



CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY
MEETING AND PUBLIC HEARING AGENDA

April 21, 2015, 9:30 AM
City Commission Chambers
City Hall, Second Floor

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

- II. **CITIZEN INPUT ON AGENDA ITEMS**

- III. **CONSENT ITEMS**
 - 3.01 Approval of Summary Meeting Minutes from the December 11, 2014 and January 29, 2015 CRA Board Meetings – Rick McCraw, CRA Program Director
 - 3.02 Approval of \$50,000 Commercial Façade Improvement Grant for 227 N. Bronough Street – Rick McCraw

- IV. **POLICY FORMATION AND DIRECTION**
 - 4.01 Approval of City of Tallahassee CRA Performance Measures – Rick McCraw
 - 4.02 Approval of Additional Funding for Exterior Improvements to 505 West Georgia Street – Rick McCraw
 - 4.03 Approval to Purchase the Property and Improvements at 524 N Martin Luther King, Jr. Blvd for the Frenchtown Farmer’s Marketplace and Heritage Hub – Rick McCraw
 - 4.04 Approval of Modification to Original Railyard Lofts at CollegeTown Terms between the CRA and Railyard at CollegeTown, LLC – Rick McCraw
 - 4.05 Program and Project Updates (no agenda materials) – Rick McCraw

- V. **UNAGENDAED BUSINESS/SPEAKERS**

- VI. **CRA BOARD INFORMATION AND SHARING OF IDEAS**



Agenda Item Details

Meeting	Apr 21, 2015 - CRA Board Meeting
Category	3. Consent Items
Subject	3.01 Approval of Summary Meeting Minutes from the December 11, 2014 and January 29, 2015 CRA Board Meetings -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action (Consent)
Fiscal Impact	No
Recommended Action	Approve the summary minutes from the December 11, 2014 and January 29, 2015 CRA Board Meetings

Public Content

For more information, please contact: Stacey Peter, Tallahassee CRA, 850-891-8356

Statement of Issue

Attached for review and approval by the CRA Board are the draft summary minutes from the December 11, 2014 and January 29, 2015 CRA Board Meetings.

Recommended Action

Option 1 - Approve the summary minutes from the December 11, 2014 and January 29, 2015 CRA Board Meetings.

Fiscal Impact

None

Supplemental Material/Issue Analysis

History/Facts & Issues

Attached for review and approval by the CRA Board are the draft summary minutes from the December 11, 2014 and January 29, 2015 CRA Board meetings.

Options

1. Approve the summary minutes from the December 11, 2014 and January 29, 2015 CRA Board Meetings.
2. Do not approve the draft summary minutes from the December 11, 2014 and January 29, 2015 CRA Board meetings; provide staff with alternate direction.

Attachments/References

1. Draft Summary Tallahassee Community Redevelopment Agency Board Meeting Minutes, December 11, 2014
2. Draft Summary Tallahassee Community Redevelopment Agency Board Meeting Minutes, January 29, 2015

[Attachment 1.pdf \(75 KB\)](#)

[Attachment 2.pdf \(291 KB\)](#)

Draft MINUTES

TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING

Tallahassee, Florida
December 11, 2014

The Tallahassee Community Redevelopment Agency (CRA) Board met on December 11, 2014, in the Commission Chambers in City Hall with Mayor Gillum (CRA Chair), City Commissioner Miller, Richardson and Ziffer, County Commissioners Dozier, Lindley (CRA Vice-Chair), and N. Maddox, present at the start of the meeting. Also present were Executive Director Roxanne Manning, CRA Program Director Rick McCraw and CRA Principal Planner Sherri Curtis.

Mayor Gillum, CRA Chair called the meeting to order at 9:34 a.m. and introduced the newest CRA Board member, Curtis Richardson, and Regional Director Mary Louise Hester from Senator Bill Nelson's office.

City Commissioners S. Maddox and Proctor arrived at 9:41 a.m. and 9:42 a.m. respectively.

PUBLIC COMMENTS ON AGENDA ITEMS

There was no public comment on agenda items.

CONSENT ITEM

Commissioner Lindley **moved to approve the staff's recommendations presented in Item 1 of the Consent Agenda.** Upon second by Commissioner Ziffer, **the vote was as follows:**

AYE: Dozier, Gillum, Lindley, N. Maddox, Miller, Richardson and Ziffer

NAY: None

ABSENT: S. Maddox and Proctor

Item 3.01 – Approved the CRA Board Minutes from the following meeting:

September 4, 2014 Tallahassee Community Redevelopment Agency Board

POLICY FORMATION AND DIRECTION

Approval of Proposed 3rd Amendment to the Downtown District Interlocal Agreement and 1st Amendment to the Johns Building Demolition Interlocal Agreement

Item 4.01 presented by Roxanne Manning, Executive Director, was the third amendment to the interlocal agreement among the City, the County and the CRA regarding the creation and operation of the Downtown District Community Redevelopment Area (DT District) and the

expansion of any Community Redevelopment area; and the first amendment to the interlocal agreement between the City, the County and the CRA regarding the use of the Designated Tourist Development Tax Funds for demolition and site preparation to support the proposed Downtown Performing Arts Center in the DT District.

Ms. Manning outlined the requested amendments to the interlocal agreements stating the changes in the amendments reflect on how the accumulated \$5 million in Bed Tax funds, which were initially planned for the Performing Arts Center in the DT District, can be used by the CRA for expenses on the Tourist Development Council's (TDC) acceptable items list. The amendments also allow the funds to be used in either the DT District or the Greater Frenchtown/Southside Community Redevelopment Area (GFS District). She noted another interlocal agreement between the City and the County regarding funding for the Council on Cultural Arts (COCA) was recently amended. This interlocal agreement does not involve the CRA; therefore it was not included in this agenda item. Roxanne stated the amendments were approved by the County on Tuesday, December 9th, and the City on Wednesday, December 10th.

Following the introduction, Commissioner N. Maddox moved **to accept Options 1 and 2, approving the third 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 operation of the Downtown District Community Redevelopment Area and the expansion of any Community Redevelopment Area; and approving the first amendment to interlocal agreement among the City of Tallahassee, Leon County, and the Community Redevelopment Agency of the City of Tallahassee regarding the use of Designated Tourist Development Tax Funds for demolition and site preparation to support the proposed Downtown Performing Arts Center in the Downtown District Community Development Area**, seconded by Commissioner Lindley, **the vote was as follows:**

AYE: Dozier, Gillum, Lindley, N. Maddox, Miller, Richardson, and Ziffer

NAY: None

ABSENT: S. Maddox and Proctor

Update on the Redevelopment Plan and the Investment Plan Workshops

Item 4.02 presented by Roxanne Manning, Executive Director, was a presentation on initial public workshops on the update on the GFS Community Redevelopment Plan and the Investment Plan workshops.

Roxanne Manning reviewed the history of the CRA's process to fund larger development projects has been mostly reactive over the past 14 years and now, because of these larger developments, the CRA has an enhanced revenue stream to invest in community projects. She explained that in order to establish the community projects, community input is needed to determine community needs, specifically the GFS District. The intent is to have four community meetings to gather community input. Two workshops were held in November, one in Frenchtown and the other in Southside, with two more scheduled in the future. The first two

meetings highlighted concerns in the community which focused mainly on public safety, sidewalks and street lights. These and other concerns will be compiled into a list of projects the CRA can use to establish the Investment Plan and implement in the neighborhoods. Ms. Manning stated the Investment Plan will be taken back to the neighborhoods at the next series of community meetings, and will then be presented to the CRA Board for final approval.

Further discussion ensued suggesting working with community leaders to increase public participation at the remaining meetings; and holding a forum with local business owners, health service organizations and the Southside Redevelopment Council/Coalition to discuss potential needs that encourage economic development in the community. The Board also suggested including Blueprint 2000, CRTPA and other City Departments to help leverage funds on projects and proposals. Also in the discussion, the Board suggested, as a future agenda item, identifying land acquisition opportunities, including publicly-owned lands, for redevelopment, in Frenchtown and along South Monroe Street. It was also stated the community needs more clarification on what the CRA can and cannot do and how the funds can be used.

Commissioner Proctor suggested further discussion with FSU is needed to determine their plans and how it affects the GFS communities.

Commissioner Miller requested before and after pictures of the CRA redevelopment projects in the GFS district to highlight the progress in addressing conditions of blight since the formation of the CRA. She also provided a breakdown of how money invested into the community generates the income used by the CRA to address conditions of blight and improve the community.

Commissioner Dozier suggested leveraging the County's entrepreneurial development efforts to assist with entrepreneurial and startup business projects for economic development in the district.

This item was for information only.

Program and Project Updates

Roxanne Manning noted Mr. Jim Bellamy provided an update to the GFS Citizens Advisory Committee (CAC) on the Frenchtown Heritage Farmer's Market proposal. She stated a permanent location for the farmer's market has been identified, and staff will bring back a specific proposal for the purchase of the building at a future meeting. Staff is also working to identify a location for a similar facility and use on the Southside.

Ms. Manning advised the Board that the closing on the O'Connell property sale and property exchange between the CRA and the State/FSU should occur in late February. She noted several meetings will occur with the Planning Department, historical preservation groups and other interested parties to gather input of future uses for the properties, which will be brought back to the Board for discussion. Several ideas have been mentioned to create a memorial at the Firestone Building site, where the old County Jail was located as well as the development of a program intended to memorialize several locations around town as a wayfinding guide on civil rights history. For future discussion, the preservation of the tower and entry door of the old Jail could be used as a memorial plaza to carry on the Footsteps to Freedom program.

The Board stated additional brainstorming is needed to determine the intended uses of the Firestone and Bloxham properties, the Water Works building, and nearby properties to the Cascades Park area.

UNAGENDAED PUBLIC COMMENT

Ms. Anita Davis, 708 Bragg Drive, National Association for the Preservation of African American History, expressed her support for historical preservation at the Firestone Building. She expressed her appreciation for the Board's dedication to planning and consideration for preserving some historical value on the site. She expressed the need to support and educate the community on what can be done.

Mrs. Priscilla G. Stephens Kruize, Quincy Motel, Quincy, FL, requested the preservation of the old County Jail building (Firestone Building) to be used as the Black Heritage Museum site. She gave an overview of her civil rights experience in the old Jail. She requested it be used as a tourist attraction to promote civil rights history and requested the support of the Board for her proposal.

Mr. Robert Kenon, 630 West Brevard Street, requested support for the old County Jail as a civil rights museum.

Mr. Dale Landry, 1940 Nanticoke Circle, president of the Tallahassee Chapter of the NAACP, requested support for the old County Jail as a civil rights museum. He has contacted the Cabinet for support on this item and requested we hold the building to determine if negotiations can occur to trade a different state-owned property in exchange for the Firestone Building to operate as a state civil rights museum.

Mr. Delaitre Hollinger, 501 Alpha Ave, addressed the Board concerning creating a civil rights museum at the Firestone Building. Mr. Hollinger shared his views on the importance of salvaging the building for its historical significance to the civil rights movement. He requested consideration to use the Tourist Development funds for the preservation of the old Jail building.

Mr. Curtis Taylor, 2214 High Road, supports the Firestone Building being a state civil rights museum. He stated this is an opportunity to preserve a historical site and enhance Cascades Park, Tallahassee and the State of Florida.

Mr. Shawn McIntyre, 215 West College Avenue, Managing Partner with North American Properties (NAP), stated the CRA system is working. He thanked the Board for their assistance with Phase I developments of the Block and the Deck on Gaines Street. He shared Phase II development details of a new NAP project on Gaines Street that will turn a recently purchased site with a taxable value of \$800,000 into a development with a taxable value of \$23 million, without any financial support from the CRA. He noted the properties developed by NAP should put about \$1 million in tax increment back into the GFS district next year.

Dr. Edward Holifield, 4032 Longleaf Court, commented about the history of racial representation of African Americans at the Tallahassee Memorial Hospital, the need for African Americans to acknowledge their history and how he supports the creation of a civil rights museum at the Firestone Building.

UNAGENDAED ITEMS/COMMISSION DISCUSSION

Mayor Gillum thanked the speakers for their comments and requested further discussion on the intentions for the Firestone Building site. He also requested additional information on the inventory of existing civil rights or African American museums, dedications and memorials in Tallahassee including the universities.

Commissioner S. Maddox inquired about the process of requesting information from staff.

A brief discussion ensued regarding the process of distributing information to the Board members when a request is made by a commissioner. A clarification from the legal offices of the City and County was requested to determine the structure and process.

Roxanne Manning stated staff coordinates with the City Manager and the County Administrator as a courtesy when distributing information to the Board members.

Commissioner Ziffer requested further discussion on the opportunity for land trades with the state-owned parcels in the northwest area near Cascades Park to Monroe Street to include a city-owned parcel on Adams Street and Monroe Street.

Commissioner Proctor inquired about the Boulware project and requested an update on activity on Lake Bradford Road. He suggested further discussion on property exchanges near the Governor's Mansion.

In response to Commissioner Proctor's question, Ms. Manning noted the Boulware proposal is being revised by the developer and a formal request is on hold pending the revisions.

Commissioner Miller requested the review of Mr. Hollinger's proposal that highlights a portion of the property for historical significance as further discussion occurs on the Firestone Building. She also extended an invitation to the Soul Santa event on December 19th and 20th at the LeVerne Payne and Walker Ford Community Centers.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 11:04 a.m.

DRAFT

TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING

Tallahassee, Florida
January 29, 2015

The Tallahassee Community Redevelopment Agency (CRA) Board met on January 29, 2015, in the Commission Chambers in City Hall with Mayor Gillum (CRA Vice-Chair), City Commissioner Miller and County Commissioners Dozier, Lindley (CRA Chair), and N. Maddox, present at the start of the meeting. Also present were Executive Director Roxanne Manning, CRA Program Director Rick McCraw and CRA Senior Community Redevelopment Planner Sherri Baker. City Commissioner Curtis Richardson was present by phone. Commissioner Proctor was absent.

Commissioner Lindley, CRA Chair called the meeting to order at 9:32 a.m.

City Commissioners S. Maddox and Ziffer arrived at 9:41 a.m. and 9:45 a.m. respectively.

PUBLIC COMMENTS ON AGENDA ITEMS

Rev. Ernest Ferrell, 1116 Tanner Drive, President of the Tallahassee Urban League, addressed the Board concerning agenda **Item 4.04**, to request the Board's support for the Taylor House improvements. He emphasized the Taylor House's importance for historical recognition and the importance of preservation to the community.

Mr. Curtis Taylor, 2214 High Road, addressed the Board concerning agenda **Item 4.04**, to request the Board's support for the Taylor House improvements. He gave a brief history on the Taylor House and an overview of the renovations needed for the building including a new roof, central heat and air, windows, siding, and wall repair.

Ms. Cheryl Collier-Brown, 217 West Brevard Street, addressed the Board concerning agenda **Item 4.04**. She is not against funding support for the Taylor House; however, she is concerned with the activity from the museum. Ms. Collier-Brown requested if approved for funding, activity at the museum needs to increase for the betterment of the community.

Ms. Jennifer Napp, 209 East Park Ave, Executive Director of Springtime Tallahassee, addressed the Board concerning agenda **Item 4.03**, to request support for the Springtime Tallahassee funding. She gave an overview of the festival's expansion to a two day event starting Friday, March 27th. The intent is to bring more visitors to the Leon County/Tallahassee area. The long term goal is to partner with organizations creating a week to two week event to give the local community and visitors something to do. She gave a breakdown of the events starting with a partnered concert on Thursday, the music festival on Friday, the grand parade and art jubilee on Saturday morning and ending with a concert Saturday evening. These events will hopefully jumpstart the event into something more, making Tallahassee the destination to visit during this time of year.

Mr. Edward Holifield, 4032 Longleaf Court, addressed the Board concerning agenda **Item 4.03**. Mr. Holifield does not support this item stating neighborhood health concerns reflect a greater

need then this event. He questioned the validity of these events for the community's need and public good and requested academic peer review articles documenting such benefits.

Mr. Delaitre Hollinger, 501 Alpha Ave, addressed the Board concerning agenda **Item 4.04**, in support for the Taylor House improvements. Mr. Hollinger stated the museum has been opened for three years and highlighted the Blended Lives program. He stated the house is in dire need of renovation due to its age and requested CRA support in making this happen.

CONSENT ITEM

Commissioner S. Maddox **moved to approve the staff's recommendations presented in Items 3.01, 3.02 and 3.03 of the Consent Agenda.** Upon second by Commissioner N. Maddox, **the vote was as follows:**

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, and Miller

NAY: None

ABSENT: Proctor and Ziffer

Item 3.01 – Selection of CRA Chair and Vice Chair for 2015

Item 3.02 – Return of FY 2015 Emergency Medical Service Municipal Services Taxing Unit (EMS MSTU) Ad Valorem Taxes from the Greater Frenchtown/Southside Community Redevelopment Area Trust Fund to Leon County

Item 3.03 – Approved the CRA Board Minutes from the following meeting:

October 23, 2014 Tallahassee Community Redevelopment Agency Board

No vote was recorded for Commissioner Richardson.

POLICY FORMATION AND DIRECTION

Acceptance of Fiscal Year 2014 City of Tallahassee Community Redevelopment Agency Budget Close-Out

Item 4.01 presented by Sherri Baker, CRA Senior Community Redevelopment Planner, was the FY 2014 Community Redevelopment Agency (CRA) Budget Close-Out Report for the CRA Board's approval.

Ms. Baker gave an overview of the 2014 adopted and actual budget revenues and expenses. In 2014, actual revenues were over \$2.3 million, with \$1.4 million in the Greater Frenchtown/Southside (GFS) District and \$800,000 in the Downtown (DT) District. The administrative/operating expenses were less than expected due to minimum outside legal and unclassified contractual services. In addition, the capital projects expenditures was less due to

the suspension of the Retail Incentive Loans program, no commitments from the Loan Guarantee program and limited expenses from the Affordable Housing program.

Following the presentation, Commissioner S. Maddox moved to **accept the FY 2014 CRA Operating and Capital Budget close-out report as presented and authorize year-end adjustments as outlined in the agenda item**, seconded by Commissioner N. Maddox, **the vote was as follows:**

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson, and Ziffer

NAY: None

ABSENT: Proctor

Commissioner Miller requested a breakdown of how tax increment funds (TIF) are received by the CRA.

In response to Commissioner Miller's question, Ms. Baker gave an overview stating the Leon County Property Appraiser's office compares the baseline property values (year 2000 for the GFS District and year 2004 for the DT District) against current year property values to calculate the increment in property values for both districts. CRA staff uses the values to determine the amount of tax increment revenue each redevelopment district will receive.

Approval of Commercial Façade Improvement Grant Application – 831 Old Bainbridge Road

Item 4.02 presented by Rick McCraw, CRA Program Director, was a request for approval of a commercial façade improvement grant for 831 Old Bainbridge Road.

CRA staff received a commercial façade improvement grant application from Morga Yvette Williams, owner/applicant, for \$22,482.50 to cover the cost of exterior renovations of the vacant building located at 831 Old Bainbridge Road. The building will be completely renovated to house a BBQ restaurant.

The low bid for qualified work items is \$44,965, for which the applicant is seeking a commercial façade improvement grant of \$22,482.50. The total cost of exterior and interior improvements, as well as furnishings, fixtures and equipment (FF&E), is estimated at \$64,965. The property is located within the Greater Frenchtown/Southside (GFS) Community Redevelopment Area.

Commissioner Dozier moved to **approve the application for grant funds in the amount of \$22,482.50 for the construction of façade improvements to the building located at 831 Old Bainbridge Road. Authorize CRA staff to enter into a commercial façade agreement with the applicant and property owner**, upon seconded by Mayor Gillum; **the vote was as follows:**

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson, and Ziffer

NAY: None

ABSENT: Proctor

Recommended Approval of \$25,000 in Special Event Grant Funding for Springtime Tallahassee

Item 4.03 presented by Roxanne Manning, Executive Director, was a request from Springtime Tallahassee for \$25,000, in one-time grant funding for an inaugural music festival. The request is for one-half of the artists' fees, which totals \$50,000. The Tourist Development Council, via its Signature Event Grant Program, is funding the other \$25,000.

Springtime Tallahassee has been an annual community festival since 1967. The festival is estimated to attract approximately 15,000 visitors to Tallahassee. As an expansion to Springtime Tallahassee, the concert component is expected to increase over-night visitors and generate an estimated 1,500 room nights. In addition to the concert, Kerr & Downs Research will perform an economic impact study of the 2015 Springtime Tallahassee Music Festival which would be used as a benchmark for consideration of future funding requests.

Following the presentation, Mayor Gillum moved **to approve the one-time request for \$25,000 for the Springtime Tallahassee Music Festival from the uncommitted CRA FY 2015 CRA DT District Capital Project Funds**, upon seconded by Commissioner Miller, further discussion ensued.

Commissioner Dozier stated she would not support the motion because she is concerned the event is not an appropriate allocation of capital project dollars. Since the CRA currently has a promotional/special events grants program, capital project funding should be used for capital improvements instead of special events.

Commissioner S. Maddox stated he would support the item based the Board's recommendation to support special events but in his opinion, CRA dollars should be used for infrastructure only such as façade grants, streetscape, lighting, and curb and gutter.

Other Board members expressed their support of the item given it's a one-time request and the need for an expanded view on the use of CRA funds.

Commissioner Richardson suggested having a CRA Board retreat to determine the mission, and what the CRA is trying to accomplish.

Roxanne Manning noted last year's June workshop discussed many objectives for the CRA. In the past, the CRA has been reactive but now with the enhanced tax base there is an opportunity to be proactive. CRA staff has made initial contact with the community and based on those meetings a preliminary list of community based improvement projects was created as part of the investment plan and will be brought back to the Board in February. She also suggested the extension of the February meeting as a workshop to discuss these items.

A brief discussion ensued on the need for further direction establishing policy and procedures to aid in being proactive on future proposals and developments.

Following the discussion, **a vote was made on the motion to approve the one-time request for \$25,000 for the Springtime Tallahassee Music Festival from the uncommitted CRA FY 2015 CRA DT District Capital Project Funds:**

AYE: Gillum, Lindley, N. Maddox, S. Maddox, Miller, and Ziffer

NAY: Dozier

ABSENT: Proctor

No vote was recorded for Commissioner Richardson.

After the vote on agenda item 4.03, Commissioner Dozier made a motion **to request staff to bring back an agenda item for discussion on the future plans of the \$5 million bed tax funding**, upon seconded by Commissioner S. Maddox, **the vote was as follows:**

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, Richardson, and Ziffer

NAY: None

ABSENT: Proctor

Based on the vote, the Board suggested an extended meeting in February to discuss the use of the remaining Bed Tax funds previously committed to a performing arts center.

Request for Board Direction on Funding Request for Taylor House Renovations

Item 4.04 presented by Rick McCraw, Program Director, was a request for direction on the Tallahassee Urban League's (TUL) request for funding support for renovations to the Taylor House.

Rick McCraw gave an overview of the previous State and City grant funding received by the TUL for the Taylor House improvements totaling approximately \$118,000. The TUL is requesting \$150,000 for similar improvements including a portion of an individual's salary, which is typically not covered by the CRA. The improvements include a new roof, replace/repair windows, repair entrances and porches, a new HVAC system and interior improvements. Staff has identified several alternative funding options, including the City's Historic Property Grant & Loan (HPGL) program, and is seeking Board direction.

Commissioner Lindley stated she requested the item be modified from staff's original recommendation to Board direction for further discussion.

Mayor Gillum requested clarification to determine if the CRA would be paying for the same improvements that were covered by the State and City in the past and if a specific cost breakdown was provided by the TUL.

In response to Mayor Gillum's questions, Mr. McCraw stated the records are not very clear regarding how the 1997 State funds were used except for general renovations but the City funds

covered similar renovations such as new roof and HVAC system. An itemized list of repairs and their costs was not provided for past renovations or for this request.

Commissioner N. Maddox inquired whether or not the GFS Citizens' Advisory Committee (CAC) had reviewed the request and provided a recommendation for funding.

In response to Commissioner N. Maddox's inquiry, Mr. McCraw indicated most requests go to the CAC, but because of timing or other staff actions some requests are not reviewed by the CAC. In this case, the CAC was advised the Taylor House request was going to the Board but did not review the request and develop a recommendation for the CRA Board.

Commissioner Gillum requested the applicant provide clarification of the past improvements and their costs in relation to the current request.

Mr. Curtis Taylor responded the earlier State funds were used for exterior repairs while the City funds were used for interior repairs. He stated there have not been any major repairs since the mid-1990s. In response to Mayor Gillum's question regarding the operations of the Taylor House, Mr. Taylor highlighted a tour last year for 200 middle school students that had historical exhibits and noted the need for continued education for students.

Commissioner Dozier expressed support for the educational programs of the Taylor House; however, she voiced concern with the request being consistent with CRA policy regarding funding salaries and historic preservation. She conveyed the need for additional information on how earlier funds were used and whether the applicant could apply for the City's HPGL program before supporting the request.

Several Board members requested clarification on the City's review process of historical preservation requests for public/private use.

Mr. McCraw stated under the City's HPGL program the review process is different for residential and commercial projects; however, the review process for commercial projects, which this request would be, is the same whether the applicant is a for-profit or a not-for-profit.

Commissioner N. Maddox made a motion **to defer action on this item until the proposal has been reviewed and a recommendation is provided by the CAC and the applicant provides a clear cost breakdown for the funding request**, upon a second by Commissioner Miller, discussion ensued.

Commissioner Dozier requested additional language be added to the motion to include **incorporating information on the HPGL program and determine if the applicant can receive funding through the HPGL program**.

The Board continued the discussion sharing concerns to ensure the CAC's input is received during the review and recommendation process on future proposals, and the need for a holistic approach to the Frenchtown area as the Shelter relocates to its new location.

Following the discussion, a vote was made on the motion **to defer action on this item until the proposal has been reviewed and a recommendation is provided by the CAC, the applicant provides a clear cost breakdown for the funding request and incorporating**

information on the HPGL program and determine if the applicant can receive funding through the HPGL program:

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, and Ziffer

NAY: None

ABSENT: Proctor

No vote was recorded for Commissioner Richardson.

After the vote on agenda item 4.04, Commissioner N. Maddox made a motion **for any funding decision made by the Board be reviewed by the respective districts' advisory committee before presentation to the Board**, upon seconded by Commissioner Miller, discussion ensued.

Based on further discussion with some Board members expressing uncertainty about the review process for major developments and the possibility of preventing progress for the proposals and development requests by requiring review of all project funding requests by the districts' advisory committees, Commissioner N. Maddox amended his motion **to request the preference of the Board to have any funding decision reviewed by the respective districts' advisory committee before presentation to the Board**, seconded by Commissioner S. Maddox, **the vote was as follows:**

AYE: Dozier, Gillum, Lindley, N. Maddox, S. Maddox, Miller, and Ziffer

NAY: None

ABSENT: Proctor

No vote was recorded for Commissioner Richardson.

Program and Project Updates

Roxanne Manning noted the final two Frenchtown/Southside Community Workshop meetings are scheduled for late February for discussion on the investment plan and the Greater Frenchtown/Southside Community Redevelopment Plan.

She noted an internal meeting scheduled for later today to discuss the Frenchtown area possibilities and projects using CRA and city-owned parcels. Several meetings are scheduled and the information will be brought back to the Board in the future.

The closing on the O'Connell property sale and exchange between the CRA and the State/FSU should occur in late February or early March 2015. Once the closing has occurred staff will bring back an agenda item for discussion on the intended uses of the Firestone and Bloxham properties, the Old City Waterworks building and select areas of Cascades Park.

UNAGENDAED PUBLIC COMMENT

Dr. Geraldine Seay, 648 W. Brevard Street, voiced her appreciation for the Board's dedication to the community. She also expressed concern about the Greater Frenchtown/Southside communities' opportunity to provide input on projects and proposals recommended to the Board. She indicated the GFS district is not being included in these conversations and would like assurance that future proposal and programs will be vetted through the community.

Commissioner Ziffer shared Dr. Seay's sentiments and requested future proposals be taken to the citizens' advisory committee.

UNAGENDAED ITEMS/COMMISSION DISCUSSION

Commissioner Richardson made a motion **to work with staff for on a presentation to the Board to expand the GFS District boundaries to include the South City area**, upon seconded by Commissioner Ziffer, further discussion ensued.

A brief discussion ensued regarding the need to focus staff's attention on incorporating the east side of South Monroe Street into the CRA district, complete the investment plan, determine the existing costs to address current blighted conditions in the CRA before tackling another area in Tallahassee.

After further discussion, Commissioner Ziffer withdrew his second to the motion. To prevent the motion from dying, Commissioner N. Maddox seconded the motion, and **the vote was as follows:**

AYE: N. Maddox and Richardson

NAY: Dozier, Lindley, S. Maddox, Miller, and Ziffer

ABSENT: Gillum and Proctor

The motion failed with Commissioner Dozier, Lindley, S. Maddox, Miller, and Ziffer in dissent.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 10:48 a.m.



Agenda Item Details

Meeting	Apr 21, 2015 - CRA Board Meeting
Category	3. Consent Items
Subject	3.02 Approval of \$50,000 Commercial Façade Improvement Grant for 227 N. Bronough Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action (Consent)
Fiscal Impact	Yes
Dollar Amount	50,000.00
Budgeted	Yes
Budget Source	FY 2015 Downtown Commercial Façade Improvement Grant Program
Recommended Action	Approve the application for grant funds in the amount of \$50,000 for the construction of façade improvements to the building located at 227 N. Bronough St. Authorize CRA staff to enter into a commercial façade agreement with the applicant/property owner.

Public Content

For more information, please contact: Charles Hubbard, Tallahassee CRA, 850-891-8355.

Statement of Issue

On June 28, 2006, the Community Redevelopment Agency (CRA) Board approved the guidelines for the Greater Frenchtown/Southside Community Redevelopment Area (GFS) Commercial Façade Improvement Grant Program, providing one-to-one matching grants of up to \$50,000 for façade improvements on commercial structures. This program was extended to the entire Downtown District Community Redevelopment Area (DT District) on October 19, 2009.

On October 13, 2014, CRA staff received a commercial façade improvement grant application from TP Thirteen, LLC, the property owner, for exterior renovation of the building located at 227 N. Bronough St. The applicant/owner plans extensive exterior and some interior renovations to the building, which will continue to house office spaces. The lowest bid for the qualified façade items is \$3,368,730 for which the applicant is requesting a \$50,000 matching grant.

Recommended Action

Option 1 - Approve the application for grant funds in the amount of \$50,000 for the construction of façade improvements to the building located at 227 N. Bronough St. Authorize CRA staff to enter into a commercial façade agreement with the applicant/property owner.

Fiscal Impact

The FY 2015 Downtown Commercial Façade Grant Program (Project # 1500401) has a balance of \$75,000. Funding this request will leave a balance of \$25,000.00. The Office of Budget and Policy has reviewed this agenda item and concurs that it meets budget guidelines.

Supplemental Material/Issue Analysis

History/Facts & Issues

The CRA Board approved the GFS Commercial Façade Improvement Grant Program on June 28, 2006. In 2009, the program was extended to include the Downtown District Community Redevelopment Area. The façade program is designed to assist property owners and tenants in restoring or renovating the exterior of their buildings, thereby reducing blighting influences and improving the area's physical characteristics, which will lead to increased occupancy and property values within the redevelopment area. To date, 34 commercial façade projects have been approved, 28 have been completed and 6 are under construction, providing nearly \$1.3 million in grant funds for redevelopment projects that have had total estimated costs approximately \$8.5 million.

The program provides eligible commercial property owners or tenants with up to \$50,000 in grant funds for commercial façade improvements. The grant funds are provided in the form of a forgivable loan, with a requirement that the property owner or tenant provide a minimum match of 100 percent. The grant/loan is forgiven over a five-year prorated period, at a zero percent interest rate, provided the property is maintained as commercial. Other major components of the program include:

- a. The CRA Executive Director approves grant requests of \$10,000 or less.
- b. The CRA Board approves grant requests in excess of \$10,000.
- c. Properties must be maintained as commercial for five years following completion of construction. If they are not maintained as commercial, any outstanding balance of the prorated deferred loan must be repaid to the CRA.
- d. Multi-year applications for the same property are possible, but total grant funds for any one property cannot exceed \$50,000.
- e. A grant in excess of \$10,000 is secured by a mortgage and subject to restrictive covenants; a grant of less than \$10,000 is subject to restrictive covenants.
- f. Applicants are required to submit three bids from licensed contractors; funding awarded an applicant will be based on the lowest bid.
- g. Technical assistance in preparing applications is available to all applicants.

The property owner, TP Thirteen, LLC, submitted a grant application on October 13, 2014, for extensive exterior renovation of the building located at 227 Bronough St. The applicant/owner plans extensive exterior improvements to address water intrusion problems and enhance the building facade and some interior renovations to the building which houses offices. The grant-eligible exterior renovations consist of:

- The removal of the existing EIFS cladding, replacing it with a brick and metal wall panel rain screen system.
- New exterior window and door replacement.
- Associated selective demolition.
- Removal of non-structural exterior columns from the façade.
- Masonry work, framing (metals, woods and plastics), thermo and moisture protection, finishes and canopy, and davit assembly.

The lowest bid for the qualified façade improvements is \$3,368,730, for which the applicant is requesting a \$50,000 matching grant. The estimated cost for all renovations, including the interior improvements, is \$3,500,000. A summary of the exterior renovations is described in Attachment 1.

In addition to addressing the water intrusion problems, the property improvements are intended to improve the appearance and operation of the building. When the DT District was established in 2004, the property and improvements had a taxable value of \$7.3 million. In 2015 the property and improvements had a taxable value of \$6.2 million; as a result, the CRA is not collecting any tax increment on the property. Improvements to the exterior and operation of the building should result in increase lease interest in the property and an increase in property values, which will benefit the CRA.

If the CRA Board approves the application, the owner/applicant will enter an agreement with the CRA and will be required to maintain the property as a commercial structure for five years. The grant will be treated as a five-year, zero interest deferred loan, and will be subject to an agreement and restrictive covenants, including a provision that will require the property to

continue as a taxable entity during the duration of the agreement. The amount of the deferred loan will be amortized in monthly installments over a 60-month (five year) period, beginning one month after certification of completion by the City Building Inspector, or as agreed to with the CRA Executive Director, and with CRA staff verification that the work was completed as proposed in a satisfactory and professional manner.

Outstanding Loan Application Issues and Staff Recommendation

There are no outstanding loan application issues; the owner/applicant has provided all required application materials.

Staff Recommendation

Staff recommends approval of the application.

In addition to the extensive building facade improvements, the applicant is also preparing for significant repairs to the parking garage, but the details and timing of those repairs are still being developed. At this time the garage repairs are estimated to cost more than \$400,000. The applicant plans to submit a commercial painting grant request (\$5,000) to help cover the cost of painting the garage once the extent and cost of the garage repairs are known.

Options

1. Approve the application for grant funds in the amount of \$50,000 for the construction of façade improvements to the building located at 227 N. Bronough St. Authorize CRA staff to enter into a commercial façade agreement with the applicant/property owner.
2. Do not approve the application; provide staff with alternate direction.

Attachments/References

1. Application Summary – 227 N. Bronough St.

[Attachment 1.pdf \(1,185 KB\)](#)

STAFF REVIEW/APPLICATION SUMMARY

CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY
DOWNTOWN COMMUNITY REDEVELOPMENT AREA
COMMERCIAL FAÇADE IMPROVEMENT PROGRAM

.....

I. APPLICANT AND BUSINESS INFORMATION

Date of Application: October 13, 2014

Name of Applicants: TP Thirteen, LLC

Name of Business: TP Thirteen, LLC

Business Address: 227 N. Bronough St.

Telephone Number: (850)224-2300

Fax Number: (850)425-1114

E-mail Address: lbillberry@talcor.com

Type of Business: Office bldg. Parcel ID Number: 2136402214025

This property is located in the: Downtown District Community Redevelopment Area

Zoning Designation (this section must be reviewed by the Land Use and Environmental Division of the City's Growth Management Department, 850-891-7100):

Use is allowable: X Use is not allowable:

Growth Management Planner/Reviewer and Date: Cindy Smith, 02/04/15

Are there any liens or existing code violations on the property? Yes No X

Code Enforcement / Reviewer and Date: Sherrie Ashline, 02/04/15

II. PROPERTY OWNER INFORMATION (if different from Applicant)

Name of Owner: N/A

Telephone Number: Email:

III. PROJECT FINANCING INFORMATION

Total Project Cost of Eligible Façade Improvements: \$3,368,730.00

Amount of Grant Funds Requested: \$50,000

Estimated Cost of All Renovations: \$3,500,000.00

PROJECT SUMMARY

The existing building at 227 N. Bronough St. is currently an office building.

The owner plans major exterior improvements to address water intrusion problems and enhance the building facade. The eligible exterior improvements are:

- Installation of EIFS cladding removal and replacing with a metal wall panel rain screen system.
- New exterior window and door replacement.
- Associated selective demolition.
- Removal of non-structural exterior columns from the façade.
- Masonry work, framing (metals, woods and plastics), thermo and moisture protection, finishes and canopy, and davit assembly.

The low bid for qualifying exterior façade improvements is \$3,368,730.00 for which the applicant is requesting a \$50,000 matching grant. The estimated cost of all renovations, including the interior improvements, is \$3,500,000.00. A detailed listing of the three bids can be found on page 7.

The owner of the building and property, TP Thirteen, LLC, agrees to these proposed improvements and has indicated that they will sign the Restrictive Covenants, as well as the other legal documents accompanying the grant.

IV. ADDITIONAL SUBMISSIONS (required)

- Color photographs of the existing building exterior. Need to show all sides of the building, with emphasis on the area to be improved.
- Sketches or conceptual drawings of the project when completed.
- Three (3) bids from licensed contractors for all qualifying work items
- A legal description of the property.
- Proof of property ownership or, if a tenant, a copy of the lease;
- Tenants must provide written documentation verifying the property owner approves the proposed enhancements and will sign the restrictive covenants and/or mortgage (*Not applicable, owner is making the application*);
- Documentation from all lending institutions verifying all mortgage payments on the property are current and that the lending institutions will provide updated information upon request by the Community Redevelopment Agency;
- Documentation demonstrating all property tax payments are current;
- Certificate of Appropriateness issued by the Tallahassee-Leon County Architectural Review Board is attached, if appropriate (*Not applicable, property is not listed on the Local Register of Historic Places*).
- Proof of property insurance

CRA Staff review was completed on: 6 April 2015

Recommend: Approval Denial Other (explain below)

Charles Hubbard
Name (print)

Signature



CRA Program Director review was completed on: 6 April 2015

Recommend: Approval Denial Other (explain below)

Richard McCraw
Name (print)

Signature



CRA Executive Director review was completed on: 6/7/15

Recommend: Approval Denial Other (explain below)

Roxanne Manning
Name (print)

Signature



“Before – North, South and East Elevations”



“After” Rendition



Listing of Bids for Qualified Work Items
227 Bronough Street

WORK ITEM	C-Sharpe	Childers	American Restoration
General Requirements	\$ 681,940	\$ 1,813,525	\$ 966,704
Masonry	\$ 175,000	\$ 91,440	\$ 352,114
Framing (Metals, Woods & Plastics)	\$ 356,165	\$ 443,098	\$ 737,179
Thermo & Moisture Protection	\$ 1,374,879	\$ 987,830	\$ 2,076,796
Doors & Windows	\$ 735,100	\$ 648,967	\$ 1,161,363
Finishes & Canopy	\$ 7,500	\$ 13,500	\$ 14,823
Davit Assembly*	\$ 28,146	\$ 42,000	\$ 174,229
Other	\$ 10,000	\$ 51,500	\$ 9,433
Total	\$ 3,368,730	\$ 4,091,860	\$ 5,492,641

*C-Sharpe price is for non-permanent davit



Agenda Item Details

Meeting	Apr 21, 2015 - CRA Board Meeting
Category	4. Policy Formation & Direction
Subject	4.01 Approval of City of Tallahassee Community Redevelopment Agency Performance Measures -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	No
Recommended Action	Approve the CRA performance measures as described in the agenda item.

Public Content

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

Statement of Issue

As part of the Audit of the Tallahassee Community Redevelopment Agency (CRA) issued on August 22, 2014, the City Auditor noted, among other findings, the lack of formal performance measures used by the CRA to evaluate the effectiveness of programs. The report recommends the CRA establish "Formal and specific measures...to better demonstrate CRA successes."

While staff has previously used measures, such as the increase in property values and Internal Rate of Return to measure the Agency's success, those measures had not been formally adopted by the CRA Board. Additionally, the auditor's report noted the measures could be improved if thresholds, where appropriate, could be added. Based on these comments, staff has developed a set of performance measures for CRA Board consideration. Included in the main body of this agenda item are five categories of performance measures, with different target levels, intended to help measure the performance of CRA programs and projects. Staff recommends the CRA Board approve these performance measures.

If approved by the CRA Board, staff will use the measures to evaluate FY 2014 and all future programs and projects. The results will be posted annually on the CRA web page and will be included in future annual reports.

Recommended Action

Option 1 - Approve the CRA performance measures as described in the agenda item.

Fiscal Impact

There is no fiscal impact with this agenda item.

Supplemental Material/Issue Analysis

History/Facts & Issues

As part of the Audit of the Tallahassee Community Redevelopment Agency (CRA) issued on August 22, 2014, the City Auditor noted, among other findings, the lack of formal performance measures used by the CRA to evaluate the effectiveness of programs. The report recommends the CRA establish “Formal and specific measures...to better demonstrate CRA successes.”

Staff has always used various measures when assessing projects, especially the larger redevelopment efforts. These have included Internal Rate of Return, anticipated increase in taxable value, the improvement of a blighted parcel, creating neighborhood interest, and increasing the quality of affordable housing in the redevelopment districts. However, these measures have not been formally adopted as performance measures.

Listed below are five categories of performance measures, with different target levels, intended to help measure the performance of CRA programs and projects. Staff believes these proposed performance measures cover the majority of CRA redevelopment efforts, and recommends the CRA Board adopt them.

1. Leveraging CRA assistance with private investments in support of major redevelopment projects (more than \$500,000 in CRA assistance).
 - a. Level of CRA assistance as a percentage of total project cost/private investment
 - b. CRA assistance to major redevelopment projects does not exceed, on average, 10 percent of development costs.
 - c. CRA investments in major redevelopment projects increase post-redevelopment taxable value by at least 20 percent, on average.
 - d. At least one major redevelopment project approved, started and/or completed within targeted areas bi-annually.
2. Success of CRA small business grant programs:
 - a. Commit at least 75 percent of budgeted small business grant funds each year.
 - b. Percentage of Commercial Façade Improvement grant recipients that exceed the minimum dollar-for-dollar match requirement, with a goal of averaging \$1.50 in private investment for each CRA dollar invested.
 - c. Percentage of grant recipients in business three and five years after improvements are completed.
3. Infrastructure
 - a. CRA assistance as a percentage of the total project cost, with a goal of limiting CRA assistance to a maximum of 20 percent of total project cost.
4. Quality of Life
 - a. Number of CRA-supported promotional/special events supported annually.
 - b. Commit at least 90 percent of budgeted promotional/special event funds each year.
 - b. Minimum of 25 percent increase in previously approved applicant’s financial contributions towards promotional/special events after two years of CRA assistance.
 - c. Decrease in funding needs of prior approved applicants after three years of CRA support.
5. Elimination of blighted conditions
 - a. Commit at least 85 percent of CRA small business grant funds dedicated to targeted areas annually.
 - b. Commit at least 85 percent of affordable housing funds dedicated to targeted areas annually.
 - c. 100 percent of small business projects to be completed within one year of agreement approval.
 - d. 100 percent of affordable housing projects completed within eighteen months of agreement approval, unless the agreement specifies otherwise.

If approved by the CRA Board, staff will use the measures to evaluate FY 2014 and all future programs and projects. The results will be posted annually on the CRA web page, and will be included in future annual reports. In addition, staff will evaluate these performance measures on an annual basis, and present updated performance measures for CRA Board consideration as needed.

Options

1. Approve the CRA performance measures as described in the agenda item.

2. Do not approve the CRA performance measures; provide staff with alternate direction.

Attachments/References

None



Agenda Item Details

Meeting	Apr 21, 2015 - CRA Board Meeting
Category	4. Policy Formation & Direction
Subject	4.02 Approval of Additional Funding for Exterior Improvements to 505 West Georgia Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	21,818.00
Budgeted	No
Budget Source	FY 2014 GFS Master Project No. 1400664
Recommended Action	Approve additional grant funding in the amount of \$21,818 to assist in the paving of the parking lot for 505 W. Georgia Street; authorize staff to enter into a development agreement with the property owner outlining the terms of the funding.

Public Content

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

Statement of Issue

On February 27, 2014, the CRA Board approved a \$50,000 commercial façade improvement grant from Adam Bardhi (the applicant and owner) for exterior improvements to a former dental office at 505 W. Georgia Street. The low bid for qualified exterior improvements was \$157,638, resulting in the applicant's match of more than \$2 in private investment funds for each CRA grant dollar. At the time of the application, Mr. Bardhi estimated the total project cost (land and exterior and interior renovations) at \$400,000.

Originally, At the time of the initial application, Mr. Bardhi planned to open a restaurant in half the building (approximately 1,200 square feet) and provide retail/office space in the other half. More recently, Mr. Bardhi advised CRA staff that the restaurant will occupy the entire building. He has also indicated the restaurant will create 4 to 6 full-time and 12 part-time positions.

Because the applicant's project costs exceeded the original estimate and the significant improvement the renovations have made to the building, Mr. Bardhi has requested that the CRA Board consider additional grant funding to help cover part of the cost to install a parking lot on the property. Mr. Bardhi has received three bids to install the parking lot, ranging from a low of \$43,636 to a high of \$59,888.

The improvements to exterior of 505 W. Georgia Street have been extensive, transforming a vacant, blighted building into a commercial location. The improvements not only have the ability to attract customers to the restaurant, but to also attract additional redevelopment projects to the area. For these reasons, staff recommends additional grant funding of \$21,818, which is 50 percent of the lowest bid, to assist in the installation of the parking lot.

Recommended Action

Option 1 - Approve additional grant funding in the amount of \$21,818 to assist in the paving of the parking lot for 505 W. Georgia Street; authorize staff to enter into a development agreement with the property owner outlining the terms of the funding.

Fiscal Impact

The \$21,818 in funds for the additional grant funding will come from the FY 2014 GFS District Master Project fund (#1400664), which has a balance of \$220,716.

Supplemental Material/Issue Analysis

History/Facts & Issues

On February 27, 2014, the CRA Board approved a \$50,000 commercial façade improvement grant from Mr. Bardhi for exterior improvements to a former dental office at 505 W. Georgia Street. The low bid for qualified exterior improvements was \$157,638, resulting in the applicant's match of more than \$2 in private investment funds for each CRA grant dollar. At the time of the application, Mr. Bardhi estimated the total project cost (land and exterior and interior renovations) at \$400,000.

Originally, Mr. Bardhi planned to open a restaurant in half the building (approximately 1,200 square feet) and provide retail/office space in the other half. More recently, Mr. Bardhi advised CRA staff that the restaurant will occupy the entire building. He has also indicated that the restaurant will create 4 to 6 full-time and 12 part-time positions.

As of mid-March, Mr. Bardhi has spent approximately \$436,000 in total project costs (Attachment 1) to purchase and renovate the property. This does not include approximately \$16,000 in stormwater fees he recently paid, and between \$44,000 and \$60,000 to install the parking lot. Noting the project costs have exceeded the original estimate and the significant improvement the renovations have made to the building, Mr. Bardhi has requested the CRA Board consider additional grant funding to help cover part of the cost to install a parking lot on the property. He has received three bids to install the parking lot, ranging from a low of \$43,636 to a high of \$59,888.

The 2014 taxable value of the property is \$54,224, which is approximately 57.5 percent of the 1999 baseline value of the property (\$94,345) when the GFS District was established in June 2000. Because the 2014 taxable value is less than the baseline value, the property does not currently contribute any tax increment to the GFS District. The improvements to the property, both interior and exterior, are substantial (Attachment 2), and will result in a vacant building being operated as a seven-day/week restaurant. Although at this time we do not have an estimate of the anticipated increase in taxable value from the Leon County Property Appraiser, it is reasonable to expect a post-renovation taxable value of \$100,000 or more based on taxable values of nearby commercial properties.

For these reasons, staff recommends additional grant funding of \$21,818, which is 50 percent of the lowest contractor bid for installation of a parking lot. If the additional grant funds are approved by the CRA Board, Mr. Bardhi will have received \$71,818 in CRA assistance, and invested more than \$420,000 in private funds towards the project cost.

Among other standard grant terms, as a condition of receiving the additional grant funds, Mr. Bardhi will be required to open the restaurant within 60 days of completing the installation of the parking lot.

This request for additional grant funding was prepared in advance of the April 13th meeting of the GFS Citizens' Advisory Committee (CAC). Staff will present the request to the CAC and present the CAC recommendation to the CRA Board at the April 21st CRA meeting.

Options

1. Approve additional grant funding in the amount of \$21,818 to assist in the paving of the parking lot for 505 W. Georgia Street; authorize staff to enter into a development agreement with the property owner outlining the terms of the funding.

2. Do not approve the additional grant funding; provide staff with other direction.

Attachments/References

1. 505 W. Georgia Street Project Costs
2. Before and After Images of 524 N. Georgia Street

[Attachment 1.pdf \(194 KB\)](#)

[Attachment 2.pdf \(591 KB\)](#)

505 W. Gaines Project Expenses

<u>Category</u>	GBGH	
	Contract Estimate	Paid As Of: 3-12-15
Demolition	\$14,200.00	\$14,200.00
Foundation	\$28,900.00	\$28,900.00
Windows/Door Cut Outs	\$7,300.00	\$7,300.00
Concrete Work	\$3,800.00	\$5,600.00
Storefront	\$27,500.00	\$27,500.00
Masonry	\$19,500.00	\$23,500.00
Framing	\$14,900.00	\$14,900.00
Electrical	\$4,715.00	\$0.00
Painting	\$7,790.00	\$0.00
Permits	\$2,760.00	\$2,760.00
HVAC	\$32,700.00	\$28,700.00
Sitework	\$12,600.00	\$12,600.00
Roofing	\$18,435.00	\$18,435.00
Flashing	\$4,500.00	\$4,500.00
Waterproofing	\$3,100.00	\$3,100.00
Plumbing	\$12,370.00	\$12,370.00
Cleaning	<u>\$3,400.00</u>	<u>\$3,400.00</u>
Sub-Total	\$218,470.00	\$207,765.00
 <u>Soft Costs</u>		
Land/Building	\$115,000.00	\$115,000.00
Architect/Design	\$6,500.00	\$6,500.00
Engineer/Survey	<u>\$18,900.00</u>	<u>\$18,900.00</u>
Sub-Total	\$140,400.00	\$140,400.00
 Contractor Fee/Expenses	 <u>\$77,334.00</u>	 <u>\$74,833.00</u>
Total	\$436,204.00	\$422,998.00

505 W. Georgia Street – Before



North Elevation



South Elevation

505 W. Georgia Street – Before



East Elevation



West Elevation

505 W. Georgia Street - After



Southeast Elevation



Northwest Elevation



Agenda Item Details

Meeting	Apr 21, 2015 - CRA Board Meeting
Category	4. Policy Formation & Direction
Subject	4.03 Approval to Purchase the Property and Improvements at 524 N. Martin Luther King Jr. Blvd for the Frenchtown Farmer's Marketplace and Heritage Hub -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	242,000.00
Budgeted	Yes
Budget Source	Frenchtown Heritage Farmer's Market Project No. 1500421
Recommended Action	Approve the purchase of the property and improvements at 524 N. Martin Luther King Jr. Blvd for \$242,000, plus related closing and due diligence costs, contingent upon (1) receipt of a clear title commitment on the subject property and (2) City Commission approval of the language amendment to the CU-18 use description in the City's land development code on April 22nd.

Public Content

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

Statement of Issue

As part of the FY 2015 City of Tallahassee Community Redevelopment Agency (CRA) Capital Budget, the CRA Board approved up to \$500,000 for the Frenchtown Heritage Farmer's Market (Farmer's Market). The funds were approved to help purchase property; construct a facility; assist in the purchase of furnishings, fixtures and equipment for the market; and related development needs in support of the Farmer's Market.

On February 13, 2015, the CRA entered into a purchase and sale agreement with the owner of the real property at 524 N. Martin Luther King, Jr. Boulevard (formerly the Billy Owen's Construction Company office) for \$242,000 plus related closing and due diligence costs (title insurance, appraisal, survey, recording fees, environmental assessment, inspections, etc.). Final approval of the agreement is contingent upon several conditions, including City Commission approval of language to amend the CU-18 description in the land development code to allow the sale of retail food and groceries, and approval of the purchase and sale agreement by the CRA Board.

With the exception of (1) receipt of a clear title commitment and (2) City Commission approval of the language amendment to the CU-18 description in the City's land development code all other sale-related contingencies have been successfully completed. A review of the title is underway and a title commitment is expected to be received prior to the April 21st CRA Board meeting. As a result, CRA staff recommends the CRA Board approve the purchase and sale agreement for 524 N. Martin Luther King, Jr. Boulevard contingent upon (1) receipt of clear title commitment on the subject property and (2) City Commission approval of the language amendment to the CU-18 use description in the City's land development code at the April 22nd City Commission meeting.

A review of the status of all the agreement contingencies is outlined in the main body of the agenda item.

Recommended Action

Option 1 - Approve the purchase of the property and improvements at 524 N. Martin Luther King Jr. Blvd for \$242,000, plus related closing and due diligence costs, contingent upon (1) receipt of a clear title commitment on the subject property and (2) City Commission approval of the language amendment to the CU-18 use description in the City's land development code on April 22nd.

Fiscal Impact

The Frenchtown Heritage Farmer's Market Project (856-450101-1500421) has a current balance of \$495,580. Approval of the sales and purchase agreement will reduce the balance to approximately \$253,580 upon closing, not including remaining closing costs and related due diligence expenses.

Supplemental Material/Issue Analysis

History/Facts & Issues

As part of the FY 2015 CRA Capital Budget, the CRA Board approved up to \$500,000 for the Farmer's Market. The funds were approved to help purchase property; construct a facility; assist in the purchase of furnishings, fixtures and equipment for the market; and related development needs in support of the Farmer's Market.

While considering potential vacant parcels for purchase and redevelopment as the Farmer's Market, representatives of the Frenchtown Heritage Marketplace Action Team (which consists of the Frenchtown Neighborhood Improvement Association, the Frenchtown Revitalization Council, the Tallahassee Food Network, the 2013 Knight Creative Communities Institute Catalyst, and the Carolina Oaks Neighborhood Association) noted the former Billy Owen's Construction Company office at 524 North Martin Luther King Jr Boulevard was for sale. Further evaluation of the property by the Frenchtown Heritage Marketplace Action Team found the Billy Owens property would be a suitable location for the marketplace, allowing the facility to grow as the marketplace needs grew.

On February 13, 2015, the CRA entered into a purchase and sale agreement with the owner of the real property at 524 N. Martin Luther King, Jr. Boulevard for \$242,000 plus related closing and due diligence costs (Attachment 1). The agreement contains several contingencies, which are described below.

1. Agreement Approval. **Open** – awaiting CRA Board approval as outlined in this agenda item. In addition, the CRA follows City policies regarding purchases, including the purchasing of property. Part of that procedure involves the review and recommendation of land purchases by the City's Real Estate Committee. The Real Estate Committee recommended approval of the purchase at their March 24, 2015 meeting.
2. Appraisal. **Completed** - the CRA has until April 14, 2015 to obtain an appraisal on the subject property. An appraisal was prepared by Cureton-Johnson & Associates, LLC, with a report date of February 23, 2015. The report appraised the property at \$250,000, which is greater than the \$242,000 purchase price. The appraisal was reviewed and accepted by the City's Property Management Division.
3. Title Insurance. **Open** – title insurance has been requested from the Tallahassee Title Group. A title commitment was not received when this agenda item was prepared, but is expected to be received prior to the April 21st CRA Board meeting. Receipt of a clear title commitment by the CRA will be required before closing on the property. Title insurance will be received after the closing.
4. Inspection. **Completed** - the CRA had until April 14, 2015 to complete inspections needed to determine the property is suitable for use as a farmer's market. This includes environmental inspections and building inspections. The environmental inspection is described below. A building inspection completed on March 4, 2015 noted no major deficiencies with the building (electrical system, hearing system, roof, and plumbing system) other than the water

heater was installed in 1983. The report was reviewed and accepted by the City's Property Management Division. Finally, the building is covered by a termite warranty bond which the CRA will renew after closing.

5. Environmental Assessment. **Completed** - a Phase 1 Environmental Site Assessment of the property was completed in early March 2015 by Environmental Consulting and Technology, Inc. (ECT). The ECT assessment found no prior uses that would indicate the possibility of contamination on the property or contamination of nearby properties that were likely to impact the environmental condition of the subject property. As a result, the ECT assessment recommended no further environmental assessments. The ECT assessment was reviewed and accepted by the City's Environmental Policy and Energy Resources Department.

6. Survey. **Completed** – a boundary survey of the subject property was completed by the Survey Division of the City's Public Works Department on March 9, 2015. No discrepancies or encroachments that would impact the value of the property were noted.

7. Zoning Change. **Open** – the subject property is zoned CU-18, which allows minor commercial uses. In reviewing the allowed uses, City Growth Management determined the zoning did not allow retail food and grocery uses, which would be required to operate a farmer's market on the property. Growth Management has since prepared a proposed amendment to the CU-18 use description that would allow retail food and grocery uses. The amendment has been approved by the Planning Commission, and the first ordinance reading/public hearing on the proposed amendment was conducted on March 25, 2015. The second, and final, public hearing is scheduled for April 22, 2015. Staff does not anticipate any objection to the amendment, but because the public hearing will occur after the CRA Board meeting, staff recommends the approval of the sales and purchase agreement is contingent upon approval of the CU-18 amendment by the City Commission.

With the exception of the receipt of a clear title commitment on the property and City Commission approval of the language amendment to the CU-18 description in the City's land development code all other sale-related contingencies have been completed. As a result, CRA staff recommends the CRA Board approve purchase and sale agreement for 524 N. Martin Luther King, Jr. Boulevard contingent upon (1) receipt of a clear title commitment and (2) City Commission approval of the language amendment to the CU-18 use description in the City's land development code at the April 22nd City Commission meeting.

Upon closing on the subject property, there will be a balance of approximately \$253,580 in the Frenchtown Heritage Farmer's Market project. The remaining funds will be used for improvements to the building, consistent with future CRA Board approval and direction. Any funds remaining after final improvements and support for the Farmer's Market project will be returned to the Greater Frenchtown/Southside Community Redevelopment Area master project budget for further investment in the district.

In a separate action, the CRA is proposing to enter into an agreement with the Frenchtown Neighborhood Improvement Association to lease the former Billy Owens property from the CRA to operate as the Frenchtown Farmer's Marketplace and Heritage Hub. This will be addressed at the May 28th CRA Board meeting.

Options

1. Approve the purchase of the property and improvements at 524 N. Martin Luther King Jr. Blvd for \$242,000, plus related closing and due diligence costs, contingent upon (1) receipt of a clear title commitment on the subject property and (2) City Commission approval of the language amendment to the CU-18 use description in the City's land development code on April 22nd.
2. Do not approve the purchase the property and improvements at 524 N. Martin Luther King Jr. Blvd.; provide staff with alternate direction.

Attachments/References

1. Purchase and Sale Agreement for 524 N Martin Luther King Jr. Blvd

[Attachment 1.pdf \(3,358 KB\)](#)

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made by and between **WILLIAM E. OWENS**, whose address is P.O. Box 12704, Tallahassee, Florida 32317 ("Seller"), and the **CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY (CRA)**, a body politic and entity created, existing and operating under Part III of Chapter 163, Part III, Florida Statutes, whose address is City Hall, 300 South Adams Street, Tallahassee, Florida, 32301 ("Buyer"). The effective date ("Effective Date") of this Agreement shall be the date upon which the last party executes this Agreement. Buyer and Seller acknowledge and agree to the following terms and conditions pertaining to the purchase of real property located at 524 N. Martin Luther King, Jr. Boulevard, Tallahassee, Leon County, Florida 32301 (the "Property"), further described as:

EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

TAX ID: 21-36-50-007-5140

1. Purchase Price: Seller agrees to sell, and Buyer agrees to purchase, the Property for a purchase price of **Two Hundred Forty-Two Thousand and 00/100 dollars (\$242,000.00)** (the "Purchase Price") to be paid in cash at Closing.

Buyer agrees to accept conveyance of the Property subject to the following:

- a. Highways and other rights-of-way, all recorded easements, and licenses, if any.
 - b. Declaration of Restrictive Covenants and Conditions of record.
 - c. All zoning and other governmental restrictions, regulations and prohibitions, including all land use and development ordinances and regulations presently existing or hereinafter enacted.
2. Closing Costs: Buyer shall pay the costs of title insurance in the amount of the purchase price, survey and fees for recording the deed. The Seller shall pay for documentary stamps on the deed. Buyer shall pay the costs of any environmental or site assessment. Property taxes shall be paid as provided herein.
 3. Closing and Possession: Closing shall occur on or before ninety (90) days after the Effective Date, unless otherwise extended by the terms and conditions of this Agreement, and shall be held at the office of a licensed title insurance agent, or as otherwise agreed by the parties. Possession of the Property shall be delivered at closing.

Purchase & Sale Agreement - William E. Owens

4. Property Taxes: Seller shall pay all real estate taxes and assessments, which are or which may become a lien against the Property prior to or at closing. Seller shall, in accordance with Section 196.295, Florida Statutes, place in escrow with the county tax collector an amount equal to the current taxes prorated to the date of transfer. In the event the Buyer acquires fee title to the Property on or after November 1, 2014, Seller shall pay to the county tax collector an amount equal to the taxes prorated to the date of transfer, that are determined to be legally due and payable by the county tax collector.
5. Title: Seller will sign the documents at closing:
 - a. Warranty Deed to the Property conveying all of Seller's right, title and interest in and to the Property to Buyer.
 - b. Owner's affidavit attesting to the absence of mechanic's or material men's liens, proceedings involving Seller which might affect title to the Property, or parties in possession other than Seller and such lessees or licensees as may be in possession.
 - c. Foreign Investment and Real Property Tax Act (FIRPTA) affidavit and such other instruments and documents as Buyer's counsel may reasonably request for the purpose of confirming proper and lawful execution and delivery of closing documents and conveyance of the Property to Buyer in accordance with this Agreement, and any of the requirements of any title insurer.
6. Contingencies: This Agreement is contingent upon the following:
 - a. Agreement Approval: This Agreement shall be binding upon the parties hereto, their heirs, successors and assigns, subject to the following: (a) review and approval by the CRA Board and the availability of funding and (b) City of Tallahassee's approval process as described in City Commission Policy #136, Real Estate Policy.
 - b. Appraisal: At Buyer's discretion, and at Buyer's sole cost and expense, Buyer may obtain an appraisal of the Property during the Inspection Period. If the appraised value is less than the Purchase Price, Buyer may (a) proceed to closing without regard to the appraised value, or (b) notify Seller of the appraised value and, if Buyer and Seller cannot mutually agree to a new purchase price within three (3) days of such notice to Seller, Buyer may terminate this Agreement by providing written notice to Seller, without any further obligation to Seller.

Purchase & Sale Agreement - William E. Owens

- c. Title Insurance: Buyer's receipt, thirty (30) days prior to closing, from a Florida licensed title insurer, of a title insurance commitment to be followed by a title insurance policy upon recording of the deed, in the amount of the full purchase price. Said commitment shall be to insure the title to the Property, subject only to liens, encumbrances, exceptions or qualifications set forth in this Agreement. If a defect in title appears in the title commitment, Buyer shall notify Seller, within ten (10) days of receipt of the commitment, of the title defect and Seller shall have ninety (90) days from receipt of notice of the title defect within which to clear same at Seller's expense. The Closing Date shall be extended for said 90 day period to allow Seller time to cure the title defect. If any such title defect cannot be cured within the ninety (90) days, Buyer shall have the option of accepting the title as is and proceeding to closing, or of terminating this Agreement without any further obligation to Seller.
- d. Inspection: Buyer shall have sixty (60) days (the "Inspection Period") from the Effective Date to perform inspections and tests as Buyer deems necessary to determine that the property is suitable for Buyer's intended use for a "Farmers Market", including but not limited to, surveys, soil borings and environmental assessment. Such inspections and tests shall be made at Buyer's expense. In the event the Buyer determines that the Property is unsuitable for the Buyer's intended use, Buyer may terminate this Agreement without any further obligation to seller by providing written notice to Seller within the Inspection Period.
- e. Environmental Assessment: At Buyer's discretion, and at Buyer's sole cost and expense, Buyer may obtain an environmental site assessment of the Property. If Buyer obtains a Phase I environmental assessment report, within the Inspection Period, which indicates the potential presence of environmental hazards or contamination, Buyer shall have the option, at Buyer's sole cost and expense, and upon written notice to Seller, to extend the Inspection Period by an additional thirty (30) days (the "Extended Assessment Period") to obtain a Phase II environmental site assessment. If Buyer determines the environmental condition of the Property is not acceptable, which shall be in Buyer's sole and absolute discretion, Buyer may terminate and cancel this Agreement, without any further liability or obligation hereunder, by providing written notice to the Seller, on or before the last day of the Extended Assessment Period.

Purchase & Sale Agreement - William E. Owens

- f. Survey: Buyer, within thirty (30) days from the Effective Date and at his sole cost and expense, shall obtain and provide to Buyer, a current boundary survey of the Property prepared by a professional land surveyor licensed by the State of Florida, which meets the standards and requirements of Buyer ("Survey"). Said Survey shall locate all permanent improvements, fences, utilities, physical features or any other items which may affect the value or condition of the property. If the Survey shows any encroachment on the Property or that improvements intended to be located on the Property encroach on the land of others, the same shall be treated as a title defect as provided in paragraph 6.c. above.
7. Zoning Change: This Agreement is contingent upon a change in the zoning or permitted use of the Property for Buyer's intended use. Satisfaction of this contingency shall be in Buyer's sole discretion.
8. Risk of Loss: Seller assumes all risk of loss or damage to the Property prior to the date of closing and warrants that the Property shall be transferred and conveyed to the Buyer in the same or essentially the same condition as of the date of Sellers' execution of this Agreement, ordinary wear and tear excepted.
9. Right to Enter Property: Seller agrees that from the date this Agreement is executed by Seller, Buyer and its agents, upon reasonable notice, shall have the right to enter the Property for all lawful purposes in connection with the this Agreement. Seller agrees to provide access to Buyer pursuant to reasonable notice as provided herein.
10. Notice: Any notice, request, instruction or demand to be given hereunder shall be hand delivered to the other party hereto, sent by a recognized, national overnight express mail courier (such as Federal Express or Airborne) or mailed by certified mail, return receipt requested, with postage prepaid, at the respective addresses listed below. The addresses may be changed by the applicable party to this Agreement as to such party by providing the other party with notice of such address change in the same manner as provided above, and which change shall be effective five (5) days following receipt of such written notice by the other party. In the event that notice, request or demand is made as provided in this paragraph, then in the event such notice is returned to the sender by the U.S. Postal System because of insufficient address or otherwise, such writing shall be deemed received by the other party to which it was addressed on the date that such notice was placed in the U.S. Postal System.

Purchase & Sale Agreement - William E. Owens

As to Seller:

William E. Owens
1004 Mimosa Drive
Tallahassee, FL 32312

As to Buyer:

City of Tallahassee Community
Redevelopment Agency
ATTN: Roxanne Manning
300 South Adams Street, Box A-15
Tallahassee, Florida 32301

11. Facsimile Documents: This Agreement may be executed in any number of counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Receipt of a facsimile signature telecopy (followed promptly by an original executed counterpart) shall be deemed receipt of an original.
12. Attorney's Fees: Each party shall bear its own legal fees in connection with the closing which is the subject of this Agreement. In the event of any litigation arising between the parties concerning this Agreement, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorney fees, including costs associated with any appeal.
13. Governing Law; Venue in Leon County; Waiver of Jury Trial: This Agreement shall be governed by and construed under the laws of the State of Florida. Any litigation arising from, concerning or relating to this Agreement shall be resolved by a court of competent jurisdiction in Leon County, Florida. The parties waive the right to trial by jury in any dispute or litigation arising from, concerning or relating to this agreement.
14. Other Agreements: This Agreement sets forth all the promises, covenants, agreements, conditions and understandings between the parties hereto and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, expressed or implied, oral or written, except as herein contained.
15. Modification: This Agreement may be modified only by an agreement in writing signed by the parties to this Agreement.
16. Radon: Radon is a naturally occurring radioactive gas that when accumulated in a building in sufficient quantities may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding Radon or Radon testing may be obtained from your County Public Health unit.

Purchase & Sale Agreement - William E. Owens

IN WITNESS WHEREOF, the parties have affixed their hands and seal.

[Handwritten Signature]
1st Witness Signature

Jim Taylor
Print 1st Witness Name

[Handwritten Signature]
2nd Witness Signature

Caryl G. Pierce
Print 2nd Witness Name

SELLER:

By: [Handwritten Signature]
William E. Owens

STATE OF Florida
COUNTY OF Leon

THE FOREGOING instrument was acknowledged before me this 13th day of February 2015, by William E. Owens, who is personally known to me or who has produced Florida's Drivers License (type of identification) as identification.

[Handwritten Signature]
NOTARY PUBLIC State of Florida at Large

Rebecca J. Adams
Print Notary Name

My Commission Expires: 4-11-2015



Purchase & Sale Agreement - William E. Owens

BUYER:

City of Tallahassee Community
Redevelopment Agency,

Richard J. McCraw Jr
1st Witness Signature

RICHARD J. MCCRAW JR
Print 1st Witness Name

Sherri Curtis
2nd Witness Signature

SHERRI CURTIS
Print 2nd Witness Name

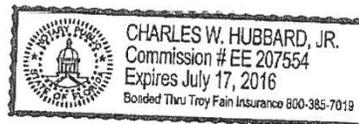
Roxanne Manning
By: Roxanne Manning
Its: Executive Director

**STATE OF FLORIDA
COUNTY OF LEON**

THE FOREGOING instrument was acknowledged before me this 13th day of February 2015, by Roxanne Manning, Executive Director as agent for the City of Tallahassee Community Redevelopment Agency, who is personally known to me or who has produced _____ (type of identification) as identification.

Charles W. Hubbard Jr
NOTARY PUBLIC State of Florida at Large
Charles W. Hubbard Jr
Print Notary Name

My Commission Expires:



Approved as to Form:

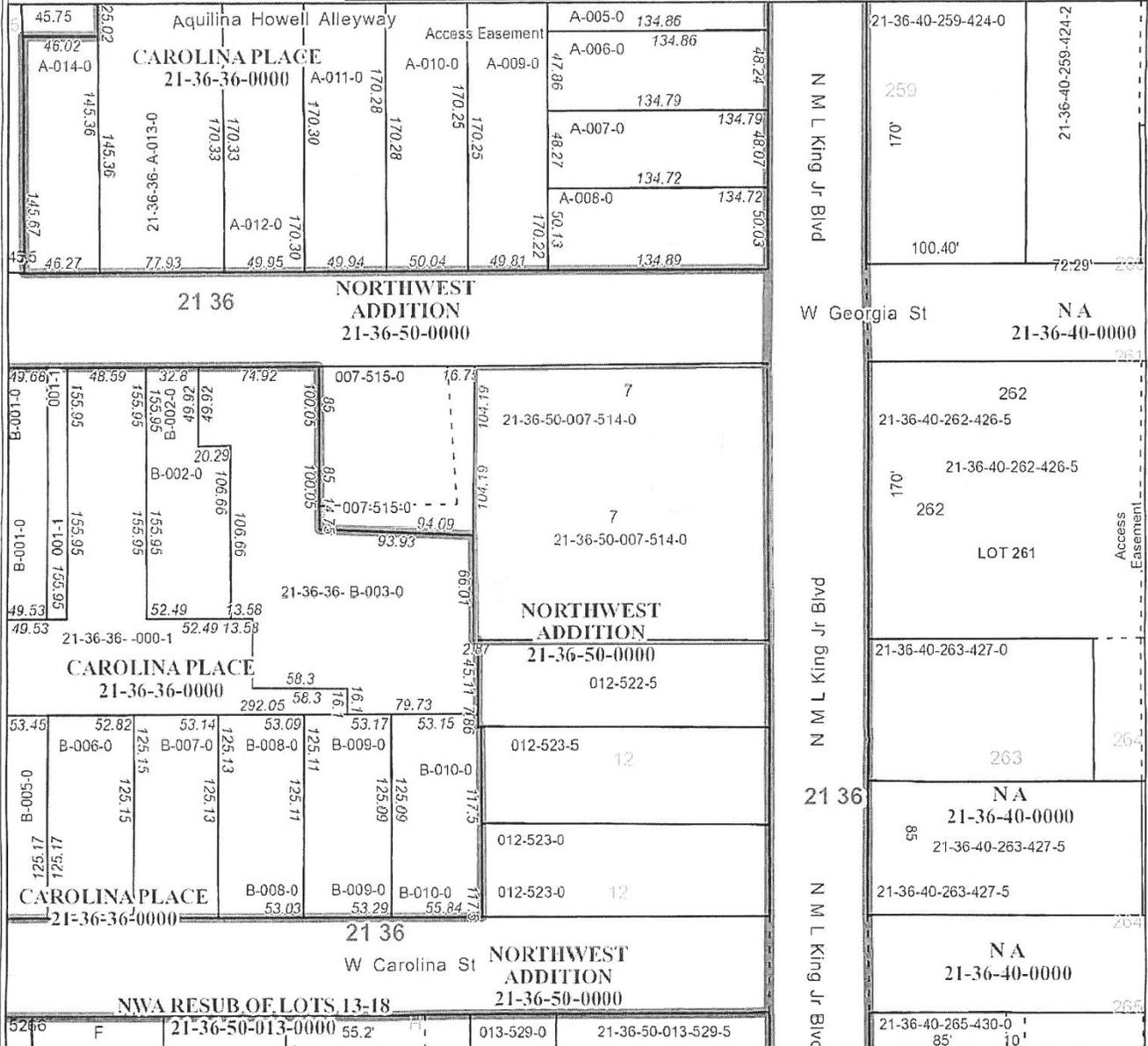
Assistant City Attorney

315 S. Calhoun St
Tallahassee, Fl. 32301

Bert Hartsfield, CFA
Leon County Property Appraiser



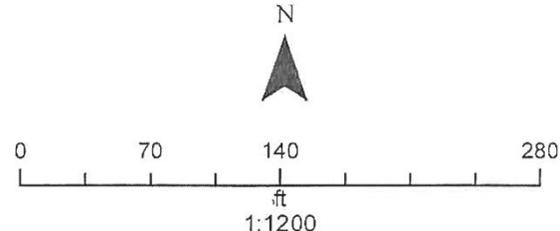
Phone - (850) 606-6200
www.leonpa.org



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Legend

- Township
- Section
- Subdivision
- Parcels
- Lots
- Buildings 2012 Aerial
- Railroad
- Access Easements
- Waterbody
- Rivers and Streams



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

Date Drawn: Feb 09, 2015



Agenda Item Details

Meeting	Apr 21, 2015 - CRA Board Meeting
Category	4. Policy Formation & Direction
Subject	4.04 Approval of Modification to Original Railyard Lofts at CollegeTown Terms between the CRA and Railyard at CollegeTown, LLC -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	161,000.00
Budgeted	Yes
Budget Source	FY 2015 DT Master Project No. 1500305
Recommended Action	Authorize staff to negotiate and enter into (1) an grant agreement with the Developer for the reimbursement of the cost to install underground electric lines in the City right-of-way from Lorene Street east towards Gay Street, and (2) a separate agreement for reimbursement of the previously authorized construction expenses.

Public Content

For more information, please contact: Rick McCraw, CRA Program Director, 850-891-8352.

Statement of Issue

On July 10, 2014, the City of Tallahassee Community Redevelopment Agency (CRA) Board approved \$600,000 in grant funds (Attachment 1) to Railyard at CollegeTown, LLC (the Developer) to assist in development of the Railyard Lofts at College Town (the Project), a seven-story mixed-use residential condominium at the intersection of Gaines Street and Woodward Avenue within the Downtown District Community Redevelopment Area (DT District). The Board agreed to provide the grant funds through the refund of 80 percent of the annual tax increment generated by the Project once it is completed and reflected on the tax roll, until all grant funds have been paid or the term of the DT District ends, whichever occurs first.

On October 23, 2014, the CRA Board agreed to amend their original grant approval to allow the CRA to reimburse the Developer the actual cost to underground the electric utilities in the pedestrian/bike path that is being constructed within the City right-of-way from Lorene Street east towards Gay Street upon completion of the installation (Attachment 2). This amendment was approved by the Board because the cost of installing the underground electric lines in this area was to improve pedestrian and bike access in the area, and not for the benefit of the Project. There was no change to the other components of the approved grant funds, which will be reimbursed from 80 percent of the tax increment generated by the Project once it is added to the tax rolls. Per the subsequent conversation with the Developer, the CRA reimbursement for the undergrounding of electric lines in this area will be limited to a maximum of \$161,000.

The Developer recently advised CRA staff that there is growing interest in developing a boutique hotel on the site, perhaps before construction begins on the Project (the Railyard Lofts). The Developer remains committed to the Project, but because of the uncertainty of which phase of the development might occur first, they are requesting they be allowed to move forward

with undergrounding the electric utilities in the City right-of-way from Lorene Street east towards Gay Street now and receive the reimbursement when the undergrounding is completed. The Developer is also seeking CRA approval to delay the start of construction of the Project until they fully evaluate the feasibility of the boutique hotel, and determine which development will start first.

As outlined in the body of this agenda item, CRA staff supports (1) a separate agreement for the reimbursement of the cost to install underground electric lines in the City right-of-way from Lorene Street east towards Gay Street, and (2) a separate agreement for reimbursement of the previously authorized construction expenses.

Recommended Action

Option 1 - Authorize staff to negotiate and enter into (1) an grant agreement with the Developer for the reimbursement of the cost to install underground electric lines in the City right-of-way from Lorene Street east towards Gay Street, and (2) a separate agreement for reimbursement of the previously authorized construction expenses.

Fiscal Impact

The grant funding/reimbursement were approved by the CRA Board in July and October 2014. The reimbursement of up to \$161,000 to install underground electric lines in the City right-of-way from Lorene Street east towards Gay Street will come from the FY 2015 DT District Master Project fund, which has a balance of \$557,823.

Supplemental Material/Issue Analysis

History/Facts & Issues

On July 10, 2014, the CRA Board approved \$600,000 in grant funds to the Developer to assist in development of the Project, a seven-story, mixed-use residential condominium with 42 residential units and 13,300 square feet of ground floor retail at the intersection of Gaines Street and Woodward Avenue within the DT District. The CRA funds will be used to cover the items listed below.

Item	Funds Requested
1. Underground electric lines along the pedestrian/bike path from Lorene Street west to Woodward Avenue.	\$258,000
2. Underground electric lines along the pedestrian/bike path from Lorene Street east to Gay Street.	\$132,000
3. Landscape/streetscape improvements in the City right-of-way and areas of the Project open to the public.	\$145,800
4. Assistance with the purchase of approximately 11,080 square feet of City right-of-way.	\$64,200
Total	\$600,000

As approved by the CRA Board, the grant funds would be provided through the refund of 80 percent of the annual tax increment generated by the Project once it is completed and reflected on the tax roll, until all grant funds have been paid or the term of the DT District ends, whichever occurs first. At the time of the request, the Developer noted this was Phase 1 of the development, and Phase 2 might include a boutique hotel on the remainder of the site.

On October 23, 2014, the CRA Board agreed to reimburse the Developer the actual cost to underground the electric utilities in the City right-of-way along the planned pedestrian/bike path from Lorene Street east towards Gay Street upon completion of the installation, and not recover this expense through the reimbursement of tax increment generated by the Project once it was added to the tax rolls. This exception was approved by the Board because the undergrounding of the electric lines in this area was to improve the construction of the pedestrian and bike pathway, and not for the benefit of the Project. Per subsequent conversations with the Developer, CRA expenses for the undergrounding of electric lines in this area will be limited to no more than \$161,000, even if the actual cost is greater.

The Developer recently advised CRA staff that there is growing interest in developing a boutique hotel on the site, perhaps before construction begins on the Project (the Railyard Lofts). The Developer remains committed to the Project, but because of the uncertainty over which phase of the development might occur first, is requesting to move forward with undergrounding the electric utilities in the City right-of-way from Lorene Street east towards Gay Street now, and receive the reimbursement when the undergrounding is completed. The Developer is not proposing any other changes to the approved funding at this time; but does plan to delay starting construction of the Project until they have an opportunity to complete the evaluation of the boutique hotel and determine which development would start first.

CRA staff supports the Developer's request to delay the start of construction on the Project but to move forward installing the electric lines underground from Lorene east towards Gay Street for several reasons. First, it makes sense to place the lines underground as part of the on-going construction of the pedestrian/bike path in this area rather than digging up the pathway later to accommodate the electric lines; (2) the main beneficiaries of underground electric lines in this area is not the Developer, but users of the pedestrian/bike path and future developer(s) of the properties to the east; (3) other than the expense to underground the electric lines from Lorene towards Gay Street, there is no fiscal impact to the CRA until the Project is completed and added to the tax rolls; (4) the CRA will benefit from the development of the Project, a boutique hotel or both; and (5) the Developer remains committed to developing the property, with a long-term vision of constructing both the Project and the boutique hotel.

Options

1. Authorize staff to negotiate and enter into (1) an grant agreement with the Developer for the reimbursement of the cost to install underground electric lines in the City right-of-way from Lorene Street east towards Gay Street, and (2) a separate agreement for reimbursement of the previously authorized construction expenses.
2. Do not authorize a separate agreement with the Developer for the reimbursement of the cost to install underground electric lines in the City right-of-way from Lorene Street east towards Gay Street. Reimburse the cost once the Project is added to the tax rolls and generates tax increment, as approved at the July 10, 2014 CRA Board meeting.
3. Do not approve a separate agreement for reimbursement of the previously authorized construction expenses once the Developer has decided whether the Railyard Lofts or a boutique hotel will be the next phase of development.
4. Provide staff with other direction.

Attachments/References

1. July 10, 2014 CRA Agenda Item - Approval of Grant Funding in Support of Railyard Lofts at CollegeTown Development
2. October 23, 2014 CRA Agenda Item – Revised Approval of Grant Funding in Support of Railyard Lofts at CollegeTown

[Attachment 1.pdf \(3,028 KB\)](#)

[Attachment 2.pdf \(541 KB\)](#)



Agenda Item Details

Meeting	Jul 10, 2014 - CRA Board Meeting
Category	4. Policy Formation & Direction
Subject	4.01 Approval of Grant Funding in Support of Railyard Lofts at CollegeTown Development -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Budgeted	No
Recommended Action	Option 1 - Approve grant funds of up to \$600,000 towards: (1) undergrounding of electric lines along the pedestrian/bike path from Lorene Street west to Woodward Avenue, (2) undergrounding of electric lines along the pedestrian/bike path from Lorene Street east to Gay Street, (3) landscape and streetscape improvements in the public realm, (4) and the purchase of approximately 11,080 square feet of City right-of-way from the former CSX property; and authorize the CRA Executive Director to negotiate and enter into a development agreement with the Developer consistent with this agenda and direction provided by the CRA Board.

Public Content

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

Statement of Issue

The Railyard at CollegeTown, LLC (Developer) has submitted a request for \$599,350 in CRA grant funds for assistance in development of the Railyard Lofts at College Town (Project), a seven-story mixed-use residential condominium at the intersection of Gaines Street and Woodward Avenue, within the Downtown District Community Redevelopment Area (DD redevelopment area), and on the site of the former Haunted House warehouse (Attachment 1). The proposed development will consist of 13,300 square feet of ground floor retail space and 42 two-bedroom, two-bathroom condominiums (Attachment 2). The condominiums are intended to be owner occupied, and will not be marketed to students. The proposed Project is consistent with the Downtown District Community Redevelopment Plan by removing a blighting condition (the Haunted House) and promoting mixed-use development within the Gaines Street district.

The Project is planned as Phase 1 for redevelopment of the property. The Developer's plans include a Phase 2, which may be a boutique hotel on the remainder of the property. In the interim the area will be used as temporary parking for the Project.

The Developer is requesting CRA assistance to (1) underground the electric utilities in the City right-of-way (the pedestrian/bike path) between Lorene Street and Woodard Avenue to the west, (2) to underground the electric utilities in the City right-of-way between Lorene Street and Gay Street to the east, (3) for the installation of streetscape and landscape improvements in areas that will be located in the public realm (both City right-of-way and areas of the Project that will be open to the public), and (4) for the purchase of approximately 11,080 square feet of City right-of-way that is part of a former CSX spur.

The Developer request was presented to the Downtown District Community Redevelopment Area's Downtown Redevelopment Commission (DRC) at their June 3rd meeting. The DRC recommended approval of up to \$600,000 in support

of the Project, with the request that the developer include more mature trees as part of the landscaping.

Staff recommends approval of the Developer request, up to a maximum of \$600,000 as further described and conditioned in this agenda item. Staff further recommends the financial assistance be provided through the refund of 80 percent of the annual tax increment generated by the Project until the Developer has received the \$600,000 in grant funds. The 20 percent of tax increment retained by the CRA would be used to fund other redevelopment projects in the DD redevelopment area. Details on the funding request and staff’s recommendation are contained in the body of this agenda item.

Recommended Action

Option 1 - Approve grant funds of up to \$600,000 towards: (1) undergrounding of electric lines along the pedestrian/bike path from Lorene Street west to Woodward Avenue, (2) undergrounding of electric lines along the pedestrian/bike path from Lorene Street east to Gay Street, (3) landscape and streetscape improvements in the public realm, (4) and the purchase of approximately 11,080 square feet of City right-of-way from the former CSX property; and authorize the CRA Executive Director to negotiate and enter into a development agreement with the Developer consistent with this agenda and direction provided by the CRA Board.

Fiscal Impact

The proposed Project is located within the DD redevelopment area. As recommended by staff, there is no immediate fiscal impact to the CRA since the grant funds will be provided after the Project is completed and added to the tax rolls. Once the Project is on the tax rolls and generating tax increment income for the CRA, the CRA would refund 80 percent of the Project’s annual tax increment until the developer has received up to \$600,000 in grant funds, provided the reimbursement is completed within the remaining term of the DD redevelopment area (which ends in June 2034).

Supplemental Material/Issue Analysis

History/Facts & Issues

In December 2013, the Developer of the proposed Project purchased the property that contains the Haunted House warehouse near the intersection of West Gaines Street and Woodward Avenue for \$2.2 million. The proposed Project is a seven-story mixed-use residential condominium consisting of approximately 13,300 square feet of ground floor retail space and 42 two-bedroom, two-bathroom condominiums. The proposed design was reviewed and approved by the City’s Urban Design Commission on April 2, 2014. Renderings of the proposed Project are at Attachment 2.

Project Background

The Developer has submitted a request for \$599,350 in CRA grant funds for assistance in development of the Project (Attachment 1). Specifically, the Developer is seeking assistance with the following:

Item	Funds Requested
1. Underground electric lines along the pedestrian/bike path from Lorene Street west to Woodward Avenue.	\$258,000
2. Underground electric lines along the pedestrian/bike path from Lorene Street east to Gay Street.	\$132,000
3. Landscape/streetscape improvements in the City right-of-way and areas of the Project open to the public.	\$145,150
4. Assistance with the purchase of approximately 11,080 square feet of City right-of-way.	\$64,200
Total	\$599,350

Underground Electric Lines West of Lorene Street: \$258,000 – Based on Electric Utilities estimates, the Developer is requesting \$258,000 to assist in placing the overhead electric lines at the rear of the Project site between Lorene Street and

Woodward Avenue to the west underground within existing City right-of-way. These electric lines were originally on Gaines Street but were moved to the right-of-way strip that runs between Woodward and Gay Street. The placement of the lines underground is needed to allow development of the Project near where the existing overhead lines are located in a manner that meets OSHA safety standards. The placement of overhead lines underground is also part of a long-term desire to improve the aesthetics along the planned pedestrian/bike path. As part of this request, the Developer has agreed to cover any undergrounding expenses that exceed the requested \$258,000, and to recover only the actual expenses if the cost to underground the electric lines in this area is less than \$258,000.

Underground Electric Lines East of Lorene Street: \$132,000 - Based on Electric Utilities estimates, the Developer is requesting \$132,000 to assist in placing the overhead electric lines along the existing City right-of-way from Lorene Street east to Gay Street underground, none of which is adjacent to the proposed Project site. This request is not related to development of the property; instead, it is more of an aesthetic request that is part of a desire by developers, tenants, residents and others to bury the electric lines within the Gaines Street district. The Developer has included this in his request to the CRA because he believes it makes sense to underground all the electric lines along the pedestrian/bike pathway at one time. Because this part of the request is a benefit to the entire Gaines Street district, and not only the Project site, the Developer is requesting that if the actual expenses to underground the electric lines in this area exceeds \$132,000 that the CRA reimburse him for the actual expenses. If the CRA approves the Developer's funding request, CRA staff will provide the Board with updates on any revised estimates for this part of the Project for approval before authorizing the Developer to move forward with placing these electric lines underground.

Landscape and Streetscape Improvements: \$145,150 – The Project includes an estimated \$216,188 in streetscape/landscape improvements on the development site, including the temporary parking lot, for which they are requesting \$145,150 from the CRA. The majority of these improvements will be within the public realm, which includes City right-of-way and areas of the Project that will be open to the public, such as the pedestrian pathway between the Project site and the Phase 2 site that will connect with pedestrian/bike pathway that runs parallel to Gaines Street and to CollegeTown. Staff is working with the Public Work's Department to determine if any of the City's Tree Bank funds can be used for a portion of the streetscape/landscape improvements. As of the date of this agenda item, it had not been determined if any of the proposed improvements would qualify for Tree Bank funds. If Tree Bank funds can be used for some of the streetscape/landscape improvements, the amount of CRA funds committed to this part of the Project will be reduced by that amount.

Purchase of City Right of Way: \$64,200 – The Project property purchased by the Developer is irregularly shaped, which negatively impacts the property's development potential. At \$2.2 million, the Developer paid approximately \$56.75/square foot for the property, which is significantly higher per square foot than other recent development properties in the area. The City purchased 7.5 acres of CSX right-of-way, a portion of which abuts the Project site and runs from Woodward Avenue to Gay Street, for \$1.8 million (approximately \$5.50/sq. ft.) in 2004 to facilitate redevelopment in the area. The Developer is requesting \$64,200 from the CRA to purchase approximately 11,080 square feet (approximately \$5.76/sq. ft.) of this property from the City to create a parcel that can support the proposed Project, including an anticipated Phase 2. A final decision on the sale price of the property by the City was not available at the date this agenda item was prepared, but the grant funds provided by the CRA will be the final sale price approved by the City Commission but not to exceed \$64,200.

The proposed Project will benefit the DD redevelopment area and the areas of the Greater Frenchtown/Southside redevelopment area that border West Gaines Street in several ways.

- Removes the Haunted House, a blighting condition on a critical downtown corner and gateway into the Gaines Street district.
- Adds a mixed-use development consisting of residential space that is not student oriented and retail development that will enhance this key gateway to Gaines Street, downtown and FSU.
- Adds an estimated \$10.5 million in new taxable value to the DD redevelopment area, increasing funds for other projects.
- May lead to a boutique hotel as part of a Phase 2 to the development.

Estimated Project Financials

The Project property has a baseline (2003) taxable value of \$225,917 and a current (2013) taxable value of \$376,077. The Leon County Property Appraiser (LCPA) has estimated the post-development taxable value at \$10.7 million. The Project will add approximately \$10.5 million in new taxable value and generate an estimated \$89,700 in first-year tax increment for the DD redevelopment area when added to the tax rolls in 2016.

For forecasting, staff generally anticipates a 2.0 percent annual increase in a development's taxable value. At this rate, the Project will generate approximately \$1.8 million in tax increment income for the DD redevelopment area during the remaining 20-year term of the DD redevelopment area before any refunds are provided to the Developer. Refunding the recommended \$600,000 (maximum) in tax increment to the developer reduces the tax increment available to the CRA from this Project for use on other DD projects to \$1.2 million. Please note that this forecast is for illustrative purposes only, the actual taxable value and annual increases (or decreases) in taxable value will likely vary from the above estimates.

The Developer expects to start construction later this summer, with a completion date in the fall of 2015. If completed on schedule, the development will be added to the Leon County tax rolls in 2016 and generate tax increment for the CRA in FY 2017 (November 2016). Once the Project is on the tax rolls and generating tax increment income, the CRA would refund 80 percent of the development's annual tax increment until the Developer has received up to \$600,000 in grant funds. Using the LCPA estimated taxable value of \$10.7 million and a 2.0 percent annual increase in taxable value, it will take approximately nine years (FY 2017 to FY 2025) to complete the refund payments to the Developer.

Recommended Approval and Conditions

The proposed Project is consistent with the Downtown District Community Redevelopment Plan by removing a blighting condition (the Haunted House) and promoting mixed-use development within the Gaines Street district.

The Developer request was presented to the DRC at their June 3rd meeting. The DRC recommended approval of up to \$600,000 in support of the Project, with the request that the developer include more mature trees as part of the landscaping.

Staff recommends providing the Developer with up to \$600,000 in grant funds in support of the Project. The payment of the grant funds to the Developer will begin once the Project is added to the tax rolls and generates tax increment income for the CRA, which is projected to begin in FY 2017. At that time, the CRA would refund 80 percent of the annual tax increment generated by the development until the Developer has received up to \$600,000 in grant funds. If the redevelopment value of the Project is not sufficient to reimburse the \$600,000 in grant funds within the remaining term of the DD redevelopment area (June 2034), the Developer would be limited to the tax increment reimbursement they have received as of that date. The 20 percent of tax increment retained by the CRA would be used to fund other redevelopment projects in the DD redevelopment area.

In addition to the funding recommendations discussed above, staff recommends the approval of financial assistance for the Project include, at a minimum, the following terms and conditions:

- Developer will be required to enter into an agreement with the CRA for a term of 20 years (the remaining term of the DD redevelopment area).
- Developer will receive all required development permits from the City of Tallahassee and start construction within six months of executing an agreement with the CRA.
- No refunds of tax increment will be provided to Developer until the development is added to the tax rolls and is generating tax increment.
- No refunds of tax increment will be provided to Developer unless the Project is completed in substantial compliance as described in the request for CRA funding.

- Any material changes in the proposed Project must be approved in writing by the CRA.
- Developer shall provide the CRA with a breakdown of the final construction costs of the Project, and will provide documentation detailing the individual expenses of the items funded entirely or in part with CRA funds.
- Developer will be required to work with the City to identify suitable mature landscaping for use in the public realm as described in the funding request.
- During construction the Developer will be required to demonstrate good faith efforts to achieve the City's MWBE goal of a minimum of twelve (12) percent of certified MWBE participation in construction-related contracts based on the anticipated total cost of the Development.

Options

1. Approve grant funds of up to \$600,000 towards: (1) undergrounding of electric lines along the pedestrian/bike path from Lorene Street west to Woodward Avenue, (2) undergrounding of electric lines along the pedestrian/bike path from Lorene Street east to Gay Street, (3) landscape and streetscape improvements in the public realm, (4) and the purchase of approximately 11,080 square feet of City right-of-way from the former CSX property; and authorize the CRA Executive Director to negotiate and enter into a development agreement with the Developer consistent with this agenda and direction provided by the CRA Board.
2. Do not approve the funding in support of the Railyard Lofts at College Town; provide alternative direction to staff.

Attachments/References

1. Railyard Lofts at College Town – Phase 1 Proposal, June 3, 2014
2. Renderings and Site Plan of Proposed Development
3. Aerial of Existing Development
4. CRA Staff Estimate of Financial Impact from Proposed Development

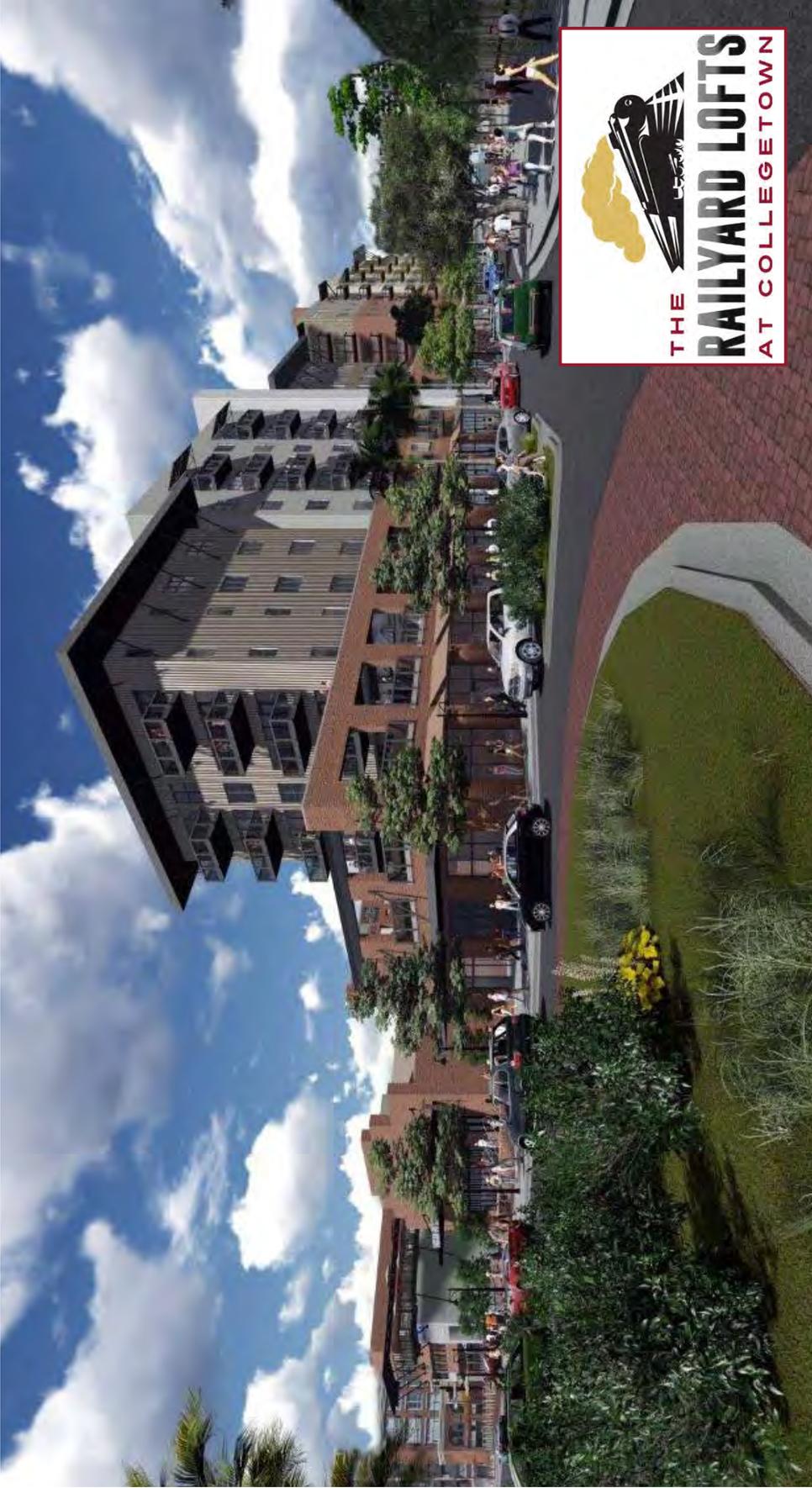
[Attachment 1.pdf \(720 KB\)](#)

[Attachment 2.pdf \(2,333 KB\)](#)

[Attachment 3.pdf \(1,020 KB\)](#)

[Attachment 4.pdf \(99 KB\)](#)

Administrative Content



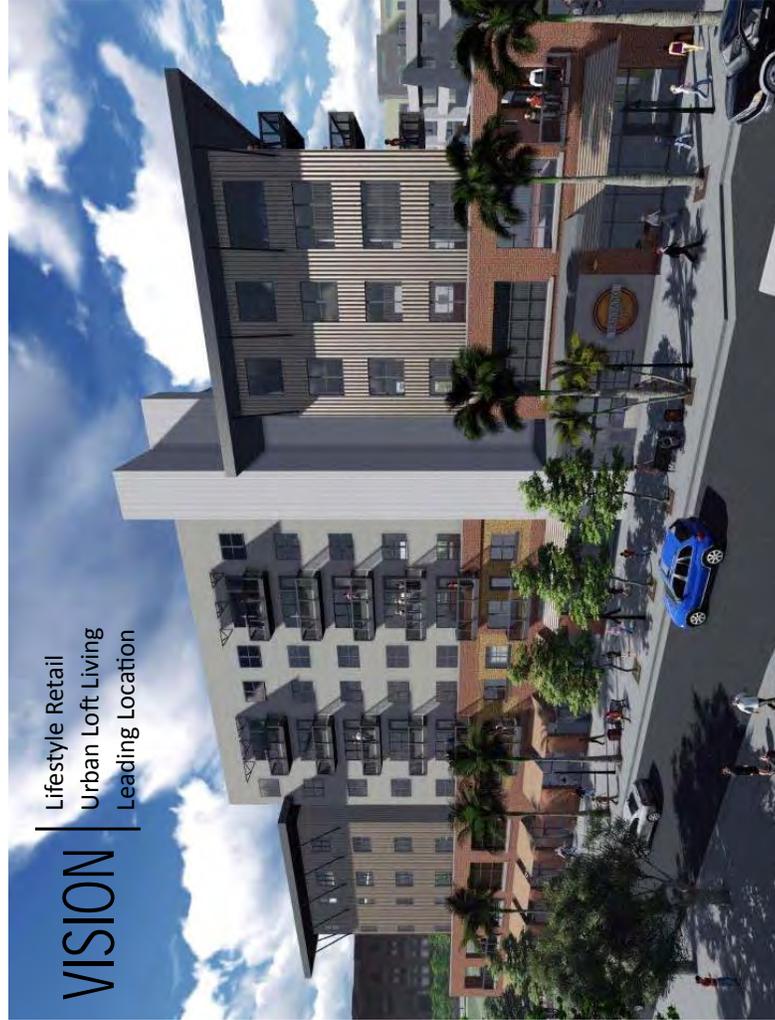
The Railyard Lofts at CollegeTown - Phase 1

Proposal for a Public Private Partnership with the Tallahassee
Community Redevelopment Agency - TCRA
Executive Summary – June 3, 2014

Alan Hooper – Hooper Realty (954) 632-6556 alan@hooperconstruction.net www.therailyardlofts.com.

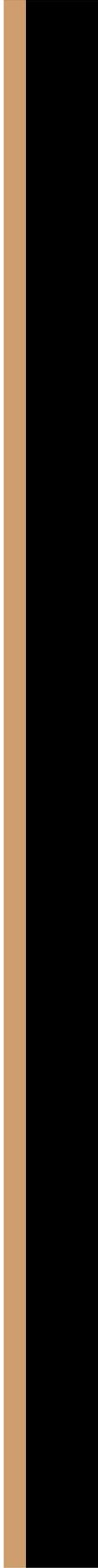
The Railyard Lofts at CollegeTown - Phase 1

Proposal for a Public Private Partnership with the Tallahassee Community
Redevelopment Agency - TCRA



Project Description

The Railyard Lofts at CollegeTown is an exciting new multi-story, mixed-use redevelopment located at the northeast corner of W. Gaines Street and S. Woodward Avenue. The project will be developed in two phases and this proposal is based on its initial phase. Phase 1 of the Railyard Lofts at CollegeTown will include 13,300 square feet of ground floor retail and 42 residential condominiums. The dramatic architecture of the seven-story building has attracted attention with its thoughtful mix of brick, glass and corrugated metal and the project recently received an approval from the Tallahassee Urban Design Commission. The proposed development will replace an unsightly hodge-podge of dilapidated metal warehouses with an iconic bookend for the west end the Gaines Street District. The developer is seeking funding assistance from the CRA to share in the some of the costs for improvements to be located within the public realm and which will advance and foster the City's overarching goals and objectives for the Gaines Street District.



The Railyard Lofts at CollegeTown - Phase 1

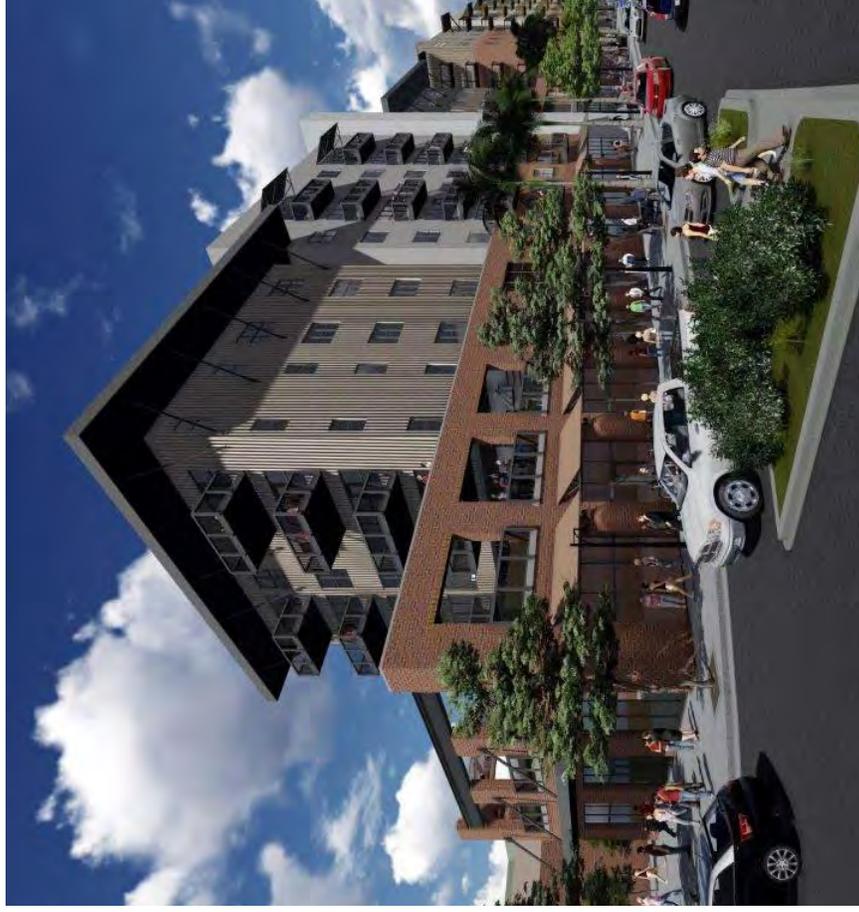
Proposal for a Public Private Partnership with the Tallahassee Community
Redevelopment Agency - TCRA



Project Benefits

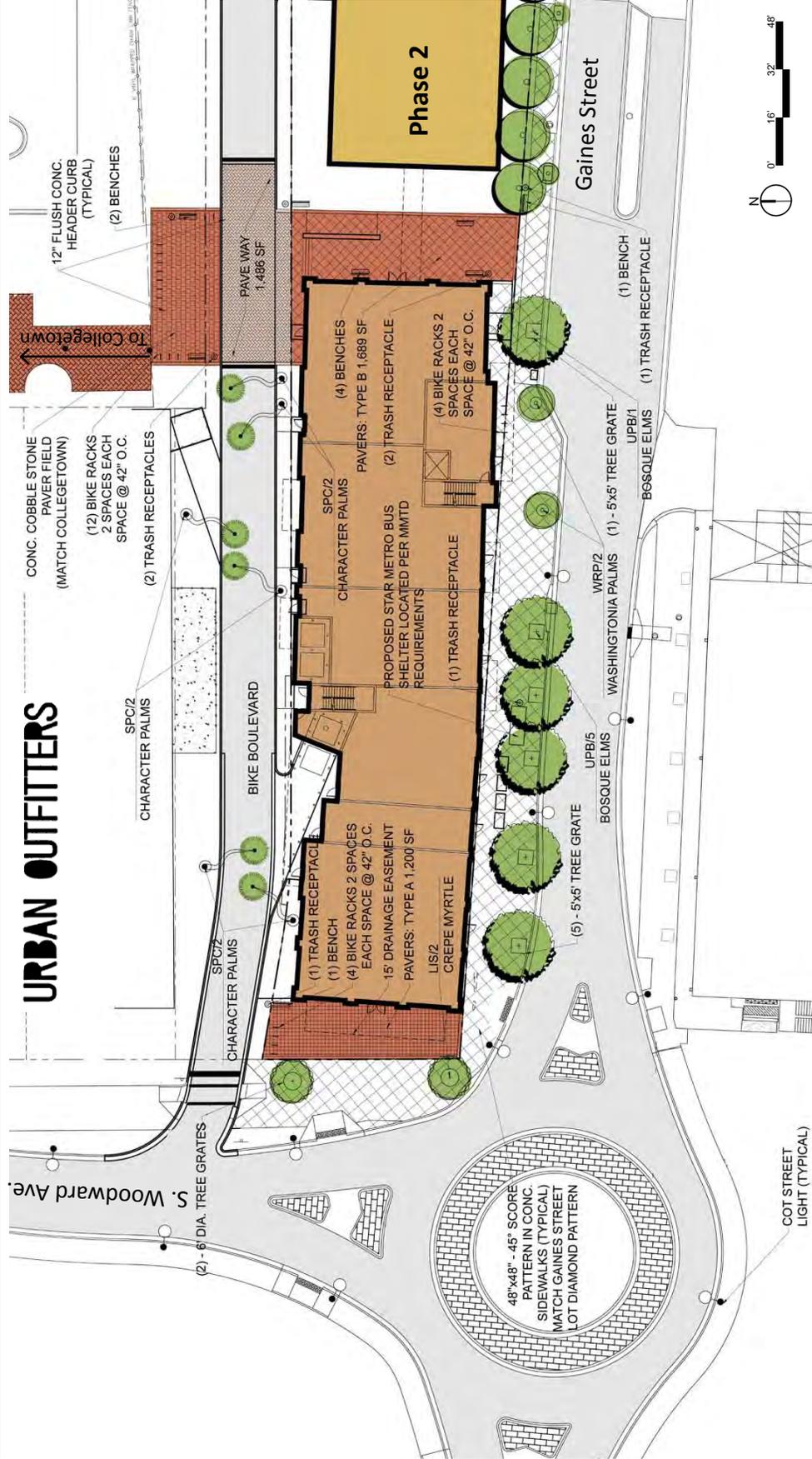
Design elements incorporated into the project include:

- Street trees with grates and enhanced growing medium (amended soil).
- Cobble paving in pedestrian areas and “paveway” in portions of the Bike Boulevard.
- Street furniture in the public realm - benches, trash receptacles, etc.
- Additional lighting in public realm areas: Pedestrian-Alley, Bike Boulevard; with sustainable lighting design in terms of energy efficiency and reduced light pollution.
- Reinforcement of the Gaines Street District design theme with additional activated areas, street lighting, banners, etc.
- Well-designed and carefully planned rear-lane service areas with aesthetically-screened service functions.
- Improved mobility and connectivity for pedestrians, bicyclists and transit users including a Star Metro Bus Shelter.
- A full-block segment of the Gaines Alley “Bike Boulevard”, broad sidewalks and extensive bicycle parking in the public realm.
- Fosters the overarching goals of the Gaines Street District with a mix of uses including retail, restaurant, services and high-density residential.



The Railyard Lofts at CollegeTown - Phase 1

Proposal for a Public Private Partnership with the Tallahassee Community
Redevelopment Agency - TCRA



Site Plan

The Railyard Lofts at CollegeTown - Phase 1

Proposal for a Public Private Partnership with the Tallahassee Community
Redevelopment Agency - TCRA



Economic Benefits

Economic benefits of the initial phase Railyard Lofts at CollegeTown are significant and include short term and long term/permanent job creation, increased tax base, and increased property values for the surrounding context. The Economic Impacts are described in-depth and documented in the attached March 2014 - Determination of Economic Impact Summary Report prepared by PMG Associates, Inc.

Summary of Costs

- \$64, 200 - Land Acquisition - estimated based on approximately 11,800 SF at \$5.44 per SF
- \$258,000 - Underground Electric Utilities – west of Lorene Street
- \$132,000 – Underground Electric Utilities – east of Lorene Street
- \$145,150 - Site Improvements – for Public Realm Streetscape Improvements

\$599,350 – Combined Total Amount of Requested Funding





6. (c) Building Elevation - View from Southeast; Doak S. Campbell Stadium Beyond

Alan Hooper – Railyard at CollegeTown, LLC (954) 632-6556 alan@hooperconstruction.net www.therailyardlofts.com.





6. (c) Building Perspective - View from Woodward/ Gaines Roundabout

Alan Hooper – Railyard at CollegeTown, LLC (954) 632-6556 alan@hooperconstruction.net www.therailyardlofts.com.

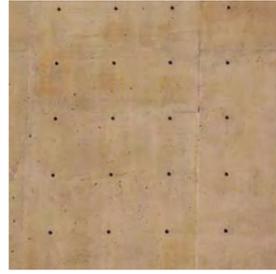




6. (c) Building Perspective - Birds Eye View From The Southeast

Alan Hooper – Railyard at CollegeTown, LLC (954) 632-6556 alan@hooperconstruction.net www.therailyardlofts.com.





CAST CONCRETE STAIR TOWERS



WINDOW 1



BRICK VENEER 1

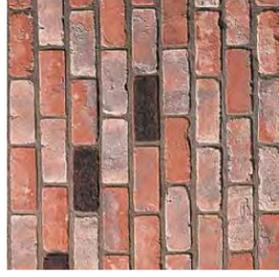
BIKE RACK OPTION 1



BALCONY 1



WINDOW 2



BRICK VENEER 2

BIKE RACK OPTION 2



WOOL SKEIN
SW6148

WOOL SKEIN
SW6148



STORE FRONT GLASS 1



KYNAR FINISH "CORTEN" AWNINGS

BOLLARD



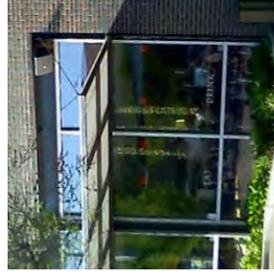
ZEUS SW7744
STUCCO



KYNAR FINISH "CORTEN" SIDING



STOREFRONT GLASS



SMOKEHOUSE
STEEL RAIL AND COLUMNS
SW7040



6. (d) Palette board of exterior materials and colors





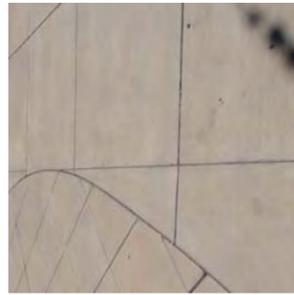
BRICK PAVING 1



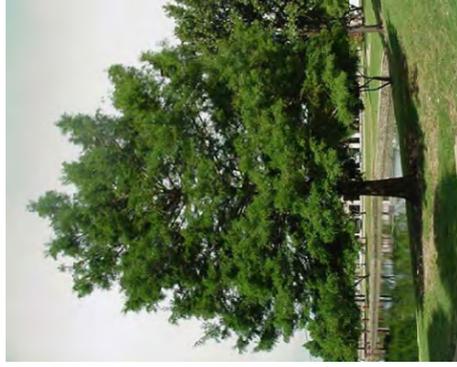
BRICK PAVING 2



TINTED CONCRETE & EXPOSED AGGREGATE PAVING



TINTED CONCRETE PAVING



BALD CYPRESS



CREPE MYRTLE

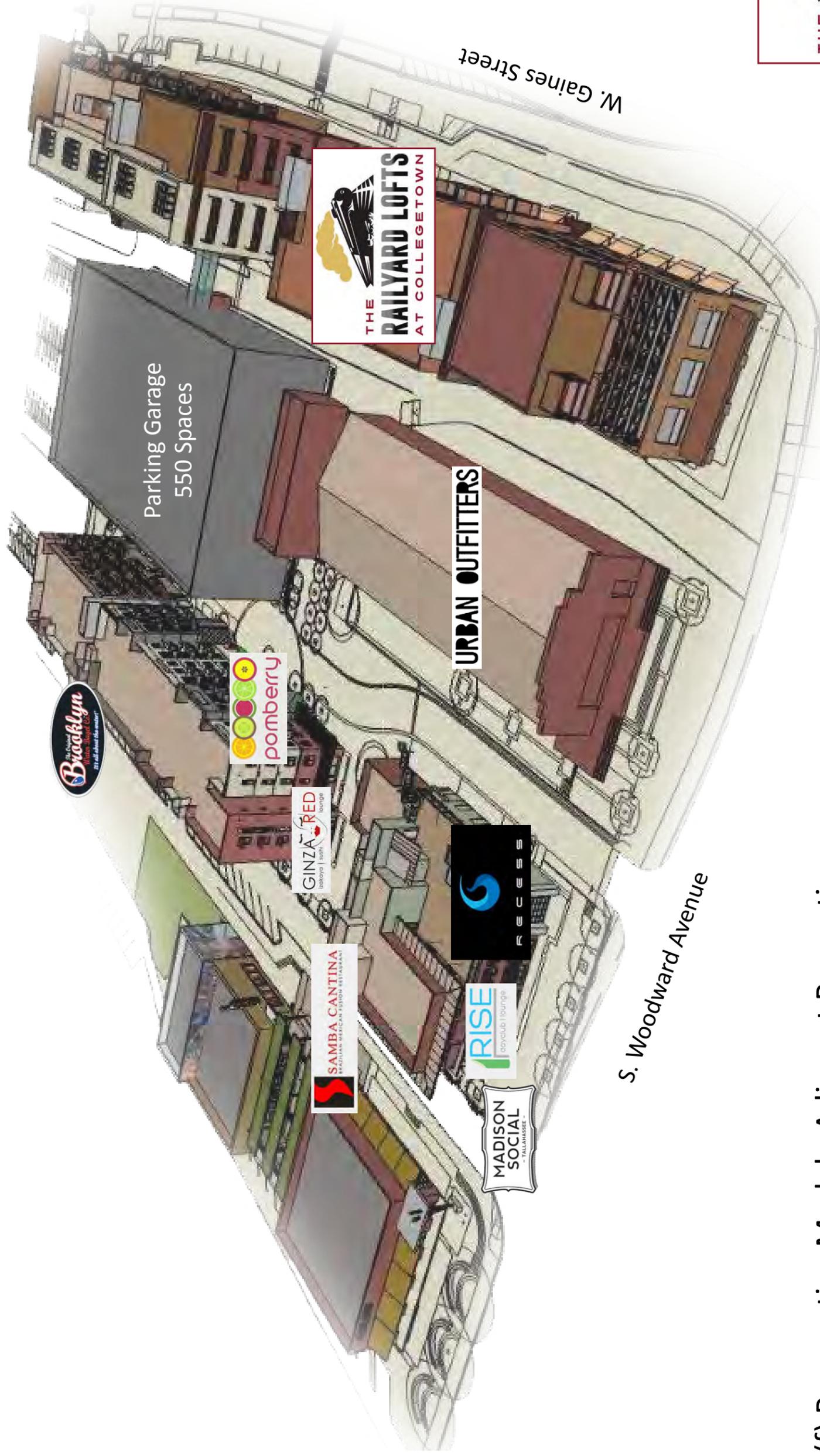


NUTTALL OAK



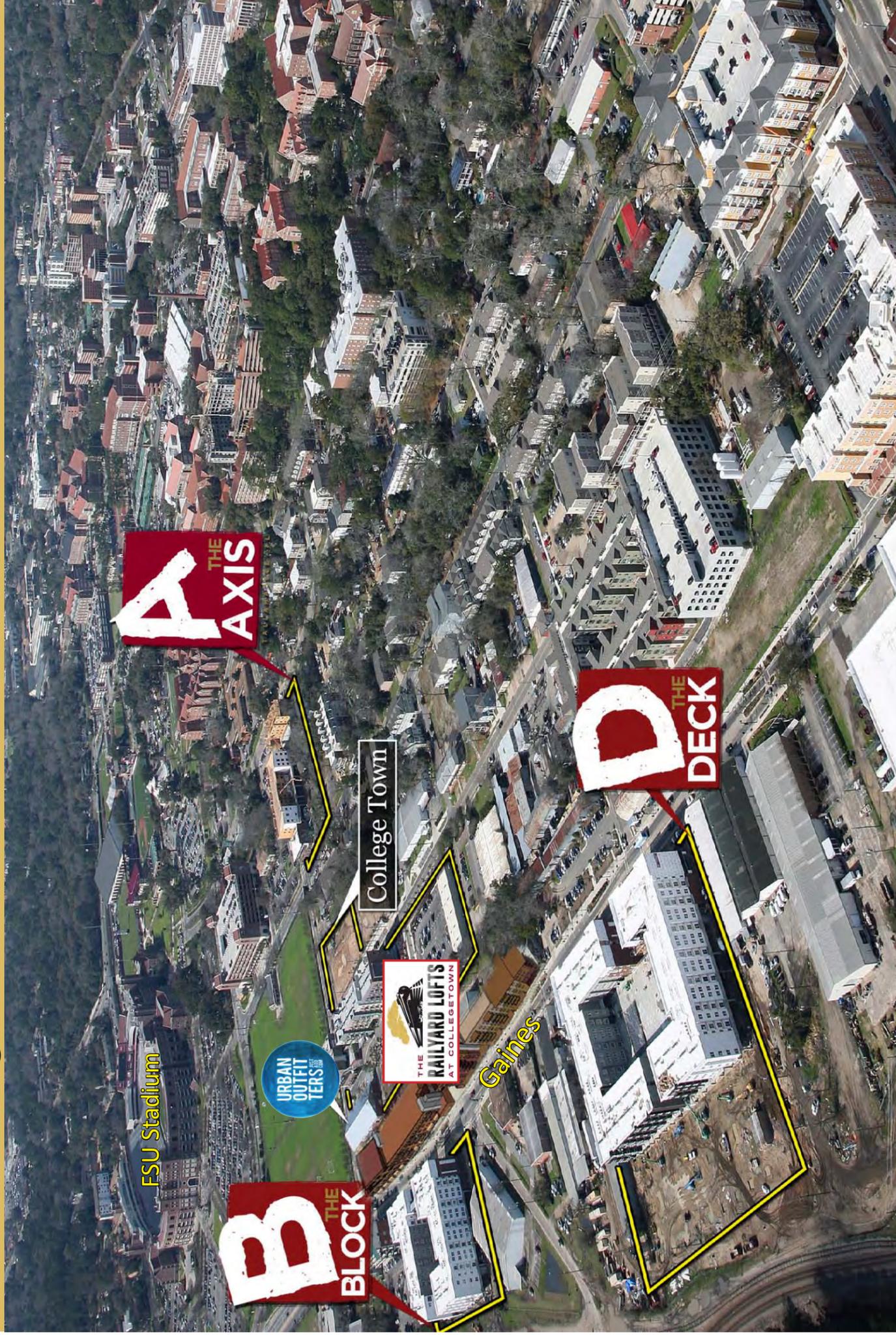
SABAL PALM

6. (e) Indication of paving materials and patterns



6. (f) Perspective Model - Adjacent Properties

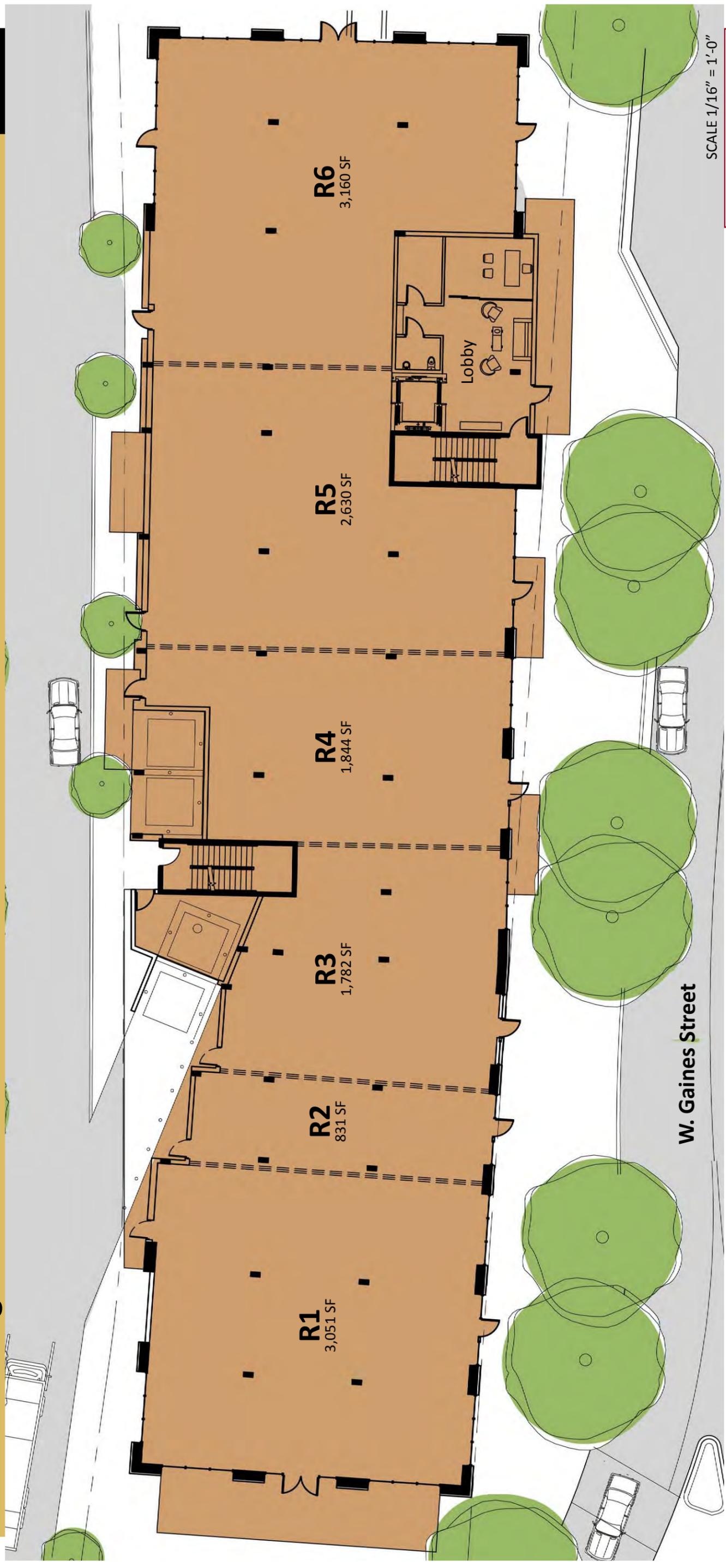




6. (f) Adjacent Properties - Aerial View from Southeast Towards FSU

Alan Hooper – Railyard at CollegeTown, LLC (954) 632-6556 alan@hooperconstruction.net www.therailyardlofts.com.





6. (b) Ground floor plan

Existing Haunted House at W. Gaines and S. Woodward



Sensitivity Analysis: Proposed Railway Lofts at College Town, June 25, 2014

Fiscal Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2034		
Assumed Assessed Value ¹	\$10,729,300	\$10,943,886	\$11,162,764	\$11,386,019	\$11,613,739	\$11,846,014	\$12,082,934	\$12,324,593	\$12,571,085	\$12,822,507	\$13,078,957	\$13,340,536	\$13,607,347	\$13,879,484	\$14,157,083	\$14,440,225	\$14,729,030	\$15,023,610	\$15,023,610		
Baseline Assessment ^{2, 4}	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	\$225,917	
Assessed Value Increase	\$10,503,383	\$10,717,969	\$10,936,847	\$11,160,102	\$11,387,822	\$11,620,097	\$11,857,017	\$12,098,676	\$12,345,168	\$12,596,590	\$12,853,040	\$13,114,619	\$13,381,430	\$13,653,577	\$13,931,166	\$14,214,308	\$14,503,113	\$14,797,693	\$14,797,693	\$0	
Cash Outflow from DRC																					
Cash Inflow from Developer/Other																					
Revenue Item # 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Revenue Item # 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue Item # 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TIF Inflow	\$81,767	\$83,437	\$85,141	\$86,879	\$88,652	\$90,460	\$92,305	\$94,186	\$96,105	\$98,062	\$100,058	\$102,095	\$104,172	\$106,290	\$108,451	\$110,656	\$112,904	\$115,197	\$115,197	\$0	
Annual NOI	\$16,353	\$16,687	\$17,028	\$17,376	\$17,730	\$18,092	\$18,461	\$18,837	\$58,366	\$98,062	\$100,058	\$102,095	\$104,172	\$106,290	\$108,451	\$110,656	\$112,904	\$115,197	\$115,197	\$0	

Internal Rate of Return

8.40%

Cells with blue font require user input
Cells with black font are model outputs (do not require user input)

Assumptions as to CF from Developer

Cash Flow Increase Item #1	0.00%
Cash Flow Increase Item #2	0.00%
Cash Flow Increase Item #3	0.00%

Assumptions as to TIF

Assumed Assessed Value	\$10,729,300
Baseline Assessment Value	\$225,917
Assessed Value Increase	\$10,503,383
% of Incremental Increase	%
Incremental Value Increase	\$10,503,383
Divide by \$1,000	\$11,000
Amount to be Taxed	\$10,503
Millage Rate	7.7848
Tax Incremental - TIF	\$81,767
Growth Rate of Assessed Value	2.00%

Note: Millage rate equals City millage X .95 + County millage of 4.2698, per Interlocal Agreement for the Downtown CRA

Inputs	Year	Amount/Rate	Project Notes
Assessment Value		\$10,729,300	3
Assessed Growth Rate		2.00%	
Baseline Assessment Taxable Value		\$225,917	4
Cash Outflow from DRC		-\$600,000	5
Cash Inflow - Item #1		\$0	
Cash Inflow - Item #2		\$0	
Cash Inflow - Item #3		\$0	

Outputs

Assessed Value Increase	\$10,503,383
Annual Net Operating Income	
Internal Rate of Return	8.40%

Notes

1. Assumes construction begins in summer 2014 and is completed (CO) issued by December 2015. Development is added to the tax rolls in 2016 and begins generating tax increment in FY 2017 (October 2016).
2. The 2003 baseline taxable value of the property when the DT District was established in June 2004.
3. Based on pre-construction estimate provided by the Leon County Property Appraiser. Analysis assumes the property is on the tax rolls and generating TIF in FY 2017.
4. Baseline value of the property when DD established in June 2004; the 2013 certified value is \$376,077.
5. Based on maximum grant of \$600,000. Reduction possible if City reduces land sale price and if Tree Bank funds can be used for some landscape improvements in ROW.



Agenda Item Details

Meeting	Oct 23, 2014 - CRA Board Meeting
Category	4. Policy Formation & Direction
Subject	Revised Approval of Grant Funding in Support of Railyard Lofts at CollegeTown -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	140,000.00
Budgeted	No
Budget Source	FY 2015 DT District Uncommitted Funds
Recommended Action	Option 1 - Reimburse Railyard at CollegeTown, LLC the cost to place overhead electric lines between Lorene Street and Gay Street underground upon completion of the installation and acceptance by the City. Electric Utilities has estimated the cost at \$140,000. Authorize staff to enter into an agreement with Railyard at CollegeTown, LLC that includes this reimbursement in addition to the longer-term reimbursements approved by the CRA Board in July.

Public Content

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

Statement of Issue

At the July 10th City of Tallahassee Community Redevelopment Agency (CRA) Board meeting, Railyard at CollegeTown, LLC (Developer) submitted a request for \$599,350 in CRA grant funds for assistance in development of the Railyard Lofts at College Town (Project), a seven-story mixed-use residential condominium at the intersection of Gaines Street and Woodward Avenue. The CRA funds would be used to cover the cost: (1) to underground the electric utilities in the City right-of-way along the planned pedestrian/bike path between Lorene Street and Woodward Avenue to the west, (2) to underground the electric utilities in the City right-of-way between Lorene Street and Gay Street to the east, (3) for the installation of streetscape and landscape improvements in areas that will be located in sections of the City right-of-way and the Project that will be open to the public, and (4) for the purchase of approximately 11,080 square feet of City right-of-way that is part of a former CSX spur. The Project is located within the Downtown District Community Redevelopment Area (DD).

The CRA Board approved up to \$600,000 in financial assistance through the refund of 80 percent of the annual tax increment generated by the Project once it was completed and reflected on the tax roll. Included in the \$600,000 was \$132,000 to underground the electric utilities in the City right-of-way from Lorene Street east to Gay Street. Because placing the electric lines underground in this area did not benefit the Developer, the CRA agreed to refund the actual cost, even if the cost exceeded \$132,000. This part of the approval required CRA staff to provide the CRA Board with updates on the cost to place the electric lines underground before moving forward with that part of the project.

Because the cost to underground the electric utilities from Lorene to near Gay Street will not directly benefit the development potential of the Project site, and the reimbursement of the cost will not be realized until the Project is completed and added to the tax roll, the Developer has requested that the cost of the installation be reimbursed to him upon completion of the

undergrounding and the acceptance of the improvement by the City (Electric Utilities). Electric Utilities has updated its original cost estimate to \$140,000, which now includes an \$8,000 contingency.

CRA staff is supportive of the Developer’s request for several reasons. First, it makes sense to place the lines underground as part of the on-going construction of the bicycle pathway in this area, rather than digging up the pathway later to accommodate the electric lines; (2) it improves the aesthetics along Gaines Street; (3) it improves the redevelopment potential of the properties to the east of Lorene Street by providing the infrastructure improvements in advance of future development proposals; and (4) the main beneficiaries of undergrounding the overhead electric lines in this area is not the Railyard Lofts developer, but the future developer(s) of the properties to the east.

Recommended Action

Option 1- Reimburse Railyard at CollegeTown, LLC the cost to place overhead electric lines between Lorene Street and Gay Street underground upon completion of the installation and acceptance by the City. Electric Utilities has estimated the cost at \$140,000. Authorize staff to enter into an agreement with Railyard at CollegeTown, LLC that includes this reimbursement, in addition to the longer-term reimbursements approved by the CRA Board in July.

Fiscal Impact

If approved, the projected \$140,000 cost to place the overhead electric lines underground would come from uncommitted FY 2015 DT District funds, which is currently projected at \$430,945. Funding this request would leave a balance of \$290,945.

Supplemental Material/Issue Analysis

History/Facts & Issues

In May, the Railyard at CollegeTown, LLC (Developer) submitted a request for \$599,350 in CRA grant funds for assistance in development of the Railyard Lofts at College Town (Project), a seven-story mixed-use residential condominium at the intersection of Gaines Street and Woodward Avenue, within the Downtown District Community Redevelopment Area (DD), and on the site of the former Haunted House warehouse. The Project consists of 13,300 square feet of ground floor retail space and 42 two-bedroom, two-bathroom condominiums, which are intended to be owner occupied, and not be marketed to students. Future development on the east end of the property may include a boutique hotel.

The request was presented to the DD Downtown Redevelopment Commission (DRC) on June 3rd. The DRC recommended approval of up to \$600,000 in grant funds through the reimbursement of 80 percent of the tax increment once the Project was complete, on the tax rolls and generating tax increment. The remaining 20 percent of annual tax increment generated by the Project would be retained by the CRA and used for other redevelopment projects in the DD redevelopment area. The DRC also requested that the Developer use mature trees as part of the landscaping.

The Developer’s request was presented to the City of Tallahassee Community Redevelopment Agency (CRA) Board on July 10th (Attachment 1). The CRA Board approved the request as outlined in the table below, consistent with the DRC recommendation.

Item	Funds Requested
1. Underground electric lines along the pedestrian/bike path from Lorene Street west to Woodward Avenue.	\$258,000
2. Underground electric lines along the pedestrian/bike path from Lorene Street east to Gay Street.	\$132,000
3. Landscape/streetscape improvements in the City right-of-way and areas of the Project open to the public.	\$145,150
4. Assistance with the purchase of approximately 11,080 square feet of City right-of-way.	\$64,200
Total	\$599,350

Subsequent to the CRA Board's approval but before entering into a development agreement with the CRA, the Developer requested the cost of placing the overhead lines to the east of Lorene Street underground be reimbursed to him upon completion of the undergrounding and the acceptance of the improvement by the Electric Utilities. The Developer is requesting this change because, unlike the overhead electric lines running along the Project site west to Woodward Avenue, placing these lines underground does not directly benefit the development potential of the Project site, including any follow-on development of the site, and the reimbursement of the cost would not be realized until the Project is completed and added to the tax roll. In addition, Electric Utilities has increased the estimated cost to place the overhead electric lines in this area underground by \$8,000, raising the final estimate to \$140,000. The increase was added as a contingency for unanticipated installation issues.

CRA staff is supportive of the Developer's request for several reasons. First, it makes sense to place the lines underground as part of the on-going construction of the pedestrian/bicycle pathway in this area, rather than digging up the pathway later to accommodate the electric lines once new development is proposed for the area; (2) it enhances the aesthetics along Gaines Street by removing the overhead lines; (3) it improves the development potential of the properties to the east of Lorene Street by providing the infrastructure improvements in advance of future development proposals; and (4) the main beneficiaries of undergrounding the overhead electric lines in this area is not the Railyard Lofts developer, but the developer(s) of the property to the east.

Other than the reimbursement of the estimated \$140,000 to underground the overhead electric lines to the east of the Lorene Street upon completion of the installation and acceptance by Electric Utilities, staff is not proposing any other changes to the Railyard at CollegeTown, LLC request approved by the CRA Board in July. The Developer will still be reimbursed 80 percent of the tax increment generated by the Project once it is added to the tax rolls. The maximum tax increment reimbursement amount will be reduced to \$460,000, to reflect the \$140,000 payment recommended in this agenda item. Other terms and conditions that will be part of the agreement between the CRA and the Developer include, but are not limited to, the following:

- Developer will be required to enter into an agreement with the CRA for a term of 20 years (the remaining term of the DD redevelopment area).
- Developer will receive all required development permits from the City of Tallahassee and start construction within six months of executing an agreement with the CRA.
- No refunds of tax increment will be provided to Developer until the development is added to the tax rolls and is generating tax increment.
- No refunds of tax increment will be provided to Developer unless the Project is completed in substantial compliance as described in the request for CRA funding.
- Any material changes in the proposed Project must be approved in writing by the CRA.
- Developer shall provide the CRA with a breakdown of the final construction costs of the Project, and will provide documentation detailing the individual expenses of the items funded entirely or in part with CRA funds.
- Developer shall agree to not challenge the post-construction property value assessment of the Project provided the first-year assessment by the Leon County Property Appraiser does not exceed the \$10,144,408 post-development estimate used by the Developer in the funding request, with reasonable increases in subsequent year's evaluations.
- Developer will be required to work with the City to identify suitable mature landscaping for use in the public realm as described in the funding request.
- Finally, the Developer will be required to demonstrate good faith efforts to achieve the City's MWBE goal of a minimum of twelve percent (12.0 percent) of certified MWBE participation in construction-related contracts based on the anticipated total cost of the Development.

Options

1. Reimburse Railyard at CollegeTown, LLC the cost to place overhead electric lines between Lorene Street and Gay Street underground upon completion of the installation and acceptance by the City. Electric Utilities has estimated the cost at \$140,000. Authorize staff to enter into an agreement with Railyard at CollegeTown, LLC that includes this reimbursement, in addition to the longer-term reimbursements approved by the CRA Board in July.
2. Do not reimburse Railyard at CollegeTown, LLC the cost to place overhead electric lines between Lorene Street and Gay Street underground upon completion of the installation and acceptance by the City. Reimburse the cost once the Project is added to the tax rolls and generates tax increment, as approved at the July 10th CRA Board meeting.
3. Do not require Railyard at CollegeTown, LLC to place the overhead electric lines between Lorene Street and Gay Street underground, as approved at the July 10th CRA Board meeting. No reimbursement will be required.
4. Provide staff with other direction.

Attachments/References

1. July 10 CRA Agenda Item - Approval of Grant Funding in Support of Railyard Lofts at CollegeTown

[Attach 1.pdf \(3,028 KB\)](#)

**Agenda Item Details**

Meeting	Apr 21, 2015 - CRA Board Meeting
Category	4. Policy Formation & Direction
Subject	4.05 Program and Project Updates -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	No

Public Content

Verbal update on CRA Programs and Projects.