



## CITY OF TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY FY 2015 EVALUATION OF PERFORMANCE MEASURES

In April 2015, the CRA Board adopted a series of performance measures to help measure the success of CRA programs and projects in addressing conditions of blight within the Greater Frenchtown/Southside Community Redevelopment Area (GFS District) and the Downtown District Community Redevelopment Area (DT District). Unless otherwise noted, the evaluation period covers the fiscal year (FY) 2015 period, which extends from October 1, 2014 through September 30, 2015. This is the first year of the performance measures and staff anticipates recommending both performance measure and program adjustments to the CRA Board as we progress through FY 2016.

1. Leveraging CRA assistance with private investments in support of major redevelopment projects (more than \$500,000 in CRA assistance).

The three major redevelopment projects listed below, all in the DT District, were added to the tax rolls in 2014 and generated tax increment revenue for the CRA in FY 2015. Each project's performance is listed in the individual performance measures and is outlined in Table 1:

- College Town
  - 601 South Copeland
  - The Catalyst
- a. Level of CRA assistance as a percentage of total project cost/private investment. CRA assistance to major redevelopment projects does not exceed, on average, 10 percent of development costs.

***Performance Evaluation: This measure has been met.***

The average level of CRA assistance provided to the three redevelopment projects was 5.86%.

- College Town - 12.28%
  - 601 South Copeland – 1.84%
  - The Catalyst – 3.45%
- b. CRA investment in major redevelopment projects increases post-development taxable value by at least 20%, on average.

***Performance Evaluation: This measure has been met.***

As shown in Table 1, below, the post-development taxable value for all three projects greatly exceeded the 20% on average measure, with a minimum value increase of nearly 3,000%. While this value seems unusually high, it is important to note that the pre-development taxable value of the 601 Copeland property was zero (\$0) due to the property being owned by the City prior to redevelopment. The other properties on the list also had low property values prior to redevelopment. This occurs when property is significantly underdeveloped. As the CRA District continues to develop, property values should improve and the delta between pre and post development property value should decrease.

Table 1

Grant Recipient	CRA Assistance	Total Project Cost	% of CRA Assistance	Pre-Development Value	Post Development Value	Increase in Value	Taxable Value Increased at least 20%
601 S Copeland	\$395,000	\$21,500,000	1.84%	\$0	\$17,877,896	\$17,877,896	YES
Catalyst	\$911,800	\$26,400,000	3.45%	\$881,328	\$26,132,164	\$25,250,836	YES
College Town	\$2,382,045	\$19,391,160	12.28%	\$1,207,059	\$14,878,211	\$13,671,152	YES
Average Percent			5.86%				3000% minimum

- c. At least one major redevelopment project approved, started and/or completed within the targeted areas bi-annually.

***Performance Evaluation: This measure has been met.***

Three major CRA-funded redevelopment projects met this performance measure during the fiscal year. These projects are discussed in greater detail in the FY 2015 CRA Annual Report.

- Funding for Big Bend Cares was **approved** in September
- The purchase and renovations of 524 N. Martin Luther King, Jr. Blvd for the Frenchtown Farmer’s Market **started** in April.
- The residential component of the Onyx mixed-use student residential development was **completed** in August.

2. Success of CRA small business grants programs:

- a. Commit at least 75 percent of budgeted small business grant funds each year.

***Performance Evaluation: This performance measure was partially met.***

- ***This measure was met for the GFS Commercial Painting Grant Program, with 84% of the funds committed, and the DT Commercial Façade Grant Program, with 100% of the funds committed.***
- ***The measure was not met for the GFS Commercial Façade Grant Program, with 44.9% of the funds committed, and DT Commercial Painting Grant Program, 63.3% of the funds committed.***

- (1) FY 2015 GFS Commercial Painting Grant Funds: 84.3%. \$25,303 of the \$30,000 in budgeted grant funds was committed against five projects. Similar to the Commercial Façade Grant program, this was the first year grant funds were targeted to a specific area within the GFS District, which limited potential applicants. The Painting Grant Program will also be incorporated into the GFS Business Facility Improvement Grant Program for FY 2016.
- (2) FY 2015 DT Commercial Façade Grant Funds: 100%. All budgeted DT Commercial Façade Grant funds were committed against three projects during FY 2015.
- (3) FY 2015 GFS Commercial Façade Grant Funds: 44.9%. \$88,819 of the \$200,000 in budgeted grant funds was committed against four projects. This was the first year grant funds were targeted to a specific area within the GFS District, which limited potential applicants despite a staff door-to-door visit of eligible businesses in the target area.

The program is being modified to increase the number of potential applicants by lowering the cost of entry. Starting in FY 2016, the GFS Commercial Façade Grant Program has been incorporated into the GFS Business Facility Improvement Grant Program, which includes a \$10,000 no-match grant, making it easier for small businesses to participate in the program. Additionally, the program now allows greater flexibility in how the funds may be used. Staff is working to make businesses in the targeted area aware of the changes and anticipates a higher participation rate in FY 2016.

- (4) FY 2015 DT Commercial Painting Grant Funds: 63.3%. \$9,500 of the \$15,000 in budgeted grant funds was committed against two painting projects. The DT Commercial Painting Grant program has seldom generated the same level of interest that the GFS Commercial Painting Grant program has. As a result, the amount of funds budgeted against this project has been reduced from \$30,000 to \$15,000 in recent years. There were no applicants for FY 2014. Staff may recommend the program be discontinued if the results do not improve in FY 2016.

- b. Percentage of Commercial Façade Improvement grant recipients that exceed the minimum dollar-for-dollar match requirement, with a goal of averaging \$1.50 in private investment for each CRA dollar invested. The total project cost is taken from the application for the grant.

***Performance Evaluation: This measure has been met.***

- (1) FY 2015 GFS Commercial Façade Grant Funds. Four GFS Commercial Façade Grant applications were received and approved in FY 2015. Two of the projects alone exceeded the \$1.50 private investment match for each CRA dollar invested when considering total projects costs, which includes renovations not covered by the grant. An average of all four projects yielded a ratio of \$1 in CRA investment resulting in \$2.65 in private investment. The details the CRA and private investments in each project are describe in Table 2, below.

Table 2

<b>Grant Recipient</b>	<b>Total Project Costs &amp; Grant Eligible Expenses</b>	<b>CRA Grant</b>	<b>Ratio of CRA Investment to Private Investment</b>
831 Old Bainbridge Rd	\$64,965 \$44,965	\$22,483	\$1 to \$1.89
1818 S. Monroe St	\$119,694 \$107,292	\$50,000	\$1 to 1.39
567 Industrial Dr	\$18,138 \$18,138	\$9,069	\$1 to \$1.00
2531 S. Adams St	\$53,357 \$14,537	\$7,268	\$1 to \$6.34

- (2) FY 2015 DT Commercial Façade Grant Funds: 100 percent. Three DT Commercial Façade Grant applications were received and approved in FY 2015. Two of the projects exceeded the \$1.50 private investment match for each CRA dollar invested based on the basic grant match alone. All three projects exceeded the private investment match goal. CRA and private investments in each project are detailed in Table 3 below.

Table 3

Grant Recipient	Total Project Cost and Grant Eligible Expenses	CRA Grant	Ratio of CRA Investment to Private Investment
222/224 E. College Ave	\$748,730 \$248,730	\$50,000	\$1 to \$13.97
227 N. Bronough St	\$3.5 Million \$735,100	\$50,000	\$1 to \$68.98
402 W. College Ave	\$425,000 \$100,625	\$50,000	\$1 to \$7.50

- c. Percentage of grant recipients in business three and five years after completion of improvements.

***Performance Evaluation: This measure has been met.***

The Commercial Façade Grant Program provides grant funds for exterior building improvements; applicants can be the property owner or a tenant. Many property owners use the grant funds to improve the exterior of their building in order to attract one or more tenants. In the case of façade improvements that were made to the exterior of leased properties we consider the grant recipient to be in business if the property has tenants or the owner is actively seeking tenants. Table 4 notes the properties that are leased or are actively seeking tenants.

Five Years after Completion – 100%. Two (2) grant recipients completed their projects in 2011 and both were still in business at the end of fiscal year 2015.

Three Years After Completion – 100%. Four (4) grant recipients completed their projects in 2013 and all were still in business at the end of fiscal year 2015.

Table 4

	Project Name	Type of Business	Street Address	Grant Amount	Project Completed	District	In Business	Comments
5 Years 3 Years	Lewis & Whitlock	Architectural Firm	206 W. Virginia	\$50,000	1/4/2011	DT	Yes	
	KF4Holdings LLC	Multiple Retail Facilities	1216 N. Monroe	\$50,000	12/16/2011	GFS	Yes	Leased
	Franklin J. Worth Trust	Commercial	729 W. Gaines	\$24,779	4/3/2013	GFS	Yes	Leased
	ASA Office Space, LLC	Office Building	205 S. Adams	\$50,000	3/21/2013	DT	Yes	
	630 West Brevard St.	Office Building	630 W. Brevard	\$8,950	7/1/2013	GFS	Yes	Leased
	Ron Sachs Communications	Office Building	114 S. Duval	\$6,036	9/5/2013	DT	Yes	

3. Infrastructure

- a. CRA assistance as a percentage of the total project cost, with a goal of limiting CRA assistance to a maximum of 20 percent of total project cost.

**Performance Evaluation: The CRA had no active infrastructure projects in FY 2015.**

4. Quality of Life

- a. Number of CRA-supported promotional/special events supported annually.

**Performance Evaluation: This measure has been met.**

The CRA provided \$70,000 in CRA Promotional and Special Event Grant funds (\$35,000 for each district) supporting 8 events in the GFS District and 7 events in the DT District. An additional \$30,000 in matching funds from the Downtown Improvement Authority added 9 more events to the DT District for a total of 16 events.

- b. Commit at least 90 percent of budgeted promotional/special event funds each year.

**Performance Evaluation: This measure has been met.**

In fiscal year 2015, \$70,000 was budgeted for the Promotional and Special Event Grant Program. The full \$70,000 (100%) was committed to fifteen (15) events.

- c. Minimum of 25 percent increase in previously approved applicant’s financial contributions towards promotional/special events after two years of CRA assistance.

***Performance Evaluation: This measure has been met. Four of the 15 approved applicants had one or more approved previous applications. These 4 applicants (Table 5, below) increased their contribution from previous years by at least 25%. The remaining 11 applicants have not received two consecutive years of prior CRA promotional/special grant assistance.***

Table 5

	Organization	Event	Years Funded	Applicant’s Contribution Increased by at least 25%
1	John G. Riley Center/ Museum	Season of Emancipation - Walk Through Living History	2013, 2014 & 2015	Yes
2	Tallahassee Film Society	Film Series	2013, 2014 & 2015	Yes
3	Martin Luther King Dare to Dream Association	MKL Dare to Dream Festival	2013, 2014 & 2015	Yes
4	Tallahassee Bach Parley	Tallahassee Bach Parley Concert Series	2013, 2014 & 2015	Yes

- d. Decrease in funding needs of prior approved applicants after three years of CRA support.

***Performance Evaluation: This measure cannot be evaluated at this time. There were no applicants who received CRA assistance for three consecutive years.***

- 5. Elimination of blighted conditions
  - a. Commit at least 85 percent of CRA small business grant funds dedicated to targeted areas annually.

***Performance Evaluation: This performance measure was partially met.***

- ***This measure was met for the GFS Commercial Painting Grant Program, with 84% of the funds committed, and the DT Commercial Façade Grant Program, with 100% of the funds committed.***
- ***The measure was not met for the GFS Commercial Façade Grant Program, with 44.9% of the funds committed, and DT Commercial Painting Grant Program, 63.3% of the funds committed.***

- ***Please see Performance Measure #2, above, for a full review and evaluation.***

- b. Commit at least 85 percent of affordable housing funds dedicated to targeted areas annually.

***Performance Evaluation: This measure has been met with 100% of the \$200,000 in FY 2015 affordable housing funds being committed in the South City area of the GFS district.***

- c. 100 percent of small business projects to be completed within one year of agreement approval.

***Performance Evaluation: This measure could not be fully evaluated at the end of the fiscal year because a full year had not passed from the date all FY 2015 small business project development agreements were executed.***

There were 15 small business projects (Commercial Façade Improvement Grants and Commercial Painting Grants) approved for both districts in FY 2015. Of these 15 projects, 8 were completed within one year of the agreement approval. For the remaining seven, a full year has not passed since the approval of the agreement. Staff will provide updates on this measure during project updates to the CRA Board.

- d. 100 percent of affordable housing projects completed within eighteen months of agreement approval, unless the agreement specifies otherwise.

***Performance Evaluation: As of the end of FY 2015 we did not have 18 months of affordable housing activity to evaluate this performance measure.***

However, we expect the purchase of two residential properties (one on Wallis Street and one on S. Meridian), lead paint and asbestos inspections and, if appropriate, removal and demolition to be completed by the end of March 2016, which will meet the 18-month performance measure goal. Staff will provide updates on this measure during project updates to the CRA Board.