Assistant County Administrator

Scott Ross, Director, Office of Management and Budget

Lee Daniel, Director, Tourism Development

PA  
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AR  
NR

**Issue Briefing:**

This Budget Discussion Item provides the Board a review of the current structure for the allocation of the Tourist Development Tax and seeks consideration of the recommendation from the Tourist Development Council for FY 2012.

**Fiscal Impact:**

This item has a fiscal impact. Under the current structure for the allocation of the Tourist Development Tax, the Tourism Development Department receives the revenue from four of the five pennies, which generates approximately \$3.2 million per year for marketing and operational purposes. If the allocation that will become effective on October 1, 2011 is not modified, the Tourism Development Department's FY 2012 allocation will be reduced from the current 4-cents to 2-cents. Based on approximately \$800,000 generated per penny, the TDC's available budget would be reduced from \$3.2 million annually (including the \$504,500 to COCA for re-granting to other cultural institutions) to \$1.6 million.

**Staff Recommendation:**

Option #1: Accept the March 3, 2011 recommendation from the Tourist Development Council.

Option #2: Authorize staff to prepare a draft ordinance and schedule a public hearing to amend Section 11-47 of the Code of Laws of Leon County, Florida, providing for amendments to the Leon County Tourist Development Plan, Exhibit A for April 12, 2011, at 6:00 p.m.

**Report and Discussion**

**Background:**

In June 2004, the Board approved an Interlocal Agreement with the City and the Community Redevelopment Agency (CRA) to address the Downtown Community Development District (Attachment #1). The Agreement addresses a number of issues relating to the overall structure of the district, the financing and the approval of projects. Specifically, Section 6(a) of the Interlocal Agreement provides that the County will impose an additional one-cent Tourist Development Tax on a countywide basis, pursuant to Section 125.0104 (3)(1), Florida Statutes, which may be used to promote and advance tourism in Leon County.

Further, the Interlocal Agreement provides that the proceeds of one cent of the tax previously imposed by the County be segregated from other Tourist Development Tax revenue, and dedicated exclusively for the costs associated with the construction and operation of a performing arts center to be located in the Downtown District Community Redevelopment Area.

Subsequently, at its January 29, 2009 meeting, the Board voted unanimously to (1) authorize staff to prepare a draft ordinance and to schedule a public hearing to consider levying the fifth-cent tourist tax and (2) direct staff to include funding for the Council on Culture and Arts (COCA) in a revised tourist development plan, whether the plan is funded by three or four-cent. At this time, the Board also directed staff to review how the fourth cent tax is being utilized, as requested by the Tourist Development Council (TDC) (Attachment #2).

At its February 26, 2009 meeting, the Board voted unanimously to schedule the first and only public hearing to consider the adoption of an ordinance authorizing the levying and imposition of an additional one percent (fifth cent) Tourist Development Tax for March 19, 2009 at 6:00 p.m., and direct the County Attorney to (1) draft an ordinance to levy the fifth cent to support Tourist Development Council activities until 2012; at which time the fifth cent would be split between the Performing Arts Center and the Art Space Project and (2) designate one of the existing pennies to fund COCA related activities (Attachment #3). At the Public Hearing on March 19, 2009, the Board approved Ordinance 09-06 (Attachment #4). Table 1 reflects the current allocation of the Tourist Development Tax and the allocation that will become effective on October 1, 2011.

Table. 1 Allocation of Tourist Development Tax (Five Cents)

	<b>Current Allocation (Cent)</b>	<b>Allocation (Effective October 1, 2011)</b>
Performing Arts Center ( <i>per Interlocal Agreement</i> )	1	1
Performing Arts Center	0	½
Total Performing Arts Center	1	1 ½
Arts Exchange Project	0	½
COCA	0	1
Tourism Development Department	4	2
<b>Total</b>	<b>5</b>	<b>5</b>

On August 25, 2009, the Board adopted Ordinance 2009-28 which provides for the Leon County Tourist Development Plan (Attachment #5). This plan serves as a blueprint to guide the activities of

the Leon County TDC and the expenditure of tourist development tax revenue. According to the Plan, tourist revenue may be spent on the following elements:

- Advertising
- Public Relations/Promotions
- Research and Analysis
- Direct Sales
- Convention and Visitor Services
- Special Events
- Administration.

In addition, the Plan breaks down the allocation of the tourist development tax, as specified above.

**Analysis:**

If the Board does not make changes to the current structure, beginning on October 1, 2011, the following commitments will commence or continue with the existing five cents of Tourist Development Tax:

- One-cent currently set aside by the Interlocal Agreement for the Performing Arts Center will continue.
- An additional ½ cent will be set aside for the Performing Arts Center, which is not tied to the Interlocal Agreement.
- An additional ½ cent will be set aside for the Arts Exchange Project.
- One-cent will be dedicated to fund COCA related activities.
- The remaining two cents will be dedicated to the Tourism Development Department for marketing and operational purposes.

This structure will reduce the amount of tourist revenue available for marketing and operational purposes from the current 4-cents (minus \$504,500 provided to COCA for re-granting to local cultural institutions for marketing and programming) to 2-cents. Based on approximately \$800,000 generated per penny, the TDC's available budget would be reduced from approximately \$3.2 million annually (including the \$504,500 to COCA) to \$1.6 million. Table 2 reflects the allocation effective October 1, 2011 and the estimated revenue each agency/project would generate per year.

Table 2. Allocation of Tourist Development Tax Revenue (*effective October 1, 2011*)

Allocation	Amount (Cent)	Revenue Estimate (per fiscal year)	%
Performing Arts Center ( <i>per Interlocal Agreement</i> )	1	\$800,000	20%
Performing Arts Center	½	\$400,000	10%
Total Performing Arts Center	1 ½	\$1,200,000	30%
Arts Exchange Project	½	\$400,000	10%
COCA	1	\$800,000	20%
Tourism Development Department	2	\$1,600,000	40%
<b>Total</b>	<b>5</b>	<b>\$4,000,000</b>	<b>100%</b>

Table 3 details the impact of keeping the October 1, 2011, Tourist Development Tax allocation in place would have on the current marketing program, which essentially reduces the budget by half from \$3.2 million to \$1.6 million.

**Table 3: Impacts of Funding Reductions**

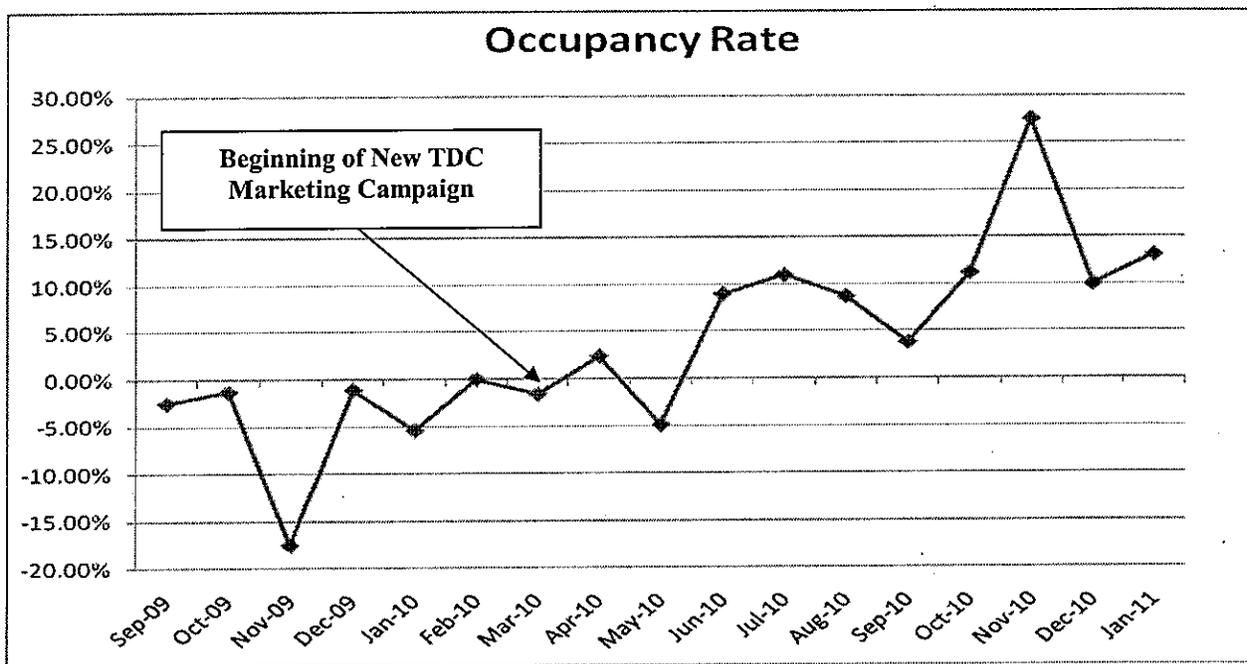
Program Area	\$3.2 million	\$1.6 million	Impact
Advertising & Public Relations	\$725,000	\$362,500	Elimination of all traditional media advertising <sup>1</sup>
Marketing Research	\$80,000	\$40,000	Insufficient funds to conduct beneficial strategic research <sup>2</sup>
Sports Council	\$222,158	\$111,080	Potential loss of 13,000 room nights and \$11.25 million in annual community revenue <sup>3</sup>
Meetings & Conventions	\$68,777	\$34,389	Potential loss of 3,250 room nights and \$1.25 million in annual community revenue <sup>4</sup>
Leisure Travel	\$31,790	\$15,895	Goal of impacting 150,000 consumers and 10,000 travel agents cut by 50% <sup>5</sup>
Marketing Communications	\$42,245	\$21,123	Goal of 150 print and online stories cut by 50% resulting in \$1 million loss in media exposure <sup>6</sup>
Visitor Services	\$62,445	\$31,223	Ability to service conference, weddings and reunion groups cut by 50%

1. Available media dollars would be reduced to \$195,500 of the total \$362,500 advertising & public relations budget. At this reduced level the marketing consultant recommends eliminating all traditional media such as Southern Living, Atlanta Magazine, Garden & Gun, and more due to ad costs which results in a lack of reach and frequency necessary to impact the market.
2. \$40,000 for marketing research would not fund a program with enough sampling capability to be statistically useful, so the TDC would be eliminating this important aspect of the marketing mix.
3. The sports council would be attending only 5 shows versus 12 and would have the Bid Pool portion of its budget reduced from \$174,000 to \$87,000 resulting in a 50% reduction of the room night goal of 26,000. Only 13,000 room nights would result in a loss of \$11.25 million of community economic impact in the first year alone.
4. Meetings & Conventions would only be attending 4 shows versus 12 and conducting 1 sales mission versus 8 causing a goal reduction from 6,500 room nights to 3,250. This reduction would result in a loss of \$1.25 million of community economic impact in the first year alone.

5. Leisure Travel would be attending only 7 shows versus 13 and conducting 2 sales missions versus 4 resulting in a 50% reduction in the goal of impacting 150,000 consumers and 10,000 retail travel agents.
6. Marketing Communications goal of generating 150 favorable print and online stories about Leon County and Tallahassee would generate an advertising equivalent value of almost \$2 million. A 50% reduction would cost the county \$1 million in public relations exposure in key markets.

Chart 1 shows the impact on hotel occupancy rates since starting the new TDC marketing ad campaign in March 2010, funded largely by the implementation of the additional penny bed tax.

**Chart 1: Hotel Occupancy Rate Since Beginning of New Marketing Campaign**



Research conducted by staff in February 2011 showed that Leon County is the highest of the major counties in Florida in terms of dedicating a percentage of its Tourist Development Tax (TDT) to arts and culture. Under the current FY 2011 scenario, Leon County dedicates 33% (includes the \$504,500 provided to COCA) of its TDT collections to the arts, and if the current FY2011 scenario remains in place, this amount will grow to 60% beginning on October 1, 2011. Some other counties and their dedicated percentage to the arts include:

- **Leon County (33%); However, effective October 1, 2011, the amount will be (60%).**
- Alachua County (17%)
- St John's County (15%)
- Palm Beach County (13%)
- Sarasota County (10%)
- Brevard County (1.5%)
- Broward County (1.5%)
- Pinellas County (1.5%)

If the Board decides to keep the current structure in place, in addition to dramatically reducing the amount of funds available for marketing, the ability to utilize any portion of the Tourist Development Tax for projects such as a Sports Complex, the development of a convention and events center, or other projects that may have the potential to offer a substantial return on investment, is severely limited.

#### Performing Arts Center

As discussed earlier, through an Interlocal Agreement with the City of Tallahassee and the CRA, one penny of the Tourist Development Tax is dedicated exclusively for the costs associated with the construction and operation of a performing arts center. In addition, another ½ cent scheduled to commence on October 1, 2011, which is not tied to the Interlocal Agreement, is also dedicated to the performing arts center.

In an agreement with the City for the Sale and Purchase of the proposed Performing Arts Center site, the Florida Center for Performing Arts and Education (FCPAE) is obligated to meet certain fundraising milestones to demonstrate their capacity to fund the construction of the proposed Performing Arts Center, including raising \$20 million in five years, with 25% (\$5 million) of the amount raised by July 1, 2010 and 50% (\$10 million) raised by July 1, 2012. However, as discussed at the January 18, 2011 Board meeting (Attachment #6), FCPAE has not met its fundraising goals, and was provided a two year extension to the agreement at the City's August 25, 2010 meeting. In addition, the FCPAE President informed the Board that the Committee will provide a revised plan this summer on the scope of the project.

Given the current status of the Performing Arts Center project scope and delayed fundraising efforts, the Board may consider utilizing the additional ½ cent allocation for more immediate TDC needs. Again, the ½ cent is not a part of the Interlocal Agreement, and is, therefore, available for other appropriations to meet the needs of the TDC, such as marketing, which includes advertising, public relations, sales, services, social media and research. The Board may wish to further consider contacting the City in an effort to amend the current Interlocal Agreement to possibly fund other projects that may boost tourism in Leon County, as presented in the February 8, 2011 meeting regarding funding for the Baroque Paintings Exhibit at the Mary Brogan Museum (Attachment #7).

#### Council on Culture and Arts (COCA)/Arts Exchange Project

Beginning on October 1, 2011, one of the existing tourist development tax pennies is scheduled to be designated to fund COCA related activities, and a ½ cent will be set aside for the Arts Exchange Project. Currently, COCA receives \$504,500 from the Tourist Development Council budget for the purpose of re-granting funds to cultural organizations and institutions throughout Leon County for marketing and programming purposes. COCA also received \$150,000 from general revenue in FY 2011 to support its operational expenses.

#### Recommendation from the Tourist Development Council

The Tourist Development Council met on March 3, 2011 to discuss the current structure for expenditures of the five-cent TDT as well as the implications of the changes scheduled to take place on October 1, 2011. The TDC emphasized the need to adequately market Tallahassee as a destination for leisure, sports, conference, group and film business and that the possibility of reducing the marketing budget under the current four-cent level could have a negative impact on hotels and motels, restaurants, retail establishments and the many other businesses that are impacted

by tourism. It was also discussed that the County, even at the 33% level, has made a significant investment in arts and culture, and to maximize the benefit of this investment takes significant marketing resources. The TDC further discussed that even with great cultural assets, it does no good unless you can properly market them. Otherwise, the return on this significant investment will not reach its potential.

As described in Chapter 125.0104 (4) (e) the Tourist Development Council “shall make recommendations to the county governing board for the effective operation of the special projects or for uses of the tourist development tax revenue.” Based on this directive, on March 3, 2011, the Tourist Development Council unanimously passed the following recommendation (Attachment #8):

“Due to the current economic climate and the need to create and preserve jobs, the Tourist Development Council recommends a 2-year hiatus in implementing the additional tourist development tax revenue to the Performing Arts Center, Arts Exchange and COCA.”

Amending the Tourist Development Plan

In order to accept the Tourist Development Council’s recommendation or make any other modifications to the allocation of the tourist development tax, the Board will have to hold a public hearing to adopt an ordinance to amend Section 11-47 of the Code of Laws of Leon County, Florida, providing for amendments to the Leon County Tourist Development Plan, Exhibit A. The current Plan specifically references the additional ½ cent to fund the Arts Exchange project and the additional ½ cent to support the Performing Arts Center, which are both scheduled to commence on October 1, 2011.

Table 3 reflects the current allocation of the Tourist Development Tax that will remain in effect on October 1, 2011 if the Board accepts the Tourist Development Council’s recommendation.

Table 3. Allocation of Tourist Development Tax

	<b>Current Allocation (Cent)</b>
Performing Arts Center ( <i>per Interlocal Agreement</i> )	1
Arts Exchange Project	0
COCA*	0
Tourism Development Department	4
<b>Total</b>	<b>5</b>
*COCA will continue to receive \$504,500 from the TDC’s budget in FY 2012 for the purposes of re-granting funds to other cultural institutions. In addition, COCA will receive \$150,000 from general revenue to support its operational expenses.	

Options:

1. Accept the March 3, 2011 recommendation from the Tourist Development Council.
2. Authorize staff to prepare a draft ordinance and schedule a public hearing to amend Section 11-47 of the Code of Laws of Leon County, Florida, providing for amendments to the Leon County Tourist Development Plan, Exhibit A for April 12, 2011, at 6:00 p.m.
3. Do not accept the March 3, 2011 recommendation from the Tourist Development Council.
4. Do not authorize staff to prepare a draft ordinance and schedule a public hearing to amend Section 11-47 of the Code of Laws of Leon County, Florida, providing for amendments to the Leon County Tourist Development Plan, Exhibit A for April 12, 2011, at 6:00 p.m.
5. Board Direction.

Recommendation:

Option #1 and #2.

Attachments

1. Interlocal Agreement between Leon County, the City of Tallahassee, and the Community Redevelopment District
2. January 29, 2009 Agenda Item and Excerpt of Follow-up
3. February 26, 2009 Agenda Item and Excerpt of Follow-up
4. Ordinance 09-06 Authorizing the Levying and Imposition of an Additional 1% Tourist Development Tax
5. Ordinance 2009-28 Leon County Tourist Development Plan
6. January 18, 2011 Agenda Item
7. February 8, 2011 Agenda Item and Excerpt of Follow-up
8. Recommendation from the Tourist Development Council

**FIRST AMENDMENT TO INTERLOCAL AGREEMENT  
AMONG THE CITY OF TALLAHASSEE, LEON COUNTY, AND THE  
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF  
TALLAHASSEE REGARDING THE CREATION AND OPERATIONS OF THE  
DOWNTOWN DISTRICT COMMUNITY REDEVELOPMENT AREA AND THE  
EXPANSION OF ANY COMMUNITY REDEVELOPMENT AREA**

This First Amendment to the Interlocal Agreement ("Agreement") is made and entered into as of this 4<sup>th</sup> day of October, 2007, by and between Leon County, Florida, a charter county and political subdivision of the State of Florida (the "County"), the City of Tallahassee, a municipal corporation created and existing under the laws of the state of Florida (the "City"), and the Community Redevelopment Agency of the City of Tallahassee, a body politic and entity created, existing and operating under Part III of Chapter 163, Florida Statutes (the "Agency").

**RECITALS**

WHEREAS, the County, City, and Agency entered into the Agreement as of the 23<sup>rd</sup> day of June, 2004, regarding the Downtown District Community Redevelopment Area (the "District"); and

WHEREAS, the Agreement defines the area encompassed by the District; and

WHEREAS, the Agreement includes provisions for the joint funding of the Downtown District Community Redevelopment Area Trust Fund (the "Trust Fund") by the County and the City; and

WHEREAS, the Agreement provides for funding of costs associated with the Performing Arts Center and Gaines Street Reconstruction projects;

WHEREAS, the parties to the Agreement agree that it is in the best interest of the Agency, the City, and the County (hereinafter collectively referred to as the "Parties") to expand the boundaries of the District, modify the Parties' funding obligations, expand the membership of the Agency Board, and provide for consideration of additional Projects; and

WHEREAS, the Agreement provides that any provisions of the Agreement may be amended or waived only pursuant to an instrument in writing, approved by the City Commission, the Governing Board of the Agency, and the County's Board of County Commissioners, and jointly executed by the Parties; and

WHEREAS, the Agreement provides that any proposed boundary adjustment to the District requires the prior written approval of the City and County; and

WHEREAS, the Parties desire to enter into an amendment to the Agreement to provide the prior written approval of the proposed adjustment to the District boundary, change the calculation method for City and County contributions, expand the membership of the Agency Board, and provide for consideration of additional Projects.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises hereinafter set forth, the Parties do hereby agree as follows:

1. Section 2.h. is hereby deleted, replaced, and superceded by the following:

**2.h. "Downtown District Community Redevelopment Area" or "District"** means the area located within the corporate limits of the City and found and determined by the City Commission in Resolution No. 02-R-43, adopted on September 11, 2002, to be a slum and blighted area (as the term is defined in the Act), a copy of which Resolution is attached hereto as Exhibit A. The District shall also include the areas depicted on Exhibit A-1 attached hereto and made a part hereof, contingent upon City adoption of the appropriate resolution and that shall be incorporated herein by reference.

2. Section 5.b. is hereby deleted, replaced, and superceded by the following:

b. The membership of the Agency shall consist of the Mayor of the City, the four (4) members of the City Commission, and the four (4) members of the County Commission as appointed by the Board of County Commissioners, who shall act as its governing body and who shall have all those powers enumerated under the Act, unless otherwise conferred or delegated hereunder.

3. Sections 5.c., 5.d., and 5.e. are hereby deleted.

4. Section 6.a. is hereby deleted, replaced, and superceded by the following:

a. Tourist Development Tax. The County agrees to impose an additional one-cent tourist development tax on a County-wide basis, as set forth in Section 125.0104(3)(l)(4), Florida Statutes (2003). The proceeds of one cent of the tax imposed pursuant to Section 125.0104(3)(c) and (d), Florida Statutes (2003) which is required to be remitted to the County Tourist Development Trust Fund, in accordance with Section 125.0104(3)(i), Florida Statutes (2003), shall be dedicated exclusively for the debt service, construction and/or operational costs of a Performing Arts Center(s) to be located in the Downtown District Community Redevelopment Area. Upon the request of the Agency, the County shall authorize, approve, and execute such documents as are necessary to authorize and permit the Agency to issue debt and pledge the above referenced proceeds for the repayment of that debt including the payment

of debt service and costs of issuance. Any portion of the Tourist Development Tax not needed for the payment of debt service, construction and/or operational costs for the Performing Arts Center(s), shall be returned to the Leon County Tourist Development Trust Fund, for use for the purposes thereof.

5. Section 6.c. is hereby deleted, replaced, and superceded by the following:

c. Joint Funding of Downtown District Community Redevelopment Area Trust Fund.

(1) The County's annual contribution of Increment Revenue to the Trust Fund shall be equal to an ad valorem tax rate of 4.29 mills of the incremental increase in ad valorem taxes and the City's annual contribution of increment revenue to the Trust Fund shall be equal to an ad valorem rate of 3.7 mills of the incremental increase in ad valorem taxes, except as provided in section (2) below. The incremental increase in ad valorem taxes shall be determined as provided in Section 163.387(1), Florida Statutes.

(2) The City and County recognize that the modifications to the contributions to the Trust Fund made by this amendment results in a reduction in the revenue previously available for the Trust Fund in the early years of the District. To mitigate the impact of this revenue reduction, the City and County agree to provide supplemental contributions to the Trust Fund in fiscal years 2006-07, 2007-08 and 2008-09. The supplemental contributions will be in the amounts to ensure that the Trust Fund receives the total revenue equal to \$1,537,659, which is the amount of revenue that the Trust Fund received in fiscal year 2005-06. The amount the City and County will contribute will be determined by applying the annual contributions to the Trust Fund that are collected for those years to the \$1,537,659 revenue target. If the Increment Revenue contributions do not equal or exceed the \$1,537,659 revenue target, then the City and County will make supplemental contributions to the Trust Fund sufficient to reach that revenue target. The County will provide 53.6% and the City will provide 46.4% of the required total supplemental contribution amount. These contributions shall be made at the same time as the City and County submit their required Increment Revenue payment to the Trust Fund.

6. Section 6.d. is hereby deleted, replaced, and superceded by the following:

d. Lease subsidies shall be an eligible expenditure of Trust Funds. A lease subsidy is defined as any payment from the Trust Fund, through the

Agency, to either a property owner or a tenant for the express purpose of reducing the tenant's lease costs.

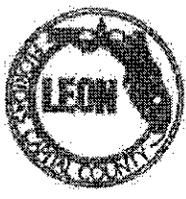
7. Section 6. is hereby amended to add item 6.h. as follows:
  - h. The Agency agrees that it shall consider continuing to provide further financial support for the Performing Arts Center project, contingent upon: (1) determination of the actual total costs; (2) availability of a funding source for Agency participation; (3) availability of other funding sources for the majority of the costs of the Performing Arts Center project, and (4) location of the Performing Arts Center within the boundaries of the District.
8. Section 6. is hereby amended to add item 6.i. as follows
  - i. The Agency agrees that it shall work with the County to develop a plan for additional public parking in the District, particularly to address the needs for parking to accommodate those serving on jury duty at the Leon County Courthouse. The Agency will provide funding to support bus service to transport jurors from the County's public parking lot on Duval Street to the County Courthouse. The schedule and frequency of such service shall be coordinated with the Clerk of the Courts.
9. Section 7 b. is hereby deleted:
10. Section 7.d. hereby deleted:
11. The City and County execution of this amendment shall constitute the City and County required prior written approval to the proposed District boundary adjustment as required by Section 11 of the Agreement.

All other terms and conditions of the Agreement remain in full force and effect, except as amended herein.

**IN WITNESS WHEREOF**, the Parties have caused this First Amendment to the Interlocal Agreement to be executed by their duly authorized representatives this 4<sup>th</sup> day of October, 2007.

LEON COUNTY, FLORIDA

By: C.E. DePuy, Jr.  
C.E. DePuy, Jr., Chairman  
Board of County Commissioners



ATTEST:  
Bob Inzer, Clerk of the Court  
Leon County, Florida  
BY: [Signature]

Approved as to Form:  
Leon County Attorney's Office  
BY: [Signature]  
Herbert W.A. Thiele, Esq.  
County Attorney

CITY OF TALLAHASSEE

By: [Signature]  
John R. Marks, III  
Mayor, City of Tallahassee

Date: 10/1/07

ATTEST:  
By: [Signature]  
Gary Herndon  
City Treasurer-Clerk

Approved as to Form:  
By: [Signature]  
for James R. English  
City Attorney

COMMUNITY REDEVELOPMENT  
AGENCY

By: [Signature]  
John R. Marks, III  
Chair



## Board of County Commissioners

Leon County, Florida

www.leoncountyfl.gov

### Agenda Item Executive Summary

Thursday, January 29, 2009

**Title:**

Consideration of Levying the Tourist Development Fifth-Cent Tax

**Staff:**

Parwez Alam, County Administrator  
Alan Rosenzweig, Assistant County Administrator  
Scott Ross, Budget Manager

**Issue Briefing:**

At the December 8, 2008 Retreat, the Board established revenue diversification as one of its priorities, including the consideration of levying the fifth-cent tourist development tax. The County currently levies four of the statutorily authorized five cents in local tourist development taxes. One cent is dedicated to the construction of a performing arts center, and three-cents for general tourist development, as allowed by statute.

In order to reduce competition for general revenue, the County has provided \$1.2 million in funding to the Council on Cultural Arts (COCA) from the tourist development three-cent fund balance for the cultural re-granting program for the past two fiscal years. During the FY09 budget process, the Board did not contemplate out-year funding for COCA. The current available fund balance in the tourist development three-cent fund balance is not capable of sustaining the current annual COCA funding of \$654,500.

According to Florida Statutes, besides other specific activities (i.e. constructing sports facilities), an additional fifth-cent can be imposed for the "promotion and advertising of tourism." If the Board chose to impose the fifth-cent, it could be used to: augment the existing three-cents currently funding the tourist development plan; utilized for the performing arts center or Arts on Gaines Street project; or it could be used for the general promotion and advertising of tourism. This general usage could include funding cultural arts associated with tourism such as COCA. Additionally, consideration is provided regarding funding COCA from the existing recurring three-cent revenue, and using a portion of the fifth-cent to fund a guarantee to Delta Airlines for adding three intra-state routes to Tallahassee (Attachment #1). The County Attorney's opinion of utilizing a portion of the fifth-cent for an airline guarantee is shown as Attachment #2.

**Fiscal Impact:**

This item has a fiscal impact. Levying the fifth-cent tourist development tax would generate approximately \$817,000 annually. Annual revenue from this tax should increase modestly once the

economy rebounds from the current recession.

**Staff Recommendation:**

Option #1: Authorize staff to prepare a draft ordinance and to schedule a public hearing to consider levying the fifth-cent tourist tax.

Option #2: Direct staff to include funding for the Council on Culture and Arts in a revised tourist development plan, whether the plan is funded by three or four-cent.

**Report and Discussion**

**Background:**

In response to the impacts on County revenues, caused by recent property tax reforms and a decline in sales tax and gas tax revenues associated with a recession economy, the Board discussed revenue diversification at the Board Retreat on December 8, 2008. Subsequently, the Board directed staff to review areas of revenue diversification, including the possible implementation of the fifth-cent tourist development tax.

The County currently levies four of the allowable five pennies for a tourist development tax. The first three cents were originally levied for tourist development expenses related to the tourist development plan; however, Florida Statute, in addition to authorizing tourist development plan funding, specifically allows any of the first three cents to be utilized, in part, for the construction of tourism-related venues, such as a performing arts center. The fourth-cent and the fifth-cent are not specifically allowed for such use, but rather need to be dedicated for the construction of sports complexes or used for general tourism promotion. When the fourth-cent was adopted in 2004, one of the first three cents was dedicated to the construction of a performing arts center, and the fourth-cent replaced the funding for the tourist development plan.

In addition, for the past two fiscal years (FY08 and FY09), in order to make general revenues available for essential County services, the Board has appropriated \$1.2 million for the Council on Culture and Arts (COCA) from the three-cent tourist development fund balance. The current unreserved fund balance for this three-cent tax is \$396,500. This is below the minimum reserve level for this fund by Board policy (15% of operating expenditures) is \$701,890. However, due to contract hold backs during the current fiscal year, it is anticipated that the minimum fund balance level will be achieved by year end. Currently, no out-year funding source has been identified for COCA, and adequate resources are no longer available in the existing three-cent fund balance to sustain the current \$654,500 in annual funding.

**Analysis:**

For FY09, each penny of tourist development tax is anticipated to generate approximately \$817,000 annually (\$3.4 million in aggregate). Revenue has declined slightly for the past three years, with this trend anticipated to continue through the recession economy. The addition of the fifth-cent would generate an estimated additional \$817,000 per year.

According to Florida Statutes, besides other specific activities (i.e. the construction of a sports facility), an additional fifth-cent can be imposed for the "promotion and advertising of tourism". If the Board chose to impose the fifth-cent, it could be used to augment the existing three-cents currently funding the tourist development plan; utilized for the performing arts center or Arts on Gaines Street project; or, used for the general promotion and advertising of tourism. This general usage could include funding cultural arts associated with tourism such as COCA.

Continued funding of COCA through a tourist development tax would prevent the Board from having to consider funding COCA through general revenue. This would maintain general revenue tax dollars for other County services. Another option could be to fund COCA through the existing tourist development plan three-cent revenue as part a revised tourist development plan.

Additionally, at the January 15, 2009 meeting, the Board directed staff to determine the feasibility of utilizing a portion of the fifth-cent tax (\$500,000) to fund a portion of a \$2 million guarantee fund with the City of Tallahassee and the State of Florida for Delta Airlines. These funds would be utilized if Delta Airlines did not make the specified guarantee for adding three additional intra-state airline routes to the Tallahassee Regional Airport.

In order to formally consider levying this tax, a public hearing would need to be held. If the Board decides to pursue the fifth-cent tourist tax, staff would bring back an item to the Board, requesting to schedule a public hearing with a draft ordinance, specifying how the tax would be utilized. Regardless of whether the Board chooses to pursue the additional one-cent tourist tax, staff recommends that the current tourist development plan be revised to include funding for COCA.

**Options:**

1. Authorize staff to prepare a draft ordinance and request to schedule a public hearing to consider levying the fifth-cent tourist tax.
2. Direct staff to include funding for the Council on Culture and Arts in a revised tourist development plan, whether the plan is funded by three or four-cents.
3. Do not authorize staff to prepare a draft ordinance and request to schedule a public hearing to consider levying the fifth-cent tourist tax.
4. Do not direct staff to include funding for the Council on Culture and Arts in a revised tourist development plan.
5. Board Direction.

**Recommendations:**

Options # 1 and #2

**Attachments:**

1. Letter from Chairman Desloge to Mayor Marks regarding \$2 million guarantee fund.
2. County Attorney's opinion on utilizing a portion of the fifth-cent tourist tax as an airline guarantee

[Back](#) [Print](#)

**Board of County Commissioners**  
**Thursday, January 29, 2009 Meeting - Follow-Up Memo**

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**To:** Honorable Chairman and Members of the Board

**From:** Parwez Alam, County Administrator

**Subject:** Follow-up to County Commission Meeting of January 29, 2009

**GENERAL BUSINESS**

Administration – Parwez Alam, County Administrator/Vincent Long, Deputy County Administrator  
None.

OMB – Alan Rosenzweig, Assistant County Administrator/Scott Ross, Budget Manager

- Item 20 Consideration of a Levying the Tourist Development Fifth-cent Tax  
(County Administration – Alan Rosenzweig, Assistant County Administrator)
- County Administrator Alam explained that the County currently levies four cent tourist tax. He stated that there were funding issues to be addressed by the Board, Council on Culture & Arts (COCA), Performing Arts Center, and the Delta Airline guarantee. He added that should the Board decide to pursue the fifth-cent tourist tax, staff would bring back an item to the Board, requesting to schedule a public hearing with a draft ordinance, specifying how the tax would be spent.
  - **Speakers:**
  - Pace Allen stated that he attended the TDC meeting and that three (out of nine) members of the TDC Board were in favor of raising the fifth cent tax. Mr. Allen stated that a review of how the fourth cent is currently being spent is warranted and emphasized that it should be spent on marketing and tourism.
  - Denise Allen asked that the Board reconsider levying the fifth cent tax and review how the fourth cent is spent. She expressed concern over the impact that the taxes have on local hotel industry.
  - Commissioner Rackleff stated that the funding and identified projects would improve and enhance Leon County as a tourist destination and would create and sustain destinations and that would benefit hoteliers.
  - **Commissioner Rackleff moved, seconded by Commissioner Dailey, to approve**
- Options #1 and #2:**
- 1. Authorize staff to prepare a draft ordinance and to schedule a public hearing to consider levying the fifth-cent tourist tax.**
  - 2. Direct staff to include funding for the Council on Culture and Arts in a revised tourist development plan, whether the plan is funded by three of four-cent.**
- Commissioner Akinyemi stated that funding should continue for the performing arts center, as it is a key element of tourism. He added that the additional tourist tax impact would be minimal and would be provided by individuals living outside the area, and thinks it is important for the County to work with the Chamber and the TBVC to develop a strong airline marketing campaign.
  - Commissioner Dailey stated that the fifth cent would have minimal, if any,

impact on the vast majority of County residents, as they would not be paying the bed tax, however it would provide approximately \$800,000 in revenue. He asserted that the proposed tax, compared with other areas of the State, was not an unreasonable number and suggested that the local hotels should pay more attention to what they are charging for room rates. Commissioner Dailey suggested that the fifth cent would provide an opportunity to replenish the TDC trust fund, invest in the community, tourism and the promotion of the community.

- **Speakers:**
- Jon Moyle, President of the Performing Arts Center, stated that, if the Board moves forward with the fifth cent, the members of the Center would like to be included, along with the Boys Choir and others, in the conversation
- Commissioner Sauls requested that the TDC's request for a review of the fourth cent be included in the motion. Commissioner Dailey preferred to keep the issues separate.

**The motion to approve Options #1 and #2 passed 7-0.**

- **Commissioner Dailey moved, seconded by Commissioner Sauls, to direct staff to review how the fourth cent tourist development tax is being utilized.**

**The motion passed 7-0.**

Staff: OMB – Alan Rosenzweig/Scott Ross

Back	Print
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## Board of County Commissioners

Leon County, Florida

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### Agenda Item Executive Summary

Thursday, February 26, 2009

<p><b>Title:</b> Request to Schedule First and Only Public Hearing to Adopt an Ordinance Authorizing the Levying and Imposition of an Additional One Percent (Fifth Cent) Tourist Development Tax</p>
<p><b>Staff:</b> Herbert W. A. Thiele, Esq., County Attorney</p>

**Issue Briefing:**

At the Board retreat on December 8, 2008, the Board established revenue diversification as one of its priorities, including the feasibility of levying the fifth-cent tourist development tax. At the Board meeting of January 29, 2009, the Board further considered this matter and directed the County Attorney's Office to prepare a draft ordinance authorizing the levying and imposition of the fifth-cent tourist development tax, and to request the scheduling of a public hearing on the ordinance for the Board's consideration. The draft ordinance is attached hereto as Attachment #1. Pursuant to the Board's direction, the first and only public hearing to consider the adoption of an ordinance authorizing the fifth cent tourist development tax could be scheduled for March 19, 2009.

In accordance with Section 125.0104(3)(n), Florida Statutes (2008), the County may impose the fifth cent tourist development tax by a majority plus one vote of the Board. The fifth cent tax may be used to: (1) pay the debt service on bonds issued to finance the acquisition, construction or renovation of a professional sports franchise facility; or (2) promote and advertise tourism, including expending tax revenues for an activity, service, venue or event, provided same has as one if its main purposes the attraction of tourists.

**Fiscal Impact:**

This item has a fiscal impact. The fifth-cent tourist development tax would be expected to generate approximately \$817,000 annually. Annual revenue from this tax would be expected to increase modestly once the economy rebounds from the current recession.

**Staff Recommendation:**

Board Direction.

## Report and Discussion

### **Background:**

In accordance with Section 125.0104, Florida Statutes, the County currently levies four cents out of the allowable five cents for a tourist development tax. The first three cents of the tax were originally levied for tourist development expenses related to the tourist development plan. The first three cents of the tax may also be utilized, in part, for the construction of tourism-related venues, such as a performing arts center. However, the fourth cent may only be utilized for sports franchise facilities, a convention center and its operations and maintenance, and to promote and advertise tourism. Further, the fifth cent tax may only be utilized for enumerated costs related to professional sports franchise facilities and to promote and advertise tourism. Therefore, when the fourth cent tourist development tax was adopted by the Board in 2004, one of the first three cents was dedicated to the construction of a performing arts center, and the fourth cent was then used to provide funding for the tourist development plan.

### **Analysis:**

In accordance with Section 125.0104(3)(n), Florida Statutes (2008), the County may impose the fifth cent tourist development tax by a majority plus one vote of the Board. One public hearing would be required. The fifth cent tax may be used to: (1) pay the debt service on bonds issued to finance the acquisition, construction or renovation of a professional sports franchise facility; or (2) promote and advertise tourism, including expending tax revenues for an activity, service, venue or event, provided same has as one of its main purposes the attraction of tourists. In order for staff to properly draft an ordinance for Board consideration, further direction is requested on the intended use of the fifth cent tax.

### **Options:**

1. Schedule first and only public hearing to consider the adoption of an ordinance authorizing the levying and imposition of an additional one percent (fifth cent) Tourist Development Tax, for March 19, 2009, at 6:00 p.m., and provide direction to staff on the intended use of the fifth cent tax.
2. Do not schedule first and only public hearing to consider the adoption of an ordinance authorizing the levying and imposition of an additional one percent (fifth cent) Tourist Development Tax, for March 19, 2009, at 6:00 p.m.
3. Board Direction.

### **Recommendation:**

Board Direction.

### **Attachments:**

1. Proposed ordinance.

[Back](#) [Print](#)

BOARD OF COUNTY COMMISSIONERS  
LEON COUNTY, FLORIDA  
REGULAR MEETING

February 26, 2009

The Board of County Commissioners of Leon County, Florida, met in regular session at 3:00 p.m. with Chairman Desloge presiding. Present were Commissioners Akinyemi, Thaele, Proctor, Rackleff, Dailey, and Sauls. Also present were County Administrator Parwez Alam, County Attorney Herb Thiele, Finance Director David Reid and Board Secretary Rebecca Vause

Invocation was provided by Commissioner Sauls who then led the Pledge of Allegiance.

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**18. Request to Schedule First and Only Public Hearing to Adopt an Ordinance Authorizing the Levying and Imposition of an Additional Fifth Cent Tourist Development Tax for Thursday, March 19, 2009 at 6:00 p.m.**

This item was taken up under General Business.

Chairman Desloge clarified that the agenda item was to schedule a public hearing on the issue; this was not the public hearing. County Attorney Thiele remarked that his office was directed to draft an ordinance that would enact the fifth cent tourist development (or bed) tax for Board consideration. The agenda item requested Board direction on the scheduling of a public hearing on the issue for March 19, 2009. He advised that 1) adoption of the fifth cent would require a super majority vote of the Commission (5-2 vote), and 2) Amendments would be required to the Tourist Development Plan to provide general parameters or criteria on what the fifth cent would be earmarked to do. He added that the statute was very limited in its intent on what the tax could be used for.

**Speakers:**

Pace Allen, 104 W. 5th Avenue, thanked Commissioners for the opportunity to allow public input on the issue and stated that he wanted to continue to hear from Commissioners on this issue and opined that tourist, in fact consider taxes when visiting Tallahassee.

Jon Moyle, 118 N. Gadsden St., President, Performing Arts Center, expressed support for the public hearing and levying of the fifth cent. He added that the PAC would share at a future time ideas on how the tax could best be used.

Brian Armstrong, 7025 Lake Basin Rd, noted his support for the Performing Arts Center and commented that it would contribute to the development of the local economy. He provided that signatures of support for the PAC could be obtained, if needed.

Commissioner Dailey voiced support for levying of the fifth cent as an alternative revenue source and offered the following points:

- The additional tax would not impact Leon County residents and on average would amount to only an 80 cent increase to a hotel room cost and would not be a deterrent to local tourism.
- Allocate one of the pennies already levied to fund the Council on Culture and Arts (COCA) activities. This would generate approximately \$800,000 annually.
- In 2012 split the fifth cent between the Performing Arts Center (PAC) and the Art Space Project.
- The County is under no obligation to fund the PAC in 2012 if goals established for the project are not met.
- The \$2.4 million collected over the next three years be used to support current and future TDC activities, i.e., public relations and marketing and to build up the fund balance transfer.

*Commissioner Dailey moved, duly seconded by Commissioner Rackleff, to approve Option1, as amended: Schedule first and only public hearing to consider the adoption of an ordinance authorizing the levying and imposition of an additional one percent (fifth cent) Tourist Development Tax, for March 19, 2009, at 6:00 p.m., and direct the County Attorney to 1)draft an ordinance to levy the fifth cent to support Tourist Development Council activities until 2012; at which time the fifth cent would be split between the Performing Arts Centers and the Art Space Project and 2) designate one of the existing pennies to fund COCA related activities.*

Commissioner Proctor established that the Performing Arts Center was a 501©3 and inquired of the purpose of the Arts Space Project. Ms. Peggy Brady, representing COCA responded that the Art Space Project was part of the Arts Exchange development on Railroad Avenue and was home to the Tallahassee Boys Choir and a multiple rehearsal facility. Commissioner Proctor expressed appreciation for the clarification and noted the importance of an additional interior space for local entertainment. He stated that future projects should not be dependent on one body and favored the implementation of a Community Governing Board whereby a percentage of performances be optioned to local entities. Commissioner Proctor indicated that he would support the motion and would "be listening carefully with regard to his final endorsement". Commissioner Akinyemi commended Commissioner Dailey for identifying the additional revenue source and noted that he generally does not advocate levying new taxes. However, he noted that the tax would be minimal and would not affect local residents. He will support the motion based on what it will bring to the youth of the community. Commissioner Thael confirmed with Mr. Thiele that the fifth cent could not be used to fund the Delta Airlines guarantee (agreement entered into with the City of Tallahassee and the State) and he noted that another source of funds would need to be identified for that commitment.

Chairman Desloge indicated that funding options for the Delta guarantee would be explored during budget discussions. He echoed fellow commissioners' comments on the effects of the tax on tourism and stated that he would support the motion.

*The motion carried 7-0. The motion carried 7-0.*

ORDINANCE NO. 09-06

1  
2  
3  
4 AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF  
5 LEON COUNTY, FLORIDA AUTHORIZING THE LEVYING AND  
6 IMPOSITION OF AN ADDITIONAL ONE PERCENT (1%) TOURIST  
7 DEVELOPMENT TAX IN LEON COUNTY, FLORIDA PURSUANT TO  
8 SECTION 125.0104(3)(n), FLORIDA STATUTES; AMENDING  
9 CHAPTER 11, ARTICLE III, OF THE CODE OF LAWS OF LEON  
10 COUNTY, FLORIDA, ENTITLED TOURIST DEVELOPMENT TAX;  
11 AMENDING SECTION 11-46(a), PROVIDING FOR THE IMPOSITION  
12 AND COLLECTION OF THE TOURIST DEVELOPMENT TAX;  
13 AMENDING SECTION 11-46(l), PROVIDING FOR A SEPARATE  
14 SUBACCOUNT IN THE LEON COUNTY TOURIST DEVELOPMENT  
15 TRUST FUND; AMENDING SECTION 11-47 RELATING TO TOURIST  
16 DEVELOPMENT PLAN FUNDING; PROVIDING FOR SEVERABILITY;  
17 AND PROVIDING FOR AN EFFECTIVE DATE.

18  
19 WHEREAS, Section 125.0104(3)(n), Florida Statutes, provides for the levy of an  
20 additional one percent (1%) local option tourist development tax by the governing board of each  
21 county within the State of Florida; and

22  
23 WHEREAS, previously the Board of County Commissioners of Leon County, Florida  
24 (the "Board") levied and imposed a four percent (4%) local option tourist development tax  
25 pursuant to section 125.0104, Florida Statutes (the "Local Option Tourist Development Act");  
26 and

27  
28 WHEREAS, the Board now desires to enact an ordinance to authorize the levy and  
29 imposition of an additional one percent (1%) local option tourist development tax pursuant to the  
30 Local Option Tourist Development Act and specifically Section 125.0104(3)(n), Florida Statutes,  
31 for the purposes enumerated in Section 125.0104(3)(n), Florida Statutes; and

32  
33 WHEREAS, the Board hereby desires to amend Chapter 11, Article III, Section 11-46 of  
34 the Code of Laws of Leon County, Florida to provide for the imposition and collection of the  
35 additional one-percent local option tourist development tax; and

36  
37 WHEREAS, the Board hereby desires to amend Chapter 11, Article III, Section 11-46 of  
38 the Code of Laws of Leon County, Florida, to establish a separate subaccount for the second  
39 (2<sup>nd</sup>) 1-percent local option tourist development tax.

40  
41 BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF  
42 LEON COUNTY, FLORIDA, THAT:

43  
44 Section 1. There is hereby levied, imposed and set, until hereafter amended or repealed,  
45 an additional tourist development tax throughout Leon County, Florida (the "Additional 1%  
46 Tax") at the rate of one percent (1%) of each dollar and major fraction of each dollar of the total

1 consideration charged for every person who rents, leases, or lets any living quarters or  
2 accommodations in any hotel, apartment hotel, motel, resort motel, apartment, apartment motel,  
3 rooming house, mobile home park, recreational vehicle park, or condominium for a term of six  
4 months or less, unless such a person rents, leases, or lets for consideration any living quarters or  
5 accommodations which are exempt according to the provisions of Chapter 212, Florida Statutes.  
6 When receipt of consideration is by way of property other than money, the Additional 1% Tax  
7 shall be levied and imposed on the fair market value of such nonmonetary consideration.  
8

9 **Section 2.** The Additional 1% Tax shall be in addition to: (i) the two percent (2%) local  
10 option tourist development tax authorized, levied and imposed pursuant to Ordinance No. 88-01  
11 enacted on January 12, 1988; (ii) the additional one percent (1%) tourist development tax  
12 authorized, levied, and imposed pursuant to Ordinance 93-19, enacted November 23, 1993; (iii)  
13 the additional one percent (1%) tourist development tax authorized, levied and imposed pursuant  
14 to Ordinance No. 04-35 enacted on October 12, 2004; (iv) any other tax imposed pursuant to  
15 Chapter 212, Florida Statutes; and (v) in addition to all other taxes, fees and the consideration or  
16 rental or lease.  
17

18 **Section 3.** The Additional 1% Tax shall be levied and collected in the same manner as  
19 and in accordance with the procedures outlined in Chapter 11, Article III, Section 11-46 of the  
20 Leon County Code of Laws.  
21

22 **Section 4.** The revenues received from the proceeds of the Additional 1% Tax shall be  
23 used for any and all purposes provided in Section 125.0104(3)(n), Florida Statutes.  
24

25 **Section 5.** Any person subject to this Ordinance who, either by himself or through his  
26 agents or employees, fails or refuses to charge and collect the Additional 1% Tax herein  
27 provided from the person paying any rental or lease, shall be, in addition to being personally  
28 liable for the payment of the Additional 1% Tax, guilty of a misdemeanor of the first degree,  
29 punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.  
30

31 **Section 6.** No person shall advertise or hold out to the public in any manner, directly, or  
32 indirectly, that he or she will absorb all or any part of the Additional 1% Tax, that he or she will  
33 relieve the person paying the rental of the payment of all of any part of the Additional 1% Tax,  
34 or that the Additional 1% Tax will not be added to the rental or lease consideration or, when  
35 added that it or any part thereof will be refunded or refused, either directly or indirectly, by any  
36 method whatsoever. Any person who willfully violates any provision of this Section 6 is guilty  
37 of a misdemeanor of the first degree, punishable as provided in Section 775.082 or Section  
38 775.083, Florida Statutes.  
39

40 **Section 7.** The Additional 1% tax shall constitute a lien on the property of the lessee,  
41 customer or tenant in the same manner as, and shall be collectible as are liens authorized and  
42 imposed in Sections 713.67, 713.68 and 713.69, Florida Statutes.  
43

44 **Section 8.** Chapter 11, Article III, Section 11-46(a) of the Leon County Code of Laws is  
45 hereby amended to read as follows:  
46

1 (a) There is hereby levied, imposed and set, until hereafter amended or repealed, a  
2 tourist development tax throughout the county at the rate of ~~three~~ five percent for each whole and  
3 major fraction of each dollar of the total rental and/or consideration charged every person who  
4 rents, leases, or lets any living quarters or accommodations in any hotel, motel, resort motel,  
5 apartment, apartment motel, roominghouse, mobile park home, recreational vehicle park, or  
6 condominium for a term of six months or less, unless such a person rents, leases or lets for  
7 consideration any living quarters or accommodations which are exempt according to the  
8 provisions of F.S. ch. 212. When receipt of consideration is by way of property other than  
9 money, the tax shall be levied and imposed on the fair market value of such nonmonetary  
10 consideration.

11  
12 **Section 9.** Chapter 11, Article III, Section 11-46(l) of the Code of Laws of Leon County,  
13 Florida, is hereby amended to read as follows:

14  
15 (l) (i) The taxes imposed by this section shall become county funds at the  
16 moment of collection and shall for each month be due to the county tax  
17 collector on the first day and is delinquent unless post-marked on or before  
18 the twentieth day of the month following, unless otherwise provided for by  
19 subsection (h). If the 20<sup>th</sup> day falls on a Saturday, Sunday, or federal or state  
20 holiday, returns shall be accepted as timely, if post-marked on the next  
21 succeeding work day.

22  
23 (ii) Collections received by the county tax collector from the tax, less costs of  
24 administration of this article, shall be paid and returned, on a monthly basis  
25 to Leon County, Florida, for use by the county in accordance with the  
26 provisions of this article and shall be placed in the "Leon County Tourist  
27 Development Trust Fund." The county shall establish a separate subaccount  
28 in the Leon County Tourist Development Trust Fund for receipt of the third  
29 1-percent local option tourist development tax imposed and collected  
30 pursuant to Ordinance ~~88-01~~ 93-19 and any interest earnings on such third 1-  
31 percent local option tourist development tax. Such funds in the subaccount  
32 shall be used for all purposes provided in Section 125.0104(5), Florida  
33 Statutes, and shall be distributed pursuant to the direction of the Board of  
34 County Commissioners. Commencing October 1, 2011, the county shall  
35 establish a separate subaccount in the Leon County Tourist Development  
36 Trust Fund for receipt of the second 1-percent local option tourist  
37 development tax imposed and collected pursuant to Ordinance 88-01 and any  
38 interest earnings on such second 1-percent local option tourist development  
39 tax. Fifty percent (50%) of such funds in the subaccount shall be used for all  
40 purposes provided in Section 125.0104(5)(a)(1), Florida Statutes, and fifty  
41 percent (50%) of such funds in the subaccount shall be used for all purposes  
42 provided in Section 125.0104(5), Florida Statutes, and shall be distributed  
43 pursuant to the direction of the Board of County Commissioners.

44  
45 **Section 10.** Chapter 11, Article III, Section 11-47 of the Code of Laws of Leon County,  
46 Florida, is hereby amended to read as follows:

Section 11-47. Tourist development plan funded.

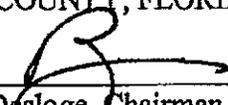
The That portion of the tax revenues received pursuant to this article, as designated by the Board of County Commissioners, shall be used to fund the Leon County Tourist Development Plan, which is attached hereto as Exhibit A and which is hereby adopted and incorporated into this article.

**Section 11. Severability.** It is declared to be the intent of the Board that, if any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

**Section 12. Effective Date.** The Additional 1% Tax shall become effective on the first day of May, 2009. Within ten (10) days of the enactment of this Ordinance, a certified copy of this Ordinance shall be furnished to the Department of Revenue and the Secretary of State by the Clerk.

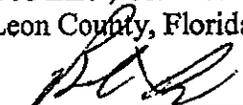
DULY PASSED AND ADOPTED by the Board of County Commissioners of Leon County, Florida, this 19<sup>th</sup> day of March, 2009.

LEON COUNTY, FLORIDA

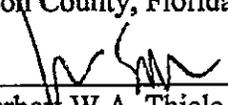
By:   
Bryan Desloge, Chairman  
Board of County Commissioners



ATTESTED BY:  
Bob Inzer, Clerk of Court  
Leon County, Florida

By:   
Clerk

APPROVED AS TO FORM:  
County Attorney's Office  
Leon County, Florida

By:   
Herbert W.A. Thiele, County Attorney

ORDINANCE NO. 2009- 28

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF LEON COUNTY, FLORIDA, AMENDING ARTICLE III OF CHAPTER 11 OF THE CODE OF LAWS OF LEON COUNTY, REGARDING THE TOURIST DEVELOPMENT TAX; AMENDING SECTION 11-47 OF THE CODE OF LAWS OF LEON COUNTY, FLORIDA, RELATING TO THE TOURIST DEVELOPMENT PLAN; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Leon County Tourist Development Plan serves as the blueprint to guide the activities of the Leon County Tourist Development Council and the expenditure of tourist development tax revenue; and

WHEREAS, the Board desires to amend the Leon County Tourist Development Plan;

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF LEON COUNTY, FLORIDA, THAT:

**Section 1.** Section 11-47 of Article III of Chapter 11 of the Code of Laws of Leon County, Florida, entitled "Tourist Development Plan Funded," is hereby amended to read as follows:

**Sec. 11-47. Tourist Development Plan Funded.**

The tax revenues received pursuant to this article shall be used to fund the Leon County Tourist Development Plan dated August 25, 2009, which is attached hereto as Exhibit A and which is hereby adopted and incorporated into this article.

**Section 2.** **Conflicts.** All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, except to the extent of any conflicts with the Tallahassee-Leon County 2010 Comprehensive Plan as amended,

which provisions shall prevail over any part of this ordinance which is inconsistent, either in whole or in part, with the said Comprehensive Plan.

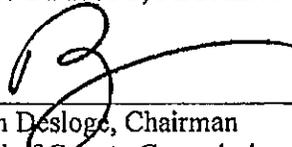
**Section 3. Severability.** If any word, phrase, clause, section or portion of this ordinance shall be held invalid or unconstitutional by a court of competent jurisdiction, such portion or words shall be deemed a separate and independent provision and such holding shall not affect the validity of the remaining portions thereof.

**Section 4. Effective date.** This ordinance shall have effect upon becoming law.

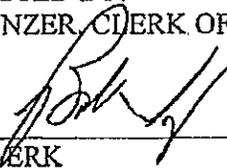
DULY PASSED AND ADOPTED BY the Board of County Commissioners of Leon County, Florida, this 25<sup>th</sup> day of August, 2009.

LEON COUNTY, FLORIDA

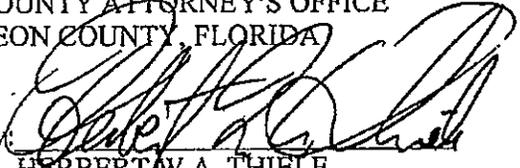


By:   
Bryan Desloge, Chairman  
Board of County Commissioners

ATTESTED BY:  
BOB INZER, CLERK OF THE COURT

By:   
CLERK

APPROVED AS TO FORM:  
COUNTY ATTORNEY'S OFFICE  
LEON COUNTY, FLORIDA

By:   
HERBERT W.A. THIELE  
COUNTY ATTORNEY

**EXHIBIT A**

**LEON COUNTY TOURIST DEVELOPMENT PLAN**

**(Date of Adoption: August 25, 2009)**

The Tourist Development Plan contained herein will serve as a blueprint to guide the activities of the Leon County Tourist Development Council (TDC) and the expenditure of tourist development tax revenue. The goal of this plan is, including but not limited to: increasing the number, length of stay and expenditures of visitors to the County in pursuit of business, conference/convention, leisure, educational, sports or film related travel.

As designed in Section 125.0104, Florida Statutes, the TDC shall act as an advisory council to the County Commission on matters pertaining to the expenditure of tourist development tax proceeds. This body shall meet at least quarterly and, from time to time, shall make recommendations to the County Commission for the effective operation of the special projects or for uses of the tourist development tax revenue and perform such other duties as may be prescribed by county ordinance or resolution. The TDC shall continuously review expenditures of revenues from the tourist development trust fund and shall receive, at least quarterly, expenditure reports from the County. Expenditures which the TDC believes to be unauthorized shall be reported to the County Commission and the Department of Revenue.

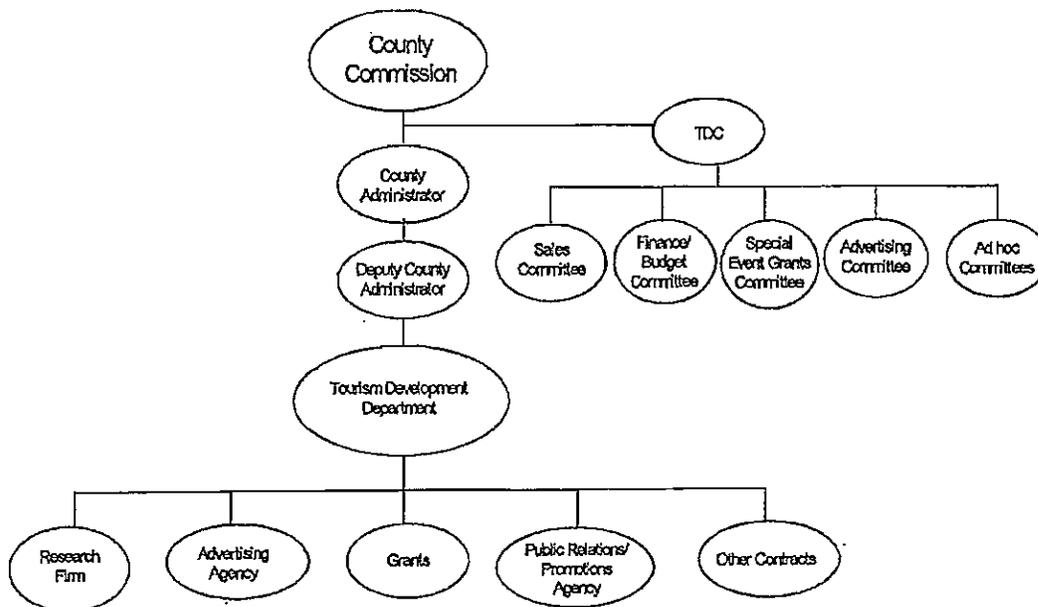
An annual Marketing Plan and budget will be developed by County staff, utilizing industry stakeholder input, and thereafter presented to the TDC for its consideration. The TDC will then issue a recommended Marketing Plan to the County Commission.

Expenditures which the TDC believes support an optimum Marketing Plan for Tourist Development may be allocated to the following elements: (1) advertising; (2) public relations/promotions; (3) research and analysis; (4) direct sales; (5) convention and visitor services; (6) special events; and (7) administration. The budget allocations for construction, operation, maintenance, and associated costs of a Performing Arts Center have been established by Ordinance at 20% of tourist development tax collections and 30% commencing on October 1, 2011. In addition, commencing on October 1, 2011, 10% of tourist development tax collections will be allocated for a purpose consistent with Section 125.0104(5), Florida Statutes. All

expenditures of tourist development tax revenues, including the Marketing Plan shall be presented to the County Commission as annual recommendations of the TDC, but in no case, shall the total of all budget allocations exceed 100 percent of the annual estimated revenue budget.

It is the intent of the County Commission that excess funds accumulated annually in the Fund Balance may be used in non-budgeted tourism promotion situations, such as following natural disasters, emergencies, or other unanticipated events, subject to the approval of the County Commission.

Staff assistance to the TDC shall be provided by Leon County employees in the Department of Tourism Development under the direction of the County Administrator or his designee, on behalf of the Board of County Commissioners. The director of this department shall report to the County Administrator through the Deputy County Administrator. The operational flow of the TDC is presented below:



In order for the TDC to have best possible information to serve as an advisory council to the County Commission, tourism development staff will provide at least quarterly reports to the

TDC on its activities. In addition, the contractors providing services for marketing research, advertising and public relations/promotions will also make similar reports. Periodic issues relating to the tourism industry will be presented and discussed as desired or necessary.

The TDC will recommend expenditure of available tourist development tax dollars in the following categories:

### **Advertising**

Advertising is an important component in the TDC's Marketing Plan. An advertising agency may be retained by the County after a thorough search of appropriate firms is conducted. The agency will work with staff and the TDC's advertising committee and be responsible for developing an image of the County that will be uniformly projected in all the visitor related advertising including TV, radio, print, internet, etc.

The agency, as directed and coordinated by staff, will be responsible for the following tasks:

1. Create, produce and place advertising messages that increase awareness of the County as a destination for business, convention, sports, film, leisure travel and other niche markets once identified.
2. Develop a media plan that identifies the optimum utilization of available advertising dollars to both leisure and various trade markets.
3. Develop cooperative advertising programs with hotels, airlines, attractions and other industry stakeholders.
4. Maximize the reach and effectiveness of [www.visittallahassee.com](http://www.visittallahassee.com) and any other Web sites that may be utilized by the County for tourism promotion.
5. Provide support in the development and production of targeted collateral materials such as the Visitor Guide.
6. Other tasks as assigned.

### **Public Relations/Promotions**

A public relations firm may be retained by the County to perform the following functions:

1. Develop a public relations strategy consistent with the goals of the Marketing Plan for Tourist Development.

2. Develop and coordinate promotions to support advertising efforts.
3. Develop and implement publicity strategies for key markets and targeted media.
4. Design and implement strategies to communicate with local citizens the achievements and goals of the TDC.
5. Develop and coordinate strategies to support advertising and publicity efforts.
6. Other tasks as assigned.

### **Research and Analysis**

Research will help provide a clear understanding of who is the County's core customer and identify the size and scope of certain target markets to help to refine the creative message intended to be conveyed. The research firm of record will seek to generate information from visitors and potential visitors which can be utilized in developing marketing strategies. The information will be gathered by interviews with visitors at hotels, airports, attractions and other businesses frequented by tourists, business conferences and conventions, and special events. Interviews may also be conducted with visitors in key target cities and via the Internet to determine their perceptions of Tallahassee as a destination for convention, vacation, business, etc. Questions will be asked and research analyzed on items such as length of stay, money spent, demographic considerations and interest in specific activities, etc. Research and analysis will be utilized to help establish benchmarks from which to measure the TDC's success with advertising, promotion and direct sales strategies. Research will provide the necessary information to make course corrections in marketing strategy.

### **Direct Sales**

Direct sales shall comprise a very important component of the Marketing Plan. It is vital to effectively mesh the direct sales efforts with the advertising and public relations strategies in order to be successful in winning leisure, sports and convention and conference business. Direct sales involves a host of activities directed at conference planners, travel agents, tour operators, consumers, film producers, sports promoters and others as identified including attending related trade and consumer shows, conducting sales missions, direct mail and email, and joining and becoming active in trade associations. It also involves doing a good job of servicing these groups when they come to Leon County. The advertising and public relations agencies will be

supportive and ensure printed materials, ads, and publicity are cohesive and effectively communicate the tourism related messages of the TDC and County.

### **Convention and Visitor Services**

An essential ingredient in marketing conventions to prospects is the quality of services rendered. Details must be efficiently handled to make a convention a success, such as: hotel rooms, air and ground transportation, support services, catering, etc. A welcoming and informative visitor services program is also important in making all guests feel that the County is a special destination and one worth returning to on a regular basis.

### **Special Events**

The Marketing Plan shall also recognize the importance of special events in drawing visitors to the destination, especially in shoulder months. The TDC will recommend a grant program to assist groups and organizations in marketing new and existing events that are proven or have the potential to draw overnight visitation to the County.

### **Administration**

The County will hire professional staff as necessary to handle administrative matters and to carry out its policies. The responsibilities of the director shall include but not be limited to the following:

1. Ensure all programs and activities comply with state and federal statutes and local ordinances.
2. Direct, coordinate and monitor activities of all professional staff and tourism related firms or vendors under contract with the County.
3. Develop, direct, coordinate and monitor the annual Marketing Plan as recommended by the TDC and approved by the County Commission.
4. Direct, coordinate and monitor the marketing grant program as approved by the TDC.
5. Coordinate and act as liaison to all local and regional stakeholders involved with tourist related development including the Chamber of Commerce, arts groups, state and local tourist agencies, hotels, attractions and restaurant associations, etc. Also work with local,

state and regional media to effectively communicate TDC and County programs to the public and to convey the importance of increased visitor business to the local economy.

6. All other duties as assigned.

### **Performing Arts Center**

Commencing on October 1, 2011, 30% of the tourist development tax collections shall be utilized for the construction, operation, maintenance, and associated costs of a Performing Arts Center.

### **Arts Exchange**

Commencing on October 1, 2011, 10% of the tourist development tax collections shall be utilized to support the Arts Exchange project, or other use consistent with Section 125.0104(5), Florida Statutes.

### **Summary**

The goal of the Tourist Development Council is to be a respected and trusted advisory council to the County Commission on matters relating to the expenditure of tourist development tax proceeds. It is the intention of the TDC to maximize the involvement and coordination among local stakeholders for the overall achievement of our community visitor goals. The TDC will work closely with staff and the contractors to develop and recommend the best possible annual Marketing Plan and budget with the understanding that maximizing the amount of tourist development tax dollars available for marketing is a vital consideration.

The County Commission shall adopt, upon recommendation of the TDC, a tourism vision statement and a tourism mission statement that will provide additional guidance for all TDC recommendations.

Back Print



**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Agenda Item**  
**Executive Summary**

Tuesday, January 18, 2011

<b>Title:</b> Approval to Disburse Tourist Development Performing Arts Center Funds in the Amount of \$215,000 to the Community Redevelopment Agency on behalf of the Florida Center for Performing Arts and Education
<b>Staff:</b> Parwez Alam, County Administrator Alan Rosenzweig, Assistant County Administrator Scott Ross, Budget Director

**Issue Briefing:**  
This item requests Board approval to disburse funds from the Tourist Development Performing Arts Center budget to the Community Redevelopment Agency (CRA) on behalf of the Florida Center for Performing Arts and Education in the amount of \$215,000 (Attachment #1).

**Fiscal Impact:**  
This item has a fiscal impact in the amount of \$215,000. If approved, funding will be provided from the designated Performing Arts Center Tourist Development tax revenue.

**Staff Recommendation:**  
Board Direction.

## Report and Discussion

### Background:

On September 11, 2002, by Resolution No. 02-R-43, the City Commission found the area, located within the corporate limits of the City, described as the "Downtown District" to be a slum and blighted area. The County challenged this finding and, pursuant to the Intergovernmental Conflict Resolution Act, Chapter 164, Florida Statutes, engaged in mediation with the City to resolve the differences and concerns regarding the Downtown District Community Redevelopment Area. However, both parties reached an impasse and, subsequently, on March 5, 2004, the County filed a Complaint against the City, challenging the creation of the Downtown Community Redevelopment Area.

The City and the County agreed that the conflict was better resolved through negotiation and agreement, rather than by litigation. Subsequently, in June 2004, the Board approved an Interlocal Agreement with the City and the Community Redevelopment Agency (CRA) to address the Downtown Community Development District. The Agreement addresses a number of issues relating to the overall structure of the district, the financing, and the approval of projects (Attachment #2).

Section 6(a) of the Interlocal Agreement provides that the County will impose an additional one-cent Tourist Development Tax on a countywide basis, pursuant to Section 125.0104(3)(1), Fla. Stat. (2003). The additional one-cent Tourist Development Tax may be used to promote and advance tourism in Leon County. Further, the Interlocal Agreement provides that the proceeds of one cent of the tax previously imposed by the County, pursuant to Section 125.0104(3)(c) and (d) Fla. Stat. (2003), be segregated from other Tourist Development Tax revenue, and dedicated exclusively for the costs associated with the construction and operation of a performing arts center to be located in the Downtown District Community Redevelopment Area.

Section 6(a) was amended in October 2007 to address the composition of the CRA Board to include four members of the County Commission, expanding the Downtown CRA boundaries, and other funding issues (Attachment #3). Specifically, this section was amended to include that any portion of the Tourist Development tax not needed for the payment of debt service, construction, and/or operational costs for the Performing Arts Center shall be returned to the Leon County Tourist Development Trust Fund.

On March 5, 2007, the City of Tallahassee and the Florida Center for Performing Arts and Education (FCPAE) entered into an Option Agreement for the Sale and Purchase of the proposed Performing Arts Center site (Attachment #4). The Agreement stipulated that FCPAE would meet certain fundraising milestones to demonstrate their capacity to fund the construction of the proposed Performing Arts Center, including raising \$20 million in five years, with 25% (\$5 million) of the amount raised by July 1, 2010 and 50% (\$10 million) raised by July 1, 2012. On August 25, 2010, the City Commission approved a two-year extension to this Agreement because FCPAE had not been successful in reaching the fundraising goals prescribed in the Agreement, which was primarily attributed to the economic downturn and its impact on charitable giving (Attachment #5).

On January 28, 2008, the CRA conceptually approved a request by FCPAE for \$562,500 from the designated Performing Arts Center Tourist Development funds to hire professional staff to provide public information, marketing, and fundraising services necessary to develop the proposed Performing Arts Center (Attachment #6). The funding was requested to support FCPAE operating expenses for an 18-month period, March 1, 2008 through September 30, 2009.

Subsequently, in July 2008, the County entered into an agreement with the City of Tallahassee and the CRA to utilize a portion of existing proceeds collected from the 4<sup>th</sup> cent Tourist Development Tax to demolish and clear the Johns Building. In the event FCPAE does not meet the fundraising target, the City would regain control of the property and would be obligated to reimburse the County for all expenditures related to demolishing and clearing the site (Attachment #7).

On October 14, 2008, the Board of County Commissioners considered and approved the funding request of \$562,500 from the CRA for the purpose of supporting the Performing Arts Center's fundraising efforts (Attachment #8).

The FCPAE submitted a request to the CRA on October 11, 2010 for \$215,000 in funding to support their operational costs for the period of October 1, 2010 through September 30, 2011.

**Analysis:**

At its October 18, 2010 meeting, the CRA voted unanimously (Commissioners Dailey, Thael, and Lightsey were not present) to conceptually approve a funding request from FCPAE in the amount of \$215,000 to support its operational expenses for FY 2011. FCPAE's total proposed operating budget for FY 2011 is \$318,239. The budget includes the \$215,000 funding request, in addition to \$103,239 in CRA funding, which FCPAE has retained from the prior \$562,500 funding agreement. FCPAE has identified \$96,000 of in-kind contributions for the proposed budget period. If approved, funding will be provided from the designated Performing Arts Center Tourist Development tax revenue.

FCPAE notified the City, on August 6, 2010, that they did not meet the \$5 million fundraising threshold, and requested an amendment to extend the term of the agreement by two years.

On August 25, 2010, the City Commission approved an amendment to the Option Agreement for Sale and Purchase, which includes the following:

- Extends the term of the agreement to July 1, 2014;
- Provides that by July 1, 2012, FCPAE must provide documentation demonstrating that the Center has raised cash or binding commitments or equivalents, \$5 million;
- Provides that by July 1, 2014, provide documentation demonstrating that the center has raised in cash or binding commitment or equivalents, \$10 million; and
- Provides language that if FCPAE fails to meet any of these performance deadlines, the City, at its sole discretion, may terminate the Option Agreement.

FCPAE's lack of fundraising success was attributed to the economic downturn and its impact on charitable giving.

In response to the dramatic changes in the economic environment, FCPAE developed a comprehensive strategic plan with itemized tasks to be implemented by 2012. The plan focuses on the following:

- A public awareness campaign regarding the performing arts facility
- A financing strategy which includes advocating for the performing arts facility to be included as part of an extension of the 1% local option sales tax
- Developing the programming that would be offered at the performing arts facility
- Implementing an aggressive capital campaign to secure the necessary private funding
- Developing and strengthening the FCPAE Board of Directors.

**Options:**

1. Approve the disbursement of Tourist Development Performing Arts Center Funds in the amount of \$215,000 to support operational expenses for the Florida Center for Performing Arts and Education for FY 2010-2011.
2. Do not approve the disbursement of Tourist Development Performing Arts Center Funds in the amount of \$215,000.
3. Board Direction.

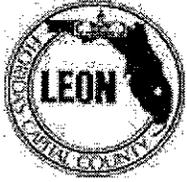
**Recommendation:**

Board Direction.

**Attachments:**

1. Funding Request From the Florida Center for Performing Arts and Education Inc. Conceptually Approved by the Community Redevelopment Agency
2. Interlocal Agreement between Leon County, the City of Tallahassee, and the CRA
3. First Amendment to Interlocal Agreement between Leon County, the City of Tallahassee, and the CRA
4. Option Agreement for Sale and Purchase between the City of Tallahassee and the Florida Center for Performing Arts and Education
5. City Commission August 25, 2010 Agenda Item ("Discussion of Request for Amendment to Extend Purchase Option Agreement with the Florida Center for Performing Arts and Education Inc.")
6. Funding Agreement between the CRA and the Florida Center for Performance Arts and Education
7. Agreement to Use Tourist Development Funds to Demolish the Johns and Clemons Buildings between Leon County, the City of Tallahassee, and the CRA
8. October 14, 2008 Agenda Item (without attachments)

Back Print



## Board of County Commissioners

Leon County, Florida  
www.leoncountyfl.gov

### Agenda Item Executive Summary

Tuesday, February 08, 2011

**Title:**

Consideration of a Funding Request in an Amount not to exceed \$31,000 to support the Mary Brogan Museum's Baroque Paintings Project

**Staff:**

Parwez Alam, County Administrator  
Alan Rosenzweig, Assistant County Administrator  
Scott Ross, Director, Office of Management and Budget

**Issue Briefing:**

This item requests Board consideration of a funding request, in an amount not to exceed \$31,000, to support the Mary Brogan Museum's display of the Baroque Painting in Lombardy from the Pinacoteca di Brera, one of the most prestigious museums in Italy (Attachment #1).

**Fiscal Impact:**

This item has a fiscal impact in the amount of \$31,000. If the Board chooses to amend the current CRA Interlocal Agreement with the City of Tallahassee (Attachment #2) to allow for the support of projects such as the Baroque Paintings display, funds are available in the designated Tourist Development tax revenue. If the Board chooses not to amend the Interlocal Agreement, funds are available in the General Fund contingency reserves (Attachment #3).

**Staff Recommendation**

Board Direction.

## Report and Discussion

### Background:

For the first time in history, Pinacoteca di Brera, one of the most prestigious museums in Italy, will lend fifty masterpieces from the 16<sup>th</sup> and 17<sup>th</sup> centuries to another museum (Attachment #1). This unique collection will debut, outside of the usual international circuit from March 18, 2011 through July 24, 2011, at The Mary Brogan Museum. Baroque Painting in Lombardy from the Pinacoteca di Brera is an exclusive exhibition created by the genius of renowned artists such as Vincenzo Campi, Nuvolone, Daniele Crespi, Sofonisba Anguissola (the first internationally recognized female artist), and many others who embody the signature traits of Baroque Painting. This exhibition will offer a unique opportunity to experience a sampling of Italy's countless artistic treasures at a time when resources that can be devoted to international travel are increasingly scarce.

At the January 18, 2011 Board meeting, Commissioner Dozier requested staff agenda an item to consider possible resources and funding options to support the Mary Brogan Museum's display of the Baroque Paintings.

### Analysis:

The Baroque Paintings exhibition is considered one of the most significant cultural exchange projects between the United States and Italy. Due to the economic downturn, resources devoted to international travel are increasingly scarce. Having such a renowned exhibit to become available in our community is an opportunity to advance tourism and economic development in Leon County.

The Mary Brogan Museum was tasked with raising \$100,000 to support the display of the Baroque Paintings project by January 31, 2011. Through its fundraising efforts, as of January 27, 2011, the Museum has raised \$69,000. However, Museum staff expects to receive additional donations before the deadline. Therefore, the Board's contribution would not exceed \$31,000. Below are funding options the Board may consider if it chooses to support this project.

### Performing Arts Center Tourist Development Tax

In June 2004, the Board approved an Interlocal Agreement with the City and the Community Redevelopment Agency (CRA) to address the Downtown Community Development District (Attachment #2). The Agreement addresses a number of issues relating to the overall structure of the district, the financing, and the approval of projects. Specifically, Section 6(a) of the Interlocal Agreement provides that the County will impose an additional one-cent Tourist Development Tax on a countywide basis, pursuant to Section 125.0104(3)(1), Fla. Stat. (2003), which may be used to promote and advance tourism in Leon County.

Further, the Interlocal Agreement provides that the proceeds of one cent of the tax previously imposed by the County be segregated from other Tourist Development Tax revenue, and dedicated exclusively for the costs associated with the construction and operation of a performing arts center to be located in the Downtown District Community Redevelopment Area.

The Board may consider contacting the City in an effort to amend the current Interlocal Agreement to allow for the support of projects such as the Baroque Paintings display. Because exhibits of this caliber are rare in Leon County, it's expected to attract arts lovers and other members of the general public into our community. In fact, the Museum has been contacted by the CBS Morning Show to air a potential segment on the display. If the Board chooses this option, funding is available in the designated Performing Arts Center Tourist Development Tax revenue.

As discussed at the January 18, 2011 meeting (Attachment #4), the Florida Center for Performing Arts and Education (FCPAE) has not met its fundraising goals, as specified in the Option Agreement with the City, and was provided a two-year extension to this agreement at the City's August 25, 2010 meeting. In addition, the FCPAE President informed the Board that the Committee will provide a revised plan this summer on the scope of the project. However, in the meantime, the Board has the opportunity to utilize a portion of these funds to advance tourism in the County through support of projects such as the Mary Brogan Baroque Paintings.

General Fund Contingency

If the Board chooses not to utilize funds from the designated Performing Arts Center Tourist Development tax, funding is also available in the Board's general fund contingency reserves to support this project (Attachment #3).

**Options:**

1. Authorize staff to contact the City of Tallahassee to amend the current CRA Interlocal Agreement to support projects such as the Mary Brogan Baroque Paintings display from the designated Performing Arts Center Tourist Development tax revenue.
2. Approve the funding request in an amount not to exceed \$31,000 from General Fund Contingency and approve the Budget Amendment Request.
3. Do not authorize staff to contact the City of Tallahassee to amend the current CRA Interlocal Agreement.
4. Do not approve the funding request in the amount of \$31,000 from General Fund Contingency.
5. Board Direction.

**Recommendation:**

Board Direction.

Attachments:

1. Mary Brogan Baroque Paintings Exhibit Information
2. First Amendment to Interlocal Agreement between Leon County, the City of Tallahassee, and the Community Redevelopment Agency
3. Budget Amendment Request
4. January 18, 2011 Agenda Item (Without Attachments)

**Board of County Commissioners**  
**Tuesday, February 08, 2011 Meeting - Follow-Up Memo**

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**To:** Honorable Chairman and Members of the Board

**From:** Parwez Alam, County Administrator

**Subject:** Follow-up to County Commission Meeting of February 8, 2011

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- Item 27 Consideration of Funding Request in an Amount not to Exceed \$31,000 to Support the Mary Brogan Museum's Baroque Paintings Project  
(Office of Management and Budget – Alan Rosenzweig/Scott Ross)
- **Commissioner Dozier moved, seconded by Commissioner Akinyemi, to approve Option #2: Approve the funding request in an amount ~~not to exceed \$31,000~~ of \$15,000 from General Fund Contingency and approve the Budget Amendment Request.**

**The motion passed 7-0.**

# LEON COUNTY

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## TOURIST DEVELOPMENT COUNCIL

DATE: March 4, 2011

TO: Honorable Chairman and members of the Leon County  
Board of County Commissioners

FROM:  Marc Bauer, Chairman  
Tourist Development Council

SUBJECT: TDC Recommendation on the Current Structure of TDT Revenues

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The Leon Council Tourist Development Council (TDC) met on Thursday, March 3, 2011 for its regularly scheduled meeting. At this meeting, the TDC discussed the current structure for the expenditure of the five-cent Tourist Development Tax and the changes scheduled to take place on October 1, 2011. After discussion, the TDC unanimously approved a motion to offer the following recommendation:

“Due to the current economic climate and the need to create and preserve jobs, the Tourist Development Council recommends a 2-year hiatus in implementing the additional tourist development tax revenue to the Performing Arts Center, Arts Exchange and COCA.”

Please feel free to contact me or Lee Daniel at 606-2310 should you need our further assistance. Thank you for your favorable consideration.



**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Budget Discussion Item**  
**Executive Summary**

March 17, 2011

**Title:**

Status Update Regarding the Current Level of Service Provided by the Leon County Community Centers, Consideration of Funding for an Additional Community Center Attendant, and an Update on the Miccosukee Community Center

**Staff:**

Parwez Alam, County Administrator *PA*  
Vincent S. Long, Deputy County Administrator *VSL*  
Alan Rosenzweig, Assistant County Administrator *AR*  
Scott Ross, Budget Director *SR*  
Tony Park, Public Works Director

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**Issue Briefing:**

This budget discussion item addresses the current level of service provided by the Leon County Community Centers, consideration of funding for an additional community center attendant, and a status update regarding the Miccosukee Community Center.

**Fiscal Impact:**

This item may have a fiscal impact to both the operating and capital improvement budgets depending on Board direction.

***Operating Budget Impact:***

If approved, funding for an additional community center attendant to service the community centers will be included in the development of the FY 2012 budget. The position will be additional \$83,108 (\$56,108 for personnel and operating costs; \$27,000 for one-time capital costs) to Parks and Recreation operating budget.

***Capital Improvement Project Impact:***

If the Board chooses to pursue grant funding for the new Miccosukee Community Center, approximately \$186,000 for design will need to be included in FY 2012 and up to \$1.8 million for construction in FY2013 funding, depending on the amount of grant funding the County receives.

**Staff Recommendation:**

Board Direction.

## Report and Discussion

### Background:

During the December 13, 2010 Retreat, the Board dissolved the Fort Braden and Miccosukee Community Center focus groups as well as the Miccosukee Recreation Council. The Board directed staff to conduct, at minimum, an annual community meeting for each community center area to receive citizen input. In addition, the Board requested that a smaller group be established to receive citizen input and community involvement regarding the potential development of a new community center in the Miccosukee Area. These actions were subsequently ratified at the December 14, 2010 Board meeting.

During the January 18, 2011 meeting, the Board directed staff, as requested by Commissioner Akinyemi, for a review for all community centers to determine the usage and needs. This item addresses the current level of service provided by the community centers, consideration of funding for an additional community center attendant, and a status update regarding the Miccosukee Community Center.

### Analysis:

#### I. Current level of Service:

Currently, Leon County has five community centers located in Bradfordville, Chaires, Fort Braden, Miccosukee, and Woodville. In addition, the County is currently renovating space in the Huntington Oaks Plaza for the Lake Jackson Community Center (attachment #1).

Each community center is open for public use and can be reserved through the Parks and Recreation Department. In 2010, each community center was used an average of 386 times. Table #1 outlines the number of scheduled events at the community centers as well as estimates the population of the community that it serves (attachment #2).

**Table #1: Leon County Community Center Statistics**

Community Center	Square Footage	Population Served w/in 1 Mile Radius*	Population Served w/in 3 Mile Radius*	Population Served w/in 5 Mile Radius*	2009 # of Scheduled Events	2010 # of Scheduled Events
Bradfordville School House	493	385	12,405	39,145	355	416
Dorothy Cooper Spence Community Center	2,375	435	4,235	13,105	423	435
Fort Braden Community Center	7,079	405	1,860	2,790	395	397
Miccosukee Community Center	2,404	355	1,270	2,125	296	361
Woodville Community Center	6,049	230	3,360	11,625	304	320
<i>New Community Center: Lake Jackson</i>	3,235	2,550	25,540	88,245	NA	NA
<b>Total</b>	<b>22,458</b>	<b>4,360</b>	<b>48,670</b>	<b>157,040</b>	<b>1,773</b>	<b>1,929</b>

\*Note: Population Served estimates are based on a one to five mile radius from each the community centers. The formula used is as follows: total residential households multiplied by the average number of occupants (2.7 people), as estimated by GIS and the Planning Department. In addition, the numbers are rounded to reflect more an estimate as opposed to an exact number.

**II. Community Center Staffing:**

In 2005, the daily operations management of the four community centers was transferred from Facilities Management to the Parks and Recreation Division. As originally planned, the daily operations of the centers intended to have two community center attendants maintaining the four community centers or a ratio of one attendant to two community centers. These community center attendants not only maintain the centers (approximately 12,351 square feet), but also open and close the facilities for events during the week and weekends.

Two additional centers will be open since Parks and Recreation started maintaining the daily operations of the community centers: Woodville Community Center (2007) and the Lake Jackson Community Center (Fall 2011). The additional square footage of these two community centers is 10,100 or an increase of 122% square feet. As a result of the two additional community centers, the current maintenance ratio (1:2) will be reduced to approximately one attendant to three community centers (1:3).

In order, to bring the ratio back to the level originally intended, staff is proposing to add an additional community center attendant to the Parks and Recreation FY 2012 budget. The estimated cost of this position is \$83,108 (\$56,108 for personnel and operating costs; \$27,000 for one-time capital costs). Table #2 summarizes the initial operating impacts of this position.

**Table #2: Position Initial Operating Impacts**

<b>Budgetary Costs</b>	<b>FY 2012</b>
Personnel	\$36,488
Operating	\$11,700
Transportation	\$7,920
<i>Subtotal</i>	<i>\$56,108</i>
Capital Equipment: Truck	\$27,000
<b>Total</b>	<b>\$83,108</b>

**III. Miccosukee Community Center:**

The Miccosukee Community Center was the first operating community center in Leon County, opening its doors in the mid 1950s. The Center is located on one acre of land donated by a family to the County in 1958. An additional one acre, adjacent to the facility, was purchased in 1995 by the County for auxiliary parking. The current community center is 2,404 square feet and provides a meeting and gathering space for residents and community groups in the Miccosukee Community (Attachment #3).

For the past two calendar years, the center has hosted 657 activities (296 in 2009 and 361 in 2010). These activities include Little League meetings, family reunions, funerals, Senior Fitness and monthly Senior Days, classes conducted by Dr. Mary Young, voting activities including "Meet the Candidates" forums, and various other community activities. During the April 13, 2010 meeting, the Board approved the Cooperative Community Gardening Program. The community is utilizing the open space adjacent to the Miccosukee Park, previously designated for the new community center.

Title: Status Update Regarding the Current Level of Service Provided by the Leon County Community Centers, Consideration of Funding for an Additional Community Center Attendant, and an Update on the Miccosukee Community Center

March 17, 2011

Page 4

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Renovations and Funding:

Since FY 2004, approximately \$271,000 has been spent on renovations and maintenance to the Miccosukee Community Center. The renovations and improvements initially approved by the Board during the June 27, 2007 workshop included replacing both rear deck and stairs, reversing the exit door swings, replacing all existing door hardware, restroom and plumbing improvements and installing additional exit lighting and smoke detectors. In addition staff has also addressed the following: chairs, tables, stove, refrigerator, audio visual screen, ceiling tiles, outdoor carpet for the front porch, flag pole, interior signs, blinds, AED unit, DVD/VCR, windows, shed roof, new front door, new kitchen floor, exterior painting, and additional insulation.

During the October 24, 2006 meeting, the Board approved the reallocation of \$800,000 from the Northeast Community Park to the Miccosukee Community Center project. This additional funding was towards the construction of the new community center and the total budget for the new Center was now \$1.5 million.

A public hearing was held on August 22, 2006 to purchase land adjacent to the park for the construction of a new center (attachment #4). The Board approved the purchase of three parcels of land for approximately \$517,000, which includes fees associated with the purchase. The FY 2007 budget allocated an additional funding to the Miccosukee Community Center preliminary design of the new community center.

In preparation for the FY 2008 budget and as a preemptive action on the impending property tax reductions, the Board implemented a 120 day freeze on capital projects in order to provide the Board with flexibility in the prioritization of projects as part of the FY 2008 budget cycle.

During the June 27, 2007 budget workshops, the Board was informed that the cost of a new community center in Miccosukee would be \$2.5 million. However, the cost to repair the existing facility was estimated at \$100,000. The Board directed that the existing facility be repaired rather than construct a new facility in light of budget constraints and reductions.

Proposed New Community Center:

During the June 22, 2010 FY11 Budget Workshop, the Board discussed a status report on the past funding allocations and renovations to the Miccosukee Community Center (attachment #5). The Board planned \$500,000 in FY 2012 for the funding of a community center, however, this is out-year funding that requires appropriation as part of the annual budget process.

Staff evaluated a new center of 5,000 square feet and would be located on the land purchased by the County in 2006. Relocating the new facility to this site will allow for a larger center; the land which the current community center is on cannot support a new facility of this size. This new facility is estimated to cost \$380 per square foot or \$1.9 million.

In addition to allocating funding in FY 2012, the Board directed staff to make every effort for this project to be 'revenue neutral' by pursuing Community Development Block Grants (CDBG) as well as evaluating the sale of the property currently owed by the County in the Miccosukee Community.

As a result of this direction, the Grants Coordinator has determined that there are limited grant sources for the construction phase of this project. The two most potential grants are a competitive state grant (Small Cities CDBG) and a competitive federal grant (USDA Community Facilities). Due to the current economic environment, staff does not recommend pursuing the sale of this property.

Small Cities Community Development Block Grant:

Based upon population size, Leon County falls into the Small Cities Community Development Block Grant (CDBG) category. Unlike the larger counties, which annually receive funding directly from HUD, Leon County must compete for a limited amount of funding with all small cities and counties within Florida. The Small Cities CDBG application process requires a County to choose a category in which to apply. These categories are Housing, Neighborhood Revitalization, Commercial Revitalization and Economic Development.

Traditionally, the County application has been for housing, although an Economic Development project was submitted and funded for the Capital City Commercial Park a few years ago. With the exception of the Economic Development grants, an applicant can only apply for *one* grant. Funding for a community center is eligible under the Neighborhood Revitalization Category although that activity generates the lowest number of points. To be competitive, the County would need to:

- Supply substantial match to the project
- Plans and specifications drawn up by the time the application is submitted
- Survey the area and determine at least 51% of the population benefiting from the project is low to moderate individuals. To obtain maximum points in this category, 70% of the beneficiaries need to be LMI.

USDA Community Facilities Grant:

The Rural Development grants through the USDA may be used to assist in the development of essential community facilities. Grant funds can be used to construct, enlarge, or improve community facilities for health care, public safety, and community and public services. The amount of grant assistance for project costs depends upon the median household income and the population in the community where the project is located and the availability of grant funds. In most instances, projects which receive grant assistance have a high priority and are highly leveraged with other loan and grant awards. Grant assistance may be available for up to 75% of project costs. Grant funding limitations are based on population and income, economic feasibility, and availability of funds. Projects will be selected based on a priority point system. Projects that will receive priority are those that:

- Serve small communities - with the highest priority going to projects located in a community with a population of 5,000 or less.
- Serve low-income communities with the highest priority going to projects serving communities with median household incomes below the higher of the poverty line or 60% of the State non-metropolitan median household income.
- Provide healthcare, public safety, or public and community services.

Title: Status Update Regarding the Current Level of Service Provided by the Leon County Community Centers, Consideration of Funding for an Additional Community Center Attendant, and an Update on the Miccosukee Community Center

March 17, 2011

Page 6

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The USDA Field Office is sending a pre-application checklist to the County to complete and submit. If the County qualifies for assistance, they would assist the County in developing the full application. This grant would also require some basic services to be provided at the location.

If the Board chooses to move forward with pursuing grant funding for the new community center, then \$186,000 for the design of the building will need to be included in the FY 2012 budget. This funding is necessary in order to comply with the requirements of the CDBG grant. As directed by the Board, a small citizens group will be established to receive input and community involvement regarding the design and programming of the new center. Also, funding for the construction of the new center will need to be included in the FY 2013 capital budget of up to \$1.8 million, depending on the amount of grant funding the County receives.

**Options:**

1. Accept the status report on the Leon County Community Centers.
2. Direct staff to include \$83,108 (\$56,108 for personnel and operating costs; \$27,000 for one-time capital costs) in funding for an additional community center attendant in the Tentative FY 2012 Budget.
3. Direct staff to pursue grant funding for the new Miccosukee Community Center and include budget \$186,000 for design in FY 2012 and up to \$1.8 million for construction in FY2013.
4. Board Direction.

**Recommendation:**

Board Direction.

**Attachments:**

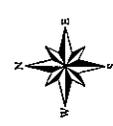
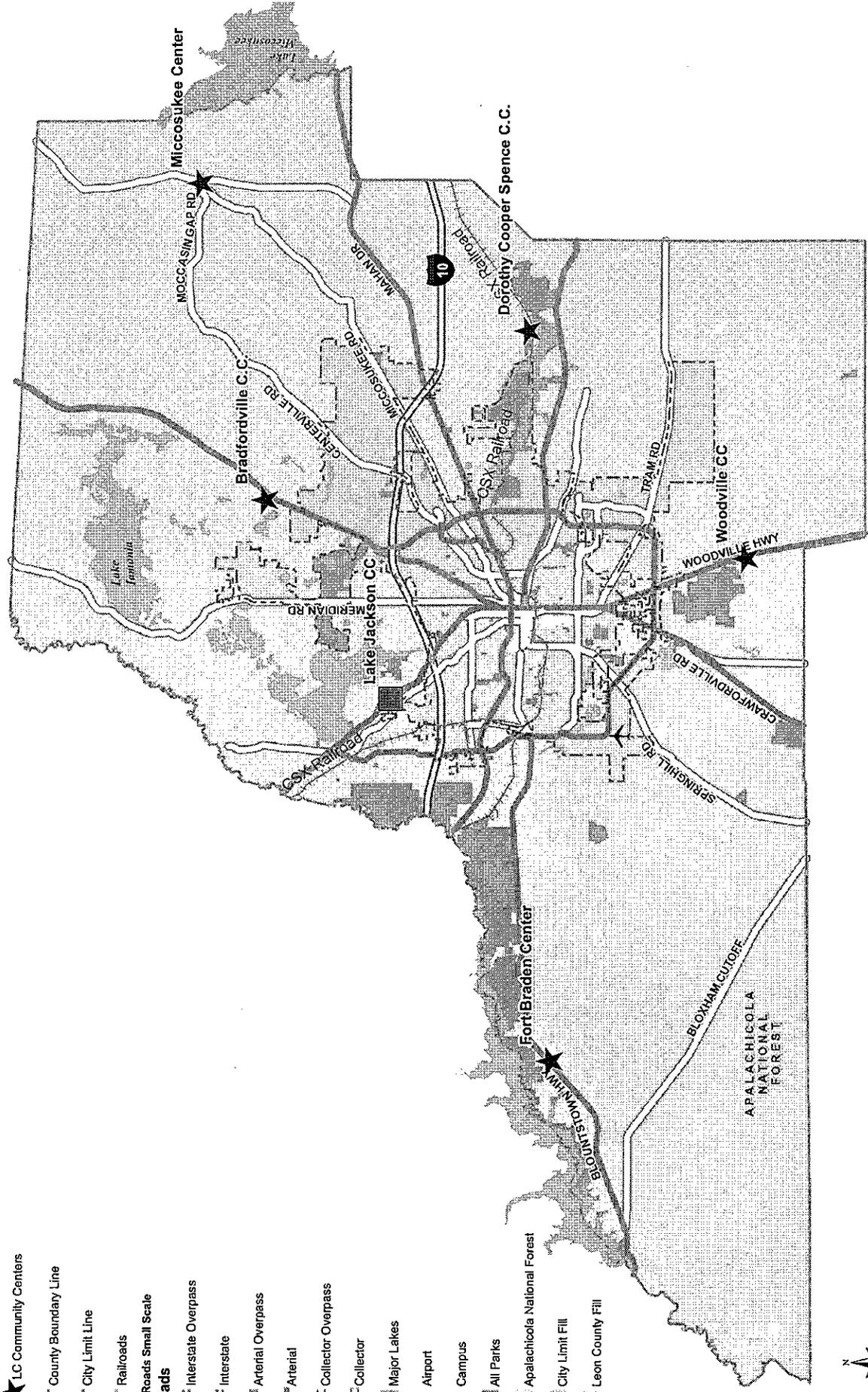
1. Map of the Community Centers
2. Map of the Service Areas for the Leon County Community Centers
3. Map of Miccosukee Community Center
4. August 22, 2006 Public Hearing to Purchase Land Adjacent to the Park for the Construction of a New Miccosukee Community Center
5. June 22, 2010 FY11 Budget Workshop: Status Report on the Past Funding Allocations and Renovations to the Miccosukee Community Center

PA/AR/WR/CLP

# Leon County Community Centers

**Legend**

-  Lake/Jackson CC
-  LC Community Centers
-  County Boundary Line
-  City Limit Line
-  Railroads
- All Roads Small Scale Roads**
-  Interstate Overpass
-  Interstate
-  Arterial Overpass
-  Arterial
-  Collector Overpass
-  Collector
-  Major Lakes
-  Airport
-  Campus
-  All Parks
-  Apalachicola National Forest
-  City Limit Fill
-  Leon County Fill



Scale of Map  
 1 inch = 24,385 feet  
 0 0.5 1 2 3 4 Miles

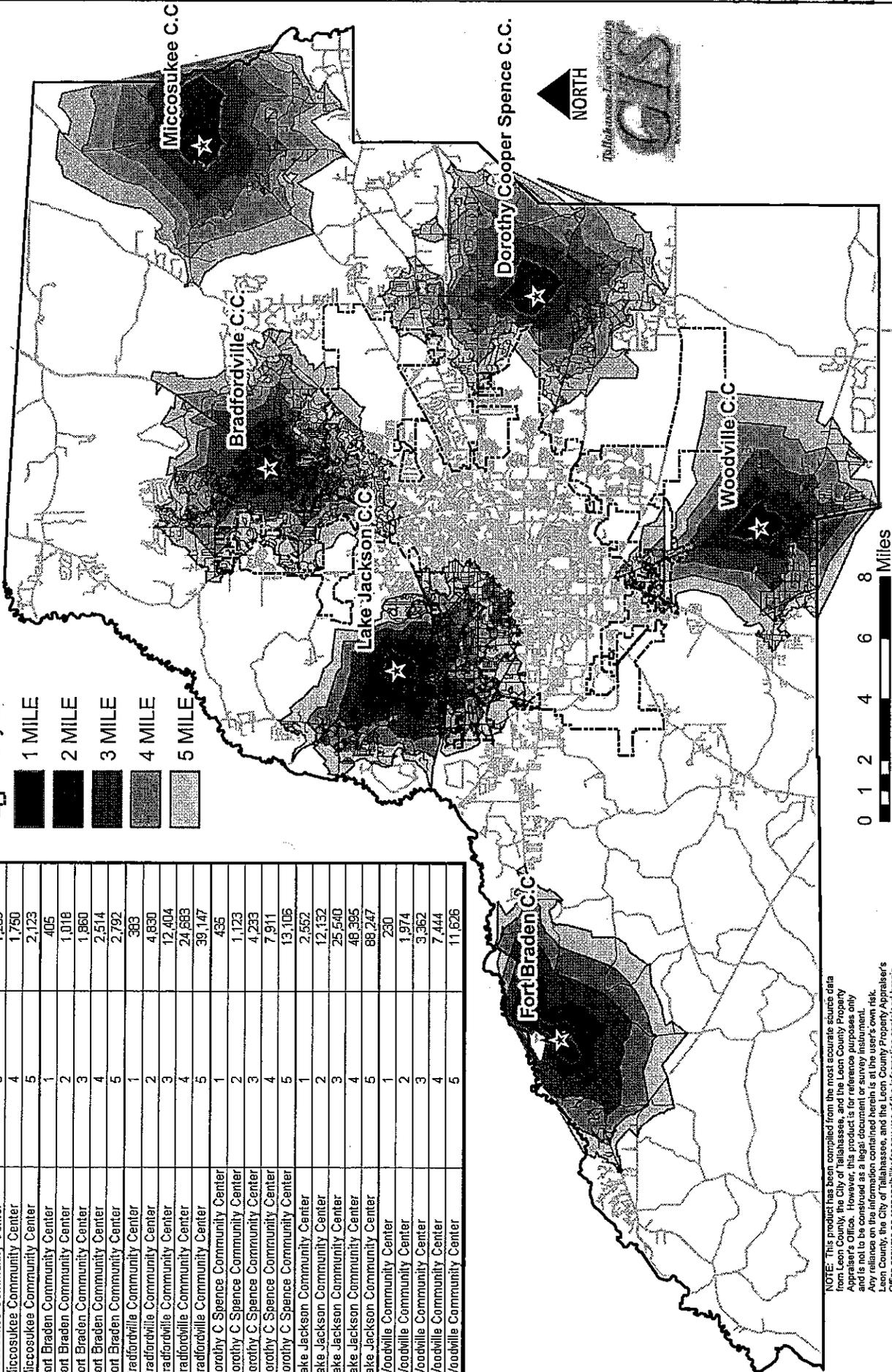


# SERVICE AREAS FOR LEON COUNTY COMMUNITY CENTERS

★ Leon Community Centers



Community Center Name	Distance (Road Miles)	Est. Population
Micosukee Community Center	1	354
Micosukee Community Center	2	851
Micosukee Community Center	3	1,289
Micosukee Community Center	4	1,750
Micosukee Community Center	5	2,123
Fort Braden Community Center	1	405
Fort Braden Community Center	2	1,018
Fort Braden Community Center	3	1,860
Fort Braden Community Center	4	2,514
Fort Braden Community Center	5	2,792
Bradfordville Community Center	1	363
Bradfordville Community Center	2	4,830
Bradfordville Community Center	3	12,404
Bradfordville Community Center	4	24,563
Bradfordville Community Center	5	39,147
Dorothy C Spence Community Center	1	435
Dorothy C Spence Community Center	2	1,123
Dorothy C Spence Community Center	3	4,233
Dorothy C Spence Community Center	4	7,911
Dorothy C Spence Community Center	5	13,105
Lake Jackson Community Center	1	2,552
Lake Jackson Community Center	2	12,132
Lake Jackson Community Center	3	25,540
Lake Jackson Community Center	4	48,395
Lake Jackson Community Center	5	88,247
Woodville Community Center	1	230
Woodville Community Center	2	1,974
Woodville Community Center	3	3,362
Woodville Community Center	4	7,444
Woodville Community Center	5	11,626



NOTE: This product has been compiled from the most accurate source data from Leon County, the City of Tallahassee, and the Leon County Property Appraiser's Office. However, this product is for reference purposes only and is not to be used as a legal document or survey instrument. The Appraiser's Office assumes no responsibility for any use of the information contained herein or any loss resulting therefrom.



## Board of County Commissioners Agenda Request 54

**Date of Meeting:** August 22, 2006

**Date Submitted:** August 16, 2006

**To:** Honorable Chairman and Members of the Board  
**From:** Parwez Alam, County Administrator  
Tony Park, P.E., Director of Public Works  
**Subject:** First and Only Public Hearing to Consider Authorization of Purchase and Sale Agreement for Purchase of Tilden Parcel for Construction of the New Miccosukee Community Center

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**Statement of Issue:**

Conduct the first and only public hearing regarding the purchase of the 3.3-acre Tilden parcel located on Veterans Memorial Drive, identified as Parcel ID No. 1609202080000, for the construction of the new Miccosukee Community Center. The property is identified as Parcel B on the attached map (Attachment #1).

**Background:**

Parcel B is the center parcel of three adjoining properties proposed for the construction of the new Miccosukee Community Center. The other two properties are identified on the attached map as Parcel A (Walker parcel), and Parcel C (Belson parcel). The three properties, combined, are located in the center of the Miccosukee community in Section 9, Township 2 North, Range 3 East, at the intersection of Veterans Memorial Drive and Cromartie Road. Staff has identified the three parcels, combined, as the best location for the construction of a new Miccosukee Community Center because this location would allow for efficiencies and opportunities for shared uses with infrastructure at the adjacent Miccosukee Community Park and provide a focal point for the community.

At the March 14, 2006 Board meeting, the Board directed staff to bring back contracts for the purchase of the three properties. Staff had each of the properties appraised and has negotiated Purchase and Sale Agreements, subject to Board approval, for the purchases. Each Purchase and Sale Agreement is contingent upon Board approval of the other two.

**Analysis:**

Staff obtained appraisals of the Tilden parcel from Ketcham Appraisal Group and from Boutin Brown Realty Advisors, Inc. Although the property is zoned for Rural Commercial, each of the appraisers concluded that the highest and best use of the property was for a single-family homesite. The Ketcham appraisal concluded at a value of \$50,000, as of February 8, 2006, while the Boutin appraisal concluded at a value of \$105,000, as of April 22, 2006. The average of the two appraisals amounts to \$77,500. Because of the reluctance of the owner to sell, staff offered a purchase price of \$105,000 based on the higher of the two appraisals. The offer was rejected because the owner disagrees with the appraisers' conclusion of a residential highest and best use, and believes that the property should be valued based on a comparison to sales of commercial properties.

Staff met with the Boutin appraiser and asked if such an interpretation was valid. The appraiser agreed that a section of the property might have potential for commercial use if and when that need is shown for the area which, at such future time, could result in a future value of up to \$200,000. However, neither appraiser changed their opinion of the current market value of the property. The owner is reluctant to sell the property at this time and would apparently prefer to hold the property until such time that it becomes desirable for commercial development. As such, the lowest written counteroffer received from the owner is the \$287,000 offer in the proposed Purchase and Sale Agreement (Attachment #2). Given staff discussions with the owner, it is believed that further negotiation is not warranted.

As required by County Policy No. 03-01 (5)(b), in any acquisitions of real property not under the threat of condemnation, the County Administrator's authority to accept or reject offers to or from property owners stops at any offer in excess of \$50,000. In addition, if the amount exceeds \$250,000, it shall be considered by the Board at a public hearing no earlier than 30 days after notice of such public hearing is advertised in a newspaper of general circulation published in the County. The Board authorized the scheduling of the Public Hearing at its July 11, 2006 regular meeting, and the Notice of Public Hearing was advertised in the Tallahassee Democrat on July 20, 2006 (Attachment #3).

Assuming the counteroffer for the Tilden property is approved by the Board, the total purchase price of the three parcels would be \$512,000. Currently, there are funds available in the FY 05-06 CIP budget to cover the purchase of Parcels A and C. Those purchases are being presented to the Board under General Business on this Agenda. Additional funds become available in the FY 06-07 budget. Since staff does not anticipate closing on the Tilden parcel until after October 1, 2006, funding would be available for the purchase of this parcel as well.

The County Attorney has expressed a concern that the proposed purchase price exceeds the average appraised value by such an excessive amount that the Board may not be able to justify the purchase as being in the best interest of the public.

In order for the Board to determine that the proposed purchase is in the best interest of the public, the County Attorney has suggested that the Board make specific findings of fact based on consideration of the following factors:

- The Tilden parcel is the last piece of an assemblage of parcels for new community center. It is not uncommon for the purchaser of such an assemblage to pay a premium above market value in order to secure the purchase of the final parcels.
- In staff's research to determine the availability of land for purchase in the Miccosukee area, at least five acres in size, it was determined that there was nothing available other than in an assemblage of smaller parcels.
- The preferred location for the new community center is adjacent to the Miccosukee Community Park. It is not uncommon for a purchaser to pay a premium above market value in order to secure a purchase in a preferred location.
- Staff has been unable to locate any other appropriate parcels in the Miccosukee area with owners willing to sell.
- The only other option to acquire land for the new community center is to proceed with an acquisition under the threat of eminent domain. Although the County Attorney is confident that sufficient public purpose and necessity exists to support an eminent domain acquisition of the Tilden parcel, there is no assurance, given the significant additional costs involved with such an acquisition, that the amount of full compensation required to be paid for the Tilden parcel would be less than the proposed voluntary purchase price.

If the Board chooses to reject the proposed Purchase and Sale Agreement for the Tilden parcel, staff recommends that the proposed Purchase and Sale Agreements for Parcel A (Walker parcel) and Parcel B (Belson parcel) should also be rejected under the accompanying agenda request on the General Business agenda. Upon Board direction, staff would then begin a search for a different location for the new community center.

**Options:**

1. Conduct the first and only public hearing regarding the Purchase and Sale Agreement for purchase of the Tilden parcel for the construction of the New Miccosukee Community Center and provide Board direction.
2. Conduct the first and only public hearing regarding the Purchase and Sale Agreement for purchase of the Tilden parcel for the construction of the New Miccosukee Community Center and approve the Purchase and Sale Agreement for the Tilden parcel (Parcel B) for \$287,000 and authorize the County Administrator, or designee, to execute all documents necessary to complete the transaction.
3. Conduct the first and only public hearing regarding the purchase of Tilden parcel for the New Miccosukee Community Center and do not approve the Purchase and Sale Agreement.

**Recommendation:**

Option #1.

Attachments:

1. Location Map
2. Purchase & Sale Agreement
3. Notice of Public Hearing

Additional Information



**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Budget Discussion Item**  
**Executive Summary**

June 22, 2010

**Title:**

Acceptance of the Status Report on the Miccosukee Community Center

**Staff:**

Parwez Alam, County Administrator  
Alan Rosenzweig, Assistant County Administrator  
Scott Ross, Budget Director

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**Issue Briefing:**

This item is a status report on the Miccosukee Community Center on the funding provided to the Center for facility improvements and renovations. During the April 13, 2010 meeting Commissioner Akinyemi requested staff develop a budget discussion item regarding the Miccosukee Community Center.

**Fiscal Impact:**

There is no fiscal impact if the Board implements staff recommendation. Construction for this facility is estimated to cost \$2.12 million.

**Staff Recommendation:**

Option #1: Accept the status report on the Miccosukee Community Center.

Title: Acceptance of the Status Report on the Miccosukee Community Center  
June 22, 2010  
Page 2

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## Report and Discussion

### **Background:**

The Miccosukee Community Center was the first operating community center in Leon County, opening its doors in the mid 1950s. The Center is located on one acre of land donated by a family to the County in 1958. An additional one acre was purchased in 1995 by the County adjacent to the facility for auxiliary parking.

During the September 23, 2003 meeting, the Board modified the One-Cent Sales Tax Extension project list to include Greenways and Parks and Recreation (attachment #1) prior to the adoption of the FY 2004 Budget. Miccosukee Community Center was on the project list and funded at \$50,000 for improvements to the existing facility (including code compliance, accessibility, ceiling, and wallboard replacements). During FY 2004 community meetings were held in an effort to gather input from members of the community regarding the facility improvements. During this fiscal year approximately \$11,956 of improvements were made to the facility.

In FY 2005, an additional \$110,000 was allocated to the Miccosukee Community Center for renovations to the facility as well as adding an additional 500 square feet "multi use" space.

During the January 25, 2005 Parks and Facilities Workshop, an additional \$190,288 was approved by the Board to support the renovation of the Center. The Board further directed staff not to proceed with the renovations to the facility until an official scope of project could be defined by the Board subsequent to a Town Hall meeting.

On September 20, 2005, the Board conducted a workshop on the funding allocation of the County Community Centers. During this workshop, the Board authorized an additional \$175,000 to be added to the existing budget for the construction of a new Miccosukee Community Center.

A public hearing was held on August 22, 2006 to purchase land adjacent to the park for the construction of a new center. The Board approved the purchase of three parcels of land for approximately \$500,000, which includes fees associated with the purchase. The FY 2007 budget allocated an additional \$500,000 to the Miccosukee Community Center for land acquisition and preliminary design for a new community center.

During the October 24, 2006 meeting, the Board approved the reallocation of \$800,000 from the Northeast Community Park to the Miccosukee Community Center project. This additional funding was towards the construction of the new community center and the total budget for the new Center was now \$1.5 million.

In preparation for the FY 2008 budget and as a preemptive action on the impending property tax reductions, the Board implemented a 120 day freeze on capital projects, including the new Miccosukee Community Center. The purpose of this freeze was to provide the Board with flexibility in the prioritization of projects as part of the FY 2008 budget cycle.

Title: Acceptance of the Status Report on the Miccosukee Community Center  
June 22, 2010  
Page 3

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During the June 27, 2007 budget workshops, the Board was informed that the cost of a new community center in Miccosukee would be \$2.5 million. Approximately \$1.2 million dollars in additional funds would be needed to complete the new center. This amount did not include the additional day to day operating costs that a new facility would generate. However, the cost to repair the existing facility was estimated at \$100,000. Staff recommended that the existing facility be repaired rather than construct a new facility in light of budget constraints and reductions. The Board approved staff's recommendations.

**Analysis:**

Since FY 2004, approximately \$271,000 has been spent on renovations and maintenance to the Miccosukee Community Center. The renovations and improvements initially approved by the Board during the June 27, 2007 workshop included replacing both rear deck and stairs, reversing the exit door swings, replacing all existing door hardware, restroom and plumbing improvements and installing additional exit lighting and smoke detectors. In addition staff has also addressed the following: chairs, tables, stove, refrigerator, audio visual screen, ceiling tiles, outdoor carpet for the front porch, flag pole, interior signs, blinds, AED unit, DVD/VCR, windows, shed roof, new front door, new kitchen floor, exterior painting, and additional insulation.

During the April 13, 2010 meeting, the Board approved the Cooperative Community Gardening Program. This program designated three locations in Leon County for the community gardens, including a garden in the Miccosukee Community. The community is utilizing the open space adjacent to the Miccosukee Park, previously designated for the new community center. The Miccosukee Community is committed to establishing a community garden in order to help provide the community with easy access to fresh vegetables, educate children on the process of growing food, and provide a sense of community.

Staff estimates that the cost of constructing a new community center would be approximately \$2.12 million. This amount does not include the additional day to day operating costs that a new facility would generate. Given the investment the County has made in the existing facility, the current economic conditions, and budget constraints, staff does not recommend constructing another facility.

**Options:**

1. Accept the status report on the Miccosukee Community Center.
2. Do not accept the status report on the Miccosukee Community Center.
3. Board Direction.

**Recommendation:**

Options #1



**Board of County Commissioners**  
**Leon County, Florida**  
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**Budget Discussion Item**  
**Executive Summary**

March 17, 2011

**Title:**

Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds

**Staff:**

Parvez Alam, County Administrator *PA*  
Vincent S. Long, Deputy County Administrator *VSL*  
Alan Rosenzweig, Assistant County Administrator *AR*  
Scott Ross, Director of the Office of Management and Budget *SR*  
Ken Morris, Director of Legislative Affairs & Economic Development

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**Issue Briefing:**

The relocation of the North Florida Fairgrounds had been an ongoing economic development effort of the County and a key component of Leon County's Southern Strategy to reinvigorate the south side of Leon County. Since 2006, the County has been communicating with the United States Forest Service about acquiring a 114-acre parcel near the corner of Capital Circle Southeast and Woodville Highway for the relocation and redevelopment of the Fairgrounds. On April 13, 2010, the Board declined to participate in a land swap and purchase proposal that would have allowed the County to purchase the 114-acre parcel for \$2.585 million (Attachment #1). On December 13, 2010, the Board held its FY 2011/2012 Annual Retreat and identified the acquisition of the Flea Market tract as its #4 priority for the year (Attachment #2). Given the Board's direction and prioritization of this project, staff has reengaged the United States Forest Service and The Nature Conservancy to determine the status of the Flea Market tract and present this budget discussion item to the Board for its consideration.

This budget discussion item provides the Board several options relating to its pursuit of the Flea Market tract, from immediately authorizing the County Administrator to execute all necessary documents relating to the purchase of the Flea Market tract, to waiting for the outcome of the market feasibility assessment of the Fairgrounds.

**Fiscal Impact:**

Should the Board wish to purchase the Flea Market tract in the amount of \$2.585 million plus transaction costs, staff recommends incorporating this expense in to the County's FY 2012 budget.

**Staff Recommendation:**

Board Direction.

## Report and Discussion

### **Background:**

The County obtained an appraisal of the Fairgrounds properties in 2002, which encompasses 103.7 acres. The appraisal, completed by Weigel-Veasey Appraisers, Inc., concluded that the Fairgrounds infrastructure had a value of approximately \$7.2 million. The Board then directed staff to develop a scope of services for an economic feasibility report to determine the demand for redevelopment of the site, work closely with the North Florida Fair Association on a relocation site, and obtain public input from the neighborhood to be included in the study.

The purpose of the Fairgrounds Economic Feasibility Report was to address the possible redevelopment of the Fairgrounds, and provide a market analysis in order to determine the potential land uses that could be supported in the future at the Fairgrounds location, including development feasibility (Attachment #3). The report assessed the 2004 value of the Fairgrounds parcels (excluding the Cox Stadium site, its parking lot, and the Leon County Cooperative Extension Office) to be valued at \$5.9 million (land only), and concluded that large-scale redevelopment of the Fairgrounds site would not be feasible for 8 to 10 years (2013-2015), but would be subject to changing market conditions. The Board accepted the Economic Feasibility Report prepared by Strategic Planning Group, Inc. during a February 25, 2005 workshop, and directed staff to begin to identify an alternative site for the future relocation and redevelopment of the North Florida Fairgrounds.

On April 6, 2006, the United State Forest Service (USFS) informed the County that a 114-acre parcel near the corner of Capital Circle Southeast and Woodville Highway was no longer manageable as a national forest, and they planned to sell the property upon Congressional authorization. Congressional authorization is required for the USFS to surplus property. The USFS intended to use the proceeds of the sale to purchase additional environmentally sensitive lands in North Florida. County staff verified the 114-acre parcel as a prime property for the relocation of the North Florida Fairgrounds and the Board directed staff to work with USFS to seek Congressional approval for the sale of this parcel.

The relocation of the Fairgrounds had been an ongoing legislative effort of the County and a key component of Leon County's Southern Strategy to reinvigorate the south side of Leon County. On December 17, 2007, the U.S. House of Representatives approved the USFS's legislation (HR 1374), but the bill was held up in the Senate by the Committee on Energy and Natural Resources because it was packaged with other land conveyance bills that were considered controversial.

During the 2008 National Association of Counties Legislative Conference in Washington, DC, then-Chairman Proctor and the County's lobbying team met with Scott Miller, Counsel for the Senate Committee on Energy and Natural Resources, to discuss S. 934 and requested a hearing on the legislation. On April 22, 2008, the Senate Committee on Energy and Natural Resources held a workshop on this issue, but did not vote on S. 934. The bill died in the Senate with the adjournment of Congress.

The U.S. House of Representatives approved this legislation again (HR 3954) on March 17, 2010 but the Senate did not concur to authorize USFS to sell the parcel on Capital Circle Southeast. As the County and the USFS pursued the required Congressional authorization for the USFS to surplus the Flea Market tract on Capital Circle Southeast, The Nature Conservancy (TNC) presented a land exchange opportunity that would have allowed the County to secure the Flea Market tract without Congressional authorization. On April 13, 2010, the Board declined to participate in the land swap and purchase proposal that would have allowed the County to purchase the Flea Market tract for \$2.585 million, or \$2.625 million with closing costs. Several concerns were raised by Commissioners in opposition to the purchase including the availability of financial resources, the need to seek land use changes coupled with the Hometown Democracy proposed constitutional amendment placed on the 2010 general election ballot (subsequently failed), and the feasibility of redeveloping the current Fairgrounds location.

Although the Board did not approve the purchase of the Flea Market tract, it did direct staff to develop a scope of services for a Request for Qualifications (RFQ) for a new North Florida Fairgrounds Redevelopment Study at its meeting on May 11, 2010. On August 17, 2010, the Board approved the issuance of the RFQ to provide the following:

1. An assessment of suitable redevelopment of the Fairgrounds site, as a whole or incrementally, along with the feasibility of such redevelopment in current and projected conditions in the Tallahassee-Leon County area.
2. An analysis of current planning regulations for the site and its environs, along with an assessment of their efficacy and appropriateness to redevelopment of the Fairgrounds, with recommendations.
3. An assessment of other uses currently within the boundary, including the Fairgrounds, Leon County Extension Service, Gene Cox Stadium, and Capital Park, and recommendations for their inclusion in redevelopment plans, or their relocation.
4. Establishing a vision through a public process.
5. A redevelopment scenario or scenarios for redevelopment, including for each scenario:
  - Analysis of economic benefits accruing from redevelopment, including estimates of construction value, anticipated employment levels with anticipated salary or wage information, and revenue from permit fees, taxes and from other applicable sources.
  - Costs of anticipated infrastructure improvements to meet required levels of service, costs of mitigation expenses, and other applicable costs.
  - Recommended steps to implement redevelopment, including a time line for development, required government action, opportunities for innovation, and public participation.

The County Administrator appointed a selection committee to review the ten proposals submitted in response to the RFQ and prepared an agenda item for the March 15, 2011 meeting recommending the Board authorize him to negotiate an agreement with Real Estate InSync, up to \$75,000, for the market feasibility assessment of the Fairgrounds.

**Analysis:**

On December 13, 2010, the Board held its FY 2011/2012 Annual Retreat and reaffirmed its support to relocate and redevelop the Fairgrounds by prioritizing the acquisition of the Flea Market tract as its #4 priority for the year. Given the Board's direction and prioritization of this project, staff has reengaged the USFS and TNC to determine the status of the Flea Market tract and present this budget discussion item to the Board for its consideration.

The USFS and TNC entered in to an Exchange Agreement (Agreement) on December 13, 2010 to begin the process of swapping the USFS owned Flea Market tract with TNC's 1,377-acre Post Office Bay tract in Liberty County. The agreement provides both parties 120 days to survey the properties, identify defects, and verify the designated land uses for the properties. Both parties have until April 15, 2011 to address their findings, if any, before proceeding with the land exchange. TNC anticipates the land exchange to be executed by early June 2011.

The Flea Market tract is still valued at \$2.58 million, as was presented to the Board in April 2010, according to the Agreement between USFS and TNC. Should the Board wish to purchase the flea market tract, staff anticipates a net purchase price of \$2.585 million for the property, plus transaction expenses. For example, the Board may wish to secure its own appraisal of the Flea Market tract. TNC has shared its 2009 appraisal by an independent party with the County but Board Policy No. 03-01, "Approval Authority for the Acquisition, Disposition, and Leasing of Real Property" requires two independent appraisals and a public hearing to purchase the Flea Market tract (Attachments 4 & 5).

**Land Use**

The Flea Market tract, located within the City limits, is designated as recreation/open space on the Comprehensive Plan Future Land Use Map (FLUM). The Planning Department has determined that the recreation/open space designation allows publicly owned fairgrounds as a permissible land use, as it will be deemed a community facility. However, the zoning of the property is designated as rural. The rural zoning district does not specify that fairgrounds are a permissible land use. Therefore, the appropriate land use tool to appropriately assemble the permissible land uses and governing regulations would be a Planned Unit Development (PUD) rezoning. Such rezoning would require City Commission approval. Should the Board desire additional land uses beyond that of a fairground on this site, it is reasonable to assume that a comprehensive plan map amendment would be required.

The current Fairgrounds site is designated as open space and governmental/operational on the Comprehensive Plan FLUM. A Comprehensive Plan Land Use Map change would be necessary to redevelop the property as residential, commercial, office, and any other nongovernmental land uses desired by the Board. A significant amount of public outreach should be conducted in the area if the Board initiates an amendment to the FLUM. Upon completion of the FLUM amendment, the current Fairgrounds property will need to be rezoned to an appropriate zoning district that provides for the land uses and intensities supported by the Board. The rezoning process could potentially occur concurrent with the FLUM amendment, or upon completion of the amendment process, depending upon the marketing needs of the Board.

North Florida Fair Association

The County has a lease agreement with the North Florida Fair Association (NFFA) that will expire on December 31, 2067. On January 1 of each calendar year, NFFA pays a \$1 rental fee to the County for the use of the fairgrounds property. In order to terminate or amend the lease, both parties will need to agree on a relocation site and the replacement facilities to be constructed for the Fairgrounds. Since 2002, NFFA has expressed its support for the redevelopment strategy of the Fairgrounds. Following the potential Fairgrounds redevelopment workshops in late 2002 and early 2003, the Board directed staff to work closely with NFFA on the relocation efforts and to obtain public input by creating a Fairgrounds Citizen Advisory Committee. The Fairgrounds Citizen Advisory Committee's findings were later included in the 2005 Economic Feasibility Report. Should the Board provide direction to acquire the Flea Market tract, staff would formally reengage NFFA on the future relocation and redevelopment efforts.

Conclusion

The USFS and TNC are in the process of executing an exchange of their properties by this summer, but a third party is sought to purchase the Flea Market tract at, or near, the time of the exchange because TNC does not want to hold the title for the Flea Market tract. Although there will be an opportunity to secure the Flea Market tract, staff does not anticipate current economic conditions supporting the redevelopment of the Fairgrounds property at this time. However, the Board will consider authorizing a new market feasibility assessment at its March 15, 2011 meeting. This budget discussion item provides the Board several options relating to its pursuit of the Flea Market tract, from immediately authorizing the County Administrator to execute all necessary documents relating to the purchase of the Flea Market tract, to waiting for the outcome of the market feasibility assessment of the Fairgrounds.

Should the Board authorize the market feasibility assessment of the Fairgrounds at its March 15, 2011 meeting, the Board may wish to consider delaying further action in pursuit of the Flea Market tract pending the outcome of the market feasibility assessment. The assessment would provide detail on the suitable redevelopment scenarios, a time line for the redevelopment, and weigh the anticipated infrastructure costs and economic benefits of the redevelopment to assist the Board in determining the future of the Fairgrounds site. The market feasibility assessment is anticipated to be completed within eight months.

Should the Board wish to immediately acquire the Flea Market tract in the amount of \$2.585 million, plus transaction costs, staff would formally reengage the NFFA on the relocation efforts including the necessary zoning and land use changes for the future redevelopment concepts at the Flea Market tract to enhance the efforts of the Southern Strategy Area. Staff would also recommend incorporating this expense in to the County's FY 2012 budget (Options 2 & 3). As part of the budget process, a capital improvement project would be developed to address transaction costs such as the two required appraisals and closing costs.

**Options:**

1. Accept the staff report on the budget discussion item and await the outcome of the market feasibility assessment of the Fairgrounds.
2. Accept the staff report on the budget discussion item and do not continue with the feasibility assessment of the Fairgrounds.
3. Authorize the purchase of the Flea Market tract on Capital Circle Southeast for the future relocation and redevelopment of the North Florida Fairgrounds, for an amount not to exceed \$2.585 million, excluding closing costs, and authorize the County Administrator to execute all necessary documents.
4. Direct staff to include the purchase of the Flea Market tract in the FY 2012 County Budget.
5. Board Direction.

**Recommendation**

Board Direction.

**Attachments:**

1. April 13, 2010 agenda item on purchasing the Flea Market tract.
2. 2011 Board Priorities, #4: Acquisition of the Flea Market tract.
3. 2005 Economic Feasibility Report on the redevelopment of the North Florida Fairgrounds.
4. Appraisal of the Flea Market tract, by Zac Ryan Appraisal Services, Inc., October 29, 2009.
5. Board Policy No. 03-01, "Approval Authority for the Acquisition, Disposition, and Leasing of Real Property."



**Board of County Commissioners**  
**Leon County, Florida**  
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Attachment # 1  
Page 1 of 8

**Agenda Item**  
**Executive Summary**

April 13, 2010

**Title:**

Authorize the Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds

**Staff:**

Parwez Alam, County Administrator  
Vincent S. Long, Deputy County Administrator  
Alan Rosenzweig, Assistant County Administrator  
Ken Morris, Director of Legislative Affairs and Economic Development  
Wayne Tedder, Director of Planning Department

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**Issue Briefing:**

This item requests Board authorization to purchase the Flea Market tract on Capital Circle Southeast for the purpose of the future relocation and redevelopment of the North Florida Fairgrounds.

The relocation of the North Florida Fairgrounds (Fairgrounds) has been an ongoing legislative effort of the County and a key component of the Southern Strategy to reinvigorate the south side of Leon County. The County has been working with the U.S. Forest Service (USFS) to secure a 114-acre parcel near the corner of Capital Circle Southeast and Woodville Highway that was no longer manageable as a national forest to relocate the Fairgrounds. County staff has recently had informal discussions with The Nature Conservancy and USFS about the County's interest in participating in a land exchange that would allow the County to secure the Flea Market tract without Congressional authorization. Both organizations will be prepared to execute the exchange by mid summer 2010.

**Fiscal Impact:**

This item has a fiscal impact of \$2.625 million. The purchase price for the Flea Market tract is \$2.585 million, and the remaining funds will be used to cover the transaction costs. A Resolution and associated Budget Amendment Request establishes a budget to cover all potential transaction costs. During the FY 2011 budget process, additional funding will need to be considered in order to address the infrastructure needs for moving the Fairgrounds to the new site. It is important to note that the County's purchase of this parcel and investment in capital improvements could be fully realized once the sale of the current Fairgrounds site is completed.

Title: Authorize the Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds  
April 13, 2010  
Page 2

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**Staff Recommendation:**

- Option #1: Authorize the purchase of the flea market tract on Capital Circle Southeast for the future relocation and redevelopment of the North Florida Fairgrounds, for an amount not to exceed \$2.585 million, excluding closing costs, and authorize the County Administrator to execute all necessary documents.
- Option #2 Approve the Resolution and associated Budget Amendment Request in the amount of \$2.625 million.
- Option #3 Waive Policy No. 03-01, "Approval Authority for the Acquisition, Disposition, and Leasing of Real Property" requiring two independent appraisals and a public hearing to purchase the Flea Market tract, and secure a professionally certified state appraiser to verify that the current appraisal of the Flea Market tract complies with the Uniform Standards of Professional Appraisal Practice.
- Option #4 Direct staff to initiate a Planned Unit Development rezoning of the Flea Market tract at the appropriate time.
- Option #5 Direct staff to bring back a conceptual Comprehensive Plan Future Land Use Map Amendment for the Fairgrounds parcel to allow for a mixed-use urban development pattern.

Title: Authorize the Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds  
April 13, 2010  
Page 3

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### Report and Discussion

**Background:**

At the February 9, 2010 Commission meeting, the Chairman requested information on the situation and opportunities to move forward with the relocation and redevelopment of the North Florida Fairgrounds to a sustainable mixed-use development. This item provides an update on these efforts and requests Board authorization to purchase the Flea Market tract for the purpose of the future relocation and redevelopment of the North Florida Fairgrounds.

In 2002, the County obtained an appraisal of the Fairgrounds properties, which encompasses 103.7 acres. The appraisal, completed by Weigel-Veasey Appraisers, Inc., concluded that the Fairgrounds infrastructure had a value of approximately \$7.2 million. The Board then directed staff to develop a scope of services for an economic feasibility report to determine the demand for redevelopment of the site, work closely with the North Florida Fair Association on a relocation site, and obtain public input from the neighborhood to be included in the study.

The purpose of the Fairgrounds Economic Feasibility Report was to address the possible redevelopment of the Fairgrounds, and provide a market analysis in order to determine the potential land uses that could be supported in the future at the Fairgrounds location, including development feasibility (Attachment #1). The report assessed the 2004 value of the Fairgrounds parcels (excluding the Cox Stadium site, its parking lot, and the Leon County Cooperative Extension Office) to be valued at \$11.1 million, and concluded that large-scale redevelopment of the Fairgrounds site would not be feasible for 8 to 10 years (2013-2015), but would be subject to changing market conditions. The Board accepted the Economic Feasibility Report prepared by Strategic Planning Group, Inc. during a February 25, 2005 workshop, and directed staff to begin to identify an alternative site for the future relocation and redevelopment of the North Florida Fairgrounds.

On April 6, 2006, the USFS informed the County that the 114-acre parcel near the corner of Capital Circle Southeast and Woodville Highway was no longer manageable as a national forest, and planned to sell the property upon Congressional authorization (Attachment #2). Congressional authorization is required for the USFS to surplus property. The USFS intended to use the proceeds of the sale to purchase additional environmentally sensitive lands in North Florida. County staff verified the 114-acre parcel as a prime property for the relocation of the North Florida Fairgrounds and the Board directed staff to work with USFS to seek Congressional approval for the sale of this parcel.

The relocation of the Fairgrounds has been an ongoing legislative effort of the County and a key component of Leon County's Southern Strategy to reinvigorate the south side of Leon County. On December 17, 2007, the U.S. House of Representatives approved the USFS's legislation (HR 1374), but the bill was held up in the Senate by the Committee on Energy and Natural Resources because it was packaged with other land conveyance bills that were considered controversial.

Title: Authorize the Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds

April 13, 2010

Page 4

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During the 2008 National Association of Counties Legislative Conference in Washington, DC, then-Chairman Proctor and the County's lobbying team met with Scott Miller, Counsel for the Senate Committee on Energy and Natural Resources, to discuss S. 934 and requested a hearing on the legislation. On April 22, 2008, the Senate Committee on Energy and Natural Resources held a workshop on this issue, but did not vote on S. 934. The bill died in the Senate with the adjournment of Congress.

More recently, the U.S. House of Representatives approved this legislation in HR 3954 on March 17, 2010. Once again, the County's lobbying team has focused on securing approval by the Senate to authorize USFS to sell the parcel on Capital Circle Southeast.

**Analysis:**

As the County and the USFS have pursued the required Congressional authorization for the USFS to surplus the Flea Market tract on Capital Circle Southeast, The Nature Conservancy has presented a land exchange opportunity that would allow the County to secure the Flea Market tract without Congressional authorization.

**The Nature Conservancy**

The Nature Conservancy (TNC) purchased the 1,377-acre Post Office Bay tract in Liberty County in 2008, which represents the largest non-federal holding within the Apalachicola National Forest (ANF) and, as such, is the number one priority for acquisition within the ANF for the USFS (Attachment #3). The property is made up of two, non-contiguous tracts, each having frontage on State Road 65. Both TNC and USFS would like to see the Post Office Bay tract in Liberty County added to the ANF holdings, whether by purchase or land exchange.

Should Congress approve legislation authorizing the sale of the Flea Market tract, USFS would use the proceeds to purchase the Post Office Bay tract. However, USFS has been pursuing a land exchange with TNC in case the legislation gets held up in the Senate again in 2010. The only obstacle in the land exchange efforts is that TNC has no interest in holding or owning the Flea Market tract. Therefore, a land exchange between TNC and USFS could not take place until a buyer has been identified for the Flea Market tract on Capital Circle Southeast.

County staff has had informal discussions with TNC and USFS about the County's interest in participating in this land exchange, subject to Board approval, in order to acquire the Flea Market tract. Staff has prepared this agenda item seeking authorization from the Board to direct the County Administrator to pursue the acquisition of the USFS Flea Market tract on Capital Circle Southeast, simultaneously with the land exchange between USFS and TNC.

Title: Authorize the Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds

April 13, 2010

Page 5

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### Land Exchange

In 2009, TNC obtained appraisals for both the Post Office Bay tract and the Flea Market tract and has shared the appraised value of the Flea Market tract with County staff (Attachment #4). TNC does not wish to disclose the appraisal of the Post Office Bay tract because it would be subject to public records laws that could hinder the sale of the property on the private market if the land exchange is not successful. The TNC and USFS propose doing a land exchange for their properties, followed by the County purchasing the Flea Market tract at the appraised value of \$2.585 million (Attachment #5). The County would have a net purchase price of \$2.585 million, plus any transaction expenses based on the appraisal obtained by TNC and USFS. Both organizations will be prepared to execute the exchange by mid summer 2010. Staff recommends the Board waive Policy No. 03-01, "Approval Authority for the Acquisition, Disposition, and Leasing of Real Property" requiring two independent appraisals and a public hearing to purchase the Flea Market tract and utilize a professionally certified state appraiser to verify that the current appraisal of the Flea Market tract complies with the Uniform Standards of Professional Appraisal Practice.

The USFS and TNC have informed the County that the appraised value of the Post Office Bay tract exceeds the appraised value of the Flea Market tract. This has resulted in a federal allotment, or cash equalization, for the USFS to pay TNC the difference in the appraised value for the exchange of the two properties. Since the approval of the cash equalization for the land exchange, both USFS and TNC prefer to complete the land exchange rather than wait on Congress to authorize a direct purchase. The land exchange will benefit both parties for the following reasons:

1. The cash equalization will provide TNC more money in the exchange scenario (Sale of the Flea Market tract + Cash Equalization = Appraised Value of the Post Office Bay tract)
2. The County's direct purchase of the Flea Market tract would not provide enough funds for the USFS to purchase the entire Post Office Bay tract, creating land management concerns for both entities.

### 2005 Economic Feasibility Report

Although there will be an opportunity to secure the Flea Market tract this summer, current economic conditions do not support the redevelopment of the current Fairgrounds property at this time. The 2005 Economic Feasibility Report on the North Florida Fairgrounds forecasted that there should be a market for the Fairgrounds site of approximately 300 dwelling units by 2010, and more than 600 dwelling units by 2015. Additionally, the report forecasted a demand of approximately 117,000 square feet of commercial and entertainment uses by 2010, and approximately 200,000 square feet by 2015. In comparison, the actual number of residential units permitted between 2005 and 2010 within the entire Southern Strategy Area is 446 and the amount of commercial permitted within the same period is approximately 118,000 square feet.

Title: Authorize the Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds

April 13, 2010

Page 6

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In summary, the report concluded that large-scale redevelopment of the Fairgrounds site would not be feasible for 8 to 10 years (2013-2015) but would be subject to changing market conditions. Based on the current market situation and past trends, it is reasonable to assume that any large-scale redevelopment of the site would not be feasible until after 2015.

Based on the feasibility report, four redevelopment scenarios were identified:

1. Holding scenario - no redevelopment on the site until a suitable alternative location for the existing facilities has been identified.
2. Hybrid redevelopment - Maintain the Fairgrounds on the site and redevelop 15-20 acres along South Monroe Street and Tram Road.
3. Reduce Fairgrounds area - Same as #2, but with a smaller Fairground footprint and 20 acres of multi-family residential development.
4. Complete Redevelopment - mixed use development on the entire site and relocating the Fairgrounds to an alternative site.

Staff recognizes the significant role that redevelopment of this site could have on quality infill development in the Southern Strategy Area - a constant goal of the Board. Therefore, staff recommends that the Board support a mixed-use urban development pattern of the entire site as outlined in scenario #4.

Should the Board wish to pursue the Flea Market tract, staff recommends utilizing fund balance to acquire the property. The attached Resolution and associated Budget Amendment Request establishes a budget in the amount of \$2.625 million for the purchase of the Flea Market tract, and includes all anticipated transaction costs associated with the acquisition (Attachment #6). As part of the budget process, a capital improvement project will be developed to address the infrastructure needs for moving the Fairgrounds to the new site. It is important to note that the County's purchase of this parcel and investment in capital improvements could be fully realized once the sale of the current Fairgrounds site is completed. As noted previously, the Fairgrounds was appraised at \$11.1 million in 2004.

#### Land Use

The Flea Market tract, located within the City limits, is designated as recreation/open space on the Comprehensive Plan Future Land Use Map (FLUM). The Planning Department has determined that the recreation/open space designation allows publicly owned fairgrounds as a permissible land use, as it will be deemed a community facility. However, the zoning of the property is designated as rural. The rural zoning district does not specify that fairgrounds are a permissible land use. Therefore, the appropriate land use tool to appropriately assemble the permissible land uses and governing regulations would be a Planned Unit Development (PUD) rezoning. Such rezoning would require City Commission approval. Amendment 4 should not impact this rezoning action, should it be approved in the November election. Should the Board desire additional land uses beyond that of a fairground on this site, it is reasonable to assume that a comprehensive plan map amendment would be required.

Title: Authorize the Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds

April 13, 2010

Page 7

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The current Fairgrounds site is designated as open space and governmental/operational on the Comprehensive Plan FLUM. Neither of these two categories support any of the redevelopment scenarios presented in the consultant's Economic Feasibility Report. Therefore, a Comprehensive Plan Land Use Map change will be necessary to redevelop the property as residential, commercial, office, and any other nongovernmental land uses desired by the Board. Should Amendment 4 pass in November, it is anticipated that any FLUM changes will require voter approval. A significant amount of public outreach should be conducted in the area if the Board initiates an amendment to the FLUM.

Upon completion of the FLUM amendment, the property will need to be rezoned to an appropriate zoning district that provides for the land uses and intensities supported by the Board. The rezoning process could potentially occur concurrent with the FLUM amendment, or upon completion of the amendment process, depending upon the marketing needs of the Board. Given the current market conditions, and the lack of specificity of the desired outcome, staff recommends that a conceptual FLUM amendment be prepared for Board consideration that would allow for a mixed-use urban development pattern. Both the FLUM amendment and rezoning will need to be approved by the City Commission.

#### North Florida Fair Association

The County has a lease agreement with the North Florida Fair Association (NFFA) that will expire on December 31, 2067. On January 1 of each calendar year, NFFA pays a \$1 rental fee to the County for the use of the fairgrounds property. In order to terminate or amend the lease, both parties will need to agree on a relocation site and the replacement facilities to be constructed for the Fairgrounds. Since 2002, NFFA has expressed its support for the redevelopment strategy of the Fairgrounds (Attachment #7). Following the potential Fairgrounds redevelopment workshops in late 2002 and early 2003, the Board directed staff to work closely with NFFA on the relocation efforts and to obtain public input by creating a Fairgrounds Citizen Advisory Committee. The Fairgrounds Citizen Advisory Committee's findings were later included in the Economic Feasibility Report.

Staff has ongoing communications with the NFFA on the legislative efforts to acquire the Flea Market tract, but has only recently advised the Fair Association Manager, Mark Harvey, of the County's opportunity to acquire the Flea Market tract this summer through the aforementioned land exchange. Should the Board provide direction to acquire the Flea Market tract, staff would formally reengage NFFA on the future relocation and redevelopment efforts.

#### Conclusion

The USFS and TNC are in the process of executing an exchange of their properties by this summer, but a third party is needed to purchase the Flea Market tract at the time of the exchange because TNC does not want to hold the title for the Flea Market tract. This agenda item and the staff recommendations listed provide the County an opportunity to purchase the Flea Market tract in the amount of \$2.585 million, plus transaction costs, simultaneous to the land exchange between USFS and TNC by authorizing the County Administrator to execute all necessary documents relating to the purchase of the Flea Market tract.

Title: Authorize the Purchase of the Flea Market Tract on Capital Circle Southeast for the Future Relocation and Redevelopment of the North Florida Fairgrounds

April 13, 2010

Page 8

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Although there will be an opportunity to secure the Flea Market tract this summer, current economic conditions do not support the redevelopment of the current Fairgrounds property at this time. Should the Board provide direction to acquire the Flea Market tract, staff would formally reengage NFFA on the relocation efforts, including the necessary zoning and land use changes for the future redevelopment concepts of the future Fairgrounds property to enhance the efforts of the Southern Strategy Area. As part of the budget process, a capital improvement project will be developed to address the infrastructure needs for moving the Fairgrounds to the new site.

**Options:**

1. Authorize the purchase of the flea market tract on Capital Circle Southeast for the future relocation and redevelopment of the North Florida Fairgrounds, for an amount not to exceed \$2.585 million, excluding closing costs, and authorize the County Administrator to execute all necessary documents.
2. Approve the Resolution and associated Budget Amendment Request in the amount of \$2.625 million.
3. Waive Policy No. 03-01, "Approval Authority for the Acquisition, Disposition, and Leasing of Real Property" requiring two independent appraisals and a public hearing to purchase the Flea Market tract and secure a professionally certified state appraiser to verify that the current appraisal of the Flea Market tract complies with the Uniform Standards of Professional Appraisal Practice.
4. Direct staff to initiate a Planned Unit Development rezoning of the Flea Market tract, at the appropriate time.
5. Direct staff to bring back a conceptual Comprehensive Plan Future Land Use Map Amendment for the Fairgrounds parcel to allow for a mixed-use urban development pattern.
6. Accept staff report and do not take any further action.
7. Board Direction.

**Recommendation:**

Options #1, #2, #3, #4, and #5.

**Attachments:**

1. 2005 Economic Feasibility Report on the redevelopment of the North Florida Fairgrounds
2. Map of the current Fairgrounds location and the Flea Market tract
3. Map of the Post Office tract in Liberty County owned by The Nature Conservancy
4. Appraisal of the Flea Market tract, by Zac Ryan Appraisal Services, Inc., October 29, 2009
5. Map of the proposed Land Exchange between The Nature Conservancy and the U.S. Forest Service
6. Resolution and associated Budget Amendment Request in the amount of \$2.625 million.
7. August 30, 2002 letter from the North Florida Fair Association expressing the conditional support for the future relocation and redevelopment of the Fairgrounds

# LEON COUNTY

BOARD OF  
COUNTY COMMISSIONERS

## 2010 - 2011

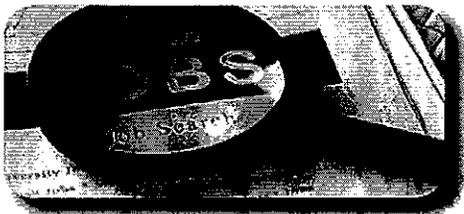
TOP PRIORITIES

County Commissioners  
Chairman John E. Dailey, District 3  
Vice-Chair Akin Akinyemi, At-Large  
Bill Proctor, District 1  
Jane G. Sauls, District 2  
Kristin Dezier, District 4  
Bryan Desloge, District 5  
Nick Maddox, At-Large



For more information, please contact Leon County Administration at (850) 606-5300 or visit [www.LeonCountyFL.gov](http://www.LeonCountyFL.gov).

### 1. Economic Development



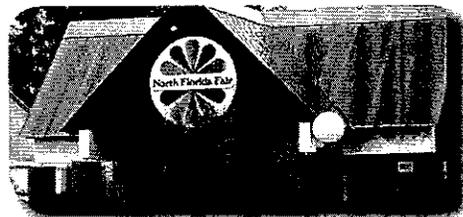
### 2. Woodville Sewer Issue



### 3. Apalachee Park/Sports Complex



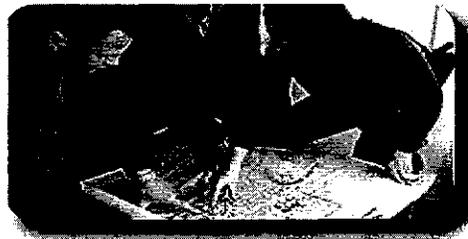
### 4. Acquisition of the Flea Market Tract



### 5. Northeast Park



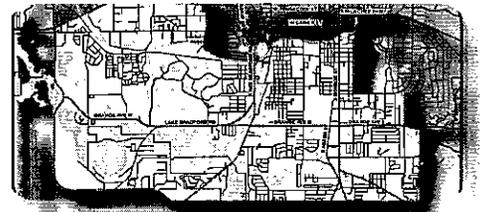
### 6. Comprehensive Plan Reform



### 7. Primary & Mental Health Care for the Uninsured



### 8. Southern Strategy



### 9. Comprehensive Program to Address Recidivism Reduction



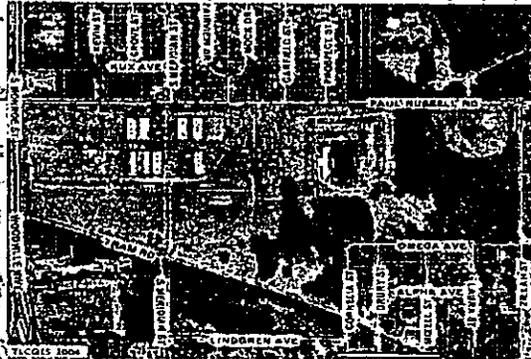
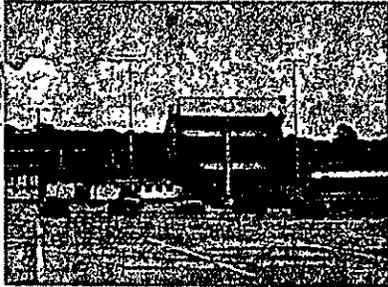
### 10. Provide leadership in the evaluation of the local government infrastructure surtax extension





# ECONOMIC FEASIBILITY TALLAHASSEE FAIRGROUNDS REDEVELOPMENT

February 11, 2005



Strategic Planning Group, Inc.



Economics • Planning • Development Consultants

In association with  
Wendy Grey  
Land Use Planning  
Community Assets  
and

Weigel-Veasey Appraisers, Inc.

**TABLE OF CONTENTS**

INTRODUCTION ..... 1  
 Background ..... 1  
 Fairgrounds Property ..... 1  
 Fairgrounds Location ..... 4

TALLAHASSEE AREA SOCIOECONOMIC OVERVIEW ..... 6  
 Population ..... 7  
 Leon County Growth Patterns ..... 8  
 Student Populations ..... 12  
 Income ..... 13  
 Labor and Employment ..... 15  
 Major Employers ..... 16

FAIRGROUNDS MARKET OPPORTUNITIES ..... 18  
 Market Overview ..... 18  
 Transient Lodging Market ..... 18  
 Office Market ..... 21  
 Retail Market ..... 25  
 Fairgrounds Area Market Structure ..... 31  
 Residential Market ..... 35  
 Summary of Market Potentials ..... 40

FAIRGROUNDS REDEVELOPMENT CONSIDERATIONS ..... 41  
 Scenario 1 ..... 42  
 Scenario 2 ..... 43  
 Scenario 3 ..... 44  
 Scenario 4 ..... 45  
 Public Participation ..... 47  
 Community Comments on Fairgrounds Redevelopment Scenarios ..... 49  
 Housing ..... 49  
 Fairgrounds ..... 49  
 Redevelopment of Entire Site ..... 49  
 Recreation ..... 49  
 Implementation ..... 49  
 Land Value ..... 50

CONCLUSIONS AND RECOMMENDATIONS ..... 52  
 Redevelopment Strategies ..... 52



**TABLE OF CONTENTS**

**List of Tables**

Table 1-1. Leon County Fairgrounds Property Parcels .....3  
 Table 2-1. Tallahassee MSA Population Trends, 1990-2000 .....7  
 Table 2-2. Tallahassee MSA Population Forecast, 2003-2025 .....8  
 Table 2-3. MSA County Population Increases, 2003-2025 .....8  
 Table 2-4. Leon County Population by Sector, 1990-2025 .....11  
 Table 2-5. Institutional Enrollment Levels .....2  
 Table 2-6. Median Household Income Levels, 1999 .....13  
 Table 2-7. Tallahassee MSA Labor Market Trends .....15  
 Table 2-8. Tallahassee MSA Employment by Sector, 2003-2004 .....16  
 Table 2-9. Tallahassee Area Major Employers, 2004 .....17  
 Table 3-1. Licensed Lodging Facilities Trends, 1990-2003 .....18  
 Table 3-2. Tallahassee Hotel/Motel Inventory, 2004 .....19  
 Table 3-3. Planned Tallahassee Hotel/Motel Facilities, 2004 .....20  
 Table 3-4. Tallahassee Office Market Vacancy by Sector, 1996-2003 .....22  
 Table 3-5. Inventory of Major Office Facilities, Southeast Sector .....23  
 Table 3-6. Forecast of Office Space Demand, Fairgrounds Site .....25  
 Table 3-7. Leon County Retail Establishments, 1998-2001 .....26  
 Table 3-8. Inventory of Tallahassee Area Shopping Centers .....29  
 Table 3-9. Fairgrounds Area Demographic Profile .....32  
 Table 3-10. Southeast Sector Retail Development Potentials .....34  
 Table 3-11. Fairgrounds Commercial Retail Development Potentials .....35  
 Table 3-12. Leon County Building Permit Trends, 1990-2003 .....35  
 Table 3-13. Tallahassee Apartment Market Characteristics, 1999-2003 .....37  
 Table 3-14. Rental Apartment Characteristics by Market Sector, 2003 .....38  
 Table 3-15. Southeast Tallahassee Housing Unit Demand, 2003-2025 .....39  
 Table 3-16. Fairgrounds Site Housing Demand, 2010-2025 .....40

**List of Figures**

Figure 1-1. Leon County Fairgrounds Property Parcels .....2  
 Figure 1-2. City of Tallahassee and Environs .....5  
 Figure 1-3. Fairgrounds Site and Vicinity .....5  
 Figure 2-1. Florida and Leon County/Tallahassee MSA .....6  
 Figure 2-2. Population Inside/Outside Capital Circle, 1970-2020 .....9  
 Figure 2-3. Population Growth Rural Leon County .....9  
 Figure 2-4. Population Growth Tallahassee-Leon County .....10  
 Figure 2-5. Leon County Sectors .....11  
 Figure 2-6. Population Forecast by Sector-Leon County .....12  
 Figure 2-7. Greater Tallahassee Area Market, 1999 .....14  
 Figure 3-1. Tallahassee Office Market Vacancy Trends .....21  
 Figure 3-2. Vacancy Rate Trends by Market Sector .....22  
 Figure 3-3. Regional Mall Primary Trade Area Coverage Patterns .....27  
 Figure 3-4. Tallahassee Area Shopping Centers .....28  
 Figure 3-5. Community/Neighborhood Center Locations & Anchors .....30  
 Figure 3-6. Fairgrounds Site Average Daily Traffic Counts .....31  
 Figure 3-7. Primary Retail Market Area .....33  
 Figure 3-8. Leon County Building Permit Trends, 1990-2003 .....36  
 Figure 3-9. Building Permit Activity by Segment, 1990-2003 .....37  
 Figure 4-1. Fairgrounds Parcels .....50



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

## SECTION 1 – INTRODUCTION

### INTRODUCTION

Strategic Planning Group, Inc. (SPG) has prepared this Market Feasibility Report for the Leon County Board of County Commissioners, to address the possible redevelopment of the Leon County Fairgrounds in Tallahassee, Florida. The purpose of this study is to provide a market analysis in order to determine the potential land uses that could feasibly be supported in the future at the fairgrounds location, including development feasibility along with a land-value appraisal of the current fairgrounds site.

### **Background**

Leon County has expressed an interest in the development of a mixed-use project at the Leon County Fairgrounds site. This location, once considered on the outskirts of the City of Tallahassee has, more recently, been considered an integral part of the City and the Leon County Community. The possible development of the property as a mixed-use project could serve as an economic benefit for the southern portion of the community, which as been targeted for a variety of economic and social programs in recent years.

Presently, the North Florida Fair Association has a lease agreement with Leon County that will expire on December 31, 2067. On January 1 of each calendar year, the North Florida Fair Association pays a \$1 rental fee to Leon County for the use of the fairgrounds property. However, if the Fair Association and the County agree, the lease could be terminated or the location of the fairgrounds could be changed. However, before the fairgrounds can be moved, a new location must be identified. County staff has completed some preliminary work on identifying alternative potential sites and have obtained an appraisal study (conducted in 2002) that estimated the current fairground infrastructure value to be approximately \$7.2 million. The study did not include an estimate of the actual value of the land occupied by the fair itself.

The property is included in the Southern Strategy area, the Central City initiatives, and is within the South Monroe sector plan boundaries.

### **Fairgrounds Property**

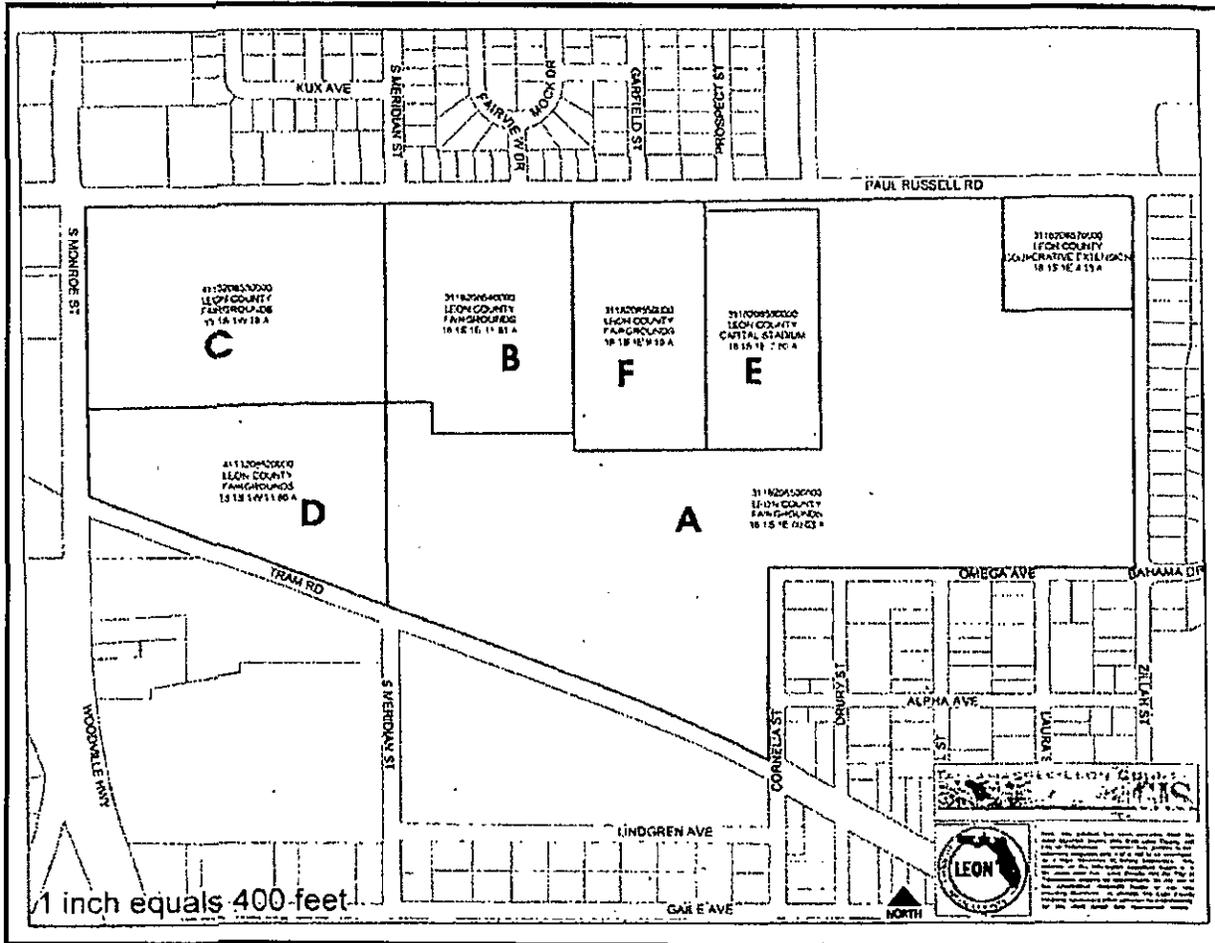
The subject property consists of a number of parcels utilized by the North Florida Fair Association. An out-parcel not considered in the study is located adjacent to the fairgrounds, but is occupied by the Leon County Cooperative Extension offices.

Of the six parcels under consideration, one is occupied by the Leon County's Cox Stadium (parcel E) and a second (F) is used for stadium parking (656 spaces). Together, these parcels provide a total of 103.7 acres, excluding the 7.8-acre stadium parcel and the 9.1-acre, stadium-parking parcel. The configuration and location of these parcels is shown in Figure 1-1.



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

Figure 1-1. Leon County Fairgrounds Property Parcels



Parcels B and C, which are occupied by the North Florida Fair Grounds Association, are zoned as a Planned Unit Development (PUD). The remaining parcels, including Cox Stadium, are zoned Open Space (OS). Thus, rezoning will be required to accommodate any future redevelopment of the fairgrounds properties. Potential redevelopment of the site would be limited to parcels A-D, with the possibility of utilizing parcel F and its 656 spaces of paved parking to be shared with any future commercial development.

According to the Leon County Property Appraisers Office 2004 records, parcels A-D contained a total of approximately 103.7 acres and ten buildings associated with the North Florida Fair Association. These improvements totaled 128,924 square feet. The indicated parcels had an estimated 2004 market value of \$4,389,523. The 9.1-acre stadium-parking parcel (parcel F) has an estimated 2004 market value of \$247,800 and the Cox Stadium parcel has a market value of \$2,118,000. Tax record data for the fairgrounds parcels is summarized in Table 1.



Strategic Planning Group, Inc.

**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**Table 1-1. Leon County Fairgrounds Property Parcels**

Parcel ID	Acreage	Improvements		Est. 2004	
		Buildings	Sq. Ft.	Mkt. Value	Present Use
3118208530000	60.0	0	0	\$543,905	Vacant & ball field
3118208540000	11.8	4	59,952	\$1,388,033	Fair facilities
4113208530000	18.0	6	68,972	\$2,230,105	Fair facilities
4113208520000	13.9	0	0	\$227,480	Vacant
<b>Total Tract</b>	<b>103.7</b>	<b>10.0</b>	<b>128,924</b>	<b>\$4,389,523</b>	
3118208560000	7.8	0	0	\$2,118,000	Cox Stadium
3118208550000	9.1	0	0	\$247,800	Stadium parking

Source: Leon County Property Appraiser and Strategic Planning Group, Inc., May

An appraisal report of the North Florida Fairgrounds Improvements conducted by Boutin Brown Realty Advisors, Inc., in November of 2002, indicated the following improvements associated with the North Florida Fair Association operations at the subject property site:

Two exhibition buildings with central heat and air conditioning identified as Building 2 and 4, containing 13,271 square feet and 12,191 square feet, respectively. Building 2 has an attached 720-square foot screen room.

Seven exhibition buildings without HVAC identified as Buildings 1,3,6,7,8,9 and a cattle barn. These structures range in size from 12,000 square feet (Building 7) to 24,000 square feet (cattle barn), and total 96,669 square feet.

The Fair office building contains 2,304 square feet and has a 122-square foot attached porch. The building has central HVAC.

The security and maintenance office consisting of two, one-story, shed office structures totaling 787 square feet and cooled with window air conditioners.

A 575-square foot maintenance shop with two attached roofed sheds totaling 725 square feet.

A 1,231-square foot, single-family residence with a screened porch, screened shed and wood deck totaling 441 square feet.

Pole barn, nine-stall stable containing 1,349 square feet with a 300-square foot tack room, detached, 149-square foot feed storage shed and a 567-square foot, roofed patio/deck area.



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

A total of 11 concrete-block structures that function as an information booth and ten food kiosks. These 256-square foot structures total 2,816 square feet of space.

There are three concrete-block restroom buildings located on the premises, one of which is heated and cooled. These facilities total 3,909 square feet.

Together, these structures provide the North Florida Fairgrounds with 135,102 square feet of building space, excluding porches, decks and shed roof workspace.

## FAIRGROUNDS LOCATION

The Fairgrounds property site location is in the southeast sector of the City of Tallahassee and Leon County. Immediately surrounding the subject site, the neighborhood environs are primarily residential in character, with the exception of mixed-use commercial and industrial land uses along the South Monroe and South Adams Street corridors. Northward, the area consists of the Florida A&M Campus, Downtown Tallahassee Core, and several historic neighborhoods. To the southeast inside of the Capital Circle beltway, there are a number of vacant land tracts, the largest being the Colin English property which is over 1,000 acres, and according to the Comprehensive Plan, provides for the development of approximately 1,820 residential units and 167 acres of commercial development. Development timing for this tract is unknown at the present.

Also, toward the southeast, immediately beyond Capital Circle, the St. Joe Company is developing the SouthWood Community. This project is currently approved to provide 4,770 residential units, 799,503 square feet of commercial/retail, 2,728,381 square feet of industrial, 230,000 square feet of educational/institutional, and 2,194,117 square feet of office development at built-out, provided that traffic concurrency issues can be resolved over the life of the project.

Immediately north of the SouthWood Community is the Capital Circle Office Center project that has been approved for over 2.6 million square feet of State Commercial office space.

Toward the south, in neighboring northeast Wakulla County, an amendment is being processed by Wakulla County to provide for a sustainable community project that would provide 1,000 single-family, 250 multi-family, 300,000 square feet of commercial development and a 200,000-square foot business park. St Joe is also developing a 466-acre property that will generate 400 residential units in the northern part of the County.

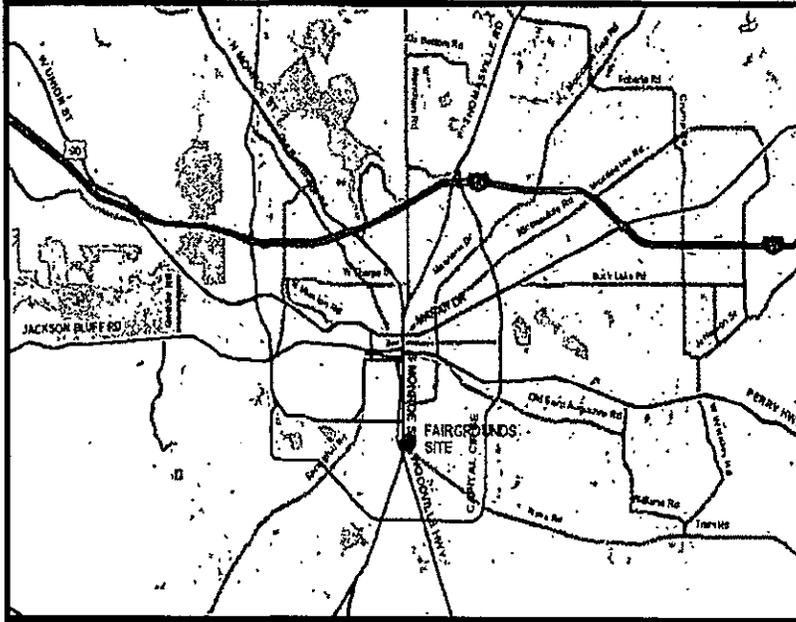
To the west of the subject site, there are a number of student housing apartment developments under construction that reflect the southern expansion of the Florida A&M area of influence within the community. These projects include the 46-unit, The Greens at College Club, the 180-unit Adams Place Apartments, and the 97-unit University Gardens.



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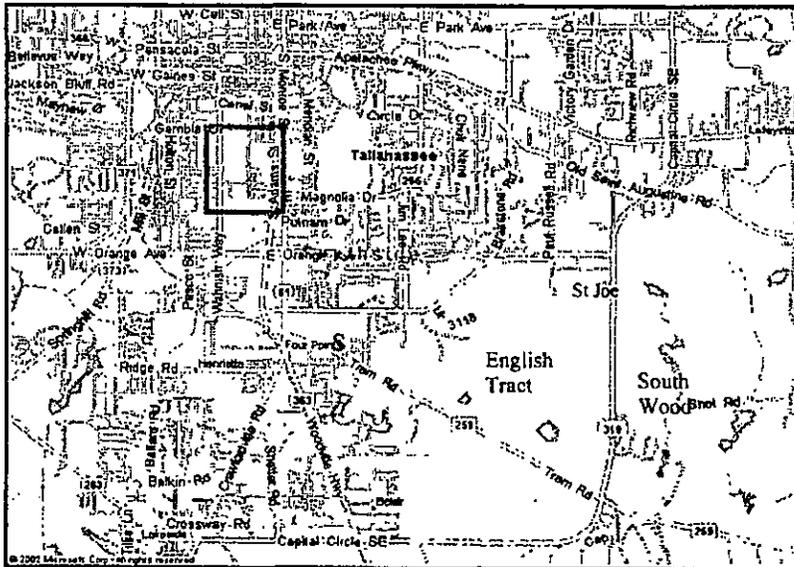
# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

Figure 1-2. City of Tallahassee and Environs



Source: Strategic Planning Group, Inc., 2004

Figure 1-3. Fairgrounds Site and Vicinity



Source: Strategic Planning Group, Inc., 2004



Strategic Planning Group, Inc.

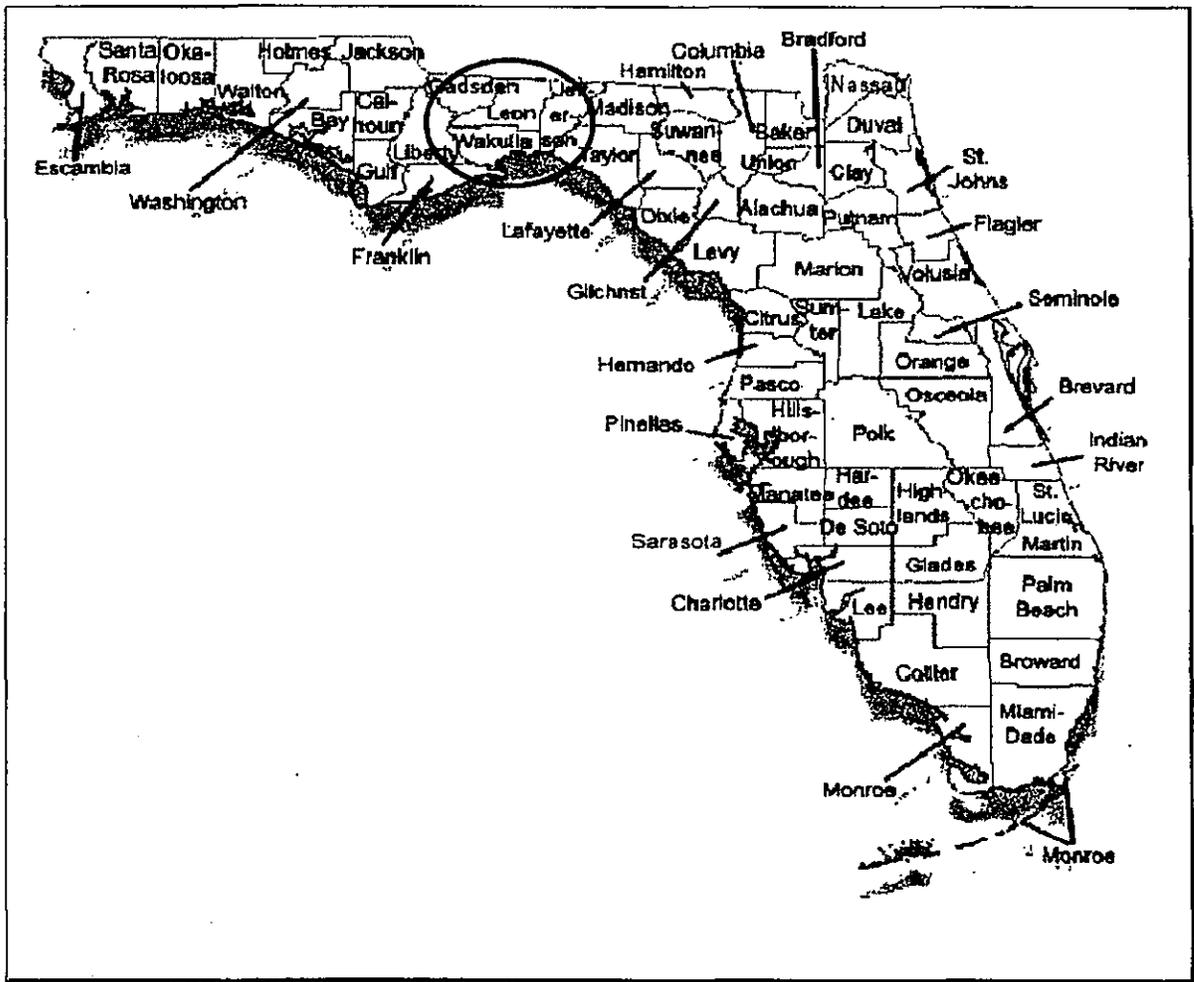
# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

## SECTION 2 – TALLAHASSEE AREA SOCIOECONOMIC OVERVIEW

This section of the report presents an overview of various socioeconomic variables that could impact redevelopment opportunities within the Tallahassee Market Area and the subject fairgrounds site itself. Consideration is given to historic and anticipated trends relative to population and households, labor market and employment conditions, household income, and general development patterns within the local Leon County market.

The City of Tallahassee is located in Leon County, serves as the county seat, and is the only incorporated city in the county. Leon County is situated in the central panhandle of Florida and is in the center of the eight-county "Big Bend" region. The county is part of the four-county Tallahassee Metropolitan Statistical Area (MSA) that consists of Gadsden, Leon, Jefferson, and Wakulla Counties. These areas are shown in Figure 2-1.

Figure 2-1. Florida and Leon County/Tallahassee MSA



Strategic Planning Group, Inc.

**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**POPULATION**

Historical census population levels for the Tallahassee MSA indicate that Leon County makes up the majority of the population within the MSA. In fact, Leon County's share of the MSA total population has increased from 70% in 1980, to 74% in 1990, and accounted for 75% of the total MSA population in 2000. Thus, the growth within the MSA market tends to be somewhat focused within Leon County.

Between 1990 and 2000, 61,197 persons were added to the MSA population and 77% of that growth (46,959 persons) occurred within the Leon County sector of the MSA. Next to Leon County, the significantly smaller Wakulla County exhibited the next largest increase in population during the decade, expanding by 8,661 persons. MSA population trends for the 1990-2000 Census years are summarized in Table 2-1.

**Table 2-1. Tallahassee MSA Population Trends, 1990-2000**

County	1980	1990	2000	1990-2000 Change	
				Amount	Percent
Gadsden County	41,674	41,116	45,087	3,971	9.7%
Jefferson County	10,703	11,296	12,902	1,606	14.2%
Leon County	148,655	192,493	239,452	46,959	24.4%
Wakulla County	10,887	14,202	22,863	8,661	61.0%
<b>Total MSA</b>	<b>211,919</b>	<b>259,107</b>	<b>320,304</b>	<b>61,197</b>	<b>23.6%</b>

Source: U.S. Census 1980-2000 and Strategic Planning Group, Inc., 2004.

As of 2003, SPG estimates that the Tallahassee MSA population increased to 340,481 persons. This is based upon the most recent US Census population estimates and the University of Florida's BEBR medium-range forecast for Gadsden and Leon Counties and its high-range estimates for Jefferson and Wakulla Counties.

While Leon County will continue to be the center of population expansion over the next 20 to 25 years, the southern most Wakulla County sector of the MSA Market is anticipated to show significant expansion, increasing by some 30,262 persons by 2025. This is important in as much as this southern MSA population growth strengthens opportunities for future development in the southern sectors of Leon County and the City of Tallahassee that has been somewhat static during the past several decades.

Population forecasts by county for the four county MSA is shown in Table 2-2 and incremental increases from 2003 through 2025 are shown in Table 2-3. An additional

70,119 persons are forecast for the MSA by 2015, with 47,000 in Leon County. This growth increases to almost 124,000 persons in the MSA by 2025, and 80,700 will be locating in Leon County.



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

Table 2-2. Tallahassee MSA Population Forecast, 2003-2025

*Table 3. TALLAHASSEE MSA POPULATION FORECAST, 2003-2025.*

County	2003	2005	2010	2015	2020	2025
Gadsden County	46,491	47,100	48,500	49,800	51,200	52,400
Jefferson County	13,552	14,800	16,200	17,600	19,100	20,600
Leon County	255,500	263,400	282,900	302,500	319,800	336,200
Wakulla County	24,938	28,300	34,200	40,700	47,700	55,200
<b>Total MSA</b>	<b>340,481</b>	<b>353,600</b>	<b>381,800</b>	<b>410,600</b>	<b>437,800</b>	<b>464,400</b>

Note: Based on Census estimates, medium range forecasts used for Gadsden and Leon Counties and high range used for Jefferson and Wakulla Counties.  
 Source: University of Florida BEBR and Strategic Planning Group, Inc., 2004.

Table 2-3. MSA County Population Increases, 2003-2025

County	2003-05	2003-10	2003-15	2003-20	2003-25
Gadsden County	609	2,009	3,309	4,709	5,909
Jefferson County	1,248	2,648	4,048	5,548	7,048
Leon County	7,900	27,400	47,000	64,300	80,700
Wakulla County	3,362	9,262	15,762	22,762	30,262
<b>Total MSA</b>	<b>13,119</b>	<b>41,319</b>	<b>70,119</b>	<b>97,319</b>	<b>123,919</b>

Note: Based on Census estimates, medium range forecasts used for Gadsden and Leon Counties and high range used for Jefferson and Wakulla Counties.  
 Source: University of Florida BEBR and Strategic Planning Group, Inc., 2004.

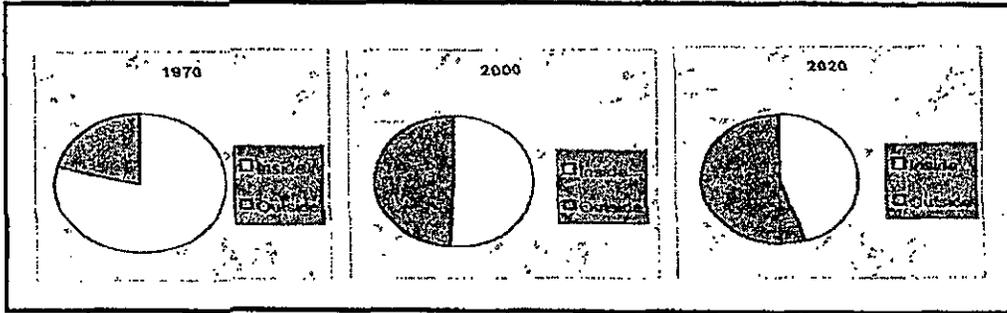
**Leon County Growth Patterns**

Population distribution within Leon County by persons within or outside of Capital Circle and I-10 has changed dramatically since 1970. Data compiled by the Tallahassee-Leon County Planning Department indicates that in 1970 about 79% of the population resided within the Capital Circle. This number decreased to 51% in 2000 and is forecast to decrease to 45% by 2020.



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

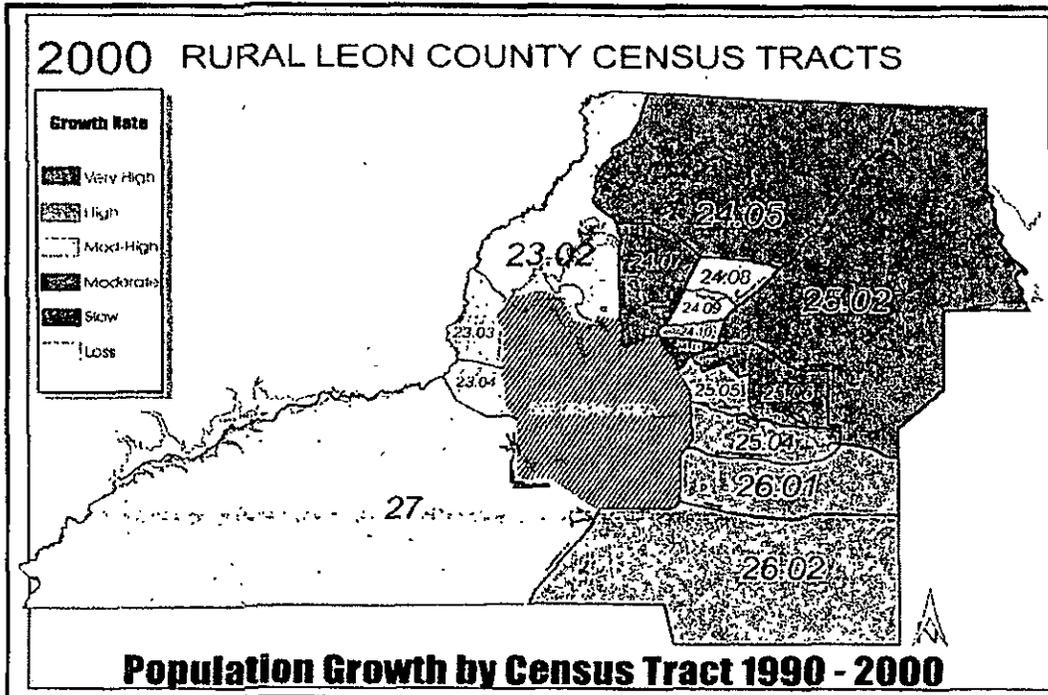
Figure 2-2. Population Inside/Outside Capital Circle, 1970-2020



Source: Tallahassee-Leon County Planning Department, 2004

Between 1990 and 2000, census data indicates that the population growth rates were greatest in the rural, eastern sectors of Leon County, with the largest growth rates being experienced in the northeast sector, within the central, urbanized Tallahassee area to the northwest of the downtown, and to the northeast and east of the downtown area. Significantly, a large area of the urban core actually showed a loss of population during the period. Population growth rates by census tract for the 1990-2000 period are shown in Figs. 2-3 and 2-4:

Figure 2-3. Population Growth Rural Leon County

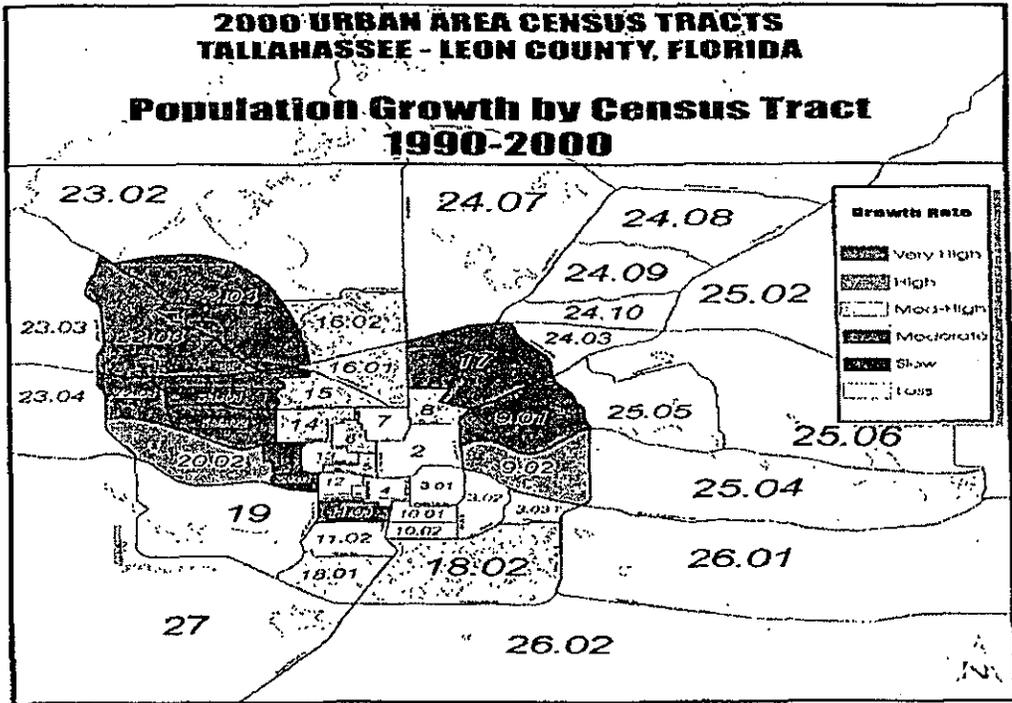


Source: Tallahassee-Leon County Planning Department, 2004



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

Figure 2-4. Population Growth Tallahassee-Leon County



Source: Tallahassee-Leon County Planning Department, 2004

Analysis of population growth within Leon County by sector shows that between 1990 and 2000, the northeast sector increased by 25,226 persons and accounted for 54 percent of Leon County's growth during the period. The next fastest growing area was the northeast, which increased by 8,411 persons and accounted for 18 percent to the county's total growth between 1990 and 2000.

SPG anticipates that based upon current trends, in the coming years the share of total county population will stabilize in the northeast sector and actually begin to decline in the northwest sector. And, the southeast sector of Leon County, which has already begun to show an increasing share of population within the county, will continue to expand from approximately 16 percent in 2003 to 21 percent by 2025. Historic and forecasted population by sector within Leon County is shown in Table 2-4 while Figure 2-5 shows the Leon County sectors.



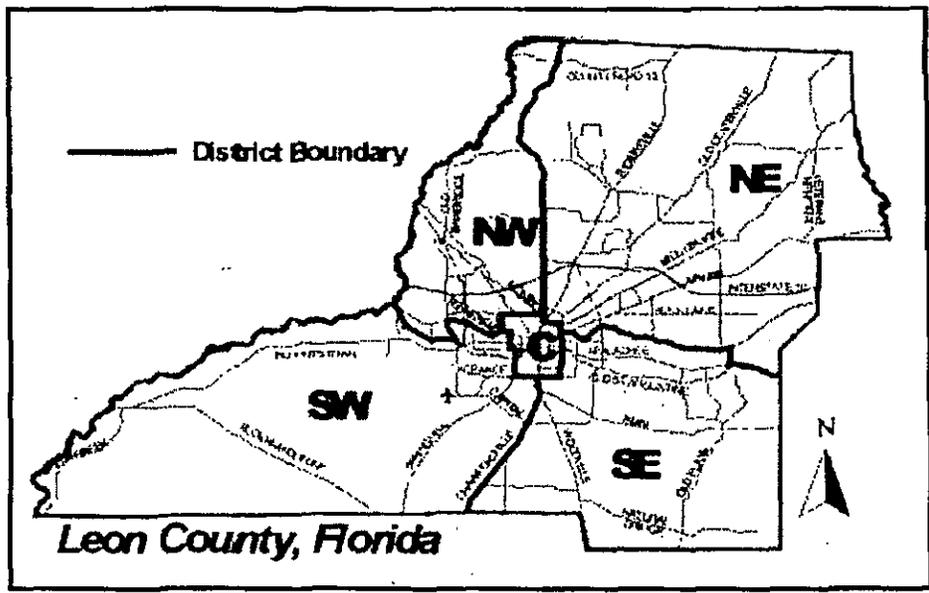
# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

Table 2-4. Leon County Population by Sector, 1990-2025

	Southeast	Central	Northeast	Southwest	Northwest	Leon Co
1990-00	7,583	2,631	25,226	3,129	8,411	46,959
2000-03	3,021	1,607	6,877	1,587	2,966	16,048
2003-05	2,821	258	3,468	716	637	7,900
2003-10	10,809	1,154	9,572	2,266	3,600	27,400
2003-15	17,967	2,660	16,236	4,013	6,126	47,000
2003-20	24,486	3,958	22,118	5,735	8,004	64,300
2003-25	31,497	4,319	27,694	7,653	9,537	80,700

Source: U.S. Census, 1990-2000, Leon County Planning Department, and Strategic Planning Group, Inc., 2004

Figure 2-5. Leon County Sectors



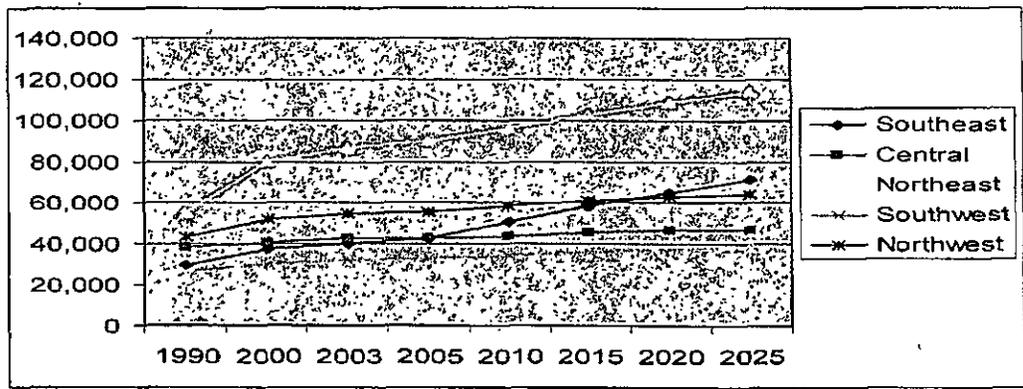
This shifting population trend toward Tallahassee's southeastern and southern market sectors is presently being fueled by the St. Joe Corporation's SouthWood Development, the availability of relatively lower cost land for development, the increasing popularity of Wakulla County for persons relocating to the region, the southward expansion of FAMU, the saturation of the northern market areas resulting in increased travel times, and the potential expansion of the Capital Circle State Office Center Complex.

SPG anticipates that the impacts of population growth in the southeast sector will be most evident during the 2010-2025 timeframe. By 2005, population expansion in the southeast sector should equal or exceed that occurring in the central sector of the market, and by the 2015-2020 period should equal or exceed growth in the northwest sector. These trends are illustrated in the population sector forecast shown in Figure 2-6.



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

**Figure 2-6. Population Forecast by Sector-Leon County**



Source: Tallahassee-Leon County Planning Department

### Student Populations

The Leon County population is one of the most highly educated in the State of Florida. This is due in part to the employment requirements for the State of Florida, as well as to the presence of three institutions of higher learning: Florida State University (FSU), Florida A&M University (FAMU) and Tallahassee Community College (TCC). These facilities are within a three-mile radius of the subject fairgrounds property.

Enrollment at these institutions amounted to over 65,000 students as of fall semester, 2004. Projections of future enrollment, along with historical trends, are summarized in Table 2-5, on the following page. As shown, over the next 10 to 11 years, enrollment is forecast to increase by 5,785 students at FAMU and 5,312 students at FSU.

**Table 2-5. Institutional Enrollment Levels**

Year	Florida State University	Florida A&M University	Tallahassee Comm. College
1980	21,965	5,246	3,663
1990	27,427	8,411	9,679
1995	30,268	10,395	10,101
2000	34,500	12,202	11,207
2002	36,683	12,462	11,667
2004	38,140	13,500	na
2010	40,949	16,483	na
2015	43,452	19,285	na

Sources: Florida Board of Education and TCC Registrars' Office.  
 Fall semester figures and Strategic Planning Group, Inc.



Strategic Planning Group, Inc.

**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

The expansion of FAMU's student body could have a significant impact upon development opportunities at the fairgrounds property site. Continued southward expansion of the FAMU campus is anticipated in future years and off-campus student housing is already being developed on nearby properties immediately west of the fairgrounds location. These opportunities could very well include housing, as well as commercial retail, entertainment and service-type land uses. However, some of this additional new market support is likely to be captured by facilities planned for the revitalized Gaines Street Corridor.

**Income**

According to the 2000 Census, the Tallahassee MSA had a median household income of \$36,441 in 1999. Of the four-county MSA, both Leon and Wakulla Counties recorded median household incomes ranging from 2 to 3% above the MSA average. The reported household incomes were greatest in Leon County and lowest in the rural, Gadsden County area. Table 2-4 summarizes these figures by county.

**Table 2-6. Median Household Income Levels, 1999**

Gadsden County	\$31,248	85.7%
Jefferson County	\$32,998	90.6%
Leon County	\$37,517	103.0%
Wakulla County	\$37,149	101.9%
Total MSA	\$36,441	100.0%
Primary Market Area	\$35,181	96.5%

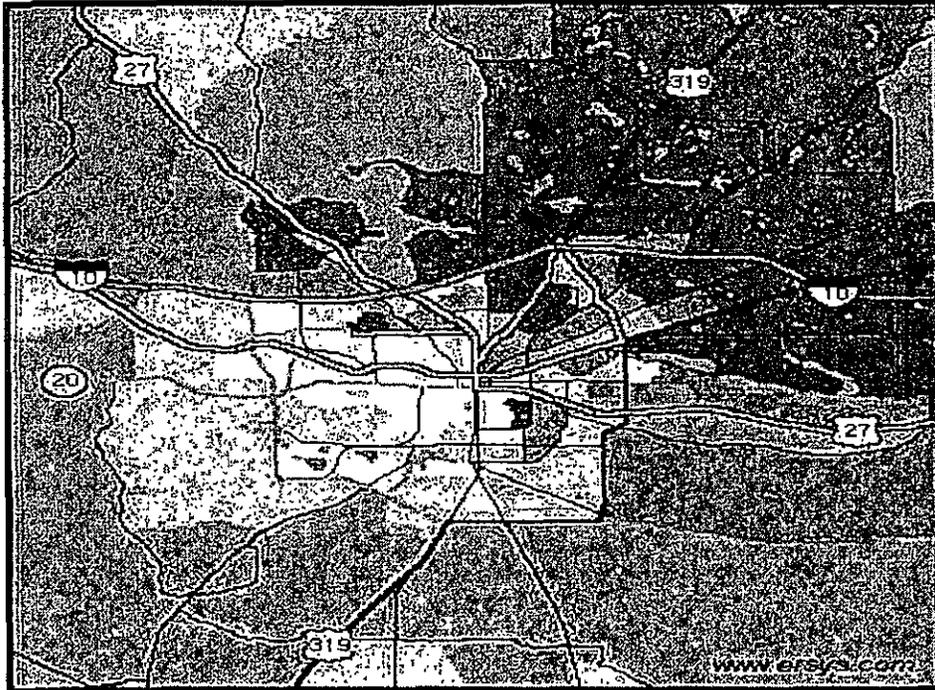
Source: U.S. Census Bureau, 2000 and SPG, Inc.

The highest median household income levels reported by the Census were located in the market's northeastern sector communities. The distribution of medium household income levels by ranges for the Greater Tallahassee area market in 1999, based on 2000 Census information, is shown in Figure 2-7.



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

Figure 2-7. Greater Tallahassee Area Market, 1999



Source: US Census 2000, ERSYS, and Strategic Planning Group, Inc. 2004.

Within the Fairgrounds primary market area, defined as the southeast sector of Leon County and excluding the student population and southern downtown area north of Orange Avenue, median household income was determined to be \$35,181. Within a several-mile radius of the site north of Orange Avenue, there exists the student population associated with FAMU and FSU with household income levels declining dramatically, ranging between \$13,000 and \$17,000 according to Census Tract data.

To the north of the fairgrounds site, north of Orange Avenue and east of South Monroe Street, the areas surrounding the Capital City County Club had indicated median household income levels in the \$41,550 to \$45,324 range. Relatively higher median household income areas were also recorded toward the southeast of the fairgrounds site immediately beyond Capital Circle, with median incomes ranging from \$39,207 to \$51,981. This data highlights the socioeconomic diversity of the market surrounding the fairgrounds site location.



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**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**Table 2-7. Tallahassee MSA Labor Market Trends**

Labor				
Year	Force	Employment	Unemployment	Rate
1995	146,542	142,205	4,337	3.0%
2000	156,786	152,807	3,979	2.5%
2001	157,355	152,440	4,915	3.1%
2002	156,378	150,565	5,813	3.7%
2003	156,530	151,170	5,360	3.4%
2004/1	162,037	156,993	5,044	3.1%

Note: Figures for 2004 are July monthly numbers.  
 Source: U.S. Department of Labor, Bureau of Labor Statistics and Strategic Planning Group, Inc. 2004.

**Labor and Employment**

The data indicates that over the past nine years, the Tallahassee MSA labor force has grown by 15,495 persons, or an average of slightly over 1,700 persons annually. During this same time, total employment has increased by 14,788 persons or about 1,643 persons annually.

Unemployment rates within the market ranged from a low of 2.5% in 2000, to a high of 3.7% in 2002. As of July 2004, unemployment rates have declined to slightly over 3%.

An analysis of the 2003 MSA labor force by industry sector, indicates that 28.3% of the total labor force is employed by State government. Together with the local and federal sectors, government employment accounts for 38% of the total, local MSA-area employment. The next largest employment sectors are professional and business services, (11.4%), retail trade (10.9%), and education and health services (10.2%).

Preliminary 2004 data indicates that MSA nonagricultural employment increased significantly between August 2003 and 2004 by 2.2%, or 3,500 persons. The greatest increases in employment were estimated to have occurred in the following sectors: State government; educational and health services; construction; professional and business services; and leisure and hospitality. Changes in employment levels by industry sector for the MSA market are shown in Table 2-6.

According to the 2000 Census, Leon County is a net importer of workers from the surrounding counties. Approximately 55% of the employed population living in Wakulla County worked in Leon County and accounted for about 4% of the total Leon County workforce. Only Gadsden County (6%) accounted for a greater percentage of the non-Leon County population working in Leon County.



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**Table 2-8. Tallahassee MSA Employment by Sector, 2003-2004**

Industry Title	2004		2003	Change from Jul 2004 to Aug 2004		Change from Aug 2003 to Aug 2004	
	August	July		Number	%	Number	%
Total Nonagricultural Employment	159,600	157,800	156,100	1,800	1.1%	3,500	2.2%
Goods Producing	11,700	11,700	11,100	0	0.0%	600	5.4%
Natural Resources, Mining, and Construction	8,000	8,000	7,500	0	0.0%	500	6.7%
Manufacturing	3,700	3,700	3,600	0	0.0%	100	2.8%
Service Providing	147,900	146,100	145,000	1,800	1.2%	2,900	2.0%
Trade, Transportation, and Utilities	22,100	21,900	21,800	200	0.9%	300	1.4%
Wholesale Trade	2,900	2,900	2,900	0	0.0%	0	0.0%
Retail Trade	17,600	17,400	17,200	200	1.1%	400	2.3%
Food and Beverage Stores	3,400	3,400	3,800	0	0.0%	-300	-10.5%
Transportation, Warehousing, and Utilities	1,600	1,600	1,700	0	0.0%	-100	-5.9%
Information	3,700	3,700	3,700	0	0.0%	0	0.0%
Financial Activities	7,300	7,300	7,200	0	0.0%	100	1.4%
Professional and Business Services	18,200	17,800	17,700	400	2.2%	500	2.8%
Education and Health Services	16,700	16,600	16,100	100	0.6%	600	3.7%
Leisure and Hospitality	13,300	13,300	12,800	0	0.0%	500	3.9%
Other Services	7,600	7,700	7,600	-100	-1.3%	0	0.0%
Total Government	59,000	57,800	58,100	1,200	2.1%	900	1.5%
Federal	1,800	1,800	1,900	0	0.0%	-100	-5.3%
State	43,500	43,500	42,700	0	0.0%	800	1.9%
Local	13,700	12,500	13,500	1,200	9.6%	200	1.5%

Note: Employment estimates have been rounded to the nearest hundred. Sum of detail may not equal totals due to rounding or the exclusion of certain industries from publication. All data are subject to revision due to late reporting of participants and the annual benchmarking process.  
 Source: U.S. Department of Labor, 2004

**Major Employers**

Only 5% of Leon County residents with a job worked outside of Leon County, making it the second-lowest percentage in the State of Florida, according to the 2000 Census. Major employers in the MSA market, employing 300 or more persons, with the exception of St. Marks Powder-A General Dynamics Company are all located in Leon County. Table 2-9 summarizes the markets major employers.



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## ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

**Table 2-9. Tallahassee Area Major Employers, 2004**

Florida State University	8,784
Leon County Schools	4,403
City of Tallahassee	3,327
Tallahassee Memorial HealthCare, Inc.	2,850
Florida A&M University	2,681
Publix Supermarkets, Inc.	2,000
Leon County	1,522
Tallahassee Community College	1,090
Sprint	740
Capital City Bank	530
Tallahassee/Leon County Civic Center	518
Capital Regional Medical Center	515
Caspers Group McDonald's	500
Quincy Farms	500
Capital Health Plan	485
Wal-Mart Super Center	425
St. Marks Powder- A General Dynamics Company	330

Source: Tallahassee Area Chamber of Commerce, 2004, and Strategic Planning Group, Inc, 2004



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**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**SECTION 3 – FAIRGROUNDS MARKET OPPORTUNITIES**

In this section, consideration is given to the market potentials attributable to the commercial and residential markets for possible redevelopment of the fairgrounds property. Presented here is an overview of the commercial transient lodging, office, retail, entertainment, and residential markets relative to their capability of supporting reuse/development at the site, financial considerations associated with the potential sale of part or all of the 104-acre property, and relocation considerations for the existing fairgrounds operations.

**MARKET OVERVIEW**

SPG has evaluated and analyzed the Tallahassee commercial and residential markets with regard to development patterns and market absorption trends in order to determine the highest and best uses for the fairgrounds property. An overview of each of the land uses considered is presented in the following pages.

**Transient Lodging Market**

The Tallahassee transient lodging (hotel-motel) market has been somewhat static during the past decade. Between 1990 and 2003, the total number of licensed hotel/motel facilities has only increased by three establishments and a total of 392 rooms. As would be expected, the number of hotels increased by 11 facilities and motels decreased by eight facilities. Hotel rooms increased by 1,011 rooms and motel rooms declined by 619, reflecting the development of new, larger-type lodging facilities within the market. Table 3-1 summarizes trends in licensed lodging facilities in Leon County for the 1990-2003 period.

**Table 3-1. Licensed Lodging Facilities Trends, 1990-2003**

<i>Fiscal Year</i>	<i>1990-91</i>	<i>1995-96</i>	<i>1998-99</i>	<i>2001-02</i>	<i>2002-03</i>
<b>Rooms</b>					
<i>Hotel</i>	1,176	1,356	1,816	2,356	2,187
<i>Motel</i>	3,363	3,498	3,119	2,839	2,744
<b>Total</b>	<b>4,539</b>	<b>4,854</b>	<b>4,935</b>	<b>5,195</b>	<b>4,931</b>
<b>Establishments</b>					
<i>Hotel</i>	8	10	15	21	19
<i>Motel</i>	45	45	41	36	37
<b>Total</b>	<b>53</b>	<b>55</b>	<b>56</b>	<b>57</b>	<b>56</b>
Source: State of Florida, Department of Business and Professional Regulation Division of Hotels and Restaurants, 2004; and Strategic Planning Group, Inc., 2004.					



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

The development pattern of transient lodging facilities within the greater Tallahassee area market has been primarily in the northwest and eastern sectors of the City. As of 2004, the Leon County market contained an estimated 5,013 rooms, and 2,338 or 47% of these rooms were in the northwest sector of the market. The eastern sector of the market provides an additional 1,039 rooms and accounts for 21% of the market. There was not any hotel development in Tallahassee's southern market sector. Table 3-2 indicates the Tallahassee hotel/motel inventory by market sector as of 2004.

**Table 3-2. Tallahassee Hotel/Motel Inventory, 2004**

<i>Fiscal Year</i>	<i>1990-91</i>	<i>1995-96</i>	<i>1998-99</i>	<i>2001-02</i>	<i>2002-03</i>
<b>Rooms</b>					
<i>Hotel</i>	1,176	1,356	1,816	2,356	2,187
<i>Motel</i>	3,363	3,498	3,119	2,839	2,744
<b>Total</b>	<b>4,539</b>	<b>4,854</b>	<b>4,935</b>	<b>5,195</b>	<b>4,931</b>
<b>Establishments</b>					
<i>Hotel</i>	8	10	15	21	19
<i>Motel</i>	45	45	41	36	37
<b>Total</b>	<b>53</b>	<b>55</b>	<b>56</b>	<b>57</b>	<b>56</b>
Source: State of Florida, Department of Business and Professional Regulation, Division of Hotels and Restaurants, 2004, and Strategic Planning Group, Inc., 2004					

While there would appear to be an immediate opportunity for the development of additional transient lodging facilities within the market, particularly in the southern sector market area, planned and proposed hotel development indicates an expansion of the market by approximately 30% or 1,611 rooms is already underway. About 50% of these rooms are slated for development in the markets eastern and downtown sectors. Planned and proposed hotel/motel development in the Tallahassee market is shown in Table 3-3.



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**Table 3-3. Planned Tallahassee Hotel/Motel Facilities, 2004**

<b>Northeast</b>	<b>Rooms</b>
<b>Hampton Inn &amp; Suites</b>	122
<b>East</b>	
<i>Hilton Garden Inn</i>	85
<i>Extended Stay</i>	150
<i>Camden Suites</i>	84
<i>Applachee Pkwy Hotel</i>	145
<b>Sub Total</b>	464
<b>Downtown</b>	
<b>Marriott Civic Center</b>	329
<b>Northwest</b>	
<b>Holiday Inn</b>	132
<b>West</b>	
<b>HUD Frenchtown</b>	100
<b>Total Market Area</b>	1,611
Source: Tallahassee-Leon County Planning Department, 2003, and Strategic Planning Group, Inc. 2004	

Thus, assuming that 80% of the planned inventory will actually be developed and an average absorption of approximately 150 rooms annually, the market will require an estimated eight to nine years to sufficiently absorb the planned development inventory.

Therefore, SPG does not anticipate any short-term market development opportunities for hotel/motel facilities at the Fairgrounds location prior to 2013. At that time, sufficient market support could be expected from FAMU, Innovation Park, SouthWood, the Capital Circle State Office Center, Downtown Tallahassee and Wakulla County residents, tourists, and businesses.

This anticipated development timeframe could, however, be expedited should FAMU decide that transient lodging facilities are required to support new and emerging educational programs and overall campus expansion programs.



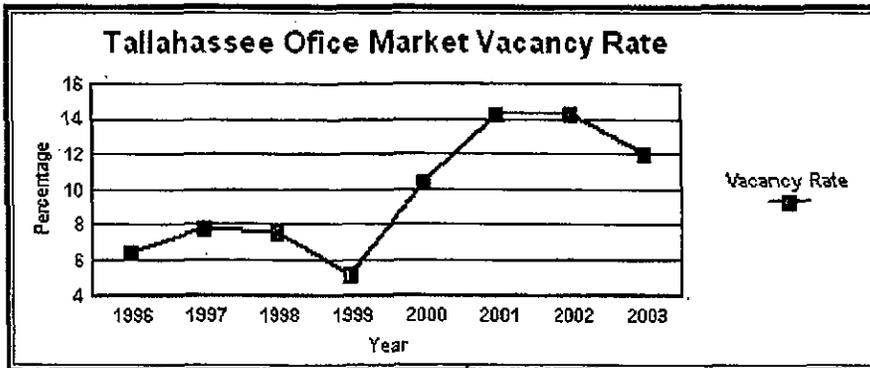
**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**OFFICE MARKET**

The Tallahassee office market (Leon County) contains approximately 6.6 million square feet of private sector office space (in buildings of 20,000 square feet or greater), according to surveys conducted by SouthLand Commercial. In addition, the State of Florida owns and occupies 4.5 million square feet of space in the County market.

As of 2004, both SouthLand Commercial and Coldwell Banker-Hartung and Noblin, Inc., estimate office space vacancy in the market to be approximately 12%. This is several percentage points below the market vacancy rate experienced in 2001 and 2002 and indicates some strengthening, in spite of recent reductions in government employment. Historical trends in the Tallahassee office market vacancy trends are shown in Figure 3-1.

**Figure 3-1. Tallahassee Office Market Vacancy Trends**



Source: Coldwell Banker-Hartung and Noblin, Inc., and Strategic Planning Group, Inc., 2004. (Buildings of 10,000 SF minimum)

Within the southeast sector of the market, office space vacancy rates have mirrored trends in the Greater Tallahassee Area market. During the past year, however, southeast sector vacancy has declined to several percentage points below that of the overall market. This is primarily due to slightly increased absorption stemming from increased occupancy of St. Joe's SouthWood One office building that was the first speculative office development in the southeast sector in the last 15 years. During 2003, half of the space in this 90,000 square foot building was leased.

By the end of 2003, the southeast sector contained approximately 2,906,555 square feet of office space, of which 289,634 or 9.96 was vacant and available for lease. This vacancy rate is about equal to that of the northeast and downtown areas, and half that of the northwest market sector which was estimated at 20.7% in 2003. It should be noted that the downtown vacancy rate declined dramatically during the first half of 2004 to approximately 3.0%.



## ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

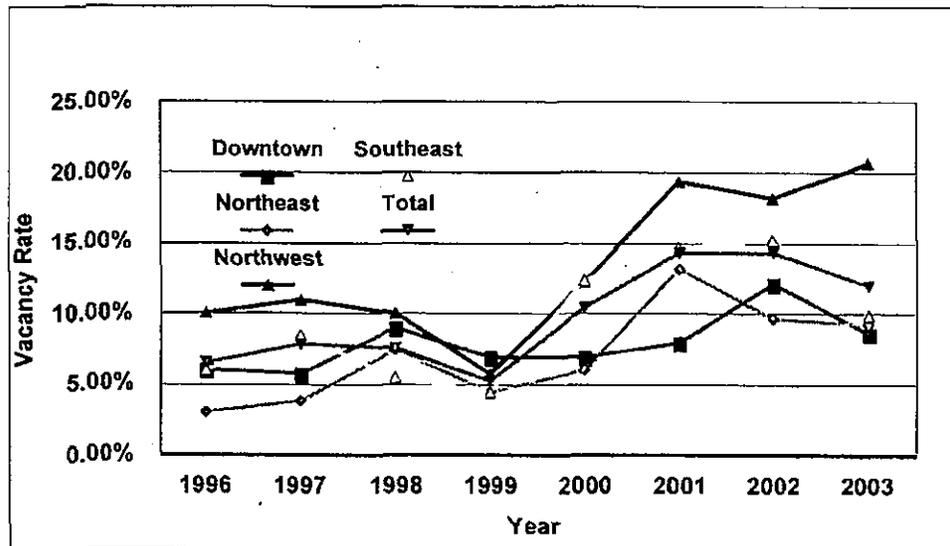
Table 3-4 and Figure 3-2 summarize office space vacancy rates by market sector for the 2000 to 2003 period.

**Table 3-4. Tallahassee Office Market Vacancy by Sector, 1996-2003**

Year	Downtown	Northeast	Northwest	Southeast	Total
1996	6.00%	3.00%	10.00%	6.00%	6.50%
1997	5.75%	3.82%	11.00%	8.50%	7.79%
1998	9.00%	7.40%	10.00%	5.54%	7.60%
1999	6.96%	4.49%	5.77%	4.44%	5.20%
2000	6.93%	5.99%	12.24%	12.38%	10.49%
2001	7.94%	13.21%	19.37%	14.65%	14.32%
2002	12.09%	9.59%	18.18%	15.20%	14.34%
2003	8.64%	9.23%	20.65%	9.96%	12.00%

Source: Coldwell Banker, Hartung & Noblin, Inc., 2003

**Figure 3-2. Vacancy Rate Trends by Market Sector**



Source: Coldwell Banker, Hartung & Noblin, Inc., 2003, and Strategic Planning Group, Inc., 2004.

Coldwell Banker, Hartung & Noblin, Inc.'s annual market survey of major office facilities, consisting of buildings over 10,000 square feet, indicated that approximately 37% of the total market's vacant space was located in the southeast sector. An inventory of major office buildings located within the southeast sector of the Tallahassee market is presented in Table 3-5.



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# ECONOMIC FEASIBILITY - TALLAHASSEE FAIRGROUNDS

**Table 3-5. Inventory of Major Office Facilities, Southeast Sector**

Project Name Address	No. Bldgs	No. Floors	Year Built	Rentable Sq Ft (Usable)	Current Vacant	Rate Per SF (FS/NET)	Largest Avail Space	Comments
<b>KOGER EXECUTIVE CENTER</b> 1311 Executive Center Dr	18	2	72-92	833,372	158,000	\$16.00	36,000	Full Service
<b>MAGNOLIA OFFICE PARK</b> 345 S. Magnolia Dr	6	2	1985	52,000	3,000	\$13.50	3,200	Full Service
<b>LAFAYETTE OFFICE PARK</b> 1020-1030 Lafayette St	2	2	1975	26,000	4,500	\$13.00	1,600	16,000-2 Story 10,000-2 Story Full Service
<b>327 OFFICE PLAZA</b> (Medallion Building)	1	2	1970	15,212	4,000	\$12.00	1,000	
<b>309 OFFICE PLAZA</b> Professional Arts Bldg	1	2	1970	12,632	0	\$8.00	0	No Service
<b>CAPITAL COMMERCE CENTER</b> 500 Capitol Circle SE	11	2	Jan	63,500	7,620	\$10.50 NET	5,400	-25 CAM Former bank space
<b>MAGNOLIA CENTRE I</b> 1203 Governor's Square Blvd	1	6	1988	50,000	8,000	\$17.50	5,000	space
<b>MAGNOLIA CENTRE II</b> Governor's Square Blvd	1	4	1988	40,000	4,500	\$15.50	4,500	
<b>PARK CENTRE</b> 124 Marriott Dr	1	2	1988	30,000	0	\$16.00	0	Full Service
<b>FLORIDA LOTTERY BUILDING</b> Marriott Dr	1	3	1988	150,000	0	0	0	
<b>OLD ST. AUGUSTINE OFFICE PK</b> 2002 Old St. Augustine Rd	5	1		150,000	0	\$15.00	0	June 4600 SF
<b>PARKWAY OAKLAND BLDG</b> 2003 Apalachee Pkwy	3	3	Jan	70,000	4,000	\$15.00	2,000	Full Service
<b>AMBASSADOR BUILDING</b> Apalachee Pkwy	1	2	1971	50,000	6,000	\$17.00	8,000	
<b>WINEWOOD OFFICE COMPLEX</b> 1311 Winewood Blvd	82	1/2-4	1970	330,259	0	\$14.04	0	Net/Elec
<b>DEPT OF CORRECTIONS</b> 2601 Blairstone	1	5	Mar 1994	330,000	0	\$14.79	0	Single Tenant 15 year lease
<b>BLAIRSTONE PLAZA</b> 2720 Blairstone Rd	2	2		15,000	0	\$12.00	0	Net
<b>FORT KNOX</b> 1406 Capital Circle NE	3	3	1988	45,000	0	\$17.50	0	Full Service
<b>2600/2650 APALACHEE PKWY</b> 2670 Apalachee Pkwy	2	1	Feb 1996	20,000 5,000	10,000	\$15.00	5,000	
<b>1310 CROSS CREEK</b> 3717 APALACHEE PKWY	1	1	1996	10,000	0	\$13.00	0	Net
	1	2		35,000	8,000	\$15.00	8,000	DOT Full Service



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

Table 3-5. (Con't.)

Project Name Address	No. Bldgs	No. Floors	Year Built	Rentable Sq Ft.	Current Vacant	Rate Per SF (FS/NET)	Largest Avail. Space	Comments
1830 E. PARK AVE	1	2	2003	20,000	0	\$15.00	0	
PARK ON PARK 820 E. Park	5	2	Jan	30,200	20,000	\$10.00	7,000	
GOVERNORS COURT 1,140 Capital Circle SE	1	1	2001	22,000	4,000	\$10.00	4,000	
SOUTHWOOD ONE Drayton Dr	1	3	2001	90,000	17,634	\$18.25	9,975	\$25.00 TI Full Service
FLORIDA BAR ANNEX 661 Crest St.	1	1	1991	52,000	0	\$17.50	0	
FBMC (Former) 1720 Gadsden	1	2	1972	30,380	30,380	\$11.00	30,380	2.08 AC
CCR Building Drayton Dr	1	1		30,000	30,000	\$12-13.00		Capital-Collateral Resources
<b>Total</b>				<b>2,906,555</b>	<b>9.96%</b>	<b>289,634</b>		

Source: Coldwell Banker, Hartung and Noblin, Inc.

Market absorption of office space within the area, based upon the SouthLand Commercial-Tallahassee Office Survey 2004, indicated approximately 223,242 square feet, which was significantly above levels experienced during the past several years. In fact, 2003 was reported as having a net loss of absorbed new office space. The majority of space absorbed within the market was in the northeast sector, which accounted for almost 60% of the total market absorption.

The southeast market sector accounted for an estimated 28%, or 61,699 square feet of this absorption. However, over 60% of the estimated southeast sector office market absorption was accounted for by the St. Joe Company's SouthWood One building. The balance of the entire southeast market captured only slightly over 24,000 square feet.

Average rental rates were indicated to be approximately \$16.37 per square foot, up from levels achieved in prior years. This does again, however, reflect new space being marketed by St. Joe's SouthWood One building.

This trend is anticipated to continue during the near term and accelerate as the SouthWood Community continues to grow and expand its commercial office/retail market base.

SPG has forecast office market absorption for the Tallahassee Market based upon anticipated future employment levels in those industry classifications typically considered users of office space. This includes persons employed in the areas of financial activities, professional and business services, health services, and other service industries. Government employment space needs have not been included in this forecast analysis.



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

Based upon future employment growth, SPG forecasts office-space needs at approximately 190,000 square feet in 2005, increasing annually at 2% throughout the forecast period. A southeast sector market share of this space-need, amounting to 25%, has been utilized in 2005, and increases to 33% in 2015 and 38% by 2025.

Considering anticipated, continued office development to be expected by St. Joe, both within its SouthWood Community and at other properties owned within the southeast sector market, SPG has assumed a Fairgrounds site market share ranging from a low of 75 to a high of 28% throughout the projection forecast period. This results in office space demand at the Fairgrounds site of between 7,500 to 9,400 square feet in 2010, increasing to 11,400-15,200 in 2015, and to approximately 26,400-30,000 by 2025. Again, it should be noted that this space-demand forecast is exclusive of Government and other public/institutional-type office space use demand. Should Government or institutional users consider office development at the Fairgrounds site, this would be in addition to the indicated forecast of office space demand. Office space absorption at the subject Fairgrounds site is shown in Table 3-6.

**Table 3-6. Forecast of Office Space Demand, Fairgrounds Site**

	2005	2010	2015	2020	2025
Total Market	190,000	209,000	229,900	252,900	278,200
SE Sector	47,500	62,700	75,967	88,515	105,716
Mkt Share	25%	30%	33%	35%	38%
<b>Fairgrounds</b>					
Mkt Share	7%	12%	15%	20%	25%
Mkt Share	7%	15%	20%	25%	28%
Site Potentials	3,325	7,524	11,380	17,703	26,429
	3,325	9,405	15,173	22,129	29,600

Source: Strategic Planning Group, Inc. 2004

**RETAIL MARKET**

The Tallahassee/Leon County retail market structure has remained relatively static over the past five to six years, experiencing little expansion outside of the automotive, food and beverage, and general merchandise retail categories. Big box retailers have accounted for the growth in general merchandise-type facilities; however, all of this growth has occurred in the northeast and northwest sectors of the Tallahassee market area.

Total retail establishments in Leon County increased by only 53 outlets between 1998 and 2001, according to the most recently available data provided by the US,

Department of Commerce's County Business Patterns. Significantly, the greatest increase in retail establishments was in the motor vehicle parts and gas station facilities, food and beverage stores, and clothing and accessories stores. Furniture and home furnishing stores, along with health and personal care stores, both posted losses in establishments for the period. The inventory of retail establishments in Leon County for the 1998-2001 period is shown in Table 3.7.



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**Table 3-7. Leon County Retail Establishments, 1998-2001**

<i>Leon County Retail Structure</i>	<i>1998</i>	<i>2001</i>	<i>Change Amount</i>	<i>Change Percent</i>
<i>Total Retail Establishments</i>	1002	1055	53	5.3%
<i>Motor Vehicle &amp; Parts</i>	111	132	21	18.9%
<i>Furniture &amp; Hm Furnishings</i>	73	61	-12	-16.4%
<i>Electronics &amp; Appliances</i>	57	49	-8	-14.0%
<i>Bldg. Material &amp; Supply</i>	70	71	1	1.4%
<i>Food &amp; Beverage</i>	77	102	25	32.5%
<i>Health &amp; Personal Care</i>	81	69	-12	-14.8%
<i>Gas Stations</i>	104	127	23	22.1%
<i>Clothing &amp; Accessories</i>	159	172	13	8.2%
<i>Sporting, Book, Hobby Mus.</i>	75	75	0	0.0%
<i>General Merchandise</i>	27	33	6	22.2%
<i>Misc. Retailers</i>	129	133	4	3.1%
<i>Non-Store Retailers</i>	39	31	-8	-20.5%

Source: County Business Patterns, 1998-2001 and SPG 2004.

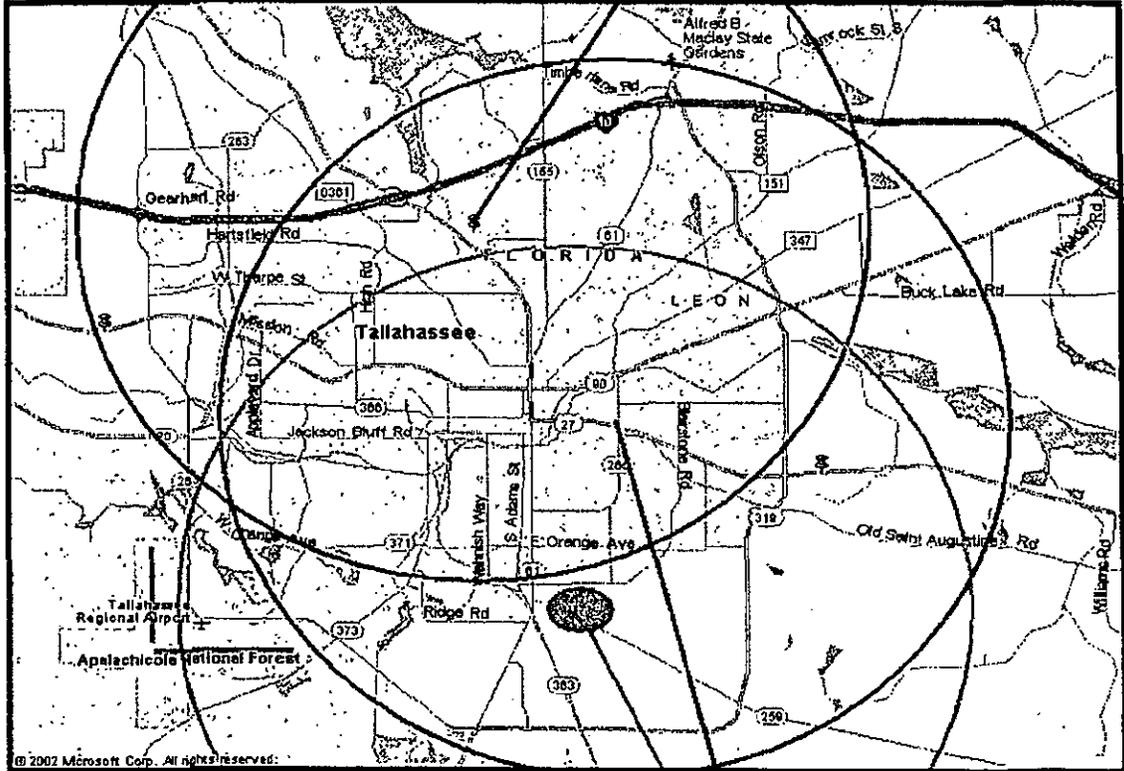
Regional retail facilities serving the market include the Tallahassee Mall and Governor's Square Mall. These are older, regional shopping malls built in 1971 and 1979, respectfully. Tallahassee Mall is a 749,925-square foot center located in the northwestern sector of the City, and Governor's Square Mall is a 1,313,239-square foot mall located in the eastern sector of the market. From these locations, all of the City of Tallahassee is relatively well served and within a 20-minute driving time from either of these regional mall locations.

Figure 3-3 shows the regional mall primary trade area coverage pattern for each of these centers relative to the fairgrounds site location and potential market area.



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

Figure 3-3. Regional Mall Primary Trade Area Coverage Patterns



Source: Strategic Planning Group, Inc., 5-mile radius primary trade area market.

Community and neighborhood-type shopping centers within the market are also primarily older centers. Since 2000, only four new community/neighborhood shopping centers were developed within or adjacent to the City of Tallahassee. Three of the four centers were added in the eastern and southern sectors of the market.

The location of these shopping centers is shown, along with the inventory of retail shopping centers in Figure 3-4 and Table 3-7. Of the total 6.7-million square feet of shopping center space, 3.2 million, or 48%, was developed prior to 1980. During the 1980's, an additional 1.8-million square feet, or 26%, of shopping center space was added to the inventory. Between 1990 and 1999, the market added an additional 19% of its total space, or 1.3-million square feet. Since 2000, only 453,713-square feet of shopping center space have been added to the inventory being added annually.

Thus, almost half of the market's shopping center space is at least 25 years or older. Average annual development amounted to 175,500-square feet during the 1980's, and declined to about 127,000-square feet average annually during the 1990's. Annualized figures for the current decade, based upon shopping center development through the first half of 2004, would result in further decline to approximately 907,000-square feet of shopping center space.





# ECONOMIC FEASIBILITY - TALLAHASSEE FAIRGROUNDS

**Table 3-8. Inventory of Tallahassee Area Shopping Centers**

Map	Shopping Center	Gross Square Footage	Land Area (Acres)	Year Built
1	Betton Place	33,460	23	1983
2	Bradford Village Center	77,152	1,437	1996
3	Capital West	277,546	2,957	1990
4	Capitol Park	80,282	1,165	1989
5	Capitol Plaza	112,741	414	1961
6	Carriage Gate	84,683	689	1978
7	Center Village	179,269	1,728	1993
8	College Square	77,725	876	1979
9	Commercial Plaza East	33,217	398	1982
10	Cross Creek Square	205,482	2,195	1988
11	Crossway Shopping Center	29,360	423	1989
12	Forest Village Shopping Center	134,000	3,079	2000
13	Gallery at Market Street	33,258	149	1986
14	Governor's Marketplace	154,555	3,380	2001
15	Governor's Square Mall	1,313,239	9,556	1979
16	Gulf Winds Shopping Center	117,386	10	1967
17	High Road Corner	71,977	458	1960
18	Huntington Oaks Plaza	73,092	1,156	1990
19	K Mart Plaza Shopping Center	166,365	1,609	1972
20	Killearn Center	94,772	866	1980
21	Lafayette Place Shopping Center	103,540	1,368	1987
22	Lake Ella Plaza	102,158	1,365	2002
23	Lake Jackson Trading Post	73,945	882	1984
24	Magnolia Park Courtyard	86,023	9	1987
25	Mahan Square	35,348	349	1988
26	Miracle Plaza	69,192	618	1981
27	Monticello Square	124,465	1,087	1979
28	Northampton	101,871	1,099	1991
29	Northside Plaza	70,521	575	1977
30	Northwood Station	45,355	26	1991
31	Oak Lake Village	55,968	443	1985
32	Oak Valley Shopping Center	79,766	1,841	1992
33	Old Bainbridge Square	77,133	878	1988
34	Parkway Shopping Center	205,102	141	1965
35	Parkway Terrace	38,250	153	1984
36	Pavillions The	50,602	405	1986
37	Shannon Lakes Shopping Center	64,932	803	1989
38	Southside Shopping Center	60,660	668	1976
39	Sugar Creek	196,665	2,131	1988
40	Tallahassee Mall	749,925	7,425	1971
41	Timberlane Shops on the Square	126,988	961	1985
42	Towne South Shopping Center	81,808	1,225	1980
43	Varsity Shopping Center	45,048	439	1965
44	Village Commons Shopping Center	239,642	2,409	1992
45	WalMart Supercenter	196,538	2,827	1997
46	Westwood Shopping Center	162,690	1,562	1981
47	Woodville Shopping Center	22,170	23	1988
48	SouthWood Village Shopping Center	63,000		2003

Source: Tallahassee-Leon County Planning Department

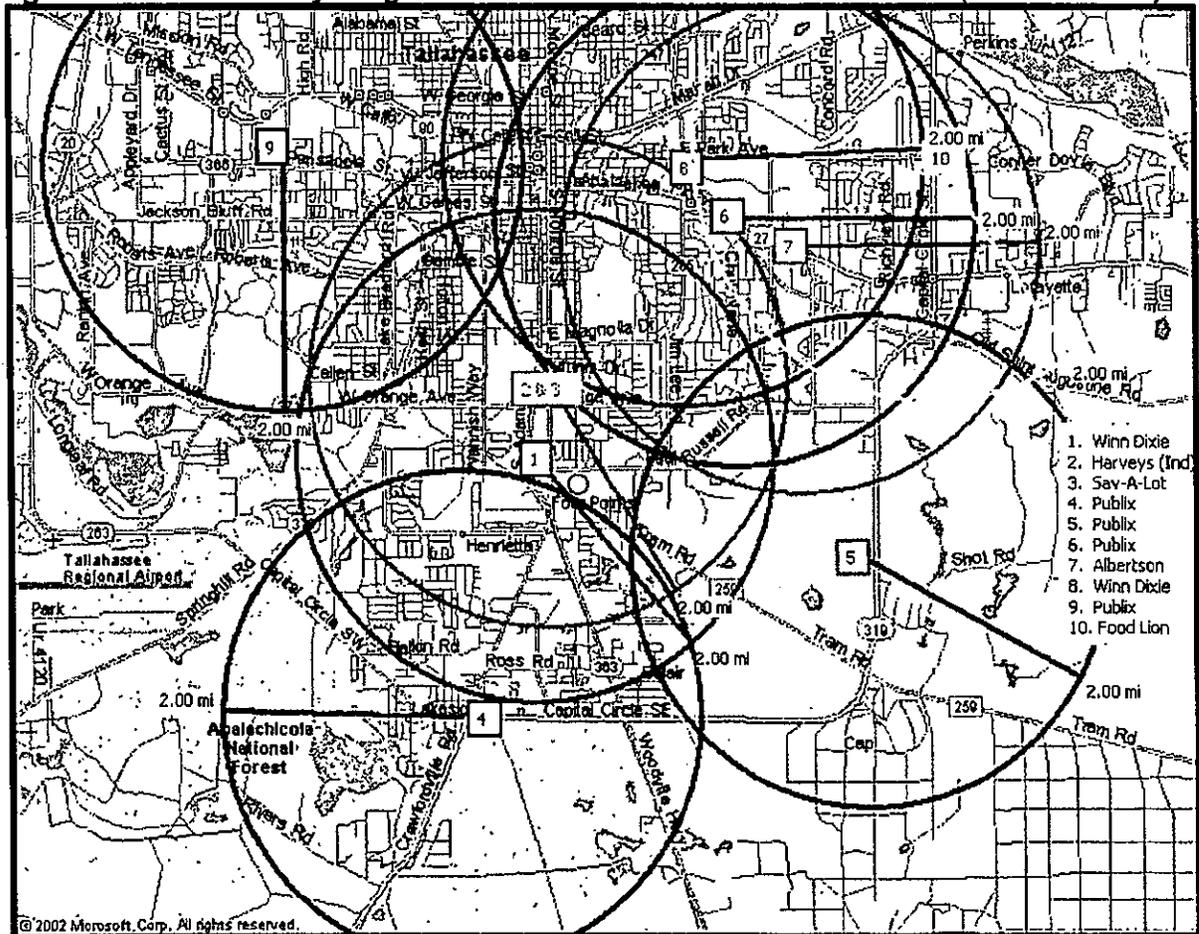


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## ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

Community and neighborhood shopping centers are typically anchored by a major super-market; however, analysis of the present market coverage patterns of these anchor tenants indicates that the opportunity to attract that type of tenant is somewhat limited unless Food Lion, Albertson's, or a new market entry could be identified. The location and coverage patterns of what could be considered competing centers to the Fairgrounds location is shown in Figure 3-5.

**Figure 3-5. Community/Neighborhood Center Locations & Anchors (2-mile radius)**



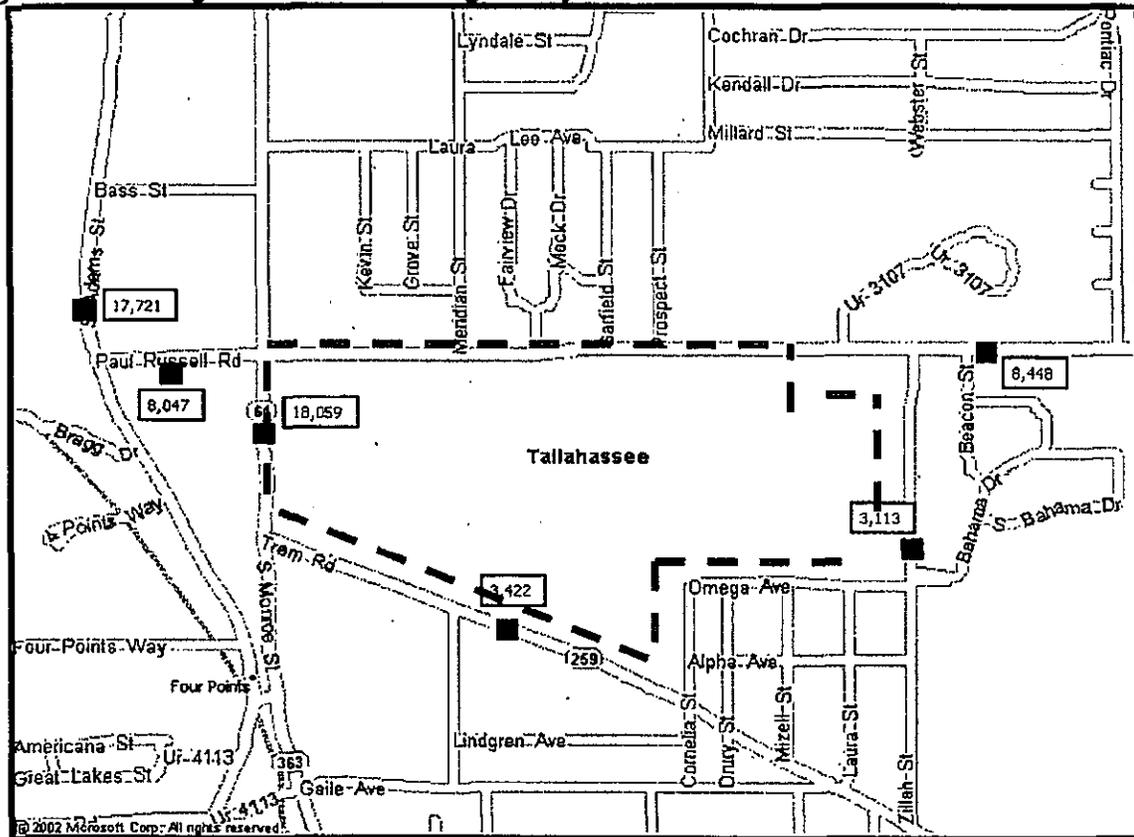
Source: Strategic Planning Group, Inc., 2004.

Traffic counts on the adjacent roads to the Fairgrounds property are showing that South Monroe presently has an average daily traffic count (ADT) of over 18,000 automobiles while the adjacent South Adams Street shows an additional 17,700 automobiles daily. Paul Russell Road's ADT amounted to 6,466, and Tram road amounted to approximately 3,422 ADT. The South Monroe ADT, while relatively high, is still slightly below the ideal that high volume retailers prefer, which is generally around 25,000 ADT (see Figure 3-6).



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

**Figure 3-6. Fairgrounds Site Average Daily Traffic**



Source: Strategic Planning Group, Inc., 2004.

Retail development potentials for the Fairgrounds site have been determined on the basis of anticipated, market-growth forecast for the community's southeast sector, and to a limited extent, anticipated resident and tourist growth that will occur in the Wakulla County market immediately south of Leon County.

### **FAIRGROUNDS AREA MARKET STRUCTURE**

A demographic profile of the geographic area extending in a one, two, and three-mile radius from the fairgrounds site location is summarized in Table 3-8. The data indicates a relatively insignificant population growth has occurred in the one-mile radius and the number of households actually declined between the 1990 and 2000 Census periods. The majority of the population growth has been experienced in the one to three and three to five mile radius areas. However, the majority of the household growth has occurred within a three to five mile radius from the site.



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# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

**Table 3-9. Fairgrounds Area Demographic Profile**

Description	1 Mile	Pct.	3 Mile	Pct.	5 Mile	Pct.
<b>Population</b>						
2004 Estimate	6,940		47,100		112,584	
2000 Census	6,607		45,983		108,643	
1990 Census	6,374		44,714		99,061	
Growth 1990 - 2000	3.66%		2.84%		9.67%	
<b>Households</b>						
2004 Estimate	2,284		18,546		47,532	
2000 Census	2,184		18,110		45,680	
1990 Census	2,280		17,505		40,163	
Growth 1990 - 2000	-4.21%		3.46%		13.74%	
<b>2004 Est. Population by Single Race</b>						
White Alone	712	10.26	18,162	38.56	56,299	50.01
Black or African American Alone	6,104	87.95	26,788	56.87	50,538	44.89
American Indian and Alaska Nativ	6	0.09	87	0.18	246	0.22
Asian Alone	22	0.32	859	1.82	2,265	2.01
Native Hawaiian and Other Pacific		0.00	12	0.03	52	0.05
Some Other Race Alone	13	0.19	422	0.90	1,225	1.09
Two or More Races	81	1.17	772	1.64	1,959	1.74
Hispanic or Latino	108	1.56	1,688	3.58	4,952	4.40
<b>2004 Tenure of Occupied Housing Unit</b>						
Owner Occupied	1,272	55.69	6,951	37.48	17,224	36.24
Renter Occupied	1,012	44.31	11,595	62.52	30,308	63.76
<b>2004 Average Household Size</b>						
	2.66		2.11		2.09	
<b>2004 Est. Households by Household In</b>						
Income Less than \$15,000	611	26.75	6,605	35.61	16,167	34.01
Income \$15,000 - \$24,999	412	18.04	3,095	16.69	7,831	16.48
Income \$25,000 - \$34,999	384	16.81	2,741	14.78	6,742	14.18
Income \$35,000 - \$49,999	381	16.68	2,539	13.69	6,289	13.23
Income \$50,000 - \$74,999	299	13.09	2,028	10.93	5,803	12.21
Income \$75,000 - \$99,999	111	4.86	828	4.46	2,513	5.29
Income \$100,000 - \$149,999	50	2.19	493	2.66	1,388	2.92
Income \$150,000 - \$249,999	27	1.18	152	0.82	545	1.15
Income \$250,000 - \$499,999	8	0.35	57	0.31	177	0.37
Income \$500,000 and over		0.00	6	0.03	77	0.16
<b>2004 Est. Average Household Income</b>						
	\$36,252		\$32,783		\$35,596	
<b>2004 Est. Median Household Income</b>						
	\$28,091		\$23,616		\$24,703	
<b>2004 Est. Per Capita Income</b>						
	\$12,207		\$13,372		\$15,702	

Source: CLARITAS Inc. and Strategic Planning Group, Inc., 2004



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## ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

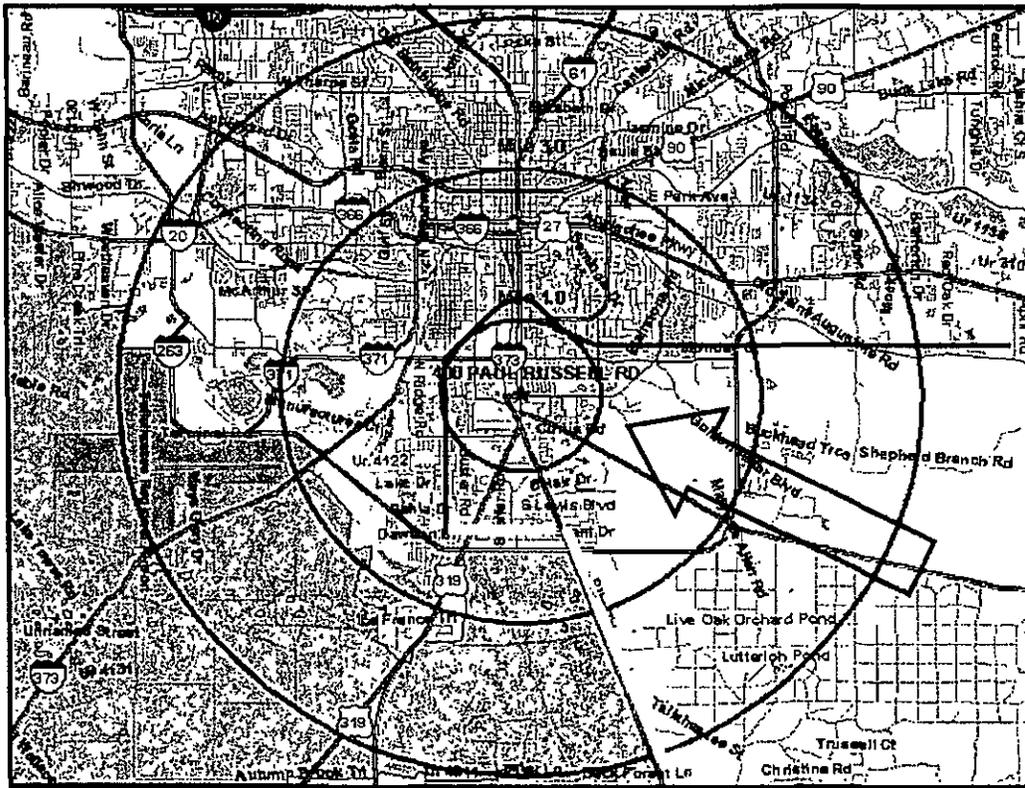
Within the close in one-mile radius, the population's racial composition is primarily black or African American. In a three-mile radius, this population declines to 57 percent and within the five-mile radius further declines to 50 percent. Thus, this data along with the student populations within the three and five mile radius of the site highlights the diversity of the market surrounding the fairgrounds site. Within the one-mile radius, owner occupied housing accounts for 57 percent of the occupied housing units. Moving outward into the three and five mile zones, renter housing becomes dominant and

accounts for over 60% of the occupied housing. Again, this data reflects the significantly large student population just beyond the one- mile radius.

The estimated 2004 average household incomes are highest in the one-mile radius and decline within the three-mile radius due to the student population. Within the larger five-mile radius, the average household income is estimated at \$35,596, which is slightly below that of the four-county MSA average.

The 1-, 3-, and 5-mile market radius for the Fairgrounds site is illustrated, along with the primary market area that could be expected to support commercial retail facilities at the subject location. As shown, a large portion of the delineated primary market area is undeveloped now in terms of both population and competitive facilities.

Figure 3-7. Primary Retail Market Area



Source: Strategic Planning Group, Inc., 2004.



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

Commercial retail development potentials have been developed on the basis of anticipated market growth occurring within the southeast sector of Leon County. The retail potentials by major retail category determined by SPG for the southeast market sector are summarized in the Table 3-10.

**Table 3-10. Southeast Sector Retail Development Potentials**

<b>SE Sector Demand (Square Feet Net)</b>	<b>2003-05</b>	<b>2003-10</b>	<b>2003-15</b>	<b>2003-20</b>	<b>2003-25</b>
<i>Food At Home</i>	11,656	44,660	74,235	101,169	130,137
<i>Food Away From Home</i>	12,383	47,446	78,866	107,481	138,256
<i>Alcoholic Beverages Away</i>	1,106	4,237	7,043	9,599	12,347
<i>Alcoholic Beverages Home</i>	3,021	11,575	19,240	26,221	33,729
<i>Total Health Care</i>	8,298	31,796	52,852	72,028	92,652
<i>Total Apparel</i>	19,675	75,388	125,312	170,779	219,677
<i>Entertainment</i>	14,224	54,502	90,595	123,466	158,817
<i>Household Equipment</i>	9,261	35,486	58,985	80,387	103,404
<i>Misc. Personal</i>	14,082	53,957	89,688	122,230	157,228
<b>Total</b>	<b>93,706</b>	<b>359,046</b>	<b>596,816</b>	<b>813,360</b>	<b>1,046,247</b>

Source: Strategic Planning Group, Inc. 2004

Forecast southeast sector, additional, new commercial retail demand is almost 360,000 net square feet by 2010, and approximately 597,000 square feet by 2015. By 2025, this potential demand is forecast to increase to over 1.0 million net square feet of space. A large share of this demand is likely to be captured by St. Joe as part of its continued development program in the southeast sector of the market. Additionally, other locations, especially along Capital Circle Southeast, will be strong competitors for new commercial development within the southeast market.

SPG has determined that for the Fairgrounds location, assuming Tram Road widening and other transportation improvements can be completed, the land use permitting/approval process can be streamlined, the property rezoned mixed-use, and the perception of crime reduced, a 25% market share or capture of the southeast retail potential could be realized if the Fairgrounds site were made available for development. Additional demand, from the transient resident and visitor population from within Wakulla County and the remainder of the MSA, could also be expected and could amount to as much as 30% of the base resident market.

This being the case, commercial retail development potentials at the Fairgrounds site location are forecast to reach approximately 117,000 square feet by 2010, and almost 194,000 square feet by 2015. The forecast Fairgrounds site demand expands to 264,300 square feet by 2020, and reaches slightly over 340,000 square feet in the final projection horizon year of 2025. These commercial retail development potentials are shown by major retail category in Table 3-11.



**ECONOMIC FEASIBILITY - TALLAHASSEE FAIRGROUNDS**

**Table 3-11. Fairgrounds Commercial Retail Development Potentials**

Fairgrounds Site Capture (Square Feet Net)	2003-05	2003-10	2003-15	2003-20	2003-25
Food At Home	3,788	14,514	24,126	32,880	42,294
Food Away From Home	4,024	15,420	25,632	34,931	44,933
Alcoholic Beverages Away	359	1,377	2,289	3,120	4,013
Alcoholic Beverages Home	982	3,762	6,253	8,522	10,962
Total Health Care	2,697	10,334	17,177	23,409	30,112
Total Apparel	6,394	24,501	40,726	55,503	71,395
Entertainment	4,623	17,713	29,443	40,126	51,616
Household Equipment	3,010	11,533	19,170	26,126	33,606
Misc Personal	4,577	17,536	29,149	39,725	51,099
<b>Total</b>	<b>30,454</b>	<b>116,690</b>	<b>193,965</b>	<b>264,342</b>	<b>340,030</b>

Source: Strategic Planning Group, Inc., 2004.

**Residential Market**

The Tallahassee residential market (Leon County) has been relatively strong during the past several years, with the total number of building permits issued being in excess of 3,100 units annually since 2002. Over 3,200 building permits were issued in 2003, making it the largest building permit year since 1995. The overall housing market, including mobile homes, has been on an upward trend since 1999. During this cycle, the total number of residential building permits has averaged slightly over 2,800 units annually. For the 1990-2003 period, the average annual number of permits issued amounted to 2,762 units. This information is shown in Table 3-12 and Figure 3.8.

**Table 3-12. Leon County Building Permit Trends, 1990-2003**

Year	Detached Single Family	Attached Single Family	Multi- Family	Constructed Units	Mobile Homes	Total Housing Units
1990	1,346	393	1,136	2,875	542	3,417
1991	1,215	152	298	1,665	480	2,145
1992	1,359	284	441	2,084	480	2,564
1993	1,373	269	381	2,023	530	2,553
1994	1,437	188	476	2,101	556	2,657
1995	1,261	302	1,268	2,831	716	3,547
1996	1,256	257	441	1,954	584	2,538
1997	1,109	259	837	2,205	649	2,854
1998	1,012	166	534	1,712	606	2,318
1999	1,245	162	654	2,061	443	2,504
2000	1,154	123	782	2,059	430	2,489
2001	1,127	258	962	2,347	349	2,696
2002	1,436	97	1,375	2,908	259	3,167
2003	1,456	254	1,197	2,907	306	3,213
<b>Total</b>	<b>17,786</b>	<b>3,164</b>	<b>10,782</b>	<b>31,732</b>	<b>6,930</b>	<b>38,662</b>
<b>Ave Ann</b>	<b>1,270</b>	<b>226</b>	<b>770</b>	<b>2,267</b>	<b>495</b>	<b>2,762</b>

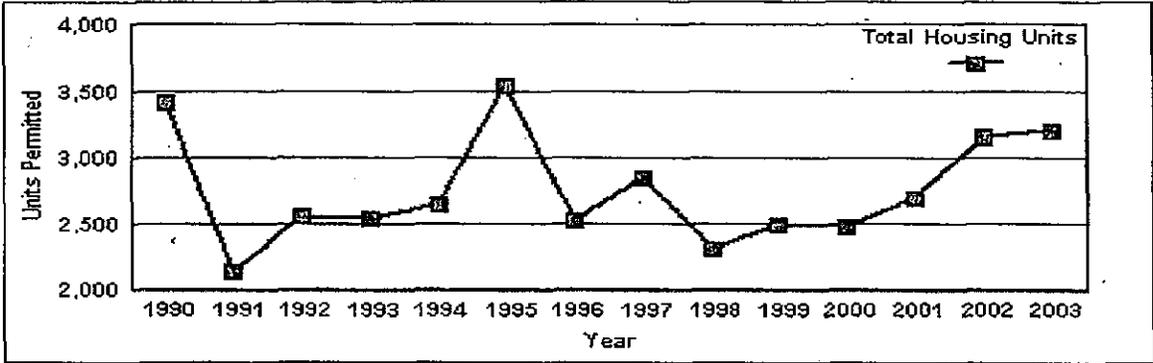
Source: Strategic Planning Group, Inc. 2004



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**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

Figure 3-8. Leon County Building Permit Trends, 1990-2003



Source: Leon County Building Department and Strategic Planning Group, Inc., 2004.

Single-family residential development activity within the market has experienced a flat to slight decline in permit levels between 1990-2001, but rebounded to record high levels in 2002 and 2003. Between 1990-2003, an average of 1,270 permits were issued annually. Single-family residential permits accounted for 56% of the residential units (excluding mobile homes) permitted during the period. Single-family development has been particularly strong in the northern and eastern sectors of the Leon County market

The market's attached, single-family sector has been relatively static since 1990 averaging only 226 permits or 10% of the non-mobile home permits issued for the period. Attached, single-family units have traditionally been associated with speculative development and the market's university populations in the western and core sectors of the Tallahassee Market Area.

Multi-family, residential-permit activity has demonstrated particular strength within the market since 1999, in spite of declining interest rates that have made the cost of renting similar to or even greater than home ownership. This is due, in part, to the transient student population, pent-up market demand, and an influx of retiree and second-home interests beginning to develop within the market.

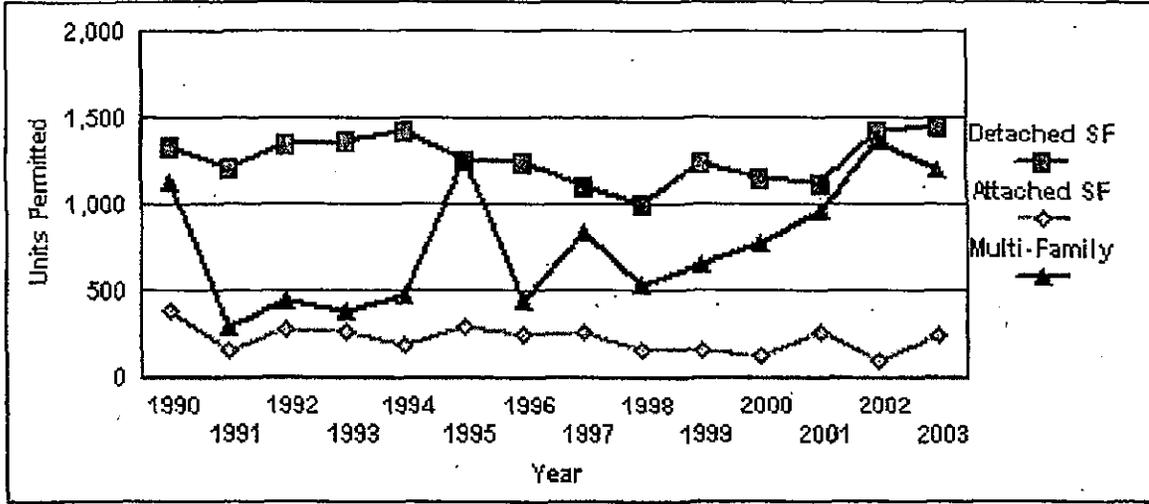
Multi-family building permits averaged 770 units annually during the 1990-2003 period and accounted for 34% of the non-mobile home permits issued during the period.

Residential building permit trends by market segment for the 1990-2003 period are shown in Figure 3-9:



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**Figure 3-9 Building Permit Activity By Segment, 1990-2003**



Source: Leon County Building Department and Strategic Planning Group, Inc., 2004.

According to recent surveys of the Tallahassee apartment market conducted by Carolina Real Data in September 2003; the market contained 17,401 rental units, with 764 or 4.4% vacant. Between 1999-2003, the supply of rental apartment units increased by 1,628 or 10.3%. This represents an average growth rate of 2.6% annually, during the 1999-2003 period. Characteristics of the market's rental apartments are shown in Table 3-13.

**Table 3-13. Tallahassee Apartment Market Characteristics, 1999-2003**

<u>Year</u>	<u>Total Units</u>	<u>Vacant Units</u>	<u>Vacancy Rate</u>	<u>Average Sq. Ft.</u>	<u>Average Rent/Month</u>
2003	17,401	764	4.4%	958	\$753
2002	16,433	695	4.2%	936	\$719
2001	15,775	608	3.9%	894	\$622
2000	15,927	628	3.9%	883	\$590
1999	15,773	363	2.3%	872	\$559

Source: Tallahassee-Leon County Planning Department

Apartment vacancy rates have escalated from an extremely low 2.3%, to a more realistic 4.4% in 2003. Generally, a 7-10% vacancy rate is considered an acceptable threshold in most markets for rental apartments. Thus, the market appears to remain slightly under-built through 2003.



## ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

The distribution of rental apartments within the market by sector indicates that the greatest number of units is located in the northwest and southwest sectors of Tallahassee. This location pattern is influenced by the presence of FSU and FMA located in these sectors of the market.

An estimated 3,702 or 21.3% of these rental apartments are located within the southeast sector of the market. Vacancy was lowest in the southeast sector and amounted to only 3.5%, or 16.8% of the markets total vacant units. The average monthly rental rates were also the lowest at \$669, while the average unit size was the second largest at 971 square

**Table 3-14. Rental Apartment Characteristics By Market Sector, 2003**

Quadrant	Total Units	Vacant Units	Vacancy Rate	Average Sq. Ft.	Average Rent/Month
Northeast	2,680	168	6.3%	948	\$704
Northwest	6,876	271	3.9%	1,026	\$827
Southeast	3,702	128	3.5%	971	\$669
Southwest	4,143	197	4.8%	842	\$734
Total	17,402	764	4.4%	958	\$752

Source: Tallahassee Apartment Index, CRD and Strategic Planning Group, Inc. 2004.

At year-end 2003, there were 1,146 apartment units under construction and 655 units either planned or proposed for development within the market. A total of 277 of these units were under construction within close proximity to the Fairgrounds location and included the 180-unit Adams Place and 97-unit University Gardens Apartments. The Greens at College Club also had 46 townhouse units under construction focused toward the FAMU student population.

A review of realty MLS records as of mid 2004 for the southeast-side market indicated that there were 174 single-family units on the market within the southeast sector, ranging in price from \$56,900 to over \$400,000. Approximately 9% of these units had asking prices of under \$98,000, and an additional 7% had asking prices between \$100,000 and \$129,900. The majority of the units, or about 60%, had asking prices in excess of \$300,000.

A total of nine condominium units were listed ranging in price from \$65,900 to \$155,000 for the newest located on Hendrix Road. Townhouse units were generally more available with 33 listings ranging in price from \$79,900 for a two-bedroom, two-bath unit to almost \$220,000 for a three-bedroom, three-bath unit.

SPG forecasts the demand for additional new housing units in the southeast sector of the Tallahassee market to be approximately 4,600 total units by 2010 (from the base year of 2003), slightly over 7,600 units by 2015, and increasing to approximately 10,400 units in



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

2020, and 13,400 units by 2025. As could be expected, the majority of this new housing demand (43%) is anticipated to consist of detached, single-family units. Multi-family units, primarily rentals, will show the next greatest demand (37%).

**Table 3-15. Southeast Tallahassee Housing Unit Demand, 2003-2025**

<b>SE Sector Demand</b>		<b>2003-10</b>	<b>2003-15</b>	<b>2003-20</b>	<b>2003-25</b>
<b>Total Housing</b>		4,619	7,646	10,420	13,403
<b>Detached SF</b>	43%	1,986	3,288	4,480	5,763
<b>Attached SF</b>	10%	462	765	1,042	1,340
<b>Multi-Family</b>	37%	1,709	2,829	3,855	4,959

Source: Strategic Planning Group, Inc., 2004

The continued development of the SouthWood Community and the anticipated development of the English Tract will be the future market drivers for additional new residential housing development in the southeast sector of the Tallahassee market. St. Joe has recently revised their build-out plan for the existing SouthWood plat from 20 years to 14 years due to the strong sales experienced at that project and anticipates the recording of additional plats in the near future. The English Tract is presently in the preliminary planning stages and will influence housing product, pricing, and availability within the southeast sector during the coming years.

SPG's forecast of new housing unit demand that could be captured at the Fairgrounds site is based upon presently available information, planned projects, and anticipated future market conditions, including forecasted future population within the greater Tallahassee market area. To that extent, a conservative market penetration or share of the southeast sector total housing demand has been estimated for the subject Fairgrounds property site.

For single-family detached housing, SPG has assumed a 2-5% share of the market. Attached, single-family product utilizes a 5-10% share of the market, increasing over the forecast period and a 15-20% share of the market for multi-family housing products. SPG does not foresee any significant non-student housing demand at the Fairgrounds property site over the short term (the next 2-3 years).

By 2010, forecasted housing demand for the Fairgrounds property site is anticipated to be approximately 340 units, with the majority being multi-family sale or rental units. Table 3-16 summarizes the Fairgrounds site housing-unit demand for the forecast period by housing segment.



**ECONOMIC FEASIBILITY - TALLAHASSEE FAIRGROUNDS**

Table 3-16. Fairgrounds Site Housing Demand, 2010-2025

Fairgrounds Site		2003-10	2003-15	2003-20	2003-25
Detached SF	3%-5%	60	132	224	288
Attached SF	5%-10%	23	61	83	134
Multi-Family	15%-20%	256	424	771	992
<b>Total Housing</b>		<b>339</b>	<b>617</b>	<b>1,078</b>	<b>1,414</b>

Source: Strategic Planning Group, Inc., 2004

Presently, the Fairgrounds site location is somewhere between urban and suburban, while moving toward urban as the areas along the Capital Circle beltway to the southeast and northern Wakulla County develop. As that occurs, development pressures will then be exerted from both the downtown/central city area from the north and suburban areas presently situated to the south.

**Summary of Market Potentials**

Within the commercial sector, market potentials for redevelopment of the fairgrounds property are greatest in the retail, commercial services and entertainment categories. In the short term (prior to 2010), SPG forecasts market demand to support approximately 117,000 square feet with increases to almost 200,000 square feet by 2015. The most likely short-term development possibilities would result in interest on the part of "big-box-type" retailers and smaller, strip-center developers.

Over the longer term, (by 2015), the property's commercial/retail development potentials increase significantly. Opportunities for commercial development expand to include a more urban, mixed-use-type development that draws upon a larger regional market area, including more upscale, non-neighborhood-type facilities, such as entertainment and hotel/motel facilities. SPG has concluded that the critical mass necessary to provide the type of commercial development that could function as a major destination within the market would not be supportable prior to an 8-10-year timeframe, or about 2013-2015.

Residential market potentials for redevelopment of the Fairgrounds property appear to be somewhat limited at the present time, with the exception of possible multi-family, student housing. Market conditions are anticipated to expand in the longer term. By 2010, market support for over 300 units is forecast increasing to over 600 units by 2015. The majority of these would be multi-family. At that time, almost 200 units of single-family, residential housing would be supportable at the Fairgrounds location.

As such, market support for redevelopment of the Fairgrounds property does not appear to be sufficient in the short term (prior to 2010) to support the absorption and subsequent sale of a significant amount of acreage in order to cover the costs associated with the necessary relocation of existing Fairgrounds operations (previously estimated at \$7.2 million) and possible costs (unknown at the present time) associated with the acquisition of an alternative property.



Strategic Planning Group, Inc.

**ECONOMIC FEASIBILITY - TALLAHASSEE FAIRGROUNDS****SECTION 4 - FAIRGROUNDS REDEVELOPMENT CONSIDERATIONS**

The Leon County Board of County Commissioners retained Strategic Planning Group, Inc. (SPG), to study the market and economic feasibility of redeveloping the North Florida Fairgrounds. The Board decided to conduct this study because they felt the Fairgrounds property offered an opportunity to provide commercial services and entertainment opportunities that do not currently exist on the south side of town. In undertaking this study, the Board recognized several existing conditions.

First, although the County owns the property, the North Florida Fair Association has a long-term lease for \$1 per year. This lease does not expire until 2067. The County recognizes the importance of the activities held at the Fairgrounds. Any consideration for reusing the land would include a plan to move the Fairgrounds to another location. The County would need to find a suitable site for the Fairground's current activities and would need to pay the cost of relocating the Fairgrounds. These costs would include the acquisition of a new site and construction of necessary replacement building and infrastructure for Fairgrounds operations.

Second, the Board of County Commissioners does not wish to act as developer. The Board expects that a private developer, or group of developers, would undertake the redevelopment. Therefore, the Board needs to know how the private-sector market views the Fairgrounds, and what land uses are most likely to be economically successful.

Third, the Board would use the money paid by the developer(s) for the Fairgrounds property to pay for relocating the Fairgrounds. The Board has asked the consultants to determine whether there is a development scenario that would generate enough money to pay the relocation costs.

SPG has evaluated the market and concluded that large-scale redevelopment of the Fairgrounds would not be feasible for approximately 8-10 years based on current trends. This is not absolute but is subject to changing market conditions and other factors (e.g. better marketing of the property, incentives, etc.). This full-scale redevelopment scenario would involve the relocation of the Fairgrounds. SPG also looked at other scenarios that involved keeping the Fairgrounds at its current location and adding other uses, such as commercial development along Monroe Street and Tram road, and residential development along Zillah Road.

Specifically, the following four scenarios are based on the forecasted market support levels developed in the Market Feasibility Study conducted by SPG.



Strategic Planning Group, Inc.

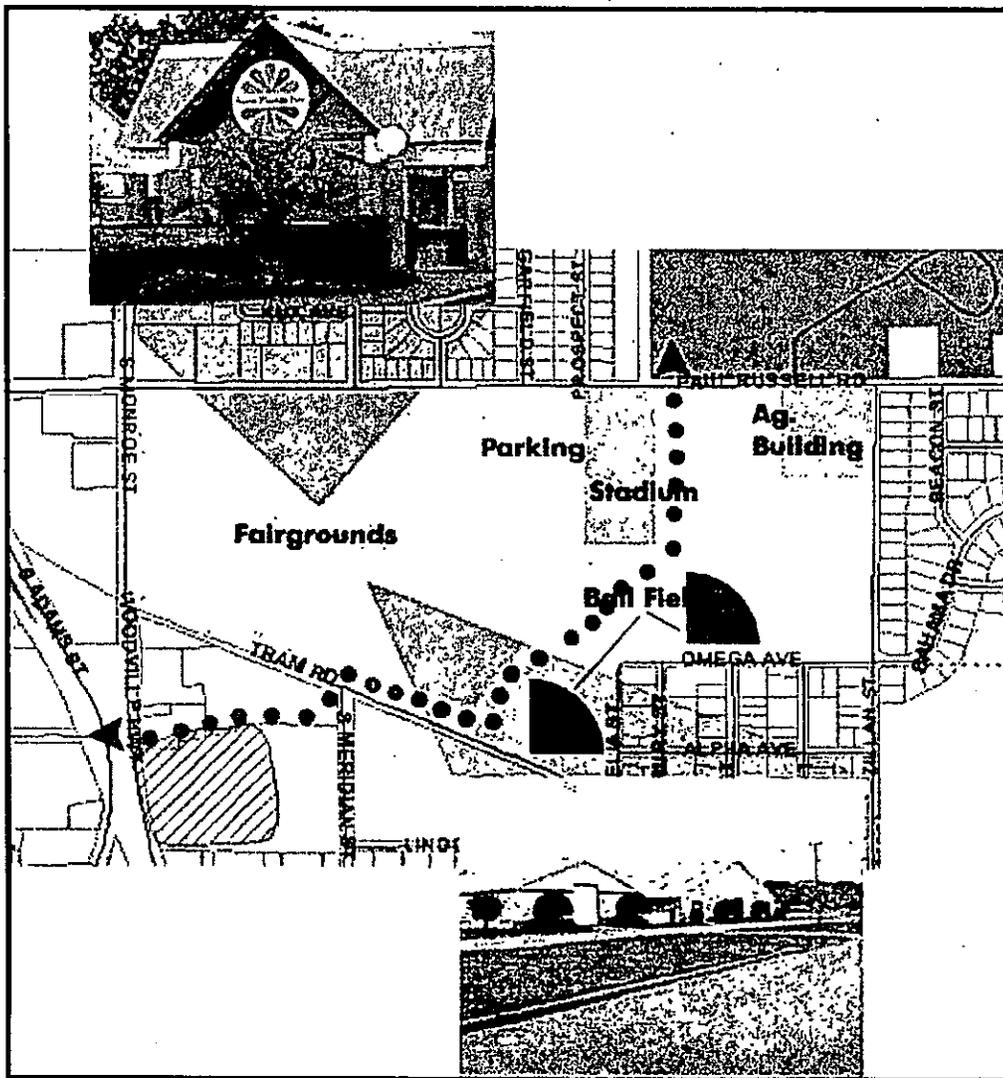
# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

## Scenario 1

Under this scenario, the Fairgrounds property remains unchanged in terms of its use. This scenario is envisioned as a "holding scenario." No major changes or improvements are made to the property until the market can support a complete redevelopment. (104 acres), and the Fairgrounds can be relocated to an alternative site (See Scenario 4).

The CAC voted to recommend against this scenario. The urbanization of this area makes the Fairgrounds use less appropriate.

A number of attendees at the community meetings supported the idea of keeping the Fairgrounds intact at its current location. A more extensive summary of community comments is included in the Public Participation section of this report.



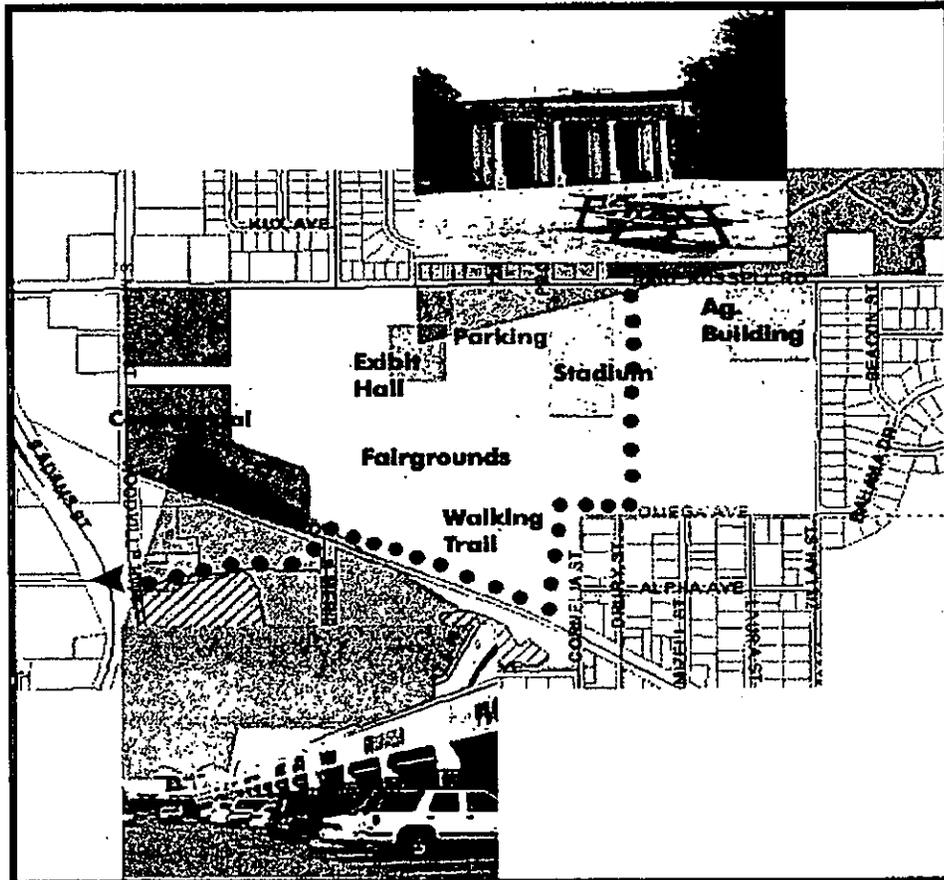
# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

## Scenario 2

Under this scenario, the Fairgrounds organization would remain at its current location, and the property would support commercial development along S. Monroe and Tram Roads. About 15-20 acres would be dedicated to commercial development. The frontage, considered the most valuable piece of the property, could be purchased for development and the proceeds could be used to finance the building of an exhibit hall on the Fairgrounds property. However, once the frontage is sold, there may be limited ability to achieve any further more intense urban type redevelopment on the property.

The Fairgrounds Board opposes this scenario because it eliminates the Fair's presence on and access via Monroe Street. This will significantly affect the success of events and will hurt the overall financial operation of the Fairgrounds. It also places parking where the North Florida Fairgrounds has its midway.

The CAC recognized the Fairgrounds Board's concerns and did not endorse this option. The CAC further noted that this scenario did not make the Fairgrounds "whole."



# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

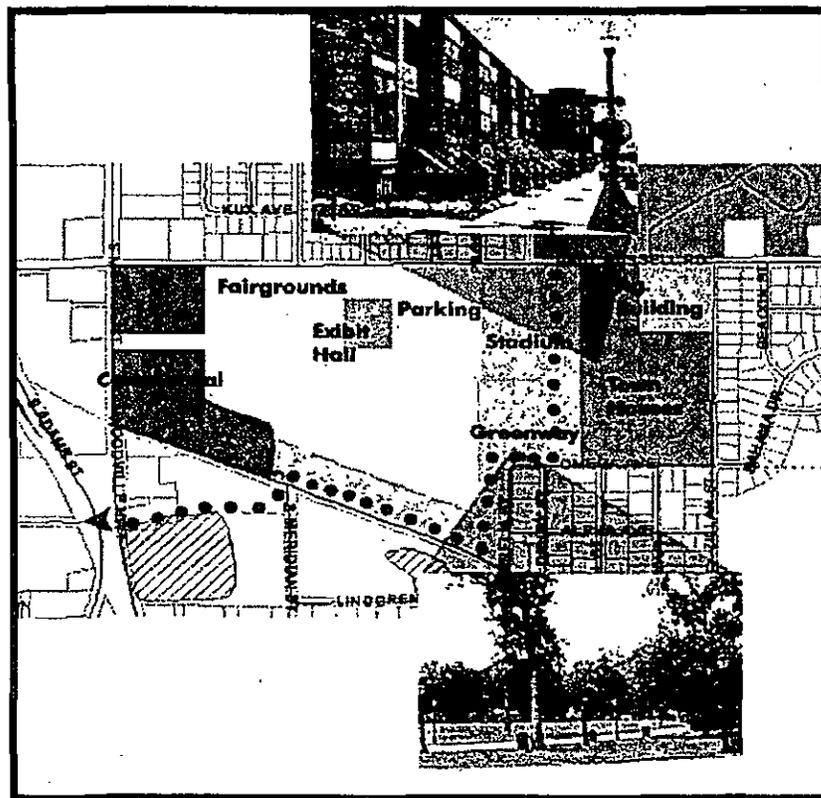
## Scenario 3

In this option, the Fair would remain at its present location, but would be forced to operate on a smaller land area. This scenario shows about 15 to 20 acres of commercial development along S. Monroe and Tram and about 20 acres of residential development along Zillah Road. This may not be a feasible option for some because residential housing in a non-urban mixed-use type development could be incompatible with the stadium and fairgrounds activities. Also, some residents expressed concern regarding apartments being placed in the neighborhood.

The Fairgrounds Board opposes this scenario because it eliminates the Fair's presence on and access via Monroe Street. This will significantly affect the success of events and will hurt the overall financial operation of the Fairgrounds. It also places parking where the North Florida Fairgrounds has its midway. Additionally, the proposed housing will create a conflict with the fairgrounds operation.

The CAC recognized the Fairgrounds Board's concerns and did not endorse this option. The CAC noted that this scenario did not make the Fairgrounds "whole." The CAC further noted that this option was likely to result in the "piecemeal" use of the property and preclude the overall redevelopment of the property.

Many attendees at the community meetings opposed this scenario. They did not support the location of any multi-family housing in this area. Additionally, they noted concerns about compatibility of housing with the stadium operation. A more extensive summary of community comments is included in the Public Participation section of this report.

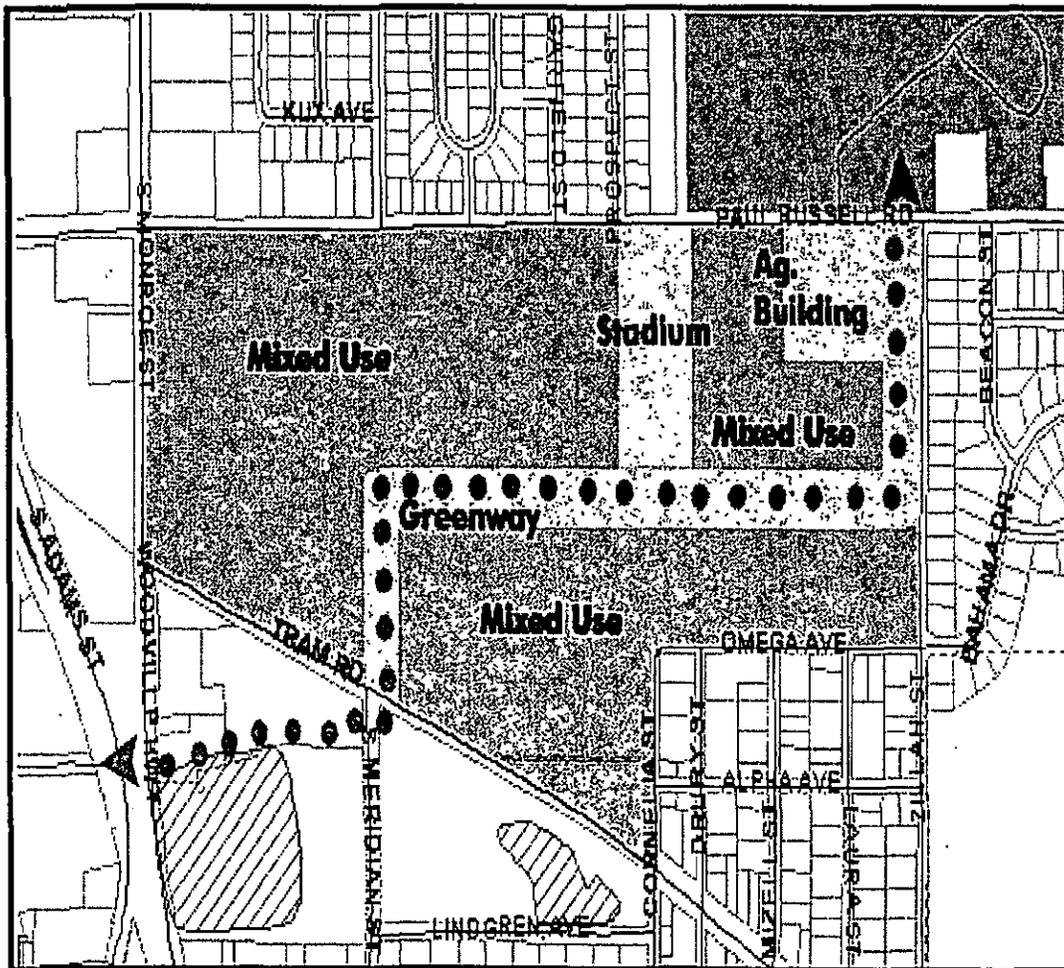


# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

## Scenario 4 — “Fairgrounds on Steroids”

This scenario envisions a complete redevelopment of the 104-acre property and the relocation of the Fairgrounds activities to a site not yet determined. The property would contain a mix of commercial and residential uses. Based on market analysis, this scenario may not be feasible for approximately 8-10 years based on current trends. This is not absolute but is subject to changes in the market and other factors (e.g. changes in the appearance of the surrounding area, student growth, continued expansion of downtown, incentives, etc.). However, SPG advises that by waiting to develop the entire property, rather than redeveloping only parts of it (such as in Scenarios 2 and 3), the full value of the property is best realized and the type of development (urban mixed-use) would economically better serve the Southside community.

It is important to note, that in order to develop this Scenario, numerous actions need to be started as shown on the following page.





The following are action items that need to be started immediately, if Scenario 4 is to be developed within the timeframe discussed:

1. Relocation of the Fairgrounds. Studies need to begin immediately to determine suitable replacement sites, and necessary studies needed to develop the selected site begun.
2. The character and appearance of the existing Fairgrounds and surrounding area needs to be improved. The perception of the area as high in crime needs to be addressed.
3. Tram Road improvements need to be funded and its scheduled improvements need to be moved up so that the improvements correspond to the construction of Scenario 4.
4. Russell Road improvements need to be moved up so that the improvements correspond to the construction of Scenario 4.

This is scenario preferred by the CAC. The Fairgrounds Board is on record that this scenario is acceptable to the Board, as long as the Fairgrounds is relocated and "made whole."

A number of neighborhood residents supported this option. A more extensive summary of community comments is included in the Public Participation section of this report.

In addition to those items already discussed in the report, the CAC recommended adding the following short term action:

1. Issuance of an RFP, preferably in coordination with efforts being undertaken by the City to market downtown and Gaines Street properties.



## ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

### PUBLIC PARTICIPATION

As a part of the Leon County Fairgrounds Feasibility Study, the following objectives were identified for the Public Participation Plan:

- To work cooperatively with the Fairgrounds Citizen Advisory Committee to obtain their support for the findings and recommendations of the Fairgrounds Market Feasibility Study and
- To understand the concerns/desires of stakeholders, including surrounding neighborhoods, businesses, educational institutions and cultural institutions regarding the re-use of the Fairgrounds and to incorporate those concerns into the recommended redevelopment programs and generalized site plan.

In meeting these objectives, community participation and input was solicited from the Citizen's Advisory Committee (CAC), the Tallahassee Chamber of Commerce, City of Tallahassee and Leon County elected officials and staff, Tallahassee/Leon County Planning Director and staff, residents of Tallahassee and Leon County, including home owner's associations, the administration of area schools, and individual businesses. In addition to public meetings, SPG President, Tony Mondae, met one-on-one with members of the Board of County Commissioners, the Mayor of Tallahassee, the County Manager, and Leon County School Officials. The strategy of the public participation plan was to inform the CAC of the study's progress and findings, as the process proceeded, and to present study findings to stakeholders and solicit input on concerns and desires regarding uses and possible site designs. To implement these strategies, the following opportunities for public participation were held:

Meetings were held with the Fairgrounds CAC on the following dates:

- April 19, 2004
- August 30, 2004
- January 20, 2004
- February 3, 2005

Meetings were held with representatives of the Fairgrounds on the following dates:

- April 19, 2004: Meeting with Fairgrounds Board Chair, the Executive Director, and staff.
- August 30, 2004: Presentation of Scenarios to the Board (in addition, the Executive Director of the Board sits on the Fairgrounds CAC)

The recommendations of the Fairgrounds CAC and the Fairgrounds Board are included in the description of each scenario, contained in Section 4 of this report.



Strategic Planning Group, Inc.

**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

Additionally, the consultants held a meeting with staff from the Greater Tallahassee Chamber of Commerce, the Economic Development Council of Tallahassee/Leon County and the City Economic Development Department to present an overview of the feasibility study findings and graphics of possible scenarios for reuse of the Fairgrounds property.

A public community meeting was held at the Leon County Fairgrounds on August 30, 2004, chaired by Leon County Commissioner Bill Proctor. Approximately 70 people attended.

A survey was posted on the Leon County web site, [www.co.leon.fl.us](http://www.co.leon.fl.us). An overview of the feasibility study was given, together with explanations of each of the four proposed scenarios, including graphics that had been prepared by SPG, and originally presented to the public at the August 30 meeting. The survey requested the respondent to indicate what he/she liked or disliked about each of the four scenarios, and asked for additional comments, if applicable. To promote the website, notices were forwarded electronically to individuals attending the community meeting on August 30 and other interested parties.

A second public community meeting was held at the Leon County Fairgrounds on Monday, October 18, 2004, chaired by Leon County Commissioner Bill Proctor. Approximately 17 people attended.

At each public meeting, preliminary findings of the feasibility study were presented and discussed. Questions, comments and concerns were solicited and recorded. Graphics of conceptual site plan alternatives were posted with an opportunity for the public to view and comment on each of four possible scenarios. Feedback and suggestions from previous meetings were included in subsequent meetings. Community meetings were held in workshop format where individuals could make either verbal or written comments.

Public notification of the community meetings included notices to the *Tallahassee Democrat*, *Capitol Outlook*, and the *Apostle of God Community Newspaper* and web site. Notices were also posted on the Leon County government web site. Outreach to areas adjacent to the Fairgrounds was conducted through neighborhood associations and direct flyers notifying residents of each of the public meetings at the Fairgrounds. Printed flyers were posted on houses and churches in the Apalachee Ridge, Beacon Hill, Lakewood and the Campbell Park neighborhoods, as well as distributed to businesses, churches and schools on Paul Russell Road, Tram Road and South Monroe Street, South of Orange Avenue. E-mail notifications of community meetings were forwarded to neighborhood associations, churches, Fairview Middle and Rickards High schools, individuals from the South Monroe Sector Plan Listserv, Tallahassee Southside Business Association, Mt. Olive and Bethel AME Community Development Corporations, and other interested parties as identified by County administrative staff and SPG. In addition, everyone who attended the first community meeting on October 30 and provided an E-mail address on the sign-in sheet received electronic notification about the second meeting and the web site survey.



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## **ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

In the days immediately preceding the two community meetings, Leon County provided portable, lighted signs on the Fairground's property at Paul Russell Road and South Monroe Streets announcing the date, time and purpose of the meeting.

The following comments are summarized from the community meetings and comments received from the web site survey.

### **Community Comments on Fairgrounds Redevelopment Scenarios**

#### **Housing**

Avoid rental housing, or condos that will bring students into the area.

New housing should be equal or slightly more expensive than existing housing (i.e., housing that helps stabilize or slightly upgrade the neighborhood).

Information was provided on the amount of existing and new housing under construction or proposed.

There was note of the need for law enforcement to address existing nuisances in the Campbell Park neighborhood.

#### **Fairgrounds**

Those who favored keeping the Fairgrounds view it as one of the Southside's assets. Some also were in favor of making the Fairgrounds more of a year round attraction.

#### **Redevelopment of Entire Site**

There was some concern that redevelopment would bring displacement. Some felt commercial development should be targeted towards S. Monroe and areas that have commercial development that is deteriorated. Others felt the redevelopment would bring new amenities to the area. The whole south side is changing, and it is important to think to the long term.

Do not put new commercial on Tram Road under the redevelopment scenario. Focus it on Monroe and across from existing commercial on Paul Russell.

#### **Recreation**

Generally favorable comments to the Greenway, which is part of the County's proposed Greenway plan. One recommendation was to move the trail connection from Jack McLean Jr. Park along Zillah Street, so it connects to the Beacon Hill neighborhood. There was also a recommendation for historic markers along the route explaining the area's history. Several people requested keep at least one ball field.

#### **Implementation**

If redevelopment does not happen right away, there needs to be a specific timeline for things to get done (e.g., the widening of Tram Road).

Need to continue to involve the residents.

Need to look at general impacts of increased traffic in area, and existing land use designations.

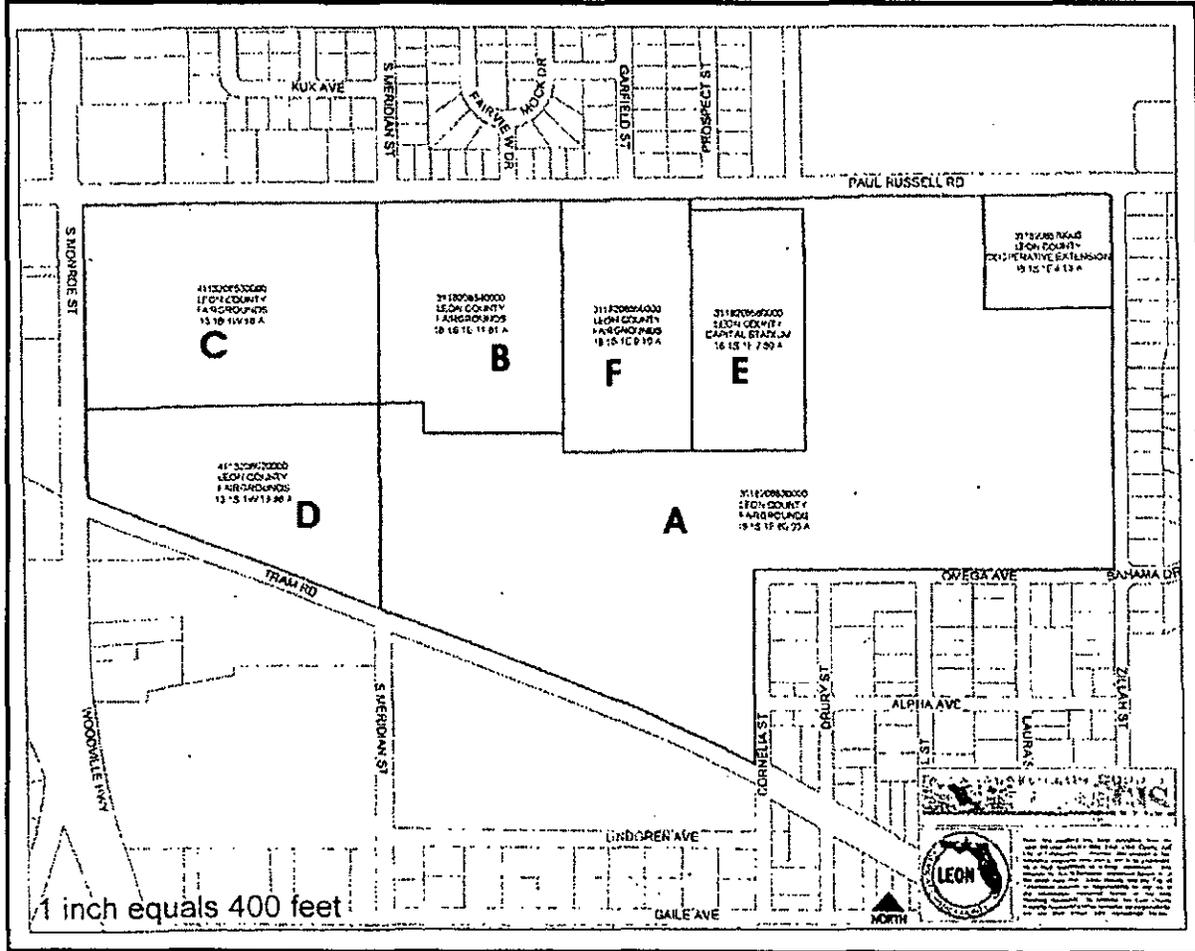


# ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

## LAND VALUE

The appraisal involves the underlying land of Parcels A, B, C and D of the Fairgrounds. Parcel E is the Cox Stadium site; its attendant parking lot is Parcel F; each is excluded. Also excluded is the Leon County Cooperative Extension property. More specifically, the assignment was to appraise a tract of 103.7-acres of land for potential redevelopment. Hence, the existing improvements (fairgrounds buildings, site improvements and infrastructure) were excluded.

Figure 4.1 Fairgrounds Parcels



This appraisal was one part of a market feasibility study prepared by SPG for the possible redevelopment of the North Florida Fairgrounds tract. The appraisal answered the question of the "as is" value, and "as of" a current date value.



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

The appraisal report was actually four appraisals in one. That is, in order to value the 103.7-acre tract, the appraiser had to consider the uses to which the Fairgrounds could be put in order to extract meaningful data from the market. In discussions as to the scope of this assignment, it has been agreed that the tract would be a yet-to-be-specified quilt of mixed-uses. As a starting point, the proposed land uses were: multi-family, retail and office/service commercial. Parcel A was valued as multi-family, Parcels C and D were valued as retail commercial, and Parcel B was valued as office/service commercial. Hence, the appraiser valued each of the land-use components of the Fairgrounds (four valuations), and then valued the tract as if it were to be sold to a single entity. It should be kept in mind that the intent is to value the 103.7-acre tract as a whole (i.e., as if it were to be sold to a single purchaser).

Acreage of the individual parcels is summarized as follows:

Parcel A	60.03 Acres
Parcel B	11.81 Acres
Parcel C	18.00 Acres
Parcel D	<u>13.86 Acres</u>
Total Fairgrounds Property	103.70 Acres

The near term sale of approximately 15 to 20 acres of the South Monroe Street/Tram Road frontage property of Parcels C and D were valued at \$3.00 to \$3.75 per square foot or between \$130,680-\$163,350 per acre. A near-term sale of 20 acres of this frontage property would only generate \$2.6 to \$3.3 million in proceeds, far less than the required \$7.2 million needed to cover fairgrounds facility replacement costs. It should be noted that this does not include the additional costs associated with land required for a new Fairgrounds location.

The appraiser was quick to add that the boundary lines for these delineations are "soft" or preliminary, and as more clarity is gained through the analysis of others, the lines could shift or the proposed land uses could change altogether.

The various factors that affect the Fairgrounds tract lead the appraiser to the conclusion that the highest and best use of the property now is to "land bank."

Project:	North Florida Fairgrounds
County:	Leon
Appraisal Date of Value:	October 18, 2004
Type Appraisal Report:	Limited, Summary
Prepared By:	Weigel-Veasey Appraisers, Inc.
Value Appraised:	Market Value
Interest Appraised:	Fee Simple
Value Conclusion:	\$5,900,000

A copy of the appraisal letter prepared by Weigel-Veasey Appraisers, Inc. is presented in the Appendix of this report. The full appraisal report can be obtained from the Leon County Tallahassee Planning Department.



**ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS**

**CONCLUSIONS AND RECOMMENDATIONS**

The consultant recommends that the Fairgrounds property be maintained for Fair operations during the near-term (5 to 8 years), or until such time that sufficient market support becomes available to sustain development of the total 104-acre site as a mixed-use, urban, commercial/entertainment/housing-type complex that could function as a "Town Center"-type project (estimated for the 2010 to 2015 timeframe).

This recommendation is consistent with the desires of the community at large based upon community inputs regarding possible redevelopment alternatives, as well as recent studies and recommendations from the Southside Economic Development Plan

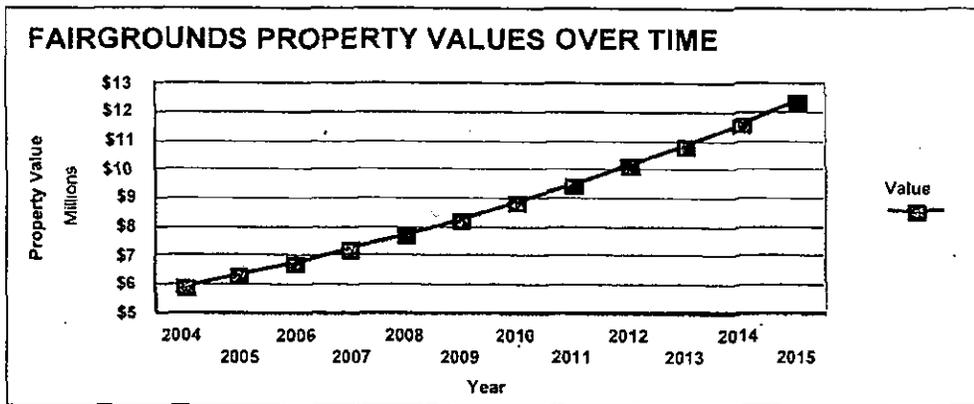
prepared by Angelou Economics, the South Monroe Sector Plan and the Fairgrounds CAC. The South Monroe Sector Plan did, however, call for retaining the Fair at its present location.

The findings of the market study conducted by SPG indicate sufficient market support would be available during the 2010-2015 period, and the property appraisal conducted by Weigel-Veasey Appraisers, Inc. indicates the property's present appraised value to be \$5.9 million. This is several million less than required to replicate existing Fairgrounds facilities at an alternative location, and significantly less than the amount required to include costs associated with the acquisition of an alternative Fairgrounds site location. That being the case, there would be insufficient revenue available from the sale of the property in either the short or long term to support relocation of the Fair to an alternative location.

**Redevelopment Strategies**

The recommended strategy, to hold the property as is until the market matures to a point where a mixed-use commercial/entertainment/housing complex could be supported, will also allow for appreciation of the Fairgrounds property by an estimated 7% annually. In five years, the property value would increase to an estimated \$8.9 million or \$3.0 million over the present estimated value of \$5.9 million. Future property value growth is illustrated in the following figure.

**Figure 4.2 Fairgrounds Property Values Over**



Source: Strategic Planning Group, Inc., 2004



## ECONOMIC FEASIBILITY – TALLAHASSEE FAIRGROUNDS

However, replacement costs of the existing Fairgrounds facilities, as well as property acquisition, could also be expected to increase overtime, and possibly at even greater rates than land value. Thus, property sale revenue alone is not likely a viable alternative for redevelopment of the property.

One strategy to be considered would be a land venture with a developer entity or equity partner who could develop the site and, in return for the land, would share some portion of the profits with the City/County over a selected period of time that would allow the City/County to recover Fairgrounds relocation costs and provide for a long-term income stream. The fiscal impact of redevelopment on the Fairgrounds property would also generate additional new tax revenues not presently being realized. A 300,000 square foot, mixed-use development on the site would have an estimated assessed value of approximately \$45.0 million in improvements and a land value of \$5.9 million in today's dollars. This would generate almost \$625,000 annually in new ad valorem tax contributions attributable to only the City and County General Funds. This revenue stream, if bonded for 15 years at 8% interest, could provide the City/County with \$5.7 million in funds additional to sale proceeds for the necessary Fair relocation costs.

Short-term actions required to position the Fairgrounds property for development include:

- Identification and acquisition of an alternative site for the North Florida Fair,
- A program to reduce the incidence of crime and enhance the image of the Southside area,
- Accelerate road improvement programs for Paul Russell and Tram Roads, and
- General landscape upgrading of subject parcels.

An economic impact to the City and County resulting from the development of the Fairgrounds property would be significantly greater than the existing use, if redevelopment is undertaken for the following reasons:

- In addition to a significant increase in property taxes generated, other increased tax revenues such as general sales, gas and other miscellaneous tax revenues would be realized.
- Redevelopment of the property would increase property values in the surrounding neighborhood community and Southside overall.
- Redevelopment would create new jobs and business opportunities in the Southside Community.
- A major project, as proposed, would create a destination in the Southside Community, serve as an economic anchor for attracting other development and redevelopment of existing facilities, and greatly enhance the image of the Southside Community and City/County overall.



**APPENDIX**

**APPENDIX**



**APPENDIX**

**LIMITED  
APPRAISAL REPORT**

OF

**NORTH FLORIDA FAIRGROUNDS  
PARCELS A, B, C and D  
TALLAHASSEE, FLORIDA**

AS OF

OCTOBER 18, 2004

**PREPARED FOR**  
ANTHONY MONDAE, PRESIDENT  
STRATEGIC PLANNING GROUP  
2453 SOUTH THIRD STREET  
JACKSONVILLE, BEACH, FL 32250

**PREPARED BY**  
WILLIAM R. WEIGEL, III, MAI, SRA  
WEIGEL-VEASEY APPRAISERS, INC.  
2809 BLANDING BOULEVARD  
MIDDLEBURG, FL 32068



Strategic Planning Group, Inc.



**APPENDIX**

**Weigel-Veasey Appraisers, Inc.**

*A Complete Real Estate Appraisal Service*

WILLIAM R. WEIGEL, III, MAI, SRA  
STATEMENT, REAL APPR 000080  
JOHN W. VEASEY, MAI, SRA  
STATEMENT, REAL APPR 000079

REPLY TO: CORPORATE OFFICE:  
2809 BLANDING BOULEVARD  
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E-MAIL: wvcorp@bellsouth.net

TEL. (904) 282-9361  
FAX (904) 282-1503



Mr. Anthony Mondae, President  
Strategic Planning Group  
Costa Verde Plaza  
2453 South Third Street  
Jacksonville, Beach, FL 32250

RE: North Florida Fairgrounds  
Parcels: A, B, C and D

Dear Mr. Mondae:

Thank you for the opportunity to appraise the North Florida Fairgrounds property as part of your consultations with the Leon County Board of County Commissioners. Our report is attached.

The appraisal assignment involves the underlying land of Parcels A, B, C and D of the fairgrounds. Parcel E is a stadium and its attendant parking is Parcel F; each is excluded. Also excluded is the Leon County Cooperative Extension property. More specifically our assignment has been to appraise a tract of 103.7-acres of land for potential redevelopment. Hence the existing improvements (fairgrounds buildings, site improvements and infrastructure) have been excluded.

This appraisal is one of the parts of a market feasibility study that is being prepared by Strategic Planning Group, Inc (SPG) for the possible redevelopment of the North Florida Fairgrounds tract. The appraisal answers the question of the "as is" value, and as of a current date. A copy of the introduction of that feasibility report is included as part of the addenda to this appraisal.

This is, actually four appraisals in one. That is, in order to value the 103.7-acre tract we had to consider the uses to which the fairgrounds could be put in order to extract meaningful data from the market. In our discussions as to the scope of this assignment, it has been agreed that the tract would be a yet-to-be-specified quilt of mixed-uses. As a starting point, the proposed land uses are: multi-family, retail and office/service commercial. Parcel A has been valued as multi-family, Parcels C and D are valued as retail commercial and Parcel B is valued as office/service



Strategic Planning Group, Inc.

**APPENDIX**

Mr. Anthony Mondae  
October 25, 2004  
Page 2

commercial. Hence, we have valued each of the land use components of the fairgrounds (four valuations) and then valued the tract as if it were to be sold to a single entity.

Analysis of the preferred use(s) of the fairgrounds is an ongoing process that is being conducted and refined by others. Nevertheless, we consider the types of stipulated land uses and the placements thereof to be reasonable and reliable. Again, the intent of the breakdown of the overall tract into land use parcels is to get into step with the market for purposes of making comparisons to other properties that have sold within Leon County from which indices of value can be drawn.

We are quick to add that the boundary lines for these delineations are "soft" or preliminary, and as more clarity is gained through the analysis others, then the lines could shift or the proposed land uses could change altogether.

Readers of this report should keep in mind that the intent is to value the 103.7-acre tract as a whole, i.e. as if it were to be sold to a single purchaser. A brief discussion of the types of market participants provides clarity. Market participants (purchasers) usually fall into the categories of:

- End-user
- Developer
- Investor
- Speculator

The above is indeed a hierarchy. *End-users* are just as the name implies and are owner-occupants. A *developer* is one who puts a property to immediate use. An *investor* is one who holds a property for a return. The investor's goals and holding period are usually defined to some degree or another. An investor may also become a developer and sometimes an end-user. The *speculator* is one who has less defined intent, other than to make a gain on the purchase. The speculator often acquires a property that is in transition (or has the potential therefore) and is willing to assume the risk for what is to come,... whatever that may be.

The characteristics of the 103.7-acres of the fairgrounds tract are such that the most likely target market would be speculators. This is not to say that investors would not be interested; they would be but it is unlikely that an investor would be willing to take the entire 103+ acres. Investors would most be interested in the retail parcels along South Monroe; say for example for big box retail. The apartment market is such that there has been a recent infusion of new units in this neighborhood so that additional projects are being approached cautiously. The office/service commercial market has been approaching something of a glut of both of sites and of ready-to-occupy space. Those office/service commercial properties are in superior locations, so that any new office/service commercial project at the fairgrounds location would be highly speculative.



**APPENDIX**

Anthony Mondae  
October 25, 2004  
Page 3

Further, the "retail sites" on South Monroe (Parcels C and D) are somewhat out of the mainstream by virtue of the superior linkages to South Adams Street. South Monroe and Adams Streets are parallel and closely proximate. Traffic to and from those areas south of Tallahassee are channeled primarily to South Adams and the improvements to Crawfordville Highway that are now under construction will feed into/out-of Adams Street. Also, a great deal of traffic leading into/out-of those markets south of Tallahassee, never makes it to either Adams or Monroe. It is diverted off of the Woodville and Crawfordville Highways onto Capital Circle and travels to activity centers (work, shopping, recreation) in the eastern and western areas of Tallahassee.

As it pertains to those retail sites, we have come across an idea worth repeating: an activity center like that of the Lake Ella area. That is, retail space on South Monroe with store fronts facing inward – as well as outward – with a passive park area on Parcel A (multifamily tract). The current market would be "devastated" by the addition of 60 acres of multi-family land so a holding pattern of some kind is required. The natural low area on Parcel A could be a pond site (again similar to Lake Ella) that could still become integrated into a multi-family project; if that were to be later desired.

All are just ideas. Which is as concrete as the current market offers for the fairgrounds. That is, whether Leon County or if a private entity were to redevelop the tract and parcel it out, the result is the same for valuation purposes. The owners of such a property would be risk-takers and would thence be in the speculator category. And for a speculator to shoulder the risk, they would want a front-end discount. We have therefore discounted the indications of value from the various land uses (multi-family, retail and office/service commercial) into a number that, in our opinion, would be in the range to attract venture capital.

The various factors that affect the fairgrounds tract lead us to the conclusion that the highest and best use of the property is "land bank". That is, hold the land to see what comes. This is indeed a legitimate highest and best use classification; particularly for larger tracts.

The framework of this assignment defines a **Limited Appraisal** in a Summary Report format. The limitations are a) to Parcels A, B C, and D exclusive of any improvements thereto or thereon, b) the types of land uses as specified, and c) minimal background descriptions of the Leon County and fairgrounds market areas, as those are components of the market feasibility study that is being written by others. Each is a reasonable condition and each is practical in order to appraise the property,... "as is" and as of a current date. Finally, these conditions are in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and there are no other known departures from the standards.



**APPENDIX**

Anthony Mondae  
October 25, 2004  
Page 4

In my opinion, the market value of Parcels A, B C and D of the Leon County Fairgrounds is, as of October 18, 2004 was:

**FIVE MILLION NINE HUNDRED THOUSAND DOLLARS**

**(\$5,900,000)**

Once again, thank you for having had the opportunity to work on this assignment. I hope that you will find our report to be thorough and well presented. If you have any questions or comments, please do not hesitate to let me know.

Sincerely,



William R. Weigel, III, MAI, SRA  
State-Certified General Real Estate Appraiser RZ0580

WRW/LJP  
Attachment



**APPENDIX**

**ASSUMPTIONS AND LIMITING CONDITIONS**

This appraisal is subject to the following contingent and limiting conditions:

The appraisal has been limited to a) Parcels A, B, C and D exclusive of any improvements thereto or thereon, b) the types of land uses as specified, c) minimal background descriptions of the Leon County and fairgrounds market areas, as those are components of the market feasibility study that is being written by others. These conditions are in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and there are no other known departures from the Uniform Standards of Professional Appraisal Practice.

The type of inspection conducted by the appraiser is not the equivalent of an inspection by a qualified engineer. Our inspection has been thorough enough to a) adequately describe the real estate in the appraisal report, b) develop an opinion of highest and best use, and c) make meaningful comparisons in the valuation of the property.

No professional soils analysis has been provided. Further, the soil appears to be firm and subsidence in this area is unknown or uncommon, but the appraiser does not warrant against this condition or occurrence. Any adjustments or discussions with regards to soil conditions within the appraisals are made purely on the personal, physical observation of the appraiser and would be subject to whatever any formal analysis would indicate. If any soils features are found to be different than depicted within this appraisal I reserve the right to revisit the value contained herein.

This parcel has been appraised as though free and clear of contaminants.

No responsibility is assumed for matters legal in character and no opinion is rendered of the title, which is assumed to be marketable. Unless otherwise noted, any existing liens or encumbrances have been disregarded and the property is appraised as though free and clear under responsible ownership and competent management.

Certain data used in compiling this report was furnished the appraiser from sources, which are considered reliable. The correctness of such data, although not guaranteed, has been checked and is believed to be correct as far as is reasonably possible.

The appraiser, by reason of this report, is not required to give testimony in court with reference to the property herein appraised nor is he obligated to appear before any governmental body, board or agent unless prior arrangements have been made therefore.

Possession of this report, or a copy thereof, does not carry with it the right of publication or reproduction. This report may not be used by anyone other than the client without the prior written consent of the appraiser, and in any event only in its entirety.



**APPENDIX**

Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or the MAI and SRA designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.

No survey was provided to the appraiser; therefore, we are relying on the drawings and information obtained from Mr. Anthony Mondae of Strategic Planning Group of Jacksonville Beach and from the public records of Leon County.



Strategic Planning Group, Inc.

CERTIFICATE OF APPRAISAL

I certify that, to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, unbiased, professional analyses, opinions, and conclusions.

I have no (or the specified) present or perspective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the requirements of *Uniform Standards of Professional Appraisal Practice*.

I have made a personal inspection of the property and data that is the subject of this report.

With the exception of the following, no one provided significant real property appraisal assistance to the person signing this certification:

L. James Parham, MAI, SRA, State-Certified General Real Estate Appraiser RZ0135, provided professional assistance in market research and preparation of a rough draft of the appraisal.

Robert D. Broome, State-Registered Trainee Appraiser RI 0006678, assisted Mr. Parham in market research.

The data selected, analyses and conclusions, however, are strictly my own.



**APPENDIX**

**CERTIFICATE OF APPRAISAL**

(Page 2)

I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, Messrs. Weigel and Parham have completed the continuing education program of the Appraisal Institute.

**Competency Provision**

This appraisal report is made in compliance with the competency provision as outlined within US-PAP. This is to acknowledge that the appraiser has the expertise and has expended the time and research within this appraisal report to prepare an accurate opinion of value.

William R. Weigel, MAI, SRA, and L. James Parham, MAI, SRA, have performed and completed similar appraisals of this type. Their years as appraisers have provided them with the knowledge and experience to complete all types of appraisals. In performing the appraisal of the subject property they have gathered, analyzed, confirmed and reported on data obtained from the field.



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William R. Weigel, III, MAI, SRA  
State-Certified General Real Estate Appraiser RZ0580



Strategic Planning Group, Inc.

**APPENDIX**

**TABLE OF CONTENTS**

Identity of the Property Being Appraised	1
Purpose, Intended Use, Intended User of the Appraisal	1
Appraisal Problem	1
Value Appraised	1
Property Rights (Interest) Appraised	2
Scope of Appraisal	2
Regional Map	4
Regional/Neighborhood Analysis	5
Description of Property, Photographs and Sketches	7
Photographs of the Subject Property	9
Aerial Photograph	12
Plat Map	13
Flood Map	14
Zoning, Land use Plan, Concurrency	15
Assessed Value, Taxes and Special Assessments	15
History of Property	15
Exposure Time	15
Effective Date of the Appraisal	16
Public and Private Restrictions	16
Highest and Best Uses Analysis	16
Approaches to Value Omitted	18
Land Valuation	20
Reconciliation of Value Indications and Final Opinion of Value	28
Addenda	30



**APPENDIX**

**APPRAISAL REPORT**

**IDENTITY OF THE PROPERTY BEING APPRAISED:**

Address/Location: North Florida Fairgrounds  
East side of South Monroe Street between Paul Russell and Tram  
Roads. Tallahassee, Florida.

Legal Description: Lengthy metes and bounds. Refer to the tax cards included as part of  
the Addendum. Specifically, Leon County tax parcels:

Parcel A	3118208530000	60.03 Acres
Parcel B	3118208540000	11.81 Acres
Parcel C	4113208530000	18.00 Acres
Parcel D	4113208520000	<u>13.86 Acres</u>
	Total	103.70 Acres

Ownership: Leon County  
301 South Monroe Street  
Tallahassee, FL 32301

**PURPOSE, INTENDED USE, AND INTENDED USER OF THE APPRAISAL:**

Purpose: To provide an opinion of the current market value.  
Intended Use: Land planning decisions for use by the Strategic Planning Group in its  
consultations with Leon County.  
Intended User: Mr. Anthony Mondaé, and his assigns.

**APPRAISAL PROBLEM:**

To provide an opinion of the current market value of the underlying land of Parcels A, B, C and D of  
the North Florida Fairgrounds as a unified 103.7-acre tract, of mixed uses.

**VALUE APPRAISED:**

Value: Market Value.

Definition: *"The most probable price in cash, as of a specified date, financial arrangements  
equivalent to cash, or other precisely revealed terms, for which the appraised property will sell in a  
competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting  
prudently, knowledgeable, and for self-interest and assuming that neither is under duress."*

The Appraisal of Real Estate, 11<sup>th</sup> Edition, Page 22, Published 1996, by the Appraisal Institute, Chicago, Illinois.



**APPENDIX**

**PROPERTY RIGHTS (INTERESTS) APPRAISED:**

Rights (Interests): Fee Simple.

Definition of Fee Simple: *"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police powers, and escheat."*

**SCOPE OF APPRAISAL:**

The scope of this appraisal assignment involves 103.7-acres of the North Florida Fairgrounds. This appraisal is one of the parts of a market feasibility study that is being prepared by Strategic Planning Group, Inc (SPG) for the possible redevelopment of the fairgrounds. The appraisal answers the question of the "as is" value, and as of a current date.

Included in this appraisal is the underlying land of Parcels A, B, C and D of the fairgrounds. Parcel E is a stadium and its attendant parking is Parcel F; each is excluded. Also excluded is the Leon County Cooperative Extension property. The existing improvements (fair buildings, site improvements and infrastructure) have been excluded.

In order to provide an opinion of value of the 103.7-acre tract we had to consider the uses to which the fairgrounds could be put in order to extract meaningful data from the market. It has been agreed that the tract would be a yet-to-be-specified quilt of mixed-uses. The proposed land uses are: multi-family, retail and office/service commercial. Parcel A has been valued as multi-family, Parcels C and D are valued as retail commercial and Parcel B is valued as office/service commercial-commercial.

The intent of the breakdown of the overall tract into land use parcels is to get into step with the market for purposes of making comparisons to other properties that have sold within Leon County from which indices of value can be drawn. To that end we have extracted sales of sites for each land use category and have valued each tract accordingly.

Keeping in mind that the intent is to value the 103.7-acre tract as a whole, i.e. as if it were to be sold to a single purchaser, we have then applied a discount in order to attract the venture capital of a speculator who would be willing to hold the tract in "land bank" until such time as the market became ripe for all or parts thereof.

In appraisal jargon, we have used the Sales Comparison Approach to provide an opinion of the current market value. The opinions and conclusions leading to a market value estimate are reported in a formal appraisal report with supporting data and analyses. The Income and Cost Approaches were not considered applicable for the subject property.

The Appraisal of Real Estate, 11<sup>th</sup> Edition, Page 137, Published 1996, by the Appraisal Institute, Chicago, Illinois.



Strategic Planning Group, Inc.

**APPENDIX**

The procedure for this appraisal has been as follows:

Collection of Data:

- 1) Gathered published data on the economy and profile of Leon County with emphasis on the fairgrounds area.
- 2) Interviewed local business people as to the status of the current market, its direction and momentum.
- 3) Interviewed local real estate professionals and individuals as to characteristics of the rural commercial market.
- 4) Researched sales of multi-family acreage in Leon County.

Sales & listings considered:	12
Sales & listings inspected:	12
Sales utilized:	3
- 5) Researched sales of office/service commercial acreage in Leon County.

Sales & listings considered:	21
Sales & listings inspected:	8
Sales utilized:	3
- 6) Researched sales of retail acreage in Leon County.

Sales & listings considered:	10
Sales & listings inspected:	6
Sales utilized:	3

Confirmation of Data:

- 1) Field inspected each potential, comparison property.
- 2) Confirmed market conditions with local participants.
- 3) Verified sales transactions with a reliable party who had personal knowledge thereof (grantor, grantee or representative for either party to the transaction) myself, or an associate in this firm.

Reporting of Data:

Summary report.





**APPENDIX**

**REGION/NEIGHBORHOOD ANALYSIS:**

This appraisal is one of the parts of a market feasibility study that is being prepared by Strategic Planning Group, Inc for the possible redevelopment of the North Florida Fairgrounds tract. Descriptions of Leon County and fairgrounds neighborhood are components of the market feasibility study that is being written by others. Further, the users of this appraisal are well familiar with Leon County and the fairgrounds neighborhood and extensive discussion herein would be superfluous. However there are a few points that warrant highlighting.

First, the influence of Leon County extends for over a 60-mile radius not only into other counties of the Florida panhandle but also into the counties of southwest Georgia. Many residents in those outlying areas are either employed in Leon County or travel thereto for supplies, air travel, education, shopping, dining and recreation. Leon County had a reported population in the range of 252,000 in 2002 but actually serves a population base of something in the range of 400,000 to 500,000 when considering those surrounding counties that look to the offerings of Leon County in one fashion or another. The name of the subject property being the "North Florida Fairgrounds" pays partial acknowledgment thereto.

By all intents and purposes, the Leon County/Tallahassee market is an extended area into those surrounding counties, with various sub-markets located therein. Southside Tallahassee is one of those sub-markets that have been slower to develop than north Tallahassee. The origins can be traced back to Leon County's agrarian history. The lands in the southern part of the county were sandier, less fertile and were simply less desirable; hence those lands were cheaper. That identity has generally stayed with southern Leon County but is changing; if for no other reason than necessity. Even in recent weeks there have been news reports of protests by Realtors and developers about the costs required in order to bring a building lot onto the market, in Leon County. That pressure in other parts of the county is causing a re-examination of southern Leon County.

A case in point is Leon County's signature development that is located in the southeast quadrant of Tallahassee, i.e. Southwood. It is a mixed-used, multi-phase development containing 3,200 acres with a planned 4,700± housing units. There will be about 1,000 acres of parks, lakes and ponds within Southwood, which is about 5 miles east of the subject. We are quick to note that Southwood is one of those "new urban" projects that is intended to be more pedestrian in character and to eventually become somewhat self-contained with work centers, schools, shopping, dining, recreation, and religious facilities located therein. A satellite office park for the State of Florida is an anchor therefore as is the demonstration school for Florida State University (K-12) and the Pope John Paul Catholic Church/school.

The transit routes between Southwood and the fairgrounds tract is through lower-grade housing areas and discussions with real estate professionals indicate that the expected linkage between the two would be tenuous. Perhaps Blueprint 2000 – and the "Southern Strategy" as a part thereof – can contribute in a meaningful manner to create a more unified Southside Tallahassee. An enhanced infrastructure system as part of that strategy could become overwhelmingly attractive in light of increased costs elsewhere in the county.



**APPENDIX**

The next point of regional/neighborhood analysis worthy of being highlighted is the presence and importance of Florida A&M University (FAMU) to the economy. The university is the dominant fixture and the campus thereof is 1½ mile north of the fairgrounds. We have obtained data from Florida A&M University and from Claritas, Inc., which is an on-line service for demographic information.

**FAIRGROUNDS NEIGHBORHOOD**

	<u>1-Mile</u>	<u>3-Miles</u>	<u>5-Miles</u>
<u>Population:</u>			
2009	5,673	45,222	113,315
2004	5,430	43,521	108,329
2000	5,241	42,236	104,626
1990	5,368	40,713	95,239
<u>Ages (2004):</u>			
Median		24.45 years	
18-24 years		35.04%	
<u>Households:</u>			
2009	2,057	17,409	47,921
2004	1,968	16,727	45,595
2000	1,903	16,214	43,878
1990	1,922	15,707	38,590
<u>Owner Occupied Housing (2004):</u>			
		6,635	
<u>Tenant Occupied Housing (2004):</u>			
		10,092	
<u>Median Household Income:</u>			
2004	\$29,433	\$23,834	\$24,195

Source: Claritas, Inc., 2004

**FLORIDA A&M UNIVERSITY**

<u>Year:</u>	<u>Enrollment</u>	<u>%Change</u>
2004	13,750	+ 4.84%
2003	13,115	+ 4.58%
2002	12,541	+ 1.33%
2001	12,376	+ 1.77%
2000	12,161	+ 0.50%

Degree Seeking Undergraduates:

From Leon County:	12.6%
Live in college owned housing:	22.7%
Live off-campus or commute:	77.3%

Source: Florida A&M University



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**APPENDIX**

The percent of households that are tenant occupied and the average age are most revealing, as are the increases in enrollment. There have been 232 new apartment units built within ½ mile of the fairgrounds in the past 3 years (University Courtyard, 96 and College Club, 136) with another 180 under construction (Campus Pointe) and 56 more proposed (Tram Crossing). The developer of Tram Crossing is in a wait-an-see mode due to current construction costs being out of sync with the expected income yield of the project. His current position is to bring the units on-line for the fall term of the 2006 FAMU school year.

**Conclusion:**

The most significant factor affecting the fairgrounds neighborhood is the increased density of housing units from all of the new apartment buildings that have been constructed,... and more are to come on line. These are typically consumers of good and services, particularly retail.

**DESCRIPTION OF PROPERTY, PHOTOGRAPHS AND SKETCHES:**

Property Type:                   Redevelopment tract of mixed uses

Existing Use:                   Public (North Florida Fairgrounds)

**Land:**

Site dimensions are incomplete on the property appraiser's atlas and we do not have survey of the property. We have used the dimensions that were available from the atlas and have scaled others from printouts. In doing so, we have checked our acreage figures to that as provided find them to be very similar. Consequently, we rely on the County's acreage figures (as provided) for purposes of this appraisal.

Area:	
Parcel A	60.03-acres
Parcel B	11.81-acres
Parcel C	18.00-acres
Parcel D	<u>13.86-acres</u>
Total	103.70-acres

Frontages:	South Monroe Street (direct access)
	Parcel C: 602 feet ±
	Parcel D: 270 feet ±
	Paul Russell Road (direct access)
	Parcel A: 630 feet ±
	Parcel B: 648 feet ±
	Parcel C: 1,302 feet ±



**APPENDIX**

	Tram Road (direct access)
	Parcel A: 1,420 feet ±
	Parcel D: 950 feet ±
Shape:	Rectangular, except for Parcel A, which is large enough to make effective use of the irregular shaped portions.
Topography:	The tract is comparatively level with some gentle rolling areas.
Flood Plain Data:	Zone X; Area outside the 500-year floodplain. See flood map on following page.
Drainage:	Appears adequate as of date of value.
Soil Characteristics:	No soil tests available.
Utilities at Site:	Adequate for the highest and best use.
Electricity:	Public; City of Tallahassee.
Water:	Public; City of Tallahassee.
Sewer:	Public; City of Tallahassee.
Easements, Encroachments or Restrictions:	None known that would have a negative impact on value or that would not be remedied upon redevelopment.
<b><u>Improvements:</u></b>	
The subject improvements have been specifically excluded from this appraisal, as the intent is to view the tract for redevelopment. This is not to say that some of those buildings would not have interim use value, ... they may. Only that we are not valuing them herein as any such interim use would indeed be highly speculative. Further, the infrastructure (roads, utilities, fencing) may have some value to one degree or another in a redevelopment scheme, but by the same token, those items may also create additional costs for redevelopment to remove. Consequently, it is appropriate – at this stage in the analysis of the fairgrounds – to exclude any and all of the site or building improvements.	



**APPENDIX**

**PHOTOGRAPHS OF THE SUBJECT PROPERTY:**



**Photo 1:** View of prime corner of the North Florida Fairgrounds tract at South Monroe Street and Paul Russell Road; looking southeast at Parcel C.



**Photo 2:** View of "retail" frontage along South Monroe Street with Parcel C in left foreground and Parcel D in background; looking southerly with Paul Russell Road behind photographer.

*All photos by L. James Parham, MAI, SREA; October 6, 2004*

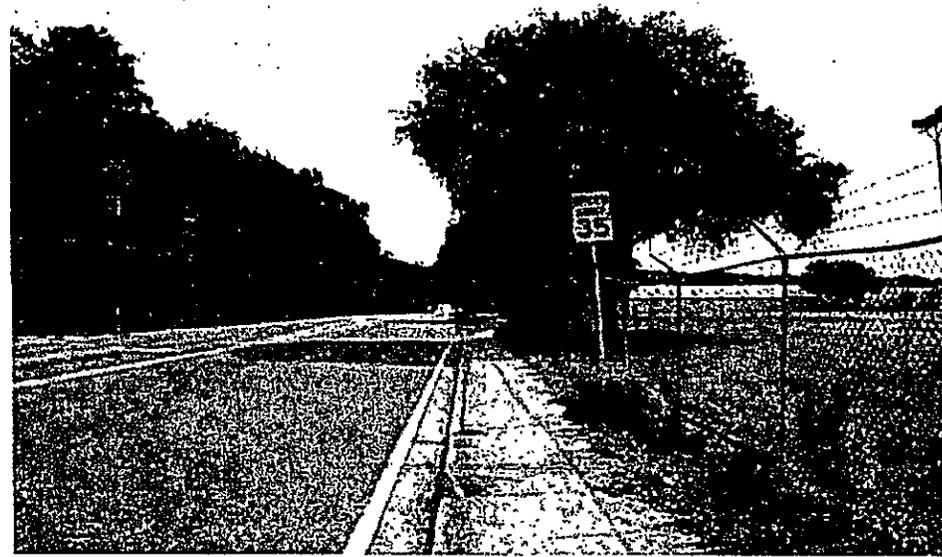


**APPENDIX**

**PHOTOGRAPHS OF THE SUBJECT PROPERTY, Continued:**



**Photo 3:** View to north along South Monroe Street with frontage of existing shopping center on left and view of Florida State Capitol Building in distance; Paul Russell Road is behind photographer.



**Photo 4:** View to east of along Paul Russell Road with "retail" frontage of Parcel C in right foreground and "office/service commercial" frontage of Parcel B beyond; Monroe Street is behind photographer.



**APPENDIX**

**PHOTOGRAPHS OF THE SUBJECT PROPERTY, Continued:**



**Photo 5:** View to north from west side of South Monroe Street from a point south of Tram Road. "Retail" corner of Parcel D at Tram Road is marked by large oaks on right. Frontage of Parcel C is in right background.



**Photo 5:** View to east from west side of South Monroe Street along frontage on Tram Road. "Retail" corner of Parcel D is in left foreground and Parcel A is in background. Corner on right is site of proposed 56-unit, Tram Crossings apartments.



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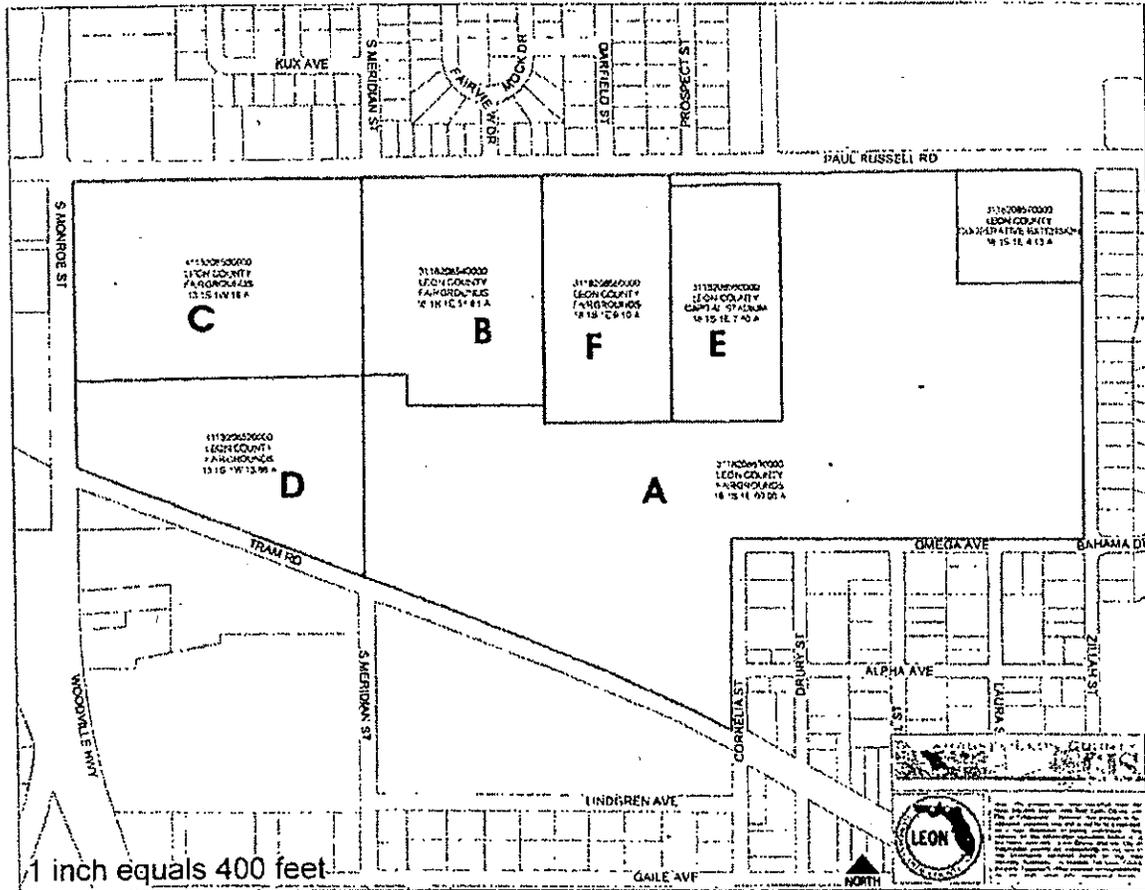
**APPENDIX**

**AERIAL PHOTOGRAPH OF THE SUBJECT PROPERTY:**



**APPENDIX**

**PLAT MAP:**



Source: Strategic Planning Group, Inc., 2004

**Multi-Family Residential Parcel**

Parcel A                      60.03 Acres

**Office/Service Commercial Parcel**

Parcel B                      11.81 Acres

**Retail Commercial Parcels**

Parcel C                      18.00 Acres

Parcel D                      13.86 Acres

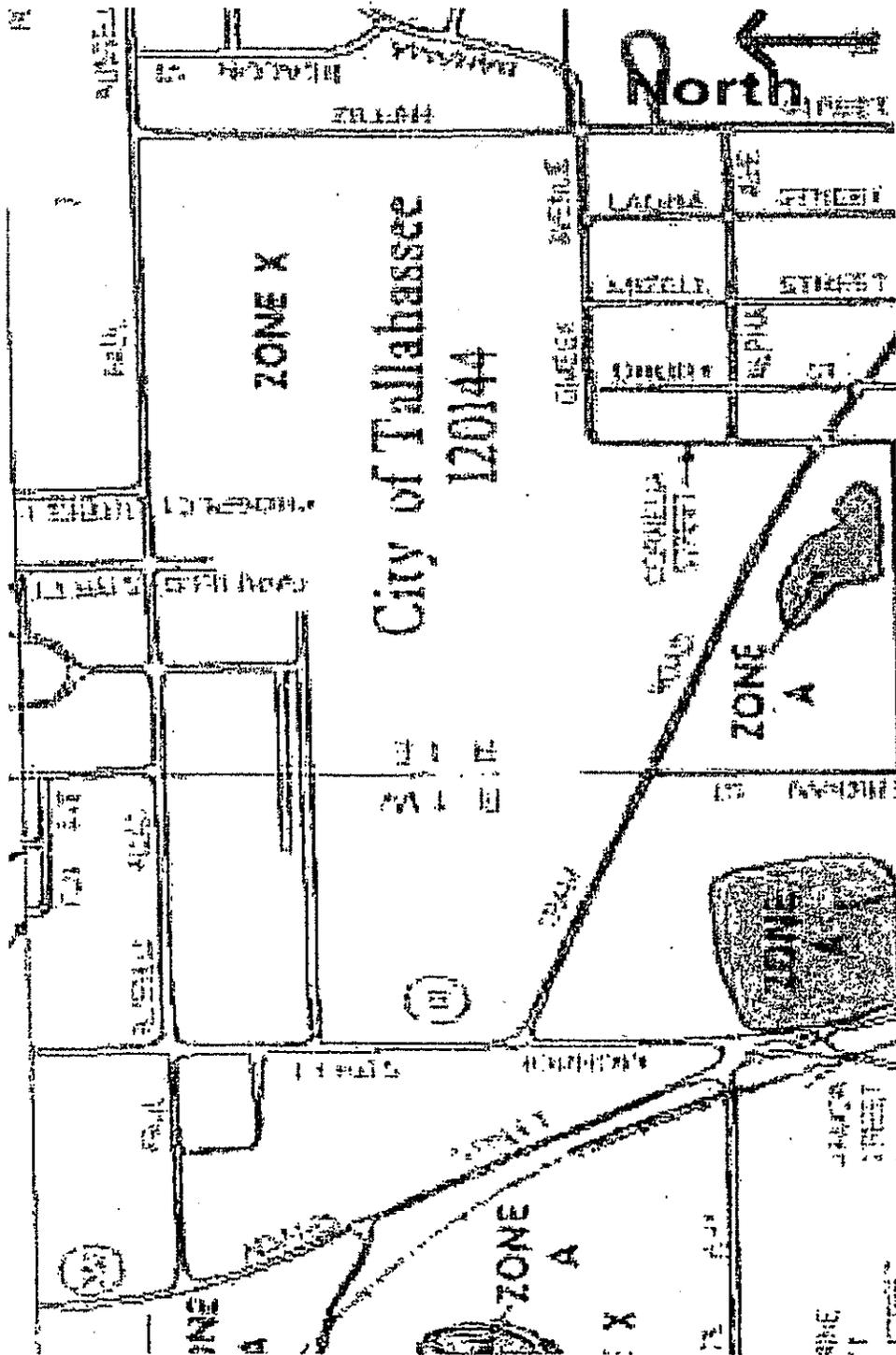
Total                          103.70 Acres



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**APPENDIX**

**FLOOD MAP:**



Flood Insurance Rate Map (FIRM), Community Panel No. 12073C0295D. November 19, 1997



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**APPENDIX**

**ZONING, LAND USE PLANNING AND CONCURRENCY:**

The subject is zoned as "OS" Open Space and "PUD 14" Planned Unit Development by the Tallahassee/Leon County Planning Department. The intent of market feasibility study of which this appraisal is a part is to clarify the most appropriate use(s) of the tract. For purposes of this appraisal, we have been instructed to consider the subject as a mixed-use tract composed of multi-family, retail and office/service commercial.

More detailed or further analysis would be premature and could very well prove to become erroneous. Further, there are no known conflicts between the subject and its uses for multi-family, retail and office/service commercial that would not be remedied upon redevelopment.

**ASSESSED VALUE, TAXES AND SPECIAL ASSESSMENTS:**

According to information obtained from the Leon County Tax Collector's Office, the subject property, as of the date of value, is identified as follows:

Taxing Authority:	Leon County Tax Collector			
Tax Year:	2003			
	<u>Parcel A</u>	<u>Parcel B</u>	<u>Parcel C</u>	<u>Parcel D</u>
Assessed Value (Land):	\$450,225	\$141,720	\$378,000	\$207,900

The owned by Leon County and the above assessments are considered to be academic as the property is tax exempt. Likewise, there are no known special assessments on such a property as the issue would be moot.

**HISTORY OF PROPERTY:**

No sales within the last five (5) years. Also, the subject property is not listed for sale and there are no offers pending.

**EXPOSURE TIME:**

Exposure time is defined within the Appraisal Institutes', The Dictionary of Real Estate Appraisal, 4th Edition, published 2002, Page 105, as:

*"The time a property remains on the market."*

*"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."*

Based on market research, the typical exposure time has been estimated at 6 to 24 months.



**APPENDIX**

**EFFECTIVE DATE OF THE APPRAISAL:**

Date of Report: October 25, 2004  
Date of Value: October 18, 2004  
Dates of Inspection: October 18, 2004  
Persons at Inspection: William R. Weigel, III, MAI, SRA, and L. James Parham, MAI, SRA,

**PUBLIC AND PRIVATE RESTRICTIONS:**

There are no known conflicts between the subject and its uses for multi-family, retail and office/service commercial that would not be remedied upon redevelopment.

**HIGHEST AND BEST USE ANALYSIS:**

The term "Highest and Best Use" is defined within The Appraisal of Real Estate, 11th Edition, 1996, Page 50, as:

*"The reasonable probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."*

A Highest and Best Use Analysis must meet the following four tests:

1. Legally Permissible
  2. Physically Possible
  3. Financially Feasible
- Maximally Productive (Most Profitable)

Implied in the above definition is that the determination of highest and best use takes into account the contribution of a specific use to the community and its development goals as well as the benefits of that use to individual property owners. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Public powers, through building, safety, and zoning regulations usually establish the parameters within which the highest and best use must occur. Four criteria are analyzed under the highest and best use analysis. As previously mentioned, the use must be legally permissible, physically possible, economically feasible, and the use of the land must be that use which is most profitable.



Legally Permissible:

According to the terms of this assignment, it is assumed that the permitted land use and zoning would be changed to allow multi-family, retail and office/service commercial uses in a layout similar to that as shown on the preceding plat.

The subject tract is therefore considered to be legally conforming site with regards to all minimum requirements.

Physically Possible:

The areas of each parcel (A through D) are substantial enough to facilitate redevelopment for the respective land uses. Each parcel has infrastructure (utilities and access) further, the shapes and topography are compatible to enable a high degree of flexibility in design for each of the parcels.

Economically Feasible:

Economical feasibility is the goal of the market feasibility report, of which this appraisal is a part. The land use categories of multi-family, retail and office/service commercial are as likely as can be proposed at this point in the process. The significant aspect of those proposed uses is that they may become moot over time as the Southside Tallahassee market has yet to become firm enough for any new development in the near future for any of the land use categories. There is an ample supply of sites and properties in the private sector that are on the market – or are coming on the market – so that the introduction of so that the introduction of the subject's acreage would likely throw the market into an imbalance.

The characteristics of the 103.7-acres of the fairgrounds tract are such that the most likely target market would be speculators. This is not to say that investors would not be interested; they would be but it is unlikely that an investor would be willing to take the entire 103+ acres. Investors would most interested in the retail parcels along South Monroe; say for example for big box retail. The apartment market is such that there has been a recent infusion of new units in this neighborhood so that additional projects are being approached cautiously. The office/service commercial market has been approaching something of a glut of both of sites and of ready-to-occupy space. Those office/service commercial properties are in superior locations, so that any new office/service commercial project at the fairgrounds location would be highly speculative.

Further, the "retail sites" on South Monroe (Parcels C and D) are somewhat out of the mainstream by virtue of the superior linkages to South Adams Street. South Monroe and Adams Streets are parallel and closely proximate. Traffic to and from those areas south of Tallahassee are channeled primarily to South Adams and the improvements to Crawfordville Highway that are now under construction will feed into/out-of Adams Street. Also, a great deal of traffic leading into/out-of those markets south of Tallahassee, never makes it to either Adams or Monroe. It is diverted off of the Woodville and Crawfordville Highways onto Capital Circle and travels to activity centers (work, shopping, recreation) in the eastern and western areas of Tallahassee.



**APPENDIX**

Hence the most economically feasible uses is to hold the tract until such time as external market forces dictate marketing a portion or all of the parcels that compose the subject.

Maximally Productive:

“Land Bank” is the only use that is perceivable. The various factors that affect the fairgrounds tract lead us to that conclusion. This is indeed a legitimate highest and best use classification; particularly for larger tracts in maturing markets.

Conclusion:

“Land Bank”.

APPROACHES TO VALUE OMITTED:

- Cost Approach: Omitted.
- Sales Comparison: Utilized.
- Income Approach: Omitted.

The subject is composed of multi-family, retail and office/service commercial parcels for which the sales comparison approach is the only reliable indicator.

LAND VALUATION:

We have conducted research on three sets of sale data from Leon County to-use in this appraisal: multi-family acreage, office/service commercial acreage and retail acreage.

<u>Multi-family acreage:</u>	Sales & listings considered:	12
	Sales & listings inspected:	12
	Sales utilized:	3
<u>Office/Service Comm. acreage:</u>	Sales & listings considered:	21
	Sales & listings inspected:	8
	Sales utilized:	3
<u>Retail acreage:</u>	Sales & listings considered:	10
	Sales & listings inspected:	6
	Sales utilized:	3



**APPENDIX**

Adjustments are made to each of the sales for differences between those sale properties and that of each of the parcels of the fairgrounds. We have relied upon our review of literally hundreds of transactions in Leon County while preparing appraisals (in Leon County) for over 25 years. Adjustments for the date of sale to the current date of appraisal are often the most sensitive. Consequently, we have prepared a market study for use in making those adjustments.

**Market Conditions Analysis:**

Historically, the passing of time has had a constant, increasing influence on the value of real property. However, it should be noted that this influence has not been steady or straight line in effect but rather has fluctuated as a result of economic events that are often not directly associated with the local market under appraisal. When the economy is in a recession, the increases that can be attributed to time flatten-out. Often, this is due to a drop in demand by market participants for properties. From mid-1979 to 1981, the economy slipped into a deep recession. This economic downturn, combined with the holdover effect of the 1973-1976 recession curtailed the expansion of smaller businesses from the inner-core downtown areas to the suburbs and transit areas within the entire Leon County region. From the mid to late 1980's, an upward turn in the national economy and the local market resulted in growth and expansion, which in turn yielded increases in the value of real property because of increased market participation by investors, etc.

Certain areas or locations in the Greater Tallahassee area have developed more rapidly than others as noted with the growth along Capital Circle Northeast, Centerville Road, Thomasville Road (U.S. 319), North Monroe Street/Apalachee Parkway (U.S. 27) and Mahan Drive (U.S. 90). Completion of planned highway expansions should promote growth and development.

Analyses of sales in the Greater Tallahassee area have been outlined with regard to unit price and date of sale. On the following pages is an explanation and discussion of these comparisons. The best evidence to support a time analysis is the direct comparison of market sales that have sold and resold with relatively little change between the dates of sale.

The market was more active from late 1994 to the present. The properties that have sold in the Tallahassee/Leon County area demonstrate renewed market activity with an increase in value within the mid- to late 1990's through the present of:

- Multi-family acreage: 6%, annually
- Office/service commercial acreage: 6%, annually
- Retail acreage: 8%, annually



**APPENDIX**

**LAND VALUATION - Multi-Family Parcel A:**

<b>Summary of Land Sales - MULTI-FAMILY</b>				
<b>Parcel A</b>				
Fairgrounds, Leon County				
Sale	Subject	1	3	3
		55-3027-1654	55-2977-2021	55-2436-1928
<b>Seller</b>	Leon County	Aster	Houston Gantt	Council
<b>Buyer</b>		Only Green	Bostic	College Club
<b>Date</b>	18-Oct-04	22-Jan-04	15-Oct-03	20-Nov-00
<b>Location</b>	Paul Russell and Tram Roads	3250 W. Tennessee Street	3000 South Adams Street	2833 S. Adams Street
<b>Size, Acres</b>	60.03	40.19	13.76	10.21
<b>Size, SqFt</b>	2,614,907	1,750,676	599,386	444,748
<b>Price</b>	\$ <del>3,660,900</del>	\$ 1,800,000	\$ 719,900	\$ 741,900
<b>Price, SqFt</b>	\$ <b>1.40</b>	\$ 1.03	\$ 1.20	\$ 1.67
<b>Conditions of Sale</b>		Arms Length	Arms Length	Arms Length
Adjustment		0%	0%	0%
<b>Date of Sale, Months Difference</b>		9.0	12.3	47.6
Adjustment		4.50%	6.15%	23.80%
<b>Current Price SqFt</b>		\$ 1.07	\$ 1.27	\$ 2.07
<b>Location</b>		Overall Similar	Similar	Similar
Adjustment		5%	0%	0%
<b>Size, Shape &amp; Topography</b>		Slightly Inferior	Overall Similar	Slightly Superior
Adjustment		5%	0%	-5%
<b>Net Adjustment</b>		10%	0%	-5%
<b>Adjusted Price Square Foot</b>		\$ <b>1.18</b>	\$ <b>1.27</b>	\$ <b>1.96</b>
<b>Date of Sale Adjustment, Annual:</b>		6.0%	0.50% Month	

**Discussion Of Comparable MULTI-FAMILY Land Sales:**

Multi-Family Land Sale 1 (55-3027-1654) is a recent sale of a mobile home park that has been sold for redevelopment into a multi-family apartment project. Its location on West Tennessee is slightly inferior. It is near the same size, however, the topography was slightly inferior.

Multi-Family Land Sale 2 (55-2977-2021) is of a the 13.76 acre tract that is under construction for the 180 unit Campus Pointe project at 3000 South Adams. It is a neighbor to the subject and hence its location is similar. The sale is smaller indicating a higher price per acre. However, the smaller size is offset by the topography and shape features of the sale that created additional development costs. Hence, there is no net adjustment.



**APPENDIX**

Multi-Family Land Sale 3 (55-2436-1928) is also a neighbor of Parcel A and is a 10.21-acre sale. It required a size adjustment, however, it was partially offset by its topography.

**Conclusion of MULTI-FAMILY Land Value, PARCEL A:**

The sales range from \$1.18 to \$1.96 per square foot for the 60+ acre tract. Most weight was placed on the more recent sales and a unit value of \$1.40 per square foot was concluded. Applying this unit value to the parcel's 60.03 acres indicates a value of \$3,660,900.

**LAND VALUATION – Office/Service Commercial Parcel B:**

<b>Summary of Land Sales - OFFICE/SERVICE COMM.</b>					
<b>Parcel B</b>					
<b>Fairgrounds, Leon County</b>					
<b>Sale</b>	<b>Subject</b>	<b>1</b>	<b>2</b>	<b>3</b>	
		55-2785-1554	55-2519-1847	55-2456-0926	
<b>Seller</b>	Leon County	Tallahassee Bank	Crawford	Shovlain	
<b>Buyer</b>		LEPEY	DBDI	Aredian	
<b>Date</b>	18-Oct-04	20-Dec-02	27-Jun-01	17-Jan-01	
<b>Location</b>	Paul Russell Road	250 Capital Circle SW	2878 Mahan Drive	1371 Capital Circle SW	
<b>Size, Acres</b>	11.81	2.35	4.32	5.79	
<b>Size, SqFt</b>	514,444	102,497	188,179	252,038	
<b>Price</b>	<b>\$ 1,389,000</b>	\$ 250,000	\$ 500,000	\$ 740,000	
<b>Price, SqFt</b>	<b>\$ 2.70</b>	\$ 2.44	\$ 2.66	\$ 2.94	
<b>Conditions of Sale</b>		<b>Arms Length</b>	<b>Arms Length</b>	<b>Arms Length</b>	
Adjustment		0%	0%	0%	
<b>Date of Sale, Months Difference</b>		22.3	40.3	45.7	
Adjustment		11.13%	20.15%	22.83%	
<b>Current Price SqFt</b>		<b>\$ 2.71</b>	<b>\$ 3.19</b>	<b>\$ 3.61</b>	
<b>Location</b>		Slightly Superior	Superior	Superior	
Adjustment		-5%	-20%	-5%	
<b>Size, Shape &amp; Topography</b>		Slightly Superior	Slightly Inferior	Slightly Superior	
Adjustment		-5%	5%	-5%	
<b>Net Adjustment</b>		-10%	-15%	-10%	
<b>Adjusted Price Square Foot</b>		<b>\$ 2.44</b>	<b>\$ 2.71</b>	<b>\$ 3.25</b>	
<b>Date of Sale Adjustment, Annual:</b>		6.0%	0.50%	Month	



**APPENDIX**

**Discussion Of Comparable OFFICE/SERVICE COMMERCIAL Land Sales:**

Office/Service Commercial Land Sale 1 (55-2785-1554) is an off-corner property on the southside of Tallahassee (like the subject), on Capital Circle SW. Its location was considered slightly superior. Also, the smaller size was considered superior and the other physical characteristics were similar.

Office/Service Commercial Land Sale 2 (55-2519-1847) is the site of Mahan Oaks Center and is very superior in location. The property is smaller than the subject indicating a downward adjustment. However, it has a very narrow frontage on Mahan Drive and had some topography issues, both of which would indicate an upward adjustment, resulting in an overall upward adjustment.

Office/Service Commercial Land Sale 3 (55-2456-0926) is an off-corner site, as is the subject, on Capital Circle Southwest, near Tennessee Street. It is adjusted downward for its superior location. This property is smaller than the subject and is adjusted downward, however, the other characteristics were similar.

**Conclusion of OFFICE/SERVICE COMMERCIAL Land Value, PARCEL B:**

The sales form a range from \$2.44 to \$3.25 per square foot. In the final analysis a unit value of \$2.70 per square foot was concluded. Applying this unit value to the parcel's 11.81 acres indicates a value of **\$1,389,000.**



**APPENDIX**

**LAND VALUATION – Retail Parcel C:**

<b>Summary of Land Sales - RETAIL</b>				
<b>Parcel C</b>				
Fairgrounds, Leon County				
Sale	Subject	1	2	3
		55-2802-1157	55-2582-1550	55-2212-0351
Seller	Leon County	Wilson	Chiu	Creekmore
Buyer		Sam's	Regency	Equity One
Date	18-Oct-04	28-Jan-03	15-Nov-01	6-Jan-99
Location	South Monroe Street	Capital Circle SE	6615 Mahan Drive	777 Capital Circle SW
Size, Acres	18.00	23.16	13.89	31.69
Size, SqFt	784,080	1,008,850	605,048	1,380,416
Price	\$ 2,940,300	\$ 5,000,000	\$ 1,805,600	\$ 2,100,000
Price, SqFt	\$ 3.75	\$ 4.96	\$ 2.98	\$ 1.52
Conditions of Sale		Arms Length	Arms Length	Arms Length
Adjustment		0%	0%	0%
Date of Sale, Months Difference		21.0	35.6	70.4
Adjustment		13.98%	23.73%	46.93%
Current Price SqFt		\$ 5.65	\$ 3.69	\$ 2.24
Location		Very Superior	Superior	Slightly Superior
Adjustment		-45%	-10%	-5%
Size, Shape & Topography		Slightly Inferior	Inferior	Inferior
Adjustment		10%	15%	20%
Net Adjustment		-35%	5%	15%
Adjusted Price Square Foot		\$ 3.67	\$ 3.88	\$ 2.57
Date of Sale Adjustment, Annual:		8.0%	0.67%	Month

**Discussion Of Comparable RETAIL Land Sales:**

Retail Land Sale 1 (55-2802-1157) is of the new Sam's Club on Capital Circle Southeast, just north of Apalachee Parkway. Its location is very superior and was adjusted downward. The parcel's shape is inferior to the subject as the out-parcels have been carved-out, however, the other physical characteristics were similar.

Retail Land Sale 2 (55-2582-1550) is of the Vineyard Center neighborhood shopping center. It is located at the entry of the "Vineyard" residential subdivision, which consists of upscale homes on estate-sized lots. It is on the eastern fringe of Tallahassee near Interstate 10. Its location was considered superior. It too is inferior in shape due the carve-out of out-parcels and is also inferior in topography.



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**APPENDIX**

**LAND VALUATION – Retail Parcel D:**

<b>Summary of Land Sales - RETAIL</b>				
<b>Parcel D</b>				
Fairgrounds, Leon County				
<b>Sale</b>	<b>Subject</b>	<b>1</b>	<b>2</b>	<b>3</b>
		55-2802-1157	55-2582-1550	55-2212-0351
<b>Seller</b>	Leon County	Wilson	Chiu	Creekmore
<b>Buyer</b>		Sam's	Regency	Equity One
<b>Date</b>	18-Oct-04	28-Jan-03	15-Nov-01	6-Jan-99
<b>Location</b>	South Monroe Street	Capital Circle SE	6615 Mahan Drive	777 Capital Circle SW
<b>Size, Acres</b>	13.86	23.16	13.89	31.69
<b>Size, SqFt</b>	603,742	1,008,850	605,048	1,380,416
<b>Price</b>	\$ 1,811,200.	\$ 5,000,000	\$ 1,805,600	\$ 2,100,000
<b>Price, SqFt</b>	\$ 3.00	\$ 4.96	\$ 2.98	\$ 1.52
<b>Conditions of Sale</b>		<b>Arms Length</b>	<b>Arms Length</b>	<b>Arms Length</b>
Adjustment		0%	0%	0%
<b>Date of Sale, Months Difference</b>		21.0	35.6	70.4
Adjustment		13.98%	23.73%	46.93%
<b>Current Price SqFt</b>		\$ 5.65	\$ 3.69	\$ 2.24
<b>Location</b>		Very Superior	Superior	Superior
Adjustment		-55%	-20%	-15%
<b>Size, Shape &amp; Topography</b>		Slightly Inferior	Slightly Inferior	Slightly Inferior
Adjustment		5%	5%	5%
<b>Net Adjustment</b>		-50%	-15%	-10%
<b>Adjusted Price Square Foot</b>		\$ 2.82	\$ 3.14	\$ 2.01
<b>Date of Sale Adjustment, Annual:</b>		8.0%	0.67%	Month

**Discussion Of Comparable RETAIL Land Sales:**

Retail Land Sale 1 (55-2802-1157) is of the new Sam's Club on Capital Circle Southeast, just north of Apalachee Parkway. Its overall location is very superior and was adjusted downward. Parcel D is located at a less intense intersection than Parcel C. The shape of this sale property is inferior to the subject as the out-parcels have been carved-out (Parcel D has less out-parcel potential than C). The larger size and shape warranted an upward adjustment, however, the topography was superior. In the final analysis, this sale was adjusted downward.

**The sales form a range from \$2.01 to \$3.14 per square foot. In the final analysis a unit value of \$3.00 per square foot was concluded. Applying this unit value to the parcel's 13.86 acres indicates a value of \$1,811,200**



Strategic Planning Group, Inc.

**APPENDIX**

Retail Land Sale 2 (55-2582-1550) is of the Vineyard Center neighborhood shopping center. It is located at the entry of the "Vineyard" residential subdivision, which consists of upscale homes on estate-sized lots. The property is on the eastern fringe of Tallahassee near Interstate 10. Its overall location was considered superior. It too is inferior in shape due the carve-out of out-parcels and the other physical characteristics were similar.

Retail Land Sale 3 (55-2212-0351) is of the Forest Village shopping center site located at the southeast corner of Capital Circle and the Crawfordville Highway. It was considered superior in regards to overall location. The larger size along with most of the out-parcels being carved out warranted an upward adjustment. This was partially offset by it superior topography.

**Conclusion of RETAIL LAND Value, PARCEL D:**

The sales form a range from \$2.01 to \$3.14 per square foot. In the final analysis a unit value of \$3.00 per square foot was concluded. Applying this unit value to the parcel's 13.86 acres indicates a value of \$1,811,200.

**RECONCILIATION AND FINAL OPINION OF VALUE:**

The appraisal is of the underlying land of Parcels A, B, C and D of the fairgrounds. Other parcels have been excluded, as have any improvements.

A market feasibility study, for redevelopment of the tract, is being prepared by Strategic Planning Group, Inc. This appraisal is a part thereof in order to answer the question of the "as is" value, as of a current date.

We considered the uses to which the 103.7-acre fairground tract could be put in order to extract meaningful data from the market: multi-family, retail and office/service commercial. The boundary lines for these land use delineations are "soft" or preliminary, and as more clarity is gained through the analysis others, then the lines could shift or the proposed land uses could change altogether.

The intent has been to value the 103.7-acre tract as a whole, i.e. as if it were to be sold to a single purchaser. The characteristics of the 103.7-acres of the fairgrounds tract are such that the most likely target market would be speculators. That is, whether Leon County or if a private entity were to redevelop the tract and parcel it out, the result is the same for valuation purposes. And for a speculator to shoulder the risk, they would want a front-end discount.

The percentage of discount is extracted from other types of real estate ventures. For example, a typical discount for the purchase of a group of lots in a subdivision is usually 20%, i.e., the wholesale price is 20% less than the retail. Then developers generally seek a 25% profit. The percentage that investors seek is determined by how safe or risky they are willing to be. Speculators often want to double their money,... at least over time.



**APPENDIX**

Keeping in mind that the maturity of the fairgrounds neighborhood is some years in the future – at least to absorb all of the 103.7 acres – the annualized cost of funds could be an indicator. That is, though rates may increase and decrease over time, a 10% annualized return is a number that is often mentioned by real estate participants. And if the fairgrounds take a number of years (5-10 for example) to mature, then the speculator would look at the investment in terms of how many years will it take and multiply that by 10% for the amount of discount. Rudimentary as it may seem, that type of simple logic is often the case. The speculator also banks on the price of the land going up so that the annualized return will work out.

We consider the range of discount (off of full market prices of the sum of the multi-family, retail and office/service commercial components) to be between 30% and 50% in order to attract a speculator to purchase the 103.7-acre tract in one transaction. If other concessions were to be negotiated (such as control of the stadium and parking lot for concerts and other events) then the discount could be negotiated downward.

For purposes of this assignment, we have discounted from 30% to 50% the indications of value from the various land uses into a number that, in our opinion, would be in the range to attract venture capi-

The comparable sale properties provide indications for each of the land use classifications:

**Residential Parcel**

Parcel A	60.03 Acres	\$1.40 SqFt	\$ 3,660,900
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**Office/Service Commercial Parcel**

Parcel B	11.81 Acres	\$2.70 SqFt	\$ 1,389,000
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**Retail Commercial Parcels**

Parcel C	18.00 Acres	\$3.75 SqFt	\$ 2,940,300
Parcel D	<u>13.86 Acres</u>	\$3.00 SqFt	<u>\$ 1,811,200</u>
Total	103.70 Acres		\$ 9,801,400

**Discount:**

Low:	\$ 9,801,400 - 30%	=	\$6,900,000 (rounded)
Mid:	\$ 9,801,400 - 40%	=	\$5,900,000 (rounded)
High:	\$ 9,801,400 - 50%	=	\$4,900,000 (rounded)

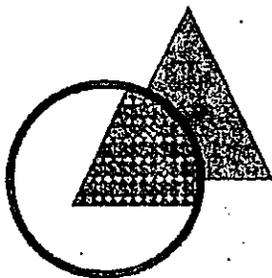
**NET VALUE INDICATION:** \$5,900,000



**APPRAISAL FOR  
MS. WENDY MATHEWS  
CONSERVATION BIOLOGIST  
THE NATURE CONSERVANCY  
&  
MR. KYLE R. JONES  
LANDS PROGRAM MANAGER  
USDA FOREST SERVICE**



**THE FLEA MARKET TRACT/UNITED STATES OF AMERICA PROPERTY  
FEDERAL TRACT W-1979  
114.83 ACRES  
LOCATED ALONG THE SOUTH SIDE OF CAPITAL CIRCLE  
LEON COUNTY, FLORIDA**



**ZAC RYAN  
APPRAISAL SERVICES, INC.**  
Appraisers and Consultants

**APPRAISAL FOR**

**MS. WENDY MATHEWS  
CONSERVATION BIOLOGIST  
THE NATURE CONSERVANCY**

**&**

**MR. KYLE R. JONES  
LANDS PROGRAM MANAGER  
USDA FOREST SERVICE**

**A SELF-CONTAINED APPRAISAL**

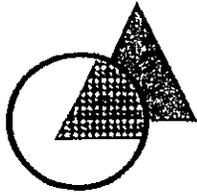
**OF**

**THE FLEA MARKET TRACT/UNITED STATES OF AMERICA PROPERTY  
FEDERAL TRACT W-1979  
114.83 ACRES  
LOCATED ALONG THE SOUTH SIDE OF CAPITAL CIRCLE  
LEON COUNTY, FLORIDA**

Zac E. Ryan, MAI - State Cert. Gen. REA No. RZ 596

ZAC RYAN APPRAISAL SERVICES, INC.  
3798 Old Jennings Road  
Middleburg, Florida 32068

Effective Date of Appraisal: October 29, 2009  
Date of Report: December 9, 2009



**ZAC RYAN**  
**APPRAISAL SERVICES, INC.**  
 Appraisers and Consultants

Zac E. Ryan, MAI  
 zac@forestenvironment.com  
 St. Cert. Lic. No. RFA No. 0000596 (Fl)  
 CG No. 211911 (GA)  
 CG No. 4311 (SC)

December 9, 2009

Ms. Wendy Mathews  
 Conservation Biologist  
 The Nature Conservancy  
 625 North Adams Street  
 Tallahassee, Florida 32301  
 &  
 Mr. Kyle R. Jones  
 Lands Program Manager  
 National Forests in Florida  
 325 John Knox Road, Suite F100  
 Tallahassee, Florida 32303

Dear Ms. Mathews & Mr. Jones:

As requested, I have prepared a self-contained appraisal of 114.83± acres of land and timber known as the Flea Market Tract/Federal Tract W-1979. The property consists of a rectangular shaped parcel situated along the south side of Capital Circle Southeast, approximately 0.4 mile west of Woodville Highway and 900 feet east of Crawfordville Road in the south-central portion of Leon County, Florida. The project associated with this property is identified as the Proposed Land Exchange - United States of America Property/The Nature Conservancy Property. In my opinion, the Market Value of the Fee Simple Interest (as encumbered) in the subject property as of October 29, 2009, is estimated as follows:

Opinion of Value \$2,585,000

Following in this appraisal is a description of the subject property, comparable sales, sales maps, and other pertinent data used in arriving at the above value estimates. The estimates are subject to the limiting conditions as set forth throughout the body of this report.

This is to certify that I have no interest, contingent or otherwise, in the property appraised and that the fee for preparing this appraisal is in no way contingent upon the value estimated. This appraisal was made in conformity with The Uniform Standards of Professional Appraisal Practice (USPAP), adopted by the Appraisal Standards Board of The Appraisal Institute and The Appraisal Foundation. The report also complies with the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA).

3798 Old Jennings Road • Middleburg, Florida 32068

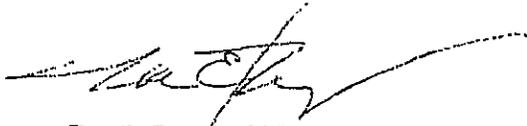
Phone: (904) 291-1479 • Fax: (904) 291-8745 • www.forestenvironment.com

Ms. Wendy Mathews & Mr. Kyle Jones  
December 9, 2009  
Page 2

**In the process of conforming to these various guidelines, *Jurisdictional Exception* was imposed by the UASFLA guidelines by disallowing specification of *exposure time*. Discussion of exposure time is required under USPAP guidelines but it is not cited in this appraisal document. On page 14 of the 2004 edition of the USPAP guidelines it states that ". . . *Jurisdictional Exception renders a specific portion of USPAP void and of no force or effect; therefore, for the purpose of that assignment, the excepted portion of USPAP does not exist and so cannot be subject to the Departure Rule.*" Based on this statement, this appraisal report is viewed as a complete, self-contained document and is believed to be in full compliance with all referenced guidelines.**

The opinion of fee simple value contained in this report is subject to a special use permit issued for a private road easement over the northwest corner of the tract, a special use permit for a 100 foot wide power transmission line easement along the west side of the tract, two federal highway easements along the north boundary of the tract, and three retention areas on the property (the acreage associated with the retention areas is included in the highway easement acreage totals). Additionally, the property is appraised subject to the extraordinary assumption that the tract is unaffected by hazardous materials. Further, it is appraised subject to the hypothetical condition that it is in private ownership and available for sale in the open market and as such exists under land use and zoning guidelines that are typical for other privately held lands in the area. Aside from these characteristics, and the above noted jurisdictional exception, there are no hypothetical conditions, extraordinary assumptions, special limiting conditions, or special legal instructions which apply to the subject property and/or its overall valuation.

Sincerely,



Zac E. Ryan, MAI  
State Cert. Gen. REA No. RZ 596

ZER/slh

2.01.1

**Board of County Commissioners  
Leon County, Florida**

**Policy No. 03-01**

Title: Approval Authority for the Acquisition, Disposition, and Leasing of Real Property

Date Adopted: February 23, 2010

Effective Date: February 23, 2010

Reference: Chapters 73, 74, 125, and 127, *Florida Statutes*

Policy Superseded: Policy No. 03-01, "Approval Authority for the Acquisition, Disposition, and Leasing of Real Property", adopted January 14, 2003; amended November 18, 2003; amended February 24, 2004; amended August 25, 2009; amended October 13, 2009

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It shall be the policy of the Board of County Commissioners of Leon County, Florida (the Board), that Policy No. 03-01, "Approval Authority for the Acquisition, Disposition, and Leasing of Real Property", originally adopted by the Leon County Board of County Commissioners on January 14, 2003, amended on November 18, 2003, amended on February 24, 2004, amended August 25, 2009, and amended October 13, 2009 is hereby superseded and amended to wit:

Approval Authority for the Acquisition, Disposition, and Leasing of Real Property  
2.01.1

Policy No. 03-01

TABLE OF CONTENTS

I. Authority, Purpose, Intent, and Scope .....3

II. Definitions .....3

    A. Acquisition Not Under the Threat of Condemnation.....3

    B. Acquisition Under the Threat of Condemnation.....3

    C. BOA .....3

    D. Capital Improvements Projects .....3

    E. Fair Market Rent.....4

    F. Full Compensation .....4

    G. Huntington Oaks.....4

    H. Nonmonetary Terms .....4

    I. Property Manager .....4

    J. Real Property .....4

    K. Right-of-Way Map.....4

III. Responsible Departments .....4

IV. Appraisals and Other County Estimates .....5

V. Real Property Owned By Others; Acquisition or Lease by County .....7

    A. Acquisition of Real Property Under the Threat of Condemnation .....7

    B. Acquisition of Real Property Not Under the Threat of Condemnation .....8

    C. Acquisitions Pursuant to Policy 03-10, Flooded Property Acquisition Program ....9

        1. Definitions .....9

            (a) Duplication of Benefits.....9

            (b) Flooded Property Acquisitions .....9

    D. Receipt by County of Offers to Sell or Donate Real Property.....9

    E. Lease to County of Real Property .....10

VI. Real Property Owned by County; Sale, Disposition, Exchange, or Lease to Others .....11

    A. Sale or Disposition of Any Real Property .....11

    B. Sale or Disposition of Real Property Deemed Surplus.....13

    C. Exchange of Real Property .....14

    D. Lease from County of Real Property .....14

    E. BOA Real Property and Huntington Oaks Real Property.....15

VII. Management of Real Property Owned by County .....16

**POLICY**

I. Authority, Purpose, Intent, and Scope

A. The authority set forth herein shall be deemed to be the Board's pre-approval of the contracts and agreements negotiated by the County Administrator for the acquisition, disposition, and leasing of real property in accordance with those specific duties set forth in Section 2-501(b)(8) of the Leon County Administrative Code, as may be amended from time to time.

B. The purpose of this Policy is to establish a policy and procedure for the Board's approval of any and all contracts or agreements for the conveyances of any interest in real property involving Leon County (the County), including, but not limited to, acquisitions, sales and dispositions, leases to others of real property owned by the County and leases to the County of real property owned by others, and all property management activities.

C. The intent of this Policy is to provide operating procedures and a set of rules to insure proper accountability in any real estate transaction involving the County and to insure proper management of any real property owned or leased by the County. Further, these policies and procedures shall be followed, along with all applicable laws and professional ethics, in order to insure fair and equitable treatment to the County, the general public, and all affected property owners.

D. The policies and procedures contained herein shall govern all County real estate functions.

II. Definitions

A. Acquisition Not Under the Threat of Condemnation: an acquisition of real property that may be needed for County purposes but that will be completed only if an acceptable price can be negotiated with the owner.

B. Acquisition Under the Threat of Condemnation: an acquisition of real property that has been identified on a Right-of-Way Map as being necessary to implement a Capital Improvements Project and that must be completed notwithstanding an owner's unwillingness to sell at a price that is acceptable to the County.

C. BOA: the Bank of America Plaza located at 311 and 315 S. Calhoun Street, Tallahassee, Florida, and any part thereof including but not limited to office and parking spaces.

D. Capital Improvements Projects: all projects which have been approved by the Board in a Capital Improvements Project Budget and have been included on the list of approved projects in the 2020 Transportation Plan, Comprehensive Plan, or other such Board declaration of intent.

E. Fair Market Rent: the reasonable rental rate and other related terms applicable to the conveyance of any leasehold interest or right of possession of BOA real property, as estimated by the Property Manager subject to the approval of the County Administrator or his designee.

F. Full Compensation: monetary or nonmonetary compensation paid to an owner, pursuant to Chapter 73, *Florida Statutes*, and as otherwise provided by law, in consideration for the acquisition of real property under the threat of condemnation. Full compensation shall include, but not be limited to, the following:

1. compensation for the real property acquired;
2. damages to any remaining real property not acquired;
3. any legal entitlement to damages to an owner's business caused by the denial of the use of the real property acquired; and
4. any legal entitlement to an owner's reasonable attorneys' fees and costs incurred in the defense of the proceedings.

G. Nonmonetary Terms: full compensation or consideration paid, in terms other than money, by the County for the acquisition of real property including, but not limited to, agreements for access to the owner's property, agreements for owner's extended possession of the property acquired by the County, agreements for management of stormwater on the owner's property, and other such agreements between the County and the property owner.

H. Huntington Oaks: The Huntington Oaks center, located at 3840 N. Monroe Street, Tallahassee, Florida, and any part thereof.

I. Property Manager: the individual or entity retained by the County or assigned by the County Administrator to lease and manage the BOA and/or Huntington Oaks.

J. Real Property: any interest in the land or the improvements located thereon, including, but not limited to, fee simple, leasehold and other rights of possession, temporary and perpetual easements, and grants of right-of-entry.

K. Right-of-Way Map: any map of survey prepared by or on behalf of the County that identifies the real property necessary to implement a Capital Improvements Project.

### III. Responsible Departments

A. Unless specifically directed otherwise by the County Administrator, the Public Works Department (the Department) shall implement and comply with these policies and procedures and shall be charged with the following responsibilities:

1. Developing uniform and clear procedures for all real property transactions;

2. Assuring uniform and clear documentation of all real property transactions;
3. Assuring that all real property transactions are negotiated equitably and in good faith and in accordance with all applicable state and federal laws;
4. Assuring cost effective management of all real property not currently in use by a County department; and
5. Assuring that, in those instances when negotiations for the acquisition of real property under the threat of condemnation are unsuccessful, all information necessary for the filing of an eminent domain lawsuit is provided to the County Attorney.

B. The County Attorney or his designee shall be charged with the following responsibilities:

1. acquiring real property through the use of eminent domain in those instances when negotiations for the acquisition of real property under the threat of condemnation are unsuccessful.
2. determining the scope of the appraisal assignment and the form of the appraisal report to be prepared for use in the County's real property transactions, unless such scope is otherwise established by the Board
3. approving any and all documents related to any transaction pursuant to this Policy.

C. With regard to the leasing and management of the BOA and Huntington Oaks, the County Administrator or his/her designee(s) shall implement and comply with these policies and shall be charged with the responsibilities set forth in Section VI(E), "BOA Real Property and Huntington Oaks Real Property."

#### IV.. Appraisals and Other County Estimates

A. For all real property transactions, the County shall obtain an appraisal report which estimates the fair market value of the real property interest involved in the transaction in accordance with the following procedures:

1. For acquisitions, sales, or dispositions in which the estimated value of the real property does not exceed \$500,000, or for leases of real property in which the estimated annual expenditure or receipt of funds does not exceed \$50,000, an independent state-certified appraiser shall be retained to prepare an appraisal report with an estimate of the fair market value of the real property at its highest and best use.

2. For acquisitions, sales, or dispositions in which the estimated value of the real property exceeds \$500,000, or for leases of real property in which the estimated annual expenditure or receipt of funds exceeds \$50,000, two independent state-certified appraisers shall be retained to each prepare an appraisal report with an estimate of the fair market value of the real property at its highest and best use.
  3. For any conveyance of any leasehold interest or other right of possession of any part of the BOA or Huntington Oaks, the procedures set forth in Sections 4(A)(1) and 4(A)(2) shall not apply. In any such conveyances, the Property Manager shall estimate the Fair Market Rent.
- B. The County Attorney or his designee shall determine the scope of the appraisal assignment and the form of the appraisal report to be prepared, unless otherwise established by the Board as follows:
1. For any acquisition of real property authorized under Board Policy 03-10, Flooded Property Acquisition Program, as may be amended from time to time, the real property shall be appraised retrospectively with the effective date of value being the day immediately before the most recent flood event affecting the real property being appraised. For purposes of the retrospective appraisal, the fair market value shall reflect any facts about the physical, legal, or economic characteristics of the real property known as of the effective date of value.
- C. For all real property acquisitions under the threat of condemnation in which an owner is legally entitled to damages to a business caused by the denial of the use of the real property acquired, the County shall obtain from a certified public accountant an estimate of such business damages. For purposes of this Policy, the estimate of business damages shall be considered a part of the County's estimate of full compensation.
- D. For all real property acquisitions under the threat of condemnation in which an owner is legally entitled to full compensation for reasonable attorney's fees and costs, the Department shall prepare an estimate of the reasonable attorney's fees and costs incurred by the owner in the defense of the proceedings for which the owner is legally entitled to compensation. The County's estimate may be based on input from the County Attorney or his designee provided, however, that in contested cases involving a court determination of the reasonable fees and costs the County shall retain a qualified expert to prepare the estimate. For purposes of this Policy, the estimate of reasonable attorney's fees and costs shall be considered a part of the County's estimate of full compensation.

V. Real Property Owned By Others; Acquisition or Lease by County

A. Acquisition of Real Property Under the Threat of Condemnation

1. Any real property that has been identified on a Right-of-Way Map as being necessary to implement a Capital Improvements Project shall be acquired under the threat of condemnation pursuant to the guidelines provided in Section 73.015, *Florida Statutes*, and pursuant to the following authority and procedure:

2. The County Administrator shall have the authority to approve and to execute any and all documents necessary to complete the acquisition of any parcel of real property necessary to implement a Capital Improvements Project for which the full compensation to a property owner is either:

a. An amount no greater than the County's estimate of full compensation, inclusive of attorney's fees and costs, for that parcel;

b. An amount no greater than \$25,000, inclusive of attorney's fees and costs, regardless of the amount of the County's estimate of full compensation for that parcel; or

c. An amount no greater than \$250,000, inclusive of attorney's fees and costs, provided, however, that such amount of full compensation does not exceed the County's estimate of full compensation for that parcel by more than 25 percent.

3. In the absence of the County Administrator, the Assistant County Administrator may execute any and all documents necessary to complete such acquisitions, which have been approved by the County Administrator.

4. Any offers of full compensation for which the amount exceeds the County Administrator's authority, or which include any nonmonetary terms, shall be presented to the Board pursuant to the following procedure:

a. The Department shall review and evaluate the terms and conditions of the offer and present to the Board for consideration an agenda item summarizing the offer.

b. An offer may be placed on the Board's consent agenda if all of the following conditions are met. If any such condition is not met, such offers shall be presented to the Board on its general business agenda for discussion:

- (1) If the amount of the offer does not exceed \$250,000; and
- (2) The amount of the offer does not exceed the County's estimate of full compensation for that parcel by more than 50 percent; and
- (3) The offer does not include any nonmonetary terms.

B. Acquisition of Real Property Not Under the Threat of Condemnation

1. Unless otherwise provided herein, the County Administrator shall have the authority to approve and to execute any and all documents necessary to complete the acquisition of any real property not under the threat of condemnation but which is needed for County purposes and for which the acquisition price is either:

a. An amount no greater than \$10,000 regardless of the County's appraisal of the fair market value for the real property; or

b. An amount no greater than \$250,000 provided, however, that such acquisition price does not exceed the County's appraisal of the fair market value for the real property by more than 10 percent.

2. In the absence of the County Administrator, the Assistant County Administrator may execute any and all documents necessary to complete such acquisitions, which have been approved by the County Administrator.

3. Any acquisition offers for which the amount exceeds the County Administrator's authority, or which include any nonmonetary terms, shall be presented to the Board pursuant to the following procedure:

a. The Department shall review and evaluate the terms and conditions of the offer and present to the Board for consideration an agenda item summarizing the offer.

b. Any such offer amount which exceeds \$250,000 shall be considered by the Board at a public hearing no earlier than 30 days after notice of such public hearing is advertised in a newspaper of general circulation published in the County. All other offers shall be placed on the Board's general business agenda for consideration.

C. Acquisitions Pursuant to Policy 03-10, Flooded Property Acquisition Program

1. Definitions: As used in this Section, the following terms shall be defined as follows:

a. Duplication of Benefits: the total amount of any disaster-related repair assistance paid to the property owner reduced by any amounts documented by receipts showing that the repair assistance funds were used for their intended purposes. The types of disaster-related repair assistance which would be considered in determining whether there is a Duplication of Benefits include, but are not limited to, private flood insurance proceeds, federally assisted grants and loans, and any state assisted grants and loans.

b. Flooded Property Acquisitions: any reference to an acquisition of flooded property refers to an acquisition of real property authorized under Board Policy 03-10, "Flooded Property Acquisition Program", as may be amended from time to time.

2. The County Administrator shall have the authority to approve and to execute any and all documents necessary to complete a Flooded Property Acquisition for which the acquisition price is an amount no greater than:

a. The County's appraisal of the fair market value for the real property, estimated in accordance with the scope of appraisal set forth in Section 4(B)(1), less;

b. the amount of any Duplication of Benefits.

3. In the absence of the County Administrator, the Assistant County Administrator may execute any and all documents necessary to complete such Flooded Property Acquisitions that have been approved by the County Administrator.

4. Any Flooded Property Acquisition offers for which the amount exceeds the County Administrator's authority shall be presented to the Board for consideration on the Board's general business agenda.

D. Receipt by County of Offers to Sell or Donate Real Property

1. Any owner desiring to sell or donate real property to the County should deliver a written offer to the Department. In the event another County department is directly contacted with an offer to sell or donate real property, the Department shall be so notified by such other County department.

2. Upon receipt of such offers, the Department shall circulate the offer to the appropriate departments for their review and comment as to any interest in the property for planned or future County projects.

3. If a County need for the real property is identified, the Department shall prepare a written report to the County Administrator with the following information included:

- a. The estimated costs to the County if the offer is accepted;
- b. Comments received from County departments identifying the existing and future need for the real property;
- c. Recommendations on whether or not to pursue the offer, and on the potential funding source(s).

4. If the County Administrator concurs with the Department's recommendation to pursue the offer, the Department shall then proceed with the acquisition in accordance with the procedure in Section 5(B), "Acquisition of Real Property Not Under the Threat of Condemnation."

E. Lease to County of Real Property

1. Any lease or lease-purchase agreement entered into by the County relating to real property owned by others and needed for County purposes shall be for a period not to exceed 30 years at a stipulated rental amount to be paid from current or other legally available funds.

2. The County Administrator shall have the authority to approve and to execute any and all documents necessary to complete a lease to the County of any real property owned by others and needed for County purposes and for which the annual rental amount is either:

- a. No greater than \$1,000 regardless of the County's appraisal of the fair market value for leasehold of the real property; or
- b. No greater than \$5,000 provided, however, that such annual rental amount does not exceed the County's appraisal of the fair market value for the real property by more than 10 percent.

3. In the absence of the County Administrator, the Assistant County Administrator may execute any and all documents necessary to complete such leases, which have been approved by the County Administrator.

4. Any such lease for which the amount exceeds the County Administrator's authority shall be presented to the Board pursuant to the following procedure:

a. The Department shall review and evaluate the terms and conditions of the lease agreement and present to the Board for consideration an agenda item summarizing the lease agreement.

b. Any such lease agreement with an annual rental amount which exceeds \$25,000 shall be considered by the Board at a public hearing no earlier than 30 days after notice of such public hearing is advertised in a newspaper of general circulation published in the County. All other lease agreements shall be placed on the Board's general business agenda for consideration.

VI. Real Property Owned by County; Sale, Disposition, Exchange, or Lease to Others

A. Sale or Disposition of Any Real Property

1. The sale or disposition of any real property owned by the County shall be transacted in accordance with Section 125.35, *Florida Statutes*, as may be amended from time to time, unless the sale or disposition is exempted therefrom pursuant to either Section 125.38 or Section 125.39, *Florida Statutes*, or unless the sale or disposition is part of an exchange of real property.

2. In the event that the County Administrator deems that it may be in the best interest of the County to sell or dispose of any real property owned by the County, the County Administrator or his designee shall present the matter to the Board for consideration. Upon the Board's approval, the County Administrator shall be authorized to sale or dispose of the real property in accordance with the following procedure:

a. Published Notice Calling for Bids

(1) The County Administrator or his designee shall prepare a notice (the Notice) calling for bids for the acquisition of the real property so advertised to be sold to the highest and best bidder for the particular use of the real property that the Board deems to be the highest and best, and under such conditions that the Board may in its discretion determine. The Notice shall be published once a week for at least 2 weeks in a newspaper of general circulation published in the County.

(2) Upon receipt of any bids responsive thereto, the County Administrator or his designee shall compile and summarize the bid information and present it to the Board with a recommendation of which of the bids should be considered the highest and best. The bid of the highest bidder complying with the terms and conditions set forth in the Notice shall be accepted unless the Board rejects all bids because they are too low. The Board may require a deposit to be made or a surety bond to be given, in such form and under such terms as the Board determines, with each bid submitted.

b. Private Sale; No Published Notice for Bids

(1) The County Administrator shall be authorized to proceed with a private sale of real property if:

(a) the Board determines that a parcel of real property is of insufficient size and shape to be issued a building permit for any type of development to be constructed on the real property, or the Board finds that the County's estimated fair market value of the real property is \$15,000 or less; and

(b) it is determined by the Board that, due to the size, shape, location, and value of the real property, the real property is of use only to one or more adjacent property owners.

(2) In such instance that the above conditions are met, the County Administrator or his designee may, after sending notice of the intended action to owners of adjacent property by certified mail, may proceed with a sale and conveyance of the real property at private sale without receiving bids or publishing notice.

(3) If, however, within ten working days after receiving such mailed notice, two or more owners of adjacent property notify the County of their desire to acquire the real property, the County Administrator or his designee shall accept sealed bids for the real property from such property owners and, upon presentation of the bids to the Board, the Board may convey such real property to the highest bidder complying with the terms and conditions set forth in the notice, or the Board may reject all offers and bids.

B. Sale or Disposition of Real Property Deemed Surplus

1. If an individual or entity is interested in purchasing or acquiring any real property owned by the County, such individual or entity shall express such interest in the form of a written offer to the County.
2. The written offer shall be delivered to the Department and, upon receipt, the Department shall prepare a written summary containing the following information about the real property:
  - a. When the property was acquired by the County and the cost of acquisition;
  - b. The original reason for acquisition by the County;
  - c. The site location and description including any improvements and zoning classification;
  - d. The size of the property; and
  - e. Current estimate of fair market value.
3. The Department shall circulate the written summary for comments from the County department(s) maintaining the real property or to all County departments if the real property is not actively used by the County.
4. Upon the Department's receipt of any responses to the written summary, the Department shall prepare a written report to the County Administrator which summarizes the responses and recommends whether or not the real property should be declared surplus. Real property may be considered surplus only if there is no potential future County use of the real property.
5. Upon the County Administrator's concurrence of a recommendation that the real property should be declared surplus, the real property shall be sold or disposed of in accordance with Section 6(A), "Sale or Disposition of Any Real Property."
6. In addition to the above procedures, the Department shall annually review all County owned real property that is not currently being used by any County department and which may be considered surplus property.

C. Exchange of Real Property

1. The exchange of any real property owned by the County for other real property shall be transacted in accordance with Section 125.37, *Florida Statutes*, as may be amended from time to time, unless the exchange is exempted therefrom pursuant to either Section 125.38 or Section 125.39, *Florida Statutes*.

2. In the event the County Administrator deems that the County holds and possesses any real property not needed for County purposes and such property may be, in the best interest of the County, exchanged for other real property which the County may desire to acquire for County purposes, the County Administrator or his designee shall present the matter to the Board for its consideration in accordance with the following procedure:

a. The County Administrator or his designee shall present to the Board on its general business agenda a request for the adoption of a resolution authorizing the exchange of real property;

b. Before such resolution is adopted, however, the County Administrator or his designee shall prepare a notice setting forth the terms and conditions of the exchange of real property and arrange for the notice to be published once a week for at least two weeks in a newspaper of general circulation published in the County.

3. Upon the Board's adoption of the resolution authorizing the exchange of real property, the County Administrator or, in his absence, the Assistant County Administrator shall be authorized to execute any and all documents necessary to complete the exchange.

D. Lease from County of Real Property

1. The conveyance of any leasehold interest or other right of possession of any real property owned by the County shall be transacted in accordance with Section 125.35, *Florida Statutes*, as may be amended from time to time, unless the conveyance is exempted therefrom pursuant to either Section 125.38 or Section 125.39, *Florida Statutes*.

2. The conveyance of any leasehold interest or other right of possession of any part of the BOA or Huntington Oaks shall be completed in accordance with and subject to the limitations of Section 6(E), "BOA Real Property and Huntington Oaks Real Property."

3. In the event that the County Administrator deems that it may be in the best interest of the County to convey a leasehold interest or other right of possession of any real property owned by the County, the County Administrator or his designee shall present the matter to the Board for consideration. Upon the Board's approval, the County Administrator shall be authorized to convey the leasehold interest or other right of possession in accordance with Section 6(A), "Sale or Disposition of Any Real Property."

4. In any acquisition under the threat of condemnation in which the full compensation to the owner includes an agreement by the County for the owner to remain in possession of the real property for a time certain after the closing date, such agreement for possession shall be exempt from Section 6(D), "Lease from County of Real Property." In such acquisitions, the agreement for possession shall be included as part of full compensation and transacted in accordance with Section 5(A), "Acquisition of Real Property Under the Threat of Condemnation."

E. BOA Real Property

1. The County Administrator or designee shall have the authority to approve and execute any and all documents necessary to complete the conveyance, modification, or termination of any leasehold interest or other right of possession of any part of the BOA and Huntington Oaks subject to the following limitations:

a. The agreement for any such conveyance shall include a rental rate of no less than 90 percent of the Fair Market Rent; and

b. Any such modification or termination shall be limited to the following:

- (1) increases or decreases in the size of the space;
- (2) month-to-month extensions;
- (3) decreases in the length of the term; or
- (4) any other modifications that result in a financial impact to the County of no more than 25 percent of the lease amount.

- c. The County Administrator shall develop written procedures, which shall govern the conveyance of any leasehold or other right of possession of any BOA or Huntington Oaks real property.
2. The County Administrator or designee shall have the authority to reject any offer to lease BOA real property or Huntington Oaks real property at a rental rate that is less than 90 percent of the Fair Market Rent.
3. The County Administrator or designee shall have the authority to reject any offer to lease BOA real property or Huntington Oaks real property for an intended use or term of use deemed incompatible, by the County Administrator or designee, with the County's use or intended use of the BOA or Huntington Oaks.

VII. Management of Real Property Owned by County

- A. All County departments charged with the responsibility of operating a program or activity involving real property owned by the County shall have primary responsibility to maintain and manage that real estate.
- B. The County Administrator or his designee shall be responsible for the management of all real property owned by the County that is not assigned to other County departments. This management responsibility shall include, but not be limited to, annual inventory, arrangement for insurance, security, maintenance, interim use, demolition of unsafe structures, and the administration of contracts with outside property management entities.



# Board of County Commissioners Leon County, Florida

www.leoncountyfl.gov

## Budget Discussion Item Executive Summary

March 17, 2011

### **Title:**

Consideration of Funding for the Leon County Senior Outreach Program

### **Staff:**

Parwez Alam, County Administrator

Vincent S. Long, Deputy County Administrator

Alan Rosenzweig, Assistant County Administrator

Scott Ross, Director, Office of Management and Budget

Candice M. Wilson, Director, Health and Human Services

PA  
[Handwritten signatures]

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### **Issue Briefing:**

This budget discussion item seeks Board consideration for funding the Leon County Senior Outreach Center Program in FY2012. The item includes a request for an additional \$44,023 in funding to staff a Senior Services Aide and for associated operating expenses to expand services to the community. The item further explores the option of the County providing these services through the Parks and Recreation Department Community Center Program.

### **Fiscal Impact:**

As requested by the Senior Citizen Outreach Program, this item would have a fiscal impact to the County. The allocation for the Leon County Senior Outreach Center is \$144,000 and is currently budgeted in the FY 2010/11 adopted budget. The Leon County Senior Outreach Center has requested an additional \$44,023 in funding, for a total of \$188,023. Based on the \$188,023 request, if Leon County were to run the program, the anticipated budget impact is a net savings of at least \$44,000 and may provide additional cost savings in the range of up to \$20,000 depending upon final program design and implementation.

### **Staff Recommendation:**

- Option #1: Direct staff to develop the FY2012 tentative budget with the Senior Citizens Outreach Program with the current contract allocation.
- Option #2: Direct staff to incorporate the Senior Citizen Outreach Program as County run function if the Senior Citizen Outreach Program can not provide the necessary services at the current contract allocation.

## Report and Discussion

### **Background:**

In 2001, both the Tallahassee City Commission and the Leon County Board of Commissioners resolved to support the Florida Department of Elder Affairs' "Communities for a Lifetime" initiative. The purpose of the initiative is to promote and improve services to seniors and their caregivers in a variety of quality of life projects, services, and programs.

In 2003, Leon County began funding the initiative, and Leon County Senior Outreach (LCSO) was established as a program of the Tallahassee Senior Foundation. Through this program, senior services and related activities are now provided in five communities in the unincorporated areas, in addition to a countywide program for grandparents raising their grandchildren.

Funding for LCSO is currently provided as a contracted service through Leon County's Health and Human Services Department.

### **Analysis:**

Due to an increased demand for services, LCSO is requesting \$44,023 in additional funding (Attachment #1). The LCSO Coordinator, reports that the program has grown substantially over the last several years and in order to continue to support current programming and expand services where needed, they require a part-time Senior Services Aide.

The requested increase in funding will allow LCSO to locate a staff person at the new Northwest Community Center to provide senior programming, and establish a Senior Day event in the Northwest area. The Senior Services Aide will also assist in the expansion of services in the five community areas currently being served, as well as support the Grandparents as Parents program.

Senior Center staff reports that if increased funding is not provided, the program will encounter the following challenges:

1. The program will not have the ability to expand services and programming to the Northwest area, specifically the community center currently being renovated next to the Lake Jackson Library.
2. The program will be unable to expand services in the communities currently being served, despite an increase in the senior population of those areas.
3. The program will be limited in the amount of health, recreational, social and educational services they can provide in the unincorporated areas.
4. The program will not be able to increase the number and variety of support groups and activities needed in our Grandparents as Parents program, despite the over 50% growth in participants requesting our services in the last two years.

Given the current fiscal constraints the County is experiencing, any increase in funding requests requires the County to evaluate other options. As an alternative to increasing the funding to the Senior Outreach Program, staff has made a preliminary review of making this service a direct

program of the County. Under this model, the service would become part of the already existing Community Center program operated by the Parks and Recreation Department. An initial analysis indicates that the County could perform the existing and expanded services at the current cost of \$144,000 or less. Initial estimates indicate that there may be \$15,000 to \$20,000 in program savings due to the economy of scales provided by the current Community Center program.

Additional staff to support the program would be placed into the existing Community Center Program. They would coordinate the current activities, and the scheduling of the out-sourced training activities such as exercise, and art. Over the next several months, staff will prepare a detailed transition plan and budget to ensure uninterrupted services to senior citizens who use the services at the County community centers.

**Options:**

1. Direct staff to develop the FY2012 tentative budget with the Senior Citizens Outreach Program with the current contract allocation.
2. Direct staff to incorporate the Senior Citizen Outreach Program as County run function if the Senior Citizen Outreach Program can not provide the necessary services at the current contract allocation.
3. Direct staff to consider additional funding for the Leon County Senior Outreach Center Program Budget Request in the amount of \$44,023 during the development of the FY 2012 budget.
4. Board Direction

**Recommendation:**

Options #1 and #2

Attachments:

#1 Leon County Senior Outreach Program FY2012 Funding Request

<b>Leon County Senior Outreach</b>				
<b>Funding Request</b>				
<b>2011/12</b>				
<b>Revenue</b>	<b>2010/11 (Actual)</b>	<b>2011/12 (Request)</b>	<b>Increased Request 2011/12</b>	
Leon County (not CHSP):	\$144,000	\$188,023	\$44,023	
City of Tallahassee (not CHSP):	\$12,547	\$12,731		
United Way (not CHSP):				
Community Human Services Partnership (CHSP):				
State:				
Federal:				
Grants:	\$1,500	\$2,500		
Contributions/Special Events:	\$73,796	\$72,612		
Dues/Membership:				
Program Service Fees:				
Other Income (please itemize):				
<b>Total Revenue</b>	<b>\$231,843</b>	<b>\$275,866</b>	<b>\$44,023</b>	
<b>Expenditures</b>	<b>2010/11 (Actual)</b>	<b>2011/12 (Request)</b>	<b>Increased Request 2011/12</b>	
Compensation and benefits	\$129,487	\$154,267	\$24,779	.75 FTE
Professional Fees	\$2,000	\$2,000	\$0	
Occupancy/Utilities/Network	\$10,447	\$15,299	\$4,852	Computer & Phone
Supplies/postage	\$6,900	\$8,500	\$1,600	
Equipment Rental, Main., purchase			\$0	
Meeting costs/travel/transportation	\$2,735	\$6,500	\$3,765	Inc. Mileage/Travel
Staff/Board development/Recruitment	\$300	\$300	\$0	
Awards/Grants/Direct aid	\$79,974	\$87,500	\$7,526	New NW Senior Day
Bad Debts/uncollectibles				& Additional Activities
Bonding/liability/directors insurance				
Other expense (please itemize)				
Publicity/Advertising	\$0	\$1,500	\$1,500	
<b>Total Expenditures</b>	<b>\$231,843</b>	<b>\$275,866</b>	<b>\$44,023</b>	
<b>CITY OF TALLAHASSEE SUPPORT</b>				
Administrative Staff for PAC Project. (10%)	\$6,431	\$6,431		
Office space at the Tallahassee Senior Center.	\$6,116	\$6,299		
Internet access to City computer services.				
Use of Copy Machine				
Use of local phone service.				
<b>Total In-Kind Support</b>	<b>\$12,547</b>	<b>\$12,731</b>		
<b>TALLAHASSEE SENIOR CITIZENS FOUNDATION SUPPORT</b>				
Donations generated through the activities offered through the LCSO program help support additional senior activities in the rural areas.				
Experienced administration and supervision of the position, Senior Services, and the Positive Aging Community for a Lifetime Project.				
The Executive Director also serves as the Senior Services Manager, reports to a 15-member Board of Directors,				
a 15-member Senior Citizens Advisory Council, and the City of Tallahassee Commissioners & Administration.				
Citizen Representation on the TSC Foundation Board of Directors.				



**Board of County Commissioners**  
**Leon County, Florida**  
www.leoncountyfl.gov

**Budget Discussion Item**  
**Executive Summary**

March 17, 2011

**Title:**

Status of the Transportation Trust Fund

**Staff:**

Parwez Alam, County Administrator *PA*  
Vincent S. Long, Deputy County Administrator *VSL*  
Alan Rosenzweig, Assistant County Administrator *AR*  
Scott Ross, Director, Office of Budget and Management *SR*

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**Issue Briefing:**

This item considers the status of the Transportation Trust Fund and the possibility of implementing an additional 1 to 5 cent fuel tax as authorized by Florida Statute.

**Fiscal Impact:**

This item has a fiscal impact. The projected general revenue subsidy for FY 2012 to the transportation trust fund is projected to be \$3,559,021. Implementation of an additional fuel tax would decrease the amount of general revenue subsidy required to balance the transportation trust fund.

**Staff Recommendation:**

Board Direction.

## Report and Discussion

### **Background:**

The Transportation Trust Fund is a special revenue fund established by Florida Statute 129.02. Major revenue sources for the Transportation Fund include proceeds from state and local gas taxes. The fund is used to account for revenues and expenditures restricted to the maintenance and construction of roads and bridges.

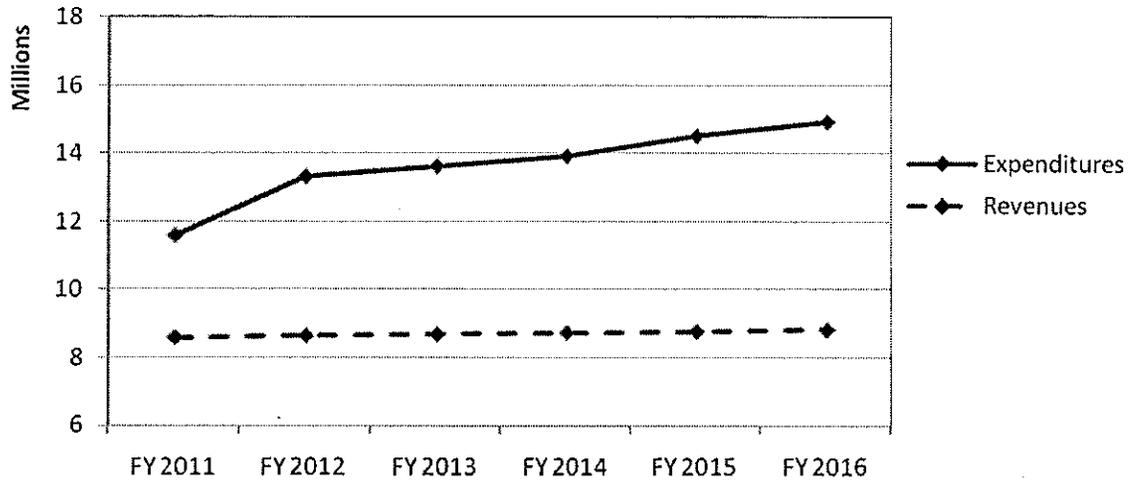
### **Analysis:**

Without additional resources, the Transportation Trust Fund cannot sustain the current level of operating expenditures. Current revenue generated through state and local gas taxes does not cover the cost of the program without a general revenue subsidy.

Until FY 2004, the Transportation Trust Fund was self-supporting with the revenues generated from State and local gas taxes; however, beginning in FY2005 the fund received \$154,000 in general revenue support, which increased to \$1.9 million in FY2007. For FY2008, the Board was able to reduce the subsidy to the fund by \$897,955 largely due to the elimination of the Tharpe Street capital project. This project cancellation allowed transportation fund dollars, previously used for capital projects, to fund operating expenditures only, and allow for a reduction in the general revenue subsidy. In addition, road resurfacing funding was shifted out of transportation trust revenue and into a sales tax extension capital projects fund. Due to declining gas tax revenues associated with a recession economy, the subsidy was increased in FY 2009 to \$2.3 million, a level sustained in the FY 2010 budget. The FY 2011 general revenue subsidy decreased to \$1.9 million due to the mid-year one time realignment of stimulus matching funds and capital improvement funds towards transportation projects, as approved by the Board during the June, 2010 budget workshop.

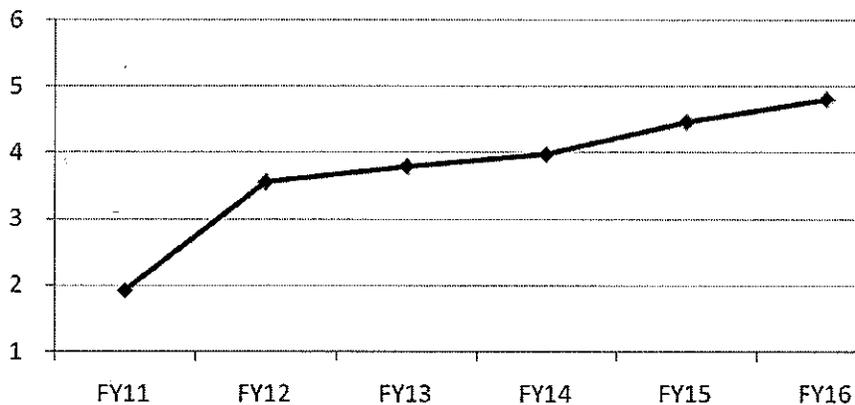
As reflected in Figure 1, revenues will not keep pace with expenditures projected from FY 2011 – FY 2016. The trend analysis shows gas tax revenues increasing on average 0.5% per year, and expenditures increasing on average by 2.9%. This disparity in growth rates is largely due to the gas taxes being based on consumption (volume) instead of cost; while, expenditure increases are directly associated with the increased costs of personnel and road maintenance supplies.

**Figure 1**  
**Comparison of Transportation Revenues and Expenditures FY 2011 – FY 2016**



Without program changes, as reflected in **Figure 2**, it is projected that over the next 5 years, the general revenue subsidy will increase from the current \$1.9 to \$4.8 million by 2016 for a combined \$22.5 million over the next five years.

**Figure 2**  
**Projected General Revenue Transfer FY 2011 - FY 2016**  
**In Millions**



Alternative to increasing the gas tax or maintaining/increasing the general revenue subsidy, expenditure reductions could be considered. However, the Public Works department has already reorganized and eliminated staff as part of expenditure cuts over the past three years. In addition, the County is finding it difficult to maintain the current maintenance schedule of existing infrastructure. Further cuts will only increase the amount of time for planned maintenance as emergency work will continue to take precedence.

Transportation Trust Fund Authorized Gas Taxes

Currently, the fund is supported by four of the five authorized state and local gas taxes. **Table 1** provides a summary of these taxes.

**Table 1**

Authorized Gas Taxes	Levy Rate	Authorization	FY11 Budget *
Constitutional Fuel Tax	2 Cents	State Imposed	\$2.4 million
County Fuel Tax	1 Cents	State Imposed	\$1.1 million
1 <sup>st</sup> Local Option Fuel Tax	6 Cents	Locally imposed. Shared with the City through interlocal ending 8/31/2015.	\$3.4 million
Ninth Cent Fuel Tax	1 Cents	Locally imposed. 100% to the County.	\$1.3 million
2 <sup>nd</sup> Local Option Fuel Tax	Up to 5 Cents	Currently not imposed. Generates approximately \$1.1 million per penny. Shared with the City through interlocal agreement.	1 Cents: \$1.1 million 2 Cents: \$2.2 million 3 Cents: \$3.3 million 4 Cents: \$4.4 million 5 Cents: \$5.5 million

Florida Statute 336.025 allows county governments to impose up to 12 cents in local option fuel taxes, of which 7 cents are levied in Leon County through the 9<sup>th</sup> cent and the 1<sup>st</sup> local option fuel tax (1-6 cent). Leon County keeps 100 percent of the 9<sup>th</sup> cent, but shares the 6 cents with the City of Tallahassee at a 53.33% (City): 46.67% (County) ratio.

1 to 5 Cent Local Option Fuel Tax

One prospective means of strengthening the revenue stream for the fund would be to implement the 2<sup>nd</sup> local option tax, commonly referred to as the 1 to 5 cent fuel tax. All county governments are authorized to levy this tax. It must be levied by an ordinance adopted by a majority plus one vote of the BCC, or voter approval in a county-wide referendum. Like the 1 to 6 cent tax, the 1-5 cent tax also must be shared with the City of Tallahassee through an inter-local agreement. If an agreement cannot be reached, the state divides the tax through a statutory distribution formula. All tax impositions or tax rate changes must be levied before July 1<sup>st</sup> to be effective January 1<sup>st</sup> of the following year.

Projections indicate that the 1 to 5 cent local option fuel tax would generate approximately \$1.1 per levied cent. If an interlocal agreement were drafted between the City and County, with an equal distribution on the maximum levy, the estimated net revenue for both entities would be approximately \$2.75 million per year. The additional revenue would allow for a decrease in the general revenue subsidy. If enacted for FY2012, the tax would be in-place for 9 months (January 1, 2012 to September 30, 2012) resulting in \$2.06 million for each government.

For the Board to implement the tax effective for the FY 2012 budget, the County would need to enter an inter-local agreement with the city, and adopt an ordinance by July 1, 2011. This would require holding a public hearing by June 14, 2011.

**Options:**

1. Accept staff's report and direct staff to notify the City of Tallahassee of the County's intent to impose the 5<sup>th</sup> cent gas tax using a distribution formula as directed by the Board.
2. Do not authorize staff to negotiate an interlocal agreement with the City of Tallahassee for the implementation of the 1 to 5 Cent Local Option Fuel Tax.
3. Based on the negotiations with the city, authorize staff to schedule the required public hearing to consider an ordinance to implement the 1 to 5 Cent Local Option Fuel Tax.
4. Board Direction.

**Recommendation:**

Board Direction.

PA/AR/TP/PP/pp