

Building Momentum through  
Business Recruitment

# Imagine North Magnolia Project

**Florida Redevelopment Association  
Annual Conference**

Daytona Beach Oceanfront Resort  
October 25, 2012

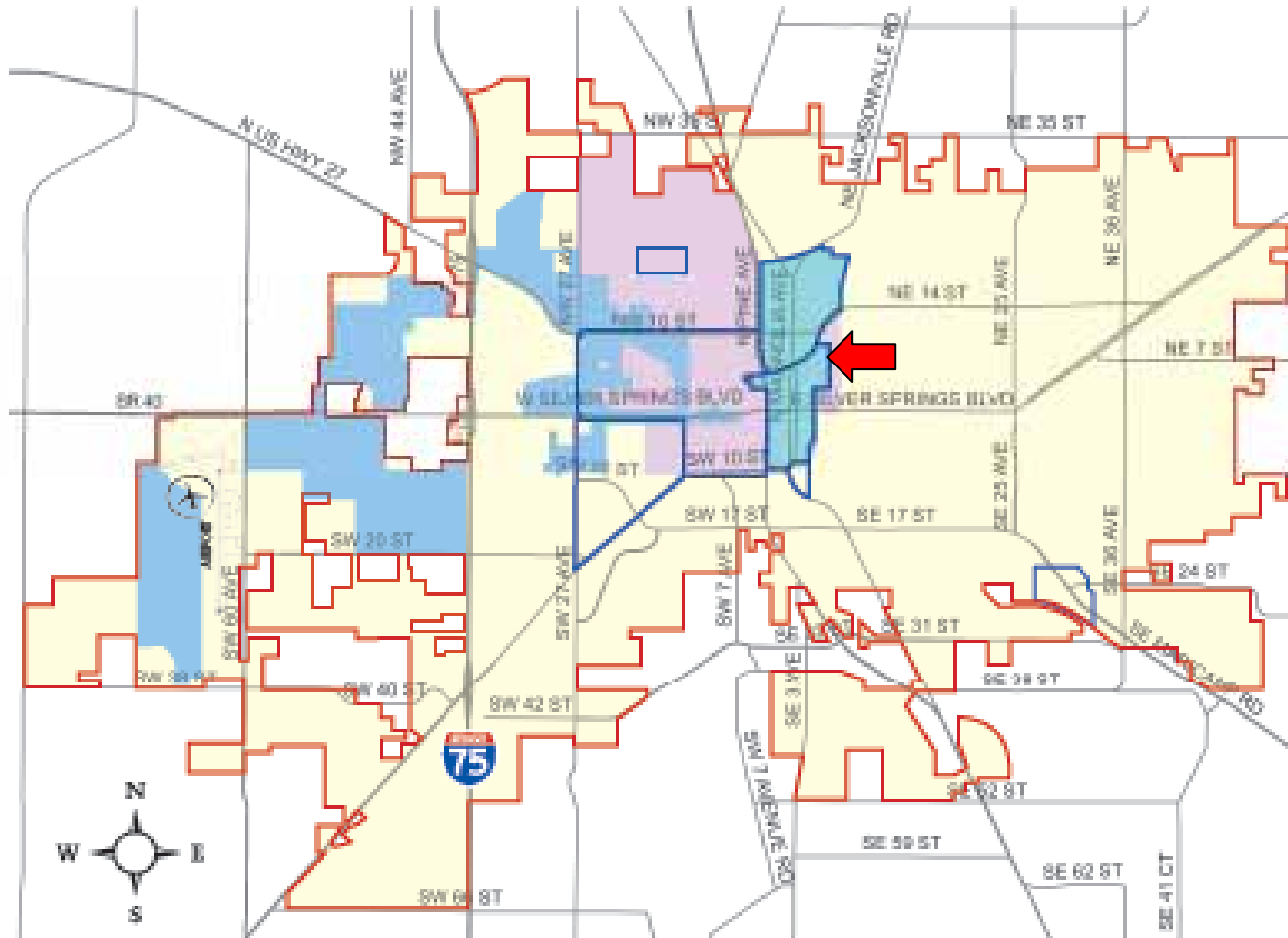
# Introduction

## Where's Ocala?



# Introduction

## Where's Ocala's CRA?



# Community Redevelopment Area

## Background:

- Original CRA and trust fund established in 1988 to include Downtown.
- CRA expanded to include North Magnolia Business District in 1999.
- CRA includes a total of 164 city blocks and 696 acres.
- Trust fund deposits commenced in 2000 and are currently  $\pm$ \$600,000 annual including interest earnings but are trending down.
- CRA and trust fund extended in 2006 until 2038.
- A variety of recent business recruitment initiatives have occurred within the CRA as follows:

# Community Redevelopment Area

## Business Recruitment Examples:

Company	Private Investment	City Investment	New Jobs	Annual Payroll
Florida Institute for Human and Machine Cognition	\$700,000	\$300,000	15	\$1,500,000
Qualcomm Atheros, Inc.	\$950,000	\$359,000	70	\$7,000,000
Sitel Operating Corporation	\$1,700,000	\$1,250,000	500	\$9,825,000
Ansafone Contact Centers, LLC	\$2,000,000	\$550,000	300	\$6,540,000
Totals	\$5,350,000	\$2,459,000	885	\$24,865,000

### Notes:

1. Private investment includes value of building improvements, machinery, and equipment.
2. City investment includes value of fee waivers, infrastructure, matching funds, and cash payments.
3. The timing and duration of private investments, jobs, and payrolls varies.
4. City investments are based on company performance.

# Imagine North Magnolia Project

## Background:

- Conversion of vacant building Taylor, Bean & Whitaker (August 1999)
- Company created 150 jobs at \$4,261,754 annual payroll
- City invested \$45,000 in QTI matching funds and other infrastructure improvements



# Imagine North Magnolia Project

## Infrastructure:



# Imagine North Magnolia Project

## Expansion:

- Construction of new TB&W corporate headquarters (January 2004)
- Company created 110 jobs at \$2,980,000 annual payroll
- Company invested \$4,550,000
- City conveyed brownfield site valued at \$216,000





# Imagine North Magnolia Project

## Collapse:

- FBI closes TB&W operations (August 2009)
- 1,000 jobs instantaneously lost within Ocala alone
- \$25,000,000 in lost wages
- Over 100,000 square feet of vacant building space



# Imagine North Magnolia Project

## The Challenge:

- Replace jobs, payroll, capital investment
- Legal entanglements, separate ownership
- Limited parking availability, building supports 600 person occupant load but only 300 parkings spaces
- Increased slum and blight



# Imagine North Magnolia Project

## The Approach:

- Opportunity for new vision and business diversification
- Opportunity to remove slum and blight through code enforcement lien foreclosure
- Opportunity to use employers as catalyst for redevelopment
- Opportunity for new parking in support of maximum occupancy





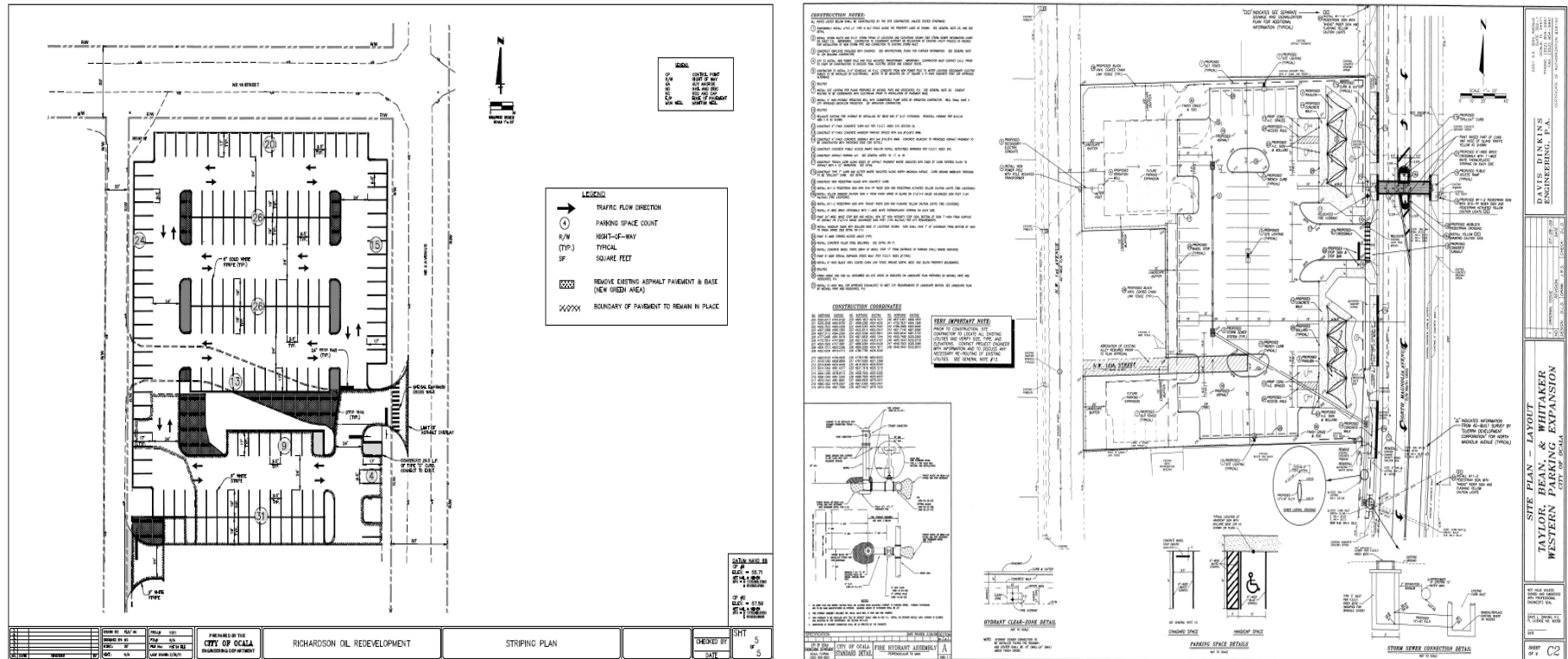
# Imagine North Magnolia Project

## Slum and Blight Examples:



# Imagine North Magnolia Project

## Parking Lot Designs:



# Imagine North Magnolia Project

## The Result:

- City entered into agreement with Sitel Operating Corporation (June 2012)
- Company creates 500 jobs at \$9,825,000 annual payroll
- Company invests \$1,700,000
- City invests up to \$1,250,000 and leases parking to company
- City leverages employer as catalyst for redevelopment



# Imagine North Magnolia Project

## Lessons Learned:

- Figure out how to work around road blocks
- Focus as much energy and funding on **implementation** as you do on planning and preparation (if not more)
- Use every tool available (ie. code enforcement, economic development partners, state incentive zones, in-house design staff, in-house construction crews, etc.)
- Don't expect results overnight but also don't be complacent
- **Deliver on promises, people will take you serious when you perform!**



**Do You Have  
Any Questions?**