

CITY OF TALLAHASSEE/ LEON COUNTY RECOVERY ZONE FACILITY BOND PROGRAM

Recovery Zone Facility Bonds are issued for purposes that promote development or economic activity in Leon County's Recovery Zone. They are tax-exempt private activity bonds used to make loans to private companies similar to industrial development bonds. They are not tax abatements, nor tax increment financed. They provide the private developer access to the tax-exempt municipal bond market to lower their borrowing costs.

Any award of Recovery Zone Facility Bonds must be authorized by the City of Tallahassee and/or Leon County. The City of Tallahassee has \$6,213,000, and Leon County has \$3,582,000 in bonding authority under this program. Both the City of Tallahassee and Leon County have authorized the Economic Development Council of Tallahassee/Leon County Inc. (EDC) to solicit and process applications from entities seeking to utilize these bonds. Two representatives from both the City and County, along with one representative from the EDC will review applications and make allocation recommendations to the City and County Commissions.

GENERAL REQUIREMENTS

Private developers are asked to submit applications for eligible projects that they want to finance using Recovery Zone (RZ) Bonds. Project bonds must be issued prior to January 1, 2011; however, construction can commence after this date. The borrower will have to show contracts to spend 5% of the proceeds of the borrowing within 6 months of the date of issuance and reasonably expect to spend 85% of the proceeds within 3 years. Due to the high processing costs, only bonds with an estimated securitized cost of at least \$2,000,000.00 will be considered. Projects must demonstrate their potential for near-term job creation, potential for long-term regional economic benefit, relevance to City and County economic and redevelopment plans, and environmental stewardship. Please note that the project(s) selected shall comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to its activities and obligations.

PROJECT ELIGIBILITY

Proposed type of investment is NOT for residential rental property, private or commercial golf course, country club, massage parlor, hot tub facility, suntan facility, racetrack or other facility primarily used for gambling, and any store where the principal business is the sale of alcoholic beverages for off premise consumption. The funds must be used to finance depreciable property and cannot be used to purchase land.

Proposed project must be located within the established Recovery Zone (see attached map) and must be accompanied by a letter from a financial institution or bond underwriter stating a FIRM commitment to purchase the bonds.

Eligibility for this program will be determined by the information presented in this application and changes to the status of the project should be reported to the Economic Development Council of Tallahassee/Leon County, Inc. The Economic Development Council of Tallahassee/Leon County, Inc. reserves the right to request additional information from, and/or interview any or all applicants.

PROJECT EVALUATION

An evaluation team consisting of two representatives from the City of Tallahassee and two representatives from Leon County, along with one representative from the EDC will review applications and make

allocation recommendations to the City and County Commissions. Evaluations will be based on the merits of the hard copy application materials submitted and interviews, if requested, by the selection committee.

Applications must include the following for consideration:

- Verification that the proposed within the established Recovery Zone.
- Letter from a financial institution or bond underwriter stating a FIRM commitment to purchase the bonds.

The section committee will evaluate applications based on:

• Potential for job creation at an average annual wage greater than the average annual wage for the Tallahassee MSA, which is currently \$34,822.....	25 Points
• Capital Investment.....	25 Points
• Ability to meet the schedule requirements outlined in the general requirements section of the application.....	20 Points
• Relativity to existing City and/or County economic development targeted sectors, areas or plans.....	10 Points
• Environmental Sensitivity.....	10 Points
• Use of local contractors, vendors, suppliers.....	10 Points
Total	100 Points

FEES

The Economic Development Council of Tallahassee/Leon County, Inc. will utilize City of Tallahassee and Leon County Bond Counsel for all proposed financings for consistency purposes. Fees and expenses incurred with the Bond Counsel shall be paid directly by the applicant. Applicants are advised to contact the Bond Counsel early in the process, but not before the Board has authorized an allocation of RZFB financing, to determine the amount of the fee to be charged.

Bond Counsel

George A. Smith, Jr.
 Bryant Miller Olive
 101 North Monroe St., Suite 900
 Tallahassee, FL 32301
 (850) 222-8611
 (850) 222-8969 (fax)

It is anticipated that the amount of the fee will vary upon the size and complexity on the proposed bond issue. It is important to note that this should in no way restrain or inhibit the applicant to retain its own legal counsel. All fees and expenses of all such law firms shall be paid by the applicant.

A \$25 application fee is required to be paid at the time of submission of the application to the Economic Development Council of Tallahassee/Leon County, Inc.

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Applications will not be accepted without a letter from a financial institution or bond underwriter stating a FIRM commitment to purchase the bonds.

<i>Development/Company Name</i>	<i>Contact</i>	<i>Contact Phone</i>
<i>Address</i>	<i>City, ST</i>	<i>Zip Code</i>
<i>Product or Service</i>	<i>Email Address</i>	<i>Primary SIC (4 digit)</i>
<i>Federal Identification Number (FIN)</i>		

**Project Location(s)
Address(es):**

**Parcel
Number(s):**

Proposed type of investment is NOT for residential rental property, private or commercial golf course, county club, massage parlor, hot tub facility, sunfan facility, racetrack or other facility primarily used for gambling, and any store where the principal business is the sale of alcoholic beverages for off premise consumption.

Type if Investment: Construction Reconstruction Renovation Acquisition

Proposed Investment: \$ _____ Proposed Use: _____

Proposed New Jobs: _____ Proposed New Residents: _____

Estimated Average Annual Wage: \$ _____

Estimated Start Date _____ Estimated Date of Completion _____

Please answer the following questions. Reference additional pages or attached documents as necessary.

1. Describe the project, including building and site plans. Attach map of site plan and project.

2. Explain why this project is seeking the support of the Recovery Zone Facility Bond Program.

3. Document and demonstrate that the project has a FIRM commitment to purchase the bonds from a financial institution or bond underwriter.

4. Provide a timeline describing approvals for financing, construction, hiring activities, etc. (schedule must include sufficient detail to demonstrate that project can meet the funding deadlines for the Recovery Zone Program)

5. Will the project be eligible for LEED Certification?

6. Is the site contaminated?

7. Describe in detail the costs and benefits of this proposed project.

8. Describe how this project meets the following criteria:

a. Will the project be a catalyst for a major development or for multiple redevelopment opportunities in the Tallahassee/Leon County Recovery Zone?

b. Indicate estimated annual local economic contribution of project as determined by annual payroll, capital investment, and purchase of local goods and services.

9. Describe how the project will meet any of the following factors:

a. How will the project allow a business to locate or expand; add or retain a significant number of jobs in the Recovery Zone?

b. What other investment will be made in neighborhood revitalization or public infrastructure?

c. Will the project enhance an area of the Recovery Zone to cause additional investment?

d. In addition to ARRA bonding, what other sources of public and/or private funding sources are necessary, and committed to the proposed project?

e. Does the proposed project specifically address any of the adopted City and/or County economic development or redevelopment plans or programs (Southern Strategy, Community Redevelopment Agency Districts, Gaines Street Revitalization Plan, etc)?

9. Please indicate any other information you feel may be useful to the consideration of your proposal.

Form Completed By:

Print Name

Signature

Title

Date

SEND 3 ORIGINALS COPIES TO:

**Economic Development Council of Tallahassee/Leon County, Inc.
PO Box 1639
Tallahassee, FL 32302**

or deliver to

**100 N. Duval Street
Tallahassee, FL 32302**

Questions? Call 850-521-3114