



**Thursday, July 14, 2016
CRA Board Meeting**

**CRA Board Meeting
July 14, 2016
9:30AM - 11:30AM
City Hall, 2nd Floor
City Commission Chambers**

1. Call To Order

1.01 This is the portion of the agenda where the Call to Order takes Place. There is no written material.

2. Public Comments on Agenda Items

2.01 This is the portion of the agenda reserved for public comments on agenda items on today's agenda.

3. Information Items

3.01 Project Updates

4. Consent Items

5. Frenchtown Southside District Policy Formation and Direction

5.01 Approval to execute a loan extension with The Loft on Gaines, LLC -- Roxanne Manning, Tallahassee Community Redevelopment Agency

5.02 Approval of a Business Facility Improvement Grant of \$16,511 to \$21,511 for 1102 South Adams Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency

5.03 Approval of a \$12,002.50 Business Facility Improvement Program (BFIP) Grant for 2010 South Monroe Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency

6. Downtown District Policy Formation and Direction

6.01 Denial of a \$50,000 Downtown (DT) Commercial Facade Program Grant for 230 South Adams Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency

7. Both Districts Policy Formation and Direction

8. Public Comments

8.01 This is the portion of the agenda reserved for citizen input on agenda items. There is no written material.

9. Unagendaed Items/Discussion

9.01 This is the portion of the agenda reserved for unagendaed speakers. There is no written material.



Agenda Item Details

Meeting	Jul 14, 2016 - CRA Board Meeting
Category	5. Frenchtown Southside District Policy Formation and Direction
Subject	5.01 Approval to execute a loan extension with The Loft on Gaines, LLC -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	255,806.00
Recommended Action	Option 1: Authorize a loan extension with The Lofts on Gaines, LLC, consistent with this agenda item and additional direction provided by CRA Board.

Public Content

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

Statement of Issue

On May 18, 2009, the City of Tallahassee Community Redevelopment Agency (CRA) approved \$705,806 in assistance to The Loft on Gaines, LLC (the Developer) in support of the Lofts on Gaines (the Development) a mixed-use residential development on the former Jax Liquor site at 833 Gaines Street, near the intersection with Woodward Avenue. The Development was completed in December 2011, and consists of 24 residential condominiums and approximately 7,000 square feet of commercial condominiums on the ground floor.

The CRA funds were provided in the form of a \$300,000 grant and a \$405,806 loan. The loan was for a five-year term, beginning in January 2012, at 2.06 percent annual interest, with interest payments only and a \$405,806 balloon payment due at the end of the five-year term in December 2016. It should be noted that the applicant has remained current on his payments. In addition to the loan with the CRA, the Developer has a five-year loan with Centennial Bank (originally with Doral Bank). The Centennial Bank loan also has a balloon payment due in December 2016.

The Developer has received approval from PeoplesSouth Bank to refinance the existing Centennial Bank loan. The Developer is requesting a restructuring of the CRA loan, with an immediate \$150,000 loan principal payment to the CRA, and increasing the monthly payments from \$697 to \$2,000 through a five-year extended term and the remaining balance due at the end of the five-year term. The \$150,000 loan payment would immediately reduce the loan amount from \$405,806 to \$255,806, and the \$2,000 monthly payments would leave a principal balance of approximately \$157,200 at the end of the five-year term.

Staff supports the Developer's request to amend the loan agreement as further described in this agenda item.

Recommended Action

Option 1: Authorize a loan extension with The Lofts on Gaines, LLC, consistent with this agenda item and additional direction provided by the CRA Board.

Fiscal Impact

Under the terms of the current loan agreement with the CRA, the Developer would make a balloon payment of approximately \$405,806 in December of this year. Under the proposed amendment the CRA will receive a payment of \$150,000 this year, a reduction of \$255,806 in anticipated loan payments for FY 2017. The remaining balance will be paid in full by 2021.

Supplemental Material/Issue Analysis

History/Facts & Issues

On May 18, 2009, the CRA approved \$705,806 in assistance to the Developer of the Lofts on Gaines, a mixed-use residential development on the former Jax Liquor site at 833 Gaines Street, near the intersection with Woodward Avenue (Attachment 1). The CRA funds were provided in the form of a \$300,000 grant and a \$405,806 loan. The loan was for a five-year term, at 2.06 percent annual interest, with interest payments only and a \$405,806 balloon payment due at the end of the five-year term. The loan payments started in January 2012, with the balloon payment due in December 2016 (Attachment 2).

In addition to the loan with the CRA, the Developer has a five-year loan of approximately \$3.275 million with Centennial Bank. This loan is primary to the CRA loan, and has a balance of approximately \$3.2 million that is due in December 2016.

With the five-year term of both the CRA and Centennial Bank loans coming to an end, the Developer (Tony Boulos) is working with PeoplesSouth Bank to refinance the building loan. He has also approached staff with a request to extend the term of the CRA loan for another five years (Attachment 3).

In his request, Mr. Boulos notes the Lofts on Gaines was originally intended to be marketed as a condominium, with the CRA receiving a portion of the sale of each unit which would reduce the loan balance. However, by the time the Development was completed in 2011, the condominium market had declined to the point where Mr. Boulos had to lease the units and pay the CRA loan from the lease proceeds.

While the leasing of the residential portion of the development is very successful, the leasing of the commercial properties on the ground floor has been slower. While the income has increased in recent years, the income generated from both the residential and commercial leases is not sufficient to cover the balloon payments due in December to both Centennial Bank and the CRA. The failure to make either balloon payment, particularly the Centennial Bank payment, could result in the Development going into foreclosure. Mr. Boulos has already received approval from PeoplesSouth to refinance the building, and is seeking approval from the CRA Board to extend his existing loan agreement with the CRA.

In discussions with staff, Mr. Boulos has requested the terms of the CRA loan be extended an additional five years, until December 2021. As part of the proposed loan amendment Mr. Boulos will make an immediate \$150,000 loan payment, leaving a revised loan balance of \$255,806. In addition, he will make monthly loan payments of \$2,000, which will cover the monthly interest and a portion of the principal. The monthly loan payments will leave a balance of approximately \$157,250 at the end of the five years, which will be paid off through a balloon payment (Attachment 4).

Staff recommends the CRA Board approve the loan restructuring as described in this agenda item. The Lofts on Gaines was the first mixed-use residential development along this part of Gaines Street. The original funding provided by the CRA recognized the challenges of being the first of this type of development in the area. During the past five years, Mr. Boulos has been a strong advocate for Gaines Street, working through street improvements that limited access to his building and trying to attract quality retailers rather than simply offering low lease rates for the ground-floor commercial spaces. Perhaps most important, he has been current in all his loan payments to the CRA. The loan amendment proposed by Mr. Boulos and staff will provide him with additional time to generate the income needed to make the balloon payment while also providing the CRA with improved loan terms.

Options

1. Authorize a loan extension with The Lofts on Gaines, LLC, consistent with this agenda item and additional direction provided by the CRA Board.
2. Do not authorize a loan extension with The Lofts on Gaines, LLC; provide staff with alternate direction.

Attachments/References

1. CRA Agenda Item – Approval of Funding for the Lofts on Gaines Condominium Development, May 18, 2009
2. Current Loan Agreement Amortization Schedule
3. Loft on Gaines Loan Amendment Request, June 21, 2016
4. Proposed Loan Agreement Amortization Schedule

[Attachment 1.pdf \(3,040 KB\)](#)

[Attachment 2.pdf \(30 KB\)](#)

[Attachment 3.pdf \(165 KB\)](#)

[Attachment 4.pdf \(31 KB\)](#)

CITY OF TALLAHASSEE	
COMMUNITY REDEVELOPMENT AGENCY	
<u>COMMUNITY REDEVELOPMENT AGENCY AGENDA</u>	
<u>ITEM</u>	
ACTION REQUESTED ON:	May 18, 2009
SUBJECT/TITLE:	Approval of Funding for the Lofts on Gaines Condominium Development
TARGET ISSUE:	Economic Development

STATEMENT OF ISSUE

The Tallahassee Community Redevelopment Agency (CRA) has received a request from the developer of the Lofts on Gaines condominiums for a grant of \$705,806 to help provide gap financing for the construction of the mixed-use residential development. The proposed project is located on the former Jax Liquor site at 833 Gaines Street, near the intersection with Woodward Avenue. The proposed development will be approximately 27,800 square feet, with 26 residential condominiums and 5,200 square feet of commercial condominiums on the ground floor (Attachment 1).

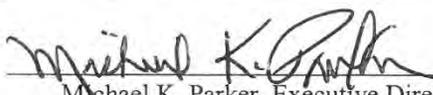
The Greater Frenchtown/Southside Citizen Advisory Committee (CAC) and the Downtown Redevelopment Commission (DRC) have reviewed the request. Both CRA advisory groups found the project supports the CRA goals and objectives and, more specifically, the current redevelopment efforts on Gaines Street. Both advisory groups recommended that the CRA provide the requested amount of funding in the form of a \$300,000 grant and \$405,806 loan. Agency staff supports the advisory committees' recommendations.

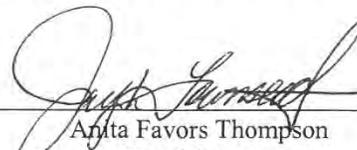
RECOMMENDED ACTION

Authorize the execution of a development agreement with developer of The Lofts on Gaines condominium development to provide a \$300,000 grant and a \$400,806 loan consistent with the terms and conditions provided in this agenda item.

FISCAL IMPACT

The project would be funded from the balance of the FY 2006 Land Acquisition, Development and Related Expenses project (\$179,193), the FY 2007 Land Acquisition, Development and Related Expenses Adjustment (\$152,807) and FY 2007 Land Acquisition, Development and Related Expenses Adjustment (\$373,806). The OBP has reviewed this agenda item and concurs that it meets budget guidelines


Michael K. Parker, Executive Director
Tallahassee Community Redevelopment Agency


Anita Favors Thompson
City Manager

For information, please contact: Rick McCraw, Tallahassee CRA (891-6459)

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SUPPLEMENTAL MATERIAL/ISSUE ANALYSIS

HISTORY/FACTS & ISSUES

The CRA has received a funding request to support a proposed mixed-use development on Gaines Street. The Lofts on Gaines is a 27,800 square-foot project that will consist of 26 residential units and 5,200 square-feet of ground floor retail space. The residential component will be “for sale” condominiums and will consist of twenty-four (24) two-bedroom two-bath units, and two (2) one-bedroom one-bath units. The projected value of the development upon completion is \$6,200,560. The baseline taxable value of the property is \$124,985. Using these values, the proposed development has the potential to generate approximately \$50,000 per year in additional TIF revenue for the Greater Frenchtown/Southside Community Redevelopment Area starting in FY 2012.

The proposed project site is the former Jax Liquor site at 833 W. Gaines Street. The building is currently vacant and the property is underutilized. The proposed project is consistent with the Greater Frenchtown/Southside Community Redevelopment Plan. The proposed design for the project is consistent with the Gaines Street Design requirements and includes ground floor retail. The project has been reviewed and approved by the Urban Design Commission, but has undergone minor changes since that time, which will require approval from the Tallahassee-Leon County Planning Department. The project has not been through Site Design review with Growth Management at this time. If the request is approved, no funding will be provided until the developer completes the required City reviews and approvals. The developers, Mr. Rosen and Mr. Boulos, have experience with medium scale mixed-use developments. Mr. Rosen’s most recent project, The Cloisters of All Saints, is similar in size and scale to the proposed project.

The developers originally requested \$705,806 in grant funds from the CRA to support the development. The developer has indicated that, because of current conditions in the real estate and lending markets, they can only obtain financing for \$4,588,414 of the \$6,000,026 needed for construction of the project, leaving a gap of \$1,411,612. The developer has stated that they can only raise half (\$705,806) of the gap between the bank financing and the funds needed for the project. They are requesting that the CRA provide the balance of the funding needed (\$705,806) to finance the project.

Based on a review of the application and initial comments from the advisory committees, staff prepared a recommendation that increased the developer’s investment to approximately 15 percent of the project cost, or \$900,000. This would reduce the funding needed from the CRA to \$511,612. Staff proposed funding this with a \$300,000 grant and a \$211,612 loan from the CRA. The recommended grant amount is similar to the grant-to-taxable value ratio the CRA has used on other redevelopment projects. For example, the Agency provided \$495,000 in grant funds to the developer of the Marriott Residence Inn, which had an anticipated taxable value of approximately \$11 million when the request was submitted; the grant amount represented approximately 4.5 percent of the taxable value. The Agency also provided \$495,000 in grant funds to the developer of the Alliance Center, which had an anticipated taxable value of \$12 million; the grant amount represents approximately 4.1 percent of the anticipated taxable value. The \$300,000 grant proposed by staff for the Lofts on Gaines project represents approximately 4.8 percent of the anticipated taxable value of \$6,200,560.

The additional funds in the form of a loan were recommended to help cover the gap, but also provide funds that would be returned to the Agency. The general terms of the loan, as recommended by staff were:

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- a. Agency would take a second position;
- b. Loan term of five (5) years;
- c. This is based on an assumption all properties would be sold within five years;
- d. If the loan is needed beyond five years it would have to be renegotiated;
- e. 0 percent loan for first 12 months, then 50 percent of prime (or some other rate); and
- f. Proportional amount of principal would be repaid each time a unit is sold

During the May 11th meeting of the Greater Frenchtown/Southside Community Redevelopment Area Citizens' Advisory Committee (CAC), the members considered the project. During the discussion that followed, the developer stated he did not have the financial resources or sources to raise his investment in the project to \$900,000. Instead, he asked the CAC to consider increasing the loan amount to cover the difference between the amount of funds he requested and staff recommended. The developer suggested that the \$205,806 increase in the loan funds be treated differently from the \$200,000 recommended by staff. This could include charging an interest rate of one (1) percent for the first 12 months, followed by an increase for the remaining four (4) years on the additional loan funds. After considering the staff recommendation and the amended developer's request, the CAC recommended funding the original amount requested (\$705,806) with a \$300,000 grant and a \$405,806 loan, with the details of the loan to be worked out by the CRA staff.

Due to its location on Gaines Street, and the close proximity to the Downtown District Community Redevelopment Area, the project was also presented to the Downtown Redevelopment Commission (DRC) for review and comment. During the May 12th meeting of the DRC, the Commission also recommended funding the original amount requested with a \$300,000 grant and a \$405,806 loan. The members of the DRC and the developer had a conversation similar to that at the CAC meeting regarding the increase in the amount of loan funds and the developer's willingness to pay more for these funds. Although the specifics of the loan remain to be finalized, the parameters discussed by both the CAC/DRC and the developer are:

- a. First \$200,000
 1. Five (5) year term; if the loan is needed beyond five years, it would have to be renegotiated;
 2. 0 percent loan for first 12 months, then 50 percent of prime for the remaining 48 months; and
 3. Proportional amount of principal would be repaid each time a unit is sold
- b. Remaining \$205,806
 1. Five (5) year term; if the loan is needed beyond five years it would have to be renegotiated
 2. 1.0 percent loan for first 12 months, then prime or 75 percent of prime for the remaining 48 months; and
 3. Proportional amount of principal would be repaid each time a unit is sold

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It might be possible for staff to develop a blended rate that would be applied to the entire loan amount of \$405,806 and would result in the same overall interest rate for the two loan terms described above.

Staff recommends approval of the Lofts on Gaines funding request as recommended by both the CAC and the DRC. If the CRA Board approves the funding request, staff would prepare a development agreement for signature by the CRA Chair that would include the general loan terms described above, as well as other conditions. These conditions would include confirmation of review and approval of the design by the Urban Design Commission, required approvals and building permits from Growth Management, confirmation of the bank loan commitment, and coordinating relevant sections of the development agreement with the bank loan agreement. Other conditions may also apply.

CHARITABLE CONTRIBUTIONS

Not applicable.

OPTIONS

1. Authorize the execution of a development agreement with developer of The Lofts on Gaines condominium development to provide a \$300,000 grant and a \$400,806 loan consistent with the terms and conditions provided in this agenda item.
2. Do not authorize execution of a development agreement with developer of The Lofts on Gaines development to provide a \$300,000 grant and a \$400,806 loan consistent with the terms and conditions provided in this agenda item; provide staff with other direction.

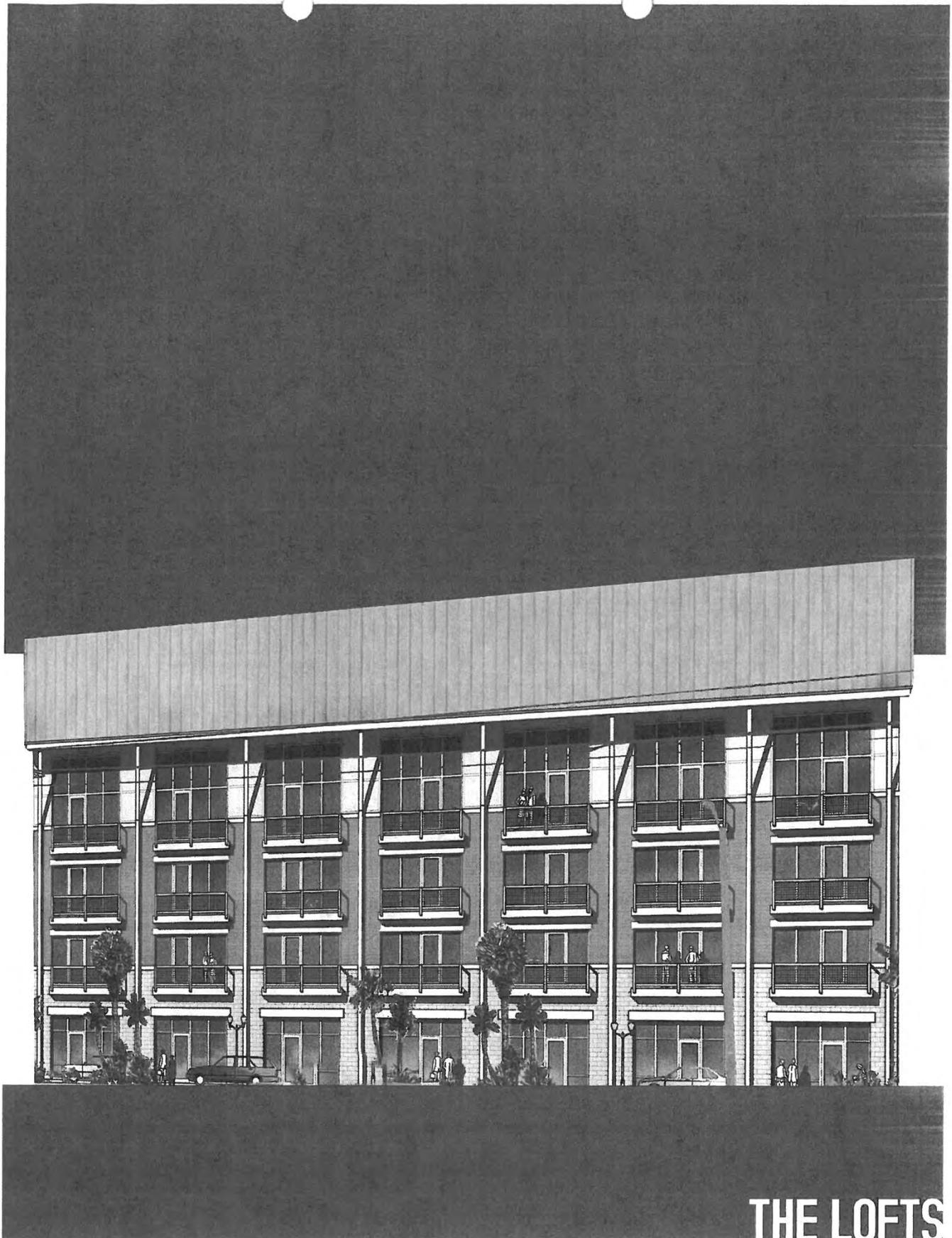
ATTACHMENTS/REFERENCES

Lofts on Gaines Condominium Proposal



THE LOFTS

on gaines
CONDOS



THE LOFTS
on gains

To:

Michael Parker, Executive Director- Tallahassee CRA

Date: 3/25/09

From:

Peter S. Rosen, Tony Boulos

Please find the attached information presented in support of our grant request for The Lofts on Gaines. We are requesting a grant in the amount of \$705,806 to assist in the financing of this project. It is imperative that our request is granted in full in order for this project to see success, and to be the impetus for some much needed momentum behind the Gaines Street revitalization effort. In these trying economic times, it is especially helpful for a project such as this to receive the assistance of the CRA to provide additional capital and stability. Without the help of the CRA our project's viability is marginal at best.

There is an inherent risk in being the first to develop a property of this kind in this area, and we are hoping that the CRA board will take this into consideration when making their decision to approve our full grant request. We feel that this project is aligned well with the goals of the Gaines Street revitalization effort, both in unit mix and in the target market.

As a 100% residential project, The Lofts on Gaines performs better based on the sales price per square foot and a lower tax assessment. However, as both developers and home owners in the Gaines St. Corridor, we would prefer a higher density of commercial and retail for both the viability of the Gaines St. Revitalization effort and for the improved quality of life for residents in the area. We expect that the CRA board feels the same way about projects in this neighborhood for similar reasons.

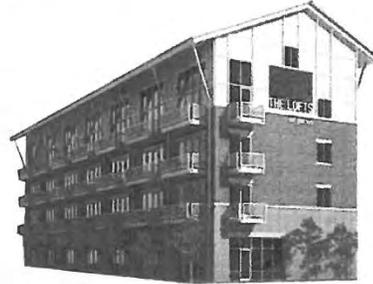
Thank you for your consideration of our request. Enclosed is a proforma containing a brief project narrative, cost breakdown, and other relevant material.

Sincerely,

Peter S. Rosen

Tony Boulos

CONSTRUCTION BENEFITS



	CURRENT CONDITION	THE LOFTS ON GAINES
USE	VACANT BUILDING	New mixed use development.
CONDITION	Building is in disrepair. An eyesore for several years	New Construction. Contemporary loft style architecture by Conn and Associates
GROSS SQ. FT.	2200 SQ. FT.	27,800 SQ. FT 5,200 commercial 22,600 Residential
UNIT MIX	1 Commercial Building	7 commercial units with 160ft of frontage on Gaines St. 26 residential condominiums on top three floors with balconies overlooking Gaines St.
MARKET VALUE	\$399,039 (LCPA VALUE)	\$6,200,000 est. 1500% increase
ANNUAL TAXES	\$7441.85 (2008)	\$102,377.66 est.

CALCULATION OF TIF BENEFIT

Tax Year	Value	1999 Value	Difference	TIF Money**	TIF Money w/o EMS MSTU
1999	\$124,985	\$124,985	\$0	\$0	\$0
2000	\$117,877	\$124,985	-\$7,108	-\$74	-\$75
2001	\$117,854	\$124,985	-\$7,131	-\$75	-\$75
2002	\$119,261	\$124,985	-\$5,724	-\$60	-\$60
2003	\$116,639	\$124,985	-\$8,346	-\$87	-\$88
2004	\$117,835	\$124,985	-\$7,150	-\$75	-\$75
2005	\$198,664	\$124,985	\$73,679	\$771	\$774
2006	\$251,421	\$124,985	\$126,436	\$1,323	\$1,329
2007	\$266,721	\$124,985	\$141,736	\$1,483	\$1,489
2008	\$399,039	\$124,985	\$274,054	\$2,867	\$2,880
2009	\$765,000	\$124,985	\$640,015	\$6,695	\$6,726
2010	\$786,803	\$124,985	\$661,818	\$6,923	\$6,955
2011	\$5,270,000	\$124,985	\$5,145,015	\$53,822	\$54,066
2012	\$5,420,195	\$124,985	\$5,295,210	\$55,393	\$55,644
2013	\$5,574,671	\$124,985	\$5,449,686	\$57,009	\$57,268
2014	\$5,733,549	\$124,985	\$5,608,564	\$58,671	\$58,937
2015	\$5,896,955	\$124,985	\$5,771,970	\$60,380	\$60,654
2016	\$6,065,018	\$124,985	\$5,940,033	\$62,138	\$62,420
2017	\$6,237,871	\$124,985	\$6,112,886	\$63,946	\$64,237
2018	\$6,415,650	\$124,985	\$6,290,665	\$65,806	\$66,105
2019	\$6,598,496	\$124,985	\$6,473,511	\$67,719	\$68,026
2020	\$6,786,554	\$124,985	\$6,661,569	\$69,686	\$70,003
2021	\$6,979,970	\$124,985	\$6,854,985	\$71,709	\$72,035
2022	\$7,178,899	\$124,985	\$7,053,914	\$73,790	\$74,126
2023	\$7,383,498	\$124,985	\$7,258,513	\$75,931	\$76,276
2024	\$7,593,928	\$124,985	\$7,468,943	\$78,132	\$78,487
2025*	\$7,810,355	\$124,985	\$7,685,370	\$80,396	\$80,761
2026	\$8,032,950	\$124,985	\$7,907,965	\$82,725	\$83,100
2027	\$8,261,889	\$124,985	\$8,136,904	\$85,120	\$85,506
2028	\$8,497,353	\$124,985	\$8,372,368	\$87,583	\$87,980
2029	\$8,739,527	\$124,985	\$8,614,542	\$90,116	\$90,525

*15 Year balloon \$1,014,219

\$1,359,762 \$1,365,936

**This assumes .0005 was returned to the EMS MSTU

GRANT REQUEST CALCULATION:

Project Value of	\$6,200,560	Amount remaining to be financed: \$1,412,000	\$1,411,612
Project Cost of	\$6,000,026	50% Financed by The Lofts on Gaines, LLC \$706,000	\$705,806
Bank Financing at 74% LTV:	\$4,588,414	50% contribution from CRA \$706,000	\$705,806

INTRODUCTION

To Whom It May Concern:

For over fifteen years the Gaines Street redevelopment has been greatly anticipated by the residents of Tallahassee. Finally, after years of speculation, state and federal funding has become available to help develop the area. Incentives are being offered to builders to develop in the area and improvements have already begun on state owned parks, beginning with Doug Bennett Park.

I have been a long time supporter of living and working downtown which is why I have personally built several houses and multi-family developments in the All Saints district, located just off Gaines Street. Recently, my partner and I acquired the old Jax Liquor store lot and together with Benchmark Construction we have designed a project we feel is ideal for the western gateway to the Gaines Street corridor.

The LOFTS is a four story, mixed use, retail and condominium project. It will be ideally located at the corner of Woodward and Gaines Street overlooking the FSU Intramural Fields and Doak Cambell Stadium. This location is walking distance to the FSU campus making it desirable for students, sports enthusiasts, FSU supporters and young professionals alike. The Lofts location will also be advantageous for businesses because they can offer class-A retail at an intersection with high pedestrian and vehicular traffic.

The Lofts project will prove to be unique by offering luxury high rise quality finishes at reasonable prices in the heart of Tallahassee. We feel that no other project offers comparable benefits of value, location and quality. Our experience in developing student housing, in town condominium projects and retail/business spaces leads us to believe this development is a great fit for the Gaines Street Neighborhood. Currently, we own or manage over three thousand student beds throughout Tallahassee that we have built and rented, along with two hundred thousand square feet of retail space.

One of our more recent projects, The Cloisters of All Saints, has proven to be very popular among the demographic market in which we are pursuing. In fact, all of the units in The Cloisters of All Saints, in this price range, have completely sold out, even during these challenging economic times. THE LOFTS project is being developed to be similar in architectural design, finishes and amenities to that of The Cloisters. However, the LOFTS will emphasize the most marketable qualities of the Cloisters project.

The LOFTS offers a better location and more flexible floor plans giving it a different appeal. The kind of response we have received from The Cloisters has continued to enhance our confidence in this project because we are developing an idea we have already seen be a success.

This project has significant support from the City of Tallahassee's planning department. It was approved in record time, and with much encouragement from the city, saying that this is the type of in town redevelopment that the city will continue to promote.

Thank you for considering the potential financing of this project. I look forward to hearing from you in the future.

Sincerely,

Peter S. Rosen

Tony Boulos

PROJECT NARRATIVE

Name: The Lofts on Gaines

Principals: Peter S. Rosen, Tony Boulos

Loan Request: \$4,588,414

Loan to Value: 74.00%

Project Value: \$6,200,560

Contractor: Benchmark Construction Of Tallahassee

Sales Office: Cornerstone Realty

Developer: Benchmark Construction

Description: Phase I of close to campus mixed use development. This first phase of the project consists of 33 units: Twenty four 2 bath 2 bedroom apartments, two 1 bedroom 1 bath apartments, and seven retail spaces.

Funding Requirements: The developer is looking for long term financing at a 74% loan to value for an 18 month construction period. The loan may be extended once for a six month increment to allow the developer to finish build and rental of the project.

Thank you for consideration of this project.
Please feel free to contact Peter Rosen at 850-222-3554.

CONSTRUCTION & LAND (SOFT COSTS & REBATES)

ITEMS	TOTAL COST
LAND PURCHASE	\$ 900,000.00
SITE WORK	\$ 135,000.00
PILES	\$ 105,000.00
BASE CONSTRUCTION COST 900 SF UNIT X \$90.00	\$ 2,475,000.00
APPLIANCES	\$ 50,000.00
FIRE SPRINKLER	\$ 115,000.00
LANDSCAPING	\$ 18,500.00
PARKING SLAB	\$ 55,000.00
FENCING, GATES & SECURITY	\$ 25,000.00
TAP FEES	\$ 65,000.00
PERMITS	\$ 50,000.00
ELEVATOR	\$ 95,000.00
CONTRACTOR FEE	\$ 550,000.00
TOTAL	\$ 4,638,500.00

SOFT COSTS	
ITEMS	TOTAL COST
INTREST CARRY	\$ 185,000.00
ENGINERNING & DESIGN	\$ 150,000.00
DEVELOPERS OVERHEAD	\$ 105,000.00
PERMITING AND SYSTEMS CHARGES	\$ 95,000.00
ADVERTISING	\$ 32,100.00
DEVELOPERS FEE	\$ 450,000.00
TOTAL	\$ 1,017,100.00

SUBTOTAL COST		\$	5,655,600.00
CONTINGENCY	3.00%	\$	169,668.00
SUBTOTAL		\$	5,825,268.00
LOAN CLOSING CLOST	3.00%	\$	174,758.04
TOTAL COST		\$	6,000,026.04

PROJECTED SALES VALUE

UNITS SOLD			
UNIT TYPE	# OF UNITS	PRICE PER UNIT	TOTALS
2 Bed Room 2 Bath 2nd floor	6	\$ 210,000.00	\$ 1,260,000.00
2 Bed Room 2 Bath 2nd floor End Units	2	\$ 215,000.00	\$ 430,000.00
2 Bed Room 2 Bath 3rd floor	6	\$ 229,000.00	\$ 1,374,000.00
2 Bed Room 2 Bath 3rd floor End Units	2	\$ 235,000.00	\$ 470,000.00
2 Bed Room 2 Bath 4th floor with Lofts	6	\$ 249,000.00	\$ 1,494,000.00
2 Bed Room 2 Bath 4th floor with Lofts End units	2	\$ 255,000.00	\$ 510,000.00
1 Bed Room 1 Bath	2	\$ 145,000.00	\$ 290,000.00
Retail Units(5000sq ft @220 ft)	5000	\$ 220.00	\$ 1,100,000.00
	SUBTOTAL		\$ 6,928,000.00
EXPENSES			
Marketing 2.5%			173,200.00
Comission 2.5%			173,200.00
Closing Expenses 3%			207,840.00
Seller Consession 2.5%			173,200.00
	TOTAL		6,200,560.00

SOURCES & USE OF FUNDS

USE OF FUNDS	
TOTAL VALUE	\$ 6,200,560.00
TOTAL COST	\$ 6,000,026.00

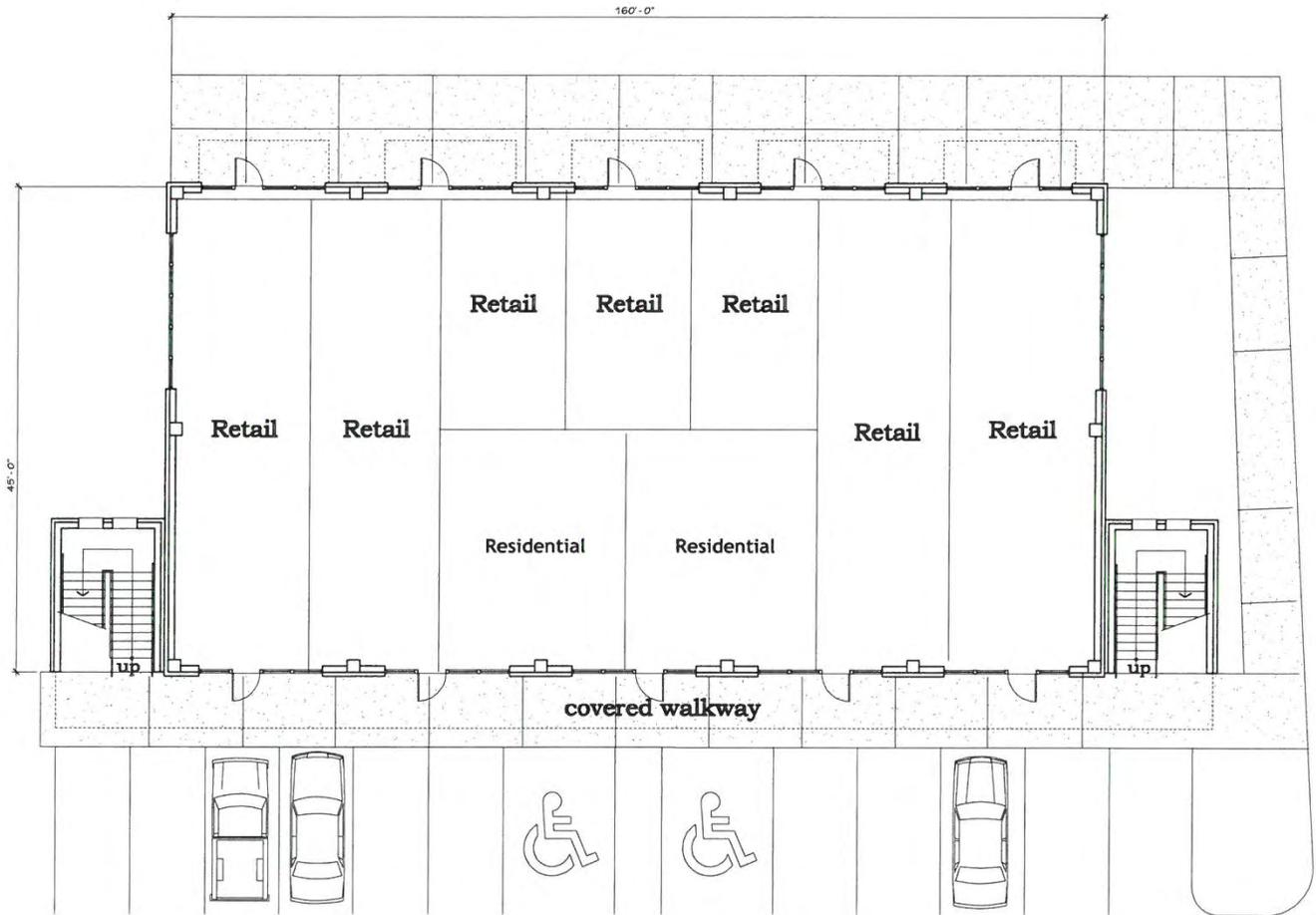
SOURCES OF FUNDS	
LAND EQUITY	\$ 175,000.00
CONTRACTOR'S FEE	\$ 550,000.00
DEVELOPER'S FEE	\$ 450,000.00
BANK LOAN	\$ 4,588,414.00
CASH	\$ 250,000.00
TOTAL	\$ 6,013,414.00

LOAN TO VALUE 74%
LOAN TO COST 76%

PROJECT LOCATION MAP

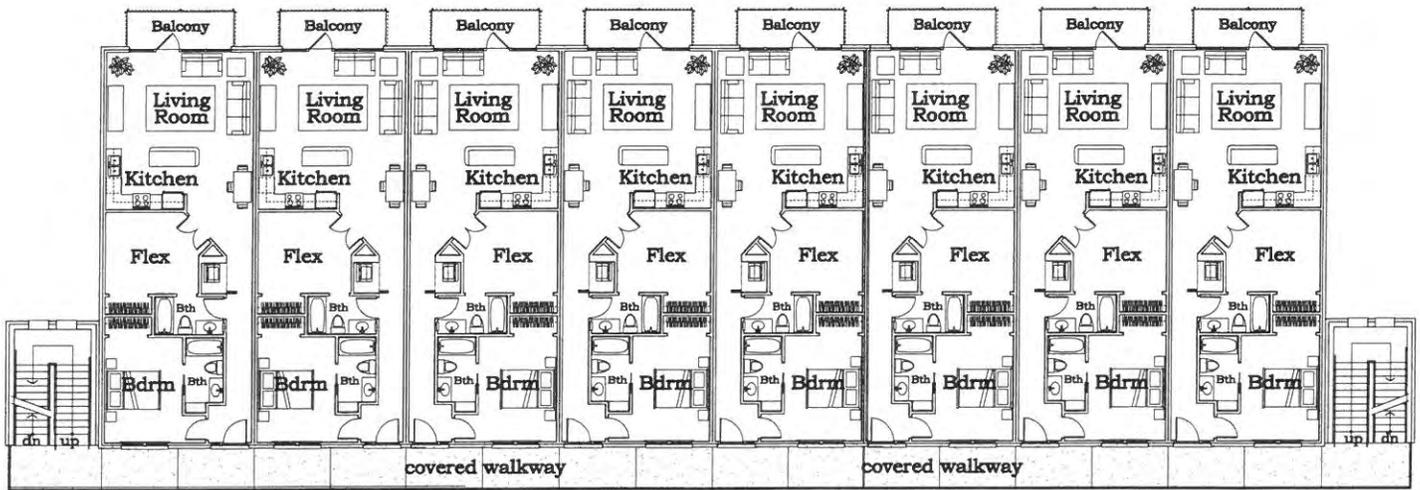


PRELIMINARY FIRST FLOOR PLAN

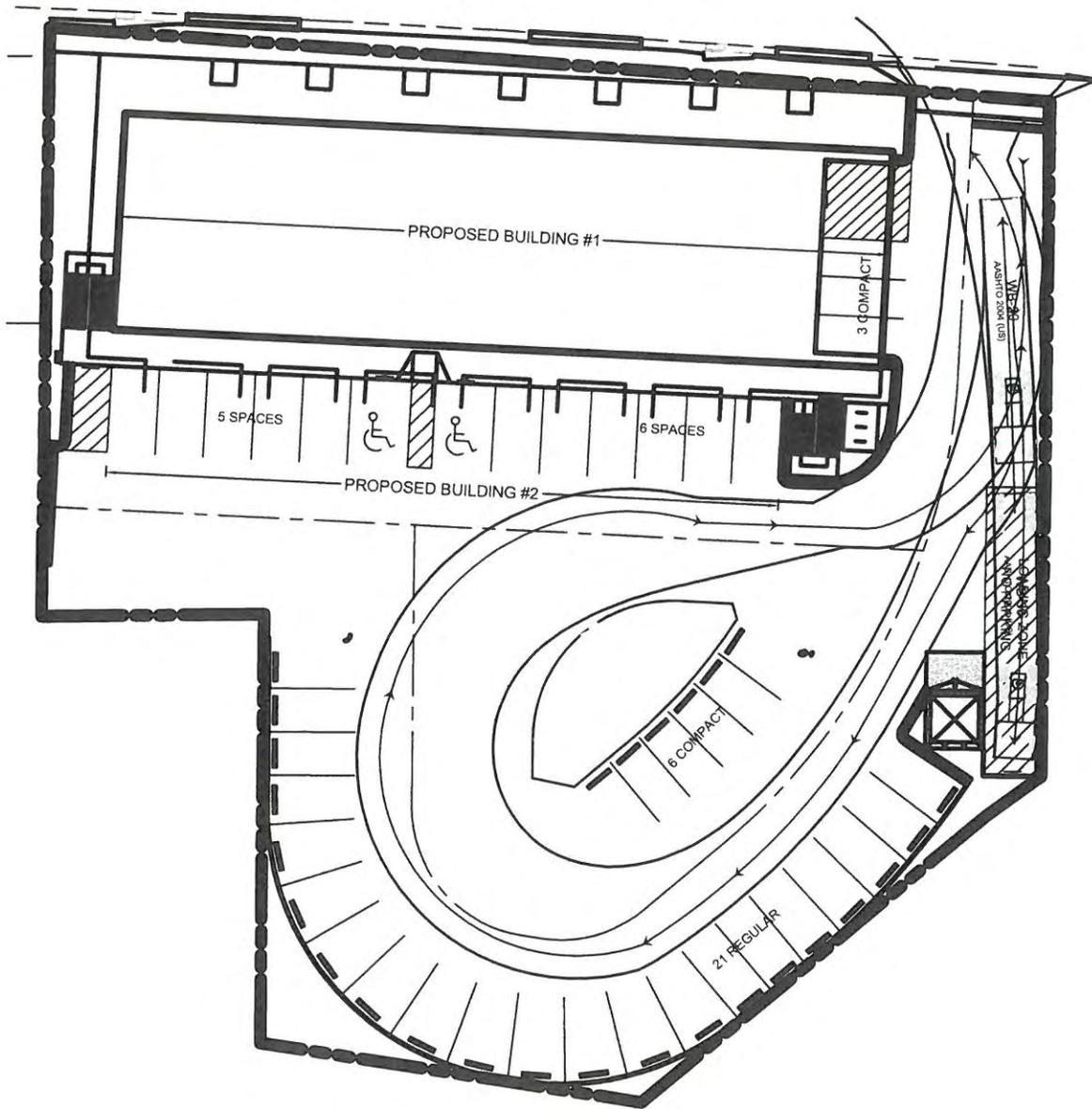


Preliminary 1st Floor Plan

PROJECTED FLOOR PLAN



PROJECTED SITE PLAN



Amortization Table

A simple amortization table covering 24 payment periods of a loan.

- 1) To use the table, simply change any of the values in the "initial data" area of the worksheet.
- 2) To print the table, just choose "Print" from the "File" menu. The print area is already defined.

Initial Data

LOAN DATA		TABLE DATA	
Loan amount:	\$405,806.00	Table starts at date:	
Annual interest rate:	2.06%	or at payment number:	1
Term in years:	5		
Payments per year:	12		
First payment due:	01/01/2012		

PERIODIC PAYMENT

Entered payment:	\$696.63	<i>The table uses the calculated periodic payment amount unless you enter a value for "Entered payment".</i>
Calculated payment:		

CALCULATIONS

Use payment of:	\$696.63	Beginning balance at payment 1:	405,806.00
1st payment in table: 1		Cumulative interest prior to payment 1:	0.00

Table

No.	Payment Date	Beginning Balance	Interest	Principal	Ending Balance	Cumulative Interest
1	01/01/2012	405,806.00	696.63	0.00	405,806.00	696.63
2	02/01/2012	405,806.00	696.63	0.00	405,806.01	1,393.27
3	03/01/2012	405,806.01	696.63	0.00	405,806.01	2,089.90
4	04/01/2012	405,806.01	696.63	0.00	405,806.01	2,786.53
5	05/01/2012	405,806.01	696.63	0.00	405,806.02	3,483.17
6	06/01/2012	405,806.02	696.63	0.00	405,806.02	4,179.80
7	07/01/2012	405,806.02	696.63	0.00	405,806.03	4,876.44
8	08/01/2012	405,806.03	696.63	0.00	405,806.03	5,573.07
9	09/01/2012	405,806.03	696.63	0.00	405,806.03	6,269.70
10	10/01/2012	405,806.03	696.63	0.00	405,806.04	6,966.34
11	11/01/2012	405,806.04	696.63	0.00	405,806.04	7,662.97
12	12/01/2012	405,806.04	696.63	0.00	405,806.04	8,359.60
13	01/01/2013	405,806.04	696.63	0.00	405,806.05	9,056.24
14	02/01/2013	405,806.05	696.63	0.00	405,806.05	9,752.87
15	03/01/2013	405,806.05	696.63	0.00	405,806.06	10,449.51
16	04/01/2013	405,806.06	696.63	0.00	405,806.06	11,146.14
17	05/01/2013	405,806.06	696.63	0.00	405,806.06	11,842.77
18	06/01/2013	405,806.06	696.63	0.00	405,806.07	12,539.41
19	07/01/2013	405,806.07	696.63	0.00	405,806.07	13,236.04
20	08/01/2013	405,806.07	696.63	0.00	405,806.07	13,932.67
21	09/01/2013	405,806.07	696.63	0.00	405,806.08	14,629.31
22	10/01/2013	405,806.08	696.63	0.00	405,806.08	15,325.94
23	11/01/2013	405,806.08	696.63	0.00	405,806.09	16,022.58
24	12/01/2013	405,806.09	696.63	0.00	405,806.09	16,719.21
25	01/01/2014	405,806.09	696.63	0.00	405,806.09	17,415.84
26	02/01/2014	405,806.09	696.63	0.00	405,806.10	18,112.48
27	03/01/2014	405,806.10	696.63	0.00	405,806.10	18,809.11
28	04/01/2014	405,806.10	696.63	0.00	405,806.10	19,505.74
29	05/01/2014	405,806.10	696.63	0.00	405,806.11	20,202.38
30	06/01/2014	405,806.11	696.63	0.00	405,806.11	20,899.01
31	07/01/2014	405,806.11	696.63	0.00	405,806.12	21,595.65

32	08/01/2014	405,806.12	696.63	0.00	405,806.12	22,292.28
33	09/01/2014	405,806.12	696.63	0.00	405,806.12	22,988.91
34	10/01/2014	405,806.12	696.63	0.00	405,806.13	23,685.55
35	11/01/2014	405,806.13	696.63	0.00	405,806.13	24,382.18
36	12/01/2014	405,806.13	696.63	0.00	405,806.13	25,078.81
37	01/01/2015	405,806.13	696.63	0.00	405,806.14	25,775.45
38	02/01/2015	405,806.14	696.63	0.00	405,806.14	26,472.08
39	03/01/2015	405,806.14	696.63	0.00	405,806.15	27,168.72
40	04/01/2015	405,806.15	696.63	0.00	405,806.15	27,865.35
41	05/01/2015	405,806.15	696.63	0.00	405,806.15	28,561.98
42	06/01/2015	405,806.15	696.63	0.00	405,806.16	29,258.62
43	07/01/2015	405,806.16	696.63	0.00	405,806.16	29,955.25
44	08/01/2015	405,806.16	696.63	0.00	405,806.17	30,651.89
45	09/01/2015	405,806.17	696.63	0.00	405,806.17	31,348.52
46	10/01/2015	405,806.17	696.63	0.00	405,806.17	32,045.15
47	11/01/2015	405,806.17	696.63	0.00	405,806.18	32,741.79
48	12/01/2015	405,806.18	696.63	0.00	405,806.18	33,438.42
49	01/01/2016	405,806.18	696.63	0.00	405,806.19	34,135.06
50	02/01/2016	405,806.19	696.63	0.00	405,806.19	34,831.69
51	03/01/2016	405,806.19	696.63	0.00	405,806.19	35,528.32
52	04/01/2016	405,806.19	696.63	0.00	405,806.20	36,224.96
53	05/01/2016	405,806.20	696.63	0.00	405,806.20	36,921.59
54	06/01/2016	405,806.20	696.63	0.00	405,806.21	37,618.23
55	07/01/2016	405,806.21	696.63	0.00	405,806.21	38,314.86
56	08/01/2016	405,806.21	696.63	0.00	405,806.21	39,011.49
57	09/01/2016	405,806.21	696.63	0.00	405,806.22	39,708.13
58	10/01/2016	405,806.22	696.63	0.00	405,806.22	40,404.76
59	11/01/2016	405,806.22	696.63	0.00	405,806.23	41,101.40
60	12/01/2016	405,806.23	696.63	0.00	405,806.23	41,798.03



Date: June, 21st 2016

Board Members
Community Redevelopment Agency
City of Tallahassee
City Hall, Tallahassee, Florida 32301

Dear Board Members,

First I would like to extend my thanks to all and everyone on the Board and staff of the CRA for helping The Loft on Gaines to realize its dream by building a four and half story mixed use building that became a success on Gaines Street. Being the first is not an easy fight especially during the worst real estate economical crisis we have seen.

The Loft on Gaines started as a condominium development with the intent to sell condos to repay its debt to now Centennial Bank and the CRA. With the adjusted real estate market condominium sales became impossible forcing us to rent the residential and commercial units. It was a struggle to keep tenants during the first few years because of all the construction to complete the Gaines street project. After all construction was complete we have seen a success in the residential market for the past 3 years. We are still struggling to get reputable commercial tenant in our building. Our commercial tenants are having trouble paying rent and some have gone out of business.

With all that said, The Loft on Gaines has been a tremendous success. We are now coming on 5 years since we started and the Bank and CRA loan are coming to mature. Without us selling condominiums we are not able to repay both loans. I was able to get new financing from People South Bank to cover the first mortgage and to repay \$150,000 to the CRA. I am asking for the CRA board members to extend my loan for another 5 years with a repayment plan as follows:

- First payment of \$150,000 to reduce Loan amount to \$255,806
- \$2000 per month (principle and interest) payment over 5 years at 2.06 interest rate (current rate)
- Balloon payment approx. \$140,000 in 5 years.

As a local developer I can make those terms and keep The Loft on Gaines a big success in our community.

Thank you again for your support and hopefully we can work together again on other successful project.



Tony Boulos

Owner

The Loft on Gaines, LLC

Amortization Table

A simple amortization table covering 24 payment periods of a loan.

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Initial Data

LOAN DATA		TABLE DATA	
Loan amount:	\$255,806.00	Table starts at date:	
Annual interest rate:	2.06%	or at payment number:	1
Term in years:	5		
Payments per year:	12		
First payment due:	12/01/2016		

PERIODIC PAYMENT

Entered payment:	\$2,000.00	<i>The table uses the calculated periodic payment amount unless you enter a value for "Entered payment".</i>
Calculated payment:		

CALCULATIONS

Use payment of:	\$2,000.00	Beginning balance at payment 1:	255,806.00
1st payment in table: 1		Cumulative interest prior to payment 1:	0.00

Table

No.	Payment Date	Beginning Balance	Interest	Principal	Ending Balance	Cumulative Interest
1	12/01/2016	255,806.00	439.13	1,560.87	254,245.13	439.13
2	01/01/2017	254,245.13	436.45	1,563.55	252,681.59	875.59
3	02/01/2017	252,681.59	433.77	1,566.23	251,115.36	1,309.36
4	03/01/2017	251,115.36	431.08	1,568.92	249,546.44	1,740.44
5	04/01/2017	249,546.44	428.39	1,571.61	247,974.83	2,168.83
6	05/01/2017	247,974.83	425.69	1,574.31	246,400.52	2,594.52
7	06/01/2017	246,400.52	422.99	1,577.01	244,823.50	3,017.50
8	07/01/2017	244,823.50	420.28	1,579.72	243,243.79	3,437.79
9	08/01/2017	243,243.79	417.57	1,582.43	241,661.35	3,855.35
10	09/01/2017	241,661.35	414.85	1,585.15	240,076.21	4,270.21
11	10/01/2017	240,076.21	412.13	1,587.87	238,488.34	4,682.34
12	11/01/2017	238,488.34	409.40	1,590.60	236,897.74	5,091.74
13	12/01/2017	236,897.74	406.67	1,593.33	235,304.42	5,498.42
14	01/01/2018	235,304.42	403.94	1,596.06	233,708.36	5,902.36
15	02/01/2018	233,708.36	401.20	1,598.80	232,109.55	6,303.55
16	03/01/2018	232,109.55	398.45	1,601.55	230,508.01	6,702.01
17	04/01/2018	230,508.01	395.71	1,604.29	228,903.71	7,097.71
18	05/01/2018	228,903.71	392.95	1,607.05	227,296.67	7,490.67
19	06/01/2018	227,296.67	390.19	1,609.81	225,686.86	7,880.86
20	07/01/2018	225,686.86	387.43	1,612.57	224,074.29	8,268.29
21	08/01/2018	224,074.29	384.66	1,615.34	222,458.95	8,652.95
22	09/01/2018	222,458.95	381.89	1,618.11	220,840.84	9,034.84
23	10/01/2018	220,840.84	379.11	1,620.89	219,219.95	9,413.95
24	11/01/2018	219,219.95	376.33	1,623.67	217,596.27	9,790.27
25	12/01/2018	217,596.27	373.54	1,626.46	215,969.81	10,163.81
26	01/01/2019	215,969.81	370.75	1,629.25	214,340.56	10,534.56
27	02/01/2019	214,340.56	367.95	1,632.05	212,708.51	10,902.51
28	03/01/2019	212,708.51	365.15	1,634.85	211,073.66	11,267.66
29	04/01/2019	211,073.66	362.34	1,637.66	209,436.01	11,630.01
30	05/01/2019	209,436.01	359.53	1,640.47	207,795.54	11,989.54
31	06/01/2019	207,795.54	356.72	1,643.28	206,152.25	12,346.25

32	07/01/2019	206,152.25	353.89	1,646.11	204,506.15	12,700.15
33	08/01/2019	204,506.15	351.07	1,648.93	202,857.22	13,051.22
34	09/01/2019	202,857.22	348.24	1,651.76	201,205.46	13,399.46
35	10/01/2019	201,205.46	345.40	1,654.60	199,550.86	13,744.86
36	11/01/2019	199,550.86	342.56	1,657.44	197,893.42	14,087.42
37	12/01/2019	197,893.42	339.72	1,660.28	196,233.14	14,427.14
38	01/01/2020	196,233.14	336.87	1,663.13	194,570.00	14,764.00
39	02/01/2020	194,570.00	334.01	1,665.99	192,904.02	15,098.02
40	03/01/2020	192,904.02	331.15	1,668.85	191,235.17	15,429.17
41	04/01/2020	191,235.17	328.29	1,671.71	189,563.46	15,757.46
42	05/01/2020	189,563.46	325.42	1,674.58	187,888.87	16,082.87
43	06/01/2020	187,888.87	322.54	1,677.46	186,211.42	16,405.42
44	07/01/2020	186,211.42	319.66	1,680.34	184,531.08	16,725.08
45	08/01/2020	184,531.08	316.78	1,683.22	182,847.86	17,041.86
46	09/01/2020	182,847.86	313.89	1,686.11	181,161.75	17,355.75
47	10/01/2020	181,161.75	310.99	1,689.01	179,472.74	17,666.74
48	11/01/2020	179,472.74	308.09	1,691.91	177,780.83	17,974.83
49	12/01/2020	177,780.83	305.19	1,694.81	176,086.03	18,280.03
50	01/01/2021	176,086.03	302.28	1,697.72	174,388.31	18,582.31
51	02/01/2021	174,388.31	299.37	1,700.63	172,687.67	18,881.67
52	03/01/2021	172,687.67	296.45	1,703.55	170,984.12	19,178.12
53	04/01/2021	170,984.12	293.52	1,706.48	169,277.64	19,471.64
54	05/01/2021	169,277.64	290.59	1,709.41	167,568.24	19,762.24
55	06/01/2021	167,568.24	287.66	1,712.34	165,855.89	20,049.89
56	07/01/2021	165,855.89	284.72	1,715.28	164,140.61	20,334.61
57	08/01/2021	164,140.61	281.77	1,718.23	162,422.39	20,616.39
58	09/01/2021	162,422.39	278.83	1,721.17	160,701.21	20,895.21
59	10/01/2021	160,701.21	275.87	1,724.13	158,977.08	21,171.08
60	11/01/2021	158,977.08	272.91	1,727.09	157,250.00	21,444.00



Agenda Item Details

Meeting	Jul 14, 2016 - CRA Board Meeting
Category	5. Frenchtown Southside District Policy Formation and Direction
Subject	5.02 Approval of a Business Facility Improvement Grant of \$16,511 to \$21,511 for 1102 South Adams Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	16,511.00
Budgeted	Yes
Budget Source	FY 2016 Business Facility Improvement Program (BFIP) Grant Funds Project #1600496
Recommended Action	Option 1: Approve the application for grant funds in the amount of \$16,511 for the construction of façade and property improvements to the property and building located at 1102 South Adams Street. In addition, the applicant will have an option to use all or part of a separate amount, up to \$5,000, with a 1 to 1 applicant match of up to \$5000, during the next 12 months specifically for landscaping and signage along Adams and/or Van Buren Streets to ensure consistency with the new public improvements in the immediate area. Authorize CRA staff to enter into a BFIP agreement with the applicant.

Public Content

For more information, please contact: Sheila Williams at 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 District) Commercial Façade Improvement Grant Program, providing one-to-one matching grants of up to \$50,000 for facade improvements on commercial structures. This program was extended to the entire Downtown District Community Redevelopment Area (DT District) on October 19, 2009.

On September 24, 2015, the CRA Board approved the CRA Investment Plan for the GFS which included the new Business Facility Improvement Program (BFIP). The BFIP is a combination of the Commercial Painting and Commercial Façade Improvement Grant Programs for the GFS District, in addition to allowing applicants to improve their parking lot, landscaping and other exterior work items. The DT District Commercial Façade and Downtown Commercial Painting Grant programs remain unchanged, however, after analysis of the first year performance of the BFIP, CRA staff will make a recommendation to the CRA Board regarding utilization of the program in the DT District.

The BFIP grant allows eligible applicants to receive up to \$50,000 for exterior improvements to their commercial structures and properties located within the boundaries of the GFS District. The first \$10,000 in grant funds does not require a match by the applicant/property owner for qualified work items. Any grant funds requested above \$10,000 (up to a maximum of \$40,000) requires a dollar-for-dollar match.

On May 11, 2016, the CRA staff received a BFIP grant application from Jimmy Petrandis, the property owner, for exterior renovation of the building and parcel located at 1102 South Adams Street. The applicant/owner plans to resurface and stripe the existing parking lot with 1.25 inch Type SP-9.5 hot mix asphalt, replace 12 existing canopy lights with new lights, install three new light emitting diode (LED) wall packs along the rear of the building, and clean and service the existing gutter and downspout system.

The lowest bid for the qualified facade items is \$23,022 for which the applicant requested a \$16,511 grant. Of the \$23,022 in

improvements, \$10,000 will be in the form of a non-matching grant and the remaining \$13,022 grant will be a dollar-for-dollar match with the applicant contributing \$6,511 towards the \$23,022 cost of improvements.

Landscaping and Signage Enhancements

During the past year, the City and County have made significant improvements in the subject area including the outstanding new FAMU Way corridor and streetscape, the creation of Lake Anita and the new pedestrian bridge. Additional public improvements are being planned for the coming year. Blueprint will complete major improvements along Van Buren St. within the next 12 months and new streetscape guidelines are currently being developed for Adams St. To help ensure that the subject property is consistent with the surrounding redevelopment, CRA staff recommends that an additional \$5000, plus a 1 to 1 applicant match, for a potential total up to \$10,000, be made available during the next 12 months specifically for landscaping and signage along Adams and Van Buren Streets. The applicant will have an option to use all or part of the funds to provide landscaping and signage improvements on the subject site that will make the site more consistent with the public improvements in the area. The applicant is not required to utilize the additional funds, but may exercise this option at any time during the next 12 months. Staff recommends that the applicant meet with the Design Works staff to identify appropriate improvements that will be consistent with the new guidelines.

Recommended Action

Option 1: Approve the application for grant funds in the amount of \$16,511 for the construction of façade and property improvements to the property and building located at 1102 South Adams Street. Authorize CRA staff to enter into a BFIP agreement with the applicant. In addition, the applicant will have an option to use all or part of a separate amount, up to \$5,000, with a 1 to 1 applicant match of up to \$5000, during the next 12 months specifically for landscaping and signage along Adams and/or Van Buren Streets to ensure consistency with the new public improvements in the immediate area. Authorize CRA staff to enter into a BFIP agreement with the applicant.

Fiscal Impact

The Business Facility Improvement Grant Program (Project #1600496) has a balance of \$70,921. Funding all of this request will leave a remaining balance of \$49,410 for additional GFS BFIP grant requests through the end of the fiscal year. Financial Management has reviewed this agenda item and concurs that it meets budget guidelines.

Supplemental Material/Issue Analysis

History/Facts & Issues

The BFIP is an enhancement of the former GFS Commercial Façade Improvement Grant Program and the GFS Commercial Painting Grant Program. Similar to the earlier Façade Improvement and Painting programs, the BFIP grants are designed to assist commercial property owners and/or business operators in enhancing the exterior of their buildings. The BFIP expands the use of the grant funds to select exterior property improvements, such as parking lot installation/repair, stand-alone signage, and landscaping. The goal of the program remains to reduce blighting influences and improve the area's physical characteristics, which will lead to increased commercial activity and improved property values within the GFS District. To date, there have been 44 improvement grants approved in both districts (39 commercial façade and 5 BFIP), providing nearly \$1.6 million in grant funds for small business redevelopment projects that have a total estimated cost of approximately \$10.1 million.

The BFIP provides eligible commercial property owners or tenants with up to \$50,000 in grant funds for commercial façade and exterior property improvements. The first \$10,000 of grant funds does not require a match; grant requests in excess of \$10,000 (up to a maximum \$40,000) require a dollar-for-dollar match. The grant funds are provided in the form of a forgivable loan, with one sixtieth (1/60) of the loan forgiven over a five-year period at a zero percent interest rate, provided the property is maintained as commercial. Other major program components include:

- The CRA Executive Director approves grant requests of \$10,000 or less.
- The CRA Board approves grant requests in excess of \$10,000.
- 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.
- Multi-year applications for the same property are possible, but total grant funds for any one property cannot exceed \$50,000.
- 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.

- Applicants are required to submit three bids from licensed contractors; grant funding awarded to an applicant will be based on the lowest bid.
- Technical assistance in preparing applications is available to all applicants.

The applicant/property owner, Johnny Petrandis submitted a grant application on May 11, 2016, for exterior renovation of the building with resurfacing and restriping of the existing vehicular use area located at 1102 South Adams Street.

The eligible grant work items consist of:

- Resurfacing and striping the existing parking lot with 1.25 inch Type SP-9.5 hot mix asphalt;
- Replacement of 12 existing canopy lights with new lights;
- Installation of three new light emitting diode (LED) wall packs along the rear of the building; and
- Cleaning and servicing the existing gutter and downspout system.

The lowest bid for the qualified facade improvements is \$23,022; a summary of the exterior renovations is described in Attachment 1. The applicant is requesting a \$16,511 grant: \$10,000 in a non-matching grant and \$6,511 (50 percent of the remaining balance of \$13,022) in matching grant funds.

If the CRA Board approves the application, the 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.

Landscaping and Signage Enhancements

During the past year, the City and County have made significant improvements in the subject area including the outstanding new FAMU Way corridor and streetscape, the creation of Lake Anita and the new pedestrian bridge. Additional public improvements are being planned for the coming year. Blueprint will complete major improvements along Van Buren St. within the next 12 months and new streetscape guidelines are currently being developed for Adams St. To help ensure that the subject property is consistent with the surrounding redevelopment, CRA staff recommends that an additional \$5000, plus a 1 to 1 applicant match, for a potential total up to \$10,000, be made available during the next 12 months specifically for landscaping and signage along Adams and Van Buren Streets. The applicant will have an option to use all or part of the funds to provide landscaping and signage improvements on the subject site that will make the site more consistent with the public improvements in the area. The applicant is not required to utilize the additional funds, but may exercise this option at any time during the next 12 months. Staff recommends that the applicant meet with the Design Works staff to identify appropriate improvements that will be consistent with the new guidelines.

Outstanding Grant Application Issues

There are no outstanding grant application issues; the applicant has provided all required application materials.

Staff Recommendation

Staff recommends approval of a \$16,511 BFIP grant application, with an option for an additional \$5000 available for landscape and signage improvements.

Options

1. Approve the application for grant funds in the amount of \$16,511 for the construction of façade and property improvements to the property and building located at 1102 South Adams Street. In addition, the applicant will have an option to use all or part of a separate amount, up to \$5,000, with a 1 to 1 applicant match of up to \$5000, during the next 12 months specifically for landscaping and signage along Adams and/or Van Buren Streets to ensure consistency with the new public improvements in the immediate area. Authorize CRA staff to enter into a BFIP agreement with the applicant.
2. Approve the application for grant funds in the amount of \$16,511 for the construction of façade and property improvements to the property and building located at 1102 South Adams Street. Authorize CRA staff to enter into a BFIP agreement with the

applicant.

3. Do not approve the application; provide staff with alternate direction.

Attachments/References

1. Application Summary – 1102 South Adams Street

[Attachment 1.pdf \(787 KB\)](#)

STAFF REVIEW/APPLICATION SUMMARY

CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY (CRA)
GREATER FRENCHTOWN/SOUTHSIDE COMMUNITY REDEVELOPMENT AREA
BUSINESS FACILITY IMPROVEMENT GRANT PROGRAM

I. APPLICANT AND BUSINESS INFORMATION

Date of Application: May 16, 2016

Name of Applicant: Jimmy Petrandis

Name of Business: Adams Street Plaza

Business Address: 1102 South Adams Street

Telephone Number: (850) 443-5809 Fax Number: N/A

E-mail Address: lucypoole@aol.com

Type of Business: Commercial Strip Center Parcel ID Number: 41-01-20-016-0000

This property is located in the: GREATER FRENCHTOWN/SOUTHSIDE 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: Bob Pabale, 4/8/16

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

Code Enforcement / Reviewer and Date: Thomas Smith 4/8/16, Ann Randolph, 6/3/16

II. PROPERTY OWNER INFORMATION (if different from Applicant)

Name of Owner: Same As Indicated Above

Telephone Number: Same As Indicated Above

III. PROJECT FINANCING INFORMATION

Total Project Cost: \$ 23,022 (Attach at least three bids from contractors)

Total Project Cost of Eligible Business Facility Improvement Program Work Items:
\$ 23,022

Amount of Grant Funds Requested: \$ 16,511

Owner/Tenant Match Amount; \$6,511

Estimated Cost of All Renovations: \$23,022

PROJECT SUMMARY

The existing one story commercial building is located at 1102 South Adams Street.

The proposed eligible work items include:

- Resurfacing and restriping the existing vehicular use area with 1 ¼" Type SP-9.5 hot mix asphalt;
- Replacement of twelve existing canopy lights with new lights;
- Installation of three new light emitting diode (LED) wall packs along the rear of the building; and
- Cleaning and servicing the existing gutter and downspout system.

The low bid for the eligible work items is \$23,022 for which the applicant requested a **\$16,511** grant. Of the \$ 23,022 grant, \$10,000 will be in the form of a non-matching grant and the remaining \$13,022 grant will be a dollar-for-dollar match with the applicant contributing \$6,511 towards the \$23,022 improvement.

The property has not previously been approved for any CRA grant programs. Grant funds issued cannot exceed the cost of the lowest bid received for the project, up to a maximum of \$50,000. In addition, the maximum amount of funds allowed as non-matching that can be issued to an applicant is \$10,000.

The property owner, Jimmy Petrandis signed the application agreeing to the proposed work and agrees to sign the Restrictive Covenants as well as the other legal documents accompanying the grant within 30 days of the CRA Board approval or the CRA Executive Director's approval or the application is null and void.

IV. ADDITIONAL SUBMISSIONS (required)

- Color photographs of the existing building exterior.
- Sketches or conceptual drawings of the project when completed (under \$10,000 not required).
- Three (3) bids from licensed contractors for all qualifying work items. Note: Paving/resurfacing, stripping and painting do not require licensed contractors.
- 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; 6/6/16 Not required – The property owner is the applicant - STW
- 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;
- NA Certificate of Appropriateness issued by the Tallahassee-Leon County Architectural Review Board is attached, if appropriate; 6/6/16 Not required - STW
- Proof of property insurance. 6/6/16 Will be provided as necessary prior to execution of the agreement with appropriate limits listing the City of Tallahassee and the Tallahassee Community Redevelopment Agency, as Certification Holder and Additional Insured - STW

CRA Staff review was completed on: 6/21/16

Recommend: Approval Denial Other (explain below)

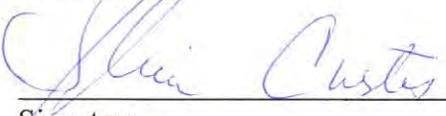
Sheila Williams
Name (print)


Signature

CRA Program Director or Principal Planner review was completed on: 6/27/2016

Recommend: Approval Denial Other (explain below)

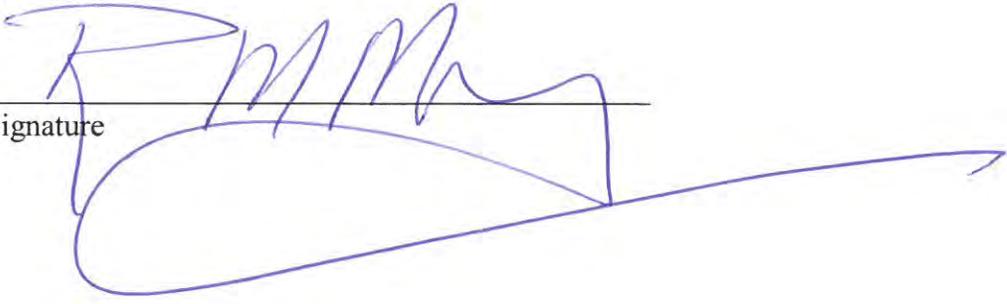
Rick McCraw/Sherri Curtis
Name (print)


Signature

CRA Executive Director review was completed on: 6/26/2016

Recommend: Approval Denial Other (explain below)

Roxanne M. Manning
Name (print)


Signature

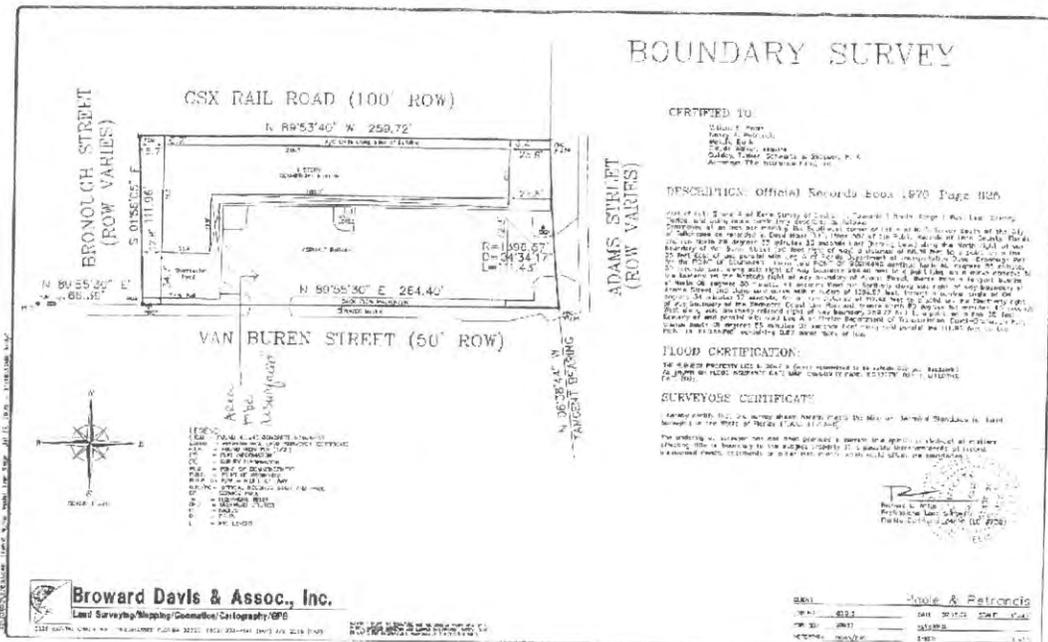


Photo 1 – 1102 South Adams Street – Boundary Survey
 Vehicular Use Area Shown



Photo 2 – 1102 South Adams Street – Front of Building

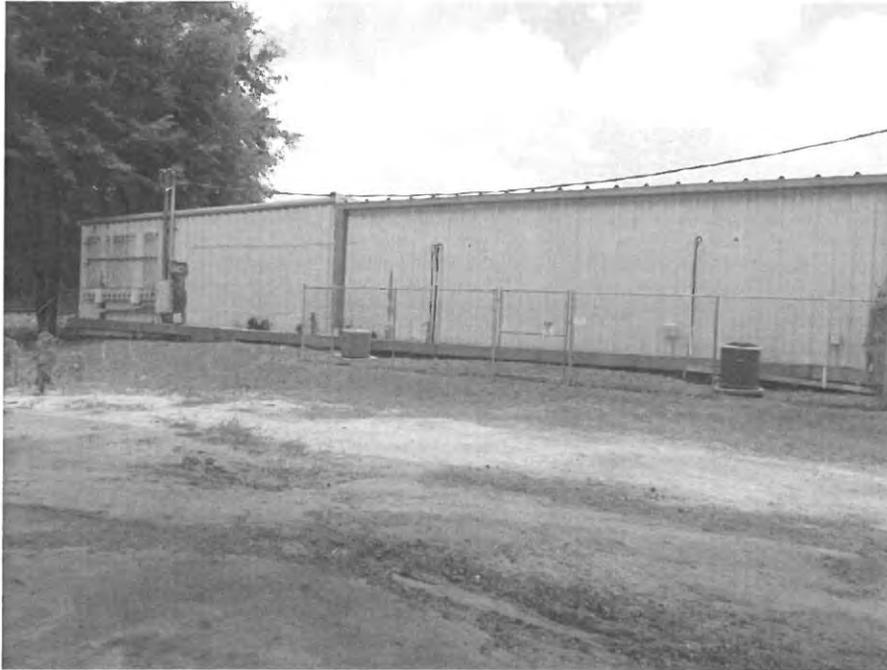


Photo 3 – 1102 South Adams Street – Western side of structure



Photo 4 – 1102 South Adams Street – Northern side of structure (Rear)

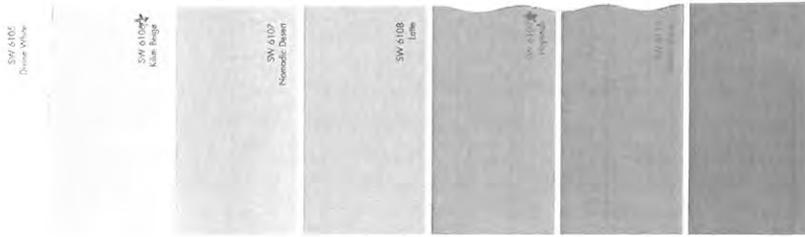


Photo 4 – PROPOSED Rendering - 1102 South Adams Street



Photo 4 – PROPOSED Rendering (Another View) - 1102 South Adams Street

**Listing of Bids for Qualified Work Items
1102 South Adams Street**

Work Item	Subcontractor		
	<i>North Florida Asphalt, Inc.</i>	<i>American Curb Appeal</i>	<i>Capital Asphalt, Inc.</i>
Mechanically clean all asphalt surface – existing vehicular use area, tack coat existing asphalt, level all rough areas, as necessary and pave with 1 ½” type 9.5 hot mix asphalt	\$11,800.00	\$16,000.00	\$18,900.00
	<i>Superior Painting</i>	<i>Prestige Painting Partners, Inc.</i>	<i>JR, Inc.</i>
Pressure wash, caulk, scrape loose paint, spot prime and apply two coats of paint includes materials and labor	\$ 6,180.00* <small>*(The Maximum CRA Paint grant allowance is \$5,000.00. Therefore, \$5,000.00 will be used to tabulate the low bid).</small>	\$ 9,000.00* <small>*(The Maximum CRA Paint grant allowance is \$5,000.00. Therefore, \$5,000.00 will be used to tabulate the low bid).</small>	\$ 9,218.00* <small>*(The Maximum CRA Paint grant allowance is \$5,000.00. Therefore, \$5,000.00 will be used to tabulate the low bid).</small>
	<i>Albritton Electrical Service, Inc.</i>	<i>Bryan Electric Company</i>	<i>Lawson & Lawson Electrical Services, Inc.</i>
Replace twelve existing canopy lights with new owner provided lights. Install three new light emitting diode wallpacks along the rear of the structure.	\$ 3,822.00	\$ 3,970.00	\$ 6,454.00
	<i>Florida Roofing and Sheet Metal Works, Inc.</i>	<i>Gutter Solutions & Water Roofing</i>	<i>RH Enterprises of North Florida, Inc.</i>
Repair drainage pipe on gutter system, materials and labor.	\$ 2,400.00	\$ 3,795.00	\$ 6,535.00
TOTALS	\$ 23,022.00	\$ 28,765.00	\$ 36,889.00



Agenda Item Details

Meeting	Jul 14, 2016 - CRA Board Meeting
Category	5. Frenchtown Southside District Policy Formation and Direction
Subject	5.03 Approval of a \$12,002.50 Business Facility Improvement Program (BFIP) Grant for 2010 South Monroe Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	12,002.50
Budgeted	Yes
Budget Source	FY 2016 Business Facility Improvement Program Grant Funds Project #1600496
Recommended Action	Option 1: Approve the application for grant funds in the amount of \$12,002.50 for the construction of façade and signage improvements to the property located at 2010 South Monroe Street. Authorize CRA staff to enter into a BFIP grant agreement with the property owner/applicant.

Public Content

For more information, please contact: Sheila Williams at 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 District) Commercial Façade Improvement Grant Program, providing one-to-one matching grants of up to \$50,000 for facade improvements to commercial structures. This program was extended to the entire Downtown District Community Redevelopment Area (DT District) on October 19, 2009.

On September 24, 2015, the CRA Board approved the CRA Investment Plan for the GFS which included the new Business Facility Improvement Program (BFIP). The BFIP is a combination of the Commercial Painting and Commercial Façade Improvement Grant Programs within the GFS District, in addition to allowing applicants to improve their parking lots, landscaping and other exterior work items. The DT District Commercial Painting and Commercial Façade Improvement Grant programs remain unchanged; however, after analysis of the first year performance of the BFIP, CRA staff will make a recommendation to the CRA Board regarding utilization of the program in the DT District.

The BFIP grant allows eligible applicants to receive up to \$50,000 for façade improvements to their commercial structures and properties located within the boundaries of the GFS District. The first \$10,000 of a grant does not require a match by the applicant/property owner for qualified work items. Any grant funds requested above \$10,000 (up to a maximum of \$40,000) requires a dollar-for-dollar match.

On April 28, 2016, the CRA staff received a GFS District BFIP grant application from Malinda Griffith-Hines, the property owner, for exterior renovations to the building and existing monument signage located at 2010 South Monroe Street. The work includes pressure washing and painting the entire building, installation of exterior lighting, demolition of the existing concrete landing and steps located at the east end of the building, construction of new steps to meet the current building code, installation of a new four foot by eight foot painted sign face, framing and installation of dual rock and plaster openings along the north side of the building, demolition of the existing wall sign, repair to the wall at the north side of the building, and patch and re-plaster the south side of building.

The lowest bid for the qualified facade items is \$14,005, for which the applicant is requesting a \$12,002.50 grant. Of the

\$14,005 in improvements, \$10,000 will be in the form of a non-matching grant and the remaining \$4,005 grant will be a dollar-for-dollar match with the applicant contributing at least \$2002.50 towards the \$14,005 improvements.

Recommended Action

Option 1: Approve the application for grant funds in the amount of \$12,002.50 for the construction of façade and signage improvements to the property located at 2010 South Monroe Street. Authorize CRA staff to enter into a BFIP agreement with the property owner/applicant.

Fiscal Impact

The FY 2016 Business Facility Improvement Grant Program (Project #1600496) has a balance of \$54,410.00. Funding this request will leave a remaining balance of \$42,407.50 for additional FY 2016 BFIP grant requests. Financial Management has reviewed this agenda item and concurs that it meets budget guidelines.

Supplemental Material/Issue Analysis

History/Facts & Issues

The BFIP is an enhancement of the former GFS Commercial Façade Improvement Grant Program and the GFS Commercial Painting Grant Program. Similar to the earlier Façade Improvement and Painting programs, the BFIP grants are designed to assist commercial property owners and/or business operators in enhancing the exterior of their buildings. The BFIP expands the use of the grant funds to select property improvements, such as parking lot installation/repair, stand-alone signage, and landscaping. The goal of the program remains to reduce blighting influences and improve the area's physical characteristics, which will lead to increased commercial activity and improved property values within the GFS District. To date, there have been 44 improvement grant applications approved (39 commercial façade and 5 BFIP), providing nearly \$1.6 million in grant funds for redevelopment projects that have a total estimated cost of approximately \$10.1 million.

The BFIP provides eligible commercial property owners or tenants with up to \$50,000 in grant funds for commercial façade and exterior property improvements. The first \$10,000 of grant funds does not require a match; grant requests in excess of \$10,000 (up to a maximum \$40,000) require a dollar-for-dollar match. The grant funds are provided in the form of a forgivable loan, with one sixtieth (1/60) of the loan forgiven over a five-year period at a zero percent interest rate, provided the property is maintained as commercial. Other major program components include:

- The CRA Executive Director approves grant requests of \$10,000 or less.
- The CRA Board approves grant requests in excess of \$10,000.
- 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.
- Multi-year applications for the same property are possible, but total grant funds for any one property cannot exceed \$50,000.
- 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.
- Applicants are required to submit three bids from licensed contractors; grant funding awarded to an applicant will be based on the lowest bid.
- Technical assistance in preparing applications is available to all applicants.

The property owner, Malinda Griffith-Hines submitted a grant application on April 28, 2016 for exterior renovations to the building and signage. The eligible grant work items consist of:

- Pressure washing and painting the entire building;
- Installation of exterior lighting;
- Demolition of the existing concrete landing and steps at the east end of the building;
- Construction of new steps to meet the current building code;
- Installation of a new 4' x 8' painted sign face;
- Framing and installation of dual rock and plaster openings along the north side of the building;
- Demolition of the existing sign along the north building wall and repair to the wall at north side of the building; and
- Patch and re-plaster south side of building.

The lowest bid for the qualified facade improvements is \$14,005; a summary of the exterior renovations to the building and

signage is described in Attachment 1. The applicant is requesting a \$12,002.50 grant: \$10,000 will be in the form of a non-matching grant and the remaining \$2,002.50 (50 percent of the remaining balance of \$4,005) im matching grant funds.

If the CRA Board approves the application, the 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, restrictive covenants and a mortgage, 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 Grant Application Issues

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

Staff Recommendation

Staff recommends approval of a \$12,002.50 FY 2016 Business Facility Improvement Program (BFIP) Grant.

Options

1. Approve the application for grant funds in the amount of \$12,002.50 for the construction of facade and signage improvements to the property located at 2010 South Monroe Street. Authorize CRA staff to enter into a BFIP grant agreement with the property owner/applicant.
2. Do not approve the application; provide staff with alternate direction.

Attachments/References

1. Application Summary – 2010 South Monroe Street

[Attachment 1.pdf \(754 KB\)](#)

STAFF REVIEW/APPLICATION SUMMARY

CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY (CRA)
GREATER FRENCHTOWN/SOUTHSIDE COMMUNITY REDEVELOPMENT AREA
BUSINESS FACILITY IMPROVEMENT GRANT PROGRAM

I. APPLICANT AND BUSINESS INFORMATION

Date of Application: April 28, 2016

Name of Applicant: Malinda Griffith-Hines

Name of Business: Malinda Griffith-Hines

Business Address: 2010 South Monroe Street

Telephone Number: (850) 321-6193 Fax Number: N/A

E-mail Address: Malinda.Griffith@yahoo.com and Malinda.Griffith-Hines@ssa.gov

Type of Business: Commercial Parcel ID Number: 41-01-20-489-0000

This property is located in the: GREATER FRENCHTOWN/SOUTHSIDE 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: Devan Leavins, 4/25/16

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

Code Enforcement / Reviewer and Date: Thomas Smith, 4/25/16

II. PROPERTY OWNER INFORMATION (if different from Applicant)

Name of Owner: Same As Indicated Above

Telephone Number: Same As Indicated Above

III. PROJECT FINANCING INFORMATION

Total Project Cost: \$14,005.00 (Attach at least three bids from contractors)

Total Project Cost of Eligible Business Facility Improvement Program Work Items:
\$14,005.00

Amount of Grant Funds Requested: \$12,002.50

Owner/Tenant Match Amount: \$ 2,002.50

Estimated Cost of All Renovations: \$14,005.00

PROJECT SUMMARY

The commercial building is located at 2010 South Monroe Street.

The proposed eligible work items include:

- Pressure wash and paint entire buildings;
- Install exterior lighting;
- Demolish existing concrete landing and steps at east end of the building;
- Rebuild new steps to meet current building code;
- Install a new 4' x 8' painted sign;
- Frame and install dual rock and plaster opening along north side of the building;
- Demolish existing sign and repair wall at north side of the building; and
- Patch and re-plaster south side of building.

The low bid for the eligible work items is \$14,005.00 for which the applicant requested a **\$12,002.50** grant. Of the \$14,005.00 in improvements, \$10,000 will be in the form of a non-matching grant and the remaining \$4,005.00 grant will be a dollar-for-dollar match with the applicant contributing \$2,002.50 towards the \$14,005.00 improvement.

To date, this property has not been issued any CRA grant funds and is eligible for up to \$50,000 in grant funds. Grant funds issued cannot exceed the cost of the lowest bid received for the project, up to a maximum of \$50,000. In addition, the maximum amount of funds allowed as non-matching that can be issued to an applicant is \$10,000.

The property owner, Malinda Griffith-Hines has signed the application agreeing to the proposed work and agrees to sign the Restrictive Covenants as well as the other legal documents accompanying the grant within 30 days of the CRA Board approval or the CRA Executive Director's approval or the application is null and void.

IV. ADDITIONAL SUBMISSIONS (required)

- Color photographs of the existing building exterior;
- N/R Sketches or conceptual drawings of the project when completed; 6/29/16 Not required, as work is being done to existing improvements located on the property - STW
- Three (3) bids from licensed contractors for all qualifying work items; Note: Paving/resurfacing, stripping and painting do not require licensed contractors.
- 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; 6/21/16 Not required – The property owner is the applicant - STW
- 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;
- N/A Certificate of Appropriateness issued by the Tallahassee-Leon County Architectural Review Board is attached, if appropriate; 6/20/16 Not required - STW
- Proof of property insurance. 6/21/16 Will be provided as necessary prior to execution of the agreement with appropriate limits listing the City of Tallahassee and the Tallahassee Community Redevelopment Agency, as Certification Holder and Additional Insured - STW

CRA Staff review was completed on: 6/29/16

Recommend: Approval Denial Other (explain below)

Sheila Williams, Program Planner
Name (print)

Sheila Williams
Signature

CRA Program Director or Principal Planner review was completed on: 29 June 16

Recommend: Approval Denial Other (explain below)

Rick McCraw/Sherri Curtis
Name (print)

Rick McCraw
Signature

CRA Executive Director review was completed on: 6/29/2016.

Recommend: Approval Denial Other (explain below)

Roxanne M. Manning
Name (print)

Roxanne M. Manning
Signature



Photo 1 – Front of building – 2010 South Monroe Street



Photo 2 – Rear of building – 2010 South Monroe Street



Photo 3 – Southern side of building – 2010 South Monroe Street



Photo 4 – Northern side of building – 2010 South Monroe Street



Photo 5 – Existing Sign – 2010 South Monroe Street
(Top sign face to be replaced and sign painted)

**Listing of Bids for Qualified Work Items
2010 South Monroe Street**

Work Item	Subcontractor		
	<i>Golden Green Builders, LLC</i>	<i>Construction Support Southeast, Inc.</i>	<i>Pyramid Construction & Design</i>
Pressure wash, paint entire building including doors	\$ 6,325.00	\$ 8,200.00	\$ 4,500.00
Install exterior lighting	\$ 685.00	\$ 2,000.00	\$ 1,300.00
Replace or sand blast, prime two existing entrance doors	\$ 450.00	\$ 3,000.00	\$ 825.00
Demolish existing concrete landing and steps at east end	\$ 225.00	\$ 1,700.00	\$ 1,000.00
Rebuild new steps to meet current building code	\$ 535.00	\$ 1,150.00	\$ 1,100.00
Install a new 4' x 8' painted sign	\$ 865.00	\$ 1,000.00	\$ 1,700.00
Frame and install dual rock and plaster opening along north side of the building	\$ 1,275.00	\$ 2,600.00	\$ 1,200.00
Demolish existing sign and repair wall at north side of the building	\$ 395.00	\$ 600.00	\$ 600.00
Patch and re-plaster south side of building	\$ 3,250.00	\$ 1,150.00	\$ 4,200.00
Contractor's Fee	Included in totals above	Included in totals above	\$ 3,285.00
TOTALS	\$ 14,005.00	21,400.00	\$ 19,710.00



Agenda Item Details

Meeting	Jul 14, 2016 - CRA Board Meeting
Category	6. Downtown District Policy Formation and Direction
Subject	6.01 Denial of a \$50,000 Downtown (DT) Commercial Façade Program Grant for 230 South Adams Street -- Roxanne Manning, Tallahassee Community Redevelopment Agency
Access	Public
Type	Action, Discussion
Fiscal Impact	Yes
Dollar Amount	50,000.00
Budgeted	Yes
Budget Source	FY 2016 Downtown Commercial Façade Program Grant Funds Project #1600412
Recommended Action	Option 1: Deny the application for grant funds in the amount of \$50,000 for the construction of façade improvements to the building located at 230 South Adams Street.

Public Content

For more information, please contact: Sheila Williams at 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 District) Commercial Façade Improvement Grant Program (Façade Grant Program), providing one-to-one matching grants of up to \$50,000 for facade improvements to commercial structures. This program was extended to the entire Downtown District Community Redevelopment Area (DT District) on October 19, 2009.

The DT Façade Grant 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. 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 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.

On June 15, 2016, CRA staff received a DT Façade Improvement Grant Program application from Carol B. Dover, President and Chief Executive Officer with the Florida Restaurant & Lodging Association (the property is owned by the Florida Restaurant and Lodging Association), for exterior renovations of the building located at 230 South Adams Street. The work includes selective demolition, cast-in-place concrete foundations, a slab-on-deck, sidewalk replacement including brick pavers, masonry work, new entry doors, hardware and access controls, glass and glazing including all glass enclosures and railings for the balcony and construction management/overhead and profit.

The lowest bid for the facade items eligible for this grant is \$146,089.90, for which the applicant is requesting a \$50,000 grant. The total dollar amount of all improvements, including the eligible facade items, is \$362,656.00.

While this project satisfies the grant review criteria, the building, in its existing condition, appears to be in good repair and of good visual appeal. One of the major objectives of the CRA is to improve areas that are in disrepair and in need of improvements to promote an attractive and vibrant area. Staff's preference would be to utilize this program on sites that are in need of visual and functional improvement. If the CRA Board denies the application, staff will refine the DT Commercial Façade Improvement Grant standards to support this direction and present them to the Board for review and action..

Recommended Action

Option 1: Do not approve the application for grant funds in the amount of \$50,000 for the construction of façade improvements to the building located at 230 South Adams Street.

Fiscal Impact

The FY 2016 DT Commercial Façade Grant Program (Project #1600412) has a balance of \$107,500.70. Funding this request will leave a remaining balance of \$57,500.70 for additional FY 2016 DT Commercial Façade grant requests. Financial Management 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 Façade Grant Program on June 28, 2006; in 2009, the program was extended to include the DT District. The program provides eligible commercial property owners or tenants with up to \$50,000 in grant funds for commercial façade improvements. The façade program is designed to assist property owners and local businesses in restoring or renovating the exterior of their buildings, thereby reducing blighted influences and improving the area's physical characteristics, which will lead to increased occupancy and property values within the redevelopment area. To date, 44 grant applications have been approved, including both districts (39 commercial façade and 5 BFIP), providing nearly \$1.6 million in grant funds for redevelopment projects that have a total estimated cost of approximately \$10.1 million.

On September 24, 2015, the CRA Board approved the CRA Investment Plan for the GFS which included the new Business Facility Improvement Program (BFIP). The BFIP is a combination of the Commercial Painting and Commercial Façade Improvement Grant Programs within the GFS District. At this time, the BFIP is not available in the DT District; however, following an analysis of the first year performance of the BFIP, staff will make a recommendation to the CRA regarding the utilization of the BFIP in the DT District.

The DT Façade Grant Program funds are provided in the form of a forgivable loan, with one sixtieth (1/60) of the loan forgiven over a five-year period at a zero percent interest rate, provided the property is maintained as commercial. Other major program components include:

- The CRA Executive Director approves grant requests of \$10,000 or less.
- The CRA Board approves grant requests in excess of \$10,000.
- 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.
- Multi-year applications for the same property are possible, but total grant funds for any one property cannot exceed \$50,000.
- 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.
- Applicants are required to submit three bids from licensed contractors; grant funding awarded to an applicant will be based on the lowest bid.
- Technical assistance in preparing applications is available to all applicants.

While this project satisfies the grant review criteria, the building, in its existing condition, appears to be in good repair and of good visual appeal. One of the major objectives of the CRA is to improve areas that are in disrepair and in need of improvements to promote an attractive and vibrant area. Staff's preference would be to utilize this program on sites that are in need of visual and functional improvement. If the CRA Board supports the recommendation of denial, staff will refine the BFIP grant approval standards to support this direction and present them to the Board for review and action.

The applicant, Carol B. Dover, President and Chief Executive Officer with the Florida Restaurant & Lodging Association, submitted a grant application on June 15, 2016, for exterior renovations of the building. The eligible facade grant work items consist of;

- Site work and selective demolition;
- Cast-in-place concrete foundations, slab-on-deck and sidewalk replacement, including brick pavers;
- Masonry work;
- New entry doors, hardware and access controls;

- Glass and glazing, including all glass enclosures and railings for the balcony; and
- Construction management/overhead & profit fee.

The lowest bid for the qualified facade improvements is \$146,089.90, for which the applicant is requesting a \$50,000 grant. The estimated cost for all renovations is \$362,656.00. A summary of the exterior renovations is described in Attachment 1.

If the CRA Board approves the application, the 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, restrictive covenants and a mortgage, 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 Grant Application Issues

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

Staff Recommendation

Staff recommends denial of the \$50,000 FY 2016 DT Commercial Façade Program Grant application.

Options

1. Deny the application for grant funds in the amount of \$50,000 for the construction of façade improvements to the building located at 230 South Adams Street.
2. Approve the application for grant funds in the amount of \$50,000 for the construction of façade improvements to the building located at 230 South Adams Street. Authorize CRA staff to enter into a commercial façade grant agreement, restrictive covenants and mortgage with the applicant.
3. Provide staff with alternate direction.

Attachments/References

1. Application Summary – 230 South Adams Street

[Attachment 1.pdf \(668 KB\)](#)

STAFF REVIEW/APPLICATION SUMMARY

CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY DOWNTOWN DISTRICT COMMUNITY REDEVELOPMENT AREA COMMERCIAL FACADE IMPROVEMENT PROGRAM

I. APPLICANT AND BUSINESS INFORMATION

Date of Application: June 15, 2016

Name of Applicant: Florida Restaurant & Lodging Association

Name of Business: Florida Restaurant & Lodging Association

Business Address: 230 South Adams Street

Telephone Number: (850) 224-2250 Fax Number: (850) 224-9213

E-mail Address: bdearden@frla.org

Type of Business: 501c6 Trade Association Parcel ID Number: 21-36-28-000-0040

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: Devan Leavins, 6/21/16

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

Code Enforcement / Reviewer and Date: Bob Tredik, 6/21/16

II. PROPERTY OWNER INFORMATION (if different from Applicant)

Name of Owner: NA

Telephone Number: Same As Indicated Above Email: See As Indicated Above

III. PROJECT FINANCING INFORMATION

Total Project Cost of Eligible Facade Improvements: \$363,278

Amount of Grant Funds Requested: \$50,000

Estimated Cost of All Renovations: \$363,278

PROJECT SUMMARY

The existing two-story building located at 230 South Adams Street is currently utilized as a trade association – Florida Restaurant & Lodging Association.

The property owner proposes to enclose the existing second story balcony which extends along West Jefferson Street and South Adams Street and minimally extend it a portion of the balcony along South Adams Street. In addition, the redevelopment project includes the construction of a new entrance, enhancements to the building façade and signage.

The eligible work items to be funded include:

- General Sitework;
- Concrete work – All cast-in-place concrete, foundation, slab on deck and sidewalk replacement and brick pavers;
- Masonry work;
- New entry doors, hardware and access controls;
- Glass and glazing – All glass enclosures and railing for the balcony; and
- Construction Management/Overhead & Profit fee.

The low bid for the facade grant eligible renovations is \$146,089.90 for which the applicant requested a \$50,000 matching grant. The property currently has not been approved for any CRA grant programs. Grant funds issued cannot exceed the cost of the lowest bid received for the project, up to a maximum of \$50,000.

The anticipated cost of all renovations is in excess of \$362,656.00. A detailed listing of the three bids can be found on Page 7.

Carol Dover, President and Chief Executive Officer of the Florida Restaurant and Lodging Association has signed the application agreeing to the proposed work. Also, agreeing to sign the Restrictive Covenants and other legal documents accompanying the grant within 30 days of the CRA Board approval or the CRA Executive Director's approval or the application is null and void.

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;

NA Tenants must provide written documentation verifying the property owner approves the proposed enhancements and will sign the restrictive covenants and/or mortgage; 6/16/16 The applicant is the property owner.

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; 6/16/16 email received indicates there is no mortgage on the subject property. This shall be confirmed from obtaining the required Title Commitment, prior to the CRA entering into an agreement with the applicant.

Documentation demonstrating all property tax payments are current;

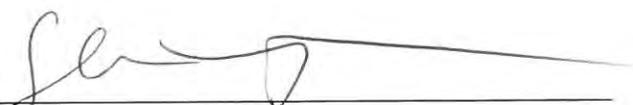
NA Certificate of Appropriateness issued by the Tallahassee-Leon County Architectural Review Board is attached, if appropriate.

Proof of property insurance. 6/16/16 Staff will obtain a Certificate of Insurance from the property owner with the City of Tallahassee and Tallahassee Community Redevelopment Agency listed with appropriate insurance limits, prior to execution of an agreement.

CRA Staff review was completed on: 6/23/16

Recommend: Approval Denial Other (explain below)

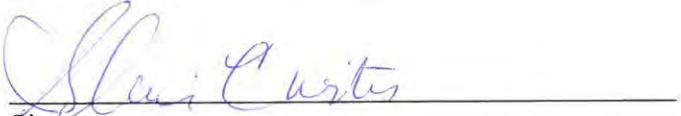
Sheila T. Williams
Name (print)


Signature

CRA Program Director or Principal Planner review was completed on: 6/24/2016

Recommend: Approval Denial Other (explain below)

Richard McCraw/Sherri Curtis
Name (print)


Signature

CRA Executive Director review was completed on: 6/28/2016

Recommend: Approval Denial Other (explain below)

Roxanne M. Manning
Name (print)


Signature

“Before” Photos

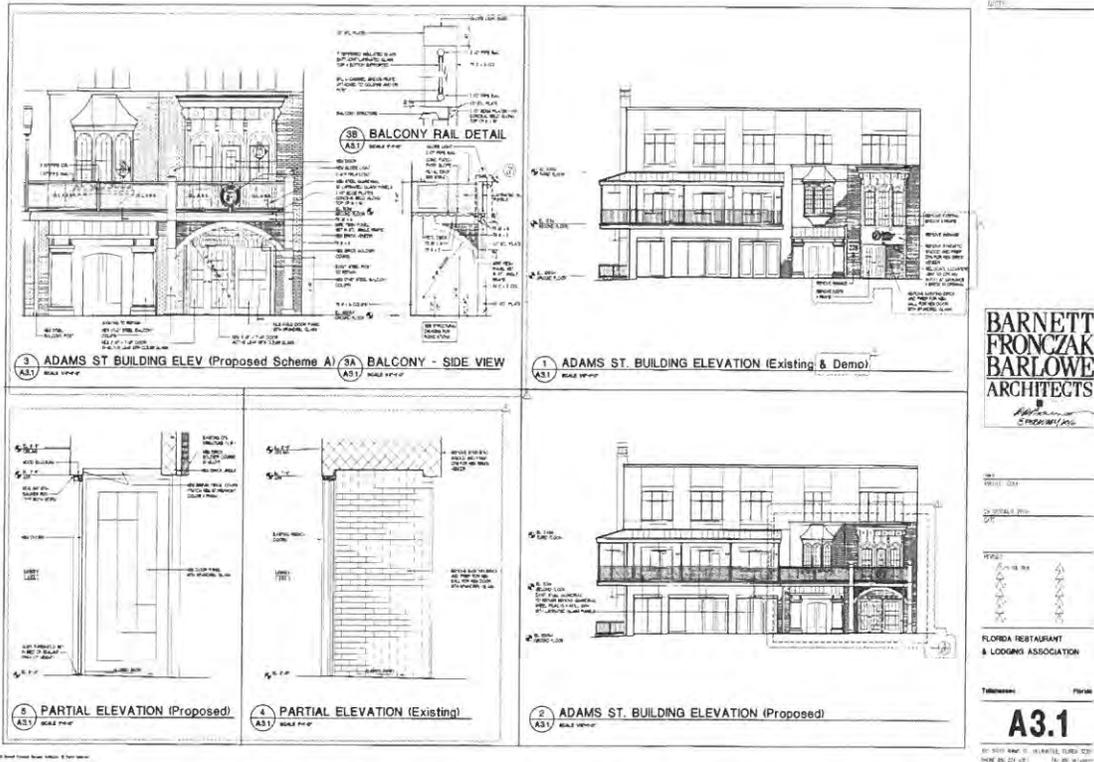


Eastern building elevation – 230 South Adams Street



Southern building elevation along West Jefferson Street
– 230 South Adams Street

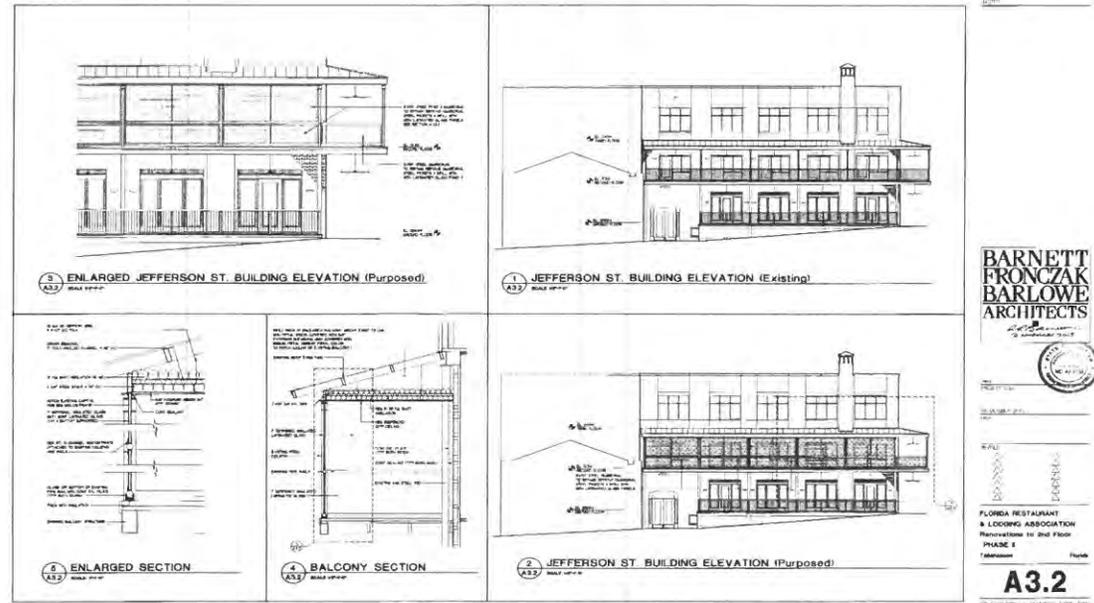
Proposed "After" Renditions



**BARNETT
FRONCZAK
BARLOWE
ARCHITECTS**
REGISTERED ARCHITECTS
FLORIDA

DATE: 08/11/11
PROJECT: 11-0000
DRAWING NO.: 11-0000-01
SCALE: 1/8" = 1'-0"
SHEET: 11-0000-01
FLORIDA RESTAURANT & LODGING ASSOCIATION
TALLAHASSEE FLORIDA
A3.1
BY: [Signature] DATE: 08/11/11

Front building elevation – 230 South Adams Street



**BARNETT
FRONCZAK
BARLOWE
ARCHITECTS**
REGISTERED ARCHITECTS
FLORIDA

DATE: 08/11/11
PROJECT: 11-0000
DRAWING NO.: 11-0000-02
SCALE: 1/8" = 1'-0"
SHEET: 11-0000-02
FLORIDA RESTAURANT & LODGING ASSOCIATION
RENOVATIONS TO 2ND FLOOR
PHASE I
TALLAHASSEE FLORIDA
A3.2
BY: [Signature] DATE: 08/11/11

Side building elevation along West Jefferson Street

Listing of Bids for Qualified Work Items
230 South Adams Street

Work Item	Subcontractor		
	Culpepper Construction	ABC Construction Services	Sperry
Sitework – Selective demolition	\$10,000.00	\$13,000.00	\$15,500.00
Cast-In-Place Concrete-foundations, slab-on-deck, sidewalk replacement including brick pavers	\$12,204.00	\$17,250.00	\$15,354.00
Masonry work	\$25,500.00	\$23,000.00	\$25,256.00
New entry doors, hardware and access controls	\$2,695.99	\$85,978.00	\$84,852.00
Glass and glazing – All glass enclosures and railing for the balcony	\$82,410.00	Included in fee above	Included in fee above
Construction Management/Overhead & Profit fee	\$13,280.90	\$20,884.20	\$21,144.30
TOTALS	\$146,089.90	\$160,112.20	\$162,106.30