CATALYSTS OF REDEVELOPMENT: AN EVALUATION OF THREE FLORIDA CRAS

DOWNTOWN ORLANDO

CITY OF MOUNT DORA

CITY OF PENSACOLA

REPORT PREPARED FOR
THE FLORIDA REDEVELOPMENT ASSOCIATION

REPORT PREPARED BY
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Note on this Report

This report was prepared for the Florida Redevelopment Association in an effort to determine and document the impacts of the use of tax increment financing on Florida's communities.

Author Biography

Dr. Chapin received his Ph.D. in Urban Design and Planning from the University of Washington in 1999. He also holds a master's degree in City Planning from the Georgia Institute of Technology (1994). Dr. Chapin has researched issues of downtown redevelopment and revitalization, especially in the role of special activity generators in catalyzing redevelopment, and on issues relating to growth management in Florida. He currently teaches in the areas of economic development, infrastructure planning and finance, land use planning, and economic/population forecasting.

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Catalysts of Redevelopment: An Evaluation of Three Florida CRAs

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SECTION 1.0 INTRODUCTION

1.1 Report Background

This report was prepared for the Florida Redevelopment Association as part of a larger study of the use of Tax Increment Financing (TIF) by local governments in the state of Florida. Tax Increment Financing (TIF) is a method of funding public investments in an area slated for redevelopment by capturing for a time all or a portion of the increased property tax revenues that may result if the redevelopment stimulates private investment. These incremental property tax revenues are deposited in a special fund which is used to pay for public improvements in the redevelopment area. The expectation is that these public improvements, usually in the form of infrastructure investments and urban design improvements, catalyze redevelopment in the TIF district by making it more attractive to developers and businesses.

TIF emerged as a concept in California in the 1940s, with the first law coming on the books in 1952. TIF was envisioned as a means of financing redevelopment efforts, clearing blighted areas, and for promoting local economic development. Despite initial success with this redevelopment tool, TIF had expanded to only six states by the early 1970s (Wyatt, 1990). Changes in intergovernmental revenue streams, opposition to tax increases, increasing blight in urban areas, and affirmation from the courts that TIF was legal spurred state adoption of TIF in the 1970s and early 1980s (Klemanski, 1989). By 1984, Grueling (1987) reports that TIF had expanded to twenty-eight states. Forty-eight states currently have TIF on the books, with only North Carolina and Delaware abstaining from adoption of this financing mechanism (Johnson and Kriz, 2001)

Evidence indicates that Tax Increment Financing represents a viable and valuable tool to promote local economic development and district redevelopment (Chapin, 2002). TIF offers opportunities to revitalize blighted areas and catalyze new development through targeted public improvements. In the long run, both the sponsoring jurisdiction and any overlapping jurisdictions can experience substantial increases in their property tax revenues from the TIF district. Considering the full range of local economic development programs available to public officials, TIF appears to be as reliable and as successful a policy intervention as the public sector has developed in recent decades.

This very positive conclusion regarding the utility of TIF is tempered somewhat, by the increase in the use of TIF across the United States, particularly for general government projects that are largely unrelated to redevelopment efforts. Although only anecdotal at this stage, there are indications that jurisdictions are misusing TIF by: 1) very broadly interpreting the concept of blight and including non-blighted areas within TIF districts, 2) using TIF funds for projects that are the province of general government, and 3) capturing property tax revenues that rightfully go to other governments or special districts. The use of TIF by local governments must be monitored closely and some changes to TIF enabling legislation in some states is likely forthcoming in the coming years.

1.2 TIF Use in Florida

In Florida, the use of tax increment financing by local governments became legal with the passage of enabling legislation by the Legislature in 1977. This legislation expanded upon the original Community Redevelopment Act of 1969, an effort by the Legislature to empower local governments to promote redevelopment in dilapidated portions of their jurisdictions. While cities were initially slow to use to TIF, waiting for the Florida Supreme Court to determine that this financing vehicle was indeed legal in the state of Florida (Cardwell & Bucholtz, 1991), once it was clear that TIF was a legal endeavor the use of TIF grew quickly.

In Florida, public entities that use TIF generally take the form of community redevelopment agencies (CRAs). CRAs trace their lineage back to the Community Redevelopment Act of 1969 when the State Legislature enabled local governments to create special districts with the expressed goals of mitigating slum conditions, promoting private investment in areas that experienced little investment, and addressing problems in the provision of affordable housing. To address these issues, CRAs were given the right to identify blighted areas in the community and the power of eminent domain to acquire and utilize land for the public good. However, not until the expansion of the tools available to these special districts to include TIF did CRAs finally have at their disposal sufficient financing to achieve many of the goals initially laid out by the Legislature.

The addition of a funding mechanism was also a major factor in the emergence of CRAs as the primary means for promoting redevelopment in Florida's cities. Once powers of eminent domain were coupled with a substantial financing source, CRAs began to sprout up throughout Florida. Figure 1.1 shows the number of TIF special districts created by year and the cumulative total of CRAs, according to data obtained from the Florida Special District Information Program.

There are currently a total of 137 community redevelopment agencies in forty-five counties in the state. CRAs can be found in the state's largest cities, including Miami, Orlando, and Tampa, as well as in smaller, more rural settings, including the counties of Franklin, Hardee, and Bradford.

Figure 1.1 Number of CRAs Established by Year and Cumulative Total of CRAs (through 2002)

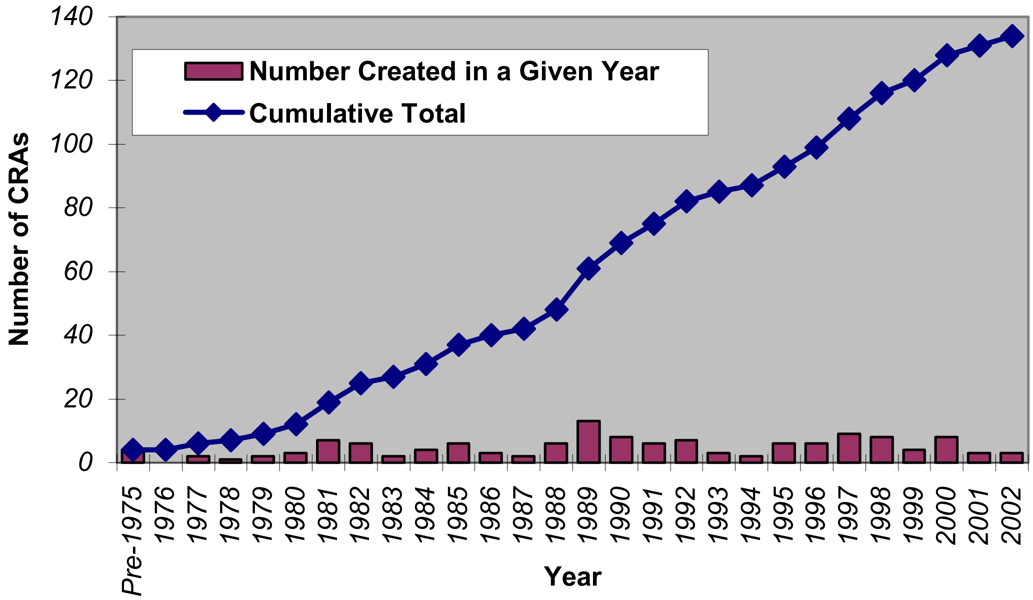


Figure 1.1 illustrates that new CRAs have continued to be established in Florida, with at least one new CRA being created in Florida each year since 1977, the year that TIF legislation was passed. The continued creation of these special districts in part reflects the "word of mouth" success of these agencies have achieved in promoting redevelopment and funneling tax revenues into specific areas of a jurisdiction.

1.3 Purposes of this Report

1.3.1 Responding to County Criticisms of TIF

The use of tax increment financing to promote redevelopment in Florida's communities has come under attack in recent years from county government officials who believe that this financing mechanism is excessive, abusive, and unsuccessful in promoting redevelopment. Four issues have been raised by officials when criticizing the use TIF.

1) *Size of the County's TIF Investment*: Officials have argued that TIF redirects sizable revenues from the county's budget.
2) *Size of TIF Districts*: Officials have argued that of large portions of the county have been included within TIF districts.
3) *The Inclusion of Land with Increasing Values in the TIF Districts*: Officials have argued that land included in TIF districts is of high and increasing value, capturing property tax increments from land with already rising land values, which violates the spirit of the Community Redevelopment Act.
4) *An Inequitable Distribution of Costs*: County officials argue that TIF imposes greater burdens on counties than on cities.

The first purpose of this report is to address and present evidence on each of the above issues through a detailed investigation of into three TIF districts in the state. Data for these analyses came from commonly utilized data sources, such as the Census Bureau, the case study CRAs, and the state's Department of Revenue. Attached as appendices to this report are the raw data collected from these various sources (Appendices A-C). The analysis and findings on these issues is presented in Section 2.0.

1.3.2 Determining TIF's Role in Redevelopment

The underlying theory behind the use of TIF is that "no private economic redevelopment would take place without the simulation of the public redevelopment activities" (Chapman, 1998: p. 184). In other words, development that came online after the implementation of TIF would not have occurred *but for* the use of TIF. Johnson and Kriz (2001) determined that fourteen of the forty-eight states with TIF enabling legislation contain language requiring a "but for" finding prior to the implementation of TIF, although Florida is not one of these states. This "'but for' test" usually takes the form of "a simple finding by the authorizing governmental body that development would most likely not occur without the assistance and public funds supplied by the government" (Johnson and Kriz, 2001: p. 39).

While case study research in places such as Chicago (Healey & McCormick, 1999), Springfield, Illinois (Ritter & Oldfield, 1990), Des Moines (Lawrence & Stephenson, 1995), and Southern Minnesota (Stinson, 1992) indicates that the use of TIF does indeed produce economic development benefits that would otherwise not have been experienced, to date there has been very little research into how Florida's communities have used TIF to promote redevelopment. Further, while most research has found a clear *correlation* between TIF and economic development (see Chapin, 2002), the question of *causation* remains; does TIF cause redevelopment to occur or would the district experience redevelopment without TIF?

A second purpose of this report, then, is to investigate the use of TIF by three Florida communities and to determine the role that TIF has played in promoting redevelopment in these communities. As part of this analysis, the investigation attempts to arrive at an answer to the "but for" question; did the use of TIF spur redevelopment that would otherwise not have come to blighted areas in the case communities? This analysis is presented in Sections 3-6.

1.4 The Selection of Case Study Communities

The three communities for which case studies were undertaken were chosen based upon several criteria:

1) They had been in existence since at least 1990 so that any longer term benefits (and costs) attributable to TIF might be identified.
2) They had key government documents available for review, including:
    a. The initial Finding of Blight and Redevelopment Plan and
    b. Subsequent Findings of Blight and Redevelopment Plans.
3) They had data on TIF funding available and accessible, including:
    a. Data on the amount of TIF funding received in each year since establishment of the CRA and
    b. Information on how and where TIF funding was spent in the district.
4) They differed along key lines, including:
    a. Location in the state,
    b. Amount of TIF funding available, and
    c. Size of jurisdiction (project staff sought to identify one CRA in each of a large community, a medium-sized community, and a small-sized community).

An initial list of roughly twenty CRAs was drawn up with input from Carol Westmoreland and Marilyn Larson of the FRA. Registered agents for each of these CRAs were contacted to determine the availability of some of the above information. From these initial responses, a shortlist of six potential case study communities was identified: 1) Dunedin, 2) Fort Lauderdale, 3) Kissimmee, 4) Mount Dora, 5) Pensacola, and 6) Orlando. Based upon the availability of information and planning documents and the responsiveness of CRA agents to requests by project staff, Orlando, Pensacola, and Mount Dora were identified as the best candidates for the case studies. The choice of these three locations satisfies all but one of the above criteria; Mount Dora and Orlando are in relatively close proximity in Central Florida. However, the vast differences between Orlando and Mount Dora in their population size, development orientation, technical capacity, and TIF funding availability was deemed sufficient to allow for two Central Florida communities to serve as case studies.

1.5 An Overview of the Three Case Study CRAs

1.5.1 Downtown Orlando's Community Redevelopment Agency

The downtown Orlando CRA was created in 1982 by the City of Orlando to further promote redevelopment in the city's downtown. The city originally designated 596 acres of land in the CRA District. In addition, in 1982 the CRA and the City Council adopted a "Downtown Area Redevelopment Plan", a document that guided redevelopment efforts within the CRA district. In fiscal year 1982-1983, the downtown Orlando CRA began capturing incremental increases in property taxes, directing these increases into a special fund as directed by Florida Statutes. Due to the success of the CRA, the boundaries for the district were expanded in 1990 to 1,620 acres. A more detailed history of the CRA and an accounting of the revenues, expenditures, and project impacts is presented in Section 3.0.

1.5.2 Pensacola's Downtown Community Redevelopment Agency

The downtown Pensacola CRA was created in 1980 by the City Council to address blighted conditions that were determined to exist in the central city. This "Urban Core" area, totaling 1,308 acres, was targeted for redevelopment as part of the enabling legislation for the CRA. In 1984, a Community Redevelopment Plan was adopted by the City Council and established tax increment financing as a primary mechanism for financing redevelopment within the district. In fiscal year 1983-1984, the Pensacola CRA began capturing incremental increases in property taxes, directing these increases into a special fund as directed by Florida Statutes. A more detailed history of the downtown Pensacola CRA and an accounting of the revenues, expenditures, and project impacts is presented in Section 4.0.

1.5.3 Mount Dora's Downtown Community Redevelopment Agency

Mount Dora's downtown CRA was created in 1987 by the City Council with support of the downtown business community. Totaling 470 acres, the CRA district incorporated much of downtown along three major business corridors, Highland Street, Fifth Street, and Donnelly Street. At the outset of the CRA redevelopment was guided by a Downtown Mount Dora Plan (1987), a document that made recommendations for urban design guidelines, zoning designations, and programs for promoting redevelopment of the urban core. Tax increment financing to support redevelopment activities in the district began to be collected in fiscal year 1988-1989. A more detailed history of the downtown Mount Dora CRA and an accounting of the revenues, expenditures, and project impacts is presented in Section 5.0.

SECTION 2.0 ASSESSING COUNTY CONCERNS WITH TIF

In recent years officials from county governments have raised several issues regarding the use of tax increment financing by city governments throughout the state. These issues generally revolve around the size and value of the TIF districts and the relative costs borne by counties versus those costs borne by cities. Each of these issues is assessed below using data on the three case study CRAs. The raw data is presented in Appendix A.

2.1 TIF Redirects Substantial Revenues from County Governments

Given recent and ongoing budget problems in Florida, county governments in the state have argued that the use of TIF redirects substantial revenues from the county to redevelopment trust funds. To assess this contention, the percent increase in county operating revenues if all county TIF revenues were to flow to the county was determined. Similarly, the impact of a redirection of TIF revenues to the total county property tax revenue stream was determined. These percentages are presented in Tables 2.1 and 2.2.

Table 2.1. Relative Value of TIF Revenues to County Operating Revenues

		Increase in County Operating Revenues from TIF Redirection(1)		
City	**County**	**2000**	**2001**	**2002**
Orlando	Orange	1.1%	1.2%	1.3%
Pensacola	Escambia	1.2%	1.6%	1.8%
Mount Dora	Lake	0.4%	0.6%	0.5%

Sources: CRAs, Florida Department of Revenue

(1) This analysis assumes that all county TIF revenues would be directed into the county's operating revenues derived from property taxes.

Table 2.2 Relative Value of TIF Revenues to Total County Property Tax Revenues

		Increase in All County Property Tax Revenues from TIF Redirection (1)		
City	**County**	**2000**	**2001**	**2002**
Orlando	Orange	0.3%	0.3%	0.3%
Pensacola	Escambia	0.6%	0.5%	0.7%
Mount Dora	Lake	0.1%	0.2%	0.2%
Sources: CRAs, Florida Department of Revenue				
(1) This analysis assumes that all county TIF revenues would be directed into the county's total property tax revenues.				

Finding: In all three cases TIF revenues represent less than 2% of the county operating revenues derived from property taxes. When all county property tax revenues were considered, the percentage falls to below 1%. Data from these two variables indicate, then, that TIF use in these three communities does not represent a very substantial redirection of county resources.

Section 2.2 Sizable Areas of the County are Designated as Part of TIF Districts

To assess the contention that large areas of counties are designated as part of TIF districts two indicators were reviewed: 1) the relative percentage of county land in the case study TIF districts and 2) the relative amount of county taxable property value located within a TIF district. A summary of these analyses are presented in Tables 2.3 and 2.4.

Table 2.3. Relative Size of TIF Districts (acres)*

City	**County**	**TIF District Size (acres)**	**County Size (acres)**	**Percent**
Orlando	Orange	1,620	580,864	0.28%
Pensacola	Escambia	1,308	424,704	0.31%
Mount Dora	Lake	470	609,984	0.08%
Sources: CRAs, City/County Data Book, Census Bureau				

Table 2.4. Relative Value of TIF Districts to Counties*

		Percent of County Taxable Value in TIF District		
City	**County**	**2000**	**2001**	**2002**
Orlando	Orange	2.4%	2.6%	2.6%
Pensacola	Escambia	1.6%	2.1%	2.4%
Mount Dora	Lake	0.6%	0.7%	0.7%
Sources: CRAs, Department of Revenue				

**Note: Only one CRA district was reviewed in each county and therefore the above numbers must be interpreted with caution. Each of the three counties has multiple TIF districts. According to the State of Florida's Special Districts Information Program, Orange County has six CRAs, Escambia County has two CRAs , and Lake County has seven CRAs.*

Finding: For each of the individual TIF districts evaluated, the size and value of these districts is small relative to the entire county. In each case, the individual TIF districts are a very small portion of their county's land area, less than one-half of a percent. Similarly, the value of this land is also relatively low, less than 3% in the cases of Orlando/Orange County and Pensacola/Escambia County and below 1% in Mount Dora/Lake County. Even in the case of downtown Orlando, a TIF district that encompasses some of the most valuable land in Orange County, the value of the TIF district land represents a very small proportion of the total taxable land in the county.

Section 2.3 TIF is Captured from Land with Increasing Property Values

In addition to the contention that large areas of land are being designated as CRAs, county governments have also claimed that land within CRAs is increasing in value at rates above that in the remainder of the county. To assess this claim rates of growth in property values for different geographies (county, city, district) was calculated for the period 2000-2002 and from the base year to 2002. The results for each of the case study communities is presented in Tables 2.5-2.7.

Table 2.5. Orlando: Growth Rates in Property Values (Base Year 1990*)

	99-00	00-01	01-02		Base Year-2002
County Taxable Value	10.1%	9.7%	6.3%		108.0%
City Taxable Value	15.8%	10.4%	4.4%		92.4%
TIF District Value	NA	19.3%	8.8%		64.7%
Sources: CRA					
**Orlando's CRA original base year is 1981, but to ensure comparable growth rates, the 1990 base year, when the CRA was expanded, was used.*					

Table 2.6. Pensacola: Growth Rates in Property Values (Base Year 1983)

	99-00	00-01	01-02		Base Year-2002
County Taxable Value	10.4%	8.8%	5.5%		113.2%
City Taxable Value	10.1%	6.5%	2.5%		240.5%
TIF District Value	NA	44.7%	23.8%		99.5%
Sources: CRA					

Table 2.7. Mount Dora: Growth Rates in Property Values (Base Year 1987)

	99-00	00-01	01-02		Base Year-2002
County Taxable Value	11.3%	11.4%	10.8%		NA
City Taxable Value	13.1%	8.7%	7.1%		323.4%
TIF District Value	NA	21.6%	7.4%		99.9%
Sources: CRA					

Finding: Results reveal that in recent years in each case study community TIF district property values grew at rates above those of the county and city. Particularly striking is the finding for Pensacola, where property value increases in the TIF district between 2000-2002 were far above those for the county and city. While in recent years TIF district property values increased at rates above those for the county and city as a whole, over the lifetime of the CRAs property value increases were substantially *lower* in all three communities. These findings indicate that despite their prime locations (in downtown areas in each case city) property values in CRA districts have grown at slower rates than other areas in the city and county. Consequently, there is only very limited support for the contention that CRAs include areas of prime real estate.

Section 2.4: TIF Imposes Greater Burdens on Counties than Cities

County governments have also argued that they are disproportionately burdened by the costs of TIF. To assess this contention, three indicators were reviewed:

1) the percent of county and city taxable land value designated as part of the case CRAs,
2) the relative value of TIF revenues to county and city governments, and
3) the relative contribution of city and county governments to the TIF special fund.

Figure 2.1 illustrates the percent of county and city taxable land that is located within in the case study CRA districts. This figure illustrates that a substantially greater percentage of each city's taxable land is found in these districts.

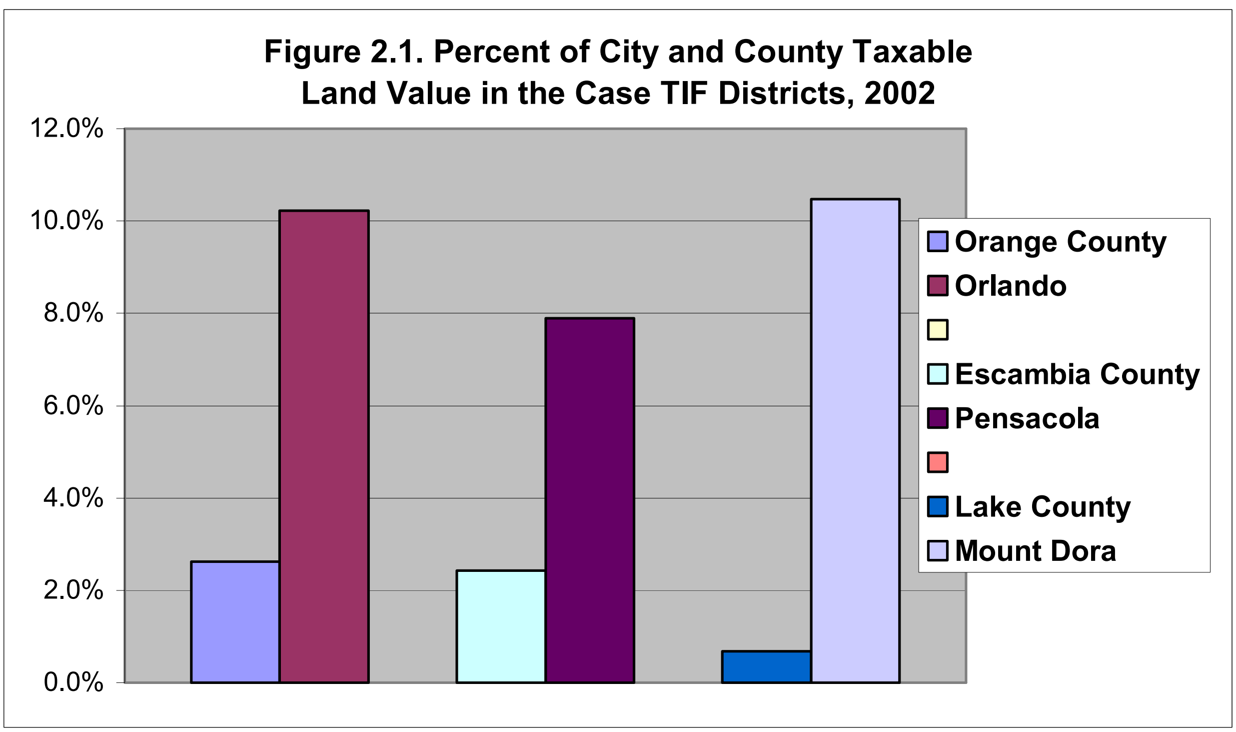
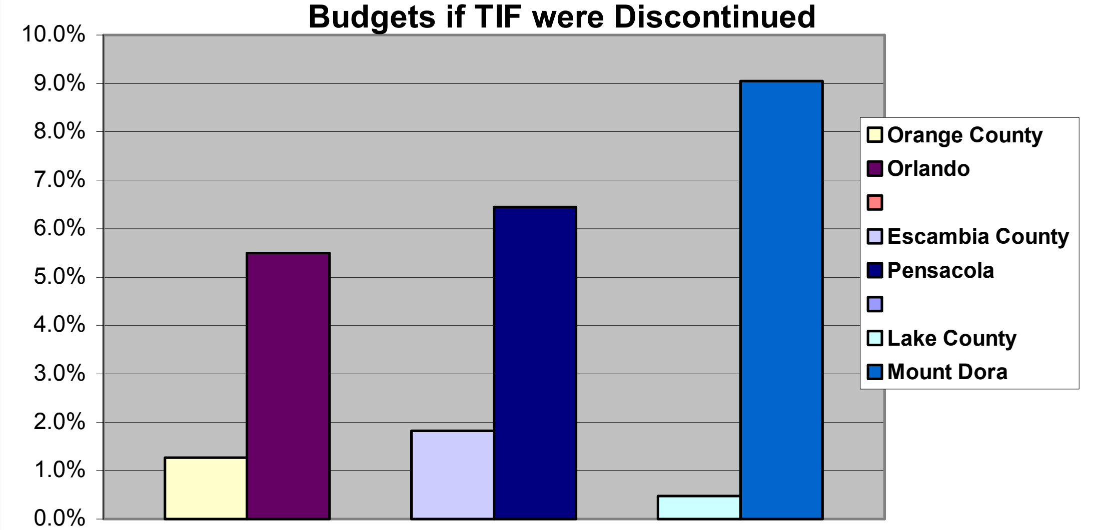


Figure 2.2 illustrates the relative importance of TIF revenues to counties and cities. The figure illustrates the percentage increase in the county's operating budget (from property taxes) or the city's property tax revenues if TIF revenues were redirected to these uses. Similar to Figure 2.1, this figure illustrates that cities take a much larger hit from property tax revenue redirection to the TIF special funds than counties.

Figure 2.2 Percentage Increase in Public Sector Budgets if TIF were Discontinued



Lastly, Table 2.8 summarizes the contribution of the county, the city, and other entities to the TIF redevelopment trust fund for each of the three case study communities over the lifetime of the CRA. In the case of both Orlando and Mount Dora, the city has contributed more to the TIF fund than the county. Only in Pensacola has the county contributed a greater amount to the TIF fund.

Table 2.8. Relative Contribution of Cities and Counties to TIF Special Funds Over the Life of the CRA

	County	City	Other
Orlando	43.2%	48.7%	8.1%
Pensacola	62.4%	33.7%	3.9%
Mount Dora	41.6%	50.9%	7.5%
Source: CRA Budget Summaries			

Finding: The contention that county governments are disproportionately burdened by TIF districts is not supported by the data. In the case study communities, cities have a much greater percentage of land in the CRAs, take a larger hit to their property tax revenues, and, in two of three cases, have supplied more funding to the CRAs than county governments. Along these key measures, city governments bear a greater burden for TIF districts than county governments.

Section 2.5 Conclusion

The foregoing analysis yields the following preliminary conclusions concerning the use of TIF by CRAs in Florida:

- TIF is not a significant drain on the budgets of the three case study counties;
- TIF does not designate large percentages of the county for individual CRA districts;
- Property values in TIF districts have grown at slower rates than the city and county as a whole, although in recent years TIF district property value increases have outpaced those of these surrounding jurisdictions; and
- Cities impose on themselves a greater burden in terms of 1) their property designated as part of the CRA district and 2) their payment into the redevelopment trust fund.

Taken as a whole, these data indicate that TIF is a financing mechanism that does not appear to be overly burdensome to counties, in terms of the impact upon the operating or total budgets of the counties, nor does it place the majority of the burden for redevelopment on county governments. While issues may remain as to how and how often CRAs can be and should be designated within a given county, the evidence collected on these three case study CRAs indicates that costs of tax increment financing do not fall unequally upon counties nor with tremendous impact upon county budgets.

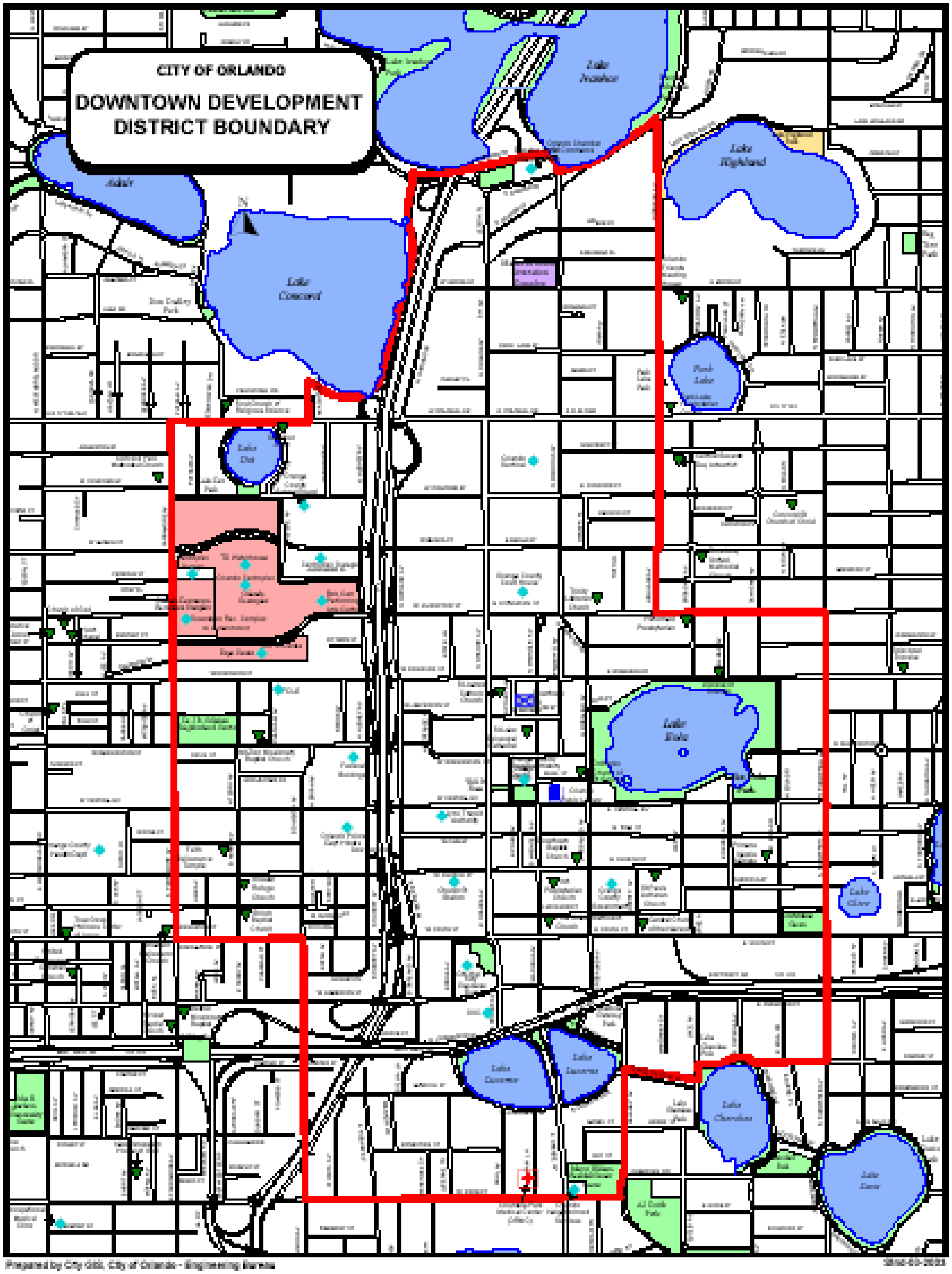
SECTION 3.0 THE DOWNTOWN ORLANDO CRA

3.1 A Brief History of the Downtown Orlando CRA

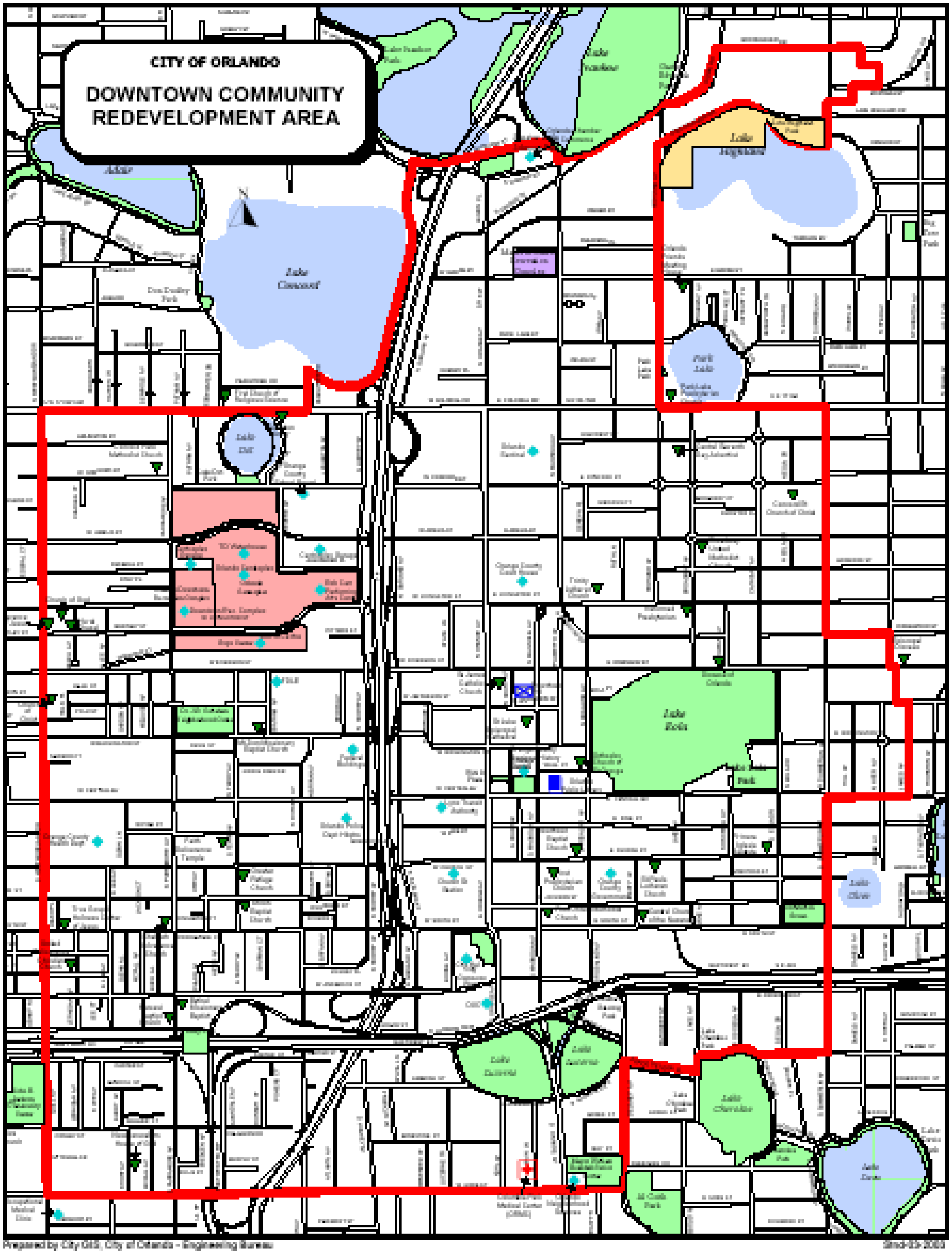
Redevelopment efforts in downtown Orlando began with the creation of the Downtown Development Board (DDB) in 1971. The DDB was created by special act of the Legislature after the passage of a referendum supporting this initiative. As with other downtown-oriented special districts, the DDB was given the power to raise funds through property taxes, although their taxing power was limited to one mill on all taxable properties within an identified downtown district. The DDB's district is shown in Map 3.1. The DDB model can be found in other cities in the state, including Daytona Beach, Pensacola, and Tallahassee.

The mission of the DDB is to "revitalize and maintain downtown as a visibly attractive, economically healthy, and socially desirable area" (Downtown Outlook, 2000: p. 16-3). Throughout the 1970s, the DDB actively pursued redevelopment initiatives in downtown Orlando, beginning redevelopment of Church Street Station and seeing the renovation of the old Municipal Auditorium into the Bob Carr Performing Arts Center in 1978. However, redevelopment plans for downtown Orlando were substantially hampered during the 1970s by the lack of a dedicated, substantial funding source that could serve as a catalyst to downtown redevelopment. Many proposed projects, including substantial upgrades to downtown's pedestrian and vehicular infrastructure, remained unfunded due to the limited revenue stream generated by the DDB's property tax levy.

The downtown Orlando CRA was created in 1982 by the City of Orlando to further promote redevelopment in the city's downtown. The city designated 596 acres of land as the CRA District. Also in 1982, the CRA and the City Council adopted a "Downtown Area Redevelopment Plan", the document that would guide redevelopment efforts within the CRA district. In fiscal year 1982-1983, the CRA began capturing incremental increases in property taxes, directing these increases into a special fund as directed by Florida Statutes. Due to the perceived success of the CRA, the boundaries for the CRA district were expanded in 1990 to 1,620 acres. Map 3.2 illustrates the current boundaries of the CRA district, the area within which TIF revenues are received and within which TIF revenues must be spent.



Map 3.1 Orlando's DDB District (Source: City of Orlando GIS Division, http://www.cityoforlando.net/public_works/esd/gis/downtown.htm)



Map 3.2 Orlando's CRA District (Source: City of Orlando GIS Division, http://www.cityoforlando.net/public_works/esd/gis/downtown.htm)

The stated mission of the CRA is to:

> "aggressively pursue redevelopment and revitalization activities within the Redevelopment Area, with emphasis on providing more housing and cultural arts opportunities, improving long-term transportation needs and encouraging retail development." (www.downtownorlando.com)

As will be detailed in later subsections, the CRA has experienced substantial success in pursuing and promoting redevelopment since its inception.

3.2 An Overview of CRA/DDB Revenues 1982-2002

Between 1982 and 2002, Orlando's downtown CRA took in roughly $96.3 million in revenues from TIF and from the DDB's one mill property tax levy. Of this amount, roughly half (48.6%) came from incremental increases in the city's property tax base (city TIF), over two-fifths (43.2%) came from incremental increases in the county's property tax base (county TIF), and the remainder (8.2%) from the DDB tax levy. Without TIF, the DDB would have had only approximately $7.9 million in property tax revenues to finance redevelopment efforts in downtown Orlando between 1982 and 2002. Clearly the designation of much of downtown as a CRA district and the use of TIF has provided a substantial funding source to achieve the goals of the DDB and CRA.

Figure 3.1 illustrates the flow of revenues by fiscal year from 1982-1983 to 2001-2002. In many ways, this is a classic TIF revenue flow as in the early years (1982-1985) TIF revenues were low, reflecting a lack of momentum in downtown Orlando's economy in the early 1980s. While property tax values were on the rise during this early period, they were not growing at a rate that generated much in the way of TIF revenues. In the latter part of the 1980s, TIF revenues (and DDB revenues) increased substantially as redevelopment in downtown Orlando proceeded and property values in increased. The early 1990s saw a continuation of this trend as TIF/DDB revenues continued on their upward pattern. However, the mid-1990s saw precipitous drops in these revenues, partly due to the fallout from an over-inflated real estate market, an experience shared by many other cities. Recent years evidence a rebound in Orlando's downtown economy, as TIF revenues are up substantially and another wave of redevelopment has come to the city's core.

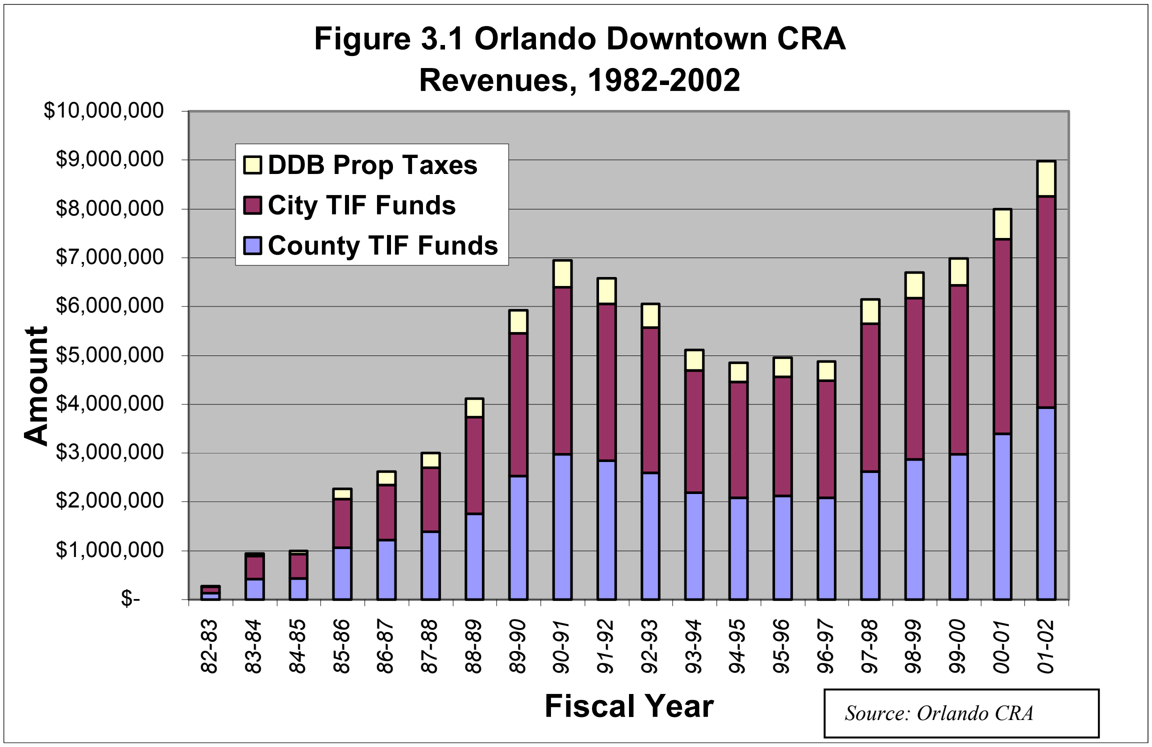
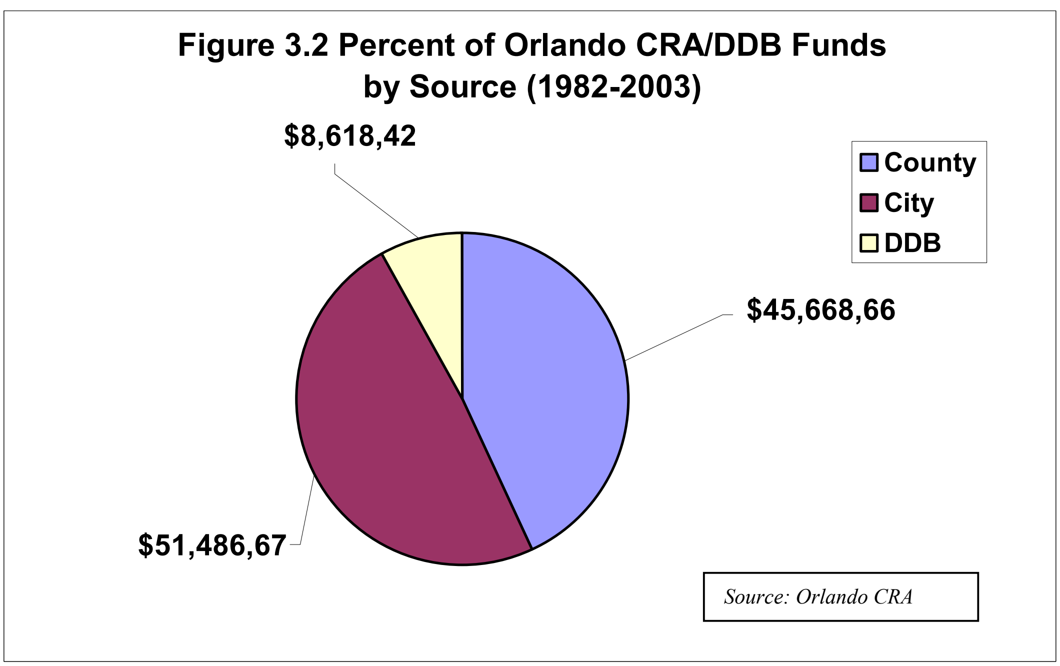


Figure 3.2 illustrates the relative share of all TIF/DDB revenues by source for the lifetime of the CRA. This figure reveals that less than 45% (43.2%) of all CRA/DDB revenues came from the county. Even if DDB revenues are excluded, the city still has invested more than half of the TIF revenues in the district.



3.3 The Use of TIF in Downtown Orlando: Representative TIF-Funded Projects

Between 1982-2002, the combination of TIF and DDB funding brought almost $100 million to the city to promote downtown redevelopment. This money has been spent primarily in three key areas: 1) program administration/planning for downtown, 2) infrastructure projects, and 3) development projects. Each of these will be evaluated in turn.

3.3.1 Program Administration

Downtown redevelopment is a complex, time consuming process that requires substantial investment in project planning, promoting the downtown to residents and tourists, and the marketing of specific sites to developers. For this reason, the DDB and CRA spend a substantial amount of money each year on staffing and overhead costs. For example, the DDB/CRA 1997 Annual Report indicates that over $600,000 was spent on salaries/wage/benefits and over $200,000 was spent on overhead costs, such as space rental and operating expenses. To save costs, the DDB and CRA have entered into a cost-share agreement that allows them to share personnel and office overhead costs. These expenditures have created a highly skilled, professional staff with substantial success in promoting the redevelopment in the downtown.

Another substantial expense for the CRA/DDB has been the preparation of planning documents to guide the redevelopment of downtown Orlando. The first documents prepared were the initial finding of blight and CRA redevelopment plan of the early 1980s. In 1990, a second finding of blight was prepared in support of a proposed expansion to the CRA district. In addition in 1990 a revised downtown Orlando Redevelopment Plan was prepared and approved. The 1990 plan identified five “vital issues” upon which the redevelopment of downtown would be focused: revitalization, function, image, form, and movement. These issues clarified the vision for Orlando’s downtown and these were translated into a development program (with strategies and actions) to work towards this vision. The most recent major planning effort for downtown Orlando was a 2000 update to the 1990 redevelopment plan (Downtown Outlook, 2000). This document builds upon the successes of the previous decade and provides new direction to the CRA and DDB in pursuing the redevelopment of the urban core. The 2000 plan update was developed with extensive community input. This document also divided the CRA district into four areas (Uptown, Parramore Heritage, Central Business District, and Eola), with the 2000 plan outlining a distinct vision for each of these areas while retaining an integrated vision four the entire district.

Similar to the expenditures on the administration of the CRA/DDB, these planning expenditures lay the foundation for the effective use of CRA TIF funds and DDB property tax levy funds. These planning documents achieve the purpose of effective visioning documents, providing guidelines for public expenditures and making clear to both the public and private sectors what the desired future of downtown Orlando looks like. In addition, by involving residents and members of key stakeholder groups (e.g., developers, business owners, bankers) the planning process helps to achieve "buy in" from these groups, paving the way for successful redevelopment initiatives.

3.3.2 Infrastructure Projects

A major expense for the CRA has been infrastructure improvements and additions that have greatly improved the baseline infrastructure in downtown Orlando and also improved the central city's "sense of place" and attractiveness to urban development. According to a *CRA Projects List* report prepared in September of 2002, between 1984 and 2003 the Orlando CRA spent $36,180,912 on infrastructure projects within the district. These infrastructure investments include general streetscape and infrastructure improvements ($21,460,994; 59.3% of total infrastructure projects) and transportation and parking improvements ($14,719,918; 40.7% of total infrastructure projects). Among the infrastructure projects were major streetscape improvements to Orange Avenue, the Church Street area, and Central Boulevard, improvements to sidewalks in the area, and improvements to public spaces such as Heritage Square and Wall Street Plaza. A detailed breakout of these expenditures is provided in Appendix B.

These projects represent one of the primary mechanisms CRAs have for promoting redevelopment within blighted areas; investments in physical improvements that make the district more attractive to development and more pleasant for citizens, visitors, and workers in the district. These investments have contributed to downtown Orlando's sense of place, markedly improved the walkability of the district, and promoted transit as a viable transportation alternative in the city center.

3.3.3 Development Projects

Beyond infrastructure improvements, the CRA has also invested in a number of housing projects and downtown buildings in an effort to promote redevelopment in the downtown. Over the period 1984-2003, the CRA has spent or committed to spend $68,259,267[1] on new developments and existing buildings within the district. Of this amount, almost half (48.1% or $32,830,511) went to housing projects, a third (33.6% or $22,928,756) was invested in other downtown buildings, and a fifth (18.3% or $12,500,000) has been committed to redevelop the Parramore area of the CRA, a low income-high crime portion of the district. These funds were expended or committed to projects ranging from high end downtown housing (e.g. Echelon at Cheney Place and Parkside by Post), to major investments in the Centroplex, and smaller projects such as façade improvements, historic preservation grants, and Habitat for Humanity projects. A detailed breakout of these expenditures is presented in Appendix B.

3.4 Private Sector Investment in Downtown Orlando Since CRA Inception

A useful indicator of the success of downtown Orlando's CRA investments lies in an analysis of the public and private investments in the district over the life of the CRA. By collating figures from reports prepared internally by the Orlando CRA and a report prepared for the CRA by Real Estate Research Consultants, evidence indicates that substantial private sector investment has been catalyzed by the use of tax increment financing. Private sector investment in the CRA District since its inception is estimated at just over $1.14 billion. This figure represents a best estimate as to the total private investment in downtown since 1981. However this figure is not a "but for" figure; a substantial percentage of this development would have still taken place in downtown Orlando without the use of TIF.

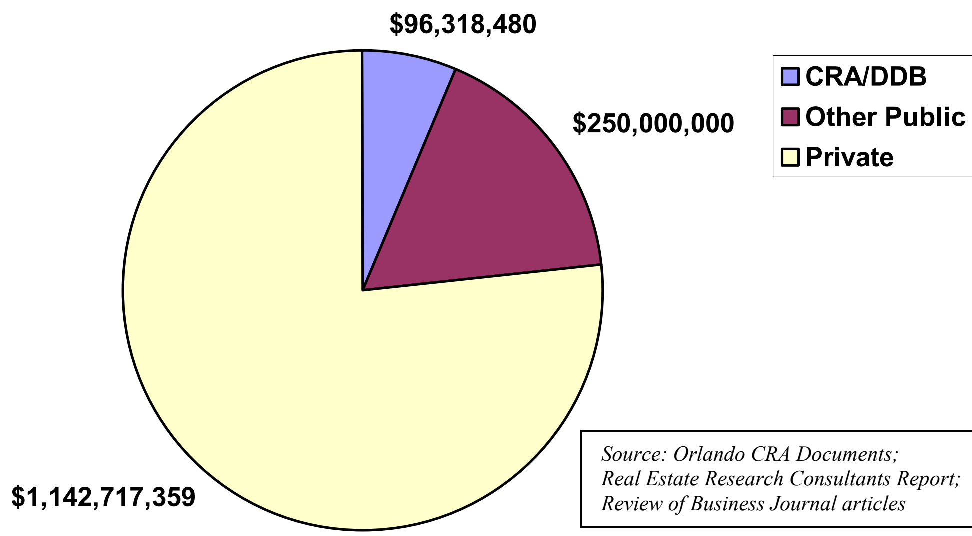
Further illustrating the continued redevelopment of downtown Orlando is the amount of money committed by other public sources to projects in downtown Orlando. Other public sector entities have spent or committed several hundred million dollars to downtown Orlando, including the Orange County Courthouse, a $180 million project that anchors the northern end of the CRA district, improvements to the Bob Carr Performing Arts Centre, improvements to the Expo Centre, and investments in Lake Eola Park and other downtown public spaces. Future

[1] A portion of this figure represents funding that has been committed by the CRA, but not yet expended. Consequently, total infrastructure and project expenditures comes in at over the amount of TIF captured by the CRA to date.

downtown projects that will be financed primarily by other public sources will include the new FAMU Law School Building ($22 million) and a new Federal Courthouse ($65 million). While this study was unable to arrive at an aggregate figure for other public sector investments, a conservative estimate would place this investment at $250 million.

Figure 3.3 presents the estimates for CRA/DDB investment, other public sector investment, and private sector investment in the CRA district between 1981 and 2003. Using a simple multiplier calculation, downtown Orlando has seen $3.86 of private sector investment for every $1.00 in public sector investment (combined CRA/DDB funding and other public funding). An enumeration of private sector development in the downtown area since 1981 is provided in Appendix B.

Figure 3.3 Summary of CRA, Other Public, and Private Sector Investment in Downtown Orlando, 1981-2003



Source: Orlando CRA Documents; Real Estate Research Consultants Report; Review of Business Journal articles

3.5 Assessing the "But For" Question

While TIF has clearly been a tremendous success in providing a sizable, relatively stable financing mechanism for the promotion of downtown redevelopment in Orlando, the purpose of this report is to evaluate the effectiveness of this mechanism in promoting redevelopment. As detailed above, the Orlando CRA/DDB is a well-organized, well-funded agency that has spent tens of millions of dollars on downtown Orlando. Have these expenditures been effective? Has downtown Orlando experienced development activity that it would not otherwise have experienced? From our review development activity in downtown Orlando in the last two decades, downtown has been remade in three key ways:

- *Sense of Place and Downtown Appearance*: Few can contest that Downtown Orlando is more attractive and more coherent than it was twenty years ago. The major streetscape and other infrastructure improvements financed by TIF within downtown in the last twenty years have established and enhanced the pedestrian orientation of the downtown, promoted transit ridership, and attracted people by the hundreds of thousands to events in the central city.
- *Downtown Housing*: In the late 1990s, Downtown Orlando began to experience a housing boom in downtown that has brought or will bring several thousand high end residential units to the central city. This new housing reverses a decades long trend towards a depopulation of the central city by upper income families. The use of TIF to reduce the costs for these projects has been essential in seeing many of these projects proceed from the drawing board to groundbreaking to grand opening. TIF has been the catalyst behind the revitalization of Downtown Orlando's housing market, bringing with it a number of concurrent impacts including increased street level activity, support for downtown retail, and rising property values.
- *Non-Residential Downtown Redevelopment*: Among the early successes of the CRA was providing support for Church Street Station, a downtown retail development, and the Centroplex, Orlando's civic center. These projects benefited greatly from administrative and financial support from the CRA. In more recent years, the CRA has been instrumental in attracting the new FAMU Law School to Orlando and strengthening other downtown activity generators. However, it is recent hotel projects that indicate that Orlando's downtown economy is now more competitive than ever. The new $30 million Grand Bohemian Hotel and other new downtown hotels illustrate that the market now views downtown as a place that is attractive to visitors coming to the region to go to recreational attractions. Whereas Downtown Orlando had been struggling to compete with Disney, I-Drive, and the Universal area in the 1980s and much of the 1990s, these new projects suggest that downtown has reached a "tipping point"; the downtown area is now sufficiently revitalized to be of interest to higher income visitors to the region. The

role of TIF in reaching this tipping point cannot be understated. TIF has been the financial backbone supporting downtown's redevelopment and without TIF, downtown Orlando would not be experiencing its current non-residential development boom.

On several fronts, then, the answer to the "but for" question for Orlando is a resounding "Yes". Downtown Orlando has successfully been transformed into a pedestrian friendly, attractive place that is home to thousands of new residential units, new and renovated retail spaces, and high-end hotel and recreational projects that have substantially boosted property values in the district. Over the life of the CRA, the downtown has been transformed from a docile, in-decline district, due in part to competition from attractions such as Disney and Universal, into an economically sound and thriving district. The participation of the CRA in the remaking of Orlando's downtown has been possible largely through the use of TIF. From a review of the evidence, TIF has been an integral element in many of the redevelopment projects that have been built in downtown since 1983.

3.6 Conclusion

The downtown Orlando experience in using tax increment financing to promote redevelopment is a textbook example of how revitalization goals can be achieved when well-planned, geographically targeted redevelopment initiatives that have sufficient and ongoing funding are brought to bear by the public sector. The use of tax increment financing has provided sufficient funding for both planning and implementing redevelopment initiatives, yielding development outcomes that have substantially increased downtown Orlando's property tax base. Table 2.5 illustrated that in recent years, property values in the downtown CRA district have grown at rates greater than those of the city and county as a whole.

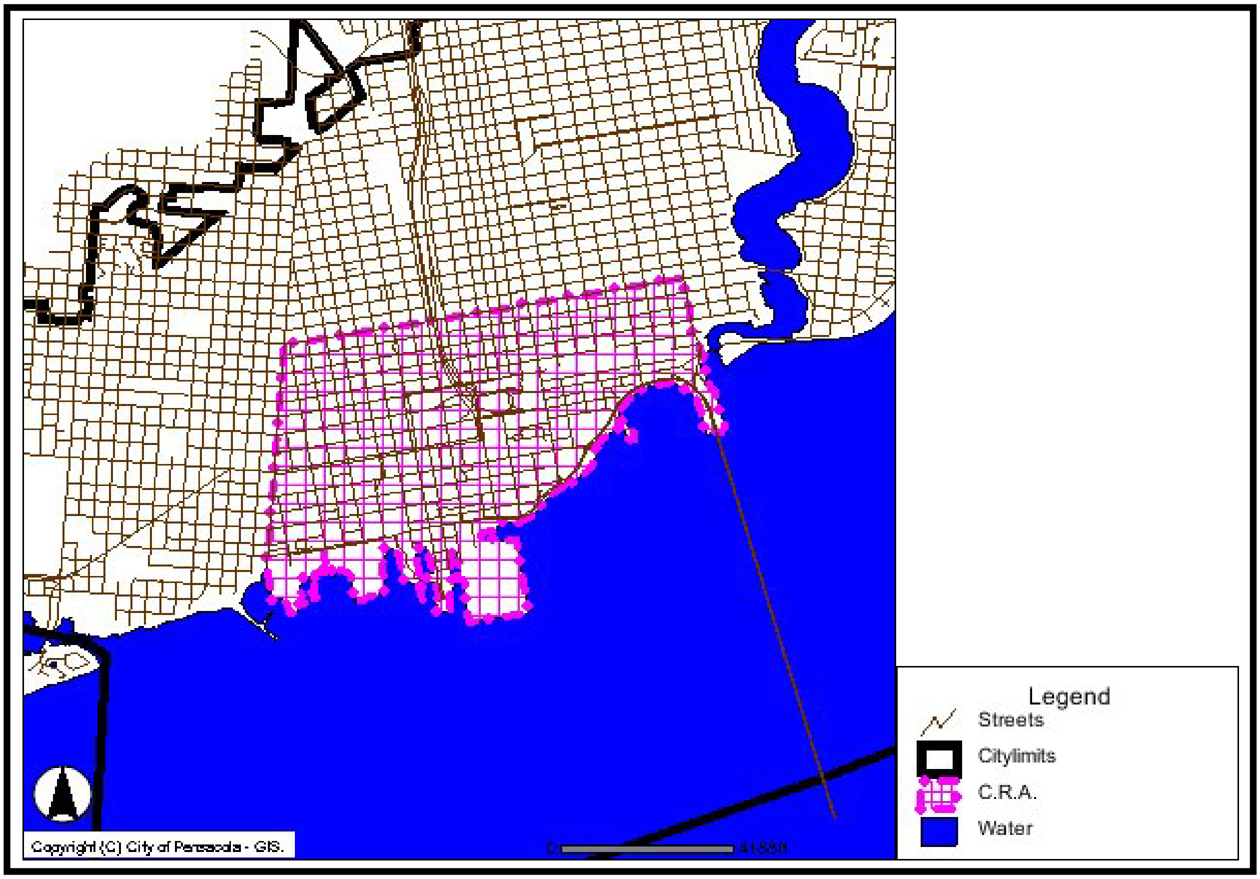
In summary, the Orlando CRA has utilized tax increment financing as was specified in the statute governing its use. A blighted area was identified, planning activities were undertaken, a plan to guide downtown redevelopment was put together (and regularly updated), and TIF funding was spent in support of this plan. In the early years of the CRA, TIF was used to finance numerous infrastructure and parking improvements that made downtown a more navigable and more attractive place. In more recent years, TIF funding has been used as "gap financing" to move projects off the drawing board and into the construction phases. Beyond making downtown

Orlando a more attractive and interesting place, this approach has yielded increasing property values that will fiscally benefit the city and county upon the discontinuation of TIF.

SECTION 4.0 THE CITY OF PENSCOLA DOWNTOWN CRA

4.1 A Brief History of the Downtown Pensacola CRA

The Downtown Pensacola CRA was created in 1980 by the City Council to address blighted conditions that were determined to exist in the central city. The community redevelopment district to which the CRA is to direct its efforts totals 1,308 acres and encompasses much of the city's downtown and a substantial portion of the waterfront. This district is shown in Map 4.1.



Map 4.1 Pensacola's CRA District (Source: City of Pensacola GIS Browser, http://pensacolacitygov.com/website/browser/viewer.htm)

In 1984, a Community Redevelopment Plan was adopted by the City Council and this plan established tax increment financing as a primary mechanism for financing redevelopment within the district. In fiscal year 1983-1984, the Pensacola CRA began capturing incremental increases in property taxes, directing these increases into a special fund as directed by Florida Statutes. The 1984 plan called for two priority redevelopment project elements (Revised Community Redevelopment Plan, 1989): 1) provision of inner city housing for low and moderate income households, particularly in the Belmont/DeVilliers neighborhood and 2) Commendencia slip improvements to create additional waterfront acreage. These early efforts met with some success, with a handful of new housing units coming online in the district by 1989 and improvements to the waterfront being undertaken in the 1980s. In addition to these improvements, the CRA invested in streetscape improvements (along South Palafox), improvements to the parking lot at the Municipal Auditorium, and investments in utility services and other infrastructure systems.

The 1989 redevelopment plan update (Community Redevelopment Plan, 1989) built upon these early successes and outlined a number of new investments that could be made by the CRA. Most of these projects represented classic TIF-funded projects, as the plan called for funding for further roadway and streetscape improvements, parking improvements, and upgrades to the waterfront. Through 1989, CRA documents paint a compelling picture of success, as public investment into the CRA district from 1980-1989 was placed at $37.3 million, with the private sector investment totaling $90.3 million (Community Redevelopment Plan, 1989, p. 16). While downtown Pensacola still struggled to overcome the twin disadvantages of blighted inner cities and market forces pulling development to the suburbs, private investment was beginning to return to a portion of the city that had long been neglected by developers.

With the guidance of the CRA, a 1995 update to the waterfront plan was prepared by a consultant (Pensacola Waterfront Redevelopment Plan, 1995). This plan refined the vision for the city's waterfront and made a number of recommendations for promoting redevelopment. Further, the plan identified a number of projects the CRA could undertake to further revitalize the waterfront and attract private sector activity to the district.

A more recent iteration of the waterfront plan was also prepared by a consultant on behalf of the CRA (Pensacola Waterfront Development Plan, 2000). This plan focused specifically on the waterfront area of the CRA, as the city owns large tracts of land in this area and the continued redevelopment potential of the waterfront is substantial. This plan also reviewed the projects identified in both the 1985 and 1989 plans. By 2000, most of the projects identified in the 1989 had been completed or were underway. Similarly, four of the five projects identified in the 1995 plan were underway or budgeted.

This foregoing review illustrates two key elements that have contributed to the success of the downtown Pensacola CRA in promoting redevelopment in that city's urban core.

- *Commitment to Planning*: The CRA has undertaken a plan update every five years that reflects changing conditions, identifies emerging opportunities, and catalogues past successes.
- *Benchmarking of Success*: The CRA has also successfully benchmarked their success over the life of the CRA. CRA staff has done well to track redevelopment projects from both the public and private sector, providing evidence of the impacts of the use of TIF in promoting redevelopment.

4.2 An Overview of CRA Revenues, 1984-2003

Between 1984 and 2003, Pensacola's Downtown CRA took in roughly $21.5 million in revenues from tax increment financing. Figure 4.1 illustrates the flow of revenues to the CRA by fiscal year from 1984-1985 to 2002-2003. Very similar to experience of Orlando's Downtown CRA, in the Pensacola CRA's early years (1984-1988) TIF revenues were quite low, reflecting the continued troubles in the downtown economy. Property tax values experienced a spurt in the late 1980s, but then flattened out for much of the 1990s. Only in recent years (since 2000) have property values in the CRA increased substantially. This recent spike in property values reflects a number of recently completed redevelopment projects in downtown Pensacola.

Figure 4.1 Pensacola CRA Revenues, 1984-2003

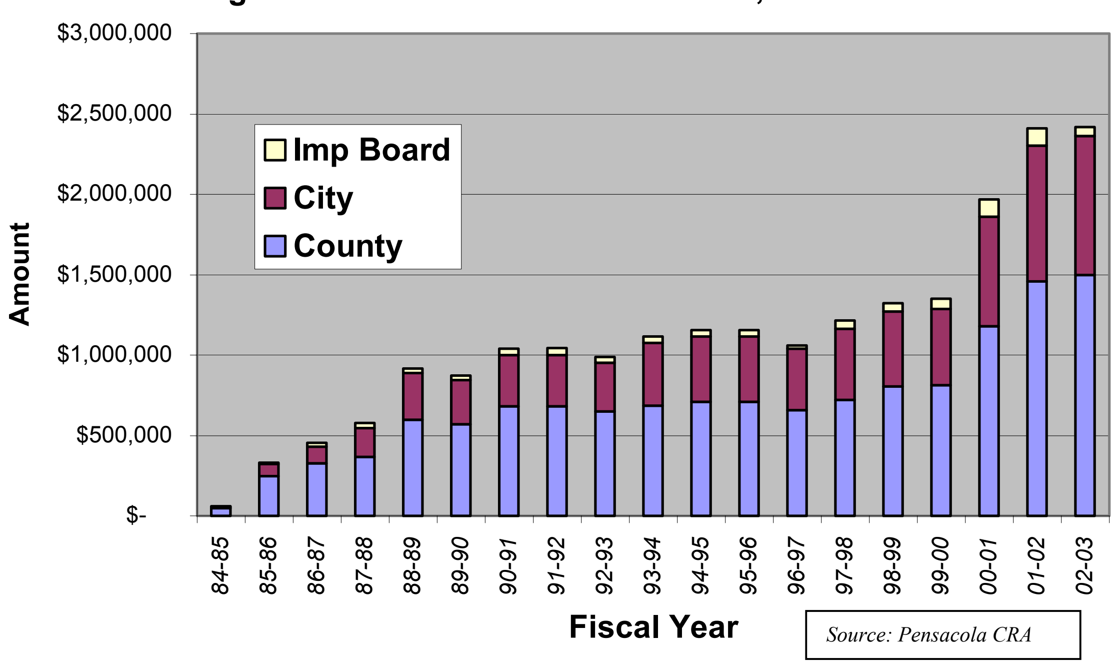
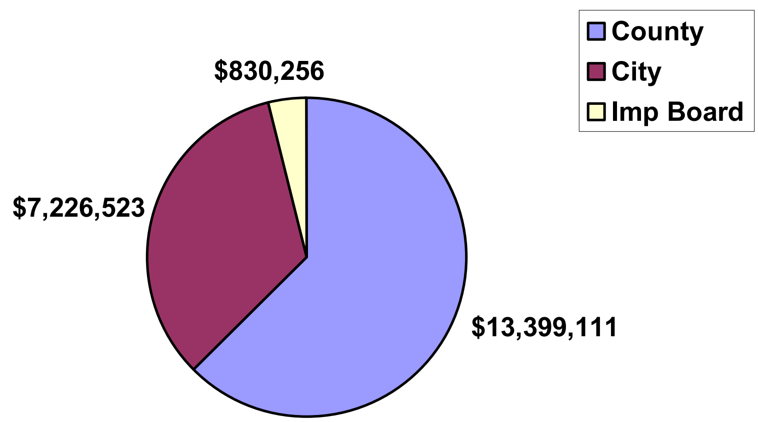


Figure 4.2 illustrates the relative share of all TIF revenues by source over the lifetime of the CRA. This figure reveals that over three-fifth of these revenues (62.4%) came from the county's TIF share, with approximately a third coming from the city's TIF.

Figure 4.2 Percent of Pensacola CRA Funds by Source (1984-2003)



Source: Pensacola CRA

4.3 The Use of TIF in Downtown Pensacola: Representative TIF-Funded Projects

Between 1984 and 2003, the use of TIF has allowed the CRA to spend roughly of $21.5 million on projects within the CRA. These funds have been used for a wide variety of projects, including infrastructure improvements, waterfront investments, and smaller, geographically targeted programs. Individual projects are catalogued in Appendix C.

4.3.1 Financing Physical Improvements through TIF

The Pensacola CRA has typically used their TIF funding for infrastructure and other physical improvements to the district. Capturing this approach, the author of the 2000 Waterfront Plan writes that "the philosophy of the CRA has been to fund infrastructure and open space/park improvements that set the stage for future development, providing an enhanced environment for private investment." (p. 2) In reviewing the 1989 and 1995 plans, over three-quarters of the projects proposed for financing by TIF take the form of infrastructure, streetscape, and other improvements to the physical environment. Typical projects include:

- *Streetscape improvements*: Improvements to the street and pedestrian circulation system have been a hallmark of CRA TIF funds. Palafox Street, Zaragoza Street, and Cedar Street (among others) have all been redesigned and substantially upgraded using TIF.
- *Waterfront Improvements*: Given Pensacola's waterfront location, a major factor in the attractiveness of downtown to businesses and developers rests on the integration of the waterfront into the downtown economy. TIF has been a principal source of public funding for redeveloping the waterfront and attracting private investment to downtown. Several early projects in the 1980s were aimed specifically at improving the pedestrian connections and expanding the acreage along the waterfront.
- *Downtown Wayfinding System*: A project that funded signage throughout the downtown area directing visitors and locals to destinations and public parking.
- *Geographically Targeted Initiatives*: The CRA has also expended TIF funds in specific portions of the district to promote specific redevelopment initiatives. For example TIF has been utilized to promote the revitalization of the Belmont-DeVilliers neighborhood, a lower income, predominately minority neighborhood in the northwest corner of the CRA district. Another example is the Commercial Façade Program, a program targeted to areas contained simultaneously in the CRA district and the city's enterprise zone.

4.3.2 Project-Based TIF Investments

In addition to infrastructure-based improvements, TIF funding has also been directed towards specific projects in downtown Pensacola. These projects include solely public sector initiatives, such as parking garages, as well as public-private partnerships, such as Palafox Place and Port Royal.

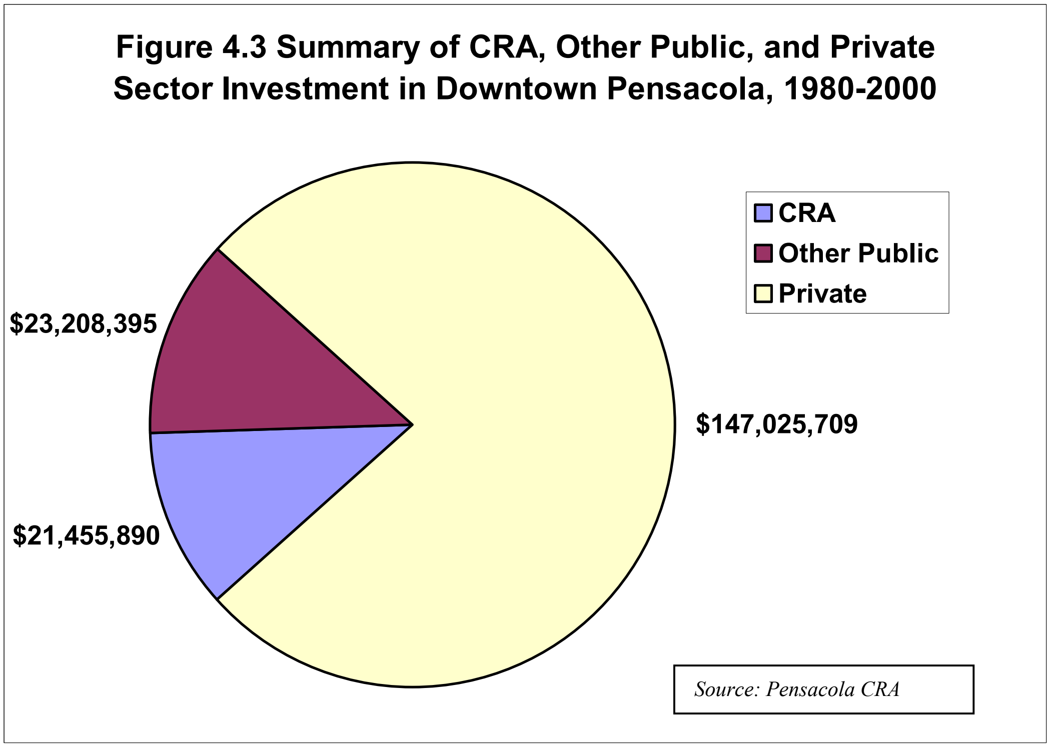
- *Public sector projects*: TIF has been the primary funding source behind several surface parking lots and parking decks throughout the district. The Jefferson Street parking garage ($1.8 million) is among the largest TIF-based projects the CRA has undertaken. Other parking investments litter the district.
- *Public-private partnerships*: The projects that have perhaps generated the most interest and the greatest impact in downtown Pensacola have been the larger mixed-use projects of Palafox Pier and Port Royal. Palafox Pier is a $12 million project that involved remaking a portion of the city's waterfront. To date the project includes a marina and two

office buildings, with additional plans for more office buildings and further public improvements to the waterfront. Port Royal includes two condominium projects and a public promenade, with plans for additional development on the site. These projects are the result of almost two decades of public investment in the waterfront.

4.4 Private Sector Investment in Downtown Pensacola Since CRA Inception

As in Orlando, the best indicator of the success of downtown Pensacola's CRA investments lies in an analysis of the public and private investments in the district over the life of the CRA. Fortunately, the Pensacola CRA has done well over the years to track and catalogue these investments since the inception of the CRA. Note, however, that as in Orlando the following figures do not represent a "but for" figure; a substantial percentage of this development would have still taken place in downtown Pensacola without the use of TIF.

Figure 4.3 presents estimates for CRA investment, other public sector investment, and private sector investment in the CRA district between 1980 and 2000. It is important to note that the private sector investment figures do not include a few projects that have come online since 2000. Using a simple multiplier calculation, downtown Pensacola has seen $3.29 of private sector investment for every $1.00 in public sector investment (combined CRA funding and other public funding). The data underlying this figure are presented in Appendix C.



4.5 Assessing the "But For" Question

While numerous projects have been funded by TIF, the purpose of this report is to evaluate the effectiveness of this mechanism in promoting redevelopment. Have these expenditures generated development activity that would not otherwise have occurred? Has TIF succeeded in attracting private investment to downtown Pensacola?

In the case of Pensacola, the evidence indicates that substantial private redevelopment activity has taken place in downtown that otherwise would not have occurred. The city's waterfront is now home to several new, successful mixed-use developments. The waterfront is also home to new marinas that generate economic activity in downtown. A review of the private investors in downtown Pensacola since 1980 illustrate that the district has become home to a desirable mix of businesses (e.g. office, retail, personal and business services, hotels), a mix that did not exist in Pensacola prior to the CRA. Lastly, spillover benefits have been identified as well, as other nearby residential developments (Aragon) have been successful in part due to the emergence of downtown Pensacola as a place to live. In sum, the evidence indicates that TIF has been vital to 1) revitalizing the waterfront, 2) attracting residential development downtown, and 3) diversifying the downtown economy.

It is important to note that downtown Pensacola, like many of Florida's central cities, has struggled in the last several decades as public policies and market forces have pulled investment out of the urban core and into surrounding suburban areas. The successes noted above have come despite a number of factors that work against them, such as increased costs of business downtown, the substantial infrastructure problems that existed downtown, and market preferences that scared developers away from downtown.

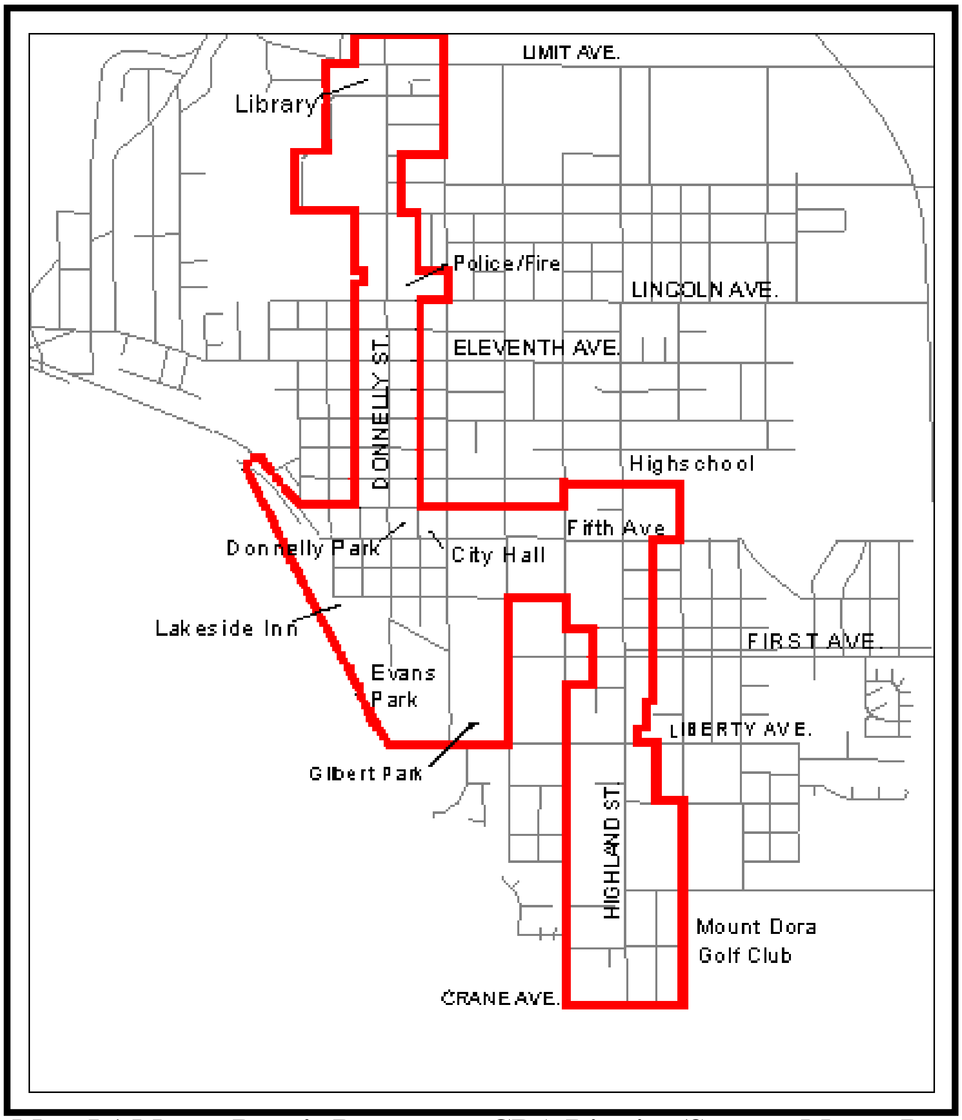
4.6 Conclusion

In summary, like Orlando, the Pensacola CRA has utilized tax increment financing as specified by the state. A blighted area was identified, planning activities were undertaken, a plan to guide downtown redevelopment was put together (and regularly updated), and TIF funding was obtained and directed to the goals of these plans. The CRA has been a major factor in promoting redevelopment in downtown Pensacola, attracting market rate housing and office development to a district that had experienced disinvestments for years. The ongoing redevelopment of the waterfront, after almost twenty years of public investment, illustrates that redevelopment is not a rapid process; investments must be made, deals must be nurtured, and the public must remain committed to the goal of redevelopment. However, the experience of Pensacola indicates that CRAs and, by extension, the use of TIF can generate positive outcomes, even in the face of factors working against downtown redevelopment.

SECTION 5.0 THE CITY OF MOUNT DORA DOWNTOWN CRA

5.1 A Brief History of the Downtown Mount Dora CRA

The downtown Mount Dora CRA was created in 1987 after local business and civic leaders came to the city's leadership and lobbied for the creation of a CRA with the expressed goal of revitalizing the downtown retail core. The district covers 470 acres, encompassing the major retail corridors of the downtown, Donnelly Street, Fifth Avenue, and Highland Street. Also located in the district are major public buildings (City Hall) and public parks (Donnelly Park). The district's boundaries are shown in Map 5.1.



Map 5.1 Mount Dora's Downtown CRA District (Source: Mount Dora CRA Home Page http://ci.mount-dora.fl.us/departments/commdev_cra_boundary.htm)

In creating the district in 1987, the city undertook a finding of blight and also prepared a redevelopment plan for the district. The Downtown Mount Dora Plan (1987) made recommendations for changing zoning designations, making investments in streetscape improvements, spending funds on parking improvements, and improving the "treasured community resource that is Donnelly Park. As per this plan, since 1987 the CRA has spent TIF funding on parking lots and a parking garage, streetscape improvements to the major corridors, and upgrades to Donnelly Park.

In 2002 the city adopted an update to this plan (CRA Master Plan, 2002). This update was prepared with extensive public input as the city's and the CRA's planning staff sought to identify the community's priorities for the downtown. The 2002 Plan expands upon the original mission of the CRA as outlined in the 1987 plan. In addition to more traditional CRA activities, infrastructure and streetscape improvements, the plan calls for the CRA to become more involved in marketing and promoting the downtown, as well as providing information (via signs and informational materials) to locals and visitors. The expanding role of the CRA over time reflects similar changes to the CRAs in downtown Orlando and Pensacola.

5.2 An Overview of CRA Revenues, 1988-2003

Between 1988 and 2003, Mount Dora's Downtown CRA took in roughly $5.14 million in revenues from tax increment financing. Figure 5.1 illustrates the flow of revenues to the CRA by fiscal year from 1988-1989 to 2002-2003. Similar to the CRAs in Orlando and Pensacola, in the early years (1988-1994) TIF revenues were low, reflecting a lack of momentum in the downtown economy. While property tax values were on the rise during this early period, they were not growing at a rate that generated much in the way of TIF revenues. In the mid and later 1990s, TIF revenues increased substantially as Mount Dora's downtown experienced successful revitalization and property values in increased. In recent years, in particular, property values in the district grew very quickly, generating upwards of $750,000 in TIF for the CRA.

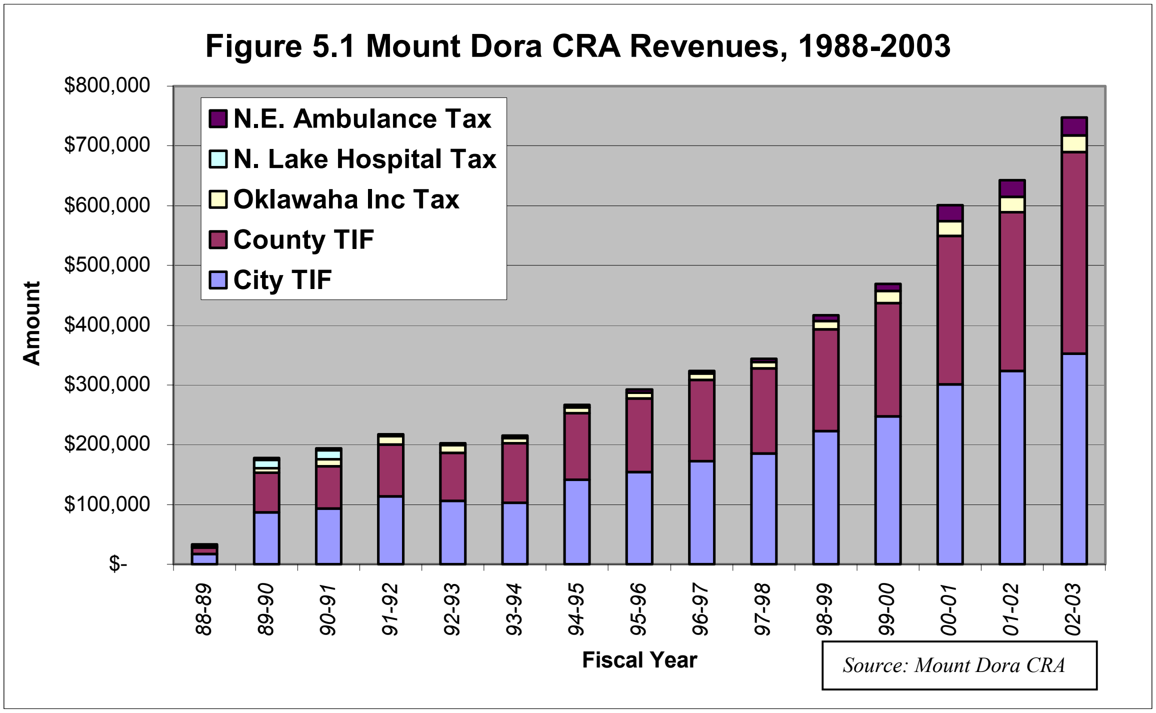
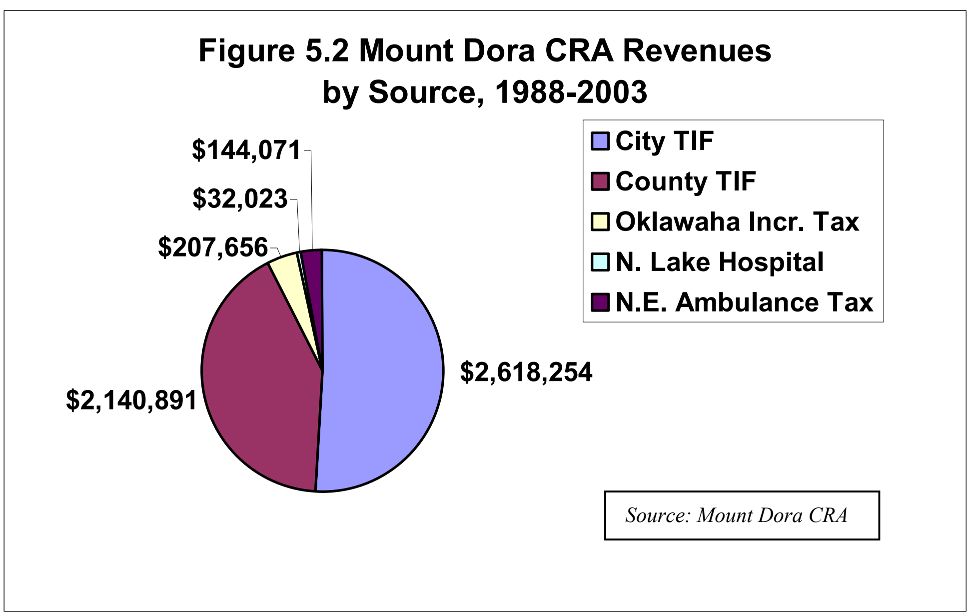


Figure 5.2 illustrates the relative share of all TIF revenues by source for the lifetime of the CRA. This figure reveals that over half of these revenues (50.9%) came from the city, with roughly two-fifths (41.6%) coming from the county, with the remainder coming from other sources.



5.3 The Use of TIF in Downtown Mount Dora: Representative TIF-Funded Projects

Compared to the CRAs of Orlando and Pensacola, Mount Dora's CRA had far fewer resources to spend on redevelopment initiatives. However, this funding has been put to great use on various infrastructure and streetscape projects in the downtown. Between 1988 and 2000 the CRA completed eleven projects totaling roughly $2.7 million and began work on other projects estimated to cost an additional $150,000. Other public funding provided an additional $780,000 for these projects. These TIF-funded projects were spread across four broad areas: 1) infrastructure, 2) parking, 3) streetscapes, and 4) parks. A breakdown of TIF funding by project is provided in Appendix D.

- *Infrastructure projects*: The CRA invested in several drainage and intersection improvements along Highland and Donnelly Streets, totaling just over $300,000 (roughly 10.4% of the total amount spent).
- *Parking projects*: The CRA spent TIF funding on several large parking projects, including a new parking garage and four surface parking lots. These projects required $955,700 in TIF funds or 33.0% of the total TIF funding spent.
- *Streetscape improvements*: Streetscape and other pedestrian pathway improvements required almost half (48.2%) of the TIF funding or $1.4 million. These projects involved almost the whole of Donnelly Street in the CRA district, major upgrades to the curb and gutter system in the district, and improvements to the alleyways in downtown.
- *Investment in Parks*: Lastly, the CRA expended TIF funding on Donnelly Park, Childs Park, and Gilbert Park, key public spaces in the downtown. The CRA funding also helped to leverage an additional $675,000 from other public entities for the Donnelly Park improvements. The TIF portion of these expenditures totaled $245,000, representing 8.4% of the TIF funds expended.

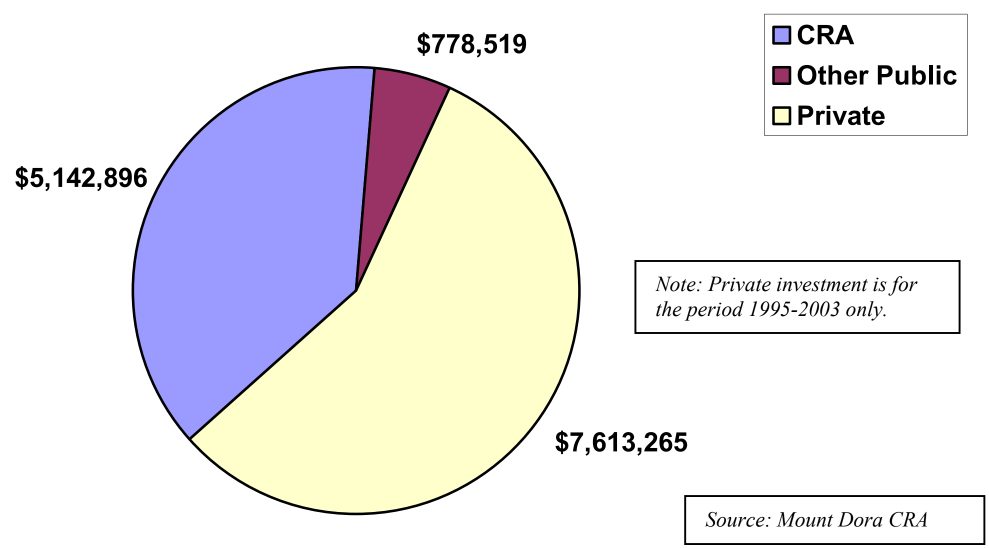
In addition to these expenses, the CRA has also sponsored other programs, including a façade renovation program and a downtown bench sponsorship program. These programs have leveraged further community support for the renovation of storefronts and the financing and placement of attractive street furniture throughout the downtown.

5.4 Private Sector Investment in Downtown Mount Dora Since CRA Inception

An indicator of the success of downtown Mount Dora's CRA investments lies in an analysis of the public and private investments in the district over the life of the CRA. Unlike the Orlando and Pensacola CRA's, however, the Mount Dora CRA has struggled to catalogue the public and private sector impacts attributable to the CRA's investments. Despite data limitations, CRA staff were able to put together a summary of private investment made within the CRA between 1995 and 2003. While not all of this development would satisfy the "but for" test, it does provide an indication of the private sector investment leveraged by the use of TIF funding in Mount Dora.

Figure 5.3 presents estimates for CRA investment, other public sector investment, and private sector investment in the CRA district between 1987 and 2003. It is important to note that the private sector investment figure represents new construction activity and building renovations only for the period 1995-2003. Using a simple multiplier calculation, downtown Mount Dora has seen $1.29 of private sector investment for every $1.00 in public sector investment (combined CRA funding and other public funding). The data underlying this figure are presented in Appendix D.

Figure 5.3 Summary of CRA, Other Public, and Private Sector Investment in Downtown Mount Dora, 1987-2003



5.5 Assessing the "But For" Question

Given the level of activity, in terms of both public and private sector investment, it is important to address the "but for" question for Mount Dora as well. Have expenditures by the public sector catalyzed development activity that it would not otherwise have experienced? Has TIF succeeded in attracting private investment to downtown Mount Dora?

Unlike the cases of Pensacola and Orlando, where substantial private investment has come to those downtown areas in the form of large projects that had previously shunned those areas, the case of Mount Dora requires a different point of view. Mount Dora is a small city (population roughly 10,000) with a downtown of a significantly smaller scale and intensity than the other case cities. Redevelopment in Mount Dora is not measured in millions of dollars, tens of thousands of square feet of office space, nor the attraction of several hundred room hotels to the downtown. Redevelopment in Mount Dora is achieved storefront by storefront.

Given this perspective, the use of TIF in Mount Dora appears to be a successful use of public dollars. Between 1995 and 2003, forty-two private sector construction projects were undertaken in the district, representing $7.6 million in new investment. Of these projects, fourteen were new buildings valued at $5.5 million. Among these projects were several new restaurants, numerous retail establishments, as well as a mix of businesses that would be found in a vibrant small city's downtown; a funeral home, banks, and medical offices. This concentrated building activity is substantial for a city of Mount Dora's size. This provides a strong indication that the physical improvements made possible through TIF have been effective in attracting private investment to the downtown.

5.6 Conclusion

Like Orlando and Pensacola, the city of Mount Dora has attempted to utilize TIF to revitalize their downtown, with some measure of success. The CRA has been an active agent of change in the downtown and the 2002 Master Plan points to an expanded role for this organization in promoting and attracting economic activity to the city center. The experience of Mount Dora indicates that even smaller Florida cities can utilize CRAs and, by extension, TIF to catalyze redevelopment of their downtown retail cores.

SECTION 6.0 CONCLUSION

The purpose of this report has been twofold: 1) to assess issues raised by county governments concerning the use of tax increment financing and 2) to assess the efficacy of TIF in catalyzing redevelopment. These twin purposes were addressed through an analysis of various economic indicators and the redevelopment experiences of three case study communities.

The analysis of property values and other data, presented in Section 2.0, indicates that the use of TIF is indeed paying off in the case study communities in the form of increased property values. While analysis revealed that growth rates in property values in the CRA districts across the entire life of the CRA (Base Year to 2002) were lower than those for the city and county as a whole, in recent years (2000-2002) the analysis found that property values in the CRA generally grew faster than in the surrounding areas (see Tables 2.5-2.7). Combined, these findings provide evidence that CRAs, and by extension TIF, were effective in addressing their primary mission, promoting redevelopment and driving property value increases within the CRA.

As designated community redevelopment areas, TIF districts are blighted areas that have been plagued by disinvestment and/or vacant and underutilized land. Development in these areas is expected to be difficult and costly, hence the need for public investment. The lower property value growth rates for the TIF districts over the lifetime of the individual CRAs is indicative of these initial blighted conditions. However, the recent surge in property values in the case study cities provides evidence that TIF investments are paying off; areas of the city with historically lower property value growth rates (the TIF districts) are now outpacing the property value increases of the jurisdiction as a whole.

County governments in Florida have also argued that CRA use of TIF is not an effective tool for promoting redevelopment; they suggest that TIF funding is unnecessary to the redevelopment process. However, the cases presented in this document reveal that the case study communities have seen sizable investment within their CRA districts following in part from the investment in these areas of tax increment financing revenues. There is strong evidence, in the form of catalogued private sector investment, that CRA use of TIF has been successful in promoting redevelopment in the three case study communities. Formerly blighted and neglected urban districts are being remade through private investment into new housing projects, retail businesses, and office developments. In all three cases the downtown areas of these cities have experienced substantial private development, development that has occurred in these urban cores in the face of the continued movement of people and employment to suburban areas.

Taken together, the analyses of property data presented in Section 2.0 and the case studies presented in Sections 3.0-5.0 provide a strong case for the continued use of TIF for promoting redevelopment in Florida's communities. There is every indication that beyond catalyzing redevelopment and increasing property values, as called for in the Florida Statutes, the use of TIF appears to be a major factor in the more general revitalization of the case communities' urban cores. TIF offers the sizable, stable financing mechanism required to influence the market and to attract developers and development to targeted, blighted communities.

SECTION 7.0 REFERENCES AND WEB RESOURCES

7.1 Academic References

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Wyatt, Michael D. (1990). The TIF smorgasbord: A survey of state statutory provisions for tax incremental financing. *Assessment Digest* (November/December): 3-9.

7.2 Documents Reviewed

7.2.1 Orlando

- Midtown Redevelopment Area: A Report on the Creation and Function of a Community redevelopment Agency. (1979).
- Study of Blight. (1990). Prepared for expansion of the CRA Boundary.
- Study of Blight: Transportation Analysis. (1990). Prepared for expansion of the CRA Boundary.
- Annual Report. (1997).
- Downtown Outlook: Update of 1900 Downtown Orlando Redevelopment Area Plan. (2000).
- Economic Report. (2001). Prepared by Real Estate Research Consultants.
- Downtown Development Board - Community Redevelopment Agency Cost share Agreement. (2001).
- CRA Projects List. (2002).
- Residential Development Incentives. (2002).
- Residential Development Catalyst Program Elements. (2002).
- Restaurant/Retail Development Incentives. (2002).
- BOA/Hughes (Parramore) Development Incentives. (2002).
- Summary of Façade Grants. (2002).
- Summary of Hospitality Incentives. (2002).

7.2.2 Pensacola

- Community Redevelopment Plan. (1989).

- Pensacola Waterfront Redevelopment Plan. (1995).
- Pensacola Waterfront Redevelopment Plan 2000. (2000).
- Major New Development/Redevelopment Projects. (2001).
- CRA History. (2001).

7.2.3 Mount Dora

- City of Mount Dora Resolution on Finding of Blight. (1987).
- Finding of Blight. (1987).
- Downtown Mount Dora Plan. (1987).
- The Community Redevelopment Agency Master Plan. (2002).
- Mount Dora CRA Land Use Map. (2001).
- Mount Dora Inventory of Businesses. (2001).

7.3 Web Resources

7.3.1 Orlando

Downtown Orlando CRA

http://www.downtownorlando.com/

City of Orlando

http://www.cityoforlando.net/

7.3.2 Pensacola

Pensacola CRA

http://www.pensacolacitygov.com/internet/live/page.asp?section_id=1368&dir=1567

City of Pensacola

http://www.ci.pensacola.fl.us/

7.3.3 Mount Dora

Mount Dora CRA

http://ci.mount-dora.fl.us/departments/commdev_cra.htm

City of Mount Dora

http://ci.mount-dora.fl.us/

APPENDIX A FLORIDA DEPARTMENT OF REVENUE DATA

DATA FROM FLORIDA DEPT OF REVENUE WEBSITE
http://www.myflorida.com/dor/property/

TOTAL ASSESSED VALUE (COUNTY)

	1999	2000	2001	2002
Orange	$52,539,501,926	$56,959,882,986	$62,950,456,675	$67,858,472,280
Escambia	$11,314,783,750	$12,428,794,460	$13,106,468,240	$13,632,390,600
Lake	$8,348,378,288	$9,238,981,450	$10,087,584,597	$11,114,607,760

COUNTY TAXABLE VALUE (REAL PROPERTY)

	1999	2000	2001	2002
Orange	$39,780,214,603	$43,811,621,836	$48,056,297,685	$51,071,027,635
Escambia	$5,714,893,159	$6,306,600,794	$6,861,406,007	$7,235,540,132
Lake	$5,942,686,968	$6,612,555,343	$7,367,980,787	$8,165,967,887

NET ASSESSED VALUE (REAL PROPERTY)

	1999	2000	2001	2002
Orange	$44,726,086,362	$49,203,766,822	$54,488,962,975	$58,851,088,536
Escambia	$7,827,562,740	$8,796,084,350	$9,525,466,400	$9,894,481,610
Lake	$7,459,062,474	$8,321,910,261	$9,153,693,313	$10,137,003,723

TOTAL ASSESSED VALUE (CITY)

	1999	2000	2001	2002
Orlando	$16,311,606,490	$17,957,891,224	$19,800,396,808	$20,596,789,091
Pensacola	$2,848,196,790	$3,228,015,090	$3,342,590,872	$3,412,157,296
Mount Dora	$513,959,585	$585,392,896	$629,900,304	$680,050,326

TAXABLE VALUE-ALL (CITY)

	1999	2000	2001	2002
Orlando	$9,819,032,940	$11,365,903,185	$12,542,643,885	$13,090,795,130
Pensacola	$1,847,013,784	$2,033,693,102	$2,166,415,139	$2,220,954,526
Mount Dora	$399,211,424	$451,506,464	$490,644,801	$525,275,803

COUNTY OPERATING LEVY (COUNTY OPERATING TAXES)

	1999	2000	2001	2002
Orange	$244,949,249	$266,290,779	$289,549,343	$304,442,689
Escambia	$63,842,627	$69,676,730	$74,491,527	$78,419,220
Lake	$33,270,615	$43,182,681	$43,395,484	$55,055,737

COUNTY MILLAGE RATES (OPERATING LEVY)

	1999	2000	2001	2002
Orange	5.2264	5.1639	5.1639	7.2873
Escambia	8.7560	8.7560	8.7560	8.7560
Lake	4.7333	5.1170	5.1170	5.9170

TOTAL ASSESSED VALUE (COUNTY)

	1999	2000	2001	2002
Orange	$52,539,501,926	$56,959,882,986	$62,950,456,675	$67,858,472,280
Escambia	$11,314,783,750	$12,428,794,460	$13,106,468,240	$13,632,390,600
Lake	$ 8,348,378,288	$ 9,238,981,450	$10,087,584,597	$11,114,607,760

TOTAL ASSESSED VALUE (CITY)

	1999	2000	2001	2002
Orlando	$16,311,606,490	$17,957,891,224	$19,800,396,808	$20,596,789,091
Pensacola	$ 2,848,196,790	$ 3,228,015,090	$ 3,342,590,872	$ 3,412,157,296
Mount Dora	$ 513,959,585	$ 585,392,896	$ 629,900,304	$ 680,050,326

TIF DISTRICT TOTAL PROPERTY VALUE

	Base Year	2000	2001	2002
Orlando	$136,557,113	$ 1,030,612,810	$ 1,229,247,158	$ 1,337,930,669
Pensacola	$ 87,926,570	$ 97,930,170	$ 141,672,124	$ 175,443,777
Mount Dora	$ 27,520,350	$ 42,133,224	$ 51,230,790	$ 55,001,463

ANALYSIS OF TIF REVENUES

TIF REVENUES (COUNTY)

	1999	2000	2001	2002
Orlando	$ 2,872,674	$ 2,978,949	$ 3,394,505	$ 3,927,674
Pensacola	$ 806,188	$ 814,603	$ 1,178,457	$ 1,459,376
Mount Dora	$ 170,267	$ 189,446	$ 249,041	$ 265,820

TIF REVENUES (CITY)

	1999	2000	2001	2002
Orlando	$ 3,295,084	$ 3,457,847	$ 3,987,897	$ 4,329,044
Pensacola	$ 465,612	$ 470,471	$ 680,614	$ 842,858
Mount Dora	$ 222,358	$ 247,402	$ 300,825	$ 322,966

COUNTY OPERATING LEVY (COUNTY OPERATING TAXES)

	1999	2000	2001	2002
Orange	$244,949,249	$266,290,779	$289,549,343	$304,442,689
Escambia	$ 63,842,627	$ 69,676,730	$ 74,491,527	$ 78,419,220
Lake	$ 33,270,615	$ 43,182,681	$ 43,395,484	$ 55,055,737

COUNTY GRAND TOTAL OF PROPERTY TAXES LEVIED

	1999	2000	2001	2002
Orange	$910,988,515	$1,005,060,046	$1,071,222,023	$1,096,858,749
Escambia	$144,191,514	$159,584,266	$168,665,308	$176,202,186
Lake	$121,949,331	$139,835,195	$152,179,289	$176,730,611

CITY PROPERTY TAXES LEVIED

	1999	2000	2001	2002
Orlando	$59,568,145	$68,952,388	$71,387,711	$74,507,569
Pensacola	$9,340,348	$10,284,386	$10,955,561	$12,227,909
Mount Dora	$2,467,525	$2,790,761	$3,032,675	$3,246,729

APPENDIX B DOWNTOWN ORLANDO CASE STUDY DATA

Summary of Items in Appendix A

1. CRA Overview
2. CRA Projects List
3. Itemization of Private Sector Development

Item 1: CRA Overview

NAME	Orlando Community Redevelopment Agency
CRA DIRECTOR	Frank Billingsley III
CRA ASST DIRECTOR	Joyce Sellen
MAILING ADDRESS	100 South Orange Avenue Orlando, FL 32801
TELEPHONE	407-246-2555
FAX	407-246-2848
E-MAIL	jsellen@downtownorlando.com
WEB ADDRESS	www.downtownorlando.com
BASE YEAR	1981; Amended 1990
ACREAGE	596, 1620
COUNTY	Orange

Item 2: CRA Projects List (Source Orlando CRA)

PROJ #	STREETSCAPING AND INFRASTRUCTURE	FUNDING	YEAR
4226	Orange Avenue Streetscape (Jefferson-South)	$4,115,065	1984
3078	Pine Street Streetscape (railroad-Magnolia)	$1,149,336	1984
8603/3081	Miscellaneous Streetscaping (matching)	$368,550	1984
3082	Parramore Avenue Streetscape (Church-South)	$1,363,267	1987
	Livingston Street Streetscape (Hughey-Expo Centre)	$180,000	1987
3094	Church Street Market Streetscape/Improvement	$1,391,502	1987
3085	Church Street Streetscape (railroad-Rosalind)	$1,201,111	1986
3078	Pine Street Streetscape (railroad-Garland)	$1,327,336	1984-91
	Rosalind Avenue Streetscape (Lake Eola)	$250,000	1988
3084/3098	Central Boulevard Streetscape (railroad-Rosalind)	$1,427,781	1989
3066	Boone/Anderson Streetscape (City Hall development)	$1,250,203	1991
8608	Westmoreland Treescape (Expressway-Church)	$162,888	1991
3067	Railroadscape (Hughey-Westmoreland)	$499,263	1991
8611	West Side Infrastructure Improvements (Parramore area)	$103,999	1991
4104	Charles Court Paving and Drainage	$90,552	1994
8630	East Washington Street Streetscape (Summerlin-James)	$158,899	1994
	Amelia, Magnolia, Orange Streetscape (matching)	$165,000	1997
2047/2052	Heritage Square	$2,150,000	1998-00
2370	Central Boulevard Streetscape (Summerlin-Rosalind)	$358,761	2000
8601	Hughey Streetscape (Livingston-Robinson)	$38,451	1991
8600/3090	Magnolia Streetscape	$175,094	1991
4571/8602	West Church Street Streetscape (I-4 - Division)	$402,019	1995
	Howard Middle School landscaping	$50,000	1990
8604	Sidewalk construction	$30,461	1991
8606	Neighborhood Beautification (Eola Heights Signs)	$49,979	1991
3069	Wall Street Plaza	$66,323	1991
3015	City Commons	$89,000	1989
8633	Court/Central Streetscape	$247,455	1995
P053	Summerlin (Robinson-Anderson)	$404,993	1991
3076	County and Library	$113,644	1984
3095	Adopt-A-Planter	$56,366	1988
	FAMU Streetscape	$100,000	2001-04
2081	E. Central Blvd. Streetscape (Rosalind to Summerlin)	$1,923,696	2002

PROJ #	TRANSPORTATION AND PARKING	FUNDING	YEAR
5809	Amelia Parking Facilities (Meter Eater Garages)	$2,187,419	1985
P002	Rosalind Realignment	$3,461,980	1990
	Trolley System Concept Development	$100,000	1991
	Rosalind Realignment	$3,162,000	1992
	Lymmo Transit Project	$5,076,382	1997
	SeniorTran	$40,000	1999-2000
	Directional Signs	$45,000	2000
	Directional Signs (original)	$300,000	1991
3092	Garland Realignment	$34,315	1986
8609	Amelia Street Widening (Garland-Magnolia)	$312,822	1991

PROJ #	HOUSING	FUNDING	YEAR
	Sunview Terrace (23 units)	$125,000	1993
	Callahan Oaks Housing Land Acquisition	$250,000	1984
	Jackson Court (40 units)	$2,119,859	1987
8612	Jackson Court II (16 units)	$403,879	1991
8612	Division Oaks (17 units)	$408,868	1991
3099	Eola Heights Housing	$230,937	1990

3228	Eola Heights Housing	$295,127	1990
8624	Federal, Livingston, Otey	$948,743	1997-PRESENT
8621/8612	*Callahan Arlington Heights Housing Construction/Acquisition/Demolition	$2,064,891	1992-PRESENT
	West Church Street Development	$11,150,000	2002-2003
8617	Homeless Coalition	$300,000	1992
8613	Habitat for Humanity	$400,000	1991
8626	Studio Concord Apartments (26 units)	$130,000	1994
	Historic Preservation Grant	$50,000	1994
	OPD Bicycle Patrol	$353,560	1992-1995
	Waverly on Lake Eola (230 units)	$1,247,272	1999-2000
	Parkside by Post (240 units)	$847,814	1999-2000
	Echelon at Chaney Place (307 units)	$1,269,952	1999-2000
	Lincoln at Delaney Square (343 units)	$1,543,032	1999-2000
	Historic Preservation Grant	$50,000	1990's
8614	Eola Heights Rehabilitation	$322,867	1991
	DOWNTOWN BUILDINGS	**FUNDING**	**YEAR**
P040	Expo Centre Renvoation	$500,000	1991
5888	Bob Carr Renovation	$500,000	1991
8623	Dr. Phillips Center for Performing Arts (old water plant)	$250,000	1991
8622/8629	Façade Grants	$408,730	1995-97
	Wells'Built Hotel	$38,000	1996-97
	Grand Bohemian Hotel	$208,976	1999-2000
	Centroplex Development Public Plaza/Landscaping	$13,800,000	1989
2346	Parramore Charter School Design	$272,282	2000
3077	Marriott Site Improvements (demo, utility, relocation)	$647,007	1984
3091	Carey Hand Funeral Home and Parking Lot Acquisition	$1,924,027	1986
8627	Bryan Hotel Acquisition	$790,061	1994
	Hughes Supply Headquarters	$350,000	2002-2003
	Nap Ford Community School	$2,000,000	2002-2003
	TOTAL	**$82,381,796**	

SOURCE: City of Orlando Community Redevelopment Agency Annual Reports 1984-2000 plus budget and project files. This is a list of capital projects only, marketing operations and management plus downtown maintenance costs are not included.

* Includes Phase I, II, III costs for acquisition, construction, demolition, downpayment assistance plus several capital projects.

FINALIZED SEPTEMBER 17, 2002

Item 3: Itemization of Private Sector Development

Residential				
Project Name	**Incentives**	**Project Cost**	**Units**	**Source**
Echelon @ Cheney Place	$ 1,981,712	$ 28,000,000	303	CRA
Echelon Uptown	$ 1,833,638	$ 23,000,000	244	CRA
Parkside by Post	$ 3,067,750	$ 31,630,000	242	CRA
Waverly on Lake Eola	$ 3,560,750	$ 40,000,000	230	CRA
Lincoln @ Delaney Square	$ 2,872,930	$ 30,000,000	364	CRA
	$ 13,316,780	$ 152,630,000	1,383	
SF thru 1990		$ 49,545,392		RERC Report
SF 1991-2000		$ 4,129,659		RERC Report
MF thru 1990		$ 21,824,951		RERC Report
MF 1991-2000		$ 46,407,860		RERC Report
Condos thru 1990		$ 40,888,655		RERC Report
Condos 1991-2000		$ 849,142		RERC Report
Parramore thru 1990		$ 11,933,385		RERC Report
Parramore thru 1991-2001		$ 1,975,321		RERC Report
		$ 163,645,659		

Hospitality				
Project Name	**Incentives**	**Project Cost**	**Units**	**Source**
Grand Bohemian Hotel	$ 208,976	$ 30,000,000	303	CRA
Embassy Suites	$ 517,000	Not Available	244	
Hotels Pre-1990		$ 43,023,817	1251	RERC Report
1991-2001 Hotels in Downtown		$ 7,473,008	208	RERC Report
TOTAL	$ 725,976	$ 80,496,825	2,006	

Office Inventory				
Project Name	**Incentives**	**Project Cost**	**Units**	**Source**
Buildings pre-1990 (Land/Bldgs)		$ 705,363,825		RERC Report
Buildings 1991-2001 (Land/Bldgs)		$ 40,581,050		RERC Report
Parramore Area		$ 3,341,724		RERC Report
TOTAL FOR ALL		$ 745,944,875		

TOTAL ESTIMATED IMPACT $ 1,142,717,359

APPENDIX B DOWNTOWN PENSACOLA CASE STUDY DATA

Summary of Items in Appendix B

1. CRA Overview
2. CRA Public Sector Projects List and Private Sector Development

Item 1: CRA Overview

NAME	City of Pensacola Community Redevelopment Agency
CRA DIRECTOR	David Bailey
MAILING ADDRESS	180 Governmental Center Pensacola, FL 32501
TELEPHONE	850-435-1695
FAX	850-435-1611
E-MAIL	dbailey@ci.pensacola.fl.us
WEB ADDRESS	http://www.ci.pensacola.fl.us/services/redevelopment/
BASE YEAR	1983 (created 1980)
ACREAGE	1308
COUNTY	Escambia

Item 2: CRA Public Sector Projects List and Private Sector Development

MAJOR NEW DEVELOPMENT/REDEVELOPMENT PROJECTS
PENSACOLA INNER CITY
1980 - 2000

PROJECT	PRIVATE INVESTMENT	PUBLIC INVESTMENT
1. Civic Center	$ 0	$21,000,000
2. Hilton Hotel	$11,685,149	$ 745,851
3. Port Royal*	$10,713,000	$ 1,391,000
4. Jefferson Street Parking Garage	$ 0	$ 1,800,000
5. One Pensacola Plaza	$12,000,000	$ 0
6. 316 S. Baylen Office	$ 7,000,000	$ 0
7. Harborview	$10,000,000	*
8. New World Landing	$ 1,000,000	$ 0
9. Gulf Power Corporate Headquarters	$25,000,000	$ 0
10. New City Hall	$ 0	$ 8,000,000
11. Palafox Place		
Phase I	$ 175,000	$ 825,000
Phase II	$ 26,100	$ 132,000
Phase III	$ 170,539	$ 649,461
12. Municipal Auditorium Parking Lot	$ 0	$ 262,178
13. Pitt Slip	$ 2,500,000	$ 500,000
14. Plaza Ferdinand	$ 0	$ 200,000
15. T.T. Wentworth Museum	$ 0	$ 1,400,000
16. Paseo de Palafox	$ 0	$ 135,000
17. Belmont DeVilliers		
Sidewalk Reparis	$ 0	$ 126,600
Park Improvements	$ 0	$ 105,000
Infill Housing (lots)	$ 0	$ 144,000
18. Mariners Offices	$ 1,000,000	$ 0
19. Durnford Building	$10,000,000	$ 0
20. Quayside	$ 2,550,000	$ 0
21. Rhcdes Building	$ 1,100,000	$ 0
22. Cuitural Center	$ 0	$ 1,900,000
23. National Life Insurance	$ 900,000	$ 0
24. Meatpacker Building	$ 150,000	$ 0
25. Beacon Building	$ 0	$ 321,700
26. Theisen Building	$ 2,300,000	$ 0
27. Episcopal Day School/Christ Church	$ 1,500,000	$ 0
28. Carlton Palms	$ 3,300,000	$ 0
29. J.C. Penney Renovation.	$ 775,000	$ 0
30. U.S. Federal Courthouse	$12,000,000	$ 0
31. South Palafox Breakwater	$ 0	$ 2,600,000
32. Carr Garden Street Office	$ 1,000,000	$ 0
33. Pensacola News Journal Addition	$ 3,200,000	$ 0
34. Cedar Street Warehouse Office	$ 1,500,000	$ 0
35. Jackson's Restaurant	$ 1,000,000	$ 0
36. Marriott Inn- Chase Street	$ 6,000,000	$ 0
37. Copeland's Cajun Restaurant	$ 1,200,000	$ 0
38. Gem Quality Investments (townhouses/commercial)	$ 1,000,000	$ 0
39. Automatic Data Processing	$ 3,600,000	$ 0
40. Citizen's & Peoples Bank	$ 754,000	$ 0
41. Wendy's Restaurant	$ 1,000,000	$ 0
42. Chase Street Properties-office	$ 691,500	$ 0
43. A & E Signature Services	$ 521,673	$ 0
44. Fiber Optics Building	$ 678,748	$ 0
45. Visitor Information Center	$ 0	$ 703,122
46. Palafox Pier Phase I Plaza	$ 4,600,000	$ 288,000
47. Civic Center Park & Trolley Lots	$ 0	$ 130,000
48. Intermission Restaurant	$ 134,000	$ 0
49. 220 S. Palafox Place Office	$ 150,000	$ 0
50. E. Gregory Street Warehouse	$ 246,000	$ 0

51. Automotive Alternative Downtown (auto repair)	$ 100,000	$ 0
52. Samaritan Hands 1st Baptist Church Office	$ 150,000	$ 0
53. Pensacola News Journal	$ 200,000	$ 0
54. ECUA Waste Treatment Plant	$ 0	$ 550,000
55. City of Pensacola Port Administration Bldg.	$ 0	$ 486,696
56. City of Pensacola Port Maintenance Bldg.	$ 0	$ 138,677
57. 625 E. Romana St. Office	$ 115,000	$ 0
58. Harbourview on the Bay Office	$ 120,000	$ 0
59. 212 W. Intendencia St. Office	$ 250,000	$ 0
60. Church Diocese of Pensacola Media Center	$ 250,000	$ 0
61. First Baptist Church		
Chapel	$ 500,000	$ 0
Fellowship Hall	$ 1,500,000	$ 0
62. Seville Downtown Inn	$ 170,000	$ 0
63. 114 E. Gregory St. Office	$ 200,000	$ 0
64. Ambassadors Club of Escambia County Office	$ 100,000	$ 0
65. Institute for Machine & Human Cognition	$ 0	$ 130,000
66. AT&T Communications Office	$ 250,000	$ 0
Total	$147,025,709	$44,664,285

*Public promenade completed as part of Port Royal promenade improvements.

Source: City of Pensacola Commercial Building Permits declared value.

APPENDIX C DOWNTOWN MOUNT DORA CASE STUDY DATA

Summary of Items in Appendix C

1. CRA Overview
2. CRA Projects List
3. Private

Item 1: CRA Overview

NAME	Mount Dora Community Redevelopment Agency
CRA ASST DIRECTOR	Gus Gianikis
MAILING ADDRESS	900 N. Donnelly Street Mount Dora, FL 32757
TELEPHONE	352-735-7113
FAX	352-735-7109
E-MAIL	GianikasG@ci.mount-dora.fl.us
WEB ADDRESS	http://ci.mount-dora.fl.us/departments/commdev_cra.htm
BASE YEAR	1987
ACREAGE	470
COUNTY	Lake

Item 2: CRA Projects List

Mount Dora CRA Projects Summary		**COST**	
PROJECT NAME	**YEAR**	**TIF**	**Other**
Highland St / Liberty Ave Parking Lot	2003	$90,800	
Highland St / Liberty Ave Intersection & Drainage Improvements	2003	$50,600	
Highland St / Fifth Ave Intersection Improvements	2003	$77,400	
Donnelly St Phase 2 - Lincoln Ave. to Limit Ave	2002	$230,000	
Donnelly St Phase 1 - 7th Ave. to Lincoln Ave.	2001	$203,000	
Donnelly St / Limit Ave. Intersection & Traffic Signal	2001	$172,600	
Baker / Tremain St Parking Lot	2000	$214,975	
Downtown Curbs, Sidewalks, Lighting, Landscaping	1999-2000	$44,000	
Downtown Alleyways - Pavers, Lighting, Utilities	1999	$171,462	$103,519
Donnelly Park	1999	$120,000	$675,000
Childs Park / Gilbert Park Restrooms	1997	$125,000	
Parking Garage	1995-1996	$650,000	
Highland St R/W Improvements	1993-1995	$750,000	
TOTAL		$2,899,837	$778,519

Item 3: Itemization of Private Sector Development

MOUNT DORA CRA BUILDING PERMITS 1995-2003				
SITE / PROJECT NAME	**Address**	**Improvement Type**	**Square Ft**	**Cost**
Old Frisbee Gas Station	200 W. 5th	addition & renovation	6,533	$ 162,700
Arbors & Eyebrows	237 W. 4th Ave	new building	6,707	$ 330,000
		renov - new use	"	$ 231,900
Sunset Bldg	301-303 Baker St	new building	16,542	$ 701,835
Gables buildings	348 Alexander	new building	8,058	$ 285,485
	115 W. 3rd	new building	3,000	$ 25,891
Renaissance Bldg	411 -13 Donnelly St	renovation	5,860	$ 304,351
		renovation	1,609	$ 11,700
Pollack	142 E. 4th	new building	2,496	$ 116,200
Carillo - 3rd & Don	250 Donnelly	renovation	4,914	$ 10,000
		new building	"	$ 7,650
Goblin Market	331 Donnelly St	new building	1,220	$ 422,450
		addition	-	$ 5,600
Old Ace Hardware Bldg	402 Donnelly St	renovation	5,456	$ 56,551
Old Police Station	124 E. 3rd	renov - new use	2,053	$ 150,000
	421 Baker	renovation		$ 46,415
SunTrust Bank	200 E. 5th Ave.	new building	4,910	$ 24,449
Lake Cardiology	250 E. 4th Ave	new building	7,676	$ 850,215
5th Ave Auction House	746 E 5th	renovation	5,617	$ 528,341
When Pigs Fly	121 N Highland.	renovation	714	$ 15,000
Christian Hm & Bible Sch	137 N Highland	renovation	1,386	$ 21,200
Dreamstitchers	141 N Highland	new building	4,640	$ 266,000
Museum of Speed	206 N Highland	new building	6,263	$ 347,970
Tiffany's	354 N Highland	new building	3,781	$ 199,331
Village Antiques	405 N Highland	renovation		$ 134,249
Cumberland Farms	446 N Highland	?	2,000	$ 116,637
Jeremiah's	500 N Highland	renovation	1,735	$ 41,075
Restaurant	185 S Highland	renovation	1,664	$ 2,000
	245 S Highland	renovation	6,300	$ 12,300
Wee Watchem	310 S Highland	renovation	2,400	$ 8,806
	502 S Highland	renovation	1,520	$ 41,795
Ottoman's	801 S Highland	renovation		$ 26,000
Pink Flamingo	808 N Donnelly	renovation	1240	$33,773
	809 N Donnelly	renovation		$6,240
	851 N Donnelly	renovation		$175,000
Colonial Bank	909 N Donnelly	renovation		$2,000
Head of Times	911 N Donnelly	renovation	1036	$1,100
Salone II	1011 N Donnelly	renovation	1400	$2,000
Look Real Estate	1202 N Donnelly	renovation	970	$3,000
Office Park	1502 N Donnelly	new	9316	$412,385
Funeral Home	1800 N Donnelly	new	17231	$1,127,510
Camelot Realty	1898 N Donnelly	new	4250	$346,161
TOTAL				$7,613,265
Source: Mount Dora CRA				