



CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY
Meeting Agenda

April 24, 2014, 9:30 AM
City Commission Chambers
City Hall, Second Floor

- I. **CALL TO ORDER**
9:30 AM

- II. **PUBLIC COMMENTS ON AGENDA ITEMS**

- III. **PRESENTATIONS**
None

- IV. **CONSENT ITEMS**
None

- V. **POLICY FORMATION AND DIRECTION**
 - 5.01 Approval of Modifications to Approved Purchase Agreement with Nueva Esperanza, LLC Properties and Lease Agreement with Renaissance Community Center and The Tallahassee Leon Shelter, Inc. – Michael Parker, Director, City of Tallahassee Department of Economic and Community Development
 - 5.02 Update on Proposed CRA-FSU O’Connell Site Property and Land Exchange - Roxanne Manning, CRA Executive Director
 - 5.03 Discussion and Direction Regarding Utilization of CRA Performing Arts Center Tourist Development Tax Funds - Roxanne Manning
 - 5.04 FY 2014 CRA Promotional/Special Events Grant Program Mid-Year Review – Sherri Baker, Senior Community Redevelopment Planner
 - 5.05 Other Program and Project Updates (materials to be provided at the meeting) – Roxanne Manning

- VI. **UNAGENDAED PUBLIC COMMENTS**

- VII. **UNAGENDAED ITEMS/COMMISSIONER DISCUSSION**



Agenda Item Details

| | |
|--------------------|---|
| Meeting | Apr 24, 2014 - CRA Board Meeting |
| Category | 5. Policy Formation & Direction |
| Subject | 5.01 Approval of Modifications to Approved Purchase Agreement with Nueva Esperanza, LLC Properties and Lease Agreement with the Renaissance Community Center and The Tallahassee Leon Shelter Inc. -- Roxanne Manning, Tallahassee Community Redevelopment Agency |
| Access | Public |
| Type | Action, Discussion |
| Fiscal Impact | Yes |
| Dollar Amount | 940,000.00 |
| Budgeted | Yes |
| Budget Source | The funds to purchase the properties will come from FY 2011, 2012 and 2013 Greater Frenchtown/Southside Land Acquisition, Development and Related Expense (Project Nos. 1100625, 1200625 and 1300603, respectively), which currently have a combined balance of \$2,077,999. |
| Recommended Action | Option 1 - Approve a purchase agreement with Nueva Esperanza, LLC for the acquisition of 457, 465, and 447 W. Virginia St. for \$940,000 and for the payment of closing fees associated with the acquisitions. Option 2 - Authorize staff to enter into a lease agreement with the Tallahassee Leon Shelter, Inc. and Renaissance Community Center allowing the CRA to lease the properties back to both entities for up to 18 months for a lease payment of \$10. |

Public Content

For more information, please contact: Rick McCraw, Tallahassee CRA, 850-891-8352

Statement of Issue

On November 25, 2013, the City of Tallahassee Community Redevelopment Agency (CRA) Board authorized the purchase of the Tallahassee Leon Shelter Inc. properties for \$1,000,000 and the Renaissance Community Center properties (owned by Nueva Esperanza LLC) for \$950,000. The Board also authorized CRA staff to enter into lease agreements with both agencies to allow them to remain in their current properties for one year following the sale of the properties to the CRA for a lease payment of \$10. The action was a component of a strategy to develop a new comprehensive emergency services center that would enhance homeless services within the community and relocate the Shelter and Renaissance Community Center out of Frenchtown.

As part of the due diligence efforts prior to the closing on the properties, City and CRA staffs have discovered title problems with one of the Renaissance Community Center parcels. The City Attorney's Office has reviewed the title issues and opined that, if the ownership history is what we believe, based on the facts obtained to date, the title defects may be cured by a court decree. However, if staff does not proceed with the Renaissance Community Center property acquisitions until the title issues have been resolved, it could delay the completion of the new comprehensive emergency services center. This would also delay the relocation of the Shelter and Renaissance Community Center out of Frenchtown. CRA and city staffs recommend proceeding with the Shelter and Renaissance Community Center acquisitions and reduce the purchase price for the Renaissance Community Center properties by \$10,000 to \$940,000. This discount reflects the effort which the CRA will have

to expend to remedy the title issues.

The November action by the CRA Board also authorized one year leases with the Tallahassee Leon Shelter Inc. and Renaissance Community Center so that they could continue to provide services at their current locations while the new comprehensive emergency service center is being constructed. The Agencies have requested that the lease agreement provide a clause which would allow them to remain in their current location for longer than one year in the event the new facility is not ready for occupancy within the one year time frame. Staff recommends the leases provide that, if after the initial 12 month period the certificate of occupancy (CO) has not been issued for the new comprehensive emergency services center, the lease term could be extended for an additional six months or 60 days after the CO has been issued, whichever occurs first. Under this arrangement the maximum term of the lease would be 18 months. Based on the current construction schedule the comprehensive emergency services center is expected to be completed by February of 2015.

Recommended Action

Option 1: Approve a purchase agreement with Nueva Esperanza, LLC for the acquisition of 457, 465, and 447 W. Virginia St. for \$940,000 and for the payment of closing fees associated with the acquisitions.

Option 2: Authorize staff to enter into a lease agreement with the Tallahassee Shelter, Inc. and Renaissance Community Center allowing the CRA to lease the properties back to both entities for up to 18 months, as outlined in the agenda item, for a lease payment of \$10.

Fiscal Impact

The funds to purchase the properties will come from FY 2011, 2012 and 2013 Greater Frenchtown/Southside Land Acquisition, Development and Related Expense (Project Nos. 1100625, 1200625 and 1300603, respectfully), which currently have a combined balance of \$2,077,999. A project containing \$350,000 in funds has already been opened and has been used to help cover the cost of an environmental assessment of the properties and to survey the properties. The remaining balance of acquisition and closing cost expenses will come from the three projects listed above.

Supplemental Material/Issue Analysis

History/Facts & Issues

On November 25, 2013, the CRA Board authorized a purchase agreement with the Tallahassee Leon Shelter Inc. in the amount of \$1,000,000 for the acquisition of 466-480 W. Tennessee Street and 431 W. Virginia Street and a purchase agreement with Nueva Esperanza LLC in the amount of \$950,000 for the acquisition of 457, 465, and 447 W. Virginia Street (Attachment 1). The Board also approved lease agreements with both agencies to allow them to remain in their current properties for one year for a lease payment of \$10. The action was part of a larger scale project for the development of a new comprehensive emergency services center which is currently under construction.

Since that approval, CRA and City staffs have been going through the due diligence process to complete the acquisitions. As part of property title review, staff has found two title issues which need to be resolved involving one of the parcels owned by Nueva Esperanza LLC. The impacted property is parcel #21-36-50-021-5440 (Attachment 2), which is a vacant .10 acre parcel. The City Attorney's Office has reviewed the title issues and opined that, if the ownership history is what we believe based on the facts obtained to date, the title defects may be cured by a court decree. If the facts are as believed, the court proceeding may be completed within a year, although there is some possibility that resolution of the title issues may take longer. As the title issues, in part, involve potential claims by unknown heirs of prior owners, there is some possibility that the title issues cannot be resolved. In that instance, and in the worst-case scenario, the parcel may have to be retained by the CRA and built into any future development of the properties as a passive use. A more detailed description of the title issues and options is provided in Attachment 3.

The approval to purchase the subject properties was predicated on the CRA acquiring all of the targeted sites. As a result of this title issue, staff has not executed the purchase agreements for any of the properties. We have been in discussions with Nueva Esperanza LLC, which owns the Renaissance Community Center properties, to try and resolve this matter. Nueva Esperanza LLC has proposed that: (1) the CRA move forward with the purchase of the two parcels which do not have title

issues for a total cost of \$920,000 and Nueva Esperanza LLC will work to resolve the title issue on the remaining parcel and sell that to the CRA for \$30,000 at a later date, after the title has been cleared; or (2) the CRA purchase the three parcels for the discounted amount of \$940,000 and the CRA and City can work to resolve the title issues on the affected parcel.

Staff recommends that the CRA proceed to purchase the three properties for the discounted price of \$940,000. The parcel with the title issue is strategically located in the middle of the properties to be acquired and it is critical to the CRA's ability to market the acquired properties for redevelopment. While the CRA does incur some risk by acquiring the property with the title deficiencies, the recommended action will allow the Agency to take possession of this strategic parcel.

In addition to the property purchase, the original action by the CRA Board on November 25, 2013, authorized one year leases with the Tallahassee Leon Shelter Inc. and Renaissance Community Center so that they could continue to provide services at their current locations while the new comprehensive emergency service center is being constructed. The Shelter Board of Directors has asked that the lease agreement provide a clause which would allow them to remain in their current location for longer than one year in the unlikely event that the new facility was not ready for occupancy within the one year time frame. The Shelter Board is concerned that they have some guarantee that they would not have to turn their clients out if the new center is not ready in 12 months. Staff recommends that the leases provide that if after the initial 12 month period the CO has not been issued for the new comprehensive center the lease term could be extended for an additional six months or 60 days after the CO has been issued whichever occurs first. Under this arrangement the maximum term of the lease would be 18 months. Based on the current construction schedule the new facility will be completed by February of 2015.

Options

1. Approve a purchase agreement with Nueva Esperanza, LLC for the acquisition of 457, 465, and 447 W. Virginia St. for \$940,000 and for the payment of closing fees associated with the acquisitions.
2. Authorize staff to enter into a lease agreement with the Tallahassee Shelter, Inc. and Renaissance Community Center allowing the CRA to lease the properties back to both entities for up to 18 months for a lease payment of \$10.

Pros:

- Will allow the purchase of the subject properties to proceed which will support the construction of the new emergency services center.
- Will allow the purchase of the subject properties to proceed which will facilitate the relocation of the homeless shelter and support the redevelopment of Frenchtown.

Cons:

- If the title issues on the identified parcel cannot be remedied it could impact the redevelopment potential for the acquired properties.
- The extension of the lease term could result in the homeless shelter operations remaining in Frenchtown for a total of 18 months.

3. Do not approve a purchase agreement with Nueva Esperanza, LLC for the acquisition of 457, 465, and 447 W. Virginia St. for \$940,000 and for the payment of closing fees associated with the acquisitions.
4. Do not authorize staff to enter into a lease agreement with the Tallahassee Shelter, Inc. and Renaissance Community Center allowing the CRA to lease the properties back to both entities for up to 18 months for a lease payment of \$10.

Attachments/References

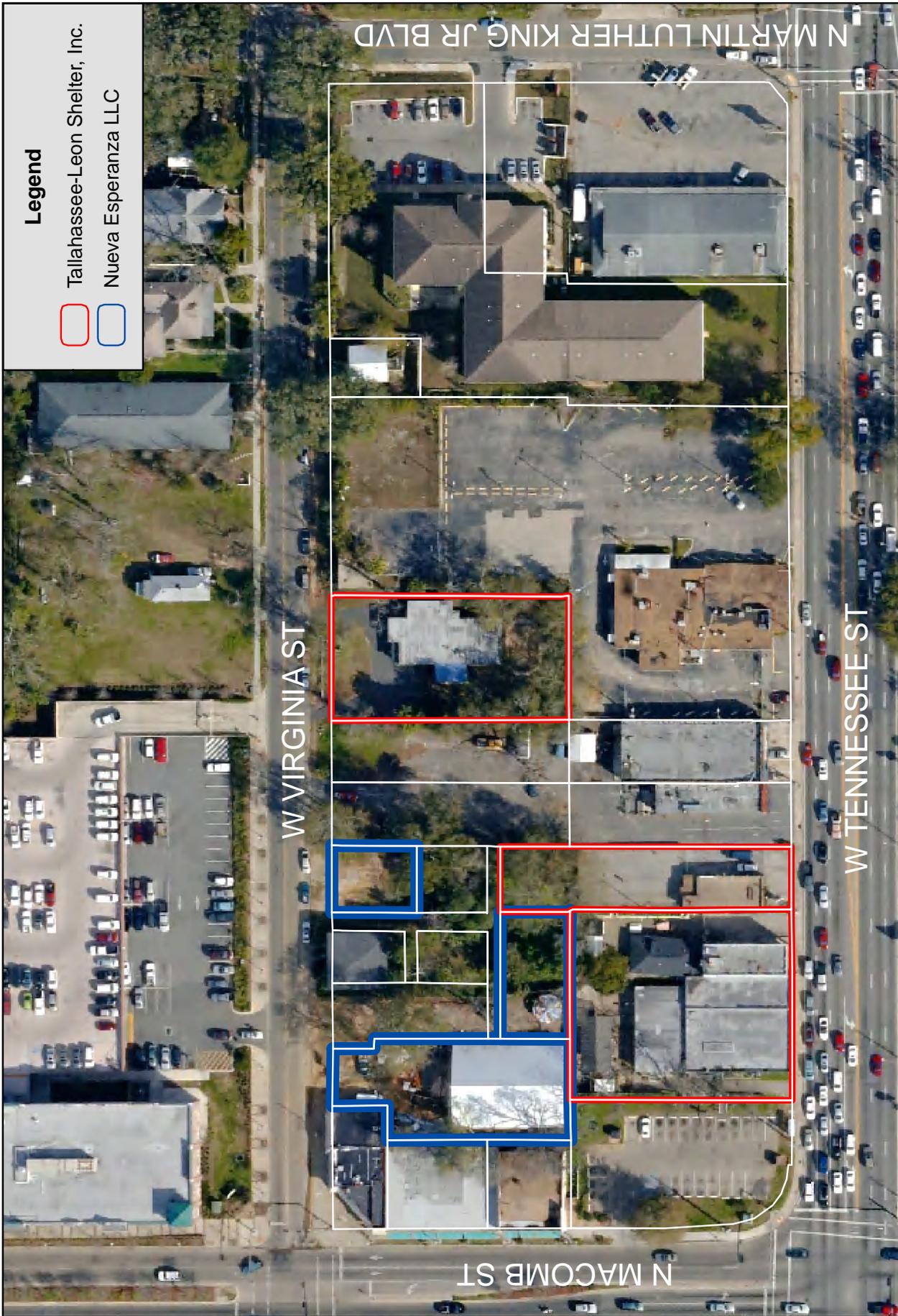
1. Map of Shelter and Nueva Esperanza Properties
2. Map of Nueva Esperanza Property with Title Defects
3. City Attorney Memo on Title Issues and Remedies

[Attachment 1.pdf \(471 KB\)](#)

[Attachment 2.pdf \(2,789 KB\)](#)

[Attachment 3.pdf \(1,692 KB\)](#)

Administrative Content



Legend

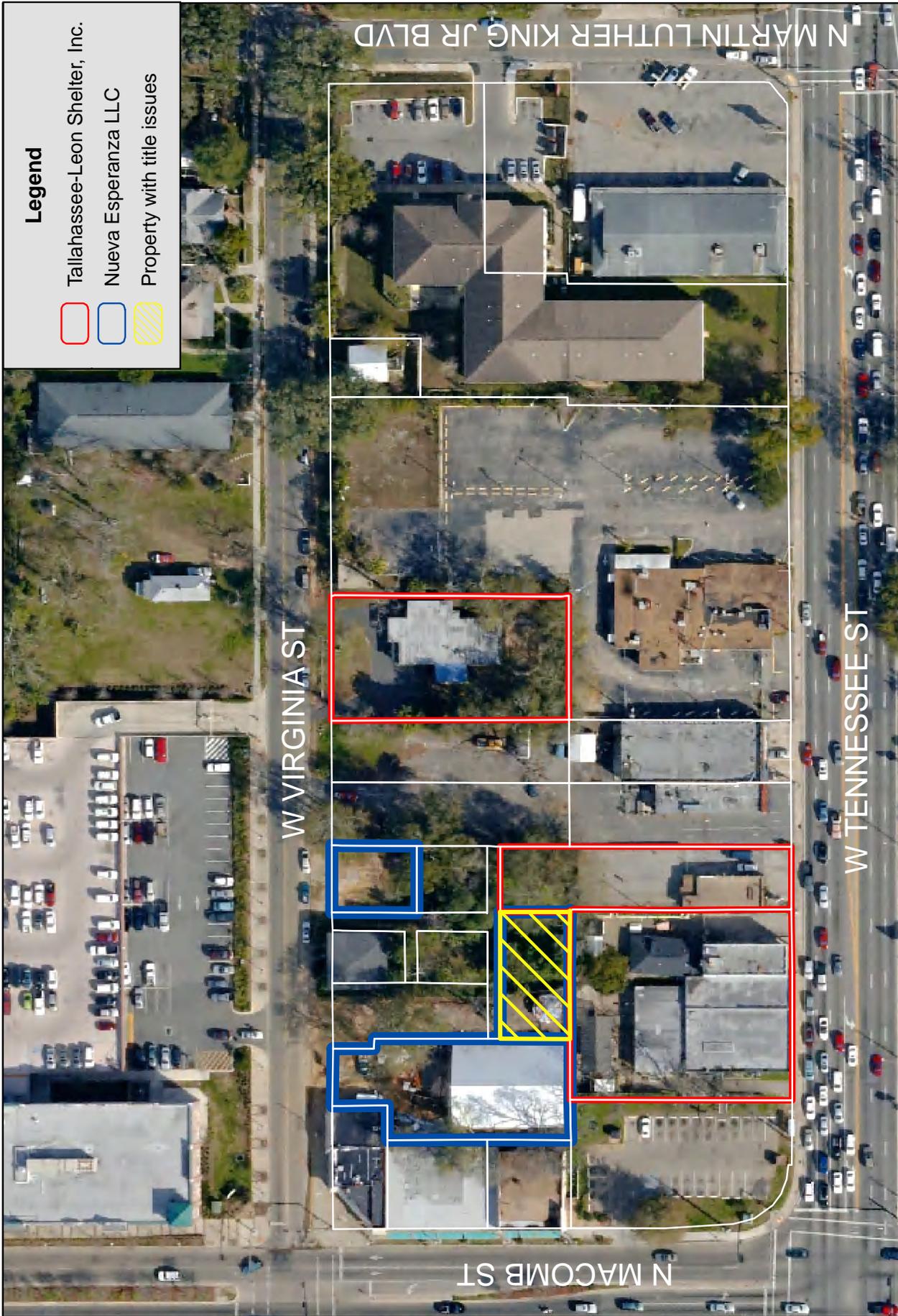
Tallahassee-Leon Shelter, Inc.

Nueva Esperanza LLC

This product has been compiled from the most accurate source data from available information. However, this product is for reference purposes only and is not to be constructed as a legal document or survey instrument. Any reliance on this information is at the user's own risk. Leon County and the City of Tallahassee assume no responsibility for any use of the information contained herein or any loss resulting therefrom.



The Shelter & Nueva Esperanza Properties



Legend

-  Tallahassee-Leon Shelter, Inc.
-  Nueva Esperanza LLC
-  Property with title issues

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Map Produced: April 15, 2014



The Shelter & Nueva Esperanza Properties

MEMORANDUM

TO: Roxanne Manning, CRA Executive Director
FROM: Louis Norvell, Asst. City Attorney
RE: Title Issues with Nueva Esperanza Parcel No. 2136500215440
DATE: April 17, 2014

This memo summarizes the title defects associated with the property currently owned by Nueva Esperanza which is commonly known as 465 West Virginia Street and is tax parcel no. 2136500215440. In our title commitment (attached hereto as Exhibit A), this parcel is referred to as parcel 3.

In short, there are two categories of title defects with the property: (1) absence in the property records of documentation of transfer of ownership from all prior owners to current owner and (2) defect in legal description in recorded instruments transferring property in the partial chain of title.

As to the ownership issue, based on a title search, the last deed where all owners of record joined and transferred the property is dated 1946. That deed transferred title to six grantees. Of the six grantees in the 1946 deed, from what we can determine, only one, Betty Barnes, is currently living. Ms. Barnes is the person who deeded the property to Nueva Esperanza in 2009.

Ms. Barnes has stated that the other grantees in the 1946 deed were all family members. There is a probate order in the public records distributing the interest of one of the original 1946 grantees to Ms. Barnes. There are deeds from two individuals, who are identified as the sons of another of the original 1946 grantees, transferring their interests in the property to Ms. Barnes.

Ms. Barnes states that the interests of the other 1946 grantees all passed to her by inheritance. However, we do not have probated estates for these persons. I have attached an affidavit (attached as Exhibit B) from Ms. Barnes describing the family history and how she claims to have obtained all interests in the property. The lack of deeds into Ms. Barnes or transfer by probated estates has left substantial gaps in the chain of title. Our title company will not issue a title policy without curing the gaps in ownership.

In addition to the ownership issues, the instruments transferring partial ownership to Ms. Barnes have a defective legal description. The two deeds and the probate order all use the same defective description. The description omits one boundary of the property and thus describes a rectangular shape with only three identified sides. The 2009 deed from Ms. Barnes into Neuva Esperanza also contains the defective legal description. The defective legal description was most likely a scrivener's error which was merely copied from one document to the next.

To clear the title, we will need a court decree and it appears we have at least two options. The first and shortest option would be to obtain a quiet title decree. A court can issue a quiet title decree upon a showing that the property has been held under color of title, that the owner has paid the taxes and that the owner has been in possession for the last seven years.¹ The ownership of successive owners, e.g., Barnes and Nueva Esperanza, can be combined to satisfy the ownership period. If the ownership history of the property is what has been represented to us, it appears we may be able to obtain a quiet title decree within a year.

The second alternative would be to establish through judicial proceedings that the interests of all of the other 1946 grantees flowed to Ms. Barnes by inheritance. This would require the probate of multiple estates or proceedings for the determination of heirs. Due to the number of estates and unknown number of heirs, this second alternative would take considerable time. If any person appears in one of these proceedings and claims ownership by an un-probated will or through intestate inheritance (including as a non-marital child), the court would have to determine the interest held by such claimant, if any. Based on the information we have obtained to date, and the number of persons who have held an interest in the property, we cannot provide an opinion at this time as to the likelihood of unknown heirs. The existence of unknown heirs would mean that other persons hold some fractional interest in the property which could be purchased by the CRA.

Let me know if you have any question or if we can discuss this matter further.

¹ Alternatively, in the absence of color of title or compliance with the statutory elements to establish ownership in a seven-year period of possession, a court can issue a quiet title decree upon a showing that the property has been adversely possessed for a period of 20 years.

SCHEDULE A**Exhibit A**

Name and Address of Title Insurance Company: **Owen Title Company, Inc., 2865 Remington Green Circle, Tallahassee, Florida 32308**

File No.: 14-6966

1. Effective Date: February 26, 2014 @ 05:00 PM
2. Policy (or Policies) to be issued: Proposed Amount of Insurance:
 - a. ALTA Owner's Policy 2006 (with Florida Modifications): \$950,000.00Proposed Insured: City of Tallahassee Community Redevelopment Agency
 - b. ALTA Loan Policy 2006 (with Florida Modifications): \$0.00Proposed Insured: , Premium: \$TBD

- 3 The estate or interest in the land described or referred to in this Commitment is
Fee Simple

4. Title to the Fee Simple estate or interest in the land is at the Effective Date vested in

PARCEL 1

Nueva Esperanza, LLC, a Florida limited liability company, BY VIRTUE OF WARRANTY DEED DATED 12/14/2009, RECORDED IN OFFICIAL RECORDS BOOK 4063, PAGE 2350, OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA.

PARCEL 2

Nueva Esperanza, LLC, a Florida limited liability company, BY VIRTUE OF WARRANTY DEED DATED 11/20/2008, RECORDED IN OFFICIAL RECORDS BOOK 3924, PAGE 515, OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA.

PARCEL 3

Nueva Esperanza, LLC, a Florida limited liability company, BY VIRTUE OF STATUTORY WARRANTY DEED DATED 5/22/2009, RECORDED IN OFFICIAL RECORDS BOOK 3987, PAGE 191, OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA.

5. The land referred to in this Commitment is described as follows:

PARCEL 1:

Begin at the NE corner of Lot 21, Northwest Addition to the City of Tallahassee and run West along the North boundary line of said Lot 21 a distance of 49 feet; thence South on a line parallel to the East boundary of said Lot 21 a distance of 60 feet; thence East on a line parallel to the North boundary line of said Lot 21 a distance of 49 feet; thence North along the Eastern boundary of said Lot 21, 60 feet to the Point of Beginning.

PARCEL 2:

The East Half of the West Half of Lot Number 21, in the Northwest Addition to the City of Tallahassee, Leon County, Florida;

LESS AND EXCEPT:

Begin at the Northwest corner of Lot 21 in the Northwest Addition to the City of Tallahassee, Leon County, Florida; run thence due East along the South boundary line of Virginia Street 68 feet to a point which is the POINT OF BEGINNING; run thence due South 39 feet 7 inches; run thence due East 22 feet 6 inches; run thence due North 39 feet 7 inches; run thence along the South boundary line of Virginia Street due West 22 feet 6 inches to the POINT OF BEGINNING.

More accurately described by recent survey as:

Commence at the Northwest corner of Lot 21 of the Northwest Addition to the City of Tallahassee and run thence North 89 degrees 56 minutes 13 seconds East along the North boundary of said Lot 21 and also the Southerly right of way boundary of Virginia Street (60 foot right of way) a distance of 90.50 feet to the POINT OF BEGINNING. From said POINT OF BEGINNING continue North 89 degrees 56 minutes 13 seconds East along the Southerly boundary of said Virginia Street and the North boundary of the aforesaid Lot 21 a distance of 43.00 feet to a point marking the Northwest corner of property described in Official Records Book 1225, Page 196 of the Public Records of Leon County, Florida; thence leaving said right of way and said North boundary run thence South 00 degrees 00 minutes 03 seconds West along said Westerly boundary a distance of 39.70 feet, thence North 89 degrees 56 minutes 13 seconds East a distance of 4.00 feet to a point lying on the East boundary of the East Half of the West Half of Lot 21 of the Northwest Addition to the City of Tallahassee and run thence South 00 degrees 00 minutes 03 seconds West along said East boundary a distance of 130.56 feet to a found iron pipe lying on the South boundary of the aforesaid Lot 21 and run thence South 89 degrees 56 minutes 55 seconds West along said South boundary a distance of 68.75 feet to a found iron pipe, thence leaving said South boundary run thence North 00 degrees 00 minutes 03 seconds East

along the West boundary of the East Half of the West Half of Lot 21 of the Northwest Addition to the City of Tallahassee a distance of 130.79 feet to the South boundary of property described in Official Records Book 1190, Page 21 of the Public Records of Leon County, Florida, thence leaving said West boundary run thence North 89 degrees 45 minutes 51 seconds East along said South boundary a distance of 21.75 feet to a building corner, thence run North 00 degrees 03 seconds East along the East boundary of said property and along a building wall a distance of 39.40 feet to the POINT OF BEGINNING.

PARCEL 3:

Begin at the Southwest corner of the East one-half of Lot 21, Northwest Addition to City of Tallahassee, Florida, as the point of beginning; from said point of beginning run North along the West boundary line of said East one-half of lot 21 for a distance of 50 feet, then run East on a line parallel to the South boundary of said Lot 21 for a distance of 60 feet; then run South on a line parallel to the East boundary of said Lot 21 for a distance of 50 feet; then run West along the South boundary of said lot 21 for a distance of 60 feet to the point of beginning.

ALSO THE FOLLOWING, to wit:

Begin at the Southeast corner of Lot 21, Northwest Addition to City of Tallahassee, Florida, and run West along South boundary of said Lot 21 for 47 feet to a point which is the point of beginning; from said point of beginning run North 50 feet, then West 30 feet, then South 50 feet, then East 30 feet to the point of beginning.

Countersigned :Owen Title Company, Inc.

By: 

Authorized Officer or Agent

THE TELEPHONE NUMBER TO PRESENT INQUIRIES OR OBTAIN INFORMATION ABOUT
COVERAGE AND TO PROVIDE ASSISTANCE IS 1-800-669-7450

SCHEDULE B SECTION I**REQUIREMENTS:**

The following are requirements to be complied with:

1. Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.
2. Instrument(s) creating the estate or interest to be insured must be properly executed, delivered and filed for record.

A. Warranty Deed from Nueva Esperanza, LLC, a Florida limited liability company to City of Tallahassee Community Redevelopment Agency, conveying the land described on Schedule A hereof.

B. Corrective Warranty Deed from Betty Barnes, formerly known as Betty Jane Kimble, correcting that certain legal description in Warranty Deed recorded in Official Records Book 3987, Page 191, to City of Tallahassee Community Redevelopment Agency.

NOTE: If the party or parties in title are individuals, and the property is homestead property, the spouse of said party must join in the execution of the Deed. If individuals are unmarried, then indicate this on the Deed. If not homestead, then a statement to that effect must be reflected on the Deed.

C. Warranty Deed from parties determined in proceedings required in Item 5 below to City of Tallahassee Community Redevelopment Agency.

D. Warranty Deed from parties determined in proceedings required in Item 6 below to City of Tallahassee Community Redevelopment Agency.

E. Warranty Deed from parties determined in proceedings required in Item 7 below to City of Tallahassee Community Redevelopment Agency.

F. Warranty Deed from parties determined in proceedings required in Item 8 below to City of Tallahassee Community Redevelopment Agency.

G. Warranty Deed from parties determined in proceedings required in Item 9 below to City of Tallahassee Community Redevelopment Agency.

3. Proper probate proceedings must be undertaken in the Circuit Court of Leon County, Florida, in the estate of Ola Allen, deceased, authorizing or directing conveyance or determining who may convey the insured lands to the insured, free and clear of claims and estate taxes against said estate. The Company reserves the right to impose additional requirements and/or exceptions to reflect any matters disclosed by the foregoing proceeding (As to Parcel 3).

4. Proper probate proceedings must be undertaken in the Circuit Court of Leon County, Florida,

in the estate of Amanda Kimble, deceased, authorizing or directing conveyance or determining who may convey the insured lands to the insured, free and clear of claims and estate taxes against said estate. The Company reserves the right to impose additional requirements and/or exceptions to reflect any matters disclosed by the foregoing proceeding (As to Parcel 3).

5. Proper probate proceedings must be undertaken in the Circuit Court of Leon County, Florida, in the estate of Ola B. Kimble, deceased, authorizing or directing conveyance or determining who may convey the insured lands to the insured, free and clear of claims and estate taxes against said estate. The Company reserves the right to impose additional requirements and/or exceptions to reflect any matters disclosed by the foregoing proceeding (As to Parcel 3).
6. Proper probate proceedings must be undertaken in the Circuit Court of Leon County, Florida, in the estate of S. T. Smith, deceased, authorizing or directing conveyance or determining who may convey the insured lands to the insured, free and clear of claims and estate taxes against said estate. The Company reserves the right to impose additional requirements and/or exceptions to reflect any matters disclosed by the foregoing proceeding (As to Parcel 3).
7. Proper probate proceedings must be undertaken in the Circuit Court of Leon County, Florida, in the estate of David Smith, deceased, authorizing or directing conveyance or determining who may convey the insured lands to the insured, free and clear of claims and estate taxes against said estate. The Company reserves the right to impose additional requirements and/or exceptions to reflect any matters disclosed by the foregoing proceeding (As to Parcel 3).
8. Record in the Public Records a release or satisfaction of the Mortgage in favor of City of Tallahassee Community Redevelopment Agency in the original principal amount of \$47,937.00, recorded March 26, 2012 in Official Records Book 4351, Page 1144. NOTE: If this is an equity line mortgage, in addition to satisfying the mortgage, the equity line must be closed and terminated prior to closing.

The Company reserves the right to make additional requirements and/or exceptions after review of the requested documentation.

END OF SCHEDULE B – SECTION I

SCHEDULE B – SECTION II
EXCEPTIONS

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Taxes and assessments for the year 2014 and subsequent years, which are not yet due and payable.
3. Standard Exceptions:
 - A. Easements, claims of easements, boundary line disputes, overlaps, encroachments or other matters not shown by the public records which would be disclosed by an accurate survey of the land.
 - B. Rights or claims of parties in possession not shown by the public records.
 - C. Any lien, or right to a lien, for services, labor, or materials heretofore or hereafter furnished, imposed by law and not shown by the public records.
 - D. Taxes or assessments which are not shown as existing liens in the public records.
4. Any claim that any portion of the insured land is sovereign lands of the State of Florida, including submerged, filled or artificially exposed lands accreted to such land.
5. Any lien provided by Chapter 159, Florida Statutes, in favor of any city, town, village or port authority for unpaid service charges for service by any water, sewer or gas system supplying the insured land.
6. Restrictions, covenants, conditions, easements and other matters as contained on the Plat of Northwest Addition to the City of Tallahassee, recorded in Plat Book 1, Page 12, of the Public Records of Leon County, Florida.
7. Agreement and Restrictive Covenants as recorded in that certain Mortgage recorded in Official Records Book 4351, Page 1144.

NOTE: All recording references in this commitment/policy shall refer to the public records of Leon County, Florida, unless otherwise noted.

NOTE: 2013 Real Property Taxes in the gross amount of \$175.51 are Paid, under Tax I.D. No. 2136500215485.

NOTE: 2013 Real Property Taxes in the gross amount of \$2,046.77 are Paid, under Tax I.D. No. 213650021590.

NOTE: 2013 Real Property Taxes in the gross amount of \$268.65 are Paid, under Tax I.D. No. 2136500215440.

NOTE: The Company reserves the right to make further requirements and/or exceptions upon its review of the proposed documents creating the estate or interest to be insured or otherwise ascertaining details of the transaction.

NOTE: If the proceeds of the loan to be secured by the insured mortgage are deposited with the Company or its authorized agent, Item 1 above shall be deemed deleted as of the time such funds are disbursed to or for the account of the borrower. Neither the Company nor its agent shall, however, be under any duty to disburse any sum except upon a determination that no such adverse intervening matters have appeared of record or occurred.

NOTES ON STANDARD EXCEPTIONS:

Item 3A will be deleted from the policy upon receipt of an accurate survey of the land acceptable to the Company. Items 3B, 3C, and 3D will be deleted from the policy upon receipt of an affidavit-indemnity acceptable to the Company, stating (i) who is in possession of the land, (ii) whether improvements to the land have been made or are contemplated to commence prior to the date of closing, which improvements will not have been paid for in full prior to the closing, and (iii) that there are no taxes or assessments which are not shown as existing liens in the public records.

END OF SCHEDULE B – SECTION II

20090034023 RECORDED IN PUBLIC RECORDS LEON COUNTY FL BK: 3987 PG: 193,
05/22/2009 at 03:54 PM, BOB INZER, CLERK OF COURTS

This instrument prepared by or under the supervision of (and after recording should be returned to):

Name: Fred F. Harris, Jr.
Address: Greenberg Traurig, P.A.
101 E. College Ave.
P.O. Drawer 1838
Tallahassee, FL 32302
(850)222-6891

(Space reserved for Clerk of Court)

STATE OF FLORIDA
COUNTY OF LEON

**AFFIDAVIT OF BETTY BARNES
REGARDING CHART SHOWING HISTORY OF TITLE
TO 465 VIRGINIA STREET, TALLAHASSEE, FLORIDA**

Before me, a person duly authorized to administer oaths, personally appeared Betty Barnes, who being duly sworn depose and say:

1. I am the owner of that certain property located at 465 West Virginia Street, Tallahassee, Leon County, Florida, described as follows (the "Virginia Street Property"):

Begin at the southwest corner of the East one-half of Lot 21, Northwest Addition to City of Tallahassee, Florida, as the point of beginning; from said point of beginning run North along the West boundary line parallel to the South boundary of said Lot 21 for a distance of 60 feet; then run South on a line parallel to the East boundary of said Lot 21 for a distance of 50 feet; then run West along the South boundary of said Lot 21 for a distance of 60 feet to the point of beginning.

ALSO THE FOLLOWING, to-wit:

Begin at the southeast corner of Lot 21, Northwest Addition to City of Tallahassee, Florida, and run West along South boundary of said Lot 21 for 47 feet to a point which is the point of beginning; from said point of beginning run North 50 feet, then West 30 feet, then South 50 feet, then East 30 feet to the point of beginning.

Parcel No. 2136500215440

2. To the best of my knowledge and belief, the chart attached to this Affidavit as Exhibit "A" is a true and accurate representation of the history of title to 465 Virginia Street, Tallahassee, Leon County, Florida, as it relates to my obtaining full title to the Virginia Street Property."

Under penalties of perjury, Betty Barnes declares that she has examined this Affidavit and to the best of her knowledge and belief it is true, correct, and complete.

FURTHER AFFIANT SAYETH NAUGHT.

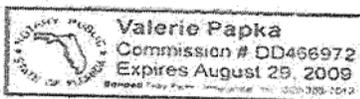
Betty Barnes
Betty Barnes, Affiant

Sworn to and subscribed before me this 12 day of May, 2009, by Betty Barnes, who is personally known to me or produced FDL B652-091 as identification.

36-863-0

Valerie Papka
Notary Public
Name Valerie Papka
Commission # DD 466972
My Commission Expires August 29, 2009

TAL 451.516.730v1 5-6-09



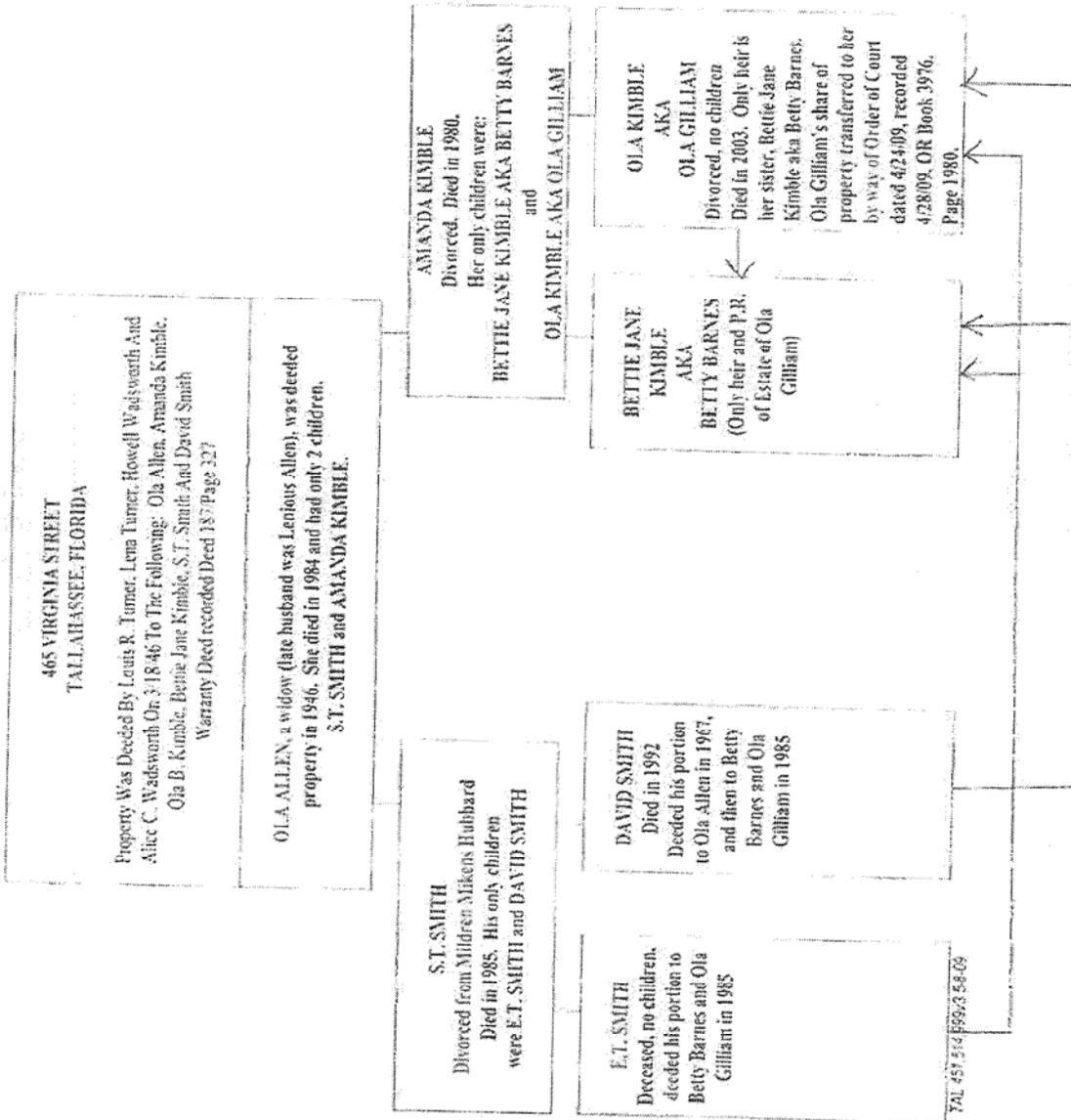


EXHIBIT A

20090034024 RECORDED IN PUBLIC RECORDS LEON COUNTY FL BK: 3987 PG: 196,
05/22/2009 at 03:54 PM, BOB INZER, CLERK OF COURTS

This instrument prepared by or under the supervision of (and after recording should be returned to):

Name: Fred F. Harris, Jr.
Address: Greenberg Traurig, P.A.
101 E. College Ave.
P.O. Drawer 1838
Tallahassee, FL 32302
(850)222-6891

(Space reserved for Clerk of Court)

STATE OF FLORIDA
COUNTY OF LEON

AFFIDAVIT OF BETTY BARNES

Before me, a person duly authorized to administer oaths, personally appeared Betty Barnes, who being duly sworn depose and say:

1. Betty Barnes is the owner of that certain property located at 465 West Virginia Street, Tallahassee, Leon County, Florida, described as follows (the "Virginia Street Property"):

Begin at the southwest corner of the East one-half of Lot 21, Northwest Addition to City of Tallahassee, Florida, as the point of beginning: from said point of beginning run North along the West boundary line parallel to the South boundary of said Lot 21 for a distance of 60 feet; then run South on a line parallel to the East boundary of said Lot 21 for a distance of 50 feet; then run West along the South boundary of said Lot 21 for a distance of 60 feet to the point of beginning.

ALSO THE FOLLOWING, to-wit:

Begin at the southeast corner of Lot 21, Northwest Addition to City of Tallahassee, Florida, and run West along South boundary of said Lot 21 for 47 feet to a point which is the point of beginning; from said point of beginning run North 50 feet, then West 30 feet, then South 50 feet, then East 30 feet to the point of beginning.

Parcel No. 2136500215440

2. By Warranty Deed dated March 18, 1946, recorded in Deed Book 187, Page 327, Louis R. Turner and Lena Turner, his wife, and Howell Wadsworth and Alice C. Wadsworth, his wife, deeded the Virginia Street Property to Ola Allen, Amanda Kimble, Ola B. Kimble aka Ola Mae Gilliam, Bettie Jane Kimble, S.T. Smith, and David Smith. Ola Allen was mother to Amanda Kimble and S.T. Smith. David Smith was S.T.'s son, and Ola B. Kimble aka Ola Mae Gilliam and Bettie Jane Kimble were daughters of Amanda Kimble.

3. **Ola Allen** became a widow upon the death of her husband, **Lenious Allen**. She was deeded the Property in 1946. She died in 1984. Her only children were **S.T. Smith** and **Amanda Kimble**.

A. **S.T. Smith** was married and later divorced from **Mildren Mikens Hubbard**. Their children were **E.T. Smith** and **David Smith**. **S.T. Smith** is deceased.

- (1) **E.T. Smith** is deceased. He has no children. **S.T. Smith's** portion of the Virginia Street Property was never deeded to him, that we are aware; however he must have come into possession of it because he quit-claimed his interest in the Virginia Street Property to **Betty Barnes** and **Ola Gilliam** in 1985 (4/3/85, recorded in OR Book 1710 page 0461).
- (2) **David Smith** died in 1992. He was never married and never had any children. He deeded his share of the Virginia Street Property to **Ola Allen** in 1967 (10/7/67), and then deeded his share to **Betty Barnes** and **Ola Gilliam** in 1985 (4/8/85, recorded in OR Book 1710 page 462).

B. **Amanda Kimble** was married and divorced. She died in 1980. Her only children were **Bettie Jane Kimble aka Betty Barnes** and **Ola Kimble aka Ola Gilliam**.

- (1) **Bettie Jane Kimble aka Betty Barnes** inherited her portion of the Virginia Street Property from her mother on her death in 1980, and was deeded $\frac{1}{2}$ of **E.T. Smith's** share in 1985, and $\frac{1}{2}$ of **David Smith's** share in 1985 as well.
- (2) **Ola Kimble aka Ola Gilliam** was divorced and had no children. She died intestate in 2003. **Betty Jean Kimble aka Betty Barnes**, her sister, is her only heir and is Personal Representative of her Estate. In its Order of Summary Judgment dated January 3, 2007, recorded January 4, 2007 in OR Book 3638, Page 1600, the Judge ordered that certain property be transferred from the Estate to **Betty Barnes**; however, the Virginia Street Property was inadvertently not included in the Order and thus never transferred. By Corrective Order Re-opening the Estate and Transferring Real Property dated April 24, 2009, recorded April 28, 2009, in OR Book 3976, Page 1980, of the Public Records of Leon County, Florida, the Estate of **Ola Gilliam** was re-opened and the Virginia Street Property was transferred to **Betty Barnes** as sole heir to the deceased, **Ola Gilliam**.

4. To the best of my knowledge and belief, all of the people who had an interest in the Virginia Street Property have passed away or have deeded their interest in that property to me or to my deceased sister, **Ola Mae Gilliam**, which in turn was transferred to me as her sole heir.

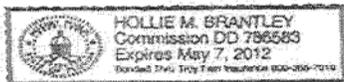
5. To the best of my knowledge and belief, there are no living heirs of the people who held an interest in the Virginia Street Property.

Under penalties of perjury, Betty Barnes declares that she has examined this Affidavit and to the best of her knowledge and belief it is true, correct, and complete.

FURTHER AFFIANT SAYETH NAUGHT.

Betty Barnes
Betty Barnes, Affiant

Sworn to and subscribed before me this 30th day of April, 2009, by Betty Barnes, who is personally known to me or produced DD 81229136 identification.



Hollie M. Brantley
Notary Public
Name Hollie M. Brantley
Commission # DD 786583
My Commission Expires May 7, 2012



Agenda Item Details

| | |
|--------------------|---|
| Meeting | Apr 24, 2014 - CRA Board Meeting |
| Category | 5. Policy Formation & Direction |
| Subject | 5.02 Update on Proposed CRA-FSU O'Connell Site Property Sale and Land Exchange -- Roxanne Manning, Tallahassee Community Redevelopment Agency |
| Access | Public |
| Type | Action, Information |
| Fiscal Impact | No |
| Recommended Action | Option 1 - Authorize CRA staff to notice the proposed sale of the O'Connell property consistent with the Chapter 163.380(3)(a). |

Public Content

For more information, please contact: Roxanne Manning, Tallahassee CRA, 850-891-8353

Statement of Issue

In January 2010, the City of Tallahassee Community Redevelopment Agency (CRA) purchased the O'Connell property located at 402 W. Gaines St. for \$4.65 million dollars. The property, which is immediately south of the Donald L. Tucker Civic Center (Civic Center) is a vacant 5.3 acre parcel within the All Saints – D (AS-D) zoning district. The AS-D zoning district encourages the creation of a high-intensity urban activity corridor with a pedestrian orientation. Permitted uses in the district include; mixed uses, colleges, universities, restaurants, and office and entertainment establishments. The property is located within the Greater Frenchtown/Southside Community Redevelopment Area.

In the summer of 2012, Florida State University (FSU) acquired ownership of the Civic Center, although operation of the Civic Center remained under the Tallahassee-Leon County Civic Center Authority (TLCCC). In the summer of 2013, the TLCCC Authority was repealed and FSU assumed management of the Civic Center. Starting in 2012, FSU began examining master planning options for the Civic Center. This eventually led to the Arena District Concept in early 2013, which included conceptual redevelopment plans for the Civic Center and adjacent properties, including the O'Connell property.

In mid-2013, FSU approached the CRA and expressed an interest in exploring the possibility of purchasing the former O'Connell site from the CRA for a combination of cash and the exchange of land along Gaines Street that is owned by FSU. Since that time, CRA staff, led by the City Manager and City Commissioner and CRA Board Member Andrew Gillum, has been discussing the possible sale and transfer of the property. Staffs believe we are at a point now where there are sufficient details regarding the proposed O'Connell land sale, property transfers and proposed FSU redevelopment of the Donald L. Tucker Civic Center to present to the CRA Board for consideration and discussion, prior to the presentation of a final proposal by FSU.

Based on recent appraisals prepared for FSU, and verified by the Florida Department of Environmental Protection, Bureau of Lands Management, the O'Connell property has an appraised value of \$5,810,000. FSU, CRA and City staffs have developed a proposal that involves the sale of the O'Connell property at 402 West Gaines Street from the CRA to FSU for \$960,000 in cash and the transfer of the Firestone Building and Bloxham Annex properties on east Gaines Street and 715 East Gaines Street, which have a combined appraised value of \$4,850,000, from FSU to the CRA.

The immediate purpose of this agenda item is to update the CRA Board on the anticipated FSU offer for the O'Connell property, and have the Board members provide staff with direction as the negotiations enter their final stages.

Prior to its sale of any property, by statute the CRA must give notice to the public of its intent to dispose of the property and must request competing offers. The notice of intent to dispose of CRA property must be published in the newspaper for at least 30 days prior to the execution of any contract.

Due to the required statutory notice, which applies in any case, staff is requesting authorization to publish the notice concerning sale of the O'Connell property. Although the CRA must publish the notice, the CRA will have discretion as to which offer it may choose to accept. Additionally, although the CRA can discuss potential terms with a prospective purchaser prior to publication of the notice, the statute precludes the CRA from entering into a contract until it has satisfied the notice requirement.

Recommended Action

Option 1 - Authorize CRA staff to notice the proposed sale of the O'Connell property consistent with the Chapter 163.380(3)(a).

Fiscal Impact

At this point, there is no fiscal impact. However, if the sale and property transfer is eventually approved by the CRA and FSU, the CRA will receive a total of \$5,810,000 in cash (\$960,000) and land value (\$4,850,000). If the exchange is completed, it will result in a generally equivalent exchange of property and other considerations which can be used in future CRA projects. Once transferred to the CRA, staff expects to quickly market the new properties for redevelopment. The fiscal impact to the CRA will include both the sale of the properties to private developers and the future tax increment that will be generated when the properties are developed and added to the tax rolls.

Supplemental Material/Issue Analysis

History/Facts & Issues

In January 2010, the CRA purchased the O'Connell property located at 402 W. Gaines Street (Attachment 1 and 2) for \$4.65 million dollars. The property, which is immediately south of the Donald L. Tucker Civic Center is a vacant 5.3 acre parcel within the AS-D zoning district, which encourages the creation of a high-intensity urban activity corridor with a pedestrian orientation. Permitted uses in the district include; mixed uses, colleges, universities, restaurants, office and entertainment establishments. The property is located within the Greater Frenchtown/Southside Community Redevelopment Area.

In January, 2011, the CRA commissioned the HVS Convention, Sports & Entertainment Facilities and Consulting (HVS) study to analyze the O'Connell site's potential for a convention center and hotel. The results/findings were presented to the CRA Board in October 2011. The analysis indicated that the hotel, which would be privately owned, would be profitable, but the convention center would have an annual operating deficit of approximately \$1.86 million in 2012 dollars that would likely increase each year. Because of the deficit, the Board eventually decided not to move forward with the next stage of the HVS analysis, which included preparation of Requests for Qualifications and Proposals to help identify a potential developer(s) for both the hotel and convention center.

In the summer of 2012, FSU acquired ownership of the Civic Center, although operations remained under the TLCCC. In the summer of 2013, the TLCCC Authority was repealed and FSU assumed management of the Civic Center. Starting in 2012, FSU began examining master planning options for the Civic Center.

In early 2013, FSU began the planning process for the Arena District, which included the Civic Center and some immediately surrounding properties, including the CRA-owned O'Connell property. The Arena District concept is a large mixed use project which could include a convention center hotel, a home for the School of Business, classrooms, offices, and associated retail and entertainment uses. The O'Connell parcel, which is immediately adjacent to the Civic Center, would be a valuable addition to the Arena District concept. In addition to the Arena District, FSU is also in the early planning stages of the Madison Mile, which would connect the Civic Center to Doak Campbell Stadium, about a mile away along Madison Street.

On February 27, 2014, Kevin Graham, Executive Director of FSU's Real Estate Foundation, provided the CRA Board with a brief overview of the Arena District and Madison Mile concepts. In his presentation, Mr. Graham described the extensive redevelopment that was envisioned on both the Civic Center and O'Connell properties, noting the anticipated capital investment was at least \$250 million, and probably more. He also described the expected economic development benefits to the community from the investment, which included an estimated 4,000 jobs and \$400 million in economic impact during construction, and an estimated 1,000 jobs and \$100 million in annual recurring economic impacts. A copy of Arena District and Madison Mile concept presentation is provided at Attachment 3.

In mid-2013, the FSU approached the City of Tallahassee Community Redevelopment Agency (CRA) and expressed an interest in exploring the possibility of purchasing the former O'Connell site from the CRA for a combination of cash and the exchange of land along Gaines Street that is owned by FSU. Since that time, CRA staff, led by the City Manager and City Commissioner and CRA Board Member Andrew Gillum, has been discussing the possible sale and transfer of the property. Staff believes we are at a point now where there are sufficient details regarding the proposed O'Connell land sale, property transfers and proposed FSU redevelopment of the Donald L. Tucker Civic Center to present to the CRA Board for consideration and discussion, prior to the presentation of a final proposal by FSU.

CRA Proposal Presented to FSU

Based on recent appraisals prepared for FSU, and verified by the Florida Department of Environmental Protection, Bureau of Lands Management, the O'Connell property has an appraised value of \$5,810,000. In response to FSU's interest in purchasing the O'Connell property to assist in the development and implantation of their Arena District concept, CRA staff, led by the City Manager and Commissioner Gillum, has had a series of meetings and discussions with FSU leadership and staff. From those discussions, the CRA has provided FSU with a proposal to sell the O'Connell property to FSU for its appraised value of \$5,810,000 in cash and property exchanges by FSU to the CRA, as described below, pending CRA Board approval.

- Cash from FSU - \$960,000.
- Firestone and Bloxham Annex Properties - Appraised value of \$4,080,000. These properties are on East Gaines Street immediately adjacent to Cascades Park (Attachment 1 and 4). Initial discussions with several developers indicate these properties have very strong potential for redevelopment as mixed-use market rate condominiums or apartments. There may be some environmental contamination in the area, but that will be addressed as part of the due diligence investigation that would occur as part of a sales and exchange agreement.
- 715 West Gaines Street – Appraised value of \$770,000. This property (Attachment 1 and 5) is in the middle of existing and proposed developments by North American Properties; developers of the Deck and Block projects on Gaines Street. The property currently houses offices of the FSU School of Social Work. Given its location within an area undergoing major redevelopment, this property should be of interest to developers. The CRA may need to assist in the relocation of the current building operations. Given that most of this part of Gaines Street has a history of rail uses, there is the possibility of some environmental contamination in the area, especially arsenic, but that will be addressed as part of the due diligence investigation that would occur as part of a sales and exchange agreement.

At this point, FSU appears favorably inclined towards the CRA offer and is proceeding with a formal purchase offer for presentation to the CRA Board at a future date. In addition, they are planning to present the proposal to the FSU Board of Trustees and the Board of Trustees for the Internal Improvement Trust Fund (TIITF) for approval during the summer, although firm dates for these presentations have not yet been scheduled.

Other Considerations

In addition to the details of the proposed O'Connell land sale and property exchanges, there are several other issues for consideration and approval by CRA Board members.

It is important to note that the O'Connell property and 715 West Gaines Street are both located within the Greater

Frenchtown/Southside Community Redevelopment Area, while the Firestone Building and Bloxham Annex properties are located within the Downtown CRA District Community Redevelopment Area. Because the O'Connell property is the property being proposed for sale to FSU and the property is in the Greater Frenchtown/Southside Community Redevelopment Area, the \$960,000 in cash proceeds (less closing costs) from the sale of the O'Connell property and the potential sale of the 715 West Gaines Street, the Firestone Building and Bloxham Annex properties will be deposited in the Greater Frenchtown/Southside Community Redevelopment Trust Fund for reinvestment within the Greater Frenchtown/Southside Community Redevelopment Area; any funds from the sale of the Firestone Building and Bloxham Annex properties will not be used within the Downtown District Community Redevelopment Area.

Prior to its sale of any property, by statute the CRA must give notice to the public of its intent to dispose of the property and must request competing offers. The notice of intent to dispose of CRA property must be published in the newspaper for at least 30 days prior to the execution of any contract.

Due to the required statutory notice, which applies in any case, staff is requesting authorization to publish the notice concerning sale of the O'Connell property. Although the CRA must publish the notice, the CRA will have discretion as to which offer it may choose to accept. Additionally, although the CRA can discuss potential terms with a prospective purchaser prior to publication of the notice, the statute precludes the CRA from entering into a contract until it has satisfied the notice requirement.

Review by Citizens' Advisory Committee

The potential sale terms of the O'Connell property was presented to the Greater Frenchtown/Southside Community Redevelopment Agency's Citizens' Advisory Committee on April 14th for information only. No major objections were raised by the committee members. They expressed general support for the exchange but had questions regarding the final development concept, tax increment that would be generated by the development, and the final structure and equivalent values of the proposal.

Options

1. Authorize CRA staff to notice the proposed sale of the O'Connell property consistent with the Chapter 163.380(3)(a).
2. Do not authorize CRA staff to notice the proposed sale of the O'Connell property consistent with the Chapter 163.380(3)(a); provide alternative direction.

Attachments/References

1. Aerial Map of All Properties
2. Aerial Map of the O'Connell Property
3. Arena District Presentation to CRA Board, February 27, 2014
4. Aerial Map of Firestone and Bloxham Annex Properties
5. Aerial Map of 715 West Gaines Street Properties

[Attachment 1.pdf \(1,458 KB\)](#)

[Attachment 2.pdf \(950 KB\)](#)

[Attachment 3.pdf \(3,540 KB\)](#)

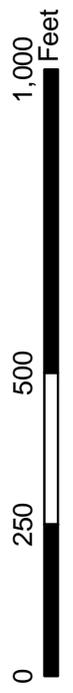
[Attachment 4.pdf \(888 KB\)](#)

[Attachment 5.pdf \(978 KB\)](#)

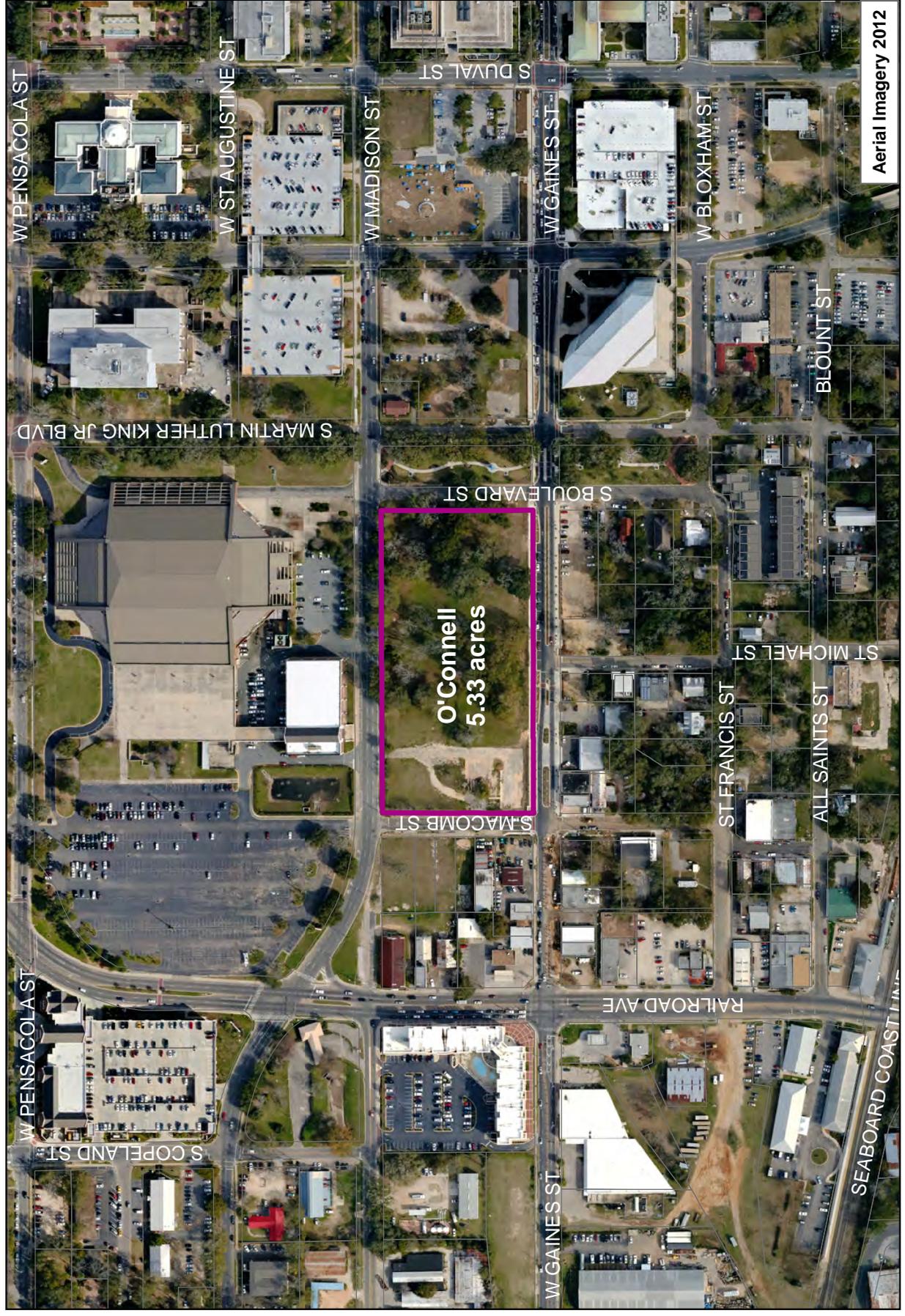
Administrative Content

Aerial Imagery 2012

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Map Produced: April 18, 2014



O'Connell Property

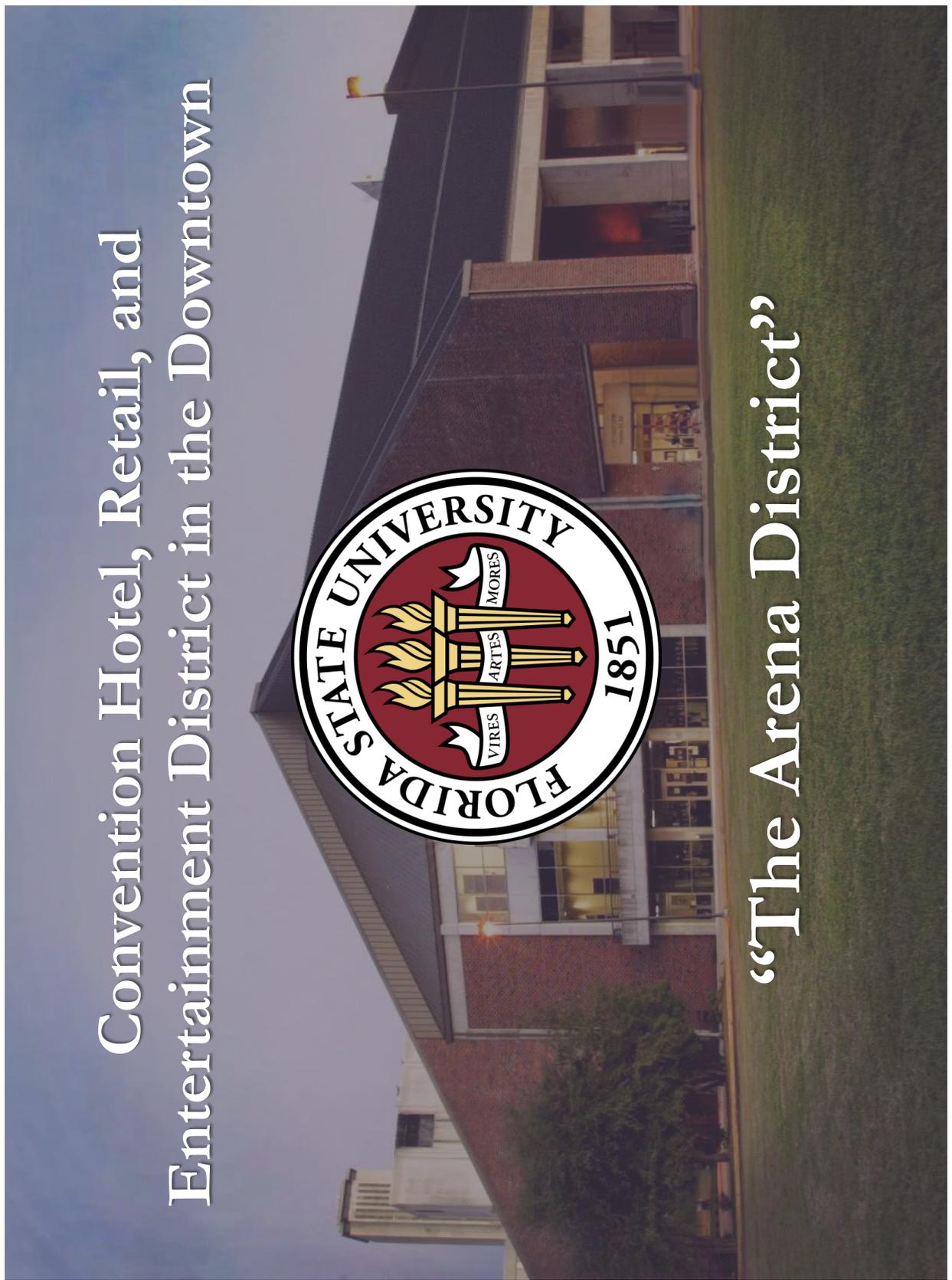


O'Connell
5.33 acres

Convention Hotel, Retail, and Entertainment District in the Downtown



“The Arena District”



Recent Events

- Summer 2012
 - FSU acquires ownership of the Civic Center
 - FSU enters into Lease with TLCCC Authority to operate facility
 - FSU commissions several studies and analyses to better understand the structure, operations, market, and opportunities for the Civic Center
- Summer 2013
 - TLCCC Authority charter is repealed (HB 1285)
 - Civic Center under FSU management
 - Global Spectrum awarded contract through ITN. Contract pending.



Arena District Master Plan

- FSU hires Architects Lewis + Whitlock - continuing contract for Master Planning services up to \$200,000.
- Lewis & Whitlock invite in excess of 20 planning firms to participate in a RFP to participate as a sub-consultant
- Eight planning firms submit proposals
- Four firms are invited to present (Sasaki, Populous, TSW, LWLP)
- Sasaki selected to negotiate contract for services
- Kick off meetings scheduled for March 4-5
- Expect planning process to take 4-6 months



The Components for a District

Moore Communications 2013

- Academics
 - College of Business; Dedman School of Hospitality; student-run experiences; Incubator/entrepreneurial space; Study spaces; Social spaces
- Athletics
 - World-class facilities; Functional practice space; Elevated fan experience
- Retail & Lifestyle Options
 - Mix of national and local shopping options such as Book Store, Grocery Store, Bars, Restaurants, Coffee Shops, Housing, Entertainment, and more.
- A Convention Campus
 - On-site hotel; Turnbull Center extension; Enhanced meeting space
- Signature outdoor attractions and green spaces for the community
- Connectivity
 - Sidewalks, Parking, pedestrian bridges



Projected District Capital Improvements

| | Square Ft | \$ per Sq. Ft | Estimate |
|------------------------------|-----------|---------------|-------------------|
| Hotel | 150,000 | \$425 | \$65M +/- |
| Retail | 50,000 | \$200 | \$10M +/- |
| Convention | 85,000 | \$350 | \$30M +/- |
| College of Business | 200,000 | \$400 | \$80M +/- |
| Dedman School of Hospitality | 100,000 | \$400 | \$40M +/- |
| Exhibition Renovation | 20,000 | \$200 | \$4M +/- |
| Basketball Training Facility | 60,000 | \$200 | \$12M +/- |
| District Infrastructure | | | \$20M +/- |
| Total | | | \$260M +/- |



Driving Forces and Objectives

- Tie together and anchor the impression and experience of Tallahassee's downtown as a truly welcoming, vibrant, livable, walkable urban district
- Spur transformative economic growth including:
 - Estimated 4,000 jobs and \$400 million in economic impact during the construction period
 - Estimated 1,000 jobs and \$100 million annual recurring economic impact
- Conservatively drive an additional 25,000 visitor nights to Tallahassee annually
- Enhance the national reputation of Tallahassee:
 - Exciting city for visitors
 - Strong contender for mid-size convention and conference business
- Create an entrepreneurial learning environment near the relocated FSU College of Business



Outcome Metrics

- Increased tourism visitation
- Estimated \$12.5 million in new tax revenue generated annually
- Projected \$100 million recurring economic impact and 1,000 annual jobs
- Provides internships and employment opportunities for FSU, FAMU, and TCC students
- Enhanced cultural and entertainment options for residents and visitors
- Allows for greater opportunities for strategic collaboration between business owners, local governments, FSU, FAMU, and TCC
- Ties together many exciting projects of the past five years into a single cohesive effort to redefine the downtown
- Expands the number of conferences and convention visitors from industry, academic, and government groups
- Improves the national reputation of Tallahassee



The Arena District



Questions?



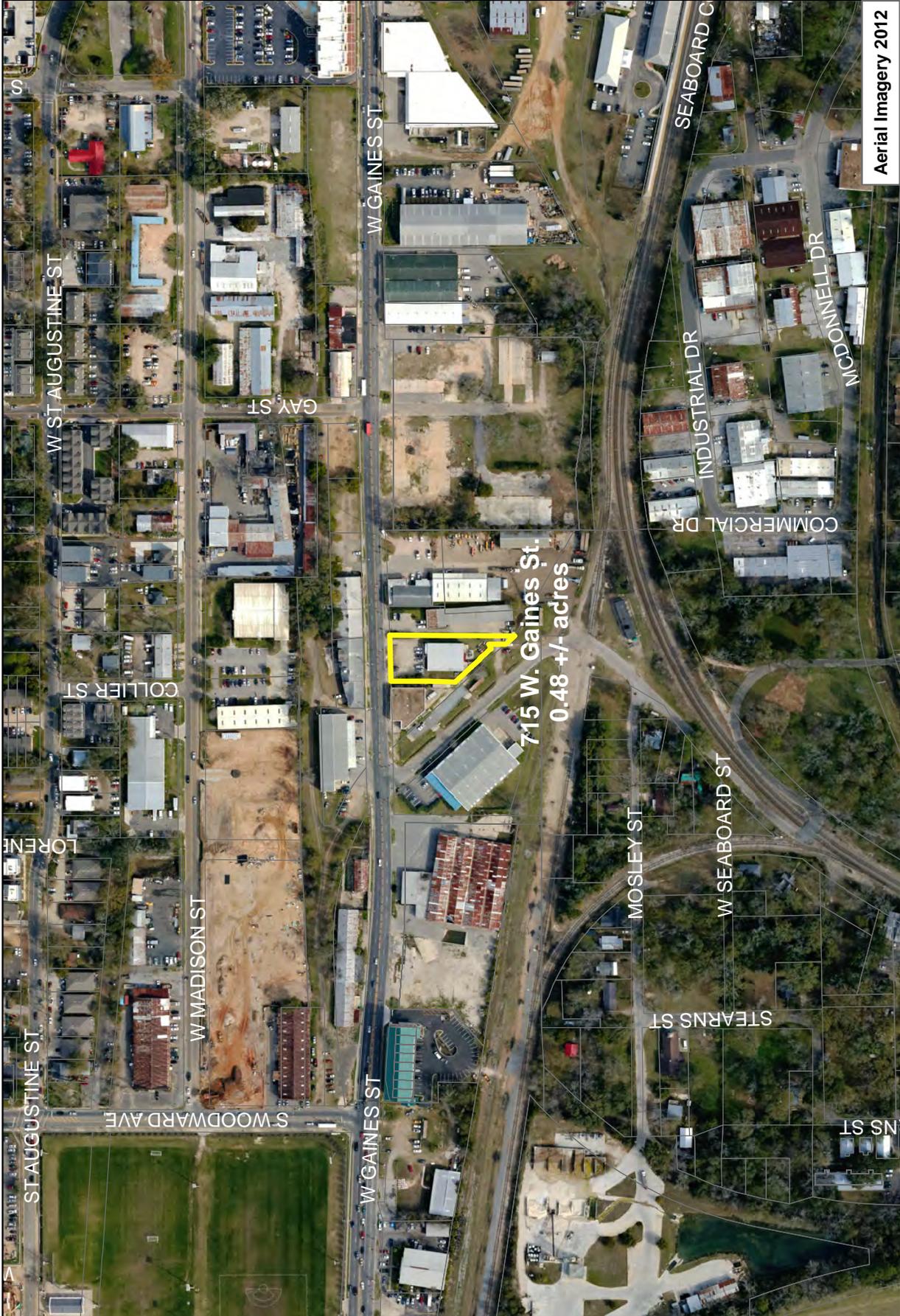
Aerial Imagery 2012

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Map Produced: April 18, 2014



Bloxham and Firestone Properties

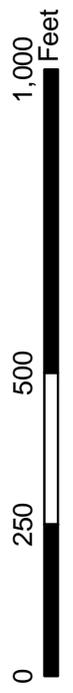




Aerial Imagery 2012

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Map Produced: April 18, 2014



715 W. Gaines St.
Property



Agenda Item Details

| | |
|--------------------|--|
| Meeting | Apr 24, 2014 - CRA Board Meeting |
| Category | 5. Policy Formation & Direction |
| Subject | 5.03 Discussion Regarding Utilization of the CRA Performing Arts Center Tourist Development Tax Funds -- Roxanne Manning, Tallahassee Community Redevelopment Agency |
| Access | Public |
| Type | Action, Discussion |
| Fiscal Impact | No |
| Recommended Action | Option 1 - Provide staff with direction regarding items 1 through 4, including: (a) the existing \$4.1 million performing arts tourist development tax balance; (b) discontinuance of all future TDT revenues dedicated to the performing arts center and acknowledgement that said funds shall be retained and utilized by Leon County in accordance with Florida law; (c) the provision of three years for the City to fund improvements to Capitol City Amphitheater or Meridian Pointe Building for purposes requested by Leon County in an amount equal to \$508,425, funds originally utilized by the City of Tallahassee for the demolition of the Johns Building; (d) Authorize CRA staff to develop a process or program in which the CRA would evaluate opportunities to utilize the existing fund balance, subject to City and County approval, currently dedicated to a performing arts center(s). |

Public Content

For more information, please contact: Roxanne Manning, Tallahassee CRA, 850-891-8353

Statement of Issue

On June 23, 2004, the Tallahassee City Commission (City), the Leon County Board of County Commissioners (County), and the City of Tallahassee Community Redevelopment Agency (CRA), adopted an interlocal agreement which established the Downtown District Community Redevelopment Area (Downtown District). Section 6a of the interlocal agreement also set aside one cent of Tourist Development Tax funds (also referred to as the Bed Tax funds) for the construction and operation of a performing arts center (PAC) within the Downtown District. The PAC Bed Tax funds are maintained by the County, but are provided to the CRA for PAC uses consistent with the interlocal agreement. To date, the PAC Bed Tax funds have been used to prepare a market and location assessment for the proposed PAC, for the demolition and site clean-up of the former Johns Building site for the proposed PAC and PAC-related operational expenses. The County's Tourist Development Tax Fund currently has an estimated \$4.1 million set aside for PAC-related expenses.

On April 8, 2014, the County heard an agenda item regarding, among other tourism development tax items, the use of (1) the existing \$4.1 million PAC Bed Tax balance, (2) the annual recurring one-cent PAC Bed Tax currently dedicated to a performing arts center, and (3) the \$508,425 in PAC Bed Tax funds utilized by the City for the demolition of the Johns Building. Following the County discussion of the agenda item, the Commissioners recommended Options 1, 2 and 3 as presented in the County agenda item, which included direction of staff to prepare an agenda item for discussion at the April 24 CRA Board meeting that addressed the PAC Bed Tax issues described above.

This agenda item presents the actions from the April 8, 2014 County tourist development tax agenda item, related city staff recommendations, and requests CRA Board direction regarding the use of: (1) the existing \$4.1 million PAC Bed Tax balance, (2) the annual recurring one-cent PAC Bed Tax dedicated to a performing arts center, and (3) the \$508,425 in PAC Bed Tax

funds utilized by the City for the demolition of the Johns Building. Staff is also seeking the Board's approval to negotiate an agreement with the City and County on the management and use of the PAC Bed Tax funds that will be presented to the Board for approval at a future meeting.

Recommended Action

Option 1 - Provide staff with direction regarding items 1 through 4, including: (a) the existing \$4.1 million performing arts tourist development tax balance; (b) discontinuance of all future TDT revenues dedicated to the performing arts center and acknowledgement that said funds shall be retained and utilized by Leon County in accordance with Florida law; (c) the provision of three years for the City to fund improvements to Capitol City Amphitheater or Meridian Pointe Building for purposes requested by Leon County in an amount equal to \$508,425, funds originally utilized by the City of Tallahassee for the demolition of the Johns Building; (d) Authorize CRA staff to develop a process or program in which the CRA would evaluate opportunities to utilize the existing fund balance, subject to City and County approval, currently dedicated to a performing arts center(s).

Fiscal Impact

There is no direct fiscal impact at this time, but the management and use agreement, which will have to be approved by the City, County and CRA, and will likely require an amendment to the existing interlocal agreement. In addition, the agreement may have an impact on the oversight and use of (1) the existing \$4.1 million performing arts tourist development tax balance; (2) the annual recurring one-cent tourist development tax dedicated to a performing arts center, and (3) the reimbursement of \$508,425 utilized for the demolition of the Johns Building.

Supplemental Material/Issue Analysis

History/Facts & Issues

On June 23, 2004, the City, the County, and the CRA, adopted an interlocal agreement (Attachment 1) which established the Downtown District. Included as part of the interlocal agreement, was the County's commitment to set aside one cent of Bed Tax/Tourist Development Tax funds dedicated exclusively for a performing arts center(s) within the Downtown District. The use of the bed tax funds was limited to the debt service, construction and/or operational costs of the PAC. Use of bed tax funds was subject to approval of the Project Review Committee.

On October 4, 2007, the interlocal agreement was amended (Attachment 2) with a number of changes, two of which were related to the use of bed tax funds for a performing arts center:

- Section 6a (revised) - Eliminated the Project Review Committee, and the review/approval/rejection by the Project Review Committee of any performing arts center projects funded with the set-aside bed tax funds;
- Section 6h (new) - Required the CRA to consider providing financial support to the PAC contingent upon: (1) determination of actual total costs; (2) availability of funding sources for CRA participation; (3) availability of other funding sources for the majority of costs of the PAC Project; and (4) location of the PAC within the boundaries of the Downtown District.

The interlocal agreement was amended a second time on February 9, 2009, but that amendment had no impact on the use or management of the Bed Tax funds.

Per the interlocal agreement, performing arts center bed tax funds are held by the County, but are provided to the CRA in support of the performing arts center activities described above. The use of the performing arts center bed tax funds for anything other than construction expenses, operating expenses or debt service for a downtown performing arts center requires an amendment to the interlocal agreement that must be approved by the City, County and CRA.

To date, the bed tax funds have been used to prepare a market and location assessment for the PAC as proposed by the Florida Center for Performing Arts and Education (FCPAE), for the demolition and site clean-up of the former Johns Building site for the proposed PAC and for operating/personnel expenses incurred as part of PAC fundraising efforts by the FCPAE. The County's Tourist Development Tax Fund currently has an estimated \$4.1 million set aside for PAC-related expenses.

Recent Events Affecting the Proposed PAC:

During the past few months, there have been a number of events and discussions on the proposed PAC, the use of the performing arts center bed tax funds and other downtown development opportunities. These are briefly described below.

Following the 2004 interlocal agreement, the FCPAE non-profit was formed to raise funds for construction of the PAC. The FCPAE had a purchase option with the City of Tallahassee on the former Johns Building site, located at the intersection Gaines and Bronough Streets, as a location for the PAC since 2007. The site was cleared in anticipation of development of the PAC. On September 30, 2013, the last extension of FCPAE's purchase option for the Johns Building site expired due to their inability to meet fundraising milestones.

On October 29, 2013, the County held a workshop on the *Future Uses for the One Cent of TDT Currently Dedicated to a Downtown Performing Arts Center*. The County acknowledged the substantial likelihood that the proposed performing arts center(s), led by FCPAE, would not be realized given the lack of private financial support. Further, the County authorized the County Administrator to take the necessary steps to return the encumbered balance (approximately \$4.1 million presently) set aside for the downtown performing arts center(s) back into the Tourist Development Tax Trust Fund pursuant to the Interlocal Agreement.

On February 11, 2014, the County conducted a workshop to review the Blueprint Sales Tax Committee's recommendations and identify projects to be included in the tax extension proposal. Included as part of the County's actions was the tentative approval to consider \$20 million in Sales Tax Funds in support of the Florida State University's (FSU) Madison Mile and Arena District concepts. A special meeting of Blueprint's Intergovernmental Agency has been scheduled for April 22, 2014 to provide the City and County the opportunity to finalize the project list in anticipation of placing the referendum on the November 4, 2014 ballot. That discussion is expected to include funding for the Madison Mile and Arena District concepts.

County Staff Considerations

On April 8, 2014, County staff presented the Leon Board of County Commissioners with a Tourist Development Tax agenda item (Attachment 3) regarding (1) use of the existing \$4.1 million balance in performing arts center related funds, (2) future use of the annual recurring one-cent tourist development tax dedicated to a performing arts center and (3) the refund/use of the \$508,425 utilized by the City of Tallahassee for the demolition of the Johns Building in support of the proposed PAC (Attachment 3). The agenda item sought the County's guidance to address these matters with the City at the next CRA meeting, which is scheduled for April 24, 2014 at 9:30 a.m. The agenda item presented the County with the three options listed below, and as further described in the Leon County Statement of Issue in Attachment 4:

Options:

1. Direct staff to prepare an agenda item for consideration to amend the Interlocal Agreement at the April 24, 2014 CRA meeting that addresses the following:
 - a. The CRA would maintain the \$4.1 million fund balance (plus what is collected through September 30, 2014) set aside for the performing arts center(s) under the current terms and conditions, which includes recommendations being subject to final approval by the County and City. Projects that may be considered include, but are not limited to:
 - i. The proposed Downtown Theatre Project on College Avenue.
 - ii. Performing arts space as part of convention center project.
 - iii. Or, other performing arts projects as recommended by the CRA.
 - b. The City is provided three years to make improvements of the Capital City Amphitheater and/or Meridian Building for the purpose(s) requested by the County in an amount equal to the \$508,425 utilized for the demolition of the Johns Building; any balance not utilized during this period of time will be reimbursed to the County's Tourist Development Trust Fund.
 - c. A formal acknowledgement that effective September 30, 2014, all future one cent TDT currently dedicated to the performing arts center(s) shall no longer be dedicated for such purpose and shall be retained by the County to

be utilized in accordance with Florida Law.

2. Direct staff to schedule a Public Hearing to amend the Tourism Plan (Ordinance) to allocate a total of one cent of TDT to support cultural arts starting in FY 2015. (Note: This can only occur subsequent to the amendment to the Interlocal Agreement being approved.)
3. Upon approval of the sales tax extension, direct the County Administrator to negotiate a preliminary agreement, subject to Board of County Commission approval, with FSU and/or the appropriate parties for a half cent of the tourist development tax to be utilized for the operation and maintenance of the convention center based on the following (Note: This can only occur subsequent to the amendment to the Interlocal Agreement being approved.):
 - a. Begin dedicating the half cent of TDT for the convention center beginning in FY 2015.
Or
 - b. Utilize the half cent TDT for tourism-related expenses until such time the convention center is operational.

The County staff report indicated; *“The suggestion presented herein seeks to strike a balance between desired community projects and available resources by maintaining the existing fund balance for a performing arts center(s) and utilizing future TDT revenues for other community efforts. Under all of the same terms and conditions of the interlocal agreement, the CRA would continue to have the ability to utilize the \$4.1 fund balance (plus revenues received through September 30, 2014) for a variety of performing arts center needs in the downtown area. This approach would allow the County to increase cultural funding with TDT monies from \$504,500 to approximately \$900,000 annually starting in FY 2015. These additional funds would be used to support the implementation of community needs identified in the Cultural Plan including a capital grants program. Should the Board choose to support the operational and maintenance needs of the convention center, this option affords the desired flexibility to determine the appropriate timing of that financial support as the project details and time line materialize.”*

Following discussion of the agenda item, the County agreed that the use of the \$4.1 million dollar balance and recurring one-cent tourist development tax should be discussed at the April 24th CRA Meeting. The County also voted 4 to 3 to approve Options 1, 2 and 3.b. as presented in the agenda item.

City Staff Considerations

City staff has conducted a preliminary review of the County Commission's direction, and is generally supportive of the specific recommendations provided in the County agenda item. However, they have offered the following comments and suggestions for consideration by the CRA Board, and subsequent discussions with City, County and CRA staff. County staff has prepared a response to the following comments which is included in Attachment 5.

- **Option 1b of County Agenda Item:** Will the City have a role similar to that of the County in requesting changes to the Capital City Amphitheater and/or Meridian Building?
- **Option 1b of County Agenda Item:** Consider returning any of the remaining \$508,245 to the current \$4.1 million in the performing arts center bed tax balance. The funds for the demolition of the Johns Building came from this source.
- **Option 1c of County Agenda Item:** Recommend the allowed uses of the retained TDT funds be expanded to include the development proposed by FSU for the Madison Mile and the Arena District, and other appropriate uses as outlined in Option 3 of the County Agenda Item.
- **Option 3 of County Agenda Item:** Will the CRA Board have any role in the expenditures of the one-cent of TDT funds set aside for the operation and maintenance of a convention center located within the Downtown District? If the County chooses not to support the operational and maintenance costs of a convention center, how will the one-cent in TDT funds be used and who will approve the use?

CRA Staff Considerations

CRA staff has prepared this agenda item as a continuation of the discussion and direction process contemplated by the 2004

interlocal agreement and subsequent amendments.

CRA Staff requests Board direction on the following recommendations:

1. The use of the \$4.1 million fund balance (plus what is collected through September 30, 2014) set aside for the performing arts center(s) under the current terms and conditions, which includes recommendations being subject to final approval by the County and City. Projects that may be considered include, but are not limited to:
 - a. The proposed Downtown Theatre Project on College Avenue or other location.
 - b. Performing arts space as part of the convention center project.
 - c. Or, other performing arts projects as recommended by the CRA
2. Approve the discontinuance of all future TDT revenues dedicated to a performing arts center under the terms of the Interlocal Agreement, effective September 30, 2014, and acknowledge that these funds shall be retained by the County to be utilized in accordance with Florida Law.
3. Providing three years for the City to make improvements to the Capital City Amphitheater and/or Meridian Building for the purpose(s) requested by the County in an amount equal to the \$508,425 utilized for the demolition of the Johns Building; any balance not utilized during this period of time will be reimbursed to the County's Tourist Development Trust Fund.
4. Direct CRA staff to develop a process or program in which the CRA would evaluate opportunities to utilize the existing (through September 30, 2014) fund balance, subject to County and City approval, currently dedicated to the performing arts center.

The County has suggested that these additional funds be used to support the implementation of community needs identified in the Cultural Plan, including a capital grants program. The funds may also be used to support the operational and maintenance needs of the convention center.

Options

1. Provide staff with direction regarding items 1 through 4, including: (a) the existing \$4.1 million performing arts tourist development tax balance; (b) discontinuance of all future TDT revenues dedicated to the performing arts center and acknowledgement that said funds shall be retained and utilized by Leon County in accordance with Florida law; (c) the provision of three years for the City to fund improvements to Capitol City Amphitheater or Meridian Pointe Building for purposes requested by Leon County in an amount equal to \$508,425, funds originally utilized by the City of Tallahassee for the demolition of the Johns Building; (d) Authorize CRA staff to develop a process or program in which the CRA would evaluate opportunities to utilize the existing fund balance, subject to City and County approval, currently dedicated to a performing arts center(s).
2. Do not authorize CRA staff to negotiate an agreement on the management and use of the PAC Bed Tax funds as outlined in this agenda item.
3. Provide staff with alternate direction.

Attachments/References

1. CRA Interlocal Agreement, June 23, 2004
2. Amendment 1 to CRA Interlocal Agreement, October 4, 2007
3. April 8, 2014 Board of County Commissioners Agenda Item (w/o attachments)
4. Leon County Statement of Issue from April 8th Board of County Commissioners Agenda Item
5. Memo from Vincent S. Long, Leon County Administrator, dated April 18, 2014.

[Attachment 1.pdf \(1,666 KB\)](#)

[Attachment 2.pdf \(700 KB\)](#)

[Attachment 3.pdf \(972 KB\)](#)

[Attachment 4.pdf \(624 KB\)](#)

[Attachment 5.pdf \(344 KB\)](#)

Administrative Content

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 Interlocal Agreement ("Agreement") is made and entered into as of this 23rd day of June, 2004, by and between Leon County, Florida, a charter county and political subdivision of the State of Florida (the "County"), the City of Tallahassee, Florida, 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, under the authority of Part III of Chapter 163, Florida Statutes (the "Act"), the City has previously created the Agency, which has the authority under the Act to plan, coordinate, and cause the redevelopment of areas of the City determined under the Act to be "slum or blighted areas"; and,

WHEREAS, the Agency is currently implementing a "community development plan" for a "community redevelopment area" (as those terms are defined in the Act) known as the "Downtown District Community Redevelopment Area" (the "District"), and the City may, from time to time, seek to declare other additional areas to be "slum" or "blighted" areas and to cause the Agency similarly to implement such "community redevelopment plans" within those "community redevelopment areas" to address the identified conditions of "slum" or "blight" in those areas; and,

WHEREAS, the County is of the belief and position that neither the City, nor the Agency may legally create or designate any new "community redevelopment area", or expand the boundaries of any existing "community redevelopment area" or exercise any powers within a new or expanded "community redevelopment area", without first obtaining from the County the specific delegation of powers enumerated in the Act or otherwise the County's consent thereto; and,

WHEREAS, the City and the Agency are of the belief and position that the City has the power and authority to create and designate any new "community redevelopment area", or expand the boundaries of an existing "Community Redevelopment Area" and exercise those powers enumerated in the Act, within the new "community redevelopment area" without first obtaining from the County any approval, delegation of powers, or consent; and,

WHEREAS, the County and City engaged in the procedures enumerated in the Intergovernmental Conflict Resolution Act, Chapter 164, Florida Statutes, in an effort to resolve their differences concerning the District; 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 District; and,

WHEREAS, the parties to this Agreement agree that the conflict between them is better resolved through negotiation and agreement rather than by litigation; and,

WHEREAS, the parties to this Agreement agree that should either party breach this Agreement or should the Agreement be terminated pursuant to Section 10 of the Agreement, that both parties specifically reserve the right to put forth their legal arguments previously articulated, and nothing herein shall be deemed to be a waiver thereof; and

WHEREAS, the parties to this Agreement agree that the establishment of a Community Redevelopment Agency and Tax Increment Financing are effective tools for the redevelopment of slum or blighted areas of the City; and

WHEREAS, the parties to this Agreement agree that it is the intent of both the City and the County that properties acquired by the Agency for the purpose of redeveloping slum or blighted areas of the District, with the exception of those intended to be maintained in public ownership, be placed back on the tax rolls as quickly and as expeditiously as possible and consistent with the approved redevelopment plan; and

WHEREAS, the County, the City and the Agency (hereinafter collectively referred to as the "parties") desire to enter into an Agreement of understanding to delineate their areas of responsibility with respect to the redevelopment of the District and the Agency's obligations and responsibilities to each taxing authority; and

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

Section 1. Authority

This Interlocal Agreement is entered into pursuant to the powers and authority granted to the parties under the Constitution and the laws of the State of Florida, including expressly but not limited to the authority of Section 163.01, Florida Statutes, and the Act.

Section 2. Definitions

Unless otherwise defined herein, the following words and phrases shall have the following meanings:

- a. "Agency" means the Community Redevelopment Agency, or its successor, a public body corporate and politic.

- b. **“Act”** means Part III of Chapter 163 of Florida Statutes (2003).
- c. **“Agreement”** means this document and other terms and conditions which are included and the exhibits and documents that are expressly incorporated herein by reference.
- d. **“City”** means the City of Tallahassee, a Municipal Corporation under the laws of the State of Florida.
- e. **“Community Redevelopment Area”** means a slum area, and blighted area, or an area in which there is a shortage of housing that is affordable to residents of low or moderate income, including the elderly, or a coastal and tourist area that is deteriorating and economically distressed due to outdated building density patterns, inadequate transportation and parking facilities, faulty lot layout or inadequate street layout, or a combination thereof which the governing body designates as appropriate for community redevelopment.
- f. **“County”** means Leon County, Florida, a Political Subdivision of the State of Florida, a Charter County.
- g. **“Downtown Community Redevelopment Plan”** or **“Plan”** means the plan adopted by the City Commission on June 23, 2004, (attached hereto as Exhibit B) for redevelopment of the District, and any amendments or revisions to such plan as the City Commission may from time to time approve in compliance with and subject to the limitations of this Agreement.
- 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.
- i. **“Effective Date”** means the date upon which the last party to this Agreement has fully executed same in accordance with the formalities imposed upon such entity required by Florida Law.
- j. **“Increment Revenue”** means the amount calculated pursuant to Section 163.387(1), Florida Statutes.
- k. **“Project”** means land sales, purchases, proposals, programs, development agreements, and public and private construction related to redevelopment in the District, unless specifically prohibited by the terms of this Agreement, which are projected to exceed \$500,000, or the portion thereof

funded by the Downtown District Community Redevelopment Area Trust Fund ("Trust Fund"), is expected to exceed \$500,000. For purposes of calculating the threshold amount of \$500,000, only direct monetary expenditures on a Project from the Trust Fund, shall be included.

Section 3. Term of Downtown District Community Redevelopment Area and Agreement:

- a. The term of the District for purposes of completing all Projects contemplated hereunder shall be no later than thirty-five (35) years from the Effective Date of this Agreement. The City reserves the right to reduce the term of the District to less than 35 years as provided for in this Agreement, provided that all indebtedness, in whatever form agreed to, and other contractual obligations involving County funds have been fully satisfied. The City shall notify the County of such intent to terminate the District at least 180 days prior to such termination in accord with Section 13 (e) of this Agreement. During the term of the District, the County method of investment in any redevelopment activities proposed by the Agency within the boundaries of the District shall be subject to the terms and conditions of this Agreement and any amendments hereto.
- b. The term of this Agreement shall commence upon the Effective Date, and shall end upon dissolution of the District, however, in no event to exceed thirty-five (35) years from the Effective Date, unless earlier terminated pursuant to Section 9 of this Agreement.
- c. This Agreement is non-terminable and non-cancelable during its term, and any amendments thereto, except as provided in Section 9 herein.

Section 4. Community Redevelopment Area.

The parties recognize the validity of the existing Downtown District Community Redevelopment Areas created pursuant to City Resolution No. 02-R-43 adopted September 11, 2002. Any attempt to modify the boundaries of this District, as set forth and delineated in said Resolution, other than by dissolution of such District, shall require the prior written approval of the County. Further, the creation of a Community Redevelopment Agency or Community Redevelopment Area or any boundary adjustments to any existing or newly created Community Redevelopment Area, occurring after the effective date of this Agreement, shall also require the prior written approval of the County.

Section 5. Downtown District Community Redevelopment Area.

The County delegates to the City those powers contained in the Act for the District, and all parties agree to the following conditions:

- a. The District shall have duration of no more than thirty-five (35) years from the Effective Date of this Agreement. However, annual Increment Revenue, if necessary to meet the respective obligations set forth in

Section 6(c) hereof or to secure debt issued to meet such obligation, shall be collected for a period of no more than thirty (30) years from the date upon which the District was created by the City.

- b. The membership of the Agency shall consist solely of the membership of the City Commission, who shall act as its governing body and who shall have all those powers enumerated under the Act, unless otherwise conferred or delegated hereunder. In addition thereto, the County shall appoint two (2) ex officio members to the CRA, who each shall have a two-year term.
- c. There is hereby created a Project Review Committee for the District, which shall be comprised of four members, two of whom shall be City Commissioners and two of whom shall be County Commissioners, who shall each have a two-year term. The Agency shall not remove or otherwise diminish the authority conferred upon the Project Review Committee established herein. All decisions made by the Project Review Committee shall be made by a majority vote. In the event of a tie vote on any matter, such matter shall be referred to both the County Administrator and City Manager who shall jointly be required to propose a "Resolution" to the Project Review Committee. The Project Review Committee shall then be reconvened for purposes of consideration of the "Resolution" to said matter. Should the Project Review Committee not adopt the "Resolution," an impasse shall be declared. In the event that an impasse occurs, the Agency shall have the right, in its sole discretion, to withdraw that Project from further consideration.
- d. The Agency confers upon the Project Review Committee all those powers necessary and convenient to carry out and effectuate the specific purposes and provisions of this Agreement which relate to the Project Review Committee. The Project Review Committee shall be required to review and approve or reject all Projects, which are authorized by the Agency for funding from the Trust Fund at both the conceptual stage and at the acquisition, sale and/or construction stage, as the case may be. Every Project shall be reviewed by the Project Review Committee and be subject to their approval. The Project Review Committee shall be required to review and approve or reject all Requests for Proposals and Bids responsive thereto related to any Project, but shall not be responsible for the award and administration of such contract or agreement resulting from such procurement efforts. Final scope of such Projects shall also be subject to review and approval or rejection by the Project Review Committee.
- e. Oversight Review Board. There is hereby created an Oversight Review Board, which shall be comprised of five members consisting of the Mayor of the City of Tallahassee, the Chairman of the Leon County Board of County Commissioners, the Leon County Property Appraiser, the

Superintendent of the Leon County Schools, and the Leon County Clerk of the Court. The Oversight Review Board shall be convened solely to address matters upon which the Project Review Committee reaches an impasse. The decision of the Oversight Review Board shall be final and binding upon the Project Review Committee and all Parties. In the event that the Oversight Review Board is unable to resolve a matter by majority vote, referred to it by the Project Review Committee, an impasse shall be declared and the matter shall be resolved in accordance with Section 10, Dispute Resolution.

Section 6. Financial Provisions

- 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)(1), 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 costs associated with a Performing Arts Center(s) to be located in the Downtown District Community Redevelopment Area. The Performing Arts Center project(s) shall be specifically subject to the review and approval or rejection of the Project Review Committee. 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 at the option of the Agency and upon approval of the Project Review Committee be returned to the Leon County Tourist Development Trust Fund, for use for the purposes thereof.
- b. **Gaines Street Reconstruction Project.** The County agrees to contribute \$10.7 million, to be derived from its share of sales tax extension revenues as identified in Leon County Ordinance 00-35, to be used exclusively for the Gaines Street Reconstruction project as set forth in Leon County Resolution 00-30, dated June 1, 2000, as amended by Leon County Resolution No. R.03-63, dated September 23, 2003, provided the City contributes a minimum of \$17 million, derived from its share of sales tax extension revenues, to be used for the Gaines Street Reconstruction project, as identified herein, and the east/west pairing reconstruction project associated with the Gaines Street Reconstruction project and associated land acquisition and transportation related improvements in connection therewith. The County shall remit the subject funds to the City not later than 180 days from receipt of written notice from the City that the City funds have been contributed and the County funds are needed for the project. The subject funds shall be deposited into a City Project Work

Order for the project and the responsibility for design, construction and operation of the project shall be strictly that of the City.

- c. Joint Funding of Downtown District Community Redevelopment Area Trust Fund. The County agrees to pay \$15,000,000 and the City agrees to pay \$13,000,000 by September 30, 2005, to the Trust Fund. In no event shall funds from Sales Tax, Municipal Service Taxing Unit or utility service revenues be used to make these contributions. If these payments are made prior to September 30, 2005, then the entity making the payment will be relieved from any future Increment Revenue payments required to be made to the District.

Based on the need for the funding of Projects approved by the Project Review Committee, and other permitted uses of Trust Fund monies, the Agency, shall make written demand on the City and County for payment into the Trust Fund of all or a portion of the outstanding balance owed, which may be due after September 30, 2005. Any such partial payment shall be in the respective percentages of the total obligation set forth above. Such payment shall be made, with accrued interest, within 180 days of Notice by the Agency.

In the event the Agency does not demand payment as described above of the full agreed upon amount prior to September 30, 2005, interest on the outstanding balance will be paid into the Trust Fund on October 1 of each year in which payment is deferred, accruing at 4.50 % or the annual Consumer Price Index ("CPI") rate in effect on October 1 of each year, whichever is greater. "CPI" means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84-100 (unadjusted), as published monthly by the Bureau of Labor Statistics, United States Department of Labor.

Until the principal and all accrued interest, if any, of the agreed amounts are paid (County - \$15,000,000; City - \$13,000,000), the City and the County agree to pay annually the Increment Revenue to the Trust Fund. The Agency will remit to the account designated by the County the increment amount attributed to the EMS Municipal Services Taxing Unit and the Indigent Health Care Municipal Services Taxing Unit collected within the District. Such remittance will be made within ten (10) calendar days of receipt of payment by the Agency. The remaining amount contributed by each entity will be applied to the outstanding balance owed by that entity, including interest owed as described above.

If either the City or the County desire to finance its required contribution or any portion thereof through the issuance of debt secured by Increment Revenue collected within the District, the Agency agrees upon the request of such party to authorize, approve, and execute such documents as are necessary to authorize and permit that Party to issue debt and pledge the

Increment Revenue for the repayment of that debt, including the payment of debt service and cost of issuance.

Once the total amount owed is paid off by either Party, that Party shall be fully relieved of any obligation to remit Increment Revenue to the Agency or District Trust Fund.

- d. Trust funds shall not be used to provide direct lease subsidies within the District. Trust funds shall not be used to provide indirect lease subsidies unless they are specifically approved by the Project Review Committee. 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. The requirement of inclusion of retail or commercial space in a given Project shall not constitute a lease subsidy.
- e. Funds and other assets received by the Agency unrelated to the District or through grants, gifts, donations, or in any other manner accruing to the District, including Increment Revenue contributed by the City in excess of its required obligation under Section 6(c) hereof and Increment Revenue from the Downtown Improvement Authority, except as described below, shall remain the assets and/or funds of the Agency and shall not be in any way subject to the provisions of this Agreement. Funds and other assets received by the Agency from the sale or lease of Projects financed by the Agency within the District shall remain subject to the provisions hereof for the entire Term of this Agreement
- f. In the event of any subsequent refinancing of debt secured by Increment Revenue or Tourist Development Tax revenue issued pursuant to this Agreement, any debt service savings shall accrue to the benefit of the Trust Fund.
- g. As a result of the provisions of this Agreement, subject to the provisions of Section 6(c) hereof, the County is hereby relieved of its obligation under the Act to deposit Increment Revenue or any other funds into the Community Redevelopment Downtown District Trust Fund, and the City and the Agency shall be deemed to have waived their rights under the Act to require the County to make such payments.

Section 7. Records and Reporting. For Projects within the Downtown District Community Redevelopment Area. The Agency shall:

- a. Maintain books, records, documents, and other evidence according to generally accepted governmental accounting principles, procedures and practices, which sufficiently and properly reflect all costs and expenditures of any nature, incurred by the City and/or Agency in connection with the Projects or otherwise paid or to be paid from either Incremental Revenues or the proceeds of increment obligations, or paid from revenues derived from the Tourist Development Tax or revenues otherwise contributed by

the County to the District, and said books, records, documents and other instruments shall be retained by the City and the Agency for a period of three full years after termination of this Agreement. However, notwithstanding the above, construction records, documents, and reports shall be retained by the City and the Agency for a period of five full years after completion of any such Project, unless said records, documents, and reports are required to be maintained pursuant to federal income tax regulations for arbitrage rebate calculation purposes, upon which said records, documents, and reports shall be retained for a period of three years after termination of this Agreement; and

- b. Provide to the Project Review Committee, within 45 days after March 31 and September 30 of each year, a report which shall contain a narrative description of the work completed on any Projects according to the project schedule, a description of any change orders then pending or executed, and a budgetary summary detailing planned expenditures and actual expenditures; and
- c. Provide the County and the City upon completion of construction of any Project with a certification to the County from a professional engineer licensed to practice in the State of Florida, that the improvements have been completed according to the plans and specifications approved for such Project; and
- d. Within 120 days after the end of each fiscal year, provide the Project Review Committee a report for the preceding fiscal year itemizing all expenditures made by the City and/or Agency from proceeds of Increment Revenue, increment obligations, Tourist Development Tax proceeds, and/or other County contribution to the Trust Fund, setting forth all interest earnings from the investment of proceeds of Increment Revenue, increment obligations, Tourist Development Tax proceeds, and/or County revenue contributions, and calculating the balance of any unexpended proceeds.

Section 8. Audit.

- a. The County shall have the right from time to time at its sole expense to audit the compliance by the City and the Agency with the terms, conditions, obligations, limitations, restrictions and requirements of this Agreement, and such right shall extend for a period of three (3) years after termination of this Agreement. However, notwithstanding the above, the right to audit from time to time for compliance by the City and the Agency with the terms, conditions, obligations, limitations, restrictions and requirements of this Agreement as it relates to construction of Projects shall extend for a period of five (5) years after the completion of the Projects.
- b. The County shall have full access, for inspection, review, and audit purposes, to all items referred to in the preceding paragraph.

- c. The City and the Agency shall insure that all aforementioned recordkeeping, reporting, and audit requirements are included in any contracts and subcontracts entered into by the City and/or Agency with any party for the construction, purchase, sale or lease related to a Project authorized in this Agreement.
- d. During the term of this Agreement, or any amended term of this Agreement, the City and the Agency shall provide to the County an annual report as required by Sections 163.387(8) and 163.356(3), Florida Statutes. The City and the Agency shall include a comparison of plan goals, objectives, and policies to annual program accomplishments and an analysis comparing current tax base to the base year, in addition to the statutorily required financial statements.
- e. During the term of this Agreement, or any amended term of this Agreement, the City and the Agency shall provide a report to the County on an annual basis, as required by Section 163.356(3)(c), Florida Statutes, to effectively demonstrate accountability for the resources and activity. The activity report shall be provided in a format approved by the County, City and Agency, and must include both expenditures for the current fiscal year and cumulative financial information for each individual project or activity undertaken pursuant to the Community Redevelopment Area Plan. Specific details of the reporting shall be part of the terms and conditions of any amendments to this Agreement.

Section 9. Termination.

- a. If any Party fails to comply with any terms or conditions of this Agreement or default in any of its obligations under this Agreement, and shall fail within thirty (30) calendar days after written notice to the non-compliant party to correct such default or non-compliance, the non-defaulting party, at its option may forthwith terminate this Agreement.
- b. In the event that either the City or the Agency removes or otherwise diminishes any delegated authority under this Agreement, as identified under Section 5, or otherwise defaults in any of its obligations under this Agreement, the County, at its sole option, may forthwith terminate this Agreement, and the City or the Agency, jointly and severally shall be liable to County for all funds paid pursuant to the provisions of this Agreement by the County to the Trust Fund or to any other fund or entity, or otherwise owed or pledged thereto, for the purposes of and retroactive to the effective date of this Agreement. In the event that the County defaults in any of its obligations under this Agreement, the City and Agency shall have all rights and privileges under Chapter 163, Florida Statutes, and the County shall be liable to the Agency for all Increment Revenue otherwise due to the Agency since the date of this Agreement, notwithstanding the limitations set forth in this Agreement.

- c. The grounds for termination and the remedy set forth in this Section are intended to be cumulative with those set forth in other paragraphs in this Agreement, as well as those otherwise available to the parties at law or at equity.

Section 10. Dispute Resolution.

- a. The parties shall attempt to resolve any disputes that arise under this Agreement in good faith and in accordance with this Paragraph. The provision of the "Florida Governmental Conflict Resolution Act" shall not apply to disputes under this Agreement, as an alternative dispute resolution process is hereby set forth in this Section 10. The aggrieved party shall give written notice to the other party, in the manner set forth in Section 13.e., setting forth the nature of the dispute, date of occurrence (if known), and proposed resolution, hereinafter referred to as the "Dispute Notice."
- b. Should the parties be unable to reconcile any dispute, the appropriate Agency, City and County personnel shall meet at the earliest opportunity, but in any event within ten (10) days from the date that the Dispute Notice is received, to discuss and resolve the dispute. If the dispute is resolved to the mutual satisfaction of both, they shall report their decision, in writing, to the City Manager and County Administrator. If they are unable to reconcile their dispute, they shall report their impasse to the City Manager and the County Administrator who shall then convene a meeting of the City Manager and County Administrator at their earliest opportunity, but in any event within 20 days following receipt of a Dispute Notice, to attempt to reconcile the dispute.
- c. If a dispute is not resolved by the foregoing steps within thirty (30) days after receipt of the Dispute Notice, unless such time is extended by mutual agreement of the parties, then either party may require the dispute to be submitted to mediation by delivering written notice thereof (the "Mediation Notice") to the other party. The mediator shall meet the qualifications set forth in Rule 10.010(c), Florida Rules for Mediators, and shall be selected by the parties within 10 days following receipt of the Mediation Notice. If agreement on a mediator cannot be reached in that 10-day period, then either party can request that a mediator be selected by an independent conflict resolution organization, and such selection shall be binding on the parties. The costs of the mediator shall be borne equally by the parties.
- d. If an amicable resolution of a dispute has not been reached within 60 calendar days following selection of the mediator, or by such later date as may be mutually agreed upon by the parties, then such dispute may be referred to binding arbitration by either party. Such arbitration shall be

conducted in accordance with the Florida Arbitration Code (Chapter 682, Florida Statutes).

1. Such arbitration shall be initiated by delivery, from one party (the "Claimant") to the other (the "Respondent"), or a written demand therefore containing a statement of the nature of the dispute and the amount, if any, involved. The Respondent, within ten (10) days following its receipt of such demand, shall deliver an answering statement to the Claimant. After the delivery of such statements, either party may make new or different claims by providing the other with written notice thereof specifying the nature of such claims and the amount, if any, involved.

2. Within ten (10) days following the delivery of such demand, each party shall select an arbitrator and shall deliver written notice of that selection to the other. If either party fails to select an arbitrator within such time, the other party may make application to the court for such appointment in accordance with the Florida Arbitration Code. Within ten (10) days following delivery of the last of such written notices, the two arbitrators so selected shall confer and shall select a third arbitrator. Each of the arbitrators so appointed shall have experience in local government issues relating to Community Redevelopment Agencies.

3. The arbitration hearing shall be commenced in Leon County, Florida within sixty (60) days following selection of the third arbitrator. Except as may be specifically provided herein, the arbitration shall be conducted in accordance with Rules R-23 – R-48 of the Commercial Arbitration Rules of the American Arbitration Association.

Section 11. Procedure for the Creation of New Community Redevelopment Agencies or the Expansion of Existing Community Redevelopment Agencies.

The City and County agree either Party may only propose new Community Redevelopment Areas in areas within the City limits or boundary adjustments to existing Community Redevelopment Areas, subject to the provisions of this Section. Should either the City or County propose a new Community Redevelopment Area, or a boundary adjustment to an existing Community Redevelopment Area, it shall be required to first receive the prior written approval of the other Party. The City and the County agree to negotiate the boundaries, the duration of future Community Redevelopment Areas and such Increment Revenue in good faith.

Section 12. Charter Amendments

The City and County pledge that neither the City nor the County shall initiate any charter amendment to either the City or County Charter during calendar year 2004 which

in any way concern, effect or otherwise impact the budgetary or operational matters of either entity.

Section 13. General Provisions.

- a. **Assignment.** The parties shall not assign any portion of this Agreement without written consent first obtained from the other parties and any assignment made contrary to the provisions of this Paragraph may be deemed a default of the Agreement and, at the option of the other parties, shall not convey any rights to the assignee.
- b. **Compliance with Applicable Law.** In providing services and otherwise carrying out its obligations under this Agreement, the parties shall comply with Applicable Law. Such compliance shall include obtaining any and all federal, state, or local permits or licenses required to perform its obligations under this Agreement.
- c. **Independent Contractor.** Nothing in this Agreement shall be construed to create a relationship or employer and employee or principal and agent, partnership, joint venture, or any other relationship other than that of independent parties contracting with each other solely for the purpose of carrying out the provision of the Agreement. Nothing in the Agreement shall create any right or remedies in any third party, it being solely for the benefit of the County, the City and the Agency.
- d. **Non-waiver.** Failure to enforce or insist upon compliance with any of the terms or conditions of this Agreement or failure to give notice or declare this Agreement terminated shall not constitute a general waiver or relinquishment of the same, or of any other terms, conditions, or acts; but the same shall be and remain at all times in full force and effect.
- e. **Notice.** If written notice to a party is required under this Agreement, such notice shall be given by hand delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested, to the County as follows:

County Administrator
Leon County Courthouse
301 South Monroe Street
Tallahassee, Florida 32301

and to the City as follows:

City Manager
City Hall

300 S. Adams Street, Box A-21
Tallahassee, Florida 32301

and to the Agency as follows:

Executive Director
City Hall
300 S. Adams Street
Tallahassee, Florida 32301

- f. **Force Majeure.** A party's timely performance of its obligations under this Agreement, only to the extent it is specifically affected thereby, shall be suspended, without forfeiture of any performance bond or the incurring of any financial liability, when and only for as long as performance of such obligations is prevented by reason of any of the following cases: (i) acts of God, including without limitation severe weather events, (ii) operation of law, and (iii) any other event beyond the reasonable control of the party whose performance is affected, to the extent not caused by such party's willful or negligent acts or omissions, except in those cases where that party could have reasonably foreseen and reasonably avoided the occurrence. The party affected by any such event shall give written notice thereof to the other party as soon as practicable after it becomes aware of such an event and, to the extent practicable, shall specify the anticipated length of the delay. The affected party shall use reasonable efforts to minimize the impact of that delay on that party's performance. Neither party shall be liable to the other for damages caused by such events. This provision shall not apply to obligations to make payments under Paragraph 6 of this Agreement.
- g. **Choice of Law, Venue, and Severability.** This Agreement shall be construed and interpreted in accordance with Florida Law. Venue for any action brought in relation to this Agreement shall be placed in a court of competent jurisdiction in Leon County, Florida. If any provision of this Agreement is subsequently held invalid, the remaining provisions shall continue in effect.
- h. **Indemnification.** To the extent permitted by law, each party agrees to indemnify, defend and hold harmless the other party, its officials, officers, and employees, from and against all liabilities, damages, costs and expenses, including but not limited to a reasonable attorney's fee, to the extent that same are caused by the negligent or wrongful acts or omissions of the indemnifying party, or its officials, officers, or employees, in the performance of this Agreement. The liability of each party, as set forth in this Paragraph, is intended to be consistent with limitations of Florida law,

including the State's waiver of sovereign immunity pursuant to Section 768.28, Florida Statutes. No obligations imposed by this Paragraph shall be deemed to alter said waiver or to extend the liability of a party beyond such limits, nor shall any such obligation be deemed or construed as a waiver of any defense of sovereign immunity to which the indemnifying party may be entitled.

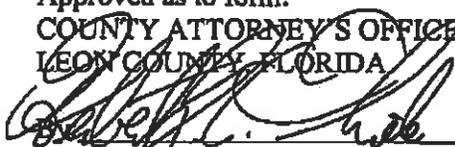
- i. **Amendment.** Neither this Agreement nor any portion of it may be modified or waived orally. The provisions hereof may be amended or waived only pursuant to an instrument in writing, approved by the City Commission, the Governing Board of the Agency, and the County's Board of County Commissioners, and jointly executed by the parties hereto. This Agreement shall be enforced and be binding upon, and inure to the benefits of, the parties hereto and their respective successors and assigns, if any. Any party to this Agreement shall have the right, but not obligation, to waive any right or rights, limitation or limitations, or condition or conditions herein reserved or intended for the benefit of such party without being deemed to have waived other rights, limitations, or conditions. However, any such waiver shall be valid only if expressly granted in writing as described above.
- j. **Third Party Beneficiary.** This Agreement is solely for the benefit of the County, the City, and the Agency, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party. Nothing in this Agreement, either express or implied is intended or shall be construed to confer upon or give any person, corporation, or governmental entity or agency, other than the parties hereto, any right, remedy, or claim under or by reason of this Agreement or any provisions or conditions hereof.
- k. **Severability.** The provisions of this Agreement are declared by the parties to be severable. However, the material provisions of this Agreement are dependent upon one another, and such interdependence is a material inducement for the parties to enter into this Agreement. Therefore, should a material term, provision, covenant, or condition of this Agreement be held unenforceable by a Court of competent jurisdiction, the party protected or benefited by such term, provision, covenant, or condition may demand that the parties negotiate such reasonable alternative contract language or provisions as may be necessary either to restore the protected or benefited party to its previous position, or otherwise mitigate the loss of protection or benefit resulting from the mitigation.
- l. **Litigation.** In exchange for the full compliance of the terms and conditions of this Agreement, the County agrees to dismiss with prejudice the lawsuit filed against the City of Tallahassee, Case No. 2004-612 dated March 5, 2004 with each party to pay its own attorneys fees and costs. In

addition, the Parties agree not to challenge an Agency bond validation, if any, for the funding of the other parties' contribution to the Trust Fund.

- m. Limited Application. Except with respect to Sections 4 and 11 herein, this Agreement shall in no event be construed as applying to the Frenchtown Southside Community Redevelopment District established September 23, 1998.

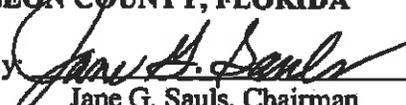
IN WITNESS WHEREOF, the parties cause this Agreement to be executed by their duly authorized representatives this 16th day of August, 2004.

Approved as to form:
COUNTY ATTORNEY'S OFFICE
LEON COUNTY, FLORIDA


Herbert W.A. Thiele, Esq.
County Attorney

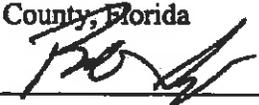


LEON COUNTY, FLORIDA

By: 
Jane G. Sauls, Chairman
Board of County Commissioners

Date: August 16, 2004

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

BY: 

Approved as to form:
CITY ATTORNEY'S OFFICE

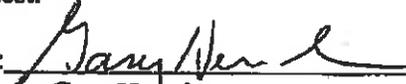
By: 
James R. English, Esq.
City Attorney

CITY OF TALLAHASSEE, FLORIDA

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

Date: August 16, 2004

Attest:

By: 
Gary Heyndon
City Treasurer-Clerk

COMMUNITY REDEVELOPMENT AGENCY

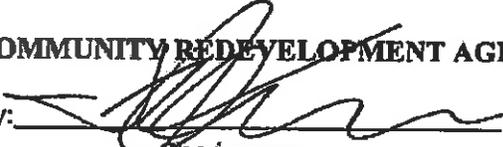
By: 
Chairman

EXHIBIT "A"

RESOLUTION NO. 02-R-43

A RESOLUTION OF THE CITY OF TALLAHASSEE, FLORIDA, RELATING TO COMMUNITY REDEVELOPMENT; FINDING THE EXISTENCE OF BLIGHT CONDITIONS IN AN AREA OF THE CITY; FINDING SHORTAGE OF HOUSING AFFORDABLE TO RESIDENTS OF LOW OR MODERATE INCOME; MAKING CERTAIN FINDINGS AND DETERMINATIONS; FINDING A COMMUNITY REDEVELOPMENT AREA EXISTS; FINDING THE EXISTING COMMUNITY REDEVELOPMENT AGENCY WILL BE THE AGENCY FOR THE AREA; PROVIDING AN EFFECTIVE DATE.

WHEREAS, a study has been done of the conditions in the City of Tallahassee, Florida, finding conditions of blight in that part of the City known as the downtown area as more particularly described on Exhibit "A" hereof (such area being referred to herein as the "Area"); and

WHEREAS, the results of that study have been presented to the City Commission for its consideration and included in the public record; and

WHEREAS, after having considered the study's determinations and the facts and evidence of conditions in the Area and has received and considered such other evidence of the conditions in the Area as have been presented to it, the City Commission has determined that certain actions are appropriate and necessary and should be taken to address the conditions now present and expected to be present in the Area;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TALLAHASSEE, FLORIDA:

Section 1. Findings of Conditions. Based upon the evidence, data and facts presented to it, the City Commission does hereby find:

(a) In that area of the City described in Exhibit "A" attached hereto (such area being referred to herein as either the "Area" or the "Redevelopment Area") there are a substantial number of deteriorated, or deteriorating structures, in which conditions, as indicated by government-maintained statistics or other studies, are leading to economic distress or endanger life or property, and in which two or more of the following factors are present; and

(1) Predominance of defective or inadequate street layout, parking facilities, bridges, or public transportation facilities exists within the Area; and

1 (2) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness exists
2 within the Area; and

3 (3) Unsafe and unsanitary conditions exist within the Area; and

4 (4) Deterioration of site and other improvements within the Area.

5 (b) In addition to the conditions set forth in (a) there is a shortage of housing
6 affordable to residents of low or moderate income, including the elderly, within the Area

7 Section 2. Finding of Necessity. The City Commission does hereby expressly find that
8 the rehabilitation, conservation or redevelopment, or a combination thereof, of the Area,
9 including, if appropriate, the development of housing which residents of low or moderate
10 income, including the elderly, can afford, are necessary and in the interest of the public health,
11 safety, morals or welfare of the residents of the City of Tallahassee.

12 Section 3. Community Redevelopment Area. Based upon facts presented to it and
13 contained in the public record, the City Commission does hereby find the Area contains
14 conditions of blight as defined in Section 163.340, Florida Statutes (2001), as amended by
15 Chapter 2002-294, Laws of Florida, and that such area constitutes a community redevelopment
16 area as defined in Section 163.340(10), Florida Statutes (2001), as amended by Chapter 2002-
17 294, Laws of Florida.

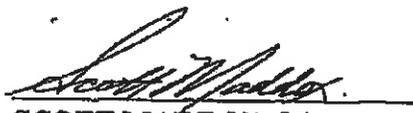
18 Section 4. Community Redevelopment Agency. The City Commission does hereby
19 find and declare that the Community Redevelopment Agency created on September 23, 1998, by
20 the enactment of Ordinance 98-O-0046, is the community redevelopment agency for the Area.

21 Section 5. Effective Date. This resolution shall take effect immediately upon its
22 approval.

23 PASSED AND APPROVED THIS 11th DAY OF SEPTEMBER, 2002.

24 Attest:

25 
26 GARY HERNDON,
27 City Treasurer-Clerk

25 
26 SCOTT MADDOX, Mayor

28 APPROVED AS TO FORM:

29 
30 JAMES R. ENGLISH
31 City Attorney
32

Downtown Community Redevelopment Area

A portion of Section 36, Township 1 North, Range 1 West, Leon County, Florida, being more particularly described as follows:

COMMENCE at the Tallahassee Meridian Marker at the northwest corner of Section 6, Township 1 South, Range 1 East; thence North 89 degrees 54 minutes 29 seconds East, along the north boundary of said Section 6, a distance of 545 feet to an intersection with the westerly curvilinear right-of-way boundary of the CSX Railroad for the POINT OF BEGINNING of the herein described area. From said POINT OF BEGINNING thence, along the curvilinear right-of-way boundary of said CSX Railroad, Southwesterly and Westerly for a distance of approximate 2150 feet to an intersection with the easterly right-of-way boundary of Adams Street; thence North 00 degrees 06 minutes 32 seconds West, along the easterly right-of-way boundary of said Adams Street, a distance of 575 feet, more or less, to an intersection with the easterly prolongation of the northerly right-of-way boundary of Bloxham Street; thence, along said easterly extension and the northerly boundary of said Bloxham Street, North 89 degrees 22 minutes 17 seconds West, a distance of 420 feet, more or less, to an intersection with the northerly extension of the westerly right-of-way boundary of Duval Street; thence, along said northerly extension and the westerly right-of-way boundary of said Duval Street, South 00 degrees 03 minutes 31 seconds East, a distance of 294 feet, more or less, to an intersection with the northerly right-of-way boundary of Blount Street; thence, along the northerly right-of-way boundary of said Blount Street as follows: South 89 degrees 27 minutes 38 seconds West, a distance of 585.20 feet; thence North, a distance of 33.20 feet; thence West, a distance of 165.00 feet to an intersection with the easterly right-of-way boundary of Martin Luther King Boulevard, (hereinafter referred to as MLK Boulevard); thence North 01 degrees 17 minutes 06 seconds East, along the easterly right-of-way boundary of said MLK Boulevard, a distance of 550 feet, more or less, to an intersection with the southerly right-of-way boundary of Gaines Street; thence West, along the southerly right-of-way boundary of said Gaines Street, a distance of 200 feet to an intersection with the westerly right-of-way boundary of said MLK Boulevard; thence North, along the westerly right-of-way boundary of said MLK Boulevard, a distance of 461 feet, more or less, to an intersection with the northerly right-of-way boundary of Madison Street; thence, along the northerly right-of-way boundary of said Madison Street as follows: South 89 degrees 56 minutes 33 seconds West, a distance of 687.59 feet; thence North 73 degrees 53 minutes 01 seconds West, a distance of 294.35 feet; thence North 54 degrees 16 minutes 06 seconds West, a distance of 53.58 feet; thence North 37 degrees 21 minutes 05 seconds West, a distance of 88.56 feet; thence, leaving said northerly right-of-way last referenced and crossing railroad Avenue, South 54 degrees 37 minutes 03 seconds West, a distance of 106 feet, more or less, to an intersection with the westerly right-of-way boundary of said railroad Avenue; thence, along the westerly right-of-way boundary of said Railroad Avenue as follows: South 03 degrees 38 minutes 34 seconds West, a distance of 111.28 feet; thence South 02 degrees 48 minutes 57 seconds West, a distance of 150.83 feet; thence South 00 degrees 13 minutes 42 seconds East, a distance of 247.00 feet; thence South 47 degrees 54 minutes 27 seconds West, a distance of 22.39 feet to an intersection with the northerly right-of-way boundary of Gaines Street; thence, along the northerly right-of-way boundary of said Gaines Street as follows: South 89 degrees 57 minutes 04 seconds West, a distance of 1,266 feet; thence South 88 degrees 15 minutes 15 seconds West, a distance of 653.51 feet; thence North 87 degrees 20 minutes 57 seconds West, a distance of 620.10 feet to an intersection with the easterly right-of-way boundary of Woodward

Avenue; thence North 00 degrees 01 minutes 20 seconds East, along the easterly right-of-way boundary of said Woodward Avenue, a distance of 359 feet, more or less, to an intersection with the southerly right-of-way boundary of Madison Street; thence, along the southerly right-of-way boundary of said Madison Street as follows: South 88 degrees 16 minutes 00 seconds East, a distance of 555.74 feet; thence South, a distance of 10.00 feet; thence South 89 degrees 59 minutes 03 seconds East, a distance of 1,676.96 feet to an intersection with the westerly right-of-way boundary of Copeland Street; thence North 00 degrees 17 minutes 28 seconds West, along the westerly right-of-way boundary of said Copeland Street, a distance of 784 feet, more or less, to an intersection with the southerly right-of-way boundary of Pensacola Street; thence North 89 degrees 57 minutes 20 seconds East, along the southerly right-of-way boundary of said Pensacola Street, a distance of 388.85 feet; thence, leaving said southerly right-of-way boundary last referenced and crossing said Pensacola Street, North 59 degrees 17 minutes 57 seconds East, a distance of 117.28 feet to an intersection with the westerly right-of-way boundary of Macomb Street; thence, along said westerly right-of-way boundary as follows: North 48 degrees 19 minutes 01 seconds East, a distance of 28.23 feet; thence North 50 degrees 17 minutes 32 seconds East, a distance of 104.46 feet; thence North 48 degrees 59 minutes 05 seconds East, a distance of 16.29 feet; thence North 42 degrees 19 minutes 12 seconds West, a distance of 5.00 feet; thence North 47 degrees 14 minutes 30 seconds East, a distance of 5.30 feet; thence North 00 degrees 32 minutes 50 seconds West, a distance of 7.54 feet; thence South 89 degrees 56 minutes 30 seconds East, a distance of 7.85 feet; thence North 31 degrees 55 minutes 49 seconds East, a distance of 159.84 feet; thence North 14 degrees 47 minutes 17 seconds West, a distance of 14.64 feet; thence North 23 degrees 42 minutes 29 seconds East, a distance of 65.58 feet; thence North 03 degrees 02 minutes 32 seconds East, a distance of 40.66 feet; thence North 00 degrees 12 minutes 49 seconds West, a distance of 271.98 feet; thence North 00 degrees 02 minutes 29 seconds East, a distance of 18.02 feet; thence North 45 degrees 41 minutes 36 seconds West, a distance of 14.03 feet; thence North 07 degrees 26 minutes 01 seconds West, a distance of 60.49 feet; thence North 37 degrees 28 minutes 50 seconds East, a distance of 32.63 feet; thence North 01 degrees 26 minutes 06 seconds East, a distance of 90.69 feet; thence North 00 degrees 12 minutes 27 seconds East, a distance of 165.70 feet to an intersection with the southerly right-of-way boundary of Park Avenue; thence, along the southerly right-of-way boundary of Park Avenue, North 89 degrees 22 minutes 14 seconds East, a distance of 902.05 feet to an intersection with the westerly right-of-way boundary of said MLK Boulevard; thence, along the westerly right-of-way boundary of said MLK Boulevard, North 00 degrees 03 minutes 29 seconds West, a distance of 750.87 feet to an intersection with the northerly right-of-way boundary of Call Street; thence, along the northerly right-of-way boundary of Call Street, South 89 degrees 56 minutes 46 seconds West, a distance of 806.63 feet to an intersection with the easterly right-of-way boundary of Macomb Street; thence, along the easterly right-of-way boundary of Macomb Street as follows: North 51 degrees 39 minutes 09 seconds West, a distance of 17.23 feet; thence North 00 degrees 05 minutes 27 seconds West, a distance of 29.64 feet; thence North 02 degrees 22 minutes 03 seconds West, a distance of 48.51 feet; thence North 04 degrees 38 minutes 26 seconds West, a distance of 58.25 feet; thence North 00 degrees 06 minutes 24 seconds West, a distance of 162.27 feet to an intersection with the southerly right-of-way boundary of West Tennessee Street (US 90 West); thence, along said southerly right-of-way boundary last referenced as follows: North 44 degrees 53 minutes 22 seconds East, a distance of 19.80 feet; thence North 44 degrees 53 minutes 42 seconds East, a distance of 8.49 feet; thence North 89 degrees 23 minutes 54 seconds East, a distance of 1,208.21 feet to an intersection with the southerly prolongation of the easterly right-of-way boundary of Bronough Street; thence, along said southerly prolongation and

the westerly right-of-way boundary of Bronough Street, North 00 degrees 03 minutes 57 seconds West, a distance of 1,605 feet, more or less, to an intersection with the southerly right-of-way boundary of Brevard Street; thence, along the southerly right-of-way boundary of Brevard Street, South 89 degrees 54 minutes 33 seconds East, a distance of 2,301 feet, more or less, to an intersection with the westerly right-of-way boundary of Meridian Street; thence, along the westerly right-of-way boundary of Meridian Street, South 00 degrees 15 minutes 47 seconds West, a distance of 1,598 feet, more or less, to an intersection with the southerly right-of-way boundary of East Tennessee Street (US 90 East); thence, along the southerly right-of-way boundary of said East Tennessee Street, North 89 degrees 47 minutes 00 seconds East, a distance of 1,7477 feet, more or less, to an intersection with the easterly boundary of Lot 1, Block B, Franklin Park, a subdivision as per plat thereof, recorded in Plat Book 2, Page 69 of said Public Records; thence Southwesterly, along the easterly boundary line of said Lot 1 and the easterly boundary of Lot 2, Block B of said Franklin Park subdivision, a distance of 378 feet, more or less, to an intersection with the northerly right-of-way boundary of Cal Street; thence South, a distance of 60 feet to the southerly right-of-way boundary of said Call Street; thence Southeasterly, along said southerly right-of-way last referenced, approximately 330 feet to an intersection with the curvilinear westerly right-of-way boundary of the CSX Railroad; thence Southwesterly, along the westerly right-of-way boundary of said CSX Railroad, a distance of 1900 feet, more or less, to an intersection with the northerly boundary of Lot 2, Block "B", Cherokee Heights, a subdivision as per plat thereof, recorded in Plat Book 2, Page 106 of said Public Records; thence, along the southerly boundary of said Lot 2, to the southwest corner of said Lot 2 on the easterly right-of-way boundary of Crest Street; thence, crossing Crest Street to an intersection of the westerly right-of-way boundary of said Crest Street with the northerly right-of-way boundary of Jefferson Street; thence Westerly, along the northerly right-of-way boundary of said Jefferson Street, a distance of 700 feet, more or less, to an intersection with the easterly right-of-way boundary of Franklin Boulevard; (FRANKLIN BOULEVARD thence Southeasterly, along the easterly right-of-way boundary of said Franklin Boulevard, to an intersection with the easterly prolongation of the northerly right-of-way boundary of Pensacola Street; thence West, along said northerly right-of-way boundary last referenced, a distance of FRANKLIN BLVD) thence, crossing said Franklin Boulevard, North 42 degrees 11 minutes 51 seconds West, a distance of 60.74 feet to an intersection with the northerly right-of-way boundary of Jefferson Street; thence, along said northerly right-of-way boundary last referenced, West, a distance of 336 feet, more or less to an intersection with the easterly right-of-way boundary of Meridian Road; thence, along the easterly right-of-way boundary of said Meridian Road, South 00 degrees 27 minutes 26 seconds East, a distance of 320 feet, more or less, to an intersection with the northerly right-of-way boundary of Pensacola Street; thence, along the northerly right-of-way boundary of Pensacola Street, South 89 degrees 50 minutes 42 seconds West, a distance of 380 feet, more or less, to an intersection with the easterly right-of-way boundary of Gadsden Street; thence, along the easterly right-of-way boundary of Gadsden Street, North 00 degrees 06 minutes 07 seconds West, a distance of 321 feet, more or less, to an intersection with the northerly right-of-way boundary of Jefferson Street; thence, along the northerly right-of-way boundary of Jefferson Street and a westerly extension thereof, South 89 degrees 55 minutes 45 seconds West, a distance of 461 feet, more or less, to an intersection with the westerly right-of-way boundary of Calhoun Street; thence, along the westerly right-of-way boundary of said Calhoun Street, North, a distance of 125 feet, more or less, to an intersection with the northerly right-of-way boundary of said Jefferson Street; thence, along the northerly right-of-way boundary of said Jefferson Street, West, a distance of 260 feet, more or less, to an intersection with the easterly right-of-way boundary of

Monroe Street; thence, along said easterly right-of-way boundary last referenced, South, a distance of 125 feet, more or less, to an intersection with easterly extension of the northerly right-of-way boundary of said Jefferson Street; thence, along said easterly extension and the northerly right-of-way boundary of said Jefferson Street, South 89 degrees 53 minutes 56 seconds West, a distance of 522 feet, more or less, to an intersection with the easterly right-of-way boundary of Adams Street; thence, along the easterly right-of-way boundary of said Adams Street, North, a distance of 160 feet, more or less, to an intersection with the easterly extension of the northerly right-of-way boundary of said Jefferson Street; thence West, along said easterly extension and the northerly right-of-way boundary of said Jefferson Street, a distance of 380 feet, more or less, to an intersection with the easterly right-of-way boundary of Duval Street; thence, along the easterly right-of-way boundary of Duval Street, South, a distance of 450 feet, more or less, to an intersection with the easterly extension of the northerly right-of-way boundary of Pensacola Street; thence, along said easterly extension and the northerly right-of-way boundary of said Pensacola Street, South 89 degrees 53 minutes 44 seconds West, a distance of 400 feet, more or less, to an intersection with the easterly right-of-way boundary of Bronough Street; thence North 00 degrees 03 minutes 41 seconds West, along the easterly right-of-way boundary of Bronough Street, a distance of 260 feet, more or less, to an intersection with the southerly right-of-way boundary of said Jefferson Street; thence, along said southerly right-of-way boundary last referenced, South 89 degrees 55 minutes 18 seconds West, a distance of 1,286 feet, more or less, to an intersection with the easterly right-of-way boundary of Macomb Street; thence, along the easterly right-of-way boundary of Macomb Street, South 00 degrees 10 minutes 00 seconds East, a distance of 260 feet, more or less, to an intersection with the northerly right-of-way boundary of Pensacola Street; thence North 89 degrees 56 minutes 40 seconds East, along the northerly right-of-way boundary of Pensacola Street, a distance of 884 feet, more or less, to an intersection with the easterly right-of-way boundary of said MLK Boulevard; thence, along the easterly right-of-way boundary of MLK Boulevard, South 00 degrees 17 minutes 17 seconds East, a distance of 1,182 feet, more or less, to an intersection with the southerly right-of-way boundary of Gaines Street; thence, along the southerly right-of-way boundary of Gaines Street, North 89 degrees 56 minutes 33 seconds East, a distance of 2,300 feet, more or less, to an intersection with the easterly right-of-way boundary of Gadsden Street; thence, along the easterly right-of-way boundary of Gadsden Street, North 00 degrees 06 minutes 52 seconds West, a distance of 341 feet, more or less, to an intersection with the southerly right-of-way boundary of Madison Street; thence, along the southerly right-of-way boundary of Madison Street, East, a distance of 386 feet, more or less, to an intersection with the easterly right-of-way boundary of Meridian Street; thence, along the easterly right-of-way boundary of Meridian Street and the curvilinear right-of-way boundary of Lafayette street as follows: North, a distance of 70.00 feet; thence North 11 degrees 18 minutes 36 seconds East, a distance of 101.98 feet; thence North 31 degrees 36 minutes 27 seconds East, a distance of 152.64 feet; thence North 65 degrees 33 minutes 22 seconds East, a distance of 120.83 feet; thence North, a distance of 30.00 feet; thence North 60 degrees 38 minutes 32 seconds East, a distance of 91.79 feet; thence North 86 degrees 49 minutes 13 seconds East, a distance of 270.42 feet; thence South 81 degrees 33 minutes 09 seconds East, a distance of 510.54 feet to an intersection with the curvilinear westerly right-of-way boundary of the CSX Railroad; thence Southwesterly, along the curvilinear westerly right-of-way boundary of said CSX Railroad, a distance of 1,240 feet, to the POINT OF BEGINNING; Containing 17,990,120.51 square feet or 413.00 acres, more or less.

***** CLOSURE REPORT *****

Coordinate File: D:\BLEGAL\CRA-2002.ASC

Sequence of Described Points to POB: 1 2

Length of Described Courses to POB: 545.00

Closing Line: South 89 degrees 54 minutes 28 seconds West 0.0000

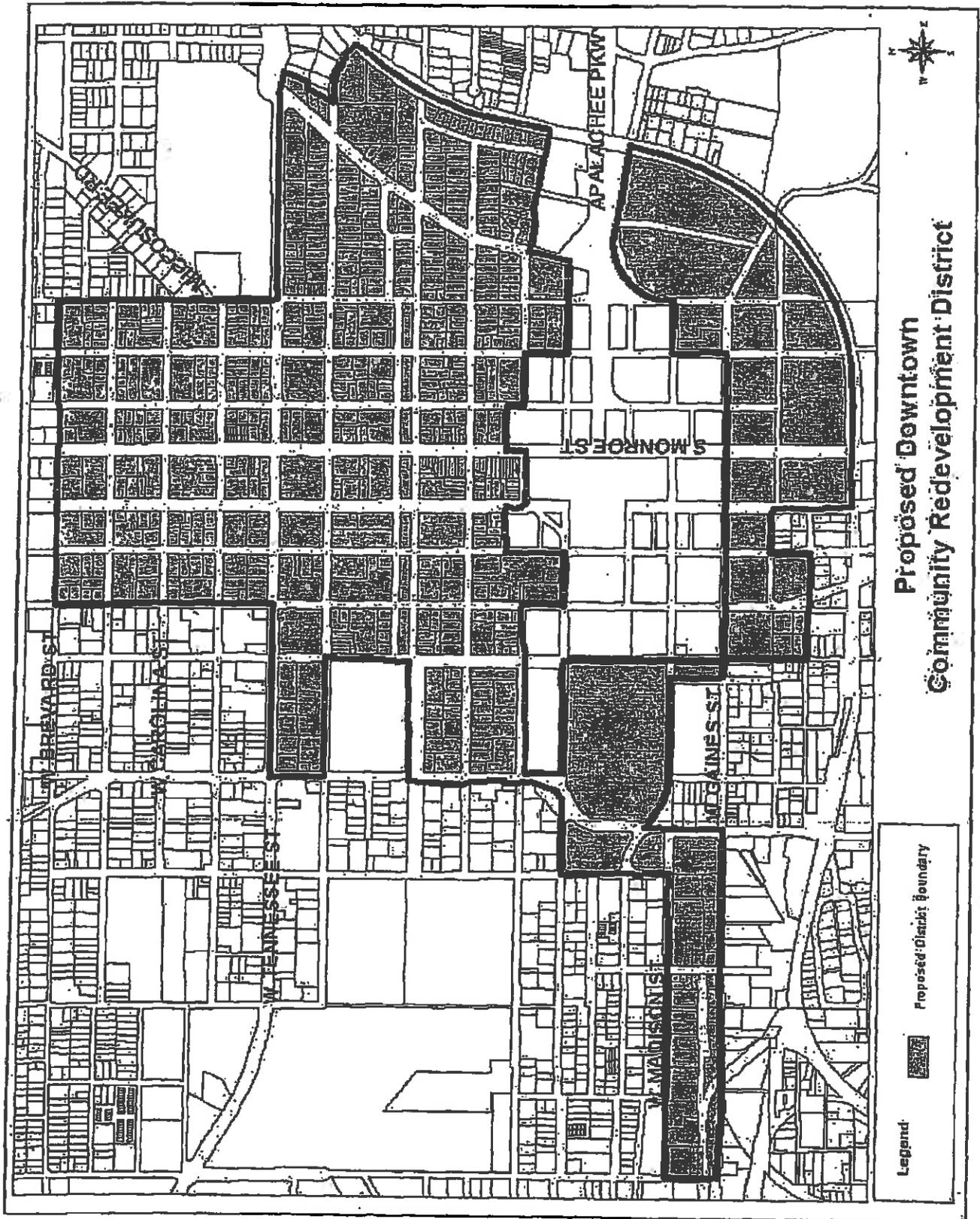
Precision: 1 in 2,040,859,426

Sequence of Described Points: 2 3 4 5 6 7 8 9 10 11 12 13 14 132 131 130 15 16 17 18 19 20 21 22
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 50 51 52 48 49 53 141
142 143 144 54 55 56 57 58 59 60 61 62 63 64 65 66 67 74 75 76 77 78 79 80 81 82 83 84 85 86 87
88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 2

Length of Described Courses: 42,986.64

Closing Line: South 62 degrees 58 minutes 39 seconds West 0.0084

Precision: 1 in 5,121,534



**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 4th 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 23rd 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

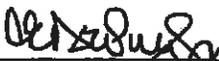
Agency, to either a property owner or a tenant for the express purpose of reducing the tenant's lease costs.

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 4th day of October, 2007.

LEON COUNTY, FLORIDA

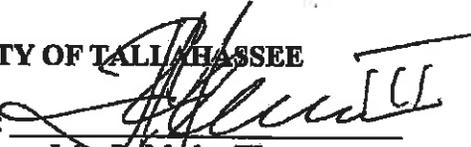
By: 
C.E. DePuy, Jr., Chairman
Board of County Commissioners

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

CITY OF TALLAHASSEE

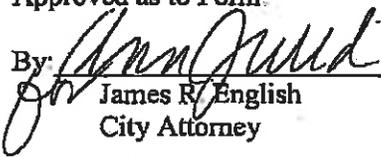
By: 
John R. Marks, III
Mayor, City of Tallahassee

Date: 10/1/07

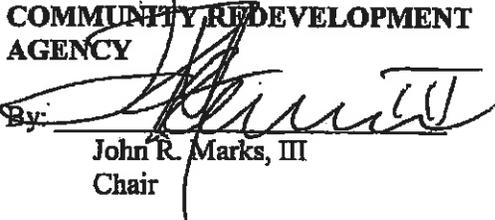
ATTEST:

By: 
Gary Herndon
City Treasurer-Clerk

Approved as to Form:

By: 
James R. English
City Attorney

COMMUNITY REDEVELOPMENT
AGENCY

By: 
John R. Marks, III
Chair

**Leon County
Board of County Commissioners
Cover Sheet for Agenda #13**

April 8, 2014

| | |
|--|---|
| To: | Honorable Chairman and Members of the Board |
| From: | Vincent S. Long, County Administrator |
| Title: | Approval to Advance the Board's Direction on Projects Relating to the One Cent of Tourist Development Taxes, Currently Dedicated to the Performing Arts Center, for Consideration by the Community Redevelopment Agency |
| County Administrator Review and Approval: | Vincent S. Long, County Administrator |
| Department/Division Review and Approval: | Alan Rosenzweig, Deputy County Administrator |
| Lead Staff/ Project Team: | Ken Morris, Director of Economic Development & Business Partnerships |

Fiscal Impact:

Pending final Board direction and agreement with the City and Community Redevelopment Agency (CRA), this item addresses the utilization of 1) the existing \$4.1 million performing arts tourist development tax balance; 2) the annual recurring one-cent tourist development tax dedicated to a performing arts center; and, 3) the reimbursement of \$508,425 utilized for the demolition of the Johns Building.

Staff Recommendation:

Board direction.

Report and Discussion

Background:

In recent months, the Board has taken up a number of issues that have been overlapping in nature that may have competing, and possibly conflicting, timelines and policy implications.

At the Board's annual retreat in December 2013, the Board directed the County Administrator to work with Florida State University (FSU) on the Civic Center District Master Plan to include the potential partnership to realize the convention center space desired by the County and to bring back issues related to the County's financial and programming roles and participation for future Board consideration. The actions taken by the Board at its retreat were ratified at the January 21, 2014 meeting.

Additionally, on January 21, 2014, the Board approved a course of action and general sequence for proceeding on these matters to ensure that the Board has the best information upon which to make decisions given some of the duplicative financial and policy implications associated with these issues (Attachment #1).

On February 11, 2014, the Board held a workshop to review the Cultural Plan Review Committee's final report and recommendations (Attachment #2). Following presentations by members of the Cultural Plan Review Committee and County staff, the Board reaffirmed its preliminary direction from the workshop on October 29, 2013 to dedicate a full one cent of Tourist Development Tax (TDT) to culture in FY 2015 utilizing a portion of the penny currently dedicated to the performing arts center(s). In addition, the Board provided guidance to the Council on Cultural Arts (COCA) in anticipation of its FY 2015 budget request to assume County support in the amount of \$1,050,000 (\$150,000 from general revenue and \$900,000 from TDT funds).

Also on February 11, 2014, the Board conducted a workshop to review the Sales Tax Committee's recommendations and identify projects to be included in the tax extension (Attachment #3). Included in the Board's actions is a tentative approval to consider \$20 million for the Madison Mile Convention District. A special meeting of the Intergovernmental Agency has been scheduled for April 22, 2014 to provide the City and County Commissions the opportunity to finalize the project list in anticipation of placing the referendum on the November 4, 2014 ballot.

On March 11, 2014, the Board provided direction to staff to provide additional information regarding Ms. Peggy Brady's request for a small performing arts theatre to be developed and considered in this agenda item.

As outlined in the January 21, 2014 agenda item, subsequent to the Board's February workshops on the Cultural Plan and Sales Tax, the County Administrator was to bring back an agenda item reconciling all Board actions and to seek Board approval of any modifications to previous direction prior to moving forward to the Community Redevelopment Agency (CRA)..

Analysis:

1. **Community Redevelopment Agency Related to the Tourist Development Tax**

Leon County currently collects all five cents of the TDT allowable under section 125.0104, Florida Statutes. Four of the five cents are used to fund the Tourist Development Plan and one cent is set aside, by Interlocal Agreement with the City and CRA, in an account dedicated for a performing arts center(s) in the downtown district of the CRA (Attachment #4). During the October 29, 2013 Workshop on the Future Uses for the One Cent of TDT Currently Dedicated to a Downtown Performing Arts Center, the Board acknowledged the substantial likelihood that the proposed performing arts center(s) led by Florida Center for Performing Arts and Education would not be realized given the lack of adequate private financial support and strong opposition by the Sales Tax Committee (Attachment #5). In addition, the latest extension of the Florida Center for Performing Arts and Education's option agreement with the City for the Johns Building site had expired a month prior to the workshop, on September 30, 2013, due to their inability to meet fundraising benchmarks.

During the October 29, 2013 workshop, the Board authorized the County Administrator to take the necessary steps to return the encumbered balance (approximately \$4.1 million presently) set aside for the downtown performing arts center(s) back into the Tourist Development Tax Trust Fund pursuant to the Interlocal Agreement. The Interlocal Agreement contemplates the possibility of a performing arts center(s) not being constructed and, under said circumstances, returning the accrued funds back to the Tourist Development Tax Trust Fund without the dissolution or renegotiation of the Interlocal Agreement. This requires the City and CRA to formally acknowledge that the performing arts center(s) is no longer a viable pursuit under the terms of the agreement, which also requires other funding sources to provide for the majority of the costs as part of the agreement. Additionally, the Board approved seeking a reimbursement for the \$508,425 in TDT funds spent on the demolition and clearing of the Johns Building site for the proposed performing arts center(s). However, an amendment to the Interlocal Agreement would be recommended to effectuate change for use of the recurring TDT funds.

Should the recurring funds currently dedicated to the performing arts center(s) become available, the Board provided preliminary direction to utilize approximately half of those recurring TDT funds to increase its financial support of the arts. This action was affirmed by the Board through the support of the Cultural Plan implementation. Combined with the County's current investment, this would result in a full cent of TDT funds dedicated to the cultural arts.

The Board's direction included maintaining the current re-granting funding levels, creating a capital grants program for cultural organizations, and identifying other cultural community funding needs in accordance with Florida Statutes for the use of TDT funds. The attached memorandum was prepared in response to a request of the Cultural Plan Review Committee. Specifically, the memorandum notes:

In short Florida Statute 125.0104(a)(1) limits the use of TDT funds to publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums, or auditoriums, and likewise specifically permits the expenditure of TDT funds for museums and zoological parks that are owned and operated by not-for-profit organizations and open to the public, as an exception to the

general requirement that facilities by publically owned to be eligible for use of such funds. (See, AGO 00-25, April 26, 2000).

The additional funding would increase the County's TDT investment in culture by approximately \$400,000 annually, or 78%. However, this increase cannot be effectuated until the Board meets with the CRA and City Commission on the reallocation of TDT currently dedicated to the performing arts center(s). If successful, the County's projected budget for cultural arts in FY 2015 would be approximately \$1,050,000.

2. FSU Madison Mile Convention District

At the Board's invitation, former FSU President Eric Barron presented the University's master plan for the Madison Mile Convention District at the Board's retreat. Following the presentation, the Board elevated this project as one of its strategic initiatives and directed the County Administrator to work with FSU in identifying a potential partnership to realize the convention center space desired by the County (Attachment #6). The County Administrator was directed to bring back his findings related to the County's financial and programmatic roles and participation for the Board's consideration.

As previously mentioned, both Commissions have approved the FSU Madison Mile Convention District in the amount of \$20 million as part of the economic development portion of the sales tax extension. The Board was clear in its deliberations on the \$20 million allocation that the project must be further developed before a final determination can be made and formal agreements are executed with the Intergovernmental Agency (IA) in order to provide these sales tax funds for construction. County and City staff have been participating in the early stages of the master planning process with FSU's consultant team and the County Administrator has been in regular contact with FSU's leadership team following the departure of former President Barron. During this period of transition at FSU, the FSU Madison Mile Convention District project will continue to be led by the president's office at FSU.

Near the completion of the master plan for the FSU Madison Mile Convention District, FSU will engage in a competitive qualification solicitation process to identify prospective hoteliers or developers to construct and operate a full service hotel and convention center on the Civic Center site. FSU has also expressed a willingness to explore the potential of incorporating some dual-purpose functionality into these projects that would take into consideration the community's desire for a performing arts theater. To be clear, FSU has not made any commitments on this issue and is unable to do so at this juncture of the project, but is willing to consider it.

To successfully attract qualified respondents for the construction and operation of a full service hotel and convention center, FSU is seeking the County's commitment of a -cent of TDT funds for the successful operation and maintenance of the convention center. Public financing for the construction and operation of convention centers is very common, particularly in Florida, which specifically authorizes the use of TDT funds for such purposes. The CRA explored this issue from 2010-2012 with the help of a consultant to determine the market conditions for a hotel and convention center. The CRA elected to not move forward on the project to identify potential developers at that time citing the expensive construction and operating costs. Instead, the CRA directed staff to explore options that would reduce construction and operating costs.

The proposed partnership with FSU on the Madison Mile Convention District offers the potential of a privately constructed full service hotel at no cost to local taxpayers and the construction of a convention center with limited exposure of local resources, up to \$20 million, as tentatively agreed upon by the County and City Commissions for the sales tax extension. The initial annual operating deficit of \$1.8 projected by HVS Consulting in 2011 could be mitigated by constructing a slightly smaller venue, the colocation of other successful entertainment and conference venues such as the Civic Center and Turnbull Center, and the relocation of the School of Hospitality which would infuse an abundance of talented and cheap labor for the operation of both the hotel and convention center. That being said, the County's financial support of convention space, through both sales tax funds and/or TDT revenues, must ensure that the facility has the capacity to generate county-wide conventions/conferences and events to support multiple existing hotels, restaurants, and attractions.

Similar to the Board's desire to increase funding for cultural arts, the ability to support this request without a significant impact on the County's visitor marketing program requires the City and CRA to relinquish the one cent of TDT currently dedicated to the performing arts center(s) under the Interlocal Agreement. The FY 2015 revenue projection for a -cent of the TDT is approximately \$450,000. While FSU is seeking a commitment from the County at this time in order to proceed with this project, TDT funds would not be needed until the convention center nears operation, which could be at least several years away. This could provide the Board an interim period of several years to utilize a -cent of TDT for tourism-related investments until the convention center is operational or the funds could be accumulated for the future operational needs of the facility.

3. Downtown Theatre Project on College Avenue

On February 24, 2014, Ms. Peggy Brady submitted a proposal for a Downtown Theatre project located adjacent to the Governor's Club on College Avenue that would operate as a year round facility (Attachment #7). The proposal calls for the Downtown Theatre to be a professional producing theatre similar to the Hippodrome Theatre in Gainesville. The estimated total cost of this facility from present condition to completion is estimated at \$2.5 - \$3.2 million, which is inclusive of all design and construction costs, acquisition, theatre outfitting costs and the beginning of an operating endowment.

This project had previously been initiated by Mr. Mike Sheridan and his willingness to donate \$1 million toward a small performing arts center with the caveat that another group assist with the project development. Ms. Elise Judelle and Ms. Brady are serving as Project Managers for the Downtown Theatre and indicate that other private individuals and businesses have expressed an interest in supporting the Theatre. The proposal seeks \$1.5 million in construction costs from the \$4.1 million of TDT revenues set aside for a downtown performing arts center(s) under the terms of the Interlocal Agreement with the City and CRA and \$300,000 annually for operations. Based on the documents submitted to the County, this project appears to still be very much in the conceptual phase and will require additional information for further consideration.

The TMH Foundation currently owns the proposed site and building so the acquisition, title, construction, and long-term maintenance would need to be determined prior to any financial

commitments. At the Board's request, Facilities staff performed a preliminary analysis in May 2013 that estimated a maximum seating capacity of approximately 250 people for a one-story theatre with the possibility of additional balcony seating. A pro forma or some other level of market analysis would be needed to understand the financial parameters of the Theatre and to attract additional private sector investors.

In light of this new proposal for a performing arts venue in the downtown area that could be eligible for use the existing funds, the Board may wish to revisit its prior direction from October 29, 2013 seeking that all of these funds be returned to the County. Instead, the Board may wish to explore this proposal further as part of the April 24, 2014 CRA meeting agenda. The Board's level of support and potential financial commitment for this project may help determine its position on what to do with the \$4.1 million of TDT funds currently set aside for the performing arts center(s). For example, the Board may wish to maintain the \$4.1 million set aside for the performing arts center(s) under the current terms and conditions, thereby providing a potential funding source for the Downtown Theatre Project. Following construction, the remaining balance could be utilized as an endowment to support operating costs.

Another funding option to support this project would be to provide the \$300,000 in operating support from the Board's proposal to increase cultural investments to a full cent of TDT. However, this would negate much of the recent Cultural Plan efforts, as it would limit the "new money" available for other priorities identified in the Plan including the capital grants program.

As noted in the County Attorney's memorandum (Attachment #8), for the downtown theater project being discussed to receive TDT funds for capital improvements and/or operating expenditures, it must be owned and operated by the public (this could be implemented through a service contract and lease); similar to the investment made at the amphitheater.

Given the need for additional information on this proposal and the potential support from both Commissions, the Board may wish to agenda this matter at the CRA meeting. Should both Commissions wish to pursue this further, staff recommends that consideration for financial support with TDT funds be limited to the encumbered funds set aside for the performing arts center(s). Alternatively, the Board may wish to reach an agreement with the City/CRA on how to reallocate the \$4.1 million for some other purpose in accordance with Florida Statutes for use of such funds.

Summary and Options

The confluence of the Board's actions at the October 29, 2013 workshop on TDT and the performing arts center, the Cultural Plan Review Committee's report, the sales tax extension including the FSU Madison Mile Convention District, and potentially a Downtown Theatre have presented an opportunity for the Board to evaluate a number of overlapping and competing projects in a short period of time and chart a course of action to invest resources in key community projects. This item seeks the Board's guidance to address these matters with the City Commission at the next CRA meeting on April 24, 2014 at 9:30 a.m.

Should the Board wish to address these TDT matters with the CRA and City, an amendment to the interlocal agreement between the County, City, and CRA would be required to implement the following:

1. Direct staff to prepare an agenda item for consideration to amend the Interlocal Agreement at the April 24, 2014 CRA meeting that addresses the following:

a. The CRA would maintain the \$4.1 million fund balance (plus what is collected through September 30, 2014) set aside for the performing arts center(s) under the current terms and conditions, which includes recommendations being subject to final approval by the County and City. Projects that may be considered include, but are not limited to:

- i. The proposed Downtown Theatre Project on College Avenue.
- ii. Performing arts space as part of convention center project.
- iii. Or, other performing arts projects as recommended by the CRA.

b. The City is provided three years to make improvements of the Capital City Amphitheater and/or Meridian Building for the purpose(s) requested by the County in an amount equal to the \$508,425 utilized for the demolition of the Johns Building; any balance not utilized during this period of time will be reimbursed to the County's Tourist Development Trust Fund.

c. A formal acknowledgement that effective September 30, 2014, all future one cent TDT currently dedicated to the performing arts center(s) shall no longer be dedicated for such purpose and shall be retained by the County to be utilized in accordance with Florida Law.

With regard to the Cultural Plan implementation, staff recommends the Board continue to implement utilizing approximately -cent currently dedicated to the performing arts center(s) toward the overall support of the cultural and arts community through the establishment of the new capital grants program and other community needs identified in the Cultural Plan consistent with section 125.0104, Florida Statutes. This action results in one full cent of TDT tax being dedicated to the cultural arts or in increase of 78%. Upon the approval of the amendment to the Interlocal Agreement, staff recommends that the Board:

2. Direct staff to schedule a Public Hearing to amend the Tourism Plan (Ordinance) to allocate a total of one cent of TDT to support cultural arts starting in FY 2015.

If the sales tax extension is approved and the Madison Mile Convention Center project is funded, then a cent of tourist development tax will be necessary to support the on-going operations and maintenance of the facility. Given a number of milestones need to be reached prior to the facility being constructed and opened, the Board may wish to provide the following direction:

3. Upon approval of the sales tax extension, direct the County Administrator to negotiate a preliminary agreement, subject to Board approval, with FSU and/or the appropriate parties for a cent of the tourist development tax to be utilized for the operation and maintenance of the convention center based on the following:

a. Begin dedicating the -cent of TDT for the convention center beginning in FY 2015.

Or

- b. Utilize the -cent TDT for tourism-related expenses until such time the convention center is operational.

The suggestion presented herein seeks to strike a balance between desired community projects and available resources by maintaining the existing fund balance for a performing arts center(s) and utilizing future TDT revenues for other community efforts. Under all of the same terms and conditions of the interlocal agreement, the CRA would continue to have the ability to utilize the \$4.1 fund balance (plus revenues received through September 30, 2014) for a variety of performing arts center needs in the downtown area. This approach would allow the County to increase cultural funding with TDT monies from \$504,500 to approximately \$900,000 annually starting in FY 2015. These additional funds would be used to support the implementation of community needs identified in the Cultural Plan including a capital grants program. Should the Board choose to support the operational and maintenance needs of the convention center, this option affords the desired flexibility to determine the appropriate timing of that financial support as the project details and time line materialize.

The amendment to the interlocal agreement will be structured to provide certainty to the process by which the existing fund balance and the recurring penny will be allocated. Until these actions are taken, the ongoing one cent dedicated to a performing arts center(s) will remain in effect thereby prohibiting the reallocation of these future revenues for other projects or programs.

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Options:

1. Direct staff to prepare an agenda item for consideration to amend the Interlocal Agreement at the April 24, 2014 CRA meeting that addresses the following:
 - a. The CRA would maintain the \$4.1 million fund balance (plus what is collected through September 30, 2014) set aside for the performing arts center(s) under the current terms and conditions, which includes recommendations being subject to final approval by the County and City. Projects that may be considered include, but are not limited to:
 - i. The proposed Downtown Theatre Project on College Avenue.
 - ii. Performing arts space as part of convention center project.
 - iii. Or, other performing arts projects as recommended by the CRA.
 - b. The City is provided three years to make improvements of the Capital City Amphitheater and/or Meridian Building for the purpose(s) requested by the County in an amount equal to the \$508,425 utilized for the demolition of the Johns Building; any balance not utilized during this period of time will be reimbursed to the County's Tourist Development Trust Fund.
 - c. A formal acknowledgement that effective September 30, 2014, all future one cent TDT currently dedicated to the performing arts center(s) shall no longer be dedicated for such purpose and shall be retained by the County to be utilized in accordance with Florida Law.
2. Direct staff to schedule a Public Hearing to amend the Tourism Plan (Ordinance) to allocate a total of one cent of TDT to support cultural arts starting in FY 2015. (Note: This can only occur subsequent to the amendment to the Interlocal Agreement being approved.)
3. Upon approval of the sales tax extension, direct the County Administrator to negotiate a preliminary agreement, subject to Board approval, with FSU and/or the appropriate parties for a cent of the tourist development tax to be utilized for the operation and maintenance of the convention center based on the following (Note: This can only occur subsequent to the amendment to the Interlocal Agreement being approved.):
 - a. Begin dedicating the -cent of TDT for the convention center beginning in FY 2015.

Or

 - b. Utilize the -cent TDT for tourism-related expenses until such time the convention center is operational.
4. Board direction.

Recommendation:

Board direction.

Attachments:

1. January 21, 2014 providing the general sequence and time lines for the Board to consider several overlapping projects.
2. Ratification of the February 11, 2014 Workshop on the Cultural Plan Review Committee's Final Report and Recommendations.
3. Ratification of the February 11, 2014 Workshop on the Sales Tax Committee's Final Report.
4. First Amendment to the Interlocal Agreement with the City and CRA, October 4, 2007.
5. Ratification of the October 29, 2013 Workshop on the Future Uses for the One Cent of Tourist Development Tax Currently Dedicated to a Downtown Performing Arts Center.
6. Leon County's Strategic Initiatives.
7. Downtown Theatre proposal submitted by Ms. Peggy Brady.
8. County Attorney Memorandum.

Leon County Statement of Issue

The County seeks to amend the tri-party Interlocal Agreement with the City and CRA relating to the collection of one cent of the tourist development tax (TDT) for the purpose of constructing, maintaining, and operating a performing arts center(s) in the downtown area. The County Commission held a workshop on October 29, 2013 to discuss the status of the performing arts center as envisioned by the Florida Center for Performing Arts and Educations (FCPAE) and determined that the project is unlikely to be realized given the lack of private fundraising, the inability to garner support from the Sales Tax Committee, and the expiration of FCPAE's Option Agreement with the City for the former Johns Building site.

The Interlocal Agreement contemplates the possibility of the performing arts center not being constructed and, under said circumstances, returning the accrued funds back to the TDT Trust Fund without the dissolution or renegotiation of the Interlocal Agreement. However, the County Commission approved a series of policy options on April 8, 2014 seeking to strike a balance between desired community projects and available resources by maintaining the existing fund balance for a performing arts center(s) and utilizing future TDT revenues for other community efforts. Under all of the same terms and conditions of the Interlocal Agreement, the CRA would continue to have the ability to utilize the \$4.1 fund balance (plus revenues received through September 30, 2014) for a variety of performing arts center needs in the downtown area. While still subject to final approval by County and the City, the CRA would continue to be able to use these funds for projects that include, but are not limited to:

- i. The proposed Downtown Theatre Project on College Avenue.
- ii. Performing arts space as part of convention center project.
- iii. Or other performing arts projects as recommended by the CRA.

In turn, the County is seeking formal acknowledgement and agreement by the City to no longer dedicate future TDT revenues, effective September 30, 2014, for the performing arts center and that these future revenues shall be retained and utilized by the County in accordance with Florida Law. This approach would allow the County to redirect a portion of the funds in order to increase cultural funding to a full one cent of TDT monies, from \$504,500 to approximately \$900,000 annually, starting in FY 2015 to support the implementation of community needs identified in the Cultural Plan including a capital grants program. A ½ cent would be set aside to support the operational and maintenance needs of the proposed convention center, upon approval of an agreement between the County and the operator of the convention center, once the convention center is operational. County and City staff have been actively involved in the early stages of the master planning for the Madison Mile Convention District which seeks to realize the convention center needs and the redevelopment goals of the CRA. The ongoing commitment of TDT funds, in addition to the \$20 million in sales tax funds supported by both Commissions,

is anticipated to attract qualified respondents to construct and operate the convention center by providing some financial assurances. Until such time, the County, with guidance from the Tourist Development Council, would determine the use of the ½ cent TDT in accordance with Florida Law.

Given the expiration of the FCPAE's Option Agreement with the City for the old Johns Building site, the County is owed the total cost of the demolition and clearing in the amount of \$508,425 by September 30, 2014. However, the County is willing to delay the City's reimbursement by redirecting these funds to future improvements to the Capital City Amphitheater and/or the Meridian Building, as requested by the County, for tourism related functions thereby furthering the public investment within the downtown CRA. The balance of remaining funds that are not utilized within three years shall be returned to the County's TDT Trust Fund.

The proposed modifications to the Interlocal Agreement seek to utilize existing resources and revenue streams to realize several long-term and community-wide goals by:

- Leveraging a ½ cent of TDT for the successful operation and maintenance of the convention center.
- Ensuring the greatest return on investment with regard to the proposed \$20 million of sales tax funds committed to the convention center by recognizing the ongoing support necessary to make it a viable and economic success.
- Maintaining \$4.1 million (plus revenues received through September 30, 2014) for a variety of performing arts center needs in the downtown area as determined by the CRA.
- Immediately (FY 2015) increasing funding levels for cultural arts to one cent of TDT to support the implementation of community needs identified in the Cultural Plan including a capital grants program.
- Extending and redirecting the \$508,425 owed to the County for the demolition of the Johns Building to the Capital City Amphitheater and/or Meridian Building while retaining this TDT investment within the boundaries of the downtown CRA.

Once the City, CRA, and County agree to, and formalize, these conditions, the County will schedule a Public Hearing to amend the Tourism Plan (Ordinance) to redirect the future revenues dedicated to the performing arts center starting in FY 2015.

BOARD OF COUNTY COMMISSIONERS

MEMORANDUM

DATE: April 18, 2014

TO: The Honorable Members of the Tallahassee Community Redevelopment Agency

FROM: Vincent S. Long, Leon County Administrator 

SUBJECT: Utilization of Tourism Funds Currently Dedicated to the Performing Arts Center by Interlocal Agreement

I submit this memorandum for the CRA Board's consideration in order to help guide and facilitate discussion on April 24, 2014 regarding the tourism funds currently dedicated to the performing arts center and the tri-party Interlocal Agreement that governs these resources. This memo includes a summary of the County Commission's recent actions and direction on these matters leading up to the April 24th CRA meeting, issues raised by City staff regarding the County Commission's direction, and a series of recommendations for the CRA Board's consideration based on the direction provided by the County Commission.

Statement of Issue

The County seeks to amend the tri-party Interlocal Agreement with the City and CRA relating to the collection of one cent of the tourist development tax (TDT) for the purpose of constructing, maintaining, and operating a performing arts center(s) in the downtown area. The County Commission held a workshop on October 29, 2013 to discuss the status of the performing arts center as envisioned by the Florida Center for Performing Arts and Educations (FCPAE) and determined that the project is unlikely to be realized given the lack of private fundraising, the inability to garner support from the Sales Tax Committee, and the expiration of FCPAE's Option Agreement with the City for the former Johns Building site.

The Interlocal Agreement contemplates the possibility of the performing arts center not being constructed and, under said circumstances, returning the accrued funds back to the TDT Trust Fund without the dissolution or renegotiation of the Interlocal Agreement. However, the County Commission approved a series of policy options on April 8, 2014 seeking to strike a balance between desired community projects and available resources by maintaining the existing fund balance for a performing arts center(s) and utilizing future TDT revenues for other community efforts. Under all of the same terms and conditions of the Interlocal Agreement, the CRA would continue to have the ability to utilize the \$4.1 fund balance (plus revenues received through September 30, 2014) for a variety of performing arts center needs in the downtown area. While still subject to final approval by County and the City, the CRA would continue to be able to use these funds for projects that include, but are not limited to:

- i. The proposed Downtown Theatre Project on College Avenue.
- ii. Performing arts space as part of convention center project.
- iii. Or other performing arts projects as recommended by the CRA.

In turn, the County is seeking formal acknowledgement and agreement by the City to no longer dedicate future TDT revenues, effective September 30, 2014, for the performing arts center and that these future revenues shall be retained and utilized by the County in accordance with Florida Law. This approach would allow the County to redirect a portion of the funds in order to increase cultural funding to a full one cent of TDT monies, from \$504,500 to approximately \$900,000 annually, starting in FY 2015 to support the implementation of community needs identified in the Cultural Plan including a capital grants program. A ½ cent would be set aside to support the operational and maintenance needs of the proposed convention center, upon approval of an agreement between the County and the operator of the convention center, once the convention center is operational. County and City staff have been actively involved in the early stages of the master planning for the Madison Mile Convention District which seeks to realize the convention center needs and the redevelopment goals of the CRA. The ongoing commitment of TDT funds, in addition to the \$20 million in sales tax funds supported by both Commissions, is anticipated to attract qualified respondents to construct and operate the convention center by providing some financial assurances. Until such time, the County, with guidance from the Tourist Development Council, would determine the use of the ½ cent TDT in accordance with Florida Law.

Given the expiration of the FCPAE's Option Agreement with the City for the old Johns Building site, the County is owed the total cost of the demolition and clearing in the amount of \$508,425 by September 30, 2014. However, the County is willing to delay the City's reimbursement by redirecting these funds to future improvements to the Capital City Amphitheater and/or the Meridian Building, as requested by the County, for tourism related functions thereby furthering the public investment within the downtown CRA. The balance of remaining funds that are not utilized within three years shall be returned to the County's TDT Trust Fund.

The proposed modifications to the Interlocal Agreement seek to utilize existing resources and revenue streams to realize several long-term and community-wide goals by:

- Leveraging a ½ cent of TDT for the successful operation and maintenance of the convention center.
- Ensuring the greatest return on investment with regard to the proposed \$20 million of sales tax funds committed to the convention center by recognizing the ongoing support necessary to make it a viable and economic success.
- Maintaining \$4.1 million (plus revenues received through September 30, 2014) for a variety of performing arts center needs in the downtown area as determined by the CRA.
- Immediately (FY 2015) increasing funding levels for cultural arts to one cent of TDT to support the implementation of community needs identified in the Cultural Plan including a capital grants program.
- Extending and redirecting the \$508,425 owed to the County for the demolition of the Johns Building to the Capital City Amphitheater and/or Meridian Building while retaining this TDT investment within the boundaries of the downtown CRA.

Once the City, CRA, and County agree to, and formalize, these conditions, the County will schedule a Public Hearing to amend the Tourism Plan (Ordinance) to redirect the future revenues dedicated to the performing arts center starting in FY 2015.

City Staff Considerations

In preparing the April 24, 2014 CRA agenda item, City staff conducted a preliminary review of the County's actions and offered the comments, questions, and suggestions listed below for consideration by the CRA Board. For each of the issues raised by City staff, I have offered a response in italics to assist the CRA Board in their deliberations.

- Option 1b of County Agenda Item: Will the City have a role similar to that of the County in requesting changes to the Capital City Amphitheater and/or Meridian Building?
 - *The County has a great working relationship with the City for the Capital City Amphitheater and the Meridian Building in order to provide musical performances that attract a regional audience. We welcome the opportunity for further collaboration with the City but must ensure that these owed TDT monies are used in accordance with Florida Law. That being said, the County will continue to rely on the input and recommendations of the Tourist Development Council which includes two City Commissioners, and the STAGE Committee which includes County and City staff to address matters concerning the amphitheater.*

- Option 1b of County Agenda Item: Consider returning any of the remaining \$508,245 to the current \$4.1 million in the performing arts center bed tax balance. The funds for the demolition of the Johns Building came from this source.
 - *This would be a new option for the County Commission to consider. I would recommend that the CRA Board address the issue identified in the next bullet prior to considering this suggestion because it speaks to the overall purpose of the fund balance. Once the County, City and CRA have determined the desired use(s) of that fund balance, they can identify how they wish to utilize any remaining funds from the improvements to the Capital City Amphitheater and/or Meridian Building.*

- Option 1c of County Agenda Item: Recommend the allowed uses of the retained TDT funds be expanded to include the development proposed by FSU for the Madison Mile and the Arena District, and other appropriate uses as outlined in Option 3 of the County Agenda Item.
 - *To be clear, utilizing the existing \$4.1 million for a performing arts center associated with the Madison Mile Convention District is authorized under the current terms of the Interlocal Agreement. Should the CRA Board wish to utilize these funds for a different purpose at that location, an amendment would be needed to expand the use of funds. The County Commission recently voted to support the current terms and conditions of the Interlocal Agreement so that the \$4.1 million (plus what is collected through September 30, 2014) is used for a performing arts center within the downtown CRA.*

- **Option 3 of County Agenda Item:** Will the CRA Board have any role in the expenditures of the ½ cent of TDT funds set aside for the operation and maintenance of a convention center located within the Downtown District? If the County chooses not to support the operational and maintenance costs of a convention center, how will the one-cent in TDT funds be used and who will approve the use?
 - *Based on the County Commission's actions, the CRA Board would not have a legal role or authority for the expenditure of any future TDT revenues. As a practical matter, coordination and support by both Commissions will be needed for this project to be successful. Both Commissions have already taken steps in this direction by endorsing the use of \$20 million of sales tax funds for the construction of the convention center, directing staff to participate in the current master planning process with FSU, and may need to facilitate this project through the CRA due to its impact on the area.*
 - *Upon approval of the sales tax extension, I have been directed to negotiate a preliminary agreement, subject to Board of County Commission approval, with FSU and/or the appropriate parties for a ½ cent of the TDT to be utilized for the operation and maintenance of the convention center once it is operational. This can only occur subsequent to the amendment to the Interlocal Agreement being approved.*
 - *Until such time, the County Commission would determine the use of the ½ cent of TDT for tourism-related expenses with input and guidance from the Tourist Development Council.*

County Recommendations

Provided below are a series of recommendations for the CRA Board's consideration based on the direction provided by the County Commission. Based on the direction provided by the CRA Board, County staff will work with the City and CRA to memorialize the agreed upon resolution to these matters and will prepare an amendment to the Interlocal Agreement to be approved by each party.

Recommendation #1: Continue to utilize the \$4.1 million fund balance (plus what is collected through September 30, 2014) set aside for the performing arts center(s) under the current terms and conditions, which includes CRA recommendations being subject to final approval by the County and City. Projects that may be considered include, but are not limited to:

- The proposed Downtown Theatre Project on College Avenue.
- Performing arts space as part of convention center project.
- Or, other performing arts projects as recommended by the CRA.

Recommendation #2: Approve the discontinuance of all future TDT revenues dedicated to a performing arts center under the terms of the Interlocal Agreement, effective September 30, 2014, and acknowledge that these funds shall be retained by the County to be utilized in accordance with Florida Law.

Recommendation #3: Direct CRA staff to develop a process or program in which the CRA would evaluate opportunities to utilize the existing (through September 30, 2014) fund balance, subject to County and City approval, currently dedicated to the performing arts center.

Recommendation #4: Approve the three year extension of the TDT funds owed by the City to the County for the demolition of the Johns Building site with an amount equal to \$508,425 to be used in that timeframe to make improvements to the Capital City Amphitheater and/or Meridian Building for the purpose(s) requested by the County.

Cc: The Honorable Leon County Board of County Commissioners
Anita Favors Thompson, City Manager
Herb Thiele, County Attorney
Alan Rosenzweig, Deputy County Administrator
Ken Morris, Director of Economic Development & Business Partnerships
Lee Daniel, Director of the Division of Tourism Development



Agenda Item Details

| | |
|--------------------|--|
| Meeting | Apr 24, 2014 - CRA Board Meeting |
| Category | 5. Policy Formation & Direction |
| Subject | 5.04 Fiscal Year 2014 CRA Promotional/Special Events Grant Program Mid-Year Review -- Roxanne Manning Tallahassee Community Redevelopment Agency |
| Access | Public |
| Type | Action, Discussion |
| Fiscal Impact | No |
| Recommended Action | There is no recommended action for this item; it is for information only. |

Public Content

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Statement of Issue

For fiscal year (FY) 2014, the Community Redevelopment Agency (CRA) approved \$70,000 in grant funds to help fund the Promotional/Special Events (PSE) Grant Program within the Greater Frenchtown/Southside (GFS) Community Redevelopment Area and the Downtown District (DD) Community Redevelopment Area (\$35,000 for each redevelopment area). In addition to the program funding approval, the CRA Board approved converting the program to a competitive process and allowing the Tallahassee Downtown Improvement Authority (TDIA) to administer the DD PSE Grant Program. The TDIA combined their special event funding of \$30,000 with the CRA funding for a total of \$65,000 for downtown events.

The purpose of the program is to provide support to special events that promote the goals and objectives of the respective districts redevelopment plan and attract visitors to the redevelopment districts. Funds are available for not-for-profit organizations who will host promotional or special events that are open to the public within either of the two redevelopment districts. During FY 2014, twenty-two not-for-profit organizations were awarded funds: fifteen in the DD District and seven in the GFS District. A description of each of these events is provided in the main body of this agenda item. All FY 2014 PSE funds set aside for both districts, as well as the additional \$30,000 in TDIA funds for the Downtown events, have been awarded, although not all events have taken place yet. In accordance with the program guidelines, CRA staff provides mid-year (March/April) and end of year (September) program updates to the CRA Board.

This agenda item is intended to provide the CRA Board with an update on the number of promotional and special event applications received, the number of applicants approved for funding and the status of any remaining funds. CRA staff will bring an agenda item to the CRA Board in May or June requesting funds for the FY 2015 PSE Grant Program and identifying any recommended program changes for CRA Board approval.

Recommended Action

There is no recommended action for this item; it is for information only.

Fiscal Impact

None

Supplemental Material/Issue Analysis

History/Facts & Issues

For FY 2014, the CRA approved \$70,000 in grant funds to help fund promotional and special events within the GFS District and the DD District (\$35,000 for each district). In addition to the program funding approval, the CRA Board approved converting the program to a competitive process and allowing the TDIA to administer the DD PSE Grant Program. The TDIA combined their special event funding of \$30,000 with the CRA funding for a total of \$65,000 in support of downtown events.

The purpose of the program is to provide support to special events that promote the goals and objectives of the respective district's redevelopment plan. Funds are available for not-for-profit organizations who will host promotional or special events that are open to the public within either of the two redevelopment areas. One of the program changes approved for FY 2014 was to allow funding to be provided upon execution of a grant agreement rather than as a reimbursement after the event. Program funds cannot be used by the applicant to purchase tangible personal property, such as computers and office equipment, or cover the applicant organization's operational costs. The fund source for approved events depends on the location of the event. For FY 2014, events in the DD District were funded from its \$35,000 in programmed CRA funds and \$30,000 in TDIA funds; events in the GFS District were funded from its \$35,000 in programmed CRA funds only. Events not located in either redevelopment district are not eligible for CRA funding.

At the direction of the CRA Board, the FY 2014 PSE Program was managed as a competitive grant; prior year PSE funds were awarded on a first-come, first-served basis. For FY 2014, PSE grant applications were evaluated and scored based on the following review criteria that provided up to 100 points:

- A comprehensive description of the event (up to 20 points);
- Support of businesses and community groups located in the redevelopment area (up to 5 points);
- Expected number of attendees (up to 5 points);
- Promotion of the goals and objectives of the respective redevelopment plan (up to 15 points);
- Percentage of event budget funded by the CRA and other public agencies/organizations (up to 15 points);
- Percentage of event budget funded by private sponsors/organizations (up to 15 points);
- Prior year CRA funding to the organization for the event (up to 5 points);
- Submission of a complete budget (10 points); and
- Submission of all documents listed in the checklist (10 points).

During FY 2014, twenty-two not-for-profit organizations were awarded funds: fifteen in the DD District and seven in the GFS District. All FY 2014 PSE funds set aside for both districts, as well as the additional \$30,000 in TDIA funds for the Downtown events, have been awarded, although not all events have taken place yet.

Review of FY 2014 PSE Events

For the FY 2014 PSE cycle, CRA staff administered the GFS events, while the TDIA administered the DD events. The CRA formed a three-person committee to evaluate the twelve GFS applications it received. The evaluation committee, consisting of two staff persons and a GFS Citizen's Advisory Committee member reviewed the applications for eligibility using the criteria listed above. Of the 12 applications received, two were not scored because one was submitted after the deadline period and the other did not meet the definition of a special event as outlined in the guidelines. The 10 remaining applications were scored based on the evaluation criteria outlined in the guidelines. Because each applicant requested the maximum grant award of \$5,000, only seven grant awards could be made. The seven organizations and their events are summarized below. The CRA review committee did not adjust the funding requested in the application in order to award some funds to more applicants.

The TDIA classified the downtown events into two categories: Tier I and Tier II. The Tier I events were those sanctioned by the City and listed in City Administrative Policy 610, which includes Downtown Get Downs, New Year's Eve Celebration,

St. Patrick's Day Festival, Spring Time Tallahassee Festival, Le Moyne Chain of Parks Art Festival, and the Veterans Day Festival. Tier I events were eligible for grant funds ranging from \$2,500 to \$10,000 per event. Events not listed in City Administrative Policy 610 were classified as Tier II, and were eligible for maximum funding of \$2,500 per event. The TDIA received a total of fifteen applications: six for Tier I and nine for Tier II. They also formed a three-person committee to evaluate the grant applications. The committee consisted of two staff persons and one TDIA Board member, who evaluated the applications based on the criteria listed above. The TDIA approved funding for all 15 of the non-profits who applied, although most organizations received less funding than they requested. The 15 organizations and their events are summarized below.

Events Held or to be Held in the GFS District

- **ArtiGras: \$5,000** – Shops and Studios of Railroad Square was awarded \$5,000 to host the 5th Annual ArtiGras, which took place on February 15th at Railroad Square. The event brings the history and traditions of the original New Orleans Mardi-Gras to the Tallahassee community. ArtiGras featured a Mardi-Gras atmosphere with food from local food trucks, art work, three stages for musical entertainment and a large parade. Last year 2,000 people attended this year. A post-event report has not been filed as of the date of this agenda item.
- **Green Arts Festival: \$5,000** – The Sharing Tree was awarded \$5,000 to host a recycled arts and sustainable living festival featuring sustainable living exhibits, recycled arts competition, live music, mural painting and games made from recycled materials. The event was originally scheduled for April 5th at Railroad Square, but was postponed due to weather. The organization has not rescheduled the event as of the date of this agenda item.
- **Tallahassee Food Network: \$5,000** – The Tallahassee Food Network, Inc. was awarded \$5,000 to host the First Annual Frenchtown Food & Cultural Arts Celebration to take place at the iGrow Youth Farm. The celebration will promote urban agricultural, healthy eating/living, and youth engagement. The event was held on April 12th; the post-event report is pending.
- **The Season of Emancipation: A Walk through Living History: \$5,000** – The John G. Riley Museum has been approved for \$5,000 for hosting a living history celebration featuring a reenactment of a Civil War battle, living history demonstrations, and a parade. The event will take place on May 24th at the Speed Spencer Stevens Park.
- **Community Healing Days: \$5,000** – The Vocal Arts Network was awarded \$5,000 to host a three day event featuring art, music, health education workshops, and health screenings. The event was held on October 11th – 13th at the Southside Arts Complex. An estimated 300 people took part in the events held throughout the weekend.
- **All Saints District Festival: \$5,000** – The All Saints District Community Association was awarded \$5,000 for hosting a two-day event which was held on October 31st and November 1st. The event featured Halloween festivities, live music, food, and promotional activities for local businesses. There were approximately 1,000 in attendance for the two nights.
- **Sci-Fi Film Series: \$5,000** – The Tallahassee Film Society was approved for \$5,000 to showcase a sci-fi film series showing a science fiction film in the form of two showings once a month. All showings will take place at the All Saints Cinema (Amtrak Station) starting in November 2013 and concluding in September 2014.

Events Held or to be Held in the DD District

Funded with CRA Funds:

- **Chain of Parks Art Festival: \$9,000** (Tier I event) – The LeMoyne Center for the Visual Arts was awarded \$9,000 for the 14th annual Chain of Parks Arts Festival. The event is an outdoor festival of high quality, original artwork and entertainment. The Chain of Parks Art Festival event will be held on April 19th and 20th in the chain of parks on Park Avenue.
- **Springtime Tallahassee Festival: \$8,750** (Tier I event) – Springtime Tallahassee was awarded \$8,750 for the 2014 Springtime Tallahassee Festival. The festival includes the Grand Parade, Jubilee in the Park, Children's Park and entertainment stages. There are a variety items offered by the arts, crafts, and food vendors especially at the Seafood Festival at Kleman Plaza where the main stage will feature rising entertainment stars. The festival will be held on March 29th in downtown Tallahassee.

- **Tallahassee New Year's Eve Celebration: \$8,750** (Tier I event) – The Tallahassee New Year's Eve, Inc. was awarded \$8,750 for hosting the New Year's Eve celebration with fireworks, musical entertainment, and a video projection of New York City's New Year's Eve Ball Drop. The event was held on December 31, 2013 with over 10,000 people in attendance. The entertainment included the internationally famous Little River Band and local musical artist Royce Lovett.
- **Saint Patrick's Day Celebration: \$4,500** (Tier I event) – The Tallahassee Irish Society was awarded \$4,500 for hosting the Saint Patrick's Day celebration. The event was held on March 15th on Kleman Plaza. The entertainment included International singer songwriter Laurie McGhee, and local performers Krooked Kilts, as well as, a parade on College Ave. The post-event has not yet been submitted to determine the attendance.
- **MLK Dare to Dream Festival: \$2,000** – The Martin Luther King Dare to Dream Association was awarded \$2,000 for the 2014 MLK Dare to Dream Festival. The festival included a live music stage, food and craft vendors, kid's events and historic exhibits. The festival was held in Kleman Plaza on January 20th. The post-event report has not been filed to determine the attendance; the organization has received an extension on their report.
- **Second Annual Sound of Music Sing-A-Long: \$1,000** – The Tallahassee Community Chorus was awarded \$1,000 for this event which included a sing-a-long to the film The Sound of Music. The event was held at the Challenger Learning Center on October 12th and 13th. There were over 500 people in attendance between the two shows.
- **4th Annual World AIDS Day: \$500** – The Minority Alliance for Advocating Community Awareness and Action, Inc. was awarded \$500 for this event that included health care access information. The event was held on November 29th at the Doubletree Hotel. There were an estimated 125 persons in attendance.
- **Dance with the Soul: What's Going On – A Marvin Gaye Tribute: \$500** – Journey to Dance, Inc. was awarded \$500 for this event that was held on February 15th at the Donald L. Tucker Civic Center. The tribute included a multi-generational event of dance, poetry, music and song all centered on Marvin Gaye's musical brilliance. There were an estimated 200 persons in attendance.

Funded with DIA Funds:

- **The Friday Night Block Party: \$10,000** (Tier I event) – Seminole Boosters, Inc. was awarded \$10,000 for hosting the Friday Night Block Party which is a tailgate event featuring live music, special appearances and food and drink vendors. The block party is held on the Friday night before each FSU home game at Kleman Plaza. There were seven block parties for the 2013 football season and an estimated 75,000 persons attended these events.
- **Downtown Get Downs: \$10,000** (Tier I event) – The United Way of the Big Bend, Inc. was awarded \$10,000 for the downtown get down events taking place on Friday nights before a FSU home football game. The events include several stages of entertainment with live music, children activities, with several food and drink vendors. There were seven downtown get downs for 2013 football season. An estimated 50,000 people attended the events.
- **Saturday in the Park: \$2,500** – The Downtown Merchants and Business Association was awarded \$2,500 for this event. The event is a series of concerts taking place in the Ponce De Leon Park downtown from May through September. The events are currently ongoing; a post event report will be provided once the concert series has ended.
- **Bradenburg Concertos: \$2,500** – The Tallahassee Bach Parley was approved for \$2,500 for hosting three baroque period (approx. 1600-1750) concerts to be held at St. John Episcopal Church. The first concert was held on November 24th, the second was on February 23rd, and the third event will be held June 1st. Additional details will be provided after the completion of the concert series.
- **The Emancipation Day Celebration: \$2,000** – The Friends of the Museums of Florida History Inc. was awarded \$2,000 for the Emancipation Day celebration to be held in Lewis Park in Tallahassee Downtown on May 20th. The event will include free food, traditional entertainment with the reenactment of the reading of the proclamation and Historic exhibits.
- **14th Annual Culture to Culture Holiday Rock-A-Thon Celebration: \$2,000** – The John Gilmore Riley Center/Museum of African American History and Cultural was awarded \$2,000 for its Rock-A-Thon fundraising event. The event was held on December 7th. The Rock-a-Thon is one of the Riley Museum's signature fundraising events, featuring a rocking chair marathon, children's activities, and a holiday marketplace with a fantastic assortment of handcrafted merchandise. Attendance at the event was estimated at more than 800 persons.
- **2014 Pay-It-Forward Fish Fry: \$1,000** – The Big Bend Homeless Coalition was awarded \$1,000 for this event which

includes live music and great food. The event date and downtown location are still being planned.

Review of PSE Funds Awarded to Small/Homegrown Events

On October 21, 2013, the CRA Board asked staff to examine the percentage of PSE grant funds awarded to small or homegrown events since the inception of the program. For the purpose of this review, staff has defined small events to be events that have an overall budget of \$10,000 or less. A year-by-year review of PSE grant fund awards to small or homegrown events is provided below.

- **FY 2010**. The PSE grant program began in fiscal year 2010 with an approved budget of \$40,000 (\$20,000 for each district). There was a total of five events awarded funding for the Downtown District. There were no organizations applying for funding for GFS events. For FY 2010 small events represented eleven percent (11%) of all funding for the PSE program.
- **FY 2011**. In FY 2011, the PSE grant program received a budget of \$40,000 (\$20,000 for each district). A total of eight events were awarded funding. Small events funding represented sixty-one percent (61%) of all funding for FY 2011.
- **FY 2012**. The PSE program approved budget for FY 2012 remained at \$40,000 with \$20,000 for each district. There was a total of 11 events awarded funding. Fifty-three percent (53%) of all funding for FY 2012 was awarded to small events.
- **FY 2013**. In FY 2013, the CRA Board increased the amount of PSE funding to \$70,000 (\$35,000 for each district). There was a total of 18 events awarded funding. Small events funding represented fifty-four percent (54%) of all funding for FY 2013.
- **FY 2014**. For FY 2014, the PSE funding was awarded based on a competitive process which included the DIA administering the DD events. The PSE budget remained at \$70,000 (\$35,000 for each district). The DIA included \$30,000 of their special event funding making the total funding for downtown events \$65,000. There were eight DD events awarded funding with CRA funds, seven DD events awarded funding with DIA funds, and seven GFS events for a total of twenty-two events. Of the CRA funded events, small event funding represented twenty-four percent (24%) of all CRA funding for FY 2014, and forty-three percent (43%) of CRA funded events in the GFS District.

Overall since the inception of the program, an average of forty-one percent (41%) of grant funds have been awarded in support of small events.

FY 2015 PSE Funding, FY 2015 Program Guidelines Update and Large/Regional PSE Events

This agenda item is intended to provide the CRA Board with an update on the number of promotional and special event applications, applicants approved for funding and the status of any remaining funds. At this time, CRA staff anticipates presenting an agenda item to the CRA Board in May or June requesting \$70,000 in PSE funds for FY 2015 (\$35,000 for each district) and the continued partnership with the TDIA on management and additional TDIA funding for the DD PSE program funds. At the same time, staff will identify any recommended program changes for CRA Board's consideration and approval.

Staff has also been asked to look at allowing PSE applicants to apply for funding two years in advance of the event. For example, an applicant could apply for funding in FY 2015 for an event taking place in 2015 or 2016. This would allow applicants to schedule performers for events in advance knowing that a portion of their funding has been secured. This would benefit organizations that need to have funding commitments well in advance of their event, but could also reduce the number of events that would be held in any year. With CRA Board direction, staff could modify the PSE program guidelines to allow funds to be used for more than one fiscal year. This modification would come to the Board in the form of an agenda item in May or June when staff requests PSE funding for FY 2015.

Finally, CRA staff is requesting direction from the Board on funding requests for large special events, especially those with a regional impact. Lately the CRA staff has been approached by event planners inquiring about funding for major events within

the two districts. The funding interest/request would be much more than the amount (\$500 - \$10,000 per event) awarded under the PSE program. An example of a recent request is the Word of South Festival of Literature and Music, which was awarded \$75,000 (over two years) in November 2013 for an April 2015 event. Staff is seeking direction on how to handle these requests, whether a separate funding process should be established or to handle each request on a case by case basis.

Options

There is no recommended action for this item; it is for information only.

Attachments/References

None

Administrative Content

**Agenda Item Details**

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|----------|--|
| Meeting | Apr 24, 2014 - CRA Board Meeting |
| Category | 5. Policy Formation & Direction |
| Subject | 5.05 Other Program and Project Updates (materials will be provided at the meeting) -- Roxanne Manning, Tallahassee Community Redevelopment Agency |
| Access | Public |
| Type | Information |

Public Content

Administrative Content
