
AGENDA
Eastside Redevelopment Advisory Board
Thursday, February 19, 2009
6:00 pm
GTEC
2153 Hawthorne Road
Conference Room

- A. **ROLL CALL**
- B. **ADOPTION OF THE AGENDA**
- C. **APPROVAL OF THE MINUTES** – December 18, 2008 meeting.
- D. **REQUEST TO ADDRESS THE BOARD**
- E. **COMMUNICATIONS**
- 1) **Chair's Report**
 - 2) **Staff Report**

The communications section will be handled differently during these meetings. Instead of staff presenting each topic in sequence, members are given the opportunity to give comments or ask questions in an open format on any of the topics provided below;

Southeast Gainesville Redevelopment Initiative – The City accepted the Special Area Plan from consultants at the May 12, 2008 City Commission meeting. CRA Staff has met multiple times with the City's Community Development Dept. and the City's Attorney's office to finalize the document in order to begin the process of incorporation into the Land Development Code. The City of Gainesville Planning Department has informed CRA Staff that the issue will likely go to the City Plan Board in March or April 2009.

Kennedy Homes – The CRA and the City have authorized CRA Staff to act as the agent for the City in the RFP process and redevelopment efforts at this site. The RFP is in the final stages of legal review and will be finalized shortly. CRA staff hopes to have the RFP issued by the end of the month. Along with the release of the RFP, the CRA is planning a targeted marketing strategy aimed at attracting top caliber respondents.

Cotton Club – The modification for permitted uses of the PS (Public services and operations district) was approved December 18, 2008 City Commission Meeting

Eastside Redevelopment Project – Staff presented synopsis of the redevelopment potential of the proposed project at ERAB's December 18, 2008 meeting, and the advisory board discussed the subject at great length. ERAB has requested Staff return with additional information at the February 19, 2009 meeting.

Exterior Paint Program- Staff will conduct an outreach program for potential applicants for the Exterior Paint Program.

Eastside Gateway – Construction of the Gateway is underway. Concrete ring and terrace wall planters are nearing completion. Electrical conduit and irrigation installation, and sidewalk construction to occur over the next few weeks. Concrete staining to begin in March. Anticipated completion is April 2009.

F. OLD BUSINESS

1. Project Update - Redevelopment of 1712 and 1714 Hawthorne Road – Preliminary Site Concept (B)

..Explanation

On June 9, 2008 the CRA closed on the properties located at 1712 SE Hawthorne Road and 1714 SE Hawthorne Road. 1712 SE Hawthorne Road currently has a vacant 320-foot cement brick structure on the property. 1714 SE Hawthorne Road is vacant on 0.14 acre. The properties are zoned MU-1 (Mixed-use low intensity) which can include multiple uses, such as neighborhood shopping centers, eating places, apparel and accessory stores.

The CRA purchased this property with the intent to renovate and redevelopment it in a manner consistent with the goals and objectives of the Eastside Redevelopment area. The goal is to create a commercial space and partner with a business to provide an amenity that can benefits the residents of East Gainesville as well as the residents of Greater Gainesville. One the needed amenities sited in the SEGRI study that this property could potentially accommodate is a small restaurant or diner.

To that end, the CRA entered into a contract with an architectural firm to create a conceptual site plan, preliminary floor plan layout, and architectural renderings for a small restaurant/diner. Those plans were presented at the August 21, 2008 meeting and the Eastside Advisory Board approved the concept of a small restaurant or diner to be developed on the site.

In October 2008, the CRA issued a request for statement of qualifications to obtain architecture professional services for CRA Minor projects. A CRA Minor Project is defined as a project that has a construction budget of less than \$1,000,000 or professional services for a study activity fee not to exceed \$50,000.

One of the firms selected from this process was Urban Studios. Urban Studios has entered into a 3-year contract to provide architectural services. The first project that Urban Studios will participate in is the design and construction a new restaurant/café project at 1712/1714 Hawthorne Road.

Urban Studios has proposed a total fee of \$33,000 for design services, including Architectural, Mechanical, Electrical, Plumbing, Structural, Fire Protection, Civil Engineering, and Landscape Architecture. The full proposal is included as back-up to this agenda item.

Staff has also been working on completing the Request for Proposals (RFP) to solicit proposals from perspective business owners and/or entrepreneurs. It is anticipated that the RFP will be issued by mid-March 2009.

..Fiscal Note

The preliminary budget for the project is \$277,000. A final budget will be determined once a Construction Manager is selected and has value engineered the project and determined a Guaranteed Maximum Price. \$228,355 is currently funded in account number 621-790-W110-W923-4110-5520 and an additional \$4,473 is proposed in the FY09 Amendatory budget for a total funding of \$232,828. The remaining balance will be borrowed and repaid from the Eastside redevelopment area trust fund.

..Recommendation

CRA Staff to the Eastside Redevelopment Advisory Board: Hear presentation from Staff.

2. East Gainesville Redevelopment (B)

..Explanation

At the December 2008 meeting, the board received a presentation from Staff outlining information related to the redevelopment potential of 25 properties located in the Five Points area. The owners of these 25 properties are represented by Rodney Long, of Rodney Long Real Estate of Gainesville, Florida. Mr. Long

has attended previous ERAB meeting and has presented to the board that the property owners are interested in selling the land to the CRA or the City as a redevelopment site

At the December meeting, the advisory board discussed the issue at length and requested that Staff return with additional information and ideas as to how to move forward. At the February meeting, Staff will present an updated synopsis. At that time, the advisory board can discuss the issue and determine how the group would like to provide input to the CRA board. (This item has been referred to the ERAB from the CRA, and the CRA requested feedback by March 2009.)

.. Fiscal Note
None at this time

.. Recommendation
CRA Staff to the Eastside Redevelopment Advisory Board: 1) Hear presentation; and 2) provide input as necessary back to the CRA board.

G. NEW BUSINESS

1. FY2009 Amendatory Budget – Eastside (B)

..Explanation

On September 15, 2008, the CRA adopted the budget for FY2009. The Eastside budget was adopted with total revenues of \$751,266, which included projected Tax Increment revenues of \$594,886 and an additional \$156,380 as an un-appropriated trust fund balance as of June 30, 2008, the latest information available at that time.

In December 2008, the actual value of Tax Increment for FY2009 was determined to be \$580,129, a decrease of 2.48%. The un-appropriated fund balance as of September 30, 2008 was 179,609, an increase of 14.9%, bringing the actual Eastside FY09 revenues to 759,738, a total increase of \$8,472 or 1.13%.

Below are highlights of the changes in the Eastside FY2009 Amendatory Budget vs. the FY2009 Budget adopted on September 15, 2008:

Payroll and Operating Expenses
Changes in Debt Service / Tax Increment Recapture
Appropriation of unexpended TIF revenue based on FY2008 receipts

Payroll and Operating Expenses

During the original budgeting process, the City assumed that managers would receive one-time lump sum bonuses in lieu of annual pay increases. The adopted budget reflected this assumption. However, the City Commission later decided that managers would receive annual pay increases. Those increases are reflected in the Amendatory budget.

Additionally, the budget for contract services increased \$5,200 to cover temporary contractor help with file clean-up and organization. The Eastside portion of the increase is \$572.

These increases are offset by a decrease from staffing vacancies. The adopted budget assumed one new employee (CRA Finance Manager) would be onboard as of October 1, 2008. As of February 19, 2009, this position is still vacant.

Overall, the net of the proposed changes to the Eastside payroll and operating budget result is a decrease of \$2,002.

The operating & payroll expense to tax increment ratio is 22%, below the self-imposed limit of 25%.

Changes to Debt Services/Tax Increment Recapture Payments

Debt Service remained unchanged. The Eastside does not currently have any development agreements with Tax Increment recapture.

Appropriation of unexpended TIF revenue based on final FY2009 receipts

After the changes outlined above are accounted for, an additional \$10,474 remains available to appropriate to Eastside projects. \$6,000 is proposed for CRA Office Building and \$4,473 for redevelopment project at 1712/1714 as additional funding. See back-up for a recap.

..Fiscal Note

CRA staff will prepare a Budget Transaction Form to be executed by the City's Budget and Finance Department.

..Recommendation

CRA Staff to Eastside Redevelopment Advisory Board: Approve FY09 Amendatory budget as described above.

2. Potential Eastside Redevelopment Area Expansion (B)

..Explanation

In February of 2008, the City Commission allocated funds to study expanding the Eastside Community Redevelopment Area. At that time, the City identified three potential expansion areas to the Eastside CRA, and retained planning firm WilsonMiller to conduct a study assessing slum and/or blight conditions in each of the study areas. (The report is attached as backup to this agenda.) On January 15, 2009, WilsonMiller and staff presented the findings of the study (the Report) and additional information for the City Commission's consideration. At that time, the Commission adopted resolutions finding blight in two of the three study areas (Area 1 and Area 2). These blight findings were based both on the WilsonMiller report and on a very specific set of criteria for establishing blight, as outlined in the Florida Statutes.

The resolution finding blight is the first step necessary to expand the Eastside redevelopment area to include the subject properties, which will allow the properties to generate tax increment funds to assist in rehabilitating and redeveloping the area. The City Commission has referred the issue to the CRA Board, who must next decide whether to amend the Eastside Redevelopment Plan to incorporate the proposed expansion areas. The CRA will discuss this issue at the February 16th CRA meeting. A memo explaining the process/schedule for modifying the boundaries of a Community Redevelopment Area is included in the agenda backup, for informational purposes.

Should a potential expansion of the Eastside Redevelopment Area move forward, it may also become important to consider the impact of new legislation affecting the funding structure for redevelopment trust funds. This legislation has come into effect since the last boundary modification to one of Gainesville's Redevelopment Area's, and a potential Eastside expansion would be the first local action impacted by these changes. As such, the City and the CRA may wish to engage the County in discussion related to potential funding structures and contributions to the redevelopment trust fund for any potential expansion areas to the Eastside Community Redevelopment Area (the funding structure for areas currently within the CRA would not be affected). An appropriate timeframe to consider any such discussions would occur if/when the CRA proposes Redevelopment Plan modifications that would expand the boundaries of the Redevelopment Area. Staff will continue keep the ERAB apprised of this boundary modification process; should the process move forward, staff will bring items related to this issue before the advisory board at future meetings.

..Fiscal Note

None at this time

..Recommendation

CRA Staff to Eastside Redevelopment Advisory Board: 1) Receive update from Staff; 2) provide input as necessary.

- H. REPORT OF OFFICERS AND COMMITTEES**
- I. BOARD MEMBER COMMENT**
- J. PUBLIC COMMENT**
- K. ADJOURNMENT**