



### **Cecil Commerce Center Master Developer Agreement Approved**

The JEDC approved the Cecil Commerce Center (CCC) Master Developer Agreement between the City of Jacksonville and Hillwood (a Perot company) at its April meeting. Through the relationship memorialized in the Agreement, Hillwood will bring its expertise, capital and relationships to provide jobs, investment and an expanded tax base for the City of Jacksonville. The capital investment required to develop CCC is tremendous and will be borne by Hillwood. Most notably, all new public infrastructure will be funded by Hillwood and the city has no obligation to fund any new infrastructure. In addition, Hillwood must fund \$1.3 billion in

### **Construction Manager Model Works for Fort Myers on Downtown Project**



Work is complete on what is likely the largest public works project of its kind: a complete utility and streetscape project in downtown Fort Myers, Florida, headed up by the Fort Myers division of Naples-based Kraft Construction, which served as the construction

land development and vertical development costs to execute the Master Plan. This investment will result in benefits to the city in terms of increased tax revenue and land-purchase payments. The increase in tax revenue is estimated to be between \$50.3 million and \$88.8 million over the term of the contract depending upon the pace of development. Increased tax revenue from CCC diversifies the tax base, lessening the proportional burden on residential property.

The proposed agreement has a 10-year initial term and with their performance, there is potential for up to three five-year extension periods during which Hillwood can purchase and develop parcels at CCC as development opportunities and end users present themselves. The purchase price for city-owned property is reflective of the entire site in its current condition. This spreads the risk of development across the entire property, which has varying degrees of complexity. This ensures that the entire area will reach its full economic development potential. The agreement has built-in performance benchmarks and provides for the city to receive a portion of Hillwood's net proceeds from development. The operations/maintenance costs and obligations also will shift from the city to Hillwood as development progresses. There are no special city incentives and no tax increment financing (TIF) included in this agreement. The agreement will now be considered by the Jacksonville City Council.

Engaging Hillwood now means the developer can position CCC as "Alliance Florida," Hillwood's premiere brand name, which will bring with it national attention. The agreement allows Hillwood to engage prospects, respond to market demand and execute a long-term

manager.

During a single, four-year project, the entire underground utility infrastructure and the complete streetscape of 52 blocks of the city's urban core were removed and replaced. The project - an effort funded by the Fort Myers Public Works Department and the city's Downtown Redevelopment Agency - used the unique construction manager model to help save the city millions of dollars.

"We don't know of another community in the country that has undertaken an entire downtown utility and streetscape project all at one time," said Don Paight, executive director of the Fort Myers Downtown Redevelopment Agency. "We worked on it start to finish and did 52 blocks of downtown completely over again. Most cities will do it a couple of streets at a time, wait a year or two, then go back and do a couple more. This is one of the largest continuous streetscape and utilities projects that's ever been tackled."

Getting the project going was all about timing and partnership. The underground utilities - water, sewer and drainage - were 70 to 80 years old and had become problematic. Discolored water, line breaks and sewer backups were common; city officials knew a total replacement would be costly. Likewise, the city's streets and sidewalks were in need of a makeover recommended in a redevelopment plan created in 2003 by renowned architect and town planner Andreas Duany. Since the street demolition and removal could be done as part of the utility project, it presented an opportunity for reduced costs for the streetscape improvement.

"The utility project paid to tear everything up, which kept streetscape costs down," Paight said. While the city handled the utility costs, "Downtown Redevelopment funded all of the brick streets, the lighting, the landscaping, the historic streetlights, the brick-trimmed sidewalks and street furniture - and both projects were more cost-efficient," he said.

Traditionally, the city had awarded utility projects to the low bidder. However, as city officials considered options for a project with this size and scope, they opted to use a construction manager.

"We wanted to make sure everybody knew the entire scope of the project so they didn't inflate their costs," said Saeed Kazemi, director of Public Works for the City of Fort Myers. "That's why we picked a construction manager. They helped us set up a bidding process that would educate the contractors on what was involved and how this could be bid to benefit them and to benefit us."

development plan for Jacksonville to benefit through job creation and tax base diversification.

## Pinellas Redevelopment

From site preparation at the Dunedin Gateway, a \$30 million mixed-use development in downtown, to Fusion 1560, a new apartment complex across from Tropicana Field in St. Petersburg, development projects in Pinellas County have continued despite the economic slowdown. By the end of May, Pinellas County will have finalized land use and zoning plans for Airco, meaning the site's planning designations will be in place for the redevelopment of the golf course into a mixed-use aviation and commercial business park. Planning work continues for the Villages at Gateway Fields, a proposal that could transform the former 240-acre Toytown landfill into an innovative mixed-use space for retail, office, residential and recreational uses. The Neighborly Care Network has nearly completed construction of their new 30,000-square-foot administrative office building near the St. Petersburg Clearwater International Airport. Financing for this venture was provided through PCED's Industrial Revenue Bond program.

Pinellas' expanding employers are moving into, renovating and making plans for new workspaces. The staff of SRI St. Petersburg is now in their new 30,000-square-foot marine technology research facility, and work has begun to renovate the former Hunter Douglas facility in Pinellas Park into the U.S. headquarters of Oettinger Davidoff,



## Palatka Downtown Building Improvements Underway

The first cycle of the 2010 Building Improvement Grant (B.I.G.) is underway. Six buildings along St. Johns Avenue will receive funding to make interior and exterior improvements. On April 8, 2010 the Community Redevelopment Agency approved funding for \$199,000 to improve the appearance and utilization of downtown buildings.

The B.I.G. program was structured to allow applicants to match their award amount with other funding. In total, the program will leverage \$83,000 in private investment downtown. Overall this cycle of the B.I.G. program will have potentially funded \$282,000 worth of improvements in the downtown area.

Projects range from structural renovations to facade improvements. Grant recipients will be displaying posters to make visitors and residents aware of the improvements coming to downtown Palatka.

The CRA currently offers two grant programs to assist business and property owners in the Central Business TIF District. Grant programs can be found online here. Applications for the second cycle of the Building Improvement Grant Program are now being accepted. Applications for the second cycle are due by June 1, 2010 to 201 North Second Street, Palatka FL 32177 c/o City Manager's Office.

the world's premier distributor of luxury brand cigars. In Palm Harbor, Geographic Solutions is planning a new downtown corporate headquarters for their expanding operations and the Suncoast Hospice has added the Hospice House Brookside adjacent to their Community Service Center on Tampa Road. Aldi Foods is converting a vacant bank in Seminole into a \$1.25 million grocery store. The new Crystal Beach Publix has opened its doors, and Meres Crossing, a mixed-use development in Tarpon Springs now boasts a Sweetbay Supermarket, an additional 40,000 square feet of retail space and will eventually include both residential and office units. The Hotel Zamora on St. Pete Beach will open in 2010. Downtown Largo has a new \$8 million Holiday Inn, and the Hyatt Regency has joined the Sandpearl Resort as the second new luxury beachfront resort on Clearwater Beach.

Medical facilities continue their growth with All Children's in St. Petersburg, Largo Medical Center and Gulf Coast Cancer Center opening earlier this year. In addition, Morton Plant Mease will add the Axelrod Pavilion Medical Center dedicated to comprehensive breast health services, Bay Pines VA Center is constructing an Eye Treatment and Surgery Center, the Curlew Medical Center is complete in Oldsmar and Trilogy Medical Center is under construction on McMullen Booth Road.

This update represents a sampling of recent, current and planned development projects in Pinellas County. It has been compiled from various sources by Pinellas County Economic Development and is not a comprehensive report of all development in Pinellas County. For further information, contact



## Getting \$\$\$Green\$\$\$ to Go Green

While the 2011 budget outlook is bleak, local governments are finding that money is available from the State and Federal government for green, energy, "sustainability" and infrastructure projects. The two primary avenues to pursue dollars currently are through the Florida Energy and Climate Commission and the Federal government. A little diligence to uncover these opportunities will pay off in the long run. Lewis Longman and Walker, P.A. just helped secure \$391,485.00 for four cities through a grant from Palm Beach County. [Click here to learn more.](#)

## Economic Gardening

In these tough economic times, many small businesses have been challenged in terms of finance, growth and opportunities. Just as the Economic Gardening Technical Assistance Program targets Second-stage companies, so does the Economic Gardening Business Loan Program. To date more than half of the \$8.5 million the Legislature approved in the 2009 Special Session has been loaned, with the balance of the money available to loan now! To date over 55 companies are in the pipeline and there is still money to assist. If you have a Second-stage business in your community

[cmargiotta@pinellascounty.org](mailto:cmargiotta@pinellascounty.org).  
Please click [here](#) to see the Spring 2010 Pinellas County Development Update, and click [here](#) to take a shorter photo tour on Flickr. Pinellas County Economic Development is at [www.pced.org/contact](http://www.pced.org/contact) or (727) 464-7332.

(10-50 employees and annual revenues of \$1 to \$25 million) that you know may need access to capital, help may just be an application away!

The Black Business Investment Fund of Central Florida, Inc. (BBIF) has successfully provided small business loans for over 20 years in Central Florida. BBIF is seeking the statewide network of economic development practitioners to help spread the work and help those eligible businesses in each of our communities.

As the economy revives, be the stewards of helping small business around Florida rebound and flourish. For more information, please contact BBIF at 407-648-4780. You may also email to [info@bbif.com](mailto:info@bbif.com) or visit their website at [www.bbif.com](http://www.bbif.com) to download the EGBLP application.

## Post Disaster Redevelopment Plans

Congratulations to Hillsborough, Palm Beach and Polk Counties for recognition as an exemplary nationwide example on Post-Disaster Redevelopment Planning in the attached report by the University of Oregon. This is a report prepared for FEMA to examine the relationship between the National Flood Insurance Program's Community Rating System (CRS) and post-disaster redevelopment planning. It lays the foundation for communities to receive additional CRS points if they have adopted post-disaster redevelopment plans. This would in return, lower flood insurance premiums in the community and provide an incentive for communities that may be on the fence about drafting a post-disaster redevelopment plan. The report notes that the next item to examine in this research process is the Best Practices Guide in Florida. The report calls for a nationwide post-disaster redevelopment guide and specifically mentions Florida as the nationwide leader on post-disaster redevelopment planning. For a copy of the report go to [www.redevelopment.net](http://www.redevelopment.net) under hot topics.

